

ESTABLISHING AN ANIMAL WELFARE NONPROFIT TO BE SELF-SUSTAINABLE

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ABSTRACT

The objective of this “Pro-Act” project was to develop a real-world business plan of a self-sustainable animal welfare Non-governmental Organization (NGO), or nonprofit, that could be presented to potential investors upon graduation of a dual-Master’s degree from the University of North Carolina, Wilmington (UNCW) and Euromed University. As this thesis was originally presented and approved at Euromed University it will include information consisting of not only the research findings and analysis, but also an evaluation of the overall pedagogical development. Part of this process included self-assessment of not just productivity regarding the actual business plan but the pedagogical learning’s and overall success of the project.

This thesis paper will examine the business plan, including an initial feasibility study, financial calculations, and a reflective analysis of the project as a whole. It will also include the complete findings presented holistically at Euromed. The paper will begin with a literary review that will focus on one of the critical areas of an NGO’s success, marketing the NGO effectively and uses the World Wildlife Fund (WWF) as a main example. The outcome of this project proved that generating profits at even at a marginal amount could fund a non-governmental organization such as an animal welfare NGO without relying on the ebbs and flows of donors generosity and economic conditions and that such a project could be highly successful under the right circumstances.

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LITERATURE REVIEW

Purpose

This literature review will examine current publications concerning proven strategies of Non-governmental organizations (NGOs). These tactics deal specifically with the marketing of such nonprofits to gain substantial revenues. All NGOs referred to in this paper fall into the nonprofit sector, so for the context of this paper alone these terms will be used interchangeably. It will also look to the World Wild Life Fund (WWF) as a successful example of the information gathered throughout. This research holds a significant value for me because my ultimate goal is to create my own successful nonprofit organization with an emphasis on conservation and rehabilitation of both animals and humans.

Common trends of the current literature include the focus on the initial stages of developing a NGO and those that have expanded and are successful, such as the WWF. The literature also frequently states the overall importance of the customer's perceptions when it comes to the NGOs. Their opinions as to the projects that the NGO is involved in, as well as the ideals that they follow to make decisions within the company are all considered. Heavy emphasis has been placed on the branding of these organizations and the connections that they must create with their customers when looking for monetary assistance.

Most of the methodology used in the acquisition of such knowledge is based on retro viewing, or simply analyzing where companies have gone wrong and where others have succeeded. Basic marketing structures and theories have also been implemented in order to conceptualize the outcomes of such successes and failures.

Throughout the literature many different, and sometimes conflicting, definitions and levels of NGOs exist. This makes it imperative to establish a concise definition, not only of

NGOs but other marketing terminology that will be used throughout this document.

Table 1. Definitional Chart of Commonly Used Terminology

Non-governmental organization	A. Noun; an organization that is not part of the local or state or federal government B. Private sector, voluntary (and usually non-profit and non-sectarian) organization that contributes to, or participates in, cooperation projects, education, training or other humanitarian, progressive, or watchdog activities.
Private Sector	Part of national economy made up of private enterprises. Including the personal sector (households) and corporate sector (companies), and is responsible for allocating most of the resources within an economy.
Public Sector	The part of national economy providing basic goods or services that is not, or cannot be, provided by the private sector. It consists of national and local governments, their agencies, and their chartered bodies.
Nonprofit corporation*	Organization created to serve a purpose other than the generation of profit (for distribution among stockholders). Also called not for profit corporation.

*Can be interchanged with Nonprofit Organization or Foundation. Source: BusinessDictionary.com

Another important theory to clarify is the use of the Brand Asset Valuator (BAV). The Understanding of the brand strength, vitality and structure as it relates to nonprofits is vital in this research. In order to access the value of the brand that is placed on a product or service, the BAV was created. This system was a study designed to understand the customer's viewpoints. Regardless of whether those customers were beneficiaries or role-players in a business. Since the customers play a substantial role in the funding of Nonprofits it is important to be able to associate with their thinking and put it into definitional terms.

Table 2. Brand Asset Valuator Definitions

Brand Asset Valuator (BAV)	Developed by Y&R, a system that processed consumer research to develop term definitions.
Brand Differentiation**	How distinctive the brand was perceived to be.
Brand Esteem**	How highly regarded the brand was.
Brand Knowledge**	How well known the brand was.
Brand Stature**	Function of brand esteem and brand knowledge.
Brand Strength**	Function of Brand Vitality and Stature.
Brand Vitality**	(Brand Differentiation).

**All definitions according to BAV. Source: Salls, M. (2005). The tricky business of non-profit brands. *Working Knowledge: The Thinking that Leads. A Harvard Business School Publication*, Retrieved from <http://hbswk.hbs.edu/item/4686.html>

Creating an Image

One of the most important facets for a Non-Profit Organization to obtain and maintain is image. Due to the source of their work, NGO's must "appeal to a broader array of stakeholders," (Salls 2005). Their two main objectives to accomplish this task are to create and implement successful fundraising strategies, along with assuring that their mission statement is visible in everything that they do.

When the general public or private parties see a business they make general associations about it. This is known, in general terms, as branding. It is a vital part of creating an image that is positively associated with the organization. Branding can be a challenge, but is a necessary part of establishing knowledge of the NGO.

Regardless the service you offer or the business you operate in, a tangible identity and a strong brand is essential. It supports you in the process of building a sound and long-lasting relationship with your stakeholders and provides a solid basis for a successful business (Wollsen, 2010).

A challenge that comes with creating brand strength lies in the general structure of most NGOs. Company structure plays a large part in the functionality and the overall process that it must go through in order to make decisions. Most organizations are made up of a group of people that must make all of the decisions equally amongst themselves (Paul, 2000).

The WWF began in 1961 and was comprised of a variety of scientists and naturalists, along with business and political leaders. With a simply stated, yet very broad mission of: "to conserve nature and reduce the most pressing threats to the diversity of life on Earth" they began the long process of creating their brand (Who We Are, 2011).

Establishing the marketing mix, outlining the product, place, price and promotion, is essential from the beginning. Branding helps facilitate the distinct knowledge of the product or service that the NGO is providing. The place refers to the physical location where the NGO is focusing their efforts. Price comes into play when the company is

attempting to sell a product or service that will in turn, assist the people that the company is helping (Keegan & Green, 2011).

An example is the “symbolic adoptions “ that the WWF offers in return for a small token (See Exhibit 1). The customer “symbolically adopts” an animal, such as a wolf, for varying amounts from \$50 US dollars up to \$100 US dollars, and in return, receives a stuffed animal in the form of a wolf. Many different animal choices are available in order to reach the different segments of the population. The funds raised from these sales are then specified for the conservation unit specializing in the animal chosen. This is currently a holiday promotion but it is offered almost year round as a way to donate (Halloween, 2011).

The fourth, and final part of the marketing mix is the promotion of the product or service. There are many different ways to get the mission statement across to potential donors or revenue providers, but the goal is to use a form that is most effective with the least amount of cost. Several ways to accomplish this goal is to use different forms of advertising. Many of these include the use of social media such as Facebook and Twitter, along with celebrity endorsements and print or media adds (Keegan & Green, 2011).

The WWF has used several celebrity endorsements to market their ventures. The most recent one is Leonardo Dicaprio with the “Save the Tigers” campaign. Dicaprio uses his own Facebook and Twitter accounts to facilitate education about this cause. Encouraging other readers to “spread the word” through their own pages in hopes of fostering funds (WWF, 2011).

Communication Forms and Factors

A top priority when voicing the mission statement of a NGO is to keep in consideration the beneficiaries’ perception in regards to the product or service. In order to achieve this, the company must outline who their beneficiaries are. When doing this, there are a few things that

should be kept in mind.

