

MSBA 203

April 2023

STORY TELLING - THE JUNIOR ACHIEVEMENT CHALLENGE

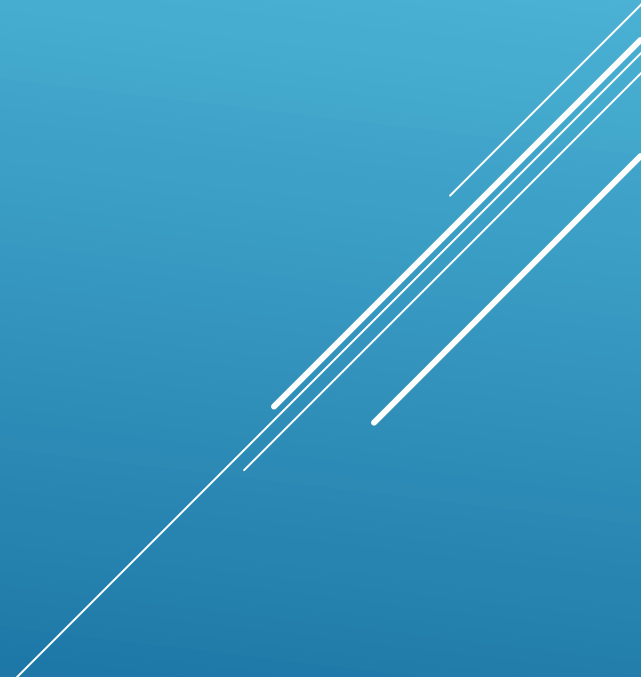
BACKGROUND

- ▶ Junior Achievement is a large international educational non-profit organization
 - ▶ 4 million students per year
 - ▶ More than 120 markets across the US
 - ▶ Additional 6 million students in 119 other countries worldwide
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CURRENT SITUATION

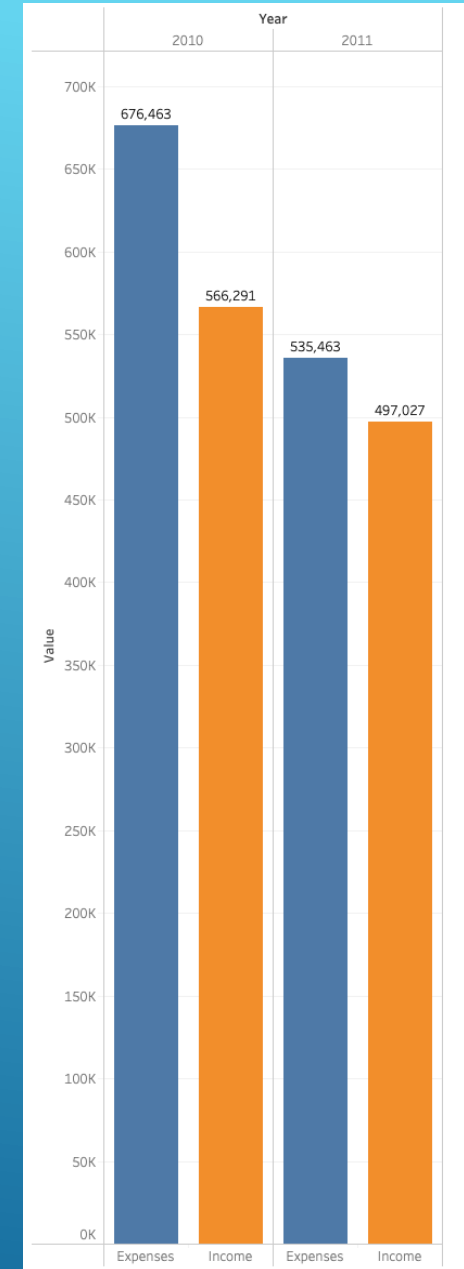
- ▶ 2008 Financial Crisis
 - ▶ 1/3 of organizations made operational cuts (including donations)
 - ▶ JA's mission ever more important
 - ▶ Declining levels of funding and increasing operational costs
 - ▶ JA looks to lean out it operations
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BUSINESS REQUIREMENTS & SOLUTION OVERVIEW

