STRATEGIC ANALYSIS FOR A NOT-FOR-PROFIT ORGANIZATION
SPECIALIZING IN DEVELOPMENT TRAINING FOR GIRLS

by

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PROJECT SUBMITTED IN PARTIAL FULFILLMENT OF
THE REQUIREMENTS FOR THE DEGREE OF

MASTER OF BUSINESS ADMINISTRATION

In the Executive MBA Program
of the
Faculty
of
Business Administration

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SIMON FRASER UNIVERSITY

Spring 2013

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Abstract

A Vancouver-based not-for-profit organization is reaching a turning point. After five years of operation, it is committed to generate social benefits while becoming financially self-sustaining for the long term. It wants to expand operations beyond its base, beyond Canada. This strategic analysis explores how to transform the not-for-profit organization currently dependent on sponsorship into one that generates sufficient revenue to develop new programs. The organization’s mission, internal resources, capabilities and current strategy as well as the relevant not-for-profit sector are reviewed in detail to assess its long-term viability. This report outlines and evaluates strategic alternatives to derive a recommended strategy. This analysis recommends that a strategic plan solely focused on sustainability be pursued over the next five years. Strengthening the charity’s brand and transitioning it from dependency on sponsorships to charging fees for all services will achieve this goal. Furthermore enlisting volunteers and hiring part-time staff with relevant expertise to support specific activities will enable the organization to achieve its desired impact on social well being.

Keywords: community service; development of girls; leadership training; not-for-profit.
Dedication

I dedicate this analysis to Shawn, who dared me to pursue an MBA. The experience has indeed brought me a fresh perspective on work, valuable professional connections and most of all new friendships. Thank you for encouraging me and being so supportive!
Acknowledgements

I first would like to extend my thanks to Loretta Cella who talked with me of her expansion goals for Passion Foundation and who kindly invited me to take part in her organization’s strategic reviews. I am also grateful to Passion Foundation’s directors and advisors for their warm welcome and enthusiasm in sharing their ideas. Ladies, you are individually inspiring. Together, you have a powerful impact on the lives of many young women around the world!

To Dr. Aidan Vining, my senior supervisor, and Dr. Andrew von Nordenflycht, my second reader, I offer my sincerest gratitude. Dr. Vining, your expert guidance and generous feedback helped me produce a better analysis and more importantly develop a set of pragmatic recommendations for Passion Foundation. Dr. von Nordenflycht, your insightful comments were most appreciated.
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# Glossary

<table>
<thead>
<tr>
<th>Abbreviation</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>BC</td>
<td>British Columbia</td>
</tr>
<tr>
<td>BCA</td>
<td>Benefit-Cost Analysis</td>
</tr>
<tr>
<td>CanWIT</td>
<td>Canadian Women in Technology</td>
</tr>
<tr>
<td>CATA</td>
<td>Canadian Advanced Technology Alliance</td>
</tr>
<tr>
<td>CSR</td>
<td>Corporate Social Responsibility</td>
</tr>
<tr>
<td>DAWEG</td>
<td>Division for Advancement of Women in Engineering and Geoscience</td>
</tr>
<tr>
<td>HTTPS</td>
<td>Hypertext Transfer Protocol Secure</td>
</tr>
<tr>
<td>PES</td>
<td>Providers of Equivalent Services</td>
</tr>
<tr>
<td>PEST</td>
<td>Political, Economic, Social and Technological</td>
</tr>
<tr>
<td>TED</td>
<td>Technology, Entertainment, Design talks</td>
</tr>
<tr>
<td>WISPP</td>
<td>Washington State Institute on Public Policy</td>
</tr>
<tr>
<td>YWCA</td>
<td>Young Women Christian Association</td>
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</table>
1: Delivering Action through Passion

“Our environment creates pressures for girls to “fit in” and as a result has caused uncertainty about how they can achieve success in life. These environmental influences can affect the self worth of young women and create the potential for self-harm through substance misuse and abuse, cutting, unhealthy relationships, and poor self-care. Passion Foundation’s mission is to help young women achieve personal success in life by supporting each other.” (Passion Foundation).

1.1 Creation of the Foundation

Loretta Cella incorporated Passion Foundation in 2007 with the mission both to support leadership development for adolescent girls and to promote community service. Ms. Cella is an experienced child and youth counsellor. She is also a certified Canadian Career Development Practitioner and life-enhancement coach. She had worked in child and youth services for 10 years before launching Passion Foundation. She is the Executive Program Director of the not-for-profit organization she has founded.

Through the early part of her career, Ms. Cella realized that many girls and young women lacked self-esteem and the necessary skills to live out their full potential. From her own difficult youth experiences of suffering bullying, fights and self-harm, she realized that engaging in community service helps one build confidence in facing life’s challenges. She therefore developed a training program specifically aimed at boosting self-awareness and self-esteem for girls.

The course teaches the girls how to realize their full potential. It teaches them to harness their passion and live a more purposeful life. The course teaches a participant to reflect upon her definition of happiness. It then leads her through a multi-step process to achieve self-actualization. The participant experiences the following training stages:

• Recognizing one’s own strengths
• Understanding that limitations are self-imposed
• Becoming aware that it takes courage to follow one’s own intent
• Appreciating the value of cooperation
• Exploring ideas for personal growth
• Developing a community service project to apply lessons learned in class

**Figure 1.1 – Passion Foundation’s Training Transforms Vulnerable Girls into Confident Community Leaders**

![Figure 1.1](image)

*Source: by author*

The Executive Program Director facilitates the training workshop herself. The development training to promote healthy choices and leadership is currently designed for girls between the ages of 11 and 18 years. It can be tailored to young adults. Since its inception, Passion Foundation has trained over 350 girls.

The manner in which Passion Foundation yields social benefits can be illustrated as in Figure 1.1. The pyramid represents the growth a girl experiences as she moves from the bottom up the levels. The more a girl learns, the better equipped she is to give back to the community and the broader is her network base. A percentage of girls become at risk youth as they evolve through adolescence. By participating in Passion Foundation’s training workshop, the girls benefit from education and workshop activities. They share experiences with other participants and develop bonds. They develop a community project together. Trained girls enlarge their network in the community because of the shared activity. The project they work on in turn yields benefits to the community. Some of the girls may become mentors for new cohorts of girls joining the Passion Foundation training workshop.
1.2 Harnessing a Girl’s Confidence for Living Authentically

Passion Foundation provides targeted interventions to minimize the incidence of girls and young women at risk. It offers them training, coaching services and mentoring to help gain self-confidence. This process allows them in turn to blossom into healthy and productive young adults.

1.2.1 Troubling Canadian Statistics on Female Youth

The McCreary Centre Society conducted the BC Adolescent Health Survey in 2008 across BC high schools. It revealed that the majority of youth showed health and connectedness to their family, school and community. It disclosed however that some BC youth are vulnerable. It found the following troubling statistics in particular for girls (McCreary Centre Society, 2009):

- 10% of female youth only were satisfied with their body image; girls were more likely to diet or give in to binge eating than boys
- 19% of girls reported being physically abused compared to 14% of boys
- 13% of girls reported being sexually abused compared to 3% of boys
- 55% of girls were more likely to be verbally sexually harassed, and 37% physically harassed (vs. 38% and 17% for boys)
- 9% of youth ran away from home; those who did were more likely to experience extreme stress to the point of attempting suicide
- 18% of girls over the age of 12 reported experiencing extreme stress in the past month compared to 10% of boys; this increased the older the girls possibly due to greater responsibilities, demands and expectations at home
- 22% of girls reported self harming to cope with stress and pain compared to 12% boys
- 8% of girls reported extreme despair compared to 4% of boys
- 7% of girls attempted suicide compared to 3% of boys; while more young men die by suicide, young women have nearly three times the rate of hospitalization for suicide attempts

Furthermore, the Public Health Agency of Canada issued a report in 2009 that stated young women under the age of 25 experience the highest rate of partner violence; it reported the greatest increase of HIV infections is among young women aged 15 to 29 (Public Health Agency of Canada, 2009).
What is it that is creating such a difference between girls and boys? These statistics are not too different from those found five years earlier, when the last Adolescent Health Survey was conducted. The research shows that at puberty boys and girls start to show changes in their levels of self-esteem.

1.2.2 Drop in Self-Esteem at the Onset of Puberty

Research shows that once young children transition into puberty, they start to lack self-esteem. The definition of self-esteem is the combination of an individual’s thoughts and emotions about oneself. It is one’s degree of confidence in one’s own abilities and natural talents. Self-esteem is a key factor in ensuring a young adult’s mental and physical wellbeing. Adolescence is a critical development period of self-esteem. Typically, a young adolescent will experience a drop in self-esteem because of transitioning into puberty. During this period, satisfaction with one’s body or appearance is closely linked to one’s level of self-esteem. Over the course of adolescence, the individual will gradually recover self-esteem.

Research shows that girls typically experience a more pronounced drop in self-esteem than boys do. With the onset of puberty, girls are three times as likely to suffer from depression due to low self-esteem, negative body image and stress. Research conducted in 2007 by the American Psychological Association revealed that girls emulate what they see in the media: young women being evaluated by their sexual appeal or behaviour. This hyper-sexualisation of young women is harmful to girls’ self-image (Gurian). It undermines their confidence. It demeans their value. It makes them anxious. Parents however can play a major role in fostering self-esteem by disregarding gender bias. They should encourage their daughters to pursue activities, hobbies and sports. Parents should allow their daughters to ignore traditional social norms.

Feminist research suggests that girls also succumb to society’s expectation to act as “good girls” (Impett, Sorsoli, Schooler et al, 2008). Girls are expected to behave kindly. They should always be polite. Good girls do not act confrontational. They avoid conflict. In response to these social pressures, many adolescent girls avoid being truthful. They thus cannot act authentically in their relationships with family, friends or boys they date. For instance, rather than reveal their true emotions and risk hurting a friend’s feelings, young adolescent girls suppress their thoughts. Many pre-teens try to please others rather than risk losing relationships. In the process, the young girls silence their opinions. They censor themselves. Some even loathe themselves. Their behaviours are no longer spontaneous as when they were children. Over time,
many girls gain confidence as they mature. They then start to express their thoughts and emotions again.

Unfortunately, many girls never completely recover their self-esteem. Girls with lower levels of self-esteem become vulnerable to risky behaviour (Biro, Striegel-Moore, Frank et al., 2006). They are more likely to engage in sexual activity unprotected. Some may experience eating disorders (bulimia or anorexia). Some hate their developing bodies (Gurian) and resort to self-mutilation. Others show aggression. Yet, others withdraw into depression. Girls with very low self-esteem are three times more likely to attempt suicide.

Even when they appear to have successful careers or to have achieved economic autonomy, many women may not achieve happiness. Self-doubt and lack of confidence typically plague girls well into adulthood.

In summary, girls experience a drop in self-esteem at about 9 years old as they transition into puberty. Normally, they recover self-esteem by the time they reach adulthood. However, some girls with lower self-esteem suffer self-loathing, eating disorders and depression. In these situations, the girls are vulnerable to risky behaviour. Training and interventions focused on self-esteem and healthy development prevent such desperate behaviours.

1.2.3 Rise in Self-Esteem through Early Intervention

Providing training to young girls has the greatest positive impact. Programs that promote self-esteem, strengthen self-confidence and build resilience are of critical importance. These programs allow girls to become mentally and emotionally healthy adults. The training benefits outweigh the costs of delivering the course. Trained girls learn to make good choices in life. They avoid unwanted pregnancy. They do not become juvenile delinquents. They seek help before they sink into depression.

The Canadian federal government’s Status of Women organization published in 2011 a set of recommendations pertaining to boosting self-confidence in young women. It commented Canadian women do not succeed in the business sector in same numbers as well as their male counterparts. It noted that in 2011 women occupied only 5.8% of CEO positions and 14.5% of board positions. It thus concluded that lack of self-confidence holds women back from leadership positions. It recommends “instilling a sense of leadership and empowerment” in women “to help them navigate their teen years and transition successfully into adulthood” (Status of Women Canada, 2012). In order to do that, the report suggests seeking opportunities to build their “self-
esteem, self-reliance, independence and leadership skills in a non-judgmental and safe environment” (Status of Women Canada, 2012).

The Status of Women report also points out that providing young girls with information empowers them to make decisions. The information to disclose should educate girls not only about education, career opportunities and healthy lifestyle choices but also about their legal rights and financial investment.

Women can become strong role models for girls. First, mothers who are more acutely aware of their adolescent daughters’ emotions can help them build life skills. Second, celebrating accomplishments of women in government, business, academic and community sectors would provide young women with powerful role models. Furthermore, public recognition of these successful women would break down gender stereotypes to jobs considered non-traditional for women.

Mentoring too is critical in promoting self-esteem. Mentoring is supporting girls to enable them to develop skills. Mentoring is the encouragement one offers to help them manage learning and improve performance. Mentoring girls involves sharing experiences to help them gain an understanding of options they face. The Canadian Women’s Foundation has found that connectedness “lowers the rate of teen pregnancy, substance use and abuse, suicidal behaviours, and dating violence” (Status of Women Canada, 2012). Connecting girls with accomplished women provides them with a sense of belonging and therefore of safety. This social connection fosters community.

Research shows that community service instills self-confidence and positive outlook (Middleton & Kelly, 1996). At a qualitative level, community service produces positive impact on youth participating in those initiatives. Through service participation, or better yet leadership, a girl develops her own network of contacts and friends that will support her well into adulthood.

1.2.4 Measuring Social Benefits through Community Service

Measuring the effects of all social interventions is typically performed through Benefit-Cost Analysis (BCA). It is a framework used to take into account all measurable social benefits and related costs. It essentially calculates the net benefit by comparing all costs related to delivering the social programs, with estimated benefits expected. For instance, BCA could estimate the opportunity cost of a volunteer’s donated labour to support a not-for-profit organization. Opportunity costs are not restricted to monetary or financial costs; the real cost of
output forgone, such as lost time or pleasure, should also be considered in the BCA (Vining & Weimer, 2013).

Targeted life-skill development for girls, such as the training workshop offered by Passion Foundation, yields many social benefits. A girl, who develops confidence through adolescence, will more likely complete high school and seek higher education. With more years of education, she has access to better paying jobs. She therefore will contribute to society in the form of taxes. She will also have a higher probability of leading a healthy lifestyle. In turn, she will teach those good lifestyle habits to her children. She will likely push her family to aim for a better education. Therefore, education yields positive effects beyond the girl’s productivity in the market. It improves her health, her marriage and her political behaviours for years following. Education even positively affects a woman’s family consumption patterns and the behaviours of her children. All of these social benefits are tangible and can be estimated through BCA.

Such an educated and happy woman may also volunteer her time in the not-for-profit sector. A 2012 analysis performed by the Washington State Institute for Public Policy (WISPP) shows that a monetary benefit-to-cost ratio of 1.74 for youth mentoring programs such as Big Sisters (Washington State Institute for Public Policy, 2012). This mentoring program is typically targeted for 13 year-olds at risk of delinquency. It delivers an overall real social benefit estimated at US$8,333 per participant. This estimate includes not only the expected benefit to the girl being mentored. It also takes into account the social benefits to taxpayers in terms of crime prevention, reduction in property loss due to substance abuse disorders, as well as the girl’s potential earnings resulting from high school graduation. WISPP calculated that youth mentoring effectively yields a social return-on-investment of 6% with a probability of positive outcome of nearly 60%. Therefore mentoring too delivers tangible social benefits.

In summary, early training for vulnerable adolescent girls can boost their confidence to overcome typical teenage challenges and to connect them with their communities. It prevents them from self-loathing, self-harm and depression. Assisting girls to gain self-esteem can be achieved through education, celebrating role models, mentoring and community service. These interventions and support programs deliver tangible benefits to society that can be estimated through BCA.

1.3 Growing the Organization beyond Leadership Training

Passion Foundation is currently focused on the development training for girls between 11 and 18. It can be represented with the chart shown in Figure 1.2. Once the girls receive the
leadership training, they are expected either to partake in a community awareness project or to launch some social enterprise. A group of girls may create a video about what girls experience through adolescence. The video could talk about their insecurities and the risks these present. It may recommend how best to face these challenges. Another form of practice is for a girl to plan and develop some small community service. It may entail creating and selling products in order to raise funds for some cause.

**Figure 1.2 – Passion Foundation’s Original Offering Caters to Girls**

![Passion Foundation's Original Offering](image)

*Source: by author*

Passion Foundation’s Executive Director has ambitions to expand the organization’s range of reach. She would like to not only cater to the needs of adolescent girls in Vancouver, but also broaden the base to all of Canada and to other countries.

### 1.3.1 Expanding the Organization’s Community

Currently, Passion Foundation relies on the generosity of donors to sustain its leadership program. It seldom charges the actual client (i.e. the girl) for the costs associated with delivering the training. All material expenses involved in delivering the training programs are covered by donations. The Executive Director has achieved this fine but tenuous financial balance through the kindness of friends and business contacts who believe in Passion Foundation’s mission. Frequently the Executive Director has to bear personally sundry costs such as transportation, parking and phone service. She also relies on volunteers to develop and enhance her website. She also relied on a generous volunteer to illustrate her course workbook free of charge. She does not pay for advertising. She rather publishes photos and testimonials from the girls on the Passion Foundation blog.
It is difficult for Passion Foundation to plan growth for the long term. It is predominantly financed by a private family foundation. While the donor has committed in advance to support Passion Foundation for a number of years at a particular level, he will not increase support in order to invest in other causes. Many other generous donors support Passion Foundation, but their donations are punctual and never guarantee further support in the future. Even established businesses and banks that sponsor Passion Foundation as part of their Corporate Social Responsibility initiatives, sometimes shift their funds to other causes after a couple of years.

The Executive Director therefore needs to define a new value proposition. She has to find new ways to generate enough revenue for new Passion Foundation services. The current approach would curtail the Executive Director’s ambitions to expand the range of services Passion Foundation offers. In particular, finding new sponsors takes a lot of time and effort. The fundraising effort in turn takes the Executive Director’s attention away from her true passion, which is promoting, developing and delivering training for girls. Furthermore, she is interested in expanding her program outside of the lower Vancouver Mainland and opening up membership chapters across Canada.

Passion Foundation is in the process of expanding its services to address the needs of young women. Modelled after the leadership development training for girls, the training would allow young women to learn skills that would enable them to develop community service, launch their own business or further develop their career paths. The Executive Director has already experimented once with a cohort of university students. She is now refining the curriculum based on lessons learned and participant feedback.

Through her love of travel, the Executive Director has adapted and delivered her training program to women of all ages in India, Kenya and Uganda. She has thus discovered that there is potential to export her training workshop to developing countries.