Who are your beneficiaries? Note any language, cultural and other concerns they might have in relation to seeking your services, such as maintaining confidentiality or avoiding stigma and discrimination (NGOconnect, 2009).

The WWF faced these issues when they first began their mission and continue to struggle against others who do not agree with their operation. The organization continued to the next step, which is to attempt to capture the objective of the NGO in relation to those established beneficiaries.

Summarize your program's mission in one sentence, by trying to capture its high-level objective. For example: The project aims to improve the lives of women in the XYZ region by providing them with comprehensive, quality HIV/AIDS services (NGOconnect, 2009).

Much of an NGO's success is based on the emotions that they instill in their beneficiaries. This must also be taken into consideration when creating the verbal objective of the company.

Customers as a whole must be on the same page as the owners when it comes to the mission statement and the decisions that are made to pursue the common goal of obtaining funds.

Marketing these "feelings" can be difficult, common advice entails looking at the program from the beneficiaries' perception.

How do you want your beneficiaries to feel about your program? Look at your program from the point-of-view of your beneficiaries. To get at their feelings and perceptions, ask yourself; if the program had a personality, what would it be? Examples may be safe, trustworthy, confidential, helpful, makes me feel better, etc. These adjectives will help you think more creatively about your name and even a graphic symbol or logo (NGOconnect, 2009).

Marketing Impact

A primary way to draw attention to an NGO is through actions. Once the NGO is established, the next challenge is to keep the attention of the beneficiaries and those who supply revenue. According to Kerryn Krige, author of *Marketing for NGOs: Strategies and Tips*, "all

good charities will have an intensive monitoring and evaluation studies of their projects.” This data should then be transformed into either case studies, stories, photo-essays and information that can be fed back into the donor market and build credibility for the cause.

This technique of making this information available, “transparency,” is seen rather extensively on the WWF web page: www.worldwildlife.org. Entire sections such as: “Who we are” and “Our Mission” clearly state the accomplishments and future plans of the organization. A monthly newsletter is also available for those who want updates on the work that is being done by the organization (Who we are, 2011).

Another difficulty in marketing a NGO successfully in order to obtain grants and donations stems from the emotional reactions that NGOs must rely on to receive such funds. The organization must be consistent in its approach and dedication to their cause. Much of their work relies on the trust that is instilled in their customers from the nature of the work that they do. For many people, this seemingly humble work can create a feeling of admiration and respect for the members of the organization. “Nonprofits are effective at creating emotional connections with consumers. The downside to the importance of trust for NGOs is that it only takes one or two mistakes to cast doubt on a nonprofit organization” (Salls 2005).

This is a concept that is clearly stated on the WWF web page. Links to statements such as “An organization built on trust” and “Accountability: WWF meets all the accreditation requirements for charities” fill the page (Who We Are, 2011). By gaining these certifications, WWF is able to market themselves as a high ranking and trustworthy organization.

Successful Sources of Revenue

The overlying issue that all NGOs face at some point in a project is funding. Some ways to generate funding include fundraising events as simple as car washes or candy sales. Another form of fundraising can be joint ventures between established Nonprofit and For-Profit business that allows the public to buy a specific product and have a certain percentage raised for the Non-profit.

An example of this could be the WWF debit and credit card through Bank of America. In this situation, a customer is presented the option of receiving two specific products, a checking account with a debit card or credit card. The motivator for that customer is the knowledge that Bank of America will donate to the WWF. For every checking account that is opened, a \$10 US dollar donation is made, along with a .10¢ donation for every \$100 US dollars spent. The credit card option entitles the WWF to a \$100 US dollar donation and a .25¢ donation per \$100 US dollars spent. (Bank of America Corporation, 2011).

Both organizations benefit from this type of agreement; Bank of America, the For-profit business, receives the good will of being associated with a charitable organization, as well as the profit accrued through the individual accounts. By having a new checking account, they are acquiring new business and have an opportunity to deepen that relationship through other profit-making products. The customer must also pay for the checks, which brings in more profit. The credit card is one of the most profitable products available. The bank makes money for every transaction that is paid for through that card as well as interest accrued on a revolving balance (Johnson, 2009-2011).

The World Wildlife Fund receives the above-mentioned extra funding to help in their efforts without exceeding costs. This agreement also allows both companies to benefit from free

marketing. Each time a customer decides to write a check or purchase a good or service with the debit or credit card, they are utilizing both the Bank of America name as well as the WWF name and venture.

Another form of revenue accumulation is through the grant process. Any Nonprofit corporation has the opportunity to produce a proposal that asks for a grant from the government. Although this is one of the most common forms, it can be one of the most difficult ones to achieve. For the year ending 2010, WWF had received roughly 18% or \$40.4 million US dollars of their annual funding from governmental grants and contracts (See exhibit 2).

Another form of gathering funds is through donations and member dues. For the WWF, member dues accounted for \$46.4 million US dollars of their total operating revenue of \$224.2 million US dollars. Donations, both private and public, exceeded \$109 million US dollars and accounted for more than 66% of the total revenue. \$85.5 million US dollars came from private donations, \$10.5 million US dollars from corporate businesses, and \$13 million US dollars in-kind donations, including media and equipment donations (Annual report, 2010).

Further Research Question

Knowing how to establish a brand that will have strong brand-strength, vitality and structure is essential to the building of revenue sources. However, once these facets are established, how does an NGO maintain their marketability in order to generate sufficient sustainable income over time?

Evaluation of Existing Literature

Although the number of Non-profit organizations has increased drastically over the last decade, the literature still remains rather scarce. Specific NGO's, such as the WWF have published their accomplishments and their history, but it is difficult to decipher how they achieved success.

Contributions

The literature contributes an array of information regarding past studies on nonprofit organizations. Analysis on what has proved to be successful and what has complicated issues that these types of businesses deal with. There are considerable resources regarding the marketing of NGOs in the United States even though many of these organizations do their businesses in other countries.

The WWF is currently in 100 different countries around the world. Information on the marketing strategy that was used in each of those countries is lacking. The resources discuss the existence of cultural differences within these countries. The difficulties regarding advertising the organization within different cultures is also mentioned; however, ideas on how to successfully implement such strategies are difficult to find.

Strengths

The overall focus on the developing sector of NGOs can be considered strong in this field. Outlines of specific information needed for the marketing scheme of an "up-and-coming" NGO can be found in multiple readings. Motivational and informational publications can assist in the creation and strengthening of ideas.

The WWF adds strength to the literature “pool” with their publications of their work and accomplishments. Although geared towards the donating population and not the up and coming nonprofits, it provides useful information and ideas for future research within the conservancy segment of NGOs.

Weaknesses

Numerous established NGOs focus their work assisting others in foreign countries, such as Africa and South America, but the vast majority of the published research focuses on the NGOs located in North America. This can lead an aspiring person to think that their current business plan will work in the United States as well as in a foreign country.

The literature on WWF contains information regarding the pursuit of WWF’s distinct undertakings. However, they had an advantage that many other NGOs do not have and might not account for. This organization had funds to begin their project due to the members that were involved. This is not always the case with NGOs and it would be advantageous to have examples of other ways to market and fund a new NGO.

Missing

Although cultural biases and differences are stated to exist and cultural awareness is listed as a necessary part of the integration of an organization, strategies on how to account for those differences in viewpoints are not as clear. It is possible to find literature that defines cultures as a whole. The link that is missing is the applications of such cultural differences in relation to establishing a NGO.

One of the reasons why a large part of this literature is missing or lacking is the

varying focus of NGOs. Although the basic idea of a nonprofit organization is “to do good” within a community, most are fundamentally different. For example, an organization that goes to an African country to provide vaccines to orphan children will encounter different cultural issues than an organization that is attempting to conserve the elephants in the same region.