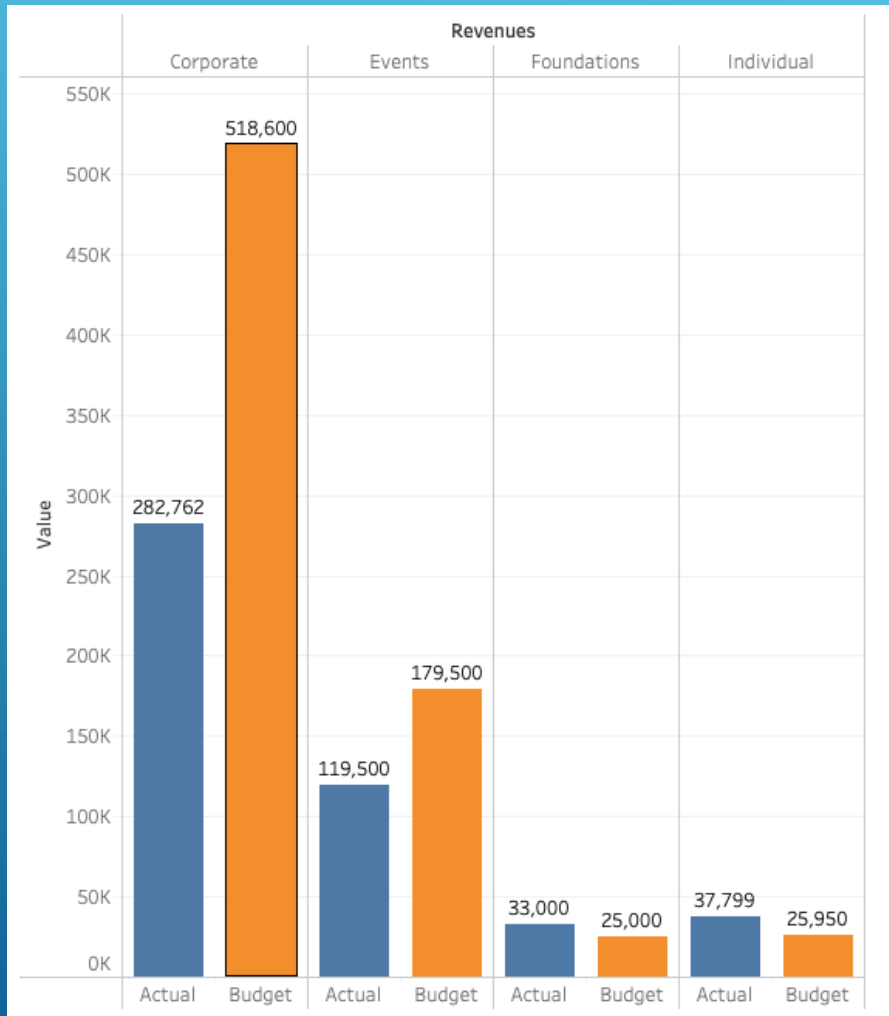
- ▶ Proof-of-concept Dashboard
 - ▶ Detailed & summarized financial data
 - ▶ Clear visualizations of JA's financial well-being with 7 KPIs
 - ▶ JA can be confident in making more informed business decisions
 - ▶ JA can be more effective in delivering on its core mission
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KPI 1 – INCOME VS. EXPENSES

- Expenses and Income were both higher in 2010 as opposed to 2011.
- In both 2010 and 2011, expenses outweighed the organization's income. Therefore, net income was negative both years.
- Net income for 2010 was –\$110,172
- Net income for 2011 was –\$38,436
- Both categories experienced a sudden drop in 2011.
- Despite the drop in both categories, net income increased in 2011 by \$71,736 from 2010 which is a positive trend from the year prior.

