



Case Study: **Penn State Atlanta**

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Agenda

Internal Analysis

- Present Situation
- Financial Capabilities
- Strengths & Weaknesses

External Analysis

- General & Operating Environment
- Opportunities & Threats

Key Decisions

- Probability/Impact Matrix
- Alternative Table

Internal Analysis:

PRESENT SITUATION

Initial Strategy

- ▶ To promote the welfare of the Pennsylvania State University
- ▶ To provide service to Chapter members

Nature of Volunteer Organization Industry

- ▶ People working for non-monetary rewards; believing in a bigger cause

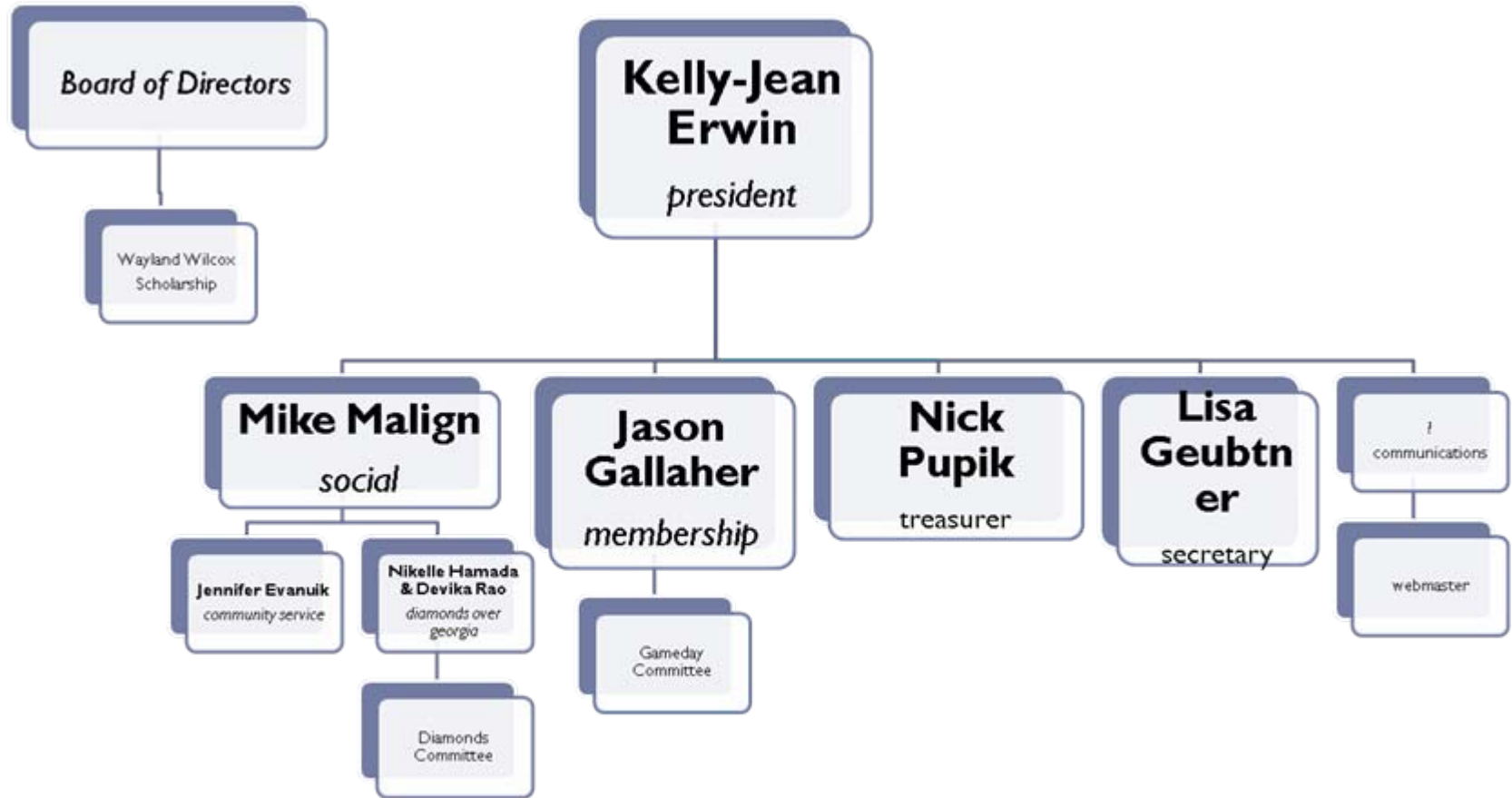
Current Strategy

- ▶ To grow organically while providing value for current members

Core Values

- ▶ Scholarship
- ▶ Fellowship (Social)
- ▶ Networking
- ▶ Community Service

Internal Analysis: *PRESENT SITUATION*



Internal Analysis:

FINANCIAL CAPABILITIES

MEMBERSHIP REVENUES 312

	#	cost per	total cost
Single	110	\$ 20.00	\$2,200.00
Joint	101	\$ 30.00	\$3,030.00
Raffles			\$2,341.00
			\$7,571.00

SCHOLARSHIP REVENUES

	#	cost per	total cost
Donations	13		\$ -

PSU Alumni Association

Communication Stipend			\$1,400.00
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TOTAL

\$8,971.00

FINANCIAL CAPABILITIES

PRESIDENT EXPENSES

\$ 1,800.00

	#	cost per	total cost
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Recognition Awards	6	\$ 50.00	\$ 300.00
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Scholarship Donation			\$ 1,500.00
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TREASURER EXPENSES

\$ 1,150.00

	#	cost per	total cost
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Audit (current year)	1	\$ 150.00	\$ 150.00
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Past Audits	10	\$ 100.00	\$ 1,000.00
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COMMUNICATIONS EXPENSES

\$ 3,837.00

	#	cost per	total cost
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P.O. Box	1	\$ 110.00	\$ 110.00
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Phone	12	\$ 30.00	\$ 360.00
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Domain Name	2	\$ 10.00	\$ 20.00
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Website Service	12	\$ 150.00	\$ 1,800.00
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Website Upgrade	1	\$1,295.00	\$ 1,295.00
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Constant Contact	12	\$ 21.00	\$ 252.00
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SECRETARY EXPENSES

\$ 370.80

	#	cost per	total cost
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Postage (stamps)	12	\$ 8.40	\$ 100.80
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Stationary	1	\$ 250.00	\$ 250.00
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Printing	2	\$ 10.00	\$ 20.00
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MEMBERSHIP EXPENSES

\$ 2,264.02

	#	cost per	total cost
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Postage (stamps)	12	\$ 8.40	\$ 100.80
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Stationary	1	\$ 250.00	\$ 250.00
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Printing	2	\$ 10.00	\$ 20.00
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Raffle Merchandise			\$ 1,142.50
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Beanie Babies	204	\$ 3.68	\$ 750.72
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SOCIAL EXPENSES

\$ 2,700.00

	#	cost per	total cost
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Big Ten Networking	2	\$ 100.00	\$ 200.00
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Member Party			\$ 2,500.00
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TOTAL

\$12,121.82



6

Internal Analysis: *STRENGTHS & WEAKNESSES*

RANK ORDER	STRENGTHS	RANK ORDER	WEAKNESSES
1	Reputation/Tradition	1	Officer Recruitment
2	Events	2	Business IQ
3	Big Ten Alumni of Atlanta	3	Change
4	Funding		

At the current time, our strengths outweigh our weaknesses...will that always be the case?

External Analysis:

GENERAL ENVIRONMENT

INDUSTRY TRENDS

- ▶ Americans “in-love” with helping people & charity
- ▶ Unemployment rate (U-3) was 9.5% in June 2009; Combined unemployment & underemployment rate (U-6) was 16.5% during June 2009
- ▶ Index of National Fundraising Performance declined by 7.7% from Q2-2008 through Q2-2009
- ▶ New Donor Numbers also declined year over year by 1.9%
- ▶ The need for non-profits to become self-sufficient instead of being subsidized by government, donations, etc.