A way to remedy these gaps in written knowledge relies on established organizations. Information sharing is one of the best ways to not only learn about a subject area but to brainstorm better, more efficient ways to do it. Organizations such as the WWF could use their already established publications to encourage such knowledge sharing. An emphasis on the benefits of relationships between organizations would also serve as a positive way to increase future ideas.

FEASIBILITY ANALYSIS

Concept Statement

Service

Animal Welfare NGO will focus on creating a safe environment for domesticated animals in a developing Latin American country where traditional American-style humane societies are either non-existent or extremely rare. Part of this issue lies in the cultural attitude towards animals in a given environment and the other is in the financial capacity to establish and maintain such programs. However, it is important to note that these two issues are not mutually exclusive.

This Animal Welfare NGO will look to begin its operations in Pedasi, Panama with help from initial investors, but charge small premiums for services rendered that are feasible to the

local population but can sustain the operating costs of the organization without relying on donations, although welcome whenever provided. Its ambition is to create a solid business model and foundation that can then be replicated in other areas of Latin America to promote the overall importance and care that is needed to help domesticated animals who do not have a voice of their own.

Target Market

This nonprofit organization will focus its initial location in a developing Latin America country that has a reputation of caring about its domesticated animals, but the lack of means to do so. This is especially true in the selected country of Panama, where animals are a strong part of the community; however, the population of dogs and cats is rapidly increasing due to a lack of spay and neuter facilities. This organization literally has the potential to reach almost every family in the nation that cares about animals. Animal Welfare NGOs ultimate goal is to build a blueprint of animal welfare humanitarian success that can be replicated throughout Panama and all of Latin America. However, the nonprofit must start somewhere in order to build its reputation as well as work out any issues and make the business venture as efficient and self-sustainable as possible.

The Animal Welfare NGO will seek to establish its initial location in the city of Pedasi on the Santa Catalina peninsula in Panama, located roughly two hours west of Panama City on the Pacific Ocean. This area was targeted for multiple business reasons including its close proximity to the capitol city where it is common for families to take day trips to the Pedasi area to get away from the fast-pace lifestyle that Panama City offers. This greatly increases the potential client base that Animal Welfare NGO can serve in adoptions, rescue, medical procedures, spay and

neuter as well as fundraising events. This also provides the nonprofit a larger audience to reach in its marketing efforts both domestically and to international vacationers.

Pedasi, Panama was also chosen for its low cost of living and ability to conduct business. For example, large quantities of land can be purchased at a low cost as well as being located on a prime vacation spot that enjoys the benefits of modern infrastructure such as a main bus line and paved roads (other locations in Panama including the Darien Province do not currently offer this). Additionally, the Pedasi area is a low-key environment, which makes it both safe and educational for local kids to volunteer with the NGO after school. This opportunity is critical to the nonprofit's sustainability as income will be generated from such programs as well as the factoring in of the volunteer hours to operate sufficiently.

It was determined to be absolutely critical that the Animal Welfare NGO incorporate school children into the business plan as they are the gateway to the prime consumer, the traditional Panamanian family. From first-hand experience volunteering at animal shelters, children greatly influence a parent's decision to adopt a pet. This is mutually beneficial for all both the family and the business. The parent and child receive the love from the addition to the family and the bonus that it teaches the child the responsibility of taking care of another living being. The child is able to prove to the parent that they are capable of this challenge because they have volunteered at the animal shelter as part of the after-school program that is offered.

This key target market of the parent-child relationship within the traditional Panamanian family helps animals be adopted and the nonprofit to generate revenue from both adoption fees, donations and continuous income from vaccinations, medical check-ups, medicine, food and supplies as well as the pet store aspect. It also "opens-the-door" for future fundraising opportunities to families who have witnessed the positive impact that this animal welfare

nonprofit organization can have on the local community. Ancillary benefits from targeting this segment also include keeping kids off the street and more engaged in school. Targeting this segment also makes marketing initiatives easier and more productive as well because family is very important in the local culture and every age and gender can easily relate.

Why the Animal Welfare NGO-

There are very few established nonprofit organizations in Panama that specialize in assisting animals, educating people on animals, provide veterinary services, teach obedience training and adopt out potential pets all for a nominal cost to the consumer and at the same time helps sustain the NGO to meet its financial obligations. The Animal Welfare NGO also meets multiple specific needs. It helps promote education and provides after school programs to keep children out of trouble.

The nonprofit will potentially come to the rescue of thousands of domesticated animals that do not currently have a “voice” of their own in the Pedasi, Panama area. It will also provide key veterinarian services, a pet store and boarding facilities to families who already have a “furry friend” to call their own. These are all needs that are not currently being met in the area, but are proven to be successful in the culturally similar neighboring nation of Costa Rica, where AHPPA has provided similar services for multiple decades proving that this can be successful if done correctly.

Special Feature- First Mover Advantage and Educational Opportunities

The Animal Welfare NGO will capitalize on its first mover advantage in the Panamanian market. Besides the previously mentioned services offered, the NGO looks to distinguish itself on the global scale by providing a research center for future veterinarians and animal behavioral

scientists through internship and learning programs ranging from elementary to PhD level studies. It will provide after-school programs that teach kids the science behind taking care of animals, as well as the responsibility of caring for another.

At the university level, the nonprofit will look to carry three full-time veterinarian students on staff at a time, while receiving a fee to do so. To help offset this cost to the student, the NGO will provide he or she the opportunity to raise their fee as well as consult with their university to earn college credit for the time spent with Animal Welfare NGO. Since Panama is centrally located on a global scale, it will be able to receive students consistently throughout the year because of different breaks and semester start dates in the northern hemisphere and southern hemisphere, different countries and school program initiatives.

Owner and Lead Operator

The Animal Welfare NGO will be effectively lead and operated by businesswoman and animal rights activist Jennifer Thomsen. She will have the responsibility of running the business, but is looking to bring on a full-time veterinarian for daily care, surgical procedures and the teaching aspect of the NGO. Jennifer will look to lead a team of three local full-time staff, local children volunteers and six non-veterinarian volunteers who will also pay a small donation fee to the nonprofit. The on staff veterinarian will be tasked with leading the three full-time veterinarian students.

Jennifer has a strong animal welfare background from previous volunteerism activities as well as sound professional business experience and formal education. Jennifer Thomsen is also a Venezuelan native who has spent a fair amount of time in Panama and understands many of the cultural issues (both positively and negatively) as they relate to her native culture in many characteristics.

Industry Attractiveness

A growing trend to help displaced animals, along with a growing interest in nongovernmental organizations (NGOs) has exploded in the nonprofit industry. Although there are many NGOs in the industry, all are specialized in different sectors. These industries' young and growing status make it very attractive. Specifically, there are little to no current animal welfare NGOs for domesticated animals outside of the capital Panama City, Panama. This makes the need for this specific nonprofit high in the area of Pedasi where nothing similar exists in the industry. It also provides the local government a solution to the increasing number of "wild" dogs that roam the streets unneutered and without a home.

Target Market Attractiveness

The Animal Welfare NGO is seeking to establish itself in a unique city of Pedasi, Panama that is large enough to sustain the nonprofit from the local community, but close enough to the capital Panama City to generate steady clients and thus revenue to the non-profit. Additionally, Pedasi is a large tourist attraction for its famous beaches, hiking trail and surfing opportunities for both locals and tourists alike.