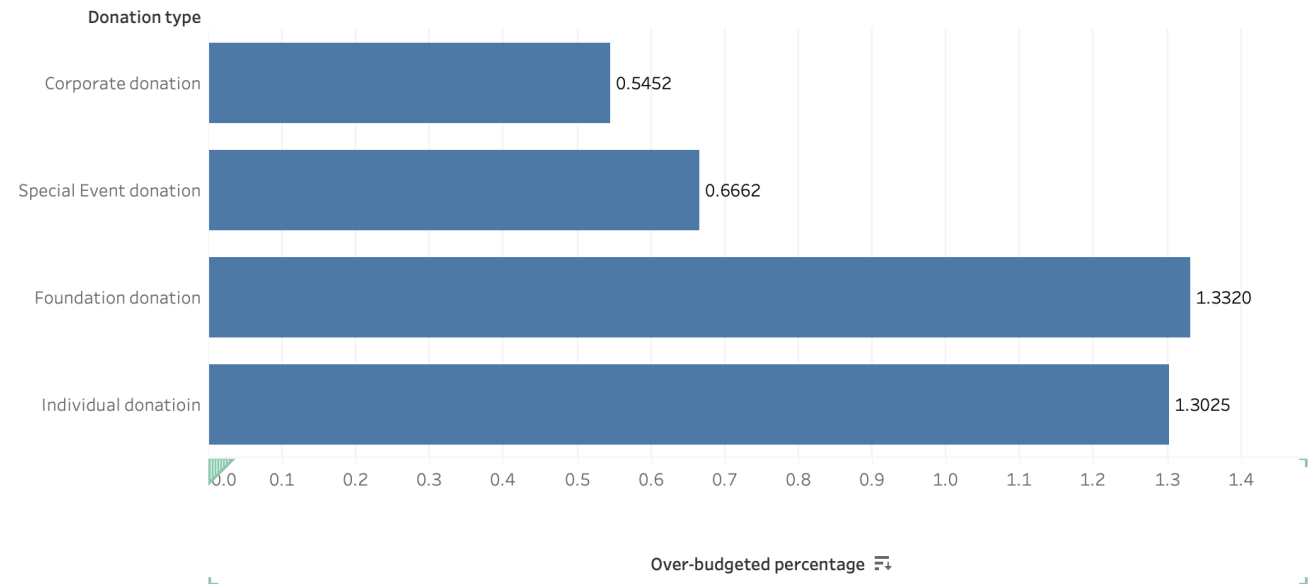


KPI 2 – PERFORMANCE TO BUDGET

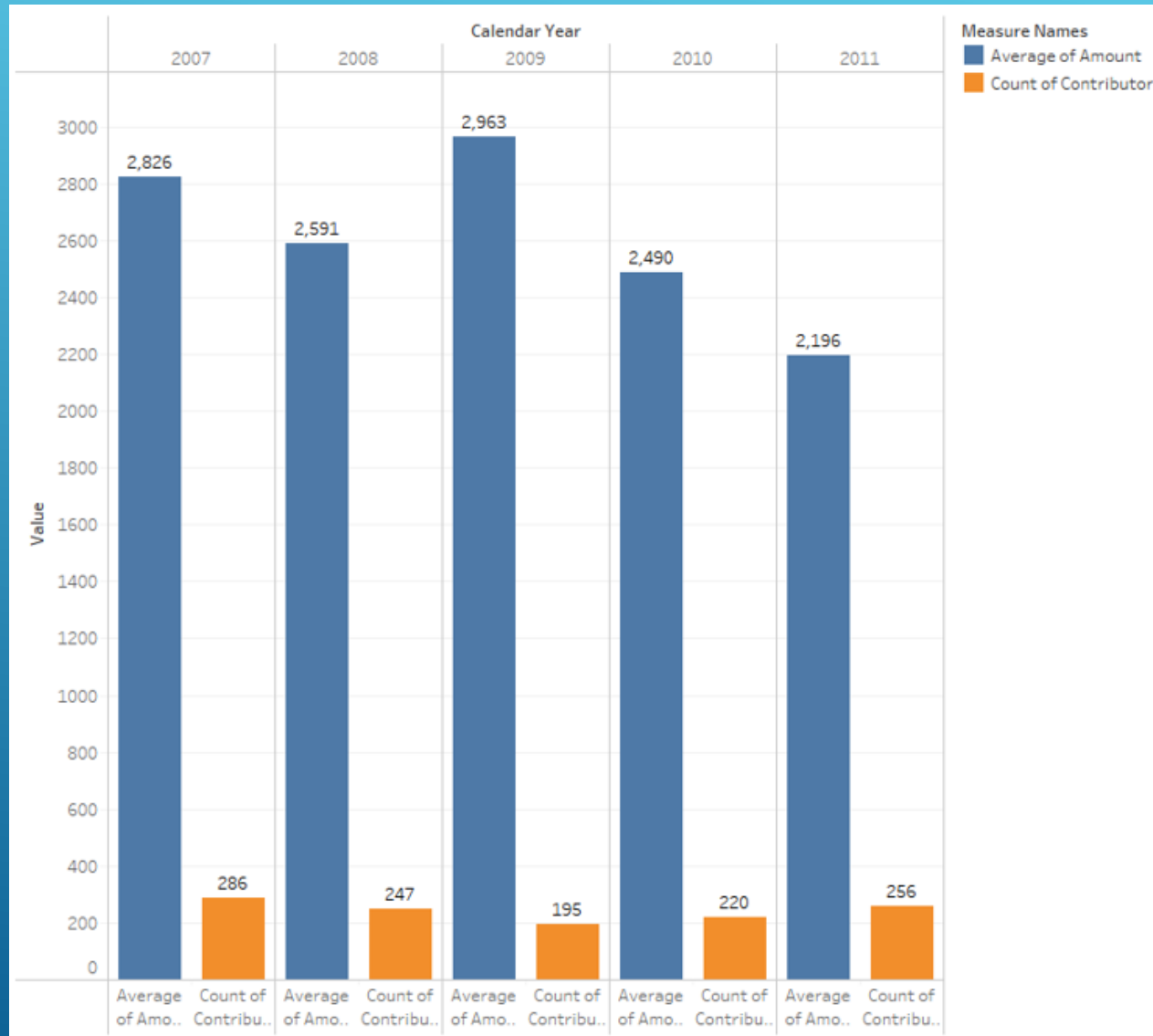


Only in foundation donations did the actual donations meet the budgeted amount. In corporate donations, Junior Achievement only reached 54% of its budgeted amount.

Percentage of Budgeted Revenue Actually Received 2011 (KPI 2)



KPI 3 – AVERAGE DONATION PER YEAR



- Total contributors per year have decreased by 30 contributors per year from 2007 to 2011, however, increased by 61 contributors per year from 2009 to 2011.
- Average amount of donation per year has decreased by \$630 per year from 2007 to 2011. It has decreased by \$767 per year from 2009 to 2011.

KPI 4 – AVERAGE SIZE GIFT

Sheet 2

Contributors															
Rohm & Haas	14,002		16,800			25,000						218,013			
Aramark Corporation	16,211		50,000		15,000			10,000				188,480			
Lockheed Martin	1,968		1,607		9,373		5,670		12,277			164,883			
Allstate Foundation			75,000				1,000					151,000			
US Airways	25,000		12,500		12,500		8,360		10,000			145,080			
Wawa Inc.	11,057		12,093		7,500		5,000		5,000			126,561			
Aqua America/Phila Subur..	7,685		2,380		7,881		4,336		5,628			125,385			
Bimbo Bakeries, USA (G. ...					25,000		4,900		7,600			92,400			