The Executive Director has also started to work on a documentary project to film the girls she trains in foreign countries. She has named the project “Global Sorority”. The intent is to use the documentary as an educational platform to create dialogue around the challenges that girls and young women face around the world. It is meant to provide them with leadership development tools to support their voices being heard. Passion Foundation would propose to screen it at educational institutions such as universities and colleges. Passion Foundation would charge for viewing the documentary. The Executive Director would deliver an introduction to the documentary. The class would view it. Then a post-viewing discussion would ensue. The discussion is to trigger action in the form of community service projects.
Another idea the Executive Director is exploring is the creation of a network of alumni who have taken Passion Foundation training. This network could be connected online through a website. It would effectively become a virtual community. It would become a hub for exchanging information and experiences about community service. Veteran alumni could coach and mentor newer members of the network, across international borders. Webinars could be delivered on sundry topics to teach girls and women how to start, implement and grow community projects. The alumni network would also provide an online venue for selling crafts and products created through the Passion Foundation community projects. It could also develop micro financing to members of the alumni community. Passion Foundation would sell all of these services in order to maintain the online platform.

**Figure 1.3 – Passion Foundation New Services Would Amplify Social Experiences for Girls**

![Diagram showing the services provided by the alumni network](image)

*Source: by author*

The proposed expansion initiatives would increase the social benefits in many ways. As shown in Figure 1.3, they would first amplify a girl’s experience in joining Passion Foundation programs. Second they would provide benefits not only to the Canadian communities in which the girl lives, but also deliver results on a more global level by exporting social benefits to
developing countries. Figure 1.4 shows the proposed transformation of the organization. It represents in purple the new activities of the organization.

Figure 1.4 – Passion Foundation Proposes to Expand its Client Services

Source: by author

1.3.2 Setting Strategic Goals for the Next Five Years

Passion Foundation should shift its strategy to garner enough revenue to finance program expansion. With a new business model, it may be possible to provide sustainable influx of funds for the following activities:

- To pay the Executive Director an annual salary and benefits
- To recruit support staff
- To hire the services of certified counselors, coaches and artists
- To procure software tools and online services
- To develop new training programs
- To sell services and products online

Passion Foundation is developing a new business plan. Over the past five years, it has established its core values as leadership and community service. For the next five years, it has defined the following goals for organization growth:

1. To make the organization financially sustainable
2. To raise $100,000 by end of 2014
3. To develop a new leadership training workshop targeted for young women 18-24 years
4. To deploy the Global Sorority online community by 2014
5. To complete the Global Sorority documentary by 2015
6. To train another 500 girls by 2017
7. To deploy at least 2 Passion Foundation member chapters outside BC and across Canada by 2017

This analysis report begins by describing Passion Foundation’s mission and stakeholders in Chapter 2 to provide context. Chapter 3 presents the organization’s internal resources and capabilities, focusing on how they contribute to the value generation process. The relevant not-for-profit sector is subsequently presented in Chapter 4. The chapter looks at the competitive, political, economic, social and technological trends that are likely to influence Passion Foundation’s operations and viability in the near future. Chapter 5 evaluates the not-for-profit organization’s operational model and delivers a prognostic for its future were it to continue with its current strategy. Chapter 6 outlines and evaluates strategic alternatives and provides a strategic recommendation for Passion Foundation.

For clarity, the term “girls” is used from hereon to refer to adolescent girls between the ages of 11 and 18.
2: Nurturing Client Relations

“Passion Foundation, a unique charity created to greatly improve the lives of girls and young women 11-24 years of age to help them realize and live out their full potential.” (Passion Foundation).

Passion Foundation delivers self-esteem and leadership training for adolescent girls to help them blossom into healthy and productive young adults. Chapter 1 revealed the vulnerabilities girls experience at the onset of puberty. It described how social pressures could adversely impact their confidence to mature into happy and productive adults. It explained the purpose for Passion Foundation’s existence. This chapter focuses on Passion Foundation’s culture and the people that it serves. In order to sustain itself, a not-for-profit organization needs to define itself with a strong sense of purpose and an effective deployment of its often-scarce resources.

2.1 A Well-Defined Core Mission

Passion Foundation can be characterized as a communitarian organization, which culture is rooted in collaboration and giving (Wexler, 2005). Dr. Wexler’s book informs that this type of organization promotes personal development and learning. Passion Foundation operates based on a sense of purpose. The Executive Director and the volunteers who support the organization are mobilized to teach girls how to grow into confident adults. Everything the organization does is focused on imparting training to its young clients, but all activities revolve around the personality of the leader. The Executive Director models the behaviour she wants to encourage alumni to adopt. She empowers them to experiment and learn from those experiences. She encourages dialogue to help them develop themselves. She draws them back into the organization to become mentors for the next cohorts of girls enrolled in Passion Foundation training.

Passion Foundation was created to provide training targeted at girls in Vancouver. Its original mission is to assist girls to acquire self-esteem, practice critical thinking and develop leadership skills. The training is meant to lead the girls on a journey of self-discovery and collaboration. It teaches them how to plan, develop and roll out a community service. Through this process, the girls learn that with confidence they can transform into what they aspire to become. More importantly, they are equipped with the skills and resources for any important decision they will make in their adult lives. Passion Foundation has taught them that if they live
with authenticity they can seize any opportunity that comes their way. They have the critical thinking skills to evaluate how their decisions will affect their future.

The Executive Director has specifically developed a training workshop for girls between the ages of 11 and 18. The workshop runs over a period of eight weeks at the rate of one two-hour training session per week, for total of sixteen hours of training. The workshop can accommodate up to ten participants at a time, in order to ensure individual attention during training sessions. Participants receive a workbook that they are expected to fill it out during the training.

At the end of the training session, the entire class is given a budget. For a class of younger girls, the training participants are expected to develop a community project. For older adolescents, they can use the funds allocated to establish a community service. For a cohort of young women, they will be encouraged to either develop a community initiative or launch a social enterprise project. For all age groups, the final project allows the girls to practice their newly developed skills in some real endeavour.

In summary, Passion Foundation operates in the not-for-profit sector focused on the leadership development of girls. The social benefits it delivers include boosting the girls’ self-confidence, arming them to make healthy lifestyle decisions, connecting them with their community and instilling in them leadership skills to develop programs and businesses.

2.2 Stakeholders Invested in the Leadership Development of Girls

In analysing a not-for-profit organization, it is useful to break down the stakeholders of the organization into those who produce and those who consume the services. In this instance, a supply chain diagram can help capture how the major players in the organization contribute to the transaction flows in normal operations. Supply chain management is a concept first introduced by in the early 1980s to show how a business’ resources, people, technologies and processes are used to transform raw materials into company products or services (Oliver & Webber, 1982).

Passion Foundation can be represented with the supply chain illustrated in Figure 2.1. This figure shows the major players. It lists what each player supplies (preceded by indicator “IN” for input) or receives in the transaction (preceded by indicator “OUT” for output). Pink rectangles represent participants in the supply chain that are external to the organization; the purple rectangle shows the employees of Passion Foundation.
Those who supply funds are called Sponsors; they provide the lion share of resources to cover operational costs. Those who host the training program are considered Intermediate Agents; they refer the workshop participants. The Coach delivers the training; currently, she is Passion Foundation’s Executive Director. The girls and young women who receive the training are called Trainees. The Trainees in turn give back to the community through their applied project; it is hoped that these projects provide some benefit to a targeted set of beneficiaries.

The supply chain shows that the Coach is currently at the centre of all Passion Foundation activities. It also reveals the organization is primarily dependent on the supply of funds from sponsors or intermediate agents, and the availability of the coach to deliver the courses. Therefore, most of Passion Foundation’s activities are focused either on obtaining financial resources or on delivering training and coaching services. The financial resources from hereon shall be referred as revenues.
2.3 Clients who Share the Same Passion for Community Service

Having identified through the supply chain major players in the operation of Passion Foundation, the analysis can be further refined by taking a closer look at the stakeholders that in the for-profit business sector would be considered customers. Passion Foundation’s clients are listed in Table 2.1. The first column lists the types of sponsors who have supported Passion Foundation since 2008. The second column shows the types of intermediate agents, and the last column lists the categories of trainees to date. Now the question becomes: what needs are served by the organization?

Table 2.1: Passion Foundation Involves Diverse Clients

<table>
<thead>
<tr>
<th>Sponsors</th>
<th>Intermediate Agents</th>
<th>Trainees</th>
</tr>
</thead>
<tbody>
<tr>
<td>Those engaged in an exchange relationship with the organization but not targeted recipients of primary services</td>
<td>Those who purchase services on behalf of their own clients or advise their own clients about services</td>
<td>The recipients of the primary service; usually the focus of the organization’s mission</td>
</tr>
<tr>
<td>• Philanthropic foundations</td>
<td>• Elementary schools</td>
<td>• Canadian pre-teens: Canadian girls 11-13 years old, in elementary school</td>
</tr>
<tr>
<td>• Intermediaries to wealthy donors</td>
<td>• Secondary schools</td>
<td>• Canadian teenagers: Canadian girls 14-18 years old, typically in high school</td>
</tr>
<tr>
<td>• Banks</td>
<td>• Outreach programs for special groups of students</td>
<td>• Canadian young women: Canadian girls 18-24 years old, in or out of college/university</td>
</tr>
<tr>
<td>• Large businesses</td>
<td>• University business schools</td>
<td>• Girls 11-24 years old outside of Canada</td>
</tr>
<tr>
<td>• Small businesses</td>
<td>• Youth custody center</td>
<td></td>
</tr>
<tr>
<td>• Business associations</td>
<td>• Psychiatric department</td>
<td></td>
</tr>
<tr>
<td>• Coaching institutions</td>
<td>• Municipal community social service agencies</td>
<td></td>
</tr>
<tr>
<td>• Individual donors</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Volunteers</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Source: by author, adapted from Boardman & Vining, 2000, p.401

Boardman and Vining suggest a framework especially designed for analysing not-for-profit organizations (Boardman & Vining, 2000). Understanding what each type of client values specifically in the organization will help the Executive Director to fine tune the services offered. Do sponsors and trainees care about the same attributes of Passion Foundation’s training? How are their concerns currently addressed? Do they overlap or are they completely disjointed? This information would provide the Executive Director with insight on how the organization’s resources are being used today; it will also hint at what needs refining for future service.
expansion. Each client is described in following subsections in terms of what characterizes the client group and what attributes it values in Passion Foundation’s services.

2.3.1 Uneven Support from a Broad Range of Sponsors

The not-for-profit organization has a number of sponsors. They supply the funds necessary to deliver training and promote the program. Passion Foundation has four types of sponsors:

- Private philanthropic sponsors
- Public sponsors
- Business partners
- Individual private donors and volunteers

Philanthropic sponsors are usually motivated by the legacy (or reputation) they will leave behind. Therefore, they seek investments that will meet their core values as well as yield real impact on the trainees. An example of private philanthropic contribution is that from the private family foundation currently supporting Passion Foundation. It currently sustains the not-for-profit organization, as it provides the largest supply of funds. It is a private foundation and awards to Passion Foundation one large donation a year. Its support is expected to continue but at a steady level. In other words, the amount of the sponsorship is not expected to grow over time. In economic terms, the sponsor demand is inelastic. Once a philanthropic sponsor espouses Passion Foundation’s mission, it is very likely that the commitment is firm and lasting. At present, Passion Foundation is highly dependent on a single predominant source of revenue. The Executive Director therefore feels pressure to find other ways of generating long-term sources of revenue. She must seek ways to attract and lock in other private sponsorships to support the expansion of the organization.

A few public companies or institutions that sponsor community programs as part of their Corporate Social Responsibility (CSR) initiatives also support Passion Foundation. For instance, a prominent Vancouver credit union sponsored Passion Foundation in 2012. Once commitment is secured at the beginning of the fiscal year, their donation is usually provided in regular deposits over the year. In return for their donation, these companies expect to see their company logo shown on Passion Foundation’s website. In effect, they are hoping their association with Passion Foundation would generate greater loyalty from their own customers. They might also expect a report to explain how their funds have contributed to Passion Foundation services delivered. In turn, these sponsors likely advertise Passion Foundation results to increase their reputation.
capital. Thus, application as well as reporting requirements for these types of sponsorships can be onerous on Passion Foundation. Furthermore, public sponsorships tend to be elastic. They are usually not guaranteed for the longer term. The more public sponsors, the greater the threat they will free ride. In this instance, some public sponsors will curtail their funding support, as they are aware others are joining in to support Passion Foundation. Therefore, the organization must realize that securing more sponsors may affect the commitment of existing ones.

Several small businesses sponsor Passion Foundation services as a way to fulfill their CSR goals or to promote their own products. Some offer their products at cost to be used for Passion Foundation’s fundraising. They hope in return to get greater access to their target market. Some donors are investment organizations that specialize in philanthropy, such as Tapestry Philanthropy Partners. Business sponsors collaborate with Passion Foundation to promote community engagement. The challenge with such partnerships is ensuring that both parties share the same vision, are committed to the exchange and clearly understand their respective parts of the deal. Dickinson and Glasby analysed pitfalls and opportunities with partnerships in the English health and social care field. They concluded that there were six common pitfalls, the most prevalent being “the failure to identify desired outcomes” and presenting the partnership as a means to improve the services “when the real drivers were primarily organizational self-interest” (Dickinson & Glasby, 2010, p.819). Therefore, any organization partners should explicitly articulate the reasons for their alliance. They should also formally capture their agreement and specify their respective actions against the agreed plan. It is imperative that the agreement be specific about how it addresses Passion Foundation’s client needs. Any other goals would just distract from the true purpose of the partnership. As long as their respective interests are aligned, these partnerships can be effective. If there is no perceived reciprocity in the relationship, these partners will abandon Passion Foundation and direct funds to other causes.

Many individual donors also sponsor Passion Foundation services. They typically espouse Passion Foundation’s cause. They may want to help in specific training workshops. They either donate funds or offer their labour. When they donate money, they may not make a commitment more than once. The Executive Director has to determine ways to lock them in, through regular installments, often in exchange for some consideration. Consideration is usually something the donor receives in return: a receipt for tax credit, words of gratitude mentioned on the organization’s website or in its annual report, a raffle prize, or an invitation to a special event. This requires Passion Foundation’s effort in tracking each donation and ensuring appropriate handling.
When they volunteer, the Executive Director is unable to compensate the donors for their efforts. She may however try to reward them with some token of appreciation. Some volunteers do not expect to be rewarded other than through the fulfillment of giving personally. Others may hope for a letter of reference to help them secure a remunerated job. The challenge with volunteers is what is referred in Economics as the agency problem. Though they are not compensated for their proposed work (or activity), volunteers may have personal goals that are incongruent with the Executive Director’s expected outcomes for the activity at hand. Furthermore, the Executive Director may not always have time to closely monitor the work provided. It may also be time-consuming to follow up with the volunteer to ensure the work is done in a timely fashion. This exposes Passion Foundation to the moral hazard problem, unless they draft a very clear contractual arrangement. The Executive Director can afford neither such effort nor money to do so. She must therefore rely on her personal aptitude to effectively screen volunteers. She has to be able to select volunteers whose goals are truly aligned with Passion Foundation’s vision.

2.3.2 Referrals by Several Intermediate Agents

A number of intermediate agents refer work to Passion Foundation. They often pay for the training venue. They include various schools as well as other centres for adolescents. They typically refer girls and young women who may be at risk or need specific mentoring.

Intermediate agents typically have a stake in the wellbeing of the girls or young women. They are particularly seeking tangible results. They value the outcomes of the training: community service projects implemented by the girls, or the fact that a girl at risk has completed school, or that a girl’s school grades have improved. In other words, they value the social benefits produced.

Intermediate agents seldom have resources to pay for the services, but they have access to a venue for delivering the training. They often have tight budgets with which to operate. Therefore, they do not have a high willingness to pay for training services. Nevertheless, they usually have experience applying for government grants.

2.3.3 Demand for Different Types of Clients

The Executive Director customizes the delivery of the training program according to the focus she wants to emphasize. She tailors the course activities and training pace primarily according to the girls’ age groups:
- Pre-teens school-aged girls between the ages of 11 and 13 years, with training focus on developing self-esteem
- Teenagers 14 to 18 years old who are typically in high school, with emphasis on leadership
- Young women 18 to 24 years old who are typically in university or college, with emphasis on entrepreneurship and community service.

The Executive Director has also delivered training workshops in Canada specifically for teenagers in prison. Furthermore, she has tailored her course according to location; she offered an adaptation of her course in Africa and Asia.

So far, there is not any price differentiation between training workshops. The Executive Director estimates the cost of delivering workshop is estimated and then she adds a small mark-up percentage to set the price. Whether the course is targeted for ten pre-teens or ten 18-year olds, the charge is the same. To minimize costs, the same workbook is used regardless of the audience. Furthermore, the Executive Director is very aware of what the intermediate agents can afford to pay. She may therefore offer a significant discount in order to win the work. She is effectively adopting an approach to penetrate the market. This approach allows her to establish the reputation of her organization.

In all cases, the workshops have been referred by one of the intermediate agents. The agent might partially pay for the cost of the course, or they tip the Executive Director on what government grants to pursue. So far, no girls have paid for a workshop. The Executive Director raises the necessary funds on behalf of the girls. The trainees are therefore not concerned by price of the training. They are rather motivated by the quality of the workshop, the connections they will forge in the process, as well as the fulfillment of partaking in a community service.

### 2.3.4 Overlapping Service Attributes of Interest to Clients

In summary, Passion Foundation is essentially all about transforming girls into confident young adults. However, in order to raise revenues, it needs to also cater to a wide variety of stakeholder interests. Table 2.2 summarizes the findings from the client analysis and how they map to the service attributes. The table reveals that there is an overlap of service attributes of interest.
Table 2.2: Passion Foundation Service Attributes Overlap Across Client Groups

<table>
<thead>
<tr>
<th>Service Attributes</th>
<th>Sponsors</th>
<th></th>
<th></th>
<th></th>
<th>Agents</th>
<th>Trainees</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Philan-thropists</td>
<td>Public institutions</td>
<td>Business partners</td>
<td>Private donors</td>
<td>Volunteers</td>
<td></td>
</tr>
<tr>
<td>Organization reputation</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Minimal administration costs</td>
<td>✓</td>
<td>✓</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Low price of service</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Quality of training</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Social benefits produced</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Work experience from community services delivered</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Alumni network</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Community connections</td>
<td></td>
<td></td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
</tbody>
</table>

*Source: by author, adapted from Boardman & Vining, 2000, p.407*

One significant finding is that quality of the training is only of value to the trainees, whereas sponsors and intermediate agents value the tangible social benefits produced by the development training. As described in Chapter 1, these could be expressed through BCA as well as the number of girls who have been trained. Another finding is that all client types care about developing community connections and building social service experience. Passion Foundation’s reputation is also a key decision factor for most its sponsors. Research shows indeed that reputation and experience are considered the most important key attributes for not-for-profit organizations (Tuckman, 1998).