Panama does not have a large number of animal welfare nonprofits. In fact, the closest location to the city of choice is a two-hour drive away. This means that although the concept is not completely foreign to the people, there will be no close competitors in the surrounding area. There are also few options for local children to take part in organized after-school or educational programs. The importance of gaining entry into the schools and thus the families in the area who will adopt the animals and bring them in for routine services is critical. However, the opportunity

is large as there is no other outfit that provides any type of similar service in the Pedasi area. All of these factors make this target market highly attractive for this venture.

Organizational Feasibility

Management Prowess

Jennifer Thomsen has the passion and dedication for the animal welfare and nonprofit sector. As a graduate of International Management focusing on Economic Development and Nonprofit Management, Jennifer Thomsen has gained the necessary business knowledge to establish the animal sanctuary. First hand experience in working in this environment has been achieved through volunteering in multiple animal shelters around the world.

The task for this Animal Welfare NGO is to find a veterinarian who is equally as qualified to run the scientific aspect of this nonprofit. Another aspect that Mrs. Thomsen will consider when selecting the lead veterinarian is someone who has previous hands-on teaching experience, as this will be a major source of income and “manpower” for the Animal Welfare NGO to succeed. The Costa Rican nonprofit AHPPA has veterinarians on staff who have this experience, which Jennifer believes is one of the main reasons the NGO has been so sustainable. Jennifer Thomsen is open to the idea of having an additional foreigner fit this need; however, she believes that if she can find someone locally in Pedasi or at least Panama City it will allow the nonprofit to more quickly build the trust of local target market families as well as to help establish the coveted networking connections needed to be successful.

Resources

There are certain resources that are absolutely essential for this Animal Welfare NGO to be successful in its cause and sustainable financially. These resources include a bilingual staff, a strategically centered business, and tax incentives for nonprofits by the government, a lead veterinarian, contacts in local schools and universities and effective marketing campaigns. For all of these stated reasons Pedasi, Panama was chosen to establish the nonprofit. Spanish is the primary language but English is readily spoken. There are numerous tax breaks from the government who promotes community development and especially educationally based nonprofit organizations. Pedasi's ideal location on the Pacific Ocean and close to Panama City provides an ideal backdrop to attract travelers who want to gain nonprofit experience and give back, as well as university interns looking for a fun atmosphere to conduct their required clinical hours at. This is one reason the AHPPA is able to attract veterinarian interns and volunteer staff in Costa Rica, and will also be critical to Animal Welfare NGO's success.

Financial Feasibility

Total Initial Start-Up Costs

The Animal Welfare NGO has assessed that six months of total costs (fixed and operational) cash reserves will be required, which total \$148,345.80. When factoring in the down payment for the business loan, as well as business license and website fees the total initial start up costs for the NGO will be \$185,485.80. The six months of total costs required up front is a prudent measure, and the \$148,345.80 will be set-aside in an interest bearing account in case of emergency or if revenues are not as high as expected initially. These costs will nearly be completely covered from the projected income expected. This will help the Animal Welfare

NGO obtain funds from investors because they will have the peace of mind knowing that all but the initial down payment for the business loan will be accounted for from the revenue generated right away. So with the real initial start up costs below \$50,000 when a six-month reserve has been taken out, this nonprofit has a strong outlook for sustainability.

Financial Performance of Similar Businesses

To assess the performance of a similar animal NGO, the organization looked at the AHPPA animal shelter of Costa Rica. Overall they had a total net income of \$511,500 US Dollars last fiscal year, net expenses of \$475,700 for a net operating profit of \$35,800. This company will have a much higher budget compared to the Animal Welfare NGO, but it is similar in terms of region and overall NGO performance. The “profit” is assumed to be reinvested, as will be done with this nonprofit. This nonprofit was chosen as a basis for financial sustainability as well as cultural adaptation as it is one of the only businesses similar in either Panama or neighboring Costa Rica and publishes its financial reports.

One of the main considerations though is that AHPPA has been established for over twenty plus years and Animal Welfare NGO will be a first mover into the Pedasi, Panama area. However, because of its similar location and cultural challenges combined with its history of success makes AHPPA of Costa Rica the ideal business comparison to base the Animal Welfare NGO business plan.

Financial Attractiveness of the Animal Welfare Sector in Panama

The Animal Welfare NGO faced many challenges during the research of this project, but found that only a few other animal nonprofit centers exist, and those that do primarily are located

in Panama City, Panama. There is no animal NGOs in the Pedasi or Santa Catalina area. This makes it attractive because there is no direct competition in the area. Those who do want to adopt an animal must travel two hours to Panama City. This is not necessarily a challenge for those coming from Panama City to Pedasi though, because many people take weekend vacations to escape the city. They can combine their escape with the adoption of a new family member. This will also bring more business to the service and tourism sectors of Pedasi, which in turn will help the nonprofit build goodwill in the local community. Research also indicates that animals are highly valued in the culture and the Panamanian government has begun efforts to fight against the illegal trade of wildlife. This is also a main reason why AHPPA is successful in Costa Rica as the government and culture value animals and their safety; this helps AHPPA be financially sustainable.

One of the main obstacles when doing a financial analysis in Panama is the lack of credible information about the animal welfare sector. The few animal shelters that do exist do not post any information online. A large reason why there is so little animal welfare data available is the lack of infrastructure to do so in Panama. There is a critical need to enhance existing collection instruments and advance comprehensive basic surveys to obtain credible figures for registering and analyzing: the amount of animals rescued per year, total adoption rates from existing shelters, the number of people who want a pet in the home, the cost associated with running an animal welfare NGO and the average veterinarian salary. These reasons are another reason why the AHPPA can be used as a basis for comparison without directly challenging their efforts as a competitor since they are in Costa Rica and not the Pedasi, Panama area. The bottom line is that this industry is highly attractive in the Pedasi area because animal welfare, educational and veterinarian needs are not currently being met.

ANIMAL WELFARE NGO INITIAL FINANCIAL ANALYSIS

The Animal Welfare NGO, like any business either for profit or not will have to begin with certain initial costs to get started. The initial investment for the nonprofit organization totals \$185,845.80 to establish itself. As previously mentioned, there is a lack of both available and quality information that can be found online, without actually being in Panama. Therefore, the Animal Welfare NGO will use the Costa Rican animal welfare nonprofit “Association Humanitara para la Proteccion Animal de Costa Rica (AHPPA).” When translated into English, the nonprofit means the Costa Rican Humanitarian Association for Animal Protection. This nonprofit was selected as a basis for comparison because it is one of the few organizations similar to Animal Welfare NGO in Central America and it publishes its financial statements on its website AnimalShelterCostaRica.org.

The nonprofit AHPPA has been established for over twenty years; with this in mind it would be unrealistic to compare the quantity and scope of the two organizations directly. Thus, Animal Welfare NGO will use a rough estimate of fifty percent of both expenses needed and income generated to formulate a general beginning financial analysis with the ambition to meet and exceed the sustainable performance that AHPPA has demonstrated in a justifiably similar location and target market segment.

Initial Start-Up Costs

The financial analysis of the initial start up costs correlates directly with the financial feasibility initial start-up costs from section 2.5.1. The following information is not intended to be redundant, but to explore the reasoning behind the capital investment portion of the initial

start-up costs in conjunction with the aforementioned six-month total operating cost reserve on hand.

The animal welfare NGO will need to purchase land and build the animal welfare center in Pedasi, Panama. The total cost for the land and complete building requirements amounts to \$150,000 U.S. dollars. A down payment of 25% will also be required to secure the business loan totaling \$37,500. Additionally, \$10 will be needed for the business license and \$15 for the website. Total capital investment for the NGO will total \$37,525 U.S. dollars.