SAP Charitable Fund	25,000				30,000		30,200					85,200			
Herr Foods Inc.	67,500											67,500			
SAP America, Inc	12,000		10,000				5,000		11,680			62,041			
Wachovia Well Fargo Fou..	6,767		10,050		10,000		3,733					61,600			
George Weston Bakery	3,280		4,492		5,800							58,778			
Accenture LLP	5,067		3,002		5,333		6,000					52,210			
United Way SE PA	858		754		639		863		1,023			51,727			
GMAC					25,000		25,000					50,000			
Junior Achievement Worl..	231		12,500		10,000		5,036		1,027			48,386			
James Herr Foundation							22,500		15,000			37,500			
JA Worldwide Headquarte..	2,500		10,000		600		348		1,760			32,595			
Progressive Business Publ..	2,167		2,167		2,267		1,700		4,500			31,100			
Grand Total	201,293		223,344		166,893		154,647		85,494			1,850,438			
	OK 200K 400K	OK 200K 400K	OK 200K 400K	OK 200K 400K	OK 200K 400K	OK 200K 400K	OK 200K 400K	OK 200K 400K	OK 200K 400K	OK 200K 400K	OK 200K 400K	OK 200K 400K	OK 200K 400K	OK 200K 400K	OK 200K 400K
	2007	2008	2009	2010	2011	Grand Total									

Sum of 2007, sum of 2008, sum of 2009, sum of 2010, sum of 2011 and sum of Grand Total for each Contributors. The view is filtered on Contributors, which keeps 20 of 20 members.