SOURCES: **The Nonprofit Quarterly,**

http://www.nonprofitquarterly.org/index.php?option=com_content&view=article&id=1389:tanking-contributions-may-accompany-a-qjobless-recoveryq&catid=153:web-articles

National Index of Fundraising Performance,

<http://forums.blackbaud.com/blogs/connections/archive/2009/09/28/index-of-national-fundraising-performance-q2-2009.aspx>

External Analysis:

OPERATING ENVIRONMENT

▶ **Customers**

- ▶ **CURRENT:** Any Penn State Alumni, Fan, or Friend who wants to watch football
- ▶ **TARGET:** 10% of the Penn State Alum in metro-Atlanta (i.e. 3500 alum, 350 members)

▶ **Requirements**

- ▶ Provide the members of Penn State Atlanta with social, networking, scholarship, and service programming

▶ **How does the “club” create value?**

- ▶ Football parties with member only hours, discounts to Braves, Thrashers, & Falcon games, DOG discounts, scholarship donations, and a membership appreciation party

External Analysis:

OPPORTUNITIES & THREATS

RANK ORDER	OPPORTUNITIES	RANK ORDER	THREATS
1	Penn State vs. Alabama Game	1	Commitment
2	Job/Career Networking	2	Continuity
3	Family Events	3	Change
4	Scholarship	4	Risk of Failure
5	Mentoring		
6	Socializing		

External Analysis:

OPPORTUNITIES ...detailed.

▶ **Penn State vs. Alabama**

- ▶ Living about 3.5 hours from Tuscaloosa, the chapter is already planning for a tailgate, charter buses, and hotel rooms

▶ **Job/Career Networking**

- ▶ Big Ten Networking Event (every 6 months)
- ▶ PSU Networking Group (started 10/7/09)

▶ **Family Events**

- ▶ Big Ten Picnic at Lake Allatoona

▶ **Scholarship**

- ▶ Awarded five (5) \$3500 scholarships, 150 local students
- ▶ Tried a student send-off

▶ **Mentoring**

▶ **Socializing**

External Analysis:

THREATS...detailed.

▶ **Commitment**

- ▶ There are no outlined commitments for each officer/chair position. What should they be?
- ▶ How do I get a commitment? What are the incentives of volunteering?

▶ **Continuity**

- ▶ Unlike school club organizations on campus, PSU Atlanta doesn't have a "house" or "suite" record management is an issue for us.
- ▶ How do we create a simplified transition plan?

▶ **Change**

- ▶ Founding members of the club are still around and are very opinionated. How do you balance that with looking to the future?

▶ **Risk of Failure**

- ▶ Managed risk. Portfolio concept.

Key Decisions

- ▶ How do we get more paying PSU Atlanta members?
- ▶ How should the Penn State Atlanta chapter create value for its members?
- ▶ How should we recruit officers/chairs for the club?
- ▶ What should the club's business strategy be? Financial? Continuity? Record keeping?
- ▶ How should I manage the officers/chairs and keep them motivated?

Assignment

- ▶ 1-2 page document (single-spaced) including three (3) creative ideas for PSU Atlanta to implement to recruit new members, add new programming, manage volunteers, or manage finances
- ▶ Act as a “consultant” to Penn State Atlanta stating your objective, problem you are solving with details, constraints, and timeframe
- ▶ Two (2) ideas should be “low hanging fruit” fairly easy to implement between now and June 2010
- ▶ One (1) idea should be “big picture” this may take longer to implement
- ▶ How do you measure success?

External Analysis: PROBABILITY/IMPACT MATRIX

PROBABILITY

high

<p><i><u>HIGH</u> probability of occurring, but <u>LOW</u> impact to the organization</i></p>	<p>“THE SWEET SPOT”</p> <p><i><u>HIGH</u> probability of occurring with a <u>HIGH</u> impact to the organization</i></p>
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low

<p><i><u>LOW</u> probability of occurring & <u>LOW</u> impact to the organization</i></p>	<p><i><u>LOW</u> probability of occurring, but it will have a <u>HIGH</u> impact to the organization</i></p>
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low

high

IMPACT



Critical Thinking: *ALTERNATIVES*

ALTERNATIVES	YES	NO	REASON

A great way to “weed” through the “sweet spots” is to list what possible alternatives could be (including doing nothing). In the reason column, list why or why not you would choose that idea.

Recommendations seem to flow naturally after viewing your options objectively in a table. 😊