The Animal Welfare NGO does not want to be limited in its financial resources like many nonprofits (also a main reason for failure) and has thus concluded that it is prudent to have six months of operating costs on reserve. This amounts to \$148,345.80 for the NGO in case of any unforeseen economic crisis or financial burden that arises. The Animal Welfare NGO will therefore need the previously stated total of \$185,845.80 to begin its initial operations in the country of Panama. This is one area that Animal Welfare NGO believes it can financially differentiate itself from AHPPA; having six-months of cash reserves on hand will help the nonprofit AW NGO be more sustainable and meet its financial needs if for at any time fundraising is down or there is a lack of volunteers or interns working with the organization in Pedasi, Panama.

Monthly Expenditures

In Panama, the NGO receive substantial tax breaks from the government for as long as they stay in business. These include such breaks as corporate, property and payroll tax and were thus not calculated into the monthly expenditure estimates. As stated previously, these estimates

were derived from conducting business at a volume of roughly fifty percent of AHPPA's production in Costa Rica.

For the Animal Welfare NGO, total fixed costs of the business loan and permanent staff amount to \$9,041.30 U.S. (\$1,209 for the loan payment, \$4000 for management and veterinarian salaries and \$3,744 for the full-time staff). Estimated variable expenditures will consist of dog and cat vaccines \$1,100/month, Rabies shots \$900/month, medicines and disposable supplies \$2,500/month, X-ray costs \$550/month, neuter and spay costs \$8,200/month, transportation costs \$1,000/month, miscellaneous building and maintenance costs \$1,000/month, animal food \$250/month, Phone/Internet \$33/month and utilities totaling about \$150 per month. These variable costs add up to \$15,683 U.S. per month.

Point that the Animal Welfare NGO Will Break-Even

The Animal Welfare NGO will have a monthly break-even point of 736 products sold (including spay and neuters, adoptions, medical consults, medicine refills etc.). This is based on an average of 1000 units sold per month as a best estimate derived from the performance of the AHPPA. The Animal Welfare NGO based its calculation off of monthly fixed costs, which totaled \$9,041.30. This was divided by an average of \$27.97 spent per product sold - \$15.68 variable cost average. With a goal of 1,000 products sold per month this number suggest a sustainable cost structure for the nonprofit business.

Animal Welfare NGO Profit or Loss Projections

The Animal Welfare NGO projects the monthly profit to be (Average of 1000 units – the sell of the break-even point $736 = 264$) \times ($\$27.97 - \$15.68 = \$12.29$) = $\$3,244.56$. This would be a yearly projected profit of $\$38,934.72$. The first year analysis though will be lower if the initial 25% down payment of $\$37,500$ on the business loan. This still leaves the Animal Welfare NGO with a profit of $\$1,434.72$, which can be additionally applied to the repayment of the loan. If similar profits can be expected on an annual basis the Animal Welfare NGO will be able to pay back the remaining sum of the loan in less than four years time. This would further increase profits as the fixed cost of the business loan payment $\$1,209.30$ would be eliminated and raise profit to be reinvested to the organization by $\$14,411.56$ per year making the nonprofit even more sustainable.

The Estimated Contribution Margin on a per Unit Basis

The unit contribution is a simple calculation based on subtracting the average variable cost per unit from the sales price per unit. For the Animal Welfare NGO the sales price is $\$27.97/\text{unit}$ - average variable cost of $\$15.68/\text{unit}$ to equal a unit contribution margin of $\$12.29/\text{unit}$. One important factor to consider though is that fixed costs are not calculated. This helps explain why profit increases when fixed costs are reduced, such as paying off the business loan.

Animal Welfare NGO's Ratios for Profitability

Animal Welfare NGO's Initial ROA Calculation

To calculate the return on assets Animal Welfare NGO will have to divide its yearly income of \$335,700 by its only total asset at the beginning, its property and land purchased with the business loan of \$150,000 to equal a ROA of 223.8%. This number is difficult to project at the beginning of operations because the nonprofit has a high number of variable costs and income without a lot of capital to be able to purchase other assets such as additional acreage. This number is projected to change in the future and be much lower. The AHPPA does not publicly solicit enough information to be able to glean an ideal ROA number to compare to the Animal Welfare NGO.

Calculation of Return on Equity

When computing the projected return on equity Animal Welfare NGO must divide net income by the initial money invested of the business loan down payment and the first six months of operating costs put into reserve. This would be \$335,700 divided by \$185,485.80 to equal 180.98% or 1.81. This number is above the suggested 1.0 minimum, which would suggest the NGO could quickly eliminate its debts and increase profitability.

Animal Welfare NGO's Ratios for Liquidation

Calculation of Current Ratio

To determine the current ratio the nonprofit will divide its current assets of \$150,000 for the building, land and equipment by its current liabilities of the business loan \$112,500 for a

ratio of 133.33%. This number suggests the Animal Welfare NGO's ability to sell off its assets and pay off its liabilities if needed.

Calculation of Quick Ratio

To find the quick ratio the NGO will need to take its quick assets including the cash on hand (six month operating costs in bank) of \$148,345.80 and divide it by its current liabilities of the business loan of \$112,500 to get a ratio of 131.86%. This is the main reason to keep the reserves on hand, so that if something went wrong all liabilities could quickly be met.

Animal Welfare NGO's Ratios for Financial Stability

Calculation of Debt Ratio

To determine the debt ratio the nonprofit will take the total debt of the business loan \$112,500 and divide it by total assets \$150,000 to get a ratio of 75%. This number is again somewhat arbitrary because of the NGO's lack of total assets due to their infancy. It is 75% because the organization had to pay 25% down. This number should decrease as the loan is paid off and the NGO acquires more assets, much like AHPPA has done over the last twenty years in Costa Rica.

Calculation of Debt to Equity Ratio

To compute the debt to equity ratio Animal Welfare NGO will take its total liabilities of \$112,500 for the business loan divided by the owners equity of \$185,485.80 representing the total initial capital investment and operation costs for the first six-months to equal a ratio of 60.65%. This number would appear to be alarming if not for the fact that \$148,345.80 of this money will be sitting in a bank account earning interest, with the only true equity invested at the

beginning of \$37,500 for the 25% down payment on the loan. Animal Welfare NGO expects this number to improve over time as the loan will be paid off and profits as well as owner's equity will increase.

ANIMAL WELFARE NGO BUSINESS PLAN

Overview

Introduction

It is the objective of the Animal Welfare NGO to provide much needed animal care to a local community that has long since been deprived of it. Its goal is to also provide sound educational opportunities and after school programs as well as real-world based internships for university graduate students. Additionally, it will add income and provide volunteer opportunities for undergraduate students or simply those wishing to give back as well. Creating an atmosphere of animal care and human learning is the cultural foundation to the success of this nonprofit organization. From the financial and business perspective, it is essential to offer such learning opportunities and animal care needs at a nominal cost to the consumer but enough to cover daily operating costs and even generate a profit at the Animal Welfare NGO.

From the conclusions reached of the literary review and other critical research, it is imperative to self-promote the nonprofit. This will be done through various inexpensive online marketing schemes and social media websites, monthly email letter about the NGO, guerilla marketing initiatives, fundraising events, educational programs, corporate sponsorships and word-of-mouth advertising. This key component will lead to the Animal Welfare NGO's long-term success.

The Company

When the Animal Welfare NGO is officially established it will seek the legal status of 501C (nonprofit organization) in the United States. Per Panamanian law, Jennifer Thomsen will remain on the site full-time to take advantage of the many tax break afforded the non-profit sector as well as run the daily operation required of the NGO. She will rely heavily on the expertise of the full-time veterinarian to both take care of the animals and teach the full-time graduate students. Jennifer will lead the team of three-full time staff members and other volunteers to take care of the shelter and pet shop as well as run the educational after-school programs for the local children. It is also Jennifer Thomsen's responsibility to self-promote the Animal Welfare NGO and direct its marketing initiatives.