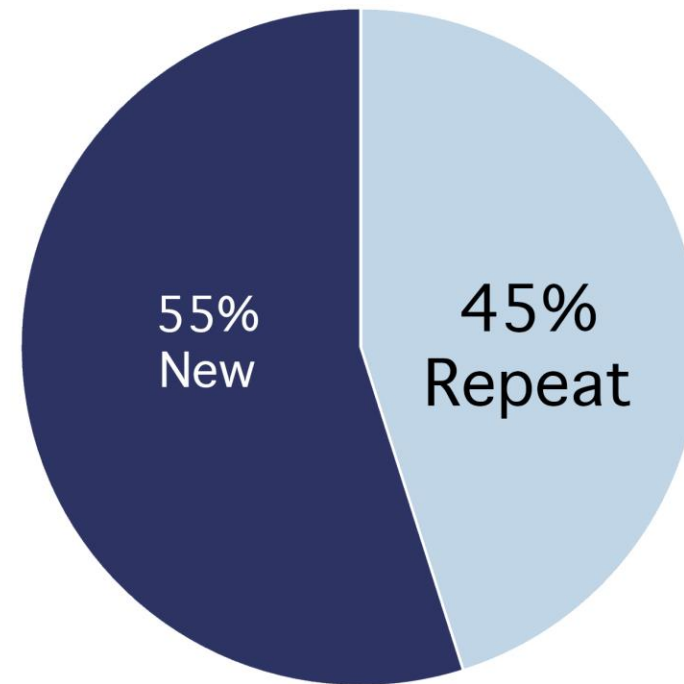
- Largest donation from 2007 to 2011 was \$75k from Allstate Foundation in 2008. They only donated twice out of the 5-year span and their only other donation besides the maximum was \$1k.
- Same goes for their second largest donation of \$67.5k by Herr Foods Industry. They also only donated once and never again during the 5-year span in 2007.
- Best total-average gift size year was 2008. After 2008, gift sizes declined steadily and dropped abruptly from 2010 to 2011.
- Overall gift sizes lowered after 2008 which could be due to the poor economic conditions after 2008 where funds were limited by donors.

KPI 5 – NEW VS. REPEAT CONTRIBUTORS

Total Number of contributors in 2011 – [164]

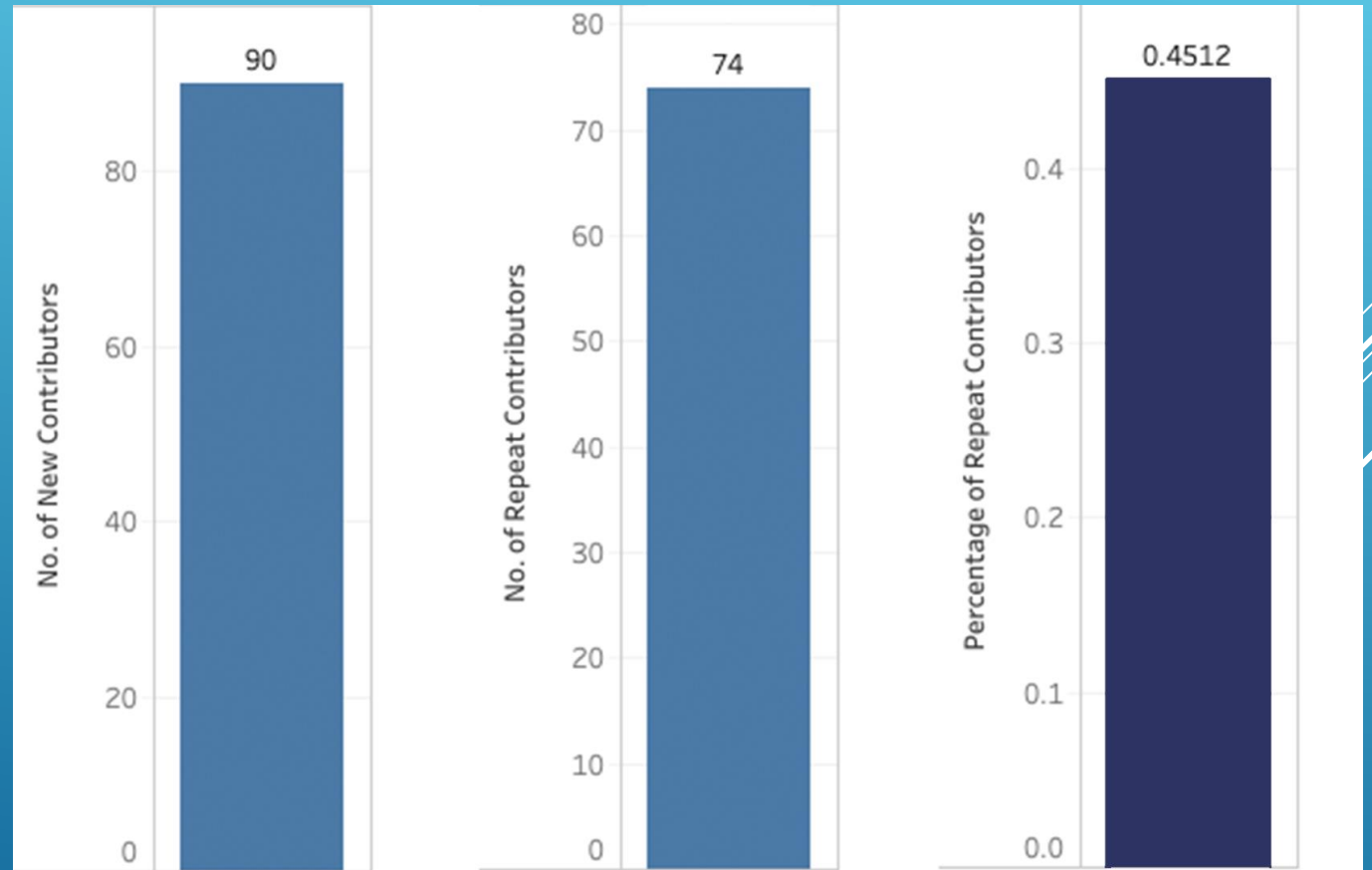
45% of those donated at least once in another year