Overall, these findings will be important when the Executive Director considers strategies to expand the organization’s reach. Going forward, she may well consider recording data regarding revenues generated and service costs for each client group: sponsor, intermediate agent and trainee. This data will point her in the direction of where Passion Foundation’s efforts should be focused. The next chapter will focus on the operations of the organization.
3: Executing Operations

“By providing opportunities for self exploration and positive role modeling we aim to decrease self harm and help young women to connect with their life purpose while being part of a community of success oriented peers; building on leadership and mentorship skills.” (Passion Foundation).

Passion Foundation delivers self-esteem and leadership training for adolescent girls to help them blossom into healthy and productive young adults. Chapter 1 disclosed the vulnerabilities girls experience through adolescence and how these can affect their adulthood as well. Chapter 2 focused on the soft tissue of the organization: key stakeholders, clients and culture. This chapter focuses on how Passion Foundation’s internal organization, activities, key resources combine to create a compelling value proposition. It is through effective combination of its resources and capabilities that it can establish a strong reputation in the not-for-profit sector in which it operates.

Having reviewed the different types of clients, the focus will turn next to Passion Foundation’s operations. There are two categories of activities in a not-for-profit organization. Primary ones are those that yield the unique services of the organization. For Passion Foundation, these are essentially training and coaching services. Support activities are those that enable the primary activities: fundraising and promotion, operational management, and accounting. These will be reviewed in more detail in the following subsections.

3.1 How the Organization Creates Value

Having assessed Passion Foundation’s different types of clients and their overlapping interests, the next step is to determine how the organization creates value for the sector. A useful tool for understanding Passion Foundation is to analyse how the organization generates services worth selling. Stabell and Fjeldstad have developed two additional generic models for understanding and analyzing how firms create competitive advantage (Stabell & Fjeldstad, 1998). They derive their models from the value chain typical of businesses that leverage technology that transform various inputs into products, such as a manufacturing plant. Stabell and Fjeldstad introduced the notion of a value network that brokers exchanges between customers, such as a bank or a utility company. They also introduced the value shop, representative of firms that are
knowledge-intensive and “deliver value by resolving unique customer problems” (Stabell & Fjeldstad, 1998, p.413). The salient differences between these three representations are the logic for creating value and the application of technology to generate the value. In the case of a value chain, the technology is linked across the transformation process, whereas in a value network, technology facilitates exchange between customers. In a value shop, such as an engineering firm or a medical practice, technology is applied to solve a particular problem.

Passion Foundation can be represented as a “training” value shop. Its purpose is to transform its trainee’s state from lack of self-esteem to confidence. Passion Foundation equips girls with skill and fortitude to develop community projects. Stabell and Fjeldstad inform us, that in a value shop, the key value driver is its reputation. For Passion Foundation, the workshop that the Executive Director has developed has garnered successful results. These are in turn shared in the organization’s own website. Passion Foundation thus relies on referrals to win over new clients.

Passion Foundation’s operations can be broken down into several steps:

- The first step is the Acquisition of Information. Its purpose is to frame the service request correctly. In this step, the Executive Director determines the trainee group age and their specific needs.
- The second step is Problem Solving to best address the needs of the trainees. For Passion Foundation, this means developing format options for the training. This step leads to options for training materials. It may also entail determining who could facilitate the course with the coach, what activities to design to illustrate concepts taught and so on.
- The third step is Choice. The Executive Director will consolidate the training program specifically for the group of trainees. This step is critical. This is where the Passion Foundation coach’s expertise and experience bring value to the trainee. The value is delivered through the way the training is tailored for trainees.
- The fourth step is the Execution of the Service. For Passion Foundation, this step is the actual delivery of the training. As described earlier, the training is deployed sequentially. Concepts have to be presented in a particular order for the trainees to assimilate them. Only then, can the trainees practice skills taught. Furthermore, the workshop is rolled out over a number of weeks. It is critical the first three sessions be no more than one week apart.
• The last step is the Evaluation. The Executive Director collects feedback from participants and intermediate agents to determine whether the training was successful. She uses the information collected to improve the program and training materials. The Executive Director uses lessons learned from earlier workshops in developing better approaches to teaching. It is through the learning that Passion Foundation’s deliveries continuously improve.

Figure 3.1 – Passion Foundation Operations Consist of Five Key Steps to Customize Training

Source: by author, adapted from Stabell & Fjeldstad, 1995, p.425

Figure 3.1 captures a representation of Passion Foundation as a value shop. Passion Foundation’s work is dependent primarily on the expertise of the training coach. The coach has the advantage of information asymmetry. She has the knowledge about what is relevant and appropriate for her trainees. The trainees or their intermediate agents cannot assess a priori whether she is the right coach or not, until they have experienced or witnessed the training. They rely on Passion Foundation’s reputation to make that decision. This is why reputation is so important to the not-for-profit organization. It is what provides confidence that the training is worthwhile. As Passion Foundation’s program continues to garner a good reputation, it would in turn bring in more clients.

Another important observation about value shops is the better the reputation, typically the higher the clients’ willingness to pay. Preparation and delivery of the course are not the only costs
that should be factored in the price of the training. The Executive Director should dare to charge for her expertise too. It is through her knowledge and experience that she was able to develop a particular approach to her training. This intellectual property could be monetized. At present, it is not.

A consequence of value being derived from reputation is that location of the value shop is critical. If Passion Foundation does not invest in maintaining a presence through marketing, then it will be difficult for potential clients to find it. This explains why maintaining a presence in any form of media is of prime importance. It is through its website that Passion Foundation can brag about its successes and draw attention. It is through speaking engagements, as well as visible business and social partnerships that the Executive Director can nurture its reputation in the marketplace. Over time, this presence will also draw in future employees. At present, it attracts volunteers.

Another characteristic of the value shop is that primary and support activities are co-performed. As described earlier, the Executive Director delivers the training, selects training assistants, develops the training materials and promotes the program. She does it all! It is through her knowledge and experience that she is able to determine what is the right combination of training elements for the particular set of trainees. If Passion Foundation were to expand, these choices could continue to be determined by the Executive Director. Alternately she may delegate this critical activity over time to coaches she trains and trusts.

3.2 Efficient Management of Scarce Resources

The Executive Director is the single employee of the company. Her inspiration is to truly affect the lives of girls and enable them to flourish. She is therefore very motivated to develop training and coaching programs that will unleash girls’ ability to perform their best and thus achieve happiness.

The Executive Director relies on her board of directors and selected advisors to set the strategic goals for Passion Foundation. In particular, she has surrounded herself with strong advocates for Canadian girls and women. Most of them have either corporate experience or are business owners. The Board of Directors includes a variety of expertise: general management, accounting, marketing, education and human resources. In addition to their skills and experience, Passion Foundation relies on their network of contacts either to raise funds or to attract volunteers ready to offer their professional services. The board members are concerned that Passion Foundation services yield tangible social benefits and develop a strong reputation for quality.
They are also interested in garnering more business experience and developing their network of professional contacts.

The Executive Director is experienced in working with adolescents. She is also a certified youth care counsellor. She therefore performs dual roles: trainer and executive director. As author of the training materials and workshop coach, she owns Passion Foundation’s intellectual property. In her role of director of the not-for-profit organization, she is also responsible for the following activities:

- Establishing strategic goals,
- Raising awareness of Passion Foundation,
- Soliciting businesses for sponsorships,
- Applying for government grants at all levels of government,
- Approaching municipal and provincial government institutions to offer the training workshop,
- Updating course materials,
- Developing and deploying advertising campaigns either through local media events or through social media,
- Procuring professional services to file financial reports, and
- Soliciting help from volunteers

All these activities take a lot of her time. They currently limit her capacity to develop new programs and to facilitate more workshops. The Executive Director therefore recruits volunteers to help facilitate sections of the training. Volunteer behaviours were already described under the previous subsection about sponsors.

Passion Foundation is thus predominantly dependent on its single employee, the Executive Director. She currently represents a single point of failure for the not-for-profit organization. Until the organization is able to afford more coaches, its long-term existence remains fragile.

3.3 Custom Training and Individual Coaching

The types of services Passion Foundation offers are listed in Table 3.1 below. The table includes three columns to describe the services. The first column identifies the services offered. The second column specifies trainees targeted for each service. The last column presents how the service addresses trainee needs. This last column is important as it provides an indication of what
could be used as a source of revenue. If a service meets a specific trainee need, it may reveal a source of advantage for the organization.

As mentioned earlier, the purpose of the training workshop is to provide the girls with skills to grow confident and to enable them to develop community service projects. In particular, the course teaches the girls about self-esteem, critical thinking and effective communication. The course also addresses typical issues plaguing some female adolescents such as bullying, self-destruction and eating disorders. By building their self-esteem, the Executive Director teaches the girls how to mentally fight against peer pressure. She shows them how to “find their own voices” (Cella interview, December 2012). It emphasizes the importance of aligning one’s actions with one’s core values. It promotes authentic leadership. The course also explains the differences between collaboration and competition. It teaches girls how to balance each in order to develop entrepreneurship.

Each girl receives a workbook in class. The workbook defines key concepts. It also provides the framework for lessons to be learned. Each girl writes in the workbook her answers to questions raised in class. Each participant is expected to take the workbook home for future reference.

The girls are guided through a variety of activities during the training session. The course at times uses the services of a local artist or handcraft expert to lead them through the activities. These hands-on exercises allow the girls to practice the skills taught. They also illustrate key concepts presented in class. The girls learn to express themselves through some in-class projects. At the end of the course, the girls are given a specific budget to work on a community project. They are expected to report on how they fared with their respective projects.

Once the workshop is completed, the Executive Director commits to supplying the girls with personal coaching to continue to support them through their business or social endeavour. This takes usually the form of conversations over the phone, leading the girl through self-discovery.

The Executive Director encourages the young women to explore career options. She supports the young women with job references. For example, one adolescent expressed interest in becoming a photojournalist, so Ms. Cella put the young woman in touch with a professional. The Executive Director will also assist the young women in finding summer jobs. She will provide them useful material or web links on how to write a resume, how to search for jobs online; she also provides a character reference, if requested.
Table 3.1: Passion Foundation Offers a Wide Range of Complementary Services

<table>
<thead>
<tr>
<th>Services Offered</th>
<th>Trainees</th>
<th>Trainee Needs</th>
</tr>
</thead>
<tbody>
<tr>
<td>Leadership and collaboration</td>
<td>Girls of all age groups</td>
<td>Help to gain self-esteem</td>
</tr>
<tr>
<td>Support from professionals</td>
<td>Girls of all age groups</td>
<td>Prevention: anti bullying, anti-suicide, anti-bulimia, anti-anorexia, etc.</td>
</tr>
<tr>
<td>Mentoring</td>
<td>Girls of all age groups</td>
<td>Empowerment, i.e. learning to align one’s values and use one’s internal voice to implement change in behaviour and attitude.</td>
</tr>
<tr>
<td>Contact with local artists</td>
<td>Girls of all age groups</td>
<td>Literacy and arts enhancement, i.e. to apply lessons learned in the Passion Foundation training workshop to successful entrepreneurship and social development</td>
</tr>
<tr>
<td>Follow up coaching</td>
<td>Girls of all age groups</td>
<td>Mentoring to determine and pursue their passion</td>
</tr>
<tr>
<td>References for jobs</td>
<td>* Canadian teenagers</td>
<td>Guidance to develop a business or community project</td>
</tr>
<tr>
<td></td>
<td>* Canadian young women</td>
<td></td>
</tr>
<tr>
<td>Career exploration and planning</td>
<td>* Canadian teenagers</td>
<td>Guidance to find a job</td>
</tr>
<tr>
<td></td>
<td>* Canadian young women</td>
<td></td>
</tr>
<tr>
<td>Global sorority network, a one-stop web link with access to multiple webinars</td>
<td>* Canadian teenagers</td>
<td>Practical information on how to start a business</td>
</tr>
<tr>
<td></td>
<td>* Canadian young women</td>
<td></td>
</tr>
<tr>
<td>Community network connections</td>
<td>* Canadian teenagers</td>
<td>Volunteering opportunities</td>
</tr>
<tr>
<td></td>
<td>* Canadian young women</td>
<td></td>
</tr>
</tbody>
</table>

Source: by author, adapted from Boardman & Vining, 2000, p.403

When a girl is ready to start her project and decides to broaden it into some longer-term endeavour, the Executive Director is happy to provide them with advice and useful tips on how to start a business or community project. As a successful executive director working in the not-for-profit sector, Ms. Cella is also very well informed about community projects. She can leverage her network of contacts to assist the girls and young women she trained.
A key strength of Passion Foundation is that the courses are tailored to address specifically the needs of the cohort group about to be trained. While training materials are reused to large degree, the Executive Director ensures the course is customized specifically to address the girls’ needs.

Table 3.2: Passion Foundation Affects a Broad Spectrum of Trainees

<table>
<thead>
<tr>
<th>Trainee Segment</th>
<th>Participants Trained</th>
</tr>
</thead>
<tbody>
<tr>
<td>Elementary Schools</td>
<td>18</td>
</tr>
<tr>
<td>Secondary Schools</td>
<td>70</td>
</tr>
<tr>
<td>Post Secondary Institutions</td>
<td>34</td>
</tr>
<tr>
<td>Burnaby Youth Custody Centre</td>
<td>11</td>
</tr>
<tr>
<td>Vancouver Lower Mainland</td>
<td>122</td>
</tr>
<tr>
<td>Beyond BC</td>
<td>259</td>
</tr>
</tbody>
</table>

*Source: by author, based on Passion Foundation data*

Table 3.2 presents the number of girls or young women who have participated in Passion Foundation training since 2008. It also shows the distribution of participants depending upon institution or location. The table reveals most girls trained were teenagers. The distribution table also discloses most participants came from outside BC, indeed outside Canada.

This is an interesting shift as the organization’s original vision was to focus on girls living in Canada. Garnering access to funding for trainees has been so difficult that the Executive Director has invested personal effort in offering her services in third world countries. She has found the response from sponsors and individual donors far more generous than when the services were offered to Canadians. As mentioned in Chapter 1, there is a common misconception that there is no self-esteem issue in young female adolescents in Canada. Furthermore, donors feel more rewarded for having supported a cause overseas than in Canada.

3.4 Effective Public Relations and Promotion through Social Media

So far, Passion Foundation has been dependent on donations and philanthropic contributions to cover its operational expenses. The Executive Director developed ad-hoc marketing campaigns to raise awareness of Passion Foundation services. She searched for government grants applicable to her services and applied for them, with very limited success. The Executive Director lobbied educational institutions and was more successful. She was able to gather enough funding to deliver her training programs through selected schools.
Table 3.3: Passion Foundation Programs Touched the Lives of Many Girls

<table>
<thead>
<tr>
<th>Year</th>
<th>Locally</th>
<th>Internationally</th>
<th>GLOBALLY</th>
<th>Increase year over year</th>
</tr>
</thead>
<tbody>
<tr>
<td>2008</td>
<td>14</td>
<td>60</td>
<td>74</td>
<td></td>
</tr>
<tr>
<td>2009</td>
<td>11</td>
<td>0</td>
<td>11</td>
<td>-85%</td>
</tr>
<tr>
<td>2010</td>
<td>12</td>
<td>150</td>
<td>162</td>
<td>1373%</td>
</tr>
<tr>
<td>2011</td>
<td>19</td>
<td>0</td>
<td>19</td>
<td>-88%</td>
</tr>
<tr>
<td>2012</td>
<td>66</td>
<td>49</td>
<td>115</td>
<td>505%</td>
</tr>
<tr>
<td>TOTAL</td>
<td>122</td>
<td>259</td>
<td>381</td>
<td></td>
</tr>
<tr>
<td>Share</td>
<td>32%</td>
<td>68%</td>
<td>100%</td>
<td></td>
</tr>
</tbody>
</table>

*Source: by author, based on Passion Foundation data*

She proposed partnerships to no avail to other not-for-profit organizations such as the Girls Action Foundation, the Minerva Foundation and the YWCA Metro Vancouver. As will be presented in Chapter 4, the not-for-profit sector is so desperate for financial resources that competition increases particularly in an economic recession.

Table 3.3 shows the number of girls that were trained by Passion Foundation since its creation. The Executive Director was more successful at raising funds abroad. With these funds, she delivered her workshop to selected communities in Africa and Asia. She was able to thus have impact on a substantially larger numbers of girls and women abroad than in Canada. This observation reveals that Canadians are either less cognizant of problems that affect female teenagers in Canada, or have a lower propensity to donate for causes they don’t perceive as afflicting Canadians. By comparison, Canadians and foreigners are more engaged in helping girls and women in developing countries. There is a perception that women need more help abroad than in North America. This may result from successful promotion campaigns ran by Passion Foundation rivals. These will be analysed in Chapter 4. The Executive Director also developed short-term partnerships with small local businesses. For instance, one retail business donated a portion of its sales of one of its articles to Passion Foundation for a defined period.

Passion Foundation was successful in developing a website, thanks to the generous help of a volunteer. It also posts a blog on outcomes of its training program. It allows viewers to make donations online. The Executive Director also explored crowd funding online for selected projects. Results were more promising with web-based campaigns, in particular when it came to delivering training in developing countries.

The Executive Director accepted two Technology, Entertainment, Design (TED) talk speaking engagements, one hosted by Simon Fraser University (BC) and TED for Kids held at
Vancouver’s Science World. All these events drew attention on Passion Foundation’s mission. The level of individual donations spiked right after these events were held. They also increased the Executive Director’s visibility in the community.

3.5 Balanced Financial Reports but Overlooking Operational Costs

Finances are a necessary part of any organization, even in the not-for-profit sector. Without money, there are no resources available to deliver the services. Without funds, there is no mechanism to compensate suppliers. Passion Foundation has an accountant on its board of directors. The accountant files the annual financial reports on behalf of the organization.

By observing financial trends over past years, it is possible to assess the organization’s success in raising necessary funds. It reveals which of the clients generate the greatest amount of revenue. Financial analysis also pinpoints operational areas that consume most financial resources.

Though in existence since 2007, Passion Foundation has filed financial reports for two fiscal years so far, 2010 and 2011. At time of writing this report, the 2012 financial report is being prepared and thus is available in preliminary form. Table 3.4 shows a comparison year over year of Income Statements. The table also presents in the right hand columns comparisons between all financial items listed and contributions raised for the fiscal year. These percentages provide a convenient mechanism of comparing the importance of expenses relative to the main source of revenue. The last three rows at the bottom of the table list some useful financial ratios that provide metrics of operational effectiveness. These ratios are indicators of how revenue generated is used operationally.