Services Offered

The Animal Welfare NGO will provide a number of key services vital to promoting animal welfare both in the short and long term, as well as maintain financial independence without having to solely rely on philanthropic donors, although welcomed and encouraged. These services include the spaying and neutering of animals both stray and adopted, basic to advanced obedience classes (required for any animal adopted), home made affordable pet food, nutritional education, grooming for existing customers, educational credits for graduate students, after-school programs for local youth, fundraising events (i.e., annual dog surfing competition), pet shop on site, medical care, vaccinations, x-rays, surgeries and an animal sanctuary for those too abused to be rehomed and other services. These services will generate revenue through adoption fees, rehoming fees, educational course fees and internship fees amongst others. This is a very similar cost structure to traditional and self-sustainable humane societies in the United States and that of AHPPA in Costa Rica, but that do simply not exist on a large scale in the

Pedasi, Panama area.

The Market Summary

The potential for the Animal Welfare NGO to succeed in the Pedasi, Panama market is very good based upon all the data collected. There are no other animal welfare or pet adoption agencies within a two-hour radius, there is a significant population, there are numerous dogs and cats in need of assistance and a community that could substantially benefit from the educational programs that the NGO will initiate. The location was carefully picked and analyzed for Panama's tax breaks as well as the overall positive attitude towards domesticated animals and learning environments. The market analysis suggests that with the first mover advantage the Animal Welfare NGO can quickly assimilate itself in the Pedasi market and gain loyalty and respect from the local people. The educational and after-school programs will be one of the biggest drivers of success. This will provide the nonprofit with real long-term success once the proverbial "buy-in" is obtained from the Panamanians. Please refer to section 2.9 for more detailed information about the target market analysis.

Financial Considerations Summary

The animal shelter would require a thirty year fixed small business loan of \$150,000 USD with the 25% down payment requirement \$37,500 USD. The total start-up costs are \$185,485.80 including six months of operating costs.

Due to a lack of comparison opportunities in the Pedasi, Panama area the Animal Welfare NGO will base its initial cost structure analysis for services offered on Costa Rica's AHPPA nonprofit animal shelter. For example, an average adoption fee will be a minimum of \$10 U.S. dollars but suggest donations range from \$10-25 based on the individual's ability to pay. Other

fees will include \$500 per graduate student on a monthly basis and \$200 per non-graduate student volunteer who is helping out around the animal shelter and not conducting surgeries. Spay and neuter costs, medial consultations, vaccinations and other surgeries will range in price from \$5-\$100 based on the procedure. Animal food, pet shop and grooming services will also be offered in a range of \$2-40 depending on the item or service. Overall, the Animal Welfare NGO has estimated a per unit fee of \$27.97 with a unit contribution margin of \$12.29 when not including fixed costs. These prices were generated from comparison to AHPPA again, but the Animal Welfare NGO reserves the right to change prices at any time once established in Pedasi, Panama. Please refer to section 3 of this paper for a full financial analysis and ratios to present to potential investors.

Company Description

Mission Statement

The Animal Welfare NGO pledges to provide a safe environment for domesticated animals where they can be adopted into good homes of local Panamanians who are well educated on the responsibilities of owning a pet. The nonprofit organization is devoted to involving the local community in the welfare of all animals through extensive education and volunteer opportunities coupled with the other numerous services that the NGO offers all at an affordable price.

Key Success Factors

Key factors include involvement in the local community and their reception of the Animal Welfare NGO. Additionally, the NGO has to accurately price its services so that it can

sustain itself while making animal welfare and education affordable to the public. It will also need to establish sustainable relationships with various universities both in Panama and in the United States, Europe, Australia and Latin America.

The absolute most critical aspect of success for the Animal Welfare NGO is its marketing scheme and self-promotion. An easy to use webpage, high search engine hits, social media tools and local marketing schemes including word of mouth and guerilla advertising will help to put the nonprofit organization on the proverbial “map.”

Industry Trends Long-term Prospects

The long-term outlook of this venture is promising. There are no other competitors in a two-hour radius, and it seeks to obtain clients from the Panama City area who frequent the Pedasi beach location on a weekly basis. Due to the nature of the services offered and the animals and community that the NGO seeks to help, it is not opposed to competition but rather welcomes it. There is a chance that if this is successful that the market could become saturated, but that means that the animals are being taken care of and the firm could look to spread its business elsewhere. With the historical lack of animal welfare and educational opportunities in the area though, this is not considered a high-risk at this time. With first mover advantage, successful integration in the local community and strong educational ties the Animal Welfare NGO should sustain long-term success in the industry and the Pedasi, Panama area.

Porter's Five Forces Model

Figure 1: Porter's Five Forces



Buyers

This segment is consisted of the local Panamanian community who seek to adopt a pet or utilize the services the NGO offers. As there is no other organization like this one in a close proximity, the buyers do not have much power.

Substitutes

Similarly, there are no animal shelters or educators in the Pedasi area so the first mover advantage is critical.

Rivalry

There are no existing firms like it so there are no rivalries. With how many pets that need assistance in the area a friendly rivalry would be welcomed.

New Entrants

This is the most critical of Porter's five forces, as there is the opportunity to quickly copy the Animal Welfare NGO business model. However, the firm is not looking to turn a profit but simply sustain itself. If someone copies the NGO it will only help spread word-of-mouth advertising about helping animals in need, which is a good thing.

Suppliers

The NGO will rely on the local animal control officers to deliver needy animals to the shelter. This is readily done in Panama City and can be easily copied in the Pedasi area. Additionally, the nonprofit will provide an "on-call" veterinarian who can assist any animal in need day or night. This in conjunction with animals being brought in by the local community will keep the NGO in steady supply for years to come.

Table 3. Industry Attractiveness

Competitive Force	Threat to Industry Profitability		
	Low	Medium	High
Bargaining power of buyers	X		
Bargaining power of suppliers	X		
New Entrants			X
Rivalry companies	X		
Substitutes	X		

Marketing Plan

After analyzing the market and building upon the research conducted in the literary review, the Animal Welfare NGO will pursue its venture in the Pedasi, Panama market. In order to launch this business model successfully, the following strategic marketing plan has been developed.

The Animal Welfare NGO recognizes that its target market is part of the “information age.” This segment (16-35 year olds) typically focuses its research of adopting pets, training them and volunteering with organizations options online and specifically on social media and company websites. Therefore, the Animal Welfare NGO will direct its efforts of marketing and customer outreach to these online based tools. An added advantage of this type of marketing is that it is low cost (only \$15 U.S. dollars to set up a website) and that it easily spreads “word of mouth” advertising.

Animal Welfare NGO will emphasize the welfare of animals, education and low cost aspects on its website, Facebook and Twitter Pages. These sites will be updated on a daily basis along with current photos of the animals, volunteer team and education outreach programs. This can easily be compared to AHPPA’s website AnimalShelterCostaRica.org. It clearly displays financial data, fundraising events, animals available for adoption, donation options and the overall commitment to the local community in Costa Rica. Additionally, the NGO will send out monthly letters to its past clients to help them “spread the word” of the special things that the NGO is doing. These three factors lie at the core of Animal Welfare NGOs beliefs as an organization, and will also help to drive business and ultimately help the animals and local community.