New vs. Repeat Contributors 2011

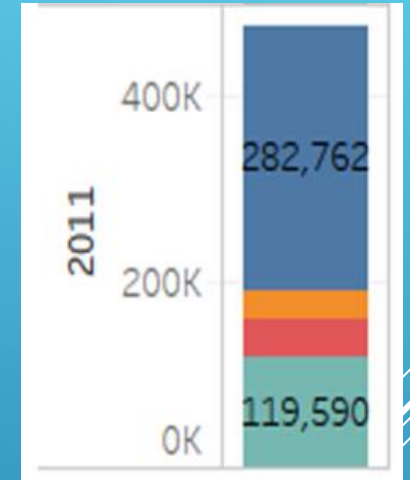
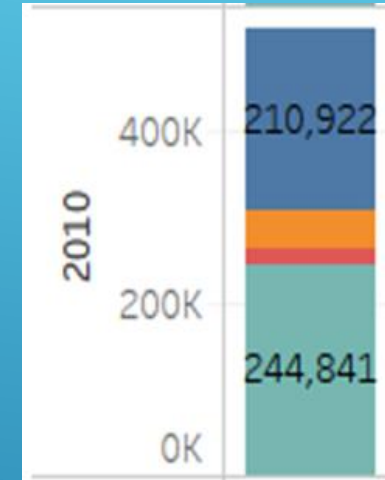
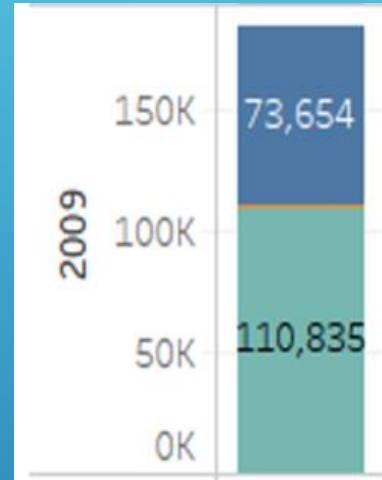
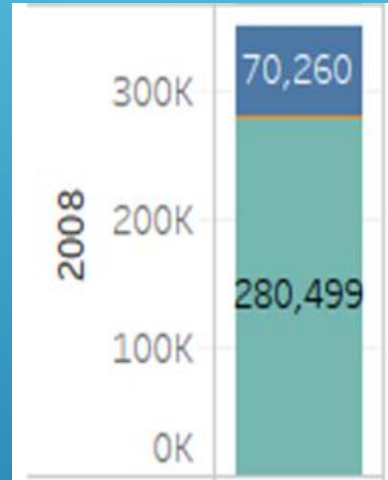
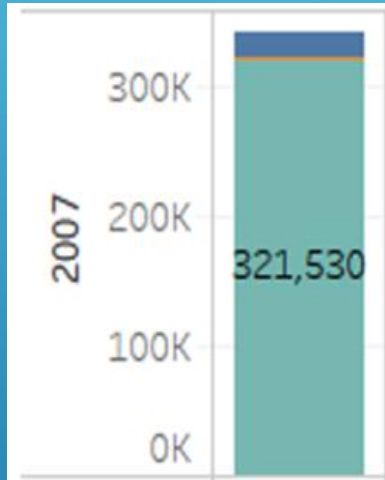


KPI 5 – NEW VS. REPEAT CONTRIBUTORS

- Found the total number of donors in 2011 [164]
- From there found 74 out of 164 donated in at least 1 additional year (to 2011)



KPI 6 – FUNDRAISING MIX