At first glance, the income statements show that Passion Foundation has done a decent job of finding some anchor sponsors for its workshops in the past few years. Passion Foundation has attracted over the past years sponsorship from a philanthropist and from institutional organizations. The organization has been able to grow its contributions by a factor of 3.3 from 2010 to 2011. Then contributions dropped somewhat in 2012. However, that same year, Passion Foundation was able to generate other revenue through fundraising. This resulted in a total revenue growth of 21%.
Table 3.4: Consolidated Income Analysis Reveals a Dire Picture

<table>
<thead>
<tr>
<th></th>
<th>Income Statement (In SC)</th>
<th>Percentage of contributions</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2010</td>
<td>2011</td>
</tr>
<tr>
<td><strong>REVENUE</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Contributions</td>
<td>5,079</td>
<td>26,814</td>
</tr>
<tr>
<td>Fundraising</td>
<td>1,229</td>
<td>0</td>
</tr>
<tr>
<td>Cost of Goods Sold</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td><strong>Gross Margin</strong></td>
<td>6,308</td>
<td>26,814</td>
</tr>
<tr>
<td><strong>EXPENSES</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Advertising</td>
<td>0</td>
<td>41</td>
</tr>
<tr>
<td>Bank charges</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Insurance</td>
<td>733</td>
<td>448</td>
</tr>
<tr>
<td>Professional associations</td>
<td>788</td>
<td>0</td>
</tr>
<tr>
<td>Office</td>
<td>243</td>
<td>2,174</td>
</tr>
<tr>
<td>Training costs</td>
<td>3,742</td>
<td>3,026</td>
</tr>
<tr>
<td>Salaries &amp; Wages</td>
<td>0</td>
<td>5,620</td>
</tr>
<tr>
<td><strong>Total Expenses</strong></td>
<td>5,506</td>
<td>11,309</td>
</tr>
<tr>
<td>Income from operations</td>
<td>802</td>
<td>15,505</td>
</tr>
<tr>
<td>Income tax</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td><strong>Excess Revenue</strong></td>
<td>802</td>
<td>15,505</td>
</tr>
<tr>
<td><strong>GROWTH YEAR TO YEAR</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Revenue</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Operating Expenses</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Return on Contributions</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

(*) The income statement for 2012 has not been filed yet.

Source: by author, based on Passion Foundation financial reports with permission from its board of directors

A closer look at the expenses reveals a negative financial picture. The Executive Director capped operating expenses to realize a revenue surplus of nearly 16% at the end of fiscal year 2010 and 58% the following year, but the revenue surplus changed to a deficit in 2012. Operating expenses doubled from 2010 to 2011. Then they ballooned in 2012 such that they represented 201% of contributions. The major share of expenses in 2010 appears to be training costs. By 2011, it shifted to Salary & Wages. Yet, wages paid were too small to cover an adequate salary for the Executive Director’s labour. They barely pay a ninth of her salary. If a full salary were paid and professional services were paid (most are currently provided pro-bono), then Salaries & Wages would likely absorb most of the contributions. This shows indeed in the 2012 Income Statement, with an Operating Expenses growth of 319%. Therefore, Passion Foundation needs to generate significantly more revenue to sustain its training programs and other services.
Overall, the Return on Contributions Raised factor shows a growing trend from 2010 to 2011 with growths of 16% and 58%, but sadly a reverse trend in 2012 with -68%.

An analysis of Passion Foundation’s financial balance sheets reported for fiscal years 2010 through to 2011 shows an increase in cash and no incurred debt. While operating on a tight budget, the organization had not incurred any debt. The trend was reversed by end of 2012. Sacrificing the Executive Director’s salary and minimizing any operating costs strictly to the bare minimum helped achieve balanced financial books in earlier years. This approach is typical of a not-for-profit organization. In order to establish its reputation in the sector, it discounts its services to attract more clients. In economic terms, it is sacrificing potential revenue to gain market share. This market positioning strategy was not a realistic. Passion Foundation subsequently needed to account for real costs incurred. Going forward, it will have to determine ways to generate more revenue. This can be realized in part by fully charging its services to ensure long-term sustainability for the organization.

3.6 Assessing the Organization’s Competencies

Passion Foundation offers leadership development training for girls between the ages of 11 and 18 years. Its trainee segments are either in the Vancouver region or in third world countries. It teaches them skills to empower them to develop community service projects. The training program it offers is tailored specifically dependent upon the age group. Training is also customized for girls with different social contexts.

Passion Foundation distinguishes itself from other female leadership programs by focusing on the following to package its services:

- A holistic approach with a combination of training, coaching and mentoring
- Mix of intervention methods to also reach out to girls at risk of harming themselves
- Emphasis on core values: empowerment, critical thinking and collaboration
- Practicing skills through participating and leading community projects
- Teaching universal skills relevant for any girl or woman to live to her full potential

With its internal situation assessed, it becomes important to distil Passion Foundation’s strengths and weaknesses. The Executive Director would want to leverage the former and minimize the latter when considering growth strategies.
3.6.1 Strengths: a Charismatic Leader, Custom Services and Shrewd Exploitation of Social Media

The Executive Director is a charismatic entrepreneur. She is very active in the Lower Mainland community. She advocates with passion for girls. She has promoted her training program through speaking engagements. A passionate speaker, she has drawn much attention in Vancouver for her drive and compassion. Most of all she is open about sharing her personal story. “Loretta has, and is, a true gift. She inspires others to gain access to and align with themselves to be able to share themselves with the world from a place of service” (Cella interview, June 2012). The Executive Director also contributed articles throughout 2010 and 2011 to The Vancouver Observer to promote awareness of her not-for-profit organization’s activities and results yielded (Cella, 2011).

Passion Foundation services respond to girls’ needs in a holistic fashion. Its training is customized to be effective. Its follow-up services ensure the girls and young women practice their newly developed skills in a meaningful way through community service. The experiences it provides have a lasting effect on the participants. Differentiation of services with respect to the competition can be an effective way to garner more revenue. Differentiated services typically can fetch higher service fees than generic services.

Passion Foundation has successfully leveraged the explosion in social media to promote training programs beyond Vancouver, British Columbia and even Canada. It advertises through its website. In doing so, it has succeeded in drawing more contributions from individuals and businesses year over year (please refer to Table 3.5). By coordinating special fundraising events to draw attention to its programs, Passion Foundation was also able to generate more revenue as well as to attract more clients. The Inspire Passion event held at the Vancouver Art Gallery in September 2012 created a media buzz in Vancouver and enabled the organization to raise $4000.

<table>
<thead>
<tr>
<th>Donations</th>
<th>Cash</th>
<th>Online</th>
<th>Total</th>
<th>Increase compared to previous year</th>
</tr>
</thead>
<tbody>
<tr>
<td>2010 Subtotal</td>
<td>0.00</td>
<td>120</td>
<td>120</td>
<td></td>
</tr>
<tr>
<td>2011 Subtotal</td>
<td>0.00</td>
<td>1811</td>
<td>1811</td>
<td>1409%</td>
</tr>
<tr>
<td>2012 Subtotal</td>
<td>7400.00</td>
<td>593</td>
<td>7993</td>
<td>341%</td>
</tr>
<tr>
<td>Total</td>
<td>$7,400.00</td>
<td>$2,525</td>
<td>$9,925</td>
<td></td>
</tr>
<tr>
<td>Share</td>
<td>75%</td>
<td>25%</td>
<td>100%</td>
<td></td>
</tr>
</tbody>
</table>

*Source: by author, based on Passion Foundation data*
Another sign of its success is its large following of volunteers. Passion Foundation has attracted the attention of many college and university-age young women seeking to give back to the community. Some of them are actually alumni from earlier training sessions delivered by Passion Foundation. Furthermore, several female business owners and marketing experts have approached the Executive Director to provide in-kind support. Some businesses have offered their products at cost to assist Passion Foundation in raising funds. Some offers of help have even come from the United States and abroad. This reveals that awareness about adolescent struggles, particularly girls, is becoming prevalent in news and media.

Many of Passion Foundation alumni are currently supporting the organization by volunteering their time. Some of them have even started their own social enterprises or own charities. They have maintained close contact with Passion Foundation’s Executive Director. They use Passion Foundation’s informal network to advertise its leadership development program.

3.6.2 Weaknesses: Dependency on Several Single Points of Failure

Passion Foundation is entirely dependent on the efforts of its Executive Director and Founder, Ms. Cella. She therefore spends much of her time fundraising. She has to schedule training workshops around her availability. Activities are dependent on her successfully reaching out to local artists and professionals.

In the previous three years, philanthropic contributions supplied between 72% and 100% of total revenues. There were two major contributors. A private family foundation has committed to continue to provide $10,000 per year but no more, whereas the prominent Vancouver credit union may soon stop their contribution. It is therefore imperative to find alternative sponsors. It is also critical to find more of them. Even so, the larger the number of sponsors, the greater the risk of some free-riding on the backs of more significant contributors; some incentive to donate more would become necessary.

Passion Foundation has relied so far on the generosity of suppliers. They either offer discounts on their services, sometimes even free, or provide gifts in kind. This is not sustainable for the long term, unless they receive something in return such as free advertising, letters of reference or some form of trade.

With a tight budget, the Executive Director has found it challenging to cover Passion Foundation’s operating costs, let alone expand its services and broaden its market. Some of its
key sponsors may withdraw their support in the near term. Revenues Passion Foundation generated from the services delivered are so far insufficient to cover operational expenses. Furthermore, the Executive Director has observed a very low willingness to pay from government agencies as well as institutions as they themselves struggle to make ends meet. Without funding however, Passion Foundation may not have the resources to continue its mission. A new revenue-generating model is required to address necessary expenditures.

Passion Foundation is treading in a market that is already crowded with other long-established not-for-profit organizations with deeper pockets. It needs therefore to continue to distinguish its services from those readily available on the web. It needs to package its services in a unique fashion to make them compelling to clients.

**Table 3.6: Passion Foundation Must Leverage its Strengths and Address its Weaknesses**

![Table 3.6](image)

**Source: by author**

### 3.7 Internal Situation

In summary, Passion Foundation can be represented as a value shop, where success breeds success. The organization’s strengths and weaknesses are summarized in Table 3.6. Passion Foundation currently is not leveraging the fact that “information asymmetry in professional services appears to lead to a premium price and high demand for highest-quality services” (Stabell & Fjeldstad, 1998, p.426). To a large degree, it is not fully charging what the training is worth. It is barely covering the cost of materials. The difficulty in providing evidence of the need of such training in Canada as was disclosed in Chapter 1, coupled with the lack of resources as explained in Chapter 2 make it particularly challenging to expand its operations. The next chapter will present next the sector pressures that constrain Passion Foundation.
4: ASSESSING THE SECTOR ENVIRONMENT

“In today’s world young women find more connection with what is going on around them rather than what is going on within them.” (Passion Foundation).

Passion Foundation operates as a value shop in the not-for-profit sector. Chapter 2 presented how it has subsisted thus far, thanks to the commitment of an eclectic mix of sponsors as well as the sheer drive of Passion Foundation’s founder and executive program director. A review of Passion Foundation’s operational activities in Chapter 3 disclosed its weaknesses in two areas: the Executive Director is the single point of failure and the organization’s revenue is still insufficient after 5 years in operation. At the same time, the organization’s strengths stem from its leader’s passionate drive, its training being tailored for its audience, its smart use of social media to raise awareness of social benefits its programs deliver, and its strong following of volunteers. This chapter will look at the sector surrounding Passion Foundation.

4.1 Other Providers of Equivalent Services for the Development of Girls

Passion Foundation is not the only organization that offers development training specifically targeted at girls. Several organizations claim to successfully promote self-esteem and leadership activities for girls. For convenience, they shall be referred to hereon as “Providers of Equivalent Services” (PES). Many of them have deep financial pockets and strong networks of intermediate agents. They straddle both private industries as well as the not-for-profit sector.

The most prominent ones that operate in either Canada, specifically in BC or in the Vancouver region are presented in Table 4.1. They are described briefly in subsequent subsections.
Table 4.1: There are Several Other Providers of Services Promoting Girls’ Development

<table>
<thead>
<tr>
<th>Organization &amp; Program</th>
<th>Mission</th>
<th>Age Range</th>
<th>Services &amp; Activities</th>
</tr>
</thead>
<tbody>
<tr>
<td>Plan Canada, Because I am A Girl campaign</td>
<td>To unleash the power of girls to claim a brighter future for girls in the developing world</td>
<td>13-17</td>
<td>• Toolkits to assist donors and local communities to generate funds</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>• Website, electronic newsletter and blog for information exchange.</td>
</tr>
<tr>
<td>Girl Guides of Canada I Believe in We Challenge program</td>
<td>To promote healthy friendships and to prevent bullying.</td>
<td>7-17</td>
<td>• A list of activities that can be could be carried out by Girl Guides to promote unity and collaboration in community service.</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>• Website, electronic newsletter and blog for information exchange.</td>
</tr>
<tr>
<td>YWCA Metro Vancouver’s Youth program</td>
<td>To give youth the tools they need to make healthy choices.</td>
<td>13-17</td>
<td>• Mentorship program for aboriginal girls aged 12 to 17</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>• Seven-week after-school program for Grade 7 girls</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>• One-to-one mentoring for high school girls in Grades 11 and 12</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>• Youth job postings, career advice and employment resource center</td>
</tr>
<tr>
<td>Minerva Foundation Learning to Lead program</td>
<td>To change the face of leadership in BC using values-based principles</td>
<td>16-17</td>
<td>• Series of training workshops and collaborative projects over one weekend. Areas of concentration include self-awareness, values, community, personality type, team building, creativity and communication.</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>• Website and blog.</td>
</tr>
<tr>
<td>Girls Action Foundation</td>
<td>To build girls’ and young women’s skills across Canada to inspire action to change the world.</td>
<td>9-18</td>
<td>• Education on violence prevention, health promotion, media literacy and leadership.</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>• Publications, tools and resource materials to enable creation of a local chapter</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>• Training programs and webinars; creative projects to build network of participants</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>• Website, interactive newsletter and blog.</td>
</tr>
</tbody>
</table>

Source: by author
4.1.1 Plan Canada

Plan Canada, a not-for-profit organization, was created 75 years ago to help children in war zones. In 2012, it achieved a revenue base of $147 million (2012), steadily grown from $94 million in 2008 (Plan Canada Annual Review 2012). Child sponsorship, government grants and donations account for 79.5% of revenue, with a total of $630k of donations. The balance is predominantly generated from gifts in kind. Plan Canada garnered support from 752 corporations and businesses, from 11 institutional partners, and nearly 200,000 individual donors. Nearly 80% of its expenditures are directed towards its programs, with 21% of total expenses used to cover operations and fundraising activities.

Plan Canada developed its Because I am a Girl campaign to raise awareness of girls’ issues with self-esteem (Fancy, 2012). Its research shows that if girls attend at least 9 years of school, they earn more income in adulthood, marry later and have fewer and healthier children. “Secondary education, in combination with financial assets and life skills, is essential for adolescent empowerment, development and protection” (Because I am A Girl, 2012, p.7). The program is promoted through four approaches. It invites readers to participate by either donating money, by fundraising, by advocating or by shopping for apparel bearing the program’s logo and name. Plan Canada has filled its website with success stories executed by Canadians. The program however is predominantly directed at girls in the developing world. It provides young Canadian girls with tools and information to develop or participate in community services abroad through the Because I am a Girl program.

4.1.2 Girl Guides of Canada

The Girl Guides of Canada is a Canadian organization that has existed since 1910, modeled on the British version of guiding started a year earlier in the UK (Girl Guides of Canada Who We Are). In 2011, it had 90,000 members across Canada. It promotes its programs through word-of-mouth as well as through social media with an electronic newsletter, blogs and a website. In 2011, Girl Guides of Canada donated $65,000 in post-secondary scholarships. According to its 2011 Annual Report (Girl Guides of Canada Strategic Plan and Annual Report):

- 64% of its revenues are generated through its membership fees
- 23% comes in the form of contributions ranging from $100 to $100,000 donations from businesses and individual donors
- 7% is obtained through its national fundraiser, the sale of its cookies.
The *I Believe in We Challenge* initiative was launched in 2007 to promote healthy relationships and to prevent bullying. It resulted from a partnership between Girls Guides of Canada and PREVnet, a network of Canadian researchers to promote healthy relationships for youth. Queen’s University and York University sponsor PREVnet. The *I Believe in We Challenge* program prescribes a set of activities that young girl guides can engage in to win their Girls United crest. It also provides specialized training for older girl guides to recognize the signs of social aggression and to protect girls from such behaviour.

### 4.1.3 YWCA Metro Vancouver

Founded a hundred years ago, YWCA Metro Vancouver is one of the largest charitable organizations in the Vancouver region. It generates revenues through fundraising events, contributions from businesses, membership fees, as well as fees for services offered. Its strategic plan for 2013 states that the organization owns $78 million in real estate assets (both land and buildings) as well as an investment portfolio of over $4.6 million (YWCA Metro Vancouver Strategic Plan 2013).

The YWCA Metro Vancouver offers youth programs targeted for girls between the ages of 12 and 17. They range from training workshops to instil healthy choices and boost self-esteem, to one-to-one mentoring. They also have a special program for aboriginal girls, as well as employment services for girls in their late teenage years (YWCA Metro Vancouver). The programs are localized and offered throughout the Vancouver metropolitan area and its suburbs. The programs are funded using the May Brown Leadership Endowment Fund for Young Women. This fund was estimated to be worth $78,000 at the beginning of 2012.

The after-school training workshop designed for elementary school-aged girls prepares them to work together on a community project designed to address issues in their schools or the wider community. The YWCA trains young college-age women to facilitate the training sessions for elementary school girls. The YWCA Strategic Plan 2013 reports that this training was delivered to over 1000 participants since the Youth program was launched. It also mentions that it is engaging in partnerships with local colleges and university faculties to expand these youth programs.

### 4.1.4 Minerva Foundation

The Minerva Foundation was created “to change the face of leadership in BC” by providing training to young women who want to take on leadership roles in either the community,
business, government or academic sector in British Columbia (Minerva Foundation). It raises a minimum of $1.3 million a year in order to run all its leadership programs. It depends on donations from businesses and individuals. It encourages donation of products in-kind as well as pro-bono professional services. Its website indicates it awarded over $2 million in education scholarships since its inception in 1999.

The Minerva Learning to Lead program was launched in 2002. An annual weekend program, it pairs up Grades 11 students with female business, government, academic or community leaders. The program has trained over 1122 participants through its program (Minerva Foundation). It boasts having involved 157 program facilitators, 116 speakers and 317 organizing committee volunteers in the process.