Some of key marketing initiatives to launch the NGO will include the following detailed strategy:

Local School Children T-shirts: Panama, like most Latin American countries require students to wear school uniforms on a daily basis. Animal Welfare NGO will work with the school to give them free t-shirts with and the name logos from the nonprofit as well as the school to each student as part of the educational fee in the afterschool program. In turn, when a class of students has the turn of volunteering (1st and 3rd grade on Monday, 2nd and 4th on Tuesday etc.) the children get a break from wearing the uniforms and get to wear the NGO's shirt. This promotes the NGO both in the school and at home where parents quickly learn about the good work the nonprofit is doing. Additionally, students will wear the shirts in the local community, which will help spread the word as a combination of guerilla marketing and word-of-mouth advertising.

The Animal Welfare NGO will run weekly campaigns on Facebook and Twitter with reduced adoption, grooming or medical fees. Some may advertise that cat adoption fees are reduced to \$5 from \$10 for this weekend. Similarly to the WWF, weekly specials, updates and advertisements convey the nonprofit's message without bombarding recipients with daily messages so that they ignore them.

The NGO will also strategize similar marketing efforts through social media and the main website and emails of donation packages. As seen in Exhibit 1, donators will receive different promotion packages including a stuffed animal, t-shirt, or school binder/bag with varying levels of sponsorship. The more one donates, the more they receive in the bundle. This is a strategic idea as it further advertises the NGO every time a donor wears a shirt or takes their bag to school.

The Animal Welfare NGO will seek to partner with AHPPA to help launch the opening of the nonprofit in Pedasi, Panama. Since AHPPA is located in Costa Rica, the Animal Welfare NGO is not in direct competition and can therefore support the efforts of the nonprofit in Pedasi. This can help both NGOs create a “sister-network” for the volunteers, donors and animal rights activities.

The nonprofit will seek to capitalize on the extremely popular and well-advertised surf breaks off the coast of Pedasi, Panama by holding semi-annual dog-surf competitions. Owner and dog will go out on a long-board together, the owner will “push” the dog off by itself and the dog will ride the wave (low ones close to shore) all the way into the beach. To promote the event the Animal Welfare NGO will seek to team with International and local surf legends such as Kelley Slater from Hawaii to donate his time and support for the NGO by being an official judge for the event. The Animal Welfare NGO will invite local media, especially from Panama City to showcase the event. Additionally, it will seek to team with any other local businesses or nonprofit organizations that want to help by sponsoring the event and generating their own “marketing buzz.” This will be a great way to introduce the local community to the Animal Welfare NGO and capitalize on its favorite activity and local revenue generator, surfing.

The Animal Welfare NGO will seek to team up with local businesses to be official sponsors of the nonprofit. Depending on how much the business and corporate sponsors donate, the larger the logo they will receive on the back of all t-shirts sold in the pet shop, or donor plaque on the partnership wall within the animal shelter. The local businesses will be able to advertise for their own purposes by telling potential consumers that they donate to and support the Animal Welfare NGO, bringing them goodwill and the nonprofit more recognition.

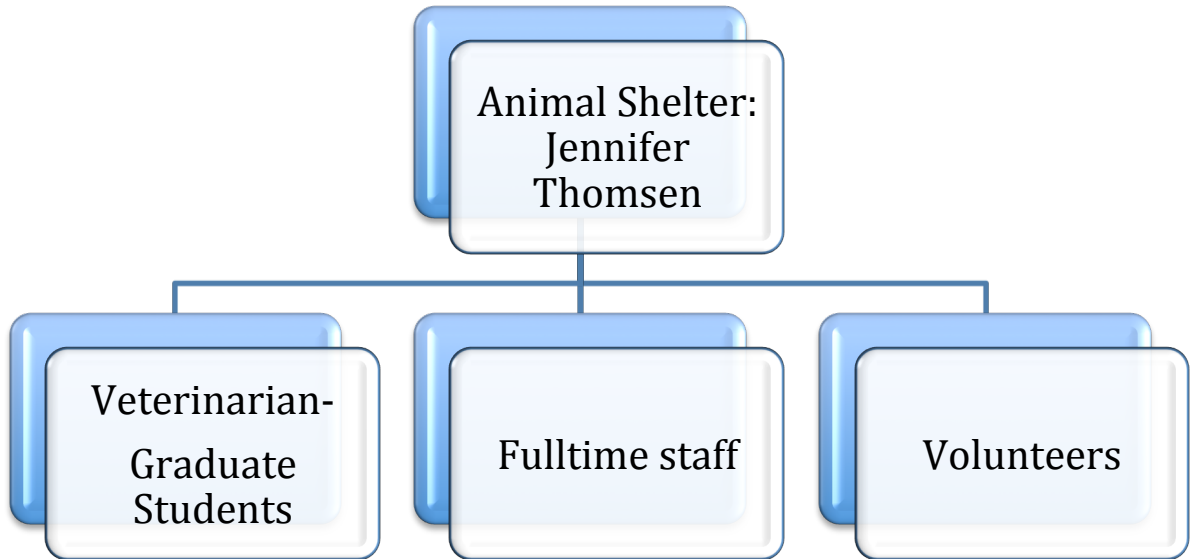
The nonprofit organization will also partner with universities and veterinarian schools to promote volunteer and internship opportunities around the world. This should be successful as founder Jennifer Thomsen has lived and studied in four different countries and three different states, and has an established network of fellow university students with connections to various programs around the world. Those who partake in the educational programs will also be tasked with generating donations before coming and passing out t-shirts and school supplies with the NGO's name and logo upon their return to the university.

The Animal Welfare NGO believes that the above marketing strategies are a great start to promoting the nonprofit organization, but that there are many new and innovative opportunities to explore with the help of dedicated marketing strategists. Founder and director Jennifer Thomsen will look to work with successful IMBA students who specialized in Marketing at the University of Valencia to help launch her marketing campaigns. In return, she will seek to either provide them a stipend for their dedicated work and/or applicable letters of reference highlighting the critical aspects and success that their work brought to the Animal Welfare NGO.

In summary, the Animal Welfare NGO will capitalize on low-cost but high-return social media, website and email promotions both on a weekly and monthly basis. It will provide t-shirts to local children volunteering, team with local businesses and corporations, hold fundraising surf-competitions, sell merchandise at the pet store at the shelter, offer online donation packages, solicit donations from university programs, make connections with local media and hire on IMBA students that specialized in marketing to help launch and maintain the success of the nonprofit organization. These marketing strategies are all considered to be a starting point, and will be expanded and improved as the nonprofit establishes itself in the Pedasi, Panama area.

Company Structure

Figure 2: Human Resource Structure



Jennifer Thomsen will be the president of the animal nonprofit. She will be in charge of overseeing all transactions at the shelter. Jennifer has significant experience in animal behavior and nonprofit organization work. This NGO will have a veterinarian on staff on a full time basis as well as three full-time employees in charge of taking care of the animals. This organization will rely heavily on part and full time volunteers as well as veterinarian interns. To ensure these volunteers come, the local schools will be solicited for afterschool programs. Availability to pursue internships at the shelter will be advertised on the website as well. This will not only serve as a labor force, but also increase revenues, as a small tariff will be charged to go through this process.

Operations Plan Summary

Stage of Development

Today the NGO already: knows the location where it wants to develop its business idea. They choose Panama and more specifically the city of Pedasi. This city is on the Pacific Ocean and has the best surf spots in Central America, which helps attract potential adoptees from further away. Thus providing great potential for the implantation of the first Animal Welfare NGO site. It also has vast areas of open land, which will be perfect for further expansion of the animal shelter.

Have the Funding: bank connections have been made, and the NGO has the ability to acquire the necessary loans to begin this venture. The NGO will need to rely on profits to pay the monthly installments to the local credit union in Panama.