The Minerva Foundation also offers a variety of business leadership and networking opportunities for women of all ages. It also coordinates a training workshop specifically designed for young aboriginal leaders. It coordinates events and roundtable discussions as well.

### 4.1.5 Girls Action Foundation

Founded in 1995 in Montreal (Quebec), Girls Action Foundation is a national charitable organization that delivers girls’ programs across Canada. Their mission is to build girls’ and young women’s skills and confidence so they may be inspired to action to change the world. Their website (Girls Action Foundation) claims through over 300 partner organizations and projects, Girls Action has reached over 60,000 girls and young women, with 90% belonging to marginalized communities, such as girls and young women in rural, northern and remote communities across Canada. Girls Action Foundation delivers these programs through assisting women with start-up initiatives.

Girls Action offers webinars, research materials, tools and training materials. They also have a national network accessible online. They provide results of research they sponsor as well as survey results. Their 2011 national survey revealed interesting insight. Ninety-three per cent of Canadians polled believe boys and girls should have equal rights and privileges (Girls Action Foundation, 2011). Yet, the fact that two-thirds of minimum wage earners are women does not appear to concern more than ¾ of Canadians polled.
4.1.6 Relative Competitiveness

Passion Foundation is operating in a sector that could be considered monopolistically competitive. The sector has several players, each differentiating its services to local client needs. It also has low barriers to entry for an organization to start. With some cash, a strong sense of purpose and many coordinated volunteers, it is possible to get started. All organizations however are fighting for the same resources: money and volunteers.

In order to assess encroachment on Passion Foundation’s ability to generate revenue, it is useful to compare these PES based on the client needs. Before this can be done, it is important to confine the not-for-profit sector being analyzed:

- Passion Foundation operates in the not-for-profit sector focused on the leadership development of girls
- Its trainees are girls ranging in age from 11 to 24, most of them residing in Vancouver
- The PES should also enable the girls to practice new skills through community service projects
- The youth programs these organizations offer must also foster connection with local communities

Based on the above specification of the sector under analysis, Plan Canada does not fit because its Because I am a Girl program is designed to benefit women and girls in developing countries only. The Minerva Foundation does not meet all criteria either; it focuses on a very narrow age range. All other PES presented indeed belong to the not-for-profit sector under analysis.

A comparison is presented in Table 4.2. The first column lists either the services that address client needs (referred as Client Utility), or the sources of revenue that enable the not-for-profit organization to operate. The second column gives relative importance of the items listed in the first column from the not-for-profit sector perspective. All other columns compare Passion Foundation to the other PES: Girl Guides of Canada (GGC), YWCA Metro Vancouver’s Youth programs and Girls Action Foundation (GAF).
Table 4.2: Many Other PES Do Not Offer the Full Range of Girls’ Development Training

<table>
<thead>
<tr>
<th>Client Utility</th>
<th>Importance</th>
<th>Passion Foundation</th>
<th>GGC</th>
<th>YWCA</th>
<th>GAF</th>
</tr>
</thead>
<tbody>
<tr>
<td>Healthy development and collaboration training</td>
<td>High</td>
<td>+</td>
<td>O</td>
<td>O</td>
<td>O</td>
</tr>
<tr>
<td>Leadership development</td>
<td>High</td>
<td>+</td>
<td>O</td>
<td>O</td>
<td>O</td>
</tr>
<tr>
<td>Mentoring</td>
<td>High</td>
<td>O</td>
<td>+</td>
<td>+</td>
<td>-</td>
</tr>
<tr>
<td>Leadership through community service</td>
<td>High</td>
<td>+</td>
<td>+</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Local community connections</td>
<td>Medium</td>
<td>O</td>
<td>+</td>
<td>+</td>
<td>O</td>
</tr>
<tr>
<td>Global alumni network</td>
<td>Medium</td>
<td>O</td>
<td>+</td>
<td>-</td>
<td>O</td>
</tr>
<tr>
<td>Sale of products created by girls</td>
<td>Medium</td>
<td>O</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Follow-up coaching</td>
<td>Low</td>
<td>+</td>
<td>O</td>
<td>O</td>
<td>-</td>
</tr>
<tr>
<td>Support from professionals</td>
<td>Low</td>
<td>-</td>
<td>O</td>
<td>-</td>
<td>+</td>
</tr>
<tr>
<td>Global community connections</td>
<td>Low</td>
<td>O</td>
<td>+</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Revenue Sources</th>
<th>Importance</th>
<th>PF</th>
<th>GGC</th>
<th>YWCA</th>
<th>GAF</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sponsors &amp; business/government partners</td>
<td>High</td>
<td>5</td>
<td>28</td>
<td>135</td>
<td>23</td>
</tr>
<tr>
<td>Volunteers</td>
<td>Medium</td>
<td>&lt;10</td>
<td>18,000</td>
<td>552</td>
<td>8</td>
</tr>
<tr>
<td>Paying clients</td>
<td>Medium</td>
<td>2</td>
<td>N/a</td>
<td>?</td>
<td>?</td>
</tr>
<tr>
<td>Trainees</td>
<td>Low</td>
<td>381</td>
<td>70,790</td>
<td>1300</td>
<td>60,000</td>
</tr>
<tr>
<td>Individual donors</td>
<td>Low</td>
<td>50</td>
<td>84</td>
<td>2804</td>
<td>300</td>
</tr>
</tbody>
</table>

Notes:
- Legend for comparing Client Utility: + = high; O = neutral; - = low; ? = No data available in annual report
- Revenue Sources data are extracted from organization’s most recent published annual report or financial statements, calendar year 2011 or fiscal year mid 2011-mid 2012.
- Trainees reported are since beginning of program under analysis.

Source: by author

A comparison of Passion Foundation with the other PES shows that despite being relatively young, it has progressively developed client utility in all areas covered by the competition. Nevertheless, its sources of revenue are still very small. It does not have nearly the same level of funding and volunteering resources as the more established organizations in the
same not-for-profit sector. Even some of the wealthy organizations such as Girl Guides Canada reported a deficiency of revenue over expenditures in their latest financial statements. None of the PES however recognizes or discloses the considerable volunteer contributions of labour. To make matters relatively worse for Passion Foundation, it depends on its single employee to deliver not only the client services, but also manage and handle all administrative duties.

Looking at the client utility perspective, it becomes apparent that Passion Foundation and Girl Guides of Canada specialize in development training, while the other two organizations reviewed cater to other needs as well. For instance, the YWCA Metro Vancouver runs a fitness club, manages a hotel, rents meeting room space as well as provides a myriad of programs targeted to the local community (not just girls). While Girls Action Foundation claims having trained a staggering number of teens, it is not quite what they specific training they received. It appears the organization is predominantly investing resources into data analysis and research. The YWCA focuses solely on Vancouver, whereas Girls Action Foundation works on a national scale.

The other PES have more developed local mentoring and community connections. Nevertheless, Passion Foundation and the Girl Guides of Canada have developed networks outside Canada. They also both exclusively focus on the development of girls and emphasize the importance of collaboration to foster community. The Girl Guides of Canada seems more focused on health development while Passion Foundation is emphasizing leadership development. Health development concentrates on promoting choices that have positive impact primarily on the individual, whereas leadership development emphasizes skills that affect others as well. Passion Foundation also tailors its programs for the participants specifically.

In conclusion, Passion Foundation is so far emerging as a notable Vancouver not-for-profit organization focused on development training for girls. While it has carved itself a niche in the sector by specializing on leadership development of girls, it competes for sponsorship and volunteers against other well-established organizations with significantly larger revenue bases. It could well learn from these organizations how to monetize the services it supplies; these methods will be explored later when evaluating positioning strategies.

Having looked at the competition operating in the same sector, the following subsection will present how all the stakeholders exert pressures on organizations such as Passion Foundation.
4.2 Sector Pressures Impacting Development Training for Girls

Having assessed other players in the same not-for-profit sector, it is valuable next to consider the current external pressures that constrain Passion Foundation. Michael’s Porter’s “five competitive forces” framework is widely used to analyze prospects of an industry in terms of long-term profit potential (Porter, 2008). Similarly, Vining has proposed a useful way to evaluate the prospects of a not-for-profit sector in terms of long-term sustainability by using a modified set of five forces (Vining, 2011):

- The intensity of the rivalry between not-for-profit organizations operating in the same sector,
- The bargaining power of suppliers in that sector,
- The bargaining power of clients,
- The threat of new entrants and of service substitutes,
- The level of political influence or control

This approach is specifically modified to allow “public agency managers to …effectively analyse the external environment of their programs” (Vining, 2011, p. 63). It is therefore suggested this modified five forces framework illustrated in Figure 4.1 be used here to understand the external influences affecting Passion Foundation. In analysing these forces, one must remember that there are two key factors in assessing relative strengths for a not-for-profit organization: money and reputation.

4.2.1 Intense Competition from Well-Established Not-For-Profit Organizations

Several not-for-profit organizations in the Vancouver region promote self-esteem and community service training specifically targeted for girls. Many of them have been established for several decades. These organizations have developed over time an operating model and established a reputation that both ensure sustainable funding through strong partnerships and well-connected sponsorship programs. Even if they do not offer the same kind of services, even if they do not battle for the same particular group of trainees, they are effectively competing for sponsors and volunteers.

When Passion Foundation’s Executive Director sought to develop alliances with some of these not-for-profit organizations, concern over competition was mentioned as the reason for declining her offer. It therefore is clear that they perceive Passion Foundation as a small competitor that could erode their respective sources of funding or could influence their reputation.
Furthermore, the question of advocacy also is raised. Would another charity associate with Passion Foundation if it does not espouse specific issues such as prevention of gender bias and anti-racism? As mentioned in Chapter 2, the challenge with partnerships is appreciating each party’s true reasons for the alliance and realizing synergies through it.

4.2.2 Moderate Bargaining Power of Suppliers

In the context of the not-for-profit sector, suppliers are sponsors and individual donors who provide funding for the programs, as well as businesses and volunteers who donate their labour or time. Many of the organizations presented earlier in this chapter depend on both types of suppliers. In the case of the development for girls, there are not that many sponsors and donors relative to other not-for-profit sectors. The reason is that many Canadians are not really aware of issues affecting the development of girls. There is a tendency to dismiss these issues as only affecting adolescents from broken homes or those living in disadvantaged conditions.

The difference between sponsors and donors is the scale of the contribution. Typically, sponsors will provide a more significant donation than an individual donor will. The challenge for the not-for-profit organization is to retain its fiscal freedom, when it accepts sponsorships. The organization wants to remain free to decide how best to spend the funds for its programs. Sponsors have their own corporate social responsibility goals. They will contribute to a not-for-profit organization that is aligned with those goals. They will expect in exchange for their contribution, communication either on how the funds were applied, or on their association with the not-for-profit organization. They may continue to contribute as long as their respective goals are aligned. They will stop contributing either when they feel the goals have become divergent or when another not-for-profit organization requests support. The not-for-profit organization therefore needs to provide necessary assurance that the funds donated are spent on the right goals, in order to ensure continuity for the longer term. This situation thus limits somewhat the organization’s fiscal freedom. In other words, sponsors yield high bargaining power over not-for-profit sector.

Individual donors give to a not-for-profit organization for altruistic reasons. They usually respond to a fundraising activity. As they are voluntarily offering a donation, they will supply an amount that they can afford. They may expect the network effect to generate sufficient fundraising revenues, so may not feel pressured to donate too much. In other words, individual donors may count on other donors to each provide donations such that the fundraising goal is met. Their donation is unpredictable. It could be a single act of generosity or may be repeated.
periodically. It is therefore difficult for the not-for-profit organization to forecast the amount that it can successfully raise. Primarily, the program it delivers needs to be perceived as worthy by the individual donor. The fundraising activity would have to be scheduled at a time that does not compete with other charities. It would have to offer something in return: an enriching experience (for instance, attendance of an event), or some token of appreciation (typically a small gift). Donors have little bargaining power individually, however collectively they can have a considerable impact on the not-for-profit organization.

Donations in kind, either from businesses or from volunteers are also important to a not-for-profit organization. There is public pressure on these organizations to spend the bulk of raised funds on its programs. There is no public patience for organizations that lavish revenues on administrative expenses. At the same time, these organizations often cannot afford to pay wages or for external services, so they heavily rely on the generosity of volunteers or of service suppliers. The Executive Director finds it challenging to control free labour. The agency dilemma rears its ugly head here. The volunteer or service supplier is an agent acting on behalf of the not-for-profit organization, but may be motivated by his (or her) own self-interest rather than those of the organization. The Executive Director must therefore determine what would motivate the volunteer or service supplier to perform required duties. If the not-for-profit organization can attract volunteers with an established and good reputation, then it would benefit by association. This is why many organizations strive to connect with local celebrities and social influencers.

In conclusion, fundraising activities are necessary to raise awareness of the not-for-profit organization goals. They require considerable coordination effort however, so it is important that the labour invested produces high revenue returns. Therefore, any type of supplier yields moderate bargaining power on the not-for-profit sector targeted for development of girls.

4.2.3 Weak Bargaining Power of Clients

In the context being analysed, the clients are the girls impacted by the not-for-profit organizations. One could consider their parents or guardians as clients as well. Similarly, intermediate agents who refer the girls for training could be considered clients.

The clients’ positive response to the programs and their continued participation in the training programs is usually an indication that the programs are successful. Furthermore, with the advent of social media, many adolescents choose to blog and share their stories online. In doing so, they attract other potential clients. This phenomenon can be amplified by what is coined in Economics the network effect: the more clients join the programs, the more others want to
participate in them. The greater the network, the better is the not-for-profit organization’s reputation. This network effect generates momentum. It can be effectively used to lower training costs and to increase revenues. Therefore, clients do yield bargaining power, particularly if they pay for their services. However, many of the not-for-profit programs are directed to the disadvantaged who cannot afford to pay for the programs. Therefore, the clients have in effect weak bargaining power.

4.2.4 Growing Threat of New Entrants and Substitutes

The not-for-profit sector raising awareness of girls has become prevalent since the year 2000 when United Nations made its Millennium Declaration (more details on this declaration will be presented in Section 4.3.2). The declaration reinvigorated many existing not-for-profit organizations to direct their efforts in self-esteem and community service training programs specifically targeted for girls. This has also attracted the attention of smaller grass-roots organizations wanting to partake in the great strategic plan. The entry barrier into this not-for-profit sector is low. Thanks to the plethora of information and tools available online, some even provided by not-for-profit organizations described earlier, it is now possible for many to engage in community service activities specifically designed to empower girls. Depending upon the support of its membership and how readily it can access funding, the more successful fledgling associations may over time blossom into well-established organizations.

With the proliferation of social media applications and the acceptance of electronic commerce, it is now easier to deploy training programs over the World Wide Web. A Google search of “online self-esteem training for girls” yields a proliferation of web links; it lists no less than 13.7 million results to the search! Some sites offer self-esteem tests, others offer online information. Some sites recommend readings, yet others promote online tutorials. Some of the information is provided free, while others request a fee, in general very reasonable. All of these could become convenient substitutes to classroom and activity-based training offered by not-for-profit organization. For those who prefer social contact, it is still possible to partake in community service remotely through blogs, Twitter, Facebook and other such social media platforms. However, how many last for more than an event or a couple of years? In reality, it does not matter whether these substitutes cater to exactly the same client needs as Passion Foundation target market. Their simple existence can delay Passion Foundation’s access to potential clients.

In summary, the impact these new entrants and substitutes have on the not-for-profit sector remains moderate today. Entry barriers are low, so they attract several new associations
into the not-for-profit sector. These entrants and substitutes are numerous. They must all fight however for finite funding resources and a limited number of local volunteers. Especially in a time of global economic recession, it is difficult for these organizations to gain access to the shrinking pool of funding.

4.2.5 Strong Government Influence over Sector

Government plays a significant role in the not-for-profit sector. Through its agencies, it promotes and funds numerous social programs. The agencies are the Intermediate Agents that were described earlier, in Chapter 2. Passion Foundation and its rivals depend on their relationships with particular government agencies to obtain grants as well as support in kind for training venues. These grants may be sponsored at any level of government, federal, provincial and municipal. For instance, many not-for-profit organizations presented earlier do count on awards given by the Vancouver Gaming Commission. Many agents are aggregators who purchase services in bulk for multiple consumers” (Vining, 2011, p.76) therefore, they wield strong bargaining power.

Government also yields significant influence through its endorsement of programs delivered by the not-for-profit sector. Every time an agency publicly announces a grant award, it positively affects the not-for-profit organization’s reputation. As mentioned earlier, reputation is critical in a value shop operation.

4.2.6 Summary of Sector of Development Training for Girls

Table 4.3 summarizes the external forces that affect the not-for-profit sector specifically targeted for the development of girls. Passion Foundation’s external landscape is very competitive indeed. A large number of rivals have secured funding and established reputations, and wield political influence. Suppliers have moderate bargaining power as they provide resources, whether free labour or gifts in kind. The contribution they make is dependent on good will and how aligned the not-for-profit organization is with their personal or business goals. Government yields significant power through its social policies, in particular provision of grants and support for social programs.

On the other hand, clients hold weak bargaining power because they seldom pay for the services delivered. Their testimonials however could have a material impact on the organization’s reputation. While there is a broad spectrum of new entrants and substitutes, they do not represent a significant threat yet. As social media applications continue to proliferate however, it will
become easier to allow donors to feel good through altruistic actions over the Internet. Performing community service globally with the simple click of a mouse will have broad social appeal.

In conclusion, the not-for-profit sector in which Passion Foundation operates is teeming with other organizations involved in the development of girls, some large and some very small. As a result, there are many forces competing for sponsorships, donations and volunteers, as illustrated in Figure 4.1. Passion Foundation needs to pay attention to these forces in order to position itself within the sector. To develop effective growth strategies, the Executive Director will need to anticipate future trends. The next section will look at factors that impact the external landscape over the longer term.

Table 4.3: Several Forces Impact the Not-for-Profit Sector Focused on Girls’ Development

<table>
<thead>
<tr>
<th>Intensity of Competition</th>
<th>•STRONG as there are many well-established not-for-profit organizations</th>
</tr>
</thead>
</table>
| Bargaining Power of Suppliers | •STRONG for business sponsors who supply free publicity as well as funds  
                                 •MODERATE for individual donors as large volume can yield large revenues  
                                 •LOW for volunteers who perform duties within timeframe as assigned |
| Bargaining Power of Clients | •WEAK as many typically pay only partially or not at all; they do however impact reputation. |
| Threat of Entrants and Substitutes | •GROWING with numerous relatively small organizations delivering self-esteem training online or in-class, even if they do not last. |
| Level of Government Influence | •STRONG through provision of grants and publicity |

*Source: by author*
4.3 Surveying the External Landscape

In order to assess the external environment affecting an organization, it is also useful to consider current trends in four areas: political, economic, social and technological. This is coined the “PEST” analysis in the field of business management. Trends related to improving conditions for girls and women in all aspects of life, will be presented in the following subsections and reveal that they align with Passion Foundation’s mission. They also provide a longer-term perspective on the external landscape.

4.3.1 On the Political Front, Gender Equality Advocacy on the Rise

The Status of Women was created in 1971 as a federal department agency to ensure equality between women and men in Canada in all aspects of life. Its current strategic policy goals are threefold:

- Ensuring women’s economic security and prosperity,
- Promoting women in leadership and democratic participation, and
- Eradication of violence against women

Status of Women effects policy change by funding several programs targeted to promote women. It also uses gender-based analysis to assess and inform on the gap between men and women in Canada. Though in existence for over four decades, Status of Women does not appear to have had a significant impact in closing the gender inequality gap. For example, Elections Canada published a flyer in 2011 concerning women living in poverty. It stated: “Women in
Canada continue to experience poverty due to low wages for work, lack of paid work, inaccessible child care and transportation, unaffordable housing, and the experience of ongoing discrimination and violence” (Ad Hoc Coalition for Women's Equality and Human Rights, 2011). It called on the Conservative government to establish social assistance programs to alleviate disheartening statistics regarding Canadian women living in poverty.

Status of Women advocates on behalf of women to other federal departments and agencies to influence policy. It collaborates with various organizations at all levels of the Canadian government to foster effective change. Its standing committee agreed in February 2012 to study the prospects for Canadian girls in particular. It presented a comprehensive report of recommendations to the Parliament of Canada in October 2012. The report describes “the challenge facing many girls as they make the transition from school (at whatever level) to the labour market” (Morin, 2012). The standing committee recommended the federal government work with private-sector partners to encourage mentorships to enable young women to achieve economic prosperity. It further suggested that girls’ prosperity would best be promoted through leadership and entrepreneurship training. Financial literacy, business internships and marketing practices were all suggested as part of this training. In response to the committee’s recommendation, Status of Women called for proposals to a new program it launched, called Setting the Stage for Girls and Women to Succeed. The Minister responsible for Status of Women stated: “Successful projects under this theme will build partnerships and collaboration between girls and young women, communities and stakeholders to identify and respond to the barriers that girls and women face in fulfilling their economic potential. Girls participating in these projects will gain leadership skills and will work with others to deliver action-oriented initiatives in their communities” (Ambrose, 2012). By February 2013, Status of Women had reported so far supporting leadership programs for Aboriginal Girls and Young Women in Winnipeg (Manitoba) and subsequently in Midland (Ontario).

In June 2012, the Canadian Federation of Business and Professional Women announced it recently adopted the United Nations Women’s Empowerment Principles to advance and empower women in business, in government and in civic society. These principles are the result of collaboration between the United Nations Entity for Gender Equality and the Empowerment of Women (UN Women) and the United Nations Global Compact. The goal is to have representatives from all three sectors sign up to the principles (Business and Professional Women Canada, 2013). In doing so, they commit to changing attitudes and practices in their respective sectors. Among the seven principles listed, two are aligned with Passion Foundation’s mission:
• Education, training and professional development for women
• Community leadership and engagement

Canada has also recently celebrated the appointment of its sixth female premier. Now BC, Alberta, Ontario, Quebec, Newfoundland and Labrador, and Nunavut all have a female provincial leader. All these recent political activities show that women are mobilizing across Canada to improve prospects for girls and women.

The political climate for advocating for women, and more specifically education for girls, is also ripe at the international level. The UN General Assembly created UN Women in July 2010 to accelerate its goals on gender equality and women empowerment (UN Women, 2010). One of its mandates is to forge strategic alliances with partners, both in the private as well as not-for-profit sectors, to expedite progress on the condition of women and girls around the world. The Fund for Gender Equality provides multi-year grants to women’s organizations that advance economic and political empowerment for women around the world. The United Nations declared October 11, 2012, as the world’s first International Day of the Girl. This day is to give a voice to girls and young women to effect change in families, communities and nations.

The political climate is currently focused on helping the development of girls not only in Canada, but at a global level as well. Outside of Canada, the impetus is to help women and their families out of poverty. It is also to ensure gender equality and particularly access to education. Several courageous girls and young women have been drawing international attention on gender inequalities. One notable example is Malala Yusafzai, the Pakistani 15-year old who was shot by the Taliban in 2012 for having advocated for girl’s education (The Associated Press, 2013).

4.3.2 Economic Gender Gap Closing but More Progress Needed

Status of Women published its latest gender-based report focusing on the first decade of the millennium. Statistics Canada data reveal that while the gender inequality gap has been closing over the last decade, further economic improvement is required. Canadian statistics that would be of interest to Passion Foundation in particular, include the following (Status of Women, 2012):

• 69% of the Canadian female population lived in metropolitan centres
• The number of Aboriginal women and girls in Canada grew to 4% in 2006
• The number of immigrant women and girls also increased to 20% in 2006
• In 2006, 84% of adolescent women finished their high school degree within expected timeframe
• In 2008, women represented 62% of university graduates
• Women were under-represented in apprenticeships; of those who were enrolled, a large proportion dropped out and didn’t complete their certificate
• In 2008, women were paid 83 cents to every dollar earned by men
• In 2010, women spent 50 hours a week minding their children and 13 hours doing housework (compared to 24 hours and 8 hours respectively for men)
• In 2010, 10% of women lived in low-income situations; 21% female lone-parent families lived in low-income situations
• Female inmates are on average younger, likely to be single, less likely to have completed high school and to be employed than other women
• In 2009, 35% of women admitted to jail were Aboriginal

Since Passion Foundation has been created, Canada has experienced a recession starting late 2008. The Canadian government responded by focusing on creating jobs at the expense of social programs. Funding to many social programs that support Canadian and immigrant women were cut because of the recession. The economic downturn has thus affected in a significant way the disadvantaged, including women and girls in urban as well as rural and remote communities.

To make matters worse, the economic downturn of 2008-2009 had a ripple effect at a global level. The energy crisis triggered a food crisis due to soaring transportation prices. The UN published a progress report against its Millennium Development Goals (MDG). Declared in 2000, eight global MDGs were stated to reduce extreme poverty in the world by 2015. MDG 3 is to promote gender equality and empower women. The UN 2010 progress report indicated however that girls in developing countries are more likely to be out of school compared to boys. Girls are expected to support their families by either minding younger siblings or working. Marrying girls young can relieve the family from the burden of feeding another person. The UN report further remarked, “poverty and unequal access to schooling perpetuate high adolescent birth rates, jeopardizing the health of girls and diminishing their opportunities for social and economic advancement” (United Nations, 2010, p.5).

Therefore, both in Canada as well as in other countries, funding for many social programs has been either curtailed or cut altogether. This leaves the burden for funding these social programs on business and private sponsorships, as well as individual donations.
4.3.3 Social Pressures on Girls Persist

With more women in the workforce, daughters are often expected to mind younger siblings as well as partake in household chores. This puts added stress on female teenagers. In some cases, this level of stress may drive them to despair and to drop out of school. Yet, education has been proven to statistically decrease the likelihood of violence against women, of unwanted pregnancies, of depression in young women. For girls growing up in rural communities and remote areas, the benefit of an education is even more important to improve their chances for a healthier lifestyle.

Role models can play an important part in mentoring and more importantly sponsoring young women to grow their careers. In Canada, there is insufficient representation of women at the helm of businesses and on company boards. Several professional associations are now mobilizing to promote young women in businesses, government and community organizations. For instance, the Women Executive Network regularly celebrates successful women in all three sectors of society. The Professional Association of Engineers and Geoscientists of BC created nearly two decades ago a division for advancement of women in engineering and geoscience (DAWEG). The Canadian Advanced Technology Alliance (CATA) sponsors the Canadian Women in Technology (CanWIT) association. All these associations actively provide a safe forum for women to discuss issues that hinder their career advancement. They lobby for better representation of women to positions of power in their respective organizations.

Another social trend is the public press attention given to Aboriginal girls and young women in Canada. Several crimes against Aboriginal women have drawn attention to the appalling living conditions of First Nations people in many reserves. The repeated news of crimes perpetrated against young Aboriginal women shows that it is difficult for them to get out of poverty. Therefore, Government of Canada is supportive of any leadership programs that assist Aboriginal girls in breaking the cycle of violence and enabling them to earn a living.

Likewise, media attention given to women in prison is also garnering support. Training that can assist these female delinquents in reintegrating society and pursuing a living are also supported by government agencies.

4.3.4 Information Technologies Enabling the Virtual Global Village

The evolution of social media allows people to freely network from around the world. They can easily connect online to exchange ideas, advice and information. This has enabled
associations to network regardless of distance and time zones. Passion Foundation and other not-for-profit organizations in the same sector use this technology to broaden their clientele as well as their sources of revenue.

Furthermore, electronic commerce development has accelerated over the existence of Passion Foundation. Since the mid 2000s, Hypertext Transfer Protocol Secure (HTTPS) is widely used for secure communication over a computer network. People worldwide thus feel more comfortable making purchases online. Making donations over the World Wide Web has thus become more convenient.

More recently, crowd funding is becoming the new approach in the US to obtain funding over the Internet. Various professional associations such as the Canadian Advanced Technology Alliance (CATA) are lobbying the Canadian government to modify legislation and permit crowd funding in Canada for small businesses and not-for-profit organizations.

**Figure 4.2 – PEST Trends Improving Sector Targeted for Girls’ Development**

Source: by author

**4.3.5 PEST Analysis Showing Favourable Climate for the Not-for-Profit Sector**

Figure 4.2 captures the key trends that affect the not-for-profit sector for the development of girls. At the political level, governments are raising awareness of the gender equality gap and providing access to grants. Economically, the global recession and ensuing energy crisis however
are impacting the progress of social programs and creating greater dependencies on non-governmental aid. Many professional associations and not-for-profit organizations celebrate successful women in order to foster more role models for young women and girls. Meanwhile the explosion of social media and improved Internet security protocols are enabling broader global communities.

The next chapter will consider Passion Foundation’s current strategy against the existing sector forces and the external trends brought to light in this chapter.
5: Passion Foundation’s Current Strategy and Forecast

“Our vision is to build our capacity to work with young women across Canada while partnering with agencies all over the world.” (Passion Foundation)

Passion Foundation was created in 2007 to teach girls leadership skills so they may grow into confident young adults. Chapter 1 provided an overview of research on the development of girls into adulthood. It explained how leadership training for girls is handled not only in Canada, but also across the globe leveraging social media. Chapter 2 described client relationships that Passion Foundation nurtures, while Chapter 3 depicted its internal operations. The analysis revealed the organization has a strong reputation for effective training and for delivering a valuable community service experience. At the same time, it disclosed the high dependency on its single employee and few key sponsors. Chapter 4 presented the competitive forces that impact the not-for-profit sector, particularly for access to sponsors and clients. Nevertheless, the sector remains attractive to new entrants and substitutes due to its low entry barriers. Several PEST trends are converging to create a long-term favourable climate for the development of girls.

This chapter will review Passion Foundation’s current strategy and evaluate its long-term viability. The purpose here is to forecast Passion Foundation’s results, were the organization to continue operating with its current strategy.

5.1 Precarious Financial Position

The Executive Director has prepared a business plan for fiscal year 2013. Table 5.1 lists the main elements that would generate revenue: sale of training and donations. It also lists estimated expenditures based on those incurred in fiscal year 2011. For a rapid assessment of the financial picture, the right-hand column shows the significance of revenue elements and expenditures relative to total revenue expected to be generated. For instance, it reveals that with the proposed business plan, the philanthropic sponsor will still provide a third of the total revenue generated. That column also shows that paying the Executive Director an annual salary and benefits would absorb nearly 1.8 times the total revenue! Clearly, this is not a viable scenario.
Table 5.1: Passion Foundation Forecast for Fiscal Year 2013 Shows Insufficient Revenue

<table>
<thead>
<tr>
<th>REVENUE</th>
<th>Estimate</th>
<th>% Revenue (Margin)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Summer Camp (2 workshops per year, 10 participants each)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Course fees</td>
<td>$6,000</td>
<td>5.9%</td>
</tr>
<tr>
<td>Direct costs</td>
<td>($4,140)</td>
<td>M = 31%</td>
</tr>
<tr>
<td>Custom School Project (5 sessions per school year, 10 girls each)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Course fees</td>
<td>$15,000</td>
<td>14.8%</td>
</tr>
<tr>
<td>Direct costs</td>
<td>($10,350)</td>
<td>M = 31%</td>
</tr>
<tr>
<td>Special Project (1 workshop per year, 30 participants)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Course fees</td>
<td>$9,000</td>
<td>6.7%</td>
</tr>
<tr>
<td>Direct costs</td>
<td>($6,900)</td>
<td>M = 23%</td>
</tr>
<tr>
<td>Sales</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Branded products</td>
<td>$6,000</td>
<td>9.6%</td>
</tr>
<tr>
<td>Costs of goods sold</td>
<td>($3,000)</td>
<td>M = 50%</td>
</tr>
<tr>
<td>Philanthropic Contributions</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Family foundation donations</td>
<td>$10,000</td>
<td>31.9%</td>
</tr>
<tr>
<td>Institutional donations</td>
<td>$9,250</td>
<td>29.5%</td>
</tr>
<tr>
<td>Private donations</td>
<td>$500</td>
<td>1.6%</td>
</tr>
<tr>
<td>TOTAL REVENUE</td>
<td>$31,360</td>
<td>100.0%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>EXPENDITURES</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Office and Administration</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Administrator (part-time)</td>
<td>7,800</td>
<td>24.9%</td>
</tr>
<tr>
<td>Bookkeeper</td>
<td>1,300</td>
<td>4.1%</td>
</tr>
<tr>
<td>Office Space and insurance</td>
<td>1,350</td>
<td>4.3%</td>
</tr>
<tr>
<td>Salaries and Benefits</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Employees</td>
<td>56,580</td>
<td>180.4%</td>
</tr>
<tr>
<td>Travel and Transportation</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Transport/parking/mileage/insurance/gas</td>
<td>3,940</td>
<td>12.6%</td>
</tr>
<tr>
<td>Telecom and On-line</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Website, maintenance, hosting fees</td>
<td>520</td>
<td>1.7%</td>
</tr>
<tr>
<td>Cell Phone</td>
<td>1,170</td>
<td>3.7%</td>
</tr>
<tr>
<td>Training Material Development</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Training Materials Development</td>
<td>6,000</td>
<td>19.1%</td>
</tr>
<tr>
<td>General Promotion Materials</td>
<td>500</td>
<td>1.6%</td>
</tr>
<tr>
<td>Online Platform Development</td>
<td>10,000</td>
<td>31.9%</td>
</tr>
<tr>
<td>Mentor Webinar Development</td>
<td>5,000</td>
<td>15.9%</td>
</tr>
<tr>
<td>Conferences and professional associations</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Conference</td>
<td>1,200</td>
<td>3.8%</td>
</tr>
<tr>
<td>Professional memberships</td>
<td>300</td>
<td>0.9%</td>
</tr>
<tr>
<td>TOTAL EXPENDITURES</td>
<td>95,660</td>
<td>305%</td>
</tr>
</tbody>
</table>

Source: by author, based on Passion Foundation data
The Executive Director has estimated that in order to cover all Passion Foundation operating costs, she would need a minimum budget of $96,000; this is three times, what she has raised so far. She is forecasting for the current year a minimum of eight workshops to train one hundred girls. This forecast is based on charging $300 per participant for the workshop, and on a profit per service varying between 23% and 50%. This plan still falls short of necessary funds to cover operating expenditures: they represent nearly three times her revenue forecast.

The last column in Table 5.1 also lists the amount of margin planned for each type of service or item on sale. For instance, the Executive Director is hoping to realize 50% profit on the sale branded products. She would have to increase the quantity of items sold in order to drop the cost of goods sold and reap a higher profit margin.

All these observations reveal that Passion Foundation is too tentative in its approach to generate revenue. It is financially in a very vulnerable position. The question then becomes: why is it in such a precarious position? So far, the organization was concerned with building its reputation; it was therefore discounting its labour in order to establish a footprint in the sector. As seen earlier, it holds valuable assets that could be monetized. Charging for community connections may be one such approach.

5.2 Limited Expected Outcomes with Current Strategy

Passion Foundation is a relative newcomer in the not-for-profit sector for the development of girls with only five years of existence. Internally the organization has proven to possess many strategic assets. Leveraging its youth counselling experience and coaching expertise, it has managed to prove the social benefits of its development workshop. These benefits directly affect the local community. With its charismatic leader, it has also garnered a strong network of sponsors and alumni, both locally and internationally. With support from various professionals and alumni, it has developed a growing media campaign that is being noticed. Its admirable reputation has drawn the interest of business partners eager to contribute to community service.

At the same time, Passion Foundation is struggling to cover its operational expenses. It relies on a few key sponsors and cannot plan a budget based on sporadic individual donations. Donation fatigue from either volunteers or existing donors may become a longer-term concern. While the Executive Director currently has a strong following of committed supporters, some could slowly divert their energies and funds towards other causes.
Furthermore, the Executive Director carries a considerable weight of the responsibilities to run the organization, as the only qualified expert in-house to deliver the training workshops. Passion Foundation is also dependent on a handful of volunteers and some alumni to execute many of the sundry duties.

Passion Foundation will not be able to sustain itself with the current operational approach. It depends for the most part on generous philanthropic contributions and on intermediate agents to provide access to potential clients. With the current strategy, the Executive Director’s choices are limited to one or a combination of the following steps:

• Attract a greater number of sponsors
• Coordinate more fundraising events
• Advertise Passion Foundation services to a greater number of potential intermediate agents
• Sell to a larger number of participants
• Increase the workshop fees

In order to carry out any of the above, she would need to employ more volunteers or would have to pay wages for required labour. The Executive Director could not continue to perform all the work on her own.

Passion Foundation is wrestling with external challenges as well. It is operating in a sector already occupied by larger PES. Several other organizations with wealthier funding resources have well-established roots in the same not-for-profit sector. Furthermore, with low entry barriers, there are many new entrants slowly eroding their sector share. With the explosion of social media online services, it would not be too difficult for other entrepreneurs to sell similar workbooks or to offer webinars online for a reasonable price. In a world where operating budgets are shrinking for educational and Canadian social service agencies, these alternative forms of training delivery may appear more attractive. Passion Foundation could see its market eroded over time by these substitutes.

The organization is therefore at a crossroads and must alter its strategy to maintain its existence, let alone expand its market.
5.3 Contemplating Alternate Strategies

The Executive Director of Passion Foundation has expressed the desire not only to assure sustainable funding for the organization but also to expand beyond Vancouver. The following subsections will consider each goal separately.