Animal Welfare NGO still has to: recruit its employees to work for the nonprofit. The NGO needs to recruit at least three full-time people and numerous volunteers for the animal shelter (front desk employees, educational activities coordinators, veterinarian). The NGO has, however, established a connection with three companies dealing with recruitment in Panama.

Search for volunteers: the animal shelter will need to rely on volunteers to aid in the daily tasks. Once the website is up and running, it can begin advertising to the local community as well as abroad to get the necessary resources.

Access and Payment

The Animal Welfare NGO will be easily located off the main road between Pedasi and Panama City with clear marketing signs and promotions. For payment, the NGO will accept local

currency and VISA or MASTERCARD to quickly receive money collected from fees and services offered.

ANIMAL WELFARE NGO FINAL REPORT AND EVALUATIONS

The project proved to be successful both individually and as a solid business plan. Jennifer Thomsen gained considerable knowledge on the requirements for a business. From the very first step of creating an idea, testing the idea's validity and feasibility, and then researching it thoroughly to implement it correctly. Although there were a couple of difficulties and set backs, the knowledge gained is highly valuable.

The objectives for this project included strategic, marketing, financial, and sustainability goals set forth by Jennifer. Her strategic goals included gaining the knowledge necessary for building a business plan and a business model. Although the planned internship fell through, which led to some difficulties in researching the country specific information required, this objective was successfully met. With a limited business background, the knowledge gained surrounded the requirements for the business plan. These lessons were learned in class and through individual research.

The second objective was the marketing objective of creating a marketing plan for the business. Jennifer Thomsen has created a marketing plan within the business plan that should prove to be successful when the business is actually created. She understood the importance of this critical aspect from the lessons she learned by conducting the research for the literary review and in particular the success that the World Wildlife Fund enjoyed as a result of their own marketing plan. Jennifer was relying on first-hand experience by volunteering with a different animal welfare NGO in Panama City, but it fell through at the last minute so she was unable to

collect critical data and real-life experience. There are no compatible performance indicators, as this project is not being marketed in the real world.

The financial objective was exceeded successfully, as the lack of internship allowed Jennifer to focus the financial resources slated for travel to Panama on the project. No outside funds were used, so personal finances were allocated as needed. Jennifer Thomsen was also highly successful in the sustainability objective of this project. Not only does it seem as though the business plan will provide to be a sustainable company, but she believes she will be able to maintain it in the future.

Appraisal per Function: Jennifer Thomsen

Reminder of the Objectives Specific to the Post

After the idea of the business was created, it was Jennifer's duty to conduct all necessary research on sustainably running an animal welfare NGO from a business perspective. She needed to conduct market, industry and organizational research, then analyze and report the results. She was also charged with creating a business plan for the nonprofit along with a business model that would better explain the idea. After completing this paper, she had to present her findings at Euromed, which also helped her to practice selling her idea to potential investors.

Achieved Results

Overall, Jennifer would say that she was successful in fulfilling all of her objectives dictated at the very beginning of the project. Although she had faced some challenges in acquiring the information needed, she was still able to gather the information required to show the successful potential of this project. Jennifer was able to use knowledge that she gained

through her coursework at Group Euromed Management Business School and the University of North Carolina, Wilmington to focus her efforts and begin the creation of the business plan and model for the nonprofit organization. Oral and written communication tools gained in the “Management and Language” class were highly useful in creating the documents needed. She was also able to refine the business plan with the knowledge gained in the “Creating and Sustaining a Successful Enterprise” course.

Once Jennifer had conducted the market research, she was able to create the business plan and model. Jennifer was able to include all pertinent information needed and create it in a way that it showed professional potential. She was then successfully defended her work at Euromed University.

Analysis of Discrepancies and Lessons Learned

The most problems that Jennifer encountered stemmed from the same event. Jennifer had planned on conducting a large portion on the market research and marketing plan while on an internship in Panama. However, communication was lost with the organizations, which was going to her and she was unable to regain connection. This had several implications on the project; the largest problem that added to this was that information is inadequate online including academic journals. There is only one other nonprofit animal welfare organization in the area that was currently posting accurate numbers. By not going through the internship, the Animal Welfare NGO project had to rely on other sources for information.

This taught Jennifer many lessons, including having multiple options lined up for her. Had she had another internship lined up, she might not have run into this issue. Another lesson learned was that information is not as available as expected. Although there is not much that can

be done about this, it is something that the team needs to expect for any future projects. These were the main negative issues that she faced throughout this project.

Monitoring and Transfer of the Project

This aspect does not apply to this project. The plan will not be transferred to a separate party and there will not be any media coverage of the project.

Pedagogical Appraisal: Jennifer Thomsen

Achievement of Pedagogical Objectives

Overall, Jennifer feels as though she has contributed a high quality product to this project. She completed her the necessary research along with the business plan and model. She met all of the time requirements, and attended all of the meetings with her advisor. She feels as though she has set her best work forward and was able to work positively on this project. Jennifer would, however, like to see more progress in her communication skills. Although she has had much practice in this area, she feels as though it is an area where everyone can improve.

Appraisal of Managerial Skills

The managerial skill that Jennifer was personally targeting was her leadership skills. These include the actions needed to be a leader, the capacity to convince people as well as encourage others to work together. She was able to do this on her project by coordinating with her advisor and mentoring professors constantly so that she took ownership of her thesis paper. The second objective was to increase her entrepreneurial skills. This was determined by the

ability to create innovative ideas, do the research required and see the project to the end. The final objective was to improve her oral communication skills.

In order to improve these skills Jennifer attended specific courses that applied useful knowledge into acquiring skills. For example, the “Creating and Sustaining a Successful Enterprise” course taught her the overall knowledge needed to create a business plan and the resources needed to be a successful entrepreneur. The “Language and Management” course gave her tools that will help her be a successful communicator. Meetings that she had with her advisor also helped with her communication skills and leadership skills.

Jennifer has observed many improvements within herself in all of these skills. Although she would like to continue improving all of these skills, specifically her communication and persuasion skills. She would designate an upward trend in all of the sections.

Impact of the Pro-Act on the Student’s Employability

Holistically, this project has added significant value to Jennifer’s name. Through it, she has been able to create a stronger professional network of young professionals who have witnessed her work ethic. She has also created a tangible object which can demonstrate her overall ability to create high quality work. Being able to put this project on her Curriculum Vitale will add significant value as a true sample of her capabilities and give her a basis to continue work. Jennifer has also been able to show her passion for this project and her ability to work diligently. Through her network building, she has met people in all facets of the process. These individuals are also located all around the world, which gives her a great advantage when she wants to go work abroad.

Final Thoughts and Wrap-Up

This thesis paper and Pro-Act project not only focused on the actual development of a business plan, but the learning process behind it. It was critical to learn how to build such a plan through hard work, making connections, conducting research and knowing what is relevant to the project and what is not. Specifically, Jennifer was able to base her business plan on the outcomes of her literary review. She learned both in her research and in her classes that the “secret” to sustainably operating a nonprofit organization is through earning a small income to offset operating costs and through self-promotion. There is a fine line between coming across to consumers as arrogant and “spreading the word” about the good work that a nonprofit organization is doing. However, the most important factor is that if you can direct most of the financial resources collected back into the actual work the NGO is doing, and being fully transparent about the NGO’s work, finances and intentions than it is not just okay to self-promote but necessary for survival.

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EXHIBIT 1

Exhibit 1. WWF Advertisement



Source: Halloween last chance: Donate by 11:59pm (2011). [Electronic mailing list message]. Retrieved from http://wwf.worldwildlife.org/site/MessageViewer?em_id=35121.1&dly_id=48298

EXHIBIT 2

Exhibit 2. Annual Report