5.3.1 Considerations for Sustainability

So far, Passion Foundation’s strategy has been to tailor workshops depending upon the girls or young women being trained. In order to retain its strategic freedom, it has preferred to rely on a few tenant sponsors rather than dilute its autonomy with too many institutional sponsors. Passion Foundation’s current strategy results in a “poor-but-free” autonomy (Vining, 2011, p.85). This means its fiscal autonomy is low but so far, it holds high strategy autonomy, as illustrated in Figure 5.1. Its primordial concern therefore is to increase fiscal autonomy. This can be achieved foremost by reducing operational costs. Suitable tactics would entail bargaining over price with suppliers, selling services at a higher price but within trainees’ and intermediate agencies’ willingness to pay as well as perceptive use of technologies.

Other approaches Passion Foundation should consider are those that would specifically counter the forces that are affecting the sector. Given the not-for-profit sector analysis, such strategies would include

- Differentiation of services from those of other PES,
- Increasing the supplier base to drop prices, and
- Client lock-in tactics for the longer-term

Passion Foundation should continue to strengthen its brand to distinguish itself more clearly from the competition. Its tailoring approach to training, its workshop format spread over several weeks to effect lasting change and its copyrighted workbook are commendable steps in that direction. It should invest next more effort on its web site design to enable its alumni community concept and encourage growth.

Recent attention in the press on the condition of young female delinquents as well as on the depressing living conditions of aboriginal adolescents may open the door to Passion Foundation to some new sources of funding. The Executive Director may consider submitting relevant proposals to related government agencies.

Passion Foundation is not currently exploiting one of its strongest assets, connection to the community. It could consolidate its current network more formally and charge membership
for access to it. It could then leverage this network to offer a platform for trading information and advice, for selling products and services. Once it has established more firm financial footing, it could use the community network to pilot expansion ideas.

The methods presented thus far remain within Passion Foundation’s current strategy but can increase influx of much needed funds. The next subsection will consider approaches to support expansion of services.

Figure 5.1 – Passion Foundation’s Current Strategy Characterizes It as an Independent Agency

Source: by author, adapted from Vining, 2011, p.85

5.3.2 Expansion Ideas

So far, Passion Foundation has successfully leveraged social media to attract funds through crowd funding and to promote its programs online. It may be a relatively easy step to develop a webinar and sell it online. This way, the Executive Director could deliver the webinar to reach out to a number of schools across Canada.

Passion Foundation may seek philanthropic partnerships both within and outside Canada to expand its programs. Research on female self-esteem, leadership style and collaborative solutions to community problems is now mature. The marketplace appears ripe for these kinds of interventions on a global scale. Passion Foundation may want to leverage these to develop new workshops.
All of these opportunities will necessitate funding and more staff however. The good news is that there are grants and funds available at various levels of government in Canada: municipal, provincial and federal. Passion Foundation would need to focus its efforts to determine which grants are suitable to support its mission.

Table 5.2: Passion Foundation Has Potential Strategic Responses for Forces at Play

<table>
<thead>
<tr>
<th>Force Assessment</th>
<th>Potential Strategic Response</th>
</tr>
</thead>
<tbody>
<tr>
<td>Increased Need of Funds for Operations</td>
<td>S1 – Increase price of training workshop</td>
</tr>
<tr>
<td></td>
<td>S2 – Buy consumables in bulk to reduce costs</td>
</tr>
<tr>
<td></td>
<td>S3 – Build upon website to allow online network</td>
</tr>
<tr>
<td>Intense Rivalry</td>
<td>S4 – Distinguish Passion Foundation services from other PES by emphasizing custom training for age group as well as local community service results</td>
</tr>
<tr>
<td></td>
<td>S5 – Promote successful outcomes of trained girls using all forms of media</td>
</tr>
<tr>
<td></td>
<td>S6 – Seek partnership with another PES</td>
</tr>
<tr>
<td>Moderate Bargaining Power of Suppliers</td>
<td>S7 – Bargain with suppliers for better prices</td>
</tr>
<tr>
<td></td>
<td>S8 – Seek alternate suppliers to lower bargaining power of current suppliers</td>
</tr>
<tr>
<td>Weak Bargaining Power of Clients</td>
<td>S9 – Monetize alumni connections by charging them a membership fee for keeping in touch</td>
</tr>
<tr>
<td></td>
<td>S10 – Reward a girl for recommending a friend to the workshop</td>
</tr>
<tr>
<td></td>
<td>S11 – Invite potential donors to a dinner with girls that recently completed the workshop; request a donation for the meal</td>
</tr>
<tr>
<td></td>
<td>S12 – Invite potential donors to sponsor a girl’s community project</td>
</tr>
<tr>
<td>Growing Threat of Entrants &amp; Substitutes</td>
<td>E13 – Sell PF training workshop lecture portion online</td>
</tr>
<tr>
<td></td>
<td>E14 – Charge fee to train to certified counsellors in the Passion Foundation approach</td>
</tr>
<tr>
<td></td>
<td>E15 – Collect royalties when trained coaches deliver the course</td>
</tr>
<tr>
<td></td>
<td>E16 – Charge them for the sale of Passion Foundation workbooks</td>
</tr>
<tr>
<td>Strong Government Influence</td>
<td>S17 – Offer a price discount to intermediate agencies for committing to fill more than a certain number of workshops</td>
</tr>
<tr>
<td></td>
<td>S18 – Offer a price discount to intermediate agencies for committing to workshops a year in advance</td>
</tr>
</tbody>
</table>

*Source: by author, adapted from Vining, 2011, p.90*

### 5.3.3 Potential Strategic Responses

Passion Foundation needs to monitor both internal and external forces that affect its operations. There are various strategies that it can pursue to both sustain and expand its services. Sustainability is of primordial importance and must be tackled first. Expansion ideas may be
explored in a second stage once the organization is on a firmer financial footing. Likely, this could be considered beyond the next five-year window under consideration here.

Ideas proposed so far are summarized in Table 5.2. The first column identifies the force being addressed. The second column lists the strategic responses that the organization can adopt to counter these forces. Responses labeled with an S are those that can improve sustainability, and those labeled with an E are suitable for expansion. Evaluating the feasibility of these responses in the context of broader strategies will be the subject of Chapter 6.

5.4 An Organization at a Critical Turning Point

Passion Foundation is at a turning point. It has increased its revenues in the past couple of years but these remain insufficient to cover all its operational costs. Passion Foundation has relied on the work of a single employee to promote its programs and deliver the training, but this is not sustainable for the long term. It has relied on differentiation to survive in a sector already occupied by richer and politically well-connected PES. Passion Foundation has undersold its services in order to penetrate the market, but it has now set a low willingness to pay among its intermediate agents. Political and social trends are increasingly drawing attention to the condition of women globally. In particular, these trends are advocating for leadership training for girls to break in particular the cycle of poverty and violence. As a result, Passion Foundation has opportunities for growing revenues but the threat of entrants and substitutes is growing as well.

Passion Foundation’s current strategic approach will limit its growth, so it will eventually need to look at alternative strategies to expand its services and its geographical reach in Canada and beyond. However, for now, the organization’s key goal must remain sustainability primarily. The next chapter will focus on Passion Foundation’s positioning alternatives. Various strategies will be explored and evaluated against criteria set in this chapter. Then a particular strategy for Passion Foundation will be recommended.
6: Strategic Alternatives and Recommendation

Chapter 5 identified Passion Foundation’s challenges as it is poised to expand its programs. This chapter will describe and evaluate the strategic alternatives available to the not-for-profit organization to ensure sustainability.

6.1 Setting Strategic Goals

Passion Foundation’s current strategy is not sustainable for the long-term. It is in fact incurring debt already. The Executive Director expressed frustration, spending most of her time raising funds. She would rather facilitate workshops and develop new programs beyond Vancouver, beyond BC, indeed beyond Canadian borders. The Executive Director is now faced with several issues as shown in Figure 6.1.

Figure 6.1 – Passion Foundation Issues Lead to Important Decisions for its Future

Source: by author

In order to make the right decisions, Passion Foundation can adopt the multi-goal analysis method (Vining & Lindsay, 2000). Goals are defined based on the desired outcomes expressed by Passion Foundation’s executive board. The goals become evaluation criteria. In a first step, each goal (i.e. criterion) is assigned a weight between zero and one; the sum of the weights for all goals must equal one. In a second step, the impact of each strategic alternative is
qualitatively ranked against the evaluation criteria. In the final step, each impact ranking is multiplied by the corresponding criterion weight. The results are summed for each strategic alternative to produce a score. A comparison of scores will drive to a recommendation for the best strategic alternative. The alternative with the highest score should be selected as being the one with highest predicted performance and best-forecast outcomes.

The list of goals can be generated by going back to the Executive Director’s list of objectives presented in Chapter 1. By combining the first two objectives, there are six goals Passion Foundation targets to achieve sustainability as well as support expansion.

### 6.1.1 To Completely Cover Operational Costs within Three Years

The first goal concerns improving operational efficiency. The organization needs to adopt a more effective business model. It needs to generate more revenue and at the same time reduce its operational costs where possible.

### 6.1.2 To Develop a New Workshop Targeted for Young Women

The second goal reflects market expansion. It focuses on an older group of girls, women between 18 and 24. It proposes to develop workshop activities that enable the young women deeper introspection; the objective is to help them find the courage to try new endeavours. The workshop final project may become more substantial than that developed for younger girls. It may involve the launch of a community service business.

### 6.1.3 To Double the Number of Alumni within Three Years

This goal is a measure of the organization’s growth rate. Passion Foundation should grow its clientele by 26% per year.

### 6.1.4 To Roll Out an Online Community within One Year

The third goal is an expression of service expansion. By developing its website and enabling alumni as well as sponsors to join the Passion Foundation community, the organization can generate more funds. The revenues can be garnered from trades and information exchanges that are enabled by the Passion Foundation network.
6.1.5 To Complete the Documentary within Two Years

This goal is again another articulation of service expansion. Once the Global Sorority documentary is completed, it would serve the dual purpose of raising awareness as well as attracting both types of Clients, sponsors and clients.

6.1.6 To Expand the Organization beyond BC

This last goal addresses geographic reach. It is another measure of the Passion Foundation’s expansion of market. This goal is about increasing clientele through the geographic dimension.

6.1.7 Relative Importance of Goals

For the purpose of strategic analysis and options assessment, all six goals are reworded in neutral language as alternatives may have either a positive or a negative impact on the organization. The goals are allocated a weight to represent its importance relative to the others. These weights have been assessed in discussion with the Executive Director.

Table 6.1: Evaluation Criteria to Be Used for Assessing Strategic Alternatives

<table>
<thead>
<tr>
<th>Passion Foundation Goals</th>
<th>Assigned Weight (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>G1 – Impact on operational efficiency</td>
<td>30%</td>
</tr>
<tr>
<td>G2 – Impact on young women</td>
<td>20%</td>
</tr>
<tr>
<td>G3 – Impact on alumni growth</td>
<td>15%</td>
</tr>
<tr>
<td>G4 – Impact on access to online community</td>
<td>15%</td>
</tr>
<tr>
<td>G5 – Impact on awareness of issues impacting girls’ development</td>
<td>10%</td>
</tr>
<tr>
<td>G6 – Impact on geographical expansion beyond Vancouver</td>
<td>10%</td>
</tr>
<tr>
<td><strong>Total weight</strong></td>
<td><strong>100%</strong></td>
</tr>
</tbody>
</table>

*Source: by author, based on inputs from Passion Foundation’s Executive Director*

6.2 Mapping Sources of Revenue to Current Sources of Client Utility

In order to address the need for funds for operations, Passion Foundation should start by looking at its current services and products and determine which could be monetized. Passion Foundation in fact has many assets that can be used to generate a steadier stream of revenue; they are listed in Table 6.2. The first column lists the types of services Passion Foundation already
provides but is not monetizing to a large degree. Column 2 suggests relative importance the new services have for the clientele. Column 3 and following indicate proposed methods for generating revenue. The contents of the first column are described next in following subsections.

Table 6.2: Passion Foundation Can Leverage Many Existing Services to Generate Revenue

<table>
<thead>
<tr>
<th>Sources of Utility: Client Services</th>
<th>Importance</th>
<th>Grant</th>
<th>Service Fee</th>
<th>Commission on sales</th>
<th>License fee</th>
<th>Donation</th>
<th>Scholarship or referral</th>
<th>Membership fee</th>
</tr>
</thead>
<tbody>
<tr>
<td>A. Awareness presentations</td>
<td>High</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>B1. Healthy development training</td>
<td>High</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>B2. Leadership development training</td>
<td>High</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>C. Mentoring</td>
<td>High</td>
<td>✓</td>
<td>✓</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>D1. Community service project</td>
<td>High</td>
<td>✓</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>D2. Social enterprise</td>
<td>Medium</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td></td>
<td>✓</td>
</tr>
<tr>
<td>E. Local alumni network</td>
<td>Medium</td>
<td>✓</td>
<td></td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td></td>
<td>✓</td>
</tr>
<tr>
<td>F. Support from professionals</td>
<td>Low</td>
<td>✓</td>
<td></td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td></td>
<td>✓</td>
</tr>
<tr>
<td>G. Alumni coaching</td>
<td>Low</td>
<td>✓</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Source: by author

6.2.1 A – Awareness Presentations

The Executive Director is frequently asked to deliver presentations on her organization and more specifically on the cause she is supporting, that of supporting the development of girls. So far, she has delivered these presentations either free or for an honorarium. Passion Foundation could leverage its knowledge and charge a service fee for every talk that the Executive Director delivers.

The Global Sorority documentary is partially completed today and could be used now to start generating interest in the development of girls. The Executive Director should organize
viewings so the organization may start collecting some revenue from it. The revenue could be used to offset some operational costs as well as fund the remainder of the documentary project.

6.2.2 **B - Development Training for Girls**

All forms of Passion Foundation training delivery (just healthy development or full leadership development) should continue to be charged a service fee, but include a reasonable profit margin to be reinvested in other initiatives and teaching materials. The key is to set the price within the intermediate agency or client’s willingness to pay range. Alternately Passion Foundation would need to get adept at acquiring intelligence on relevant government grants available.

Development of a training workshop for young women should be pursued if the work involved can leverage off the existing training workshop.

6.2.3 **C - Mentoring**

The Executive Director’s mentoring services should also be charged a service fee. Currently, she offers them free of charge. An hourly rate could be charged for the duration of the mentoring service. Alternately, she could sell the service as a package of support sessions.

6.2.4 **D - Community Experience**

When the girls develop a community project or launch some social enterprise, they are expected to raise funds. Passion Foundation typically provides the girls with a small amount of funds to be used for the development of the project or enterprise. The girls therefore could return the favour after the activity is completed, by paying back the loan from the proceeds of the fundraising activity. In essence, the girls would experience what it is like to take a microloan and repay it back. Alternately, Passion Foundation could be paid a commission on every product the girls sell as part of their community project.

6.2.5 **E - Alumni Network**

Once the girls practice their leadership skills through a community project, they can join the alumni association. Passion Foundation could charge a bi-annual or monthly membership. The membership would give alumni online access with their cohort group. The membership
would also allow alumni access to Passion Foundation resources such as professional contacts, information on community services, coaching services, and so on.

Alumni may recommend their own friends to either take the Passion Foundation training workshop or to volunteer for the organization. Passion Foundation should provide an incentive, such as a discount on annual membership, to encourage alumni to provide more client referrals.

### 6.2.6 F - Support from Professionals

Once alumni have matured and grown successful in their own careers, they may pay back Passion Foundation by making donations or sponsoring another girl to take the training. Likewise, individuals and businesses interested in investing in Passion Foundation could be asked to make regular installments of donations. Alternately they could be approached to consider sponsoring a girl or an entire cohort to take the Passion Foundation development training. They could also refer trainees who can afford to pay.

### 6.2.7 G - Coaching for Alumni

Passion Foundation could also expand its services to provide coaching services to its alumni. As the alumni network grows, this would require more qualified staff to deliver this service.

Having identified how to leverage the organization’s assets for greater revenue, Passion Foundation should explore broader positioning strategies to grow.

### 6.3 Exploring Strategic Options

Maintaining the status quo is not an option for Passion Foundation. It is clear that the organization cannot survive for the long term unless it finds other sources of revenue. Therefore, it must consider whether to remain a charity but charge for services and products where possible to supplement donations. To generate revenue, it can remain local, expand within Canada or expand globally. Alternately it could become a social enterprise generating profit that it reinvests in expanding programs designed for the development of girls. The various options are summarized in Table 6.3. The descriptions are elaborated further in the following subsections.
## Table 6.3: Passion Foundation Can Choose from Several Strategies to Sustain Itself

<table>
<thead>
<tr>
<th>Options</th>
<th>What?</th>
<th>Where?</th>
<th>How?</th>
</tr>
</thead>
<tbody>
<tr>
<td>Option 1 – Remain a local charity</td>
<td>Maintain Passion Foundation as a not-for-profit organization</td>
<td>Remain in Vancouver</td>
<td>Charging for Services:</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>• Supplement donations with revenue generated from charging fees for client services A to E (please refer to Table 6.2)</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>• Continue to rely on volunteers for bulk of duties, but hire some part time staff for selected tasks</td>
</tr>
<tr>
<td>Option 2 – Expand Online Community</td>
<td>Same as Option 1, with commission on online community sales</td>
<td>Remain in Vancouver</td>
<td>Horizontal diversification:</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>• Expand online portal for advertising community service products and for selling alumni services (client services of type F)</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>• Continue to rely on volunteers for bulk of duties, but hire some part time staff for selected tasks</td>
</tr>
<tr>
<td>Option 3 – Expand in BC</td>
<td>Same as Option 1, with addition of train-the-trainer services and online community for national expansion</td>
<td>• Open chapters in other BC cities and towns</td>
<td>Geographic as well as services expansion:</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Plan expansion over next five years</td>
<td>• Develop and deliver train-the-trainer courses, then charge licensing fee for deploying training services in other towns by trained coaches</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>• Develop webinars that can be viewed remotely from Vancouver</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>• Offer coaching services to alumni</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>• Continue to rely on volunteers but province-wide</td>
</tr>
<tr>
<td>Option 4 – Develop a Partnership With Another PES</td>
<td>Join forces with another PES</td>
<td>Remain in Vancouver</td>
<td>Partnership:</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>• Retain own brand</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>• Explore complementary services</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>• Clearly delineate respective areas of responsibility</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>• Specify outcomes expected from joined efforts</td>
</tr>
</tbody>
</table>

*Source: by author, adapted from Vining & Lindsay, 2000*
6.3.1 Option 1 – Maintain the Charity Local But Charge for All Services

The first option is essentially maintaining Passion Foundation as a local charity. In this instance, one or several of the revenue generation approaches described in Section 6.2 could be implemented. In particular, it could proceed right away with refining the training workshop for young women.

The organization would continue to rely on volunteers for the bulk of duties. Passion Foundation should consider hiring staff part-time however to assist with specific marketing campaigns, financial reporting, web design and routine administrative duties. Focus will remain on strengthening the organization’s reputation and growing local clientele.

Development of an online community may prove to be too expensive for revenue that could be generated in the first year. Therefore, it may be wiser to spread the website development for the online community over two years so the organization can bear related costs. Once the website is completed in year 2, Passion Foundation could charge its alumni a membership fee for joining its online community. The online community would thus link alumni with new cohorts of girls. They would use the online alumni sorority to connect with each other, to share thoughts and ideas, to seek and provide advice, and to exchange information.

With this approach, goals G1, G2, G4 and G5 may be improved. Achieving goal G3 related to alumni will happen slowly however as long as the Executive Director remains the only coach on staff. Goal G6 focused on geographical expansion will not be addressed at all.

6.3.2 Option 2 – Expand the Charity’s Online Community

This option is the same as Option 1, except the online community is expanded to become a full electronic commerce platform. Members of the online community would be able not only to exchange information, but also to sell products and services. Passion Foundation would charge commission on trades made through the website.

With this approach, goals G1 to G5 could be addressed but at a slower rate than Option 1 because all the activities would draw on few staffing resources (whether paid or volunteered). The expansion of the online community would draw not only on funding resources but also require more oversight to ensure trade is happening with no risk of fraud or to the organization’s reputation.
Goal G6 focused on geographical expansion may be somewhat addressed through some referrals. Alumni referring their friends may garner an invitation to deliver a workshop on Vancouver Island for instance.

6.3.3 Option 3 – Expand the Charity across BC

The third option is expanding Passion Foundation geographically. Here too various revenue generation tactics can be applied, as in Option 1. The salient difference however is that Passion Foundation would need to train and certify coaches to expand the program outside Vancouver. Therefore, the organization must consider developing a train-the-trainer package. It could charge participants for the course. It could subsequently charge licensing fees to those who use the development program to establish local chapters in other cities. Furthermore, the broader geographic reach should attract more sponsors and therefore generate more revenue.

With this approach, the organization may pilot coaching services for alumni. If successful, this approach may allow Passion Foundation to hire the services of certified counsellors to provide support to alumni. Passion Foundation could levy a commission on their offered services.

This approach is attractive as it would address the geographic expansion goal, however it would not be realistic if the coach were busy delivering training to girls. She would also likely not progress as fast on developing a new workshop for young women. This option places a heavy burden on the Executive Director. It likely forces her to hire professional staff to address other important duties. This would result in an increase of operational costs.

6.3.4 Option 4 – Develop a Partnership with Another PES

This option considers joining forces with an existing PES that may have richer resources than Passion Foundation but does not directly compete with its services. Retaining autonomy rather than amalgamating the two organizations would preserve quality of service, as well as retain their respective clients (sponsors, agents and trainees).

As mentioned earlier (see Section 2.3.1), clear specification of respective responsibilities and expected outcomes would be necessary to ensure a fruitful working relationship. Passion Foundation had approached several other PES for partnership proposals with no success to date. The Executive Director may consider revisiting one of these proposals. More clearly explaining
how Passion Foundation services are differentiated from the other PES as well as showing how
the alliance could benefit both parties would therefore be critical.

Another challenge is ensuring the partnership would enhance each organization’s
reputation as well as improve their operational efficiency. Reputation is critical for not-for-profit
organizations. Passion Foundation would have to expend effort monitoring the reaction of clients
not only to its own actions but also to those of its partner.

One example could be joining forces with the Minerva Foundation. Its services currently
support young women, while Passion Foundation focuses on development training for girls.
Passion Foundation would not need to develop a new leadership program for young women, but
still realize this goal through its partnership. Alumni from Passion Foundation could obtain
discounts on services provided by the Minerva Foundation once they become adults. In return, the
Minerva Foundation could support Passion Foundation fundraising efforts, refer intermediate
agents or sponsor trainees.

With the right partnership, all goals may be addressed with Option 4. It depends however
on how successfully the Executive Director convinces the other party to partake in the alliance. It
will require shared vision and careful crafting of the partnership agreement. Managing the
partnership would also place an additional burden on Passion Foundation.

6.3.5 Strategic Option Evaluations

There are several strategic options for sustainability and expansion. These are compared
next using the evaluation criteria defined in section 6.1. The multi-goal evaluation matrix is
presented in Table 6.4. The first and second columns show the six goals and their allocated
weights. The remaining columns present each option with its qualitative impact and resulting
scores (indicated with “s=”).

Impacts are defined on a discrete scale of zero to four. A zero rating is given when the
goal is not addressed at all. A score of four is awarded when the goal is best addressed relative to
other options. The last row shows the total score per option.

The multi-goal analysis reveals that Option 1 offers the best chances for successfully
meeting the organization’s most important 5-year goals. It yielded the best impact in particular
on goals related to operational efficiency and young women. Option 2 appears to be the worst
strategy: while addressing all six goals, it does neither very well because its resources are spread
too thin.
Table 6.4: Assessment of Passion Foundation Strategic Alternatives Yields a Clear Winner

<table>
<thead>
<tr>
<th>Evaluation Criteria</th>
<th>Weight</th>
<th>Option 1 Charge for services</th>
<th>Option 2 Launch e-commerce</th>
<th>Option 3 License to grow</th>
<th>Option 4 Seek a Partner</th>
</tr>
</thead>
<tbody>
<tr>
<td>G1 – Impact on operational efficiency</td>
<td>30%</td>
<td>4 (s = 1.2)</td>
<td>2 (s = 0.6)</td>
<td>1 (s = 0.3)</td>
<td>3 (s = 0.9)</td>
</tr>
<tr>
<td>G2 – Impact on young women</td>
<td>20%</td>
<td>4 (s = 0.8)</td>
<td>1 (s = 0.2)</td>
<td>2 (s = 0.4)</td>
<td>3 (s = 0.6)</td>
</tr>
<tr>
<td>G3 – Impact on alumni growth</td>
<td>15%</td>
<td>3 (s = 0.45)</td>
<td>1 (s = 0.15)</td>
<td>4 (s = 0.6)</td>
<td>2 (s = 0.3)</td>
</tr>
<tr>
<td>G4 – Impact on access to online community</td>
<td>15%</td>
<td>4 (s = 0.6)</td>
<td>1 (s = 0.15)</td>
<td>3 (s = 0.45)</td>
<td>2 (s = 0.3)</td>
</tr>
<tr>
<td>G5 – Impact on awareness of issues impacting girls’ development</td>
<td>10%</td>
<td>3 (s = 0.3)</td>
<td>1 (s = 0.1)</td>
<td>4 (s = 0.4)</td>
<td>2 (s = 0.2)</td>
</tr>
<tr>
<td>G6 – Impact on geographical expansion beyond Vancouver</td>
<td>10%</td>
<td>0 (s = 0)</td>
<td>1 (s = 0.1)</td>
<td>4 (s = 0.4)</td>
<td>3 (s = 0.3)</td>
</tr>
<tr>
<td>TOTAL OPTION SCORE</td>
<td>100%</td>
<td>3.4 WINNER</td>
<td>1.3</td>
<td>2.6</td>
<td>2.6</td>
</tr>
</tbody>
</table>

Valuation: High = 4; Medium/high = 3; Medium/low = 2; Low = 1; No impact = 0

Source: by author, adapted from Boardman, Shapiro & Vining (2004)

### 6.4 Feasibility Analysis

Having assessed the best strategic alternatives for Passion Foundation, attention is turned next on whether the organization has the required capacity and capabilities to implement the recommended option. The Diamond-E framework can be applied by considering three key dimensions (Crossan, 2013):

- Does Passion Foundation have the necessary management preferences to expand its services?
- Would its organizational structure and culture readily lend themselves to such growth?
- Does it have the right operational, staffing and financial resources to implement changes required?

For each dimension, one must consider the requirements to support the proposed strategy, what is actually currently available and what gap exists between the two. Only then, would it be possible to recommend approaches to bridge the gaps identified. If solutions to bridge the gap were too onerous, then the proposed strategy should be revised.
The following subsections assess Option 1 along each of the three dimensions.

### 6.4.1 Management Preferences

The Executive Director and the board of directors represent Passion Foundation’s management. They are seeking ways to strengthen the organization’s brand and to generate more revenues. The Executive Director has demonstrated drive and energy to actively market her services through TED talks as well as her blog over the World Wide Web. She has filmed and produced a documentary. It is ready for viewing so Passion Foundation can start generating revenue from it. Therefore, Option 1 provides opportunity to strengthen the Passion Foundation’s brand.

#### Table 6.5: Passion Foundation Management is Supportive of Fee-for-Service Model

<table>
<thead>
<tr>
<th>Management</th>
<th>Required</th>
<th>Observed</th>
<th>Salient gaps</th>
<th>Gap-bridging solution</th>
</tr>
</thead>
</table>
| Preferences | * Supportive of growing number of trainees
* Comfortable charging for services | * Interested in reaching out to as many girls as possible
* Uncomfortable negotiating for higher price | Selling skills | * Take course on sales techniques
* Ask for help from board advisors |
| Decision criteria | * Finding other girls as well as young women to train
* Branding
* Determining right price and differentiation tactics for each of the workshops | * Success working with school districts
* Successfully piloted a workshop for a cohort of young women through SFU’s Young Women in Business club. | * New agents for more girl referrals
* Contacts to reach young women
* Marketing expertise | * Leverage pilot success to set up partnerships with schools, colleges and universities
* Ask first cohort alumni to provide testimonials on impact training had
* Leverage expertise of board advisors |
| Experience | Youth services and coaching experience | Certified counsellor with minimum ten years of youth services experience | None | * Not applicable |

*Source: by author*
The Executive Director is also keen to reach out to as many girls as the organization can support. She has the relevant youth counseling expertise to develop a new workshop for young women. She has piloted such a course once before and now needs to refine it. Therefore, she can be ready soon to deploy the new workshop. Reaching out to a different demographic group, young women, will allow her to adopt a price differentiating strategy. Passion Foundation could charge more for an older cohort group than for the pre-teens and teenagers.

Passion Foundation could recruit among the trained young women for volunteers to assist in the development training for girls. They could also help with developing further Passion Foundation’s webpages, with coordinating marketing campaigns, or with researching grants. The young women would garner community service experience, while the Executive Director would expand her network of support for the organization. The Executive Director could also lean on her board of directors and advisors for advice in areas outside her expertise.

As is summarized in Table 6.5, adopting a fee-for-service model for its services is still congruent with Passion Foundation’s management vision, their decision-making and experience.

6.4.2 Organization

Passion Foundation is a very small organization predominantly relying on a network of sponsors, volunteers, advisors and business partners. In order to grow its revenues, it needs to expand its network. It must also delegate specific duties according to expertise of these contacts. There are various approaches to achieve this as described in Table 6.6. They are in large part manageable for the charity.

As is typical with small not-for-profit organizations, Passion Foundation has little in the way of systems other than its attractive website. The webpages need to be expanded to advertise services and events, to publish its prices and to record positive testimonials. They can also be used to connect alumni and formalize the Passion Foundation community further. Other systems that would be useful as Passion Foundation considers charging service fees is to keep record of all types of clients: sponsors, intermediate agents, trainees. The organization should invest or lease software that readily can assist in maintaining a general ledger, preparing financial plans, costing proposed workshops, developing pricing plans as well as specifying marketing campaigns. Leasing may be more pragmatic to spread the cost over time.

Passion Foundation’s culture lends itself to the proposed marketing and selling of its services. It is based on networking and sharing of information. Passion Foundation can start
reaching out to graduating coaches and offer them opportunities to practice their newly acquired skills. It can leverage its network of contacts to garner review of its business plans, advertising campaigns and pricing strategies. It should also seek to get feedback on the quality of its services so it can continue to improve and reinforce its reputation.

Table 6.6: Passion Foundation’s Organization Lends Itself Well to Selling Its Services

<table>
<thead>
<tr>
<th>Organization</th>
<th>Required</th>
<th>Observed</th>
<th>Salient gaps</th>
<th>Gap-bridging solution</th>
</tr>
</thead>
<tbody>
<tr>
<td>Structure</td>
<td>Simple shop with centralized structure and staff to cover duties</td>
<td>Communitarian organization structure centered on Executive Director, supported by a handful of volunteers.</td>
<td>Dedicated staff to delegate duties</td>
<td>• Hire a part-time assistant to help with administrative duties</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>• Subcontract to professionals for specific tasks</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>• Consider suitable trade of services with selected business partners</td>
</tr>
<tr>
<td>Systems</td>
<td>• Web development for the online sorority</td>
<td>• Organization website and emailed newsletter; online blog</td>
<td>• New course for young women</td>
<td>• Invite trusted and experienced coaches in reviewing new materials developed</td>
</tr>
<tr>
<td></td>
<td>• Maintenance of alumni lists with contact information</td>
<td>• Informal alumni network</td>
<td>• Website expansion to enable online community (with virtual meeting rooms, chat forum, etc.)</td>
<td>• Recruit services of web-designer; seek pay-as-you-go online services to minimize upfront cost</td>
</tr>
<tr>
<td></td>
<td>• Sponsors and intermediate agents database</td>
<td>• Information on sponsors and agents loosely tracked</td>
<td></td>
<td>• Acquire or lease software to track all types of clients</td>
</tr>
<tr>
<td></td>
<td>• Development of metrics to assess quality of workshops and costs associated</td>
<td>• No metrics to date</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Culture</td>
<td>• Networking</td>
<td>• Sharing of knowledge</td>
<td>None</td>
<td>Not Applicable</td>
</tr>
<tr>
<td></td>
<td>• Information sharing</td>
<td>• Spawning community service</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Source: by author
6.4.3 Resources

Passion Foundation needs more resources to support Option 1, as shown in Table 6.7. While there are gaps identified, the organization can slow the pace of changes to control costs.

Passion Foundation will need web site and Information Technology (IT) expertise to develop and maintain the online community.

It will require marketing expertise to find suitable intermediate agents and apply for relevant grants. Marketing to business schools might be a good way to develop a regular clientele for its young women development training.

The Executive Director could use some valuable assistance from experienced project managers to assist in planning budget, tracking expenses and clients, recruiting volunteers as well as monitoring feedback for improvement. She could look to other not-for-profit organizations such as PM-Volunteers to find project managers willing to assist free of charge. Alternately she could seek the help of Business School students seeking practical work experience in order to complete their degrees. Passion Foundation will continue to appreciate volunteer help in facilitating courses and coordinating fundraising events.

With the organization charging for its services, the Executive Director will need to keep a close eye on accounts receivable and accounts payable to minimize debt. She will have to ensure that her clients pay on time or up front before she spends. An accountant could analyze her need for funds and help her plan sustainable cash flow. In particular, she will have to keep ensure the organization’s can generate enough revenue to cover operational costs.
Table 6.7: Passion Foundation’s Resources Tight but Could Leverage Volunteers’ Expertise for Specific Activities

<table>
<thead>
<tr>
<th>Resources</th>
<th>Required</th>
<th>Available</th>
<th>Salient gaps</th>
<th>Gap-bridging solution</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Assets and capabilities</strong></td>
<td>• Operations management to track clients and track revenue</td>
<td>• Training shop tailoring courses to audience</td>
<td>• Operations management</td>
<td>• PM-Volunteers association support</td>
</tr>
<tr>
<td></td>
<td>• Marketing to grow clientele and to set service prices</td>
<td>• Savvy social media presence</td>
<td>• Marketing expertise</td>
<td>• Rely on local advisors and board directors to assist with marketing and fundraising</td>
</tr>
<tr>
<td></td>
<td>• Branding</td>
<td>• Strong reputation</td>
<td>• Social media</td>
<td>• Approach alumni or university students to assist with social media</td>
</tr>
<tr>
<td></td>
<td>• Coaching expertise</td>
<td>• Unique training approach culminating with community project</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Human capital</strong></td>
<td>• Marketing for advertising campaigns</td>
<td>• Exec. Director overwhelmed with responsibilities</td>
<td>• Dedicated staff or volunteers for specific service activities</td>
<td>• Hire local alumni to assist with administrative duties.</td>
</tr>
<tr>
<td></td>
<td>• Web design</td>
<td>• Local alumni</td>
<td></td>
<td>• Recruit business students to assist with other requirements</td>
</tr>
<tr>
<td></td>
<td>• Networking expertise</td>
<td>• Handful of volunteers available to support duties part-time.</td>
<td></td>
<td>• Lease IT services</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Advisors with specific expertise (marketing, fundraising, teaching, accounting)</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Financial resources</strong></td>
<td>Funding to develop new services as well as online community</td>
<td>Not enough cash to cover local operational costs</td>
<td>Executive Director estimates $80k would be necessary to pursue Option 1.</td>
<td>• Generate revenue from assets already available by charging service fees.</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>• Find more local sponsors interested in investing in social enterprise</td>
</tr>
<tr>
<td></td>
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<td></td>
<td>• Approach national institutions such as banks for sponsorship or low interest loan</td>
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<td></td>
<td>• Hire researcher to find grants</td>
</tr>
</tbody>
</table>

*Source: by author*
6.4.4 Recommendation: Ensure Sustainability Through Charging for Services

Passion Foundation is a small charity with big ideals and great drive. While the Executive Director has dreams for rapid expansion, the feasibility analysis confirms that Option 1 is most feasible. Sustainability must remain the primary goal for now.

Table 6.8: Alternatives Assessment Provides Confidence that Option 1 Can Be Pursued

<table>
<thead>
<tr>
<th>Evaluation Criteria</th>
<th>Considerations</th>
<th>Management</th>
<th>Organization</th>
<th>Resources</th>
</tr>
</thead>
<tbody>
<tr>
<td>Option 1: Fee for Service</td>
<td>Current gaps</td>
<td>Relatively small</td>
<td>Manageable</td>
<td>Larger</td>
</tr>
<tr>
<td>Bridging solution</td>
<td>Feasible solutions at negligible costs</td>
<td>Feasible solutions at reasonable cost</td>
<td>Solutions require dedicated effort but can be paced as revenue becomes available</td>
<td></td>
</tr>
</tbody>
</table>

Source: by author

Charging fees for its existing services while developing a new workshop for young women provides the organization with its best chance for sustainability. Passion Foundation should pursue this approach with ardour and enthusiasm. It can overcome gaps identified with good planning. Bridging solutions can leverage Passion Foundation’s existing network and deliver realistic outcomes. With patience, the Executive Director can slowly expand her services and continue to impact girls as well as young women. With time, Passion Foundation’s client network would have multiplied and the growing number of alumni will be able to assist the organization with further expansion.
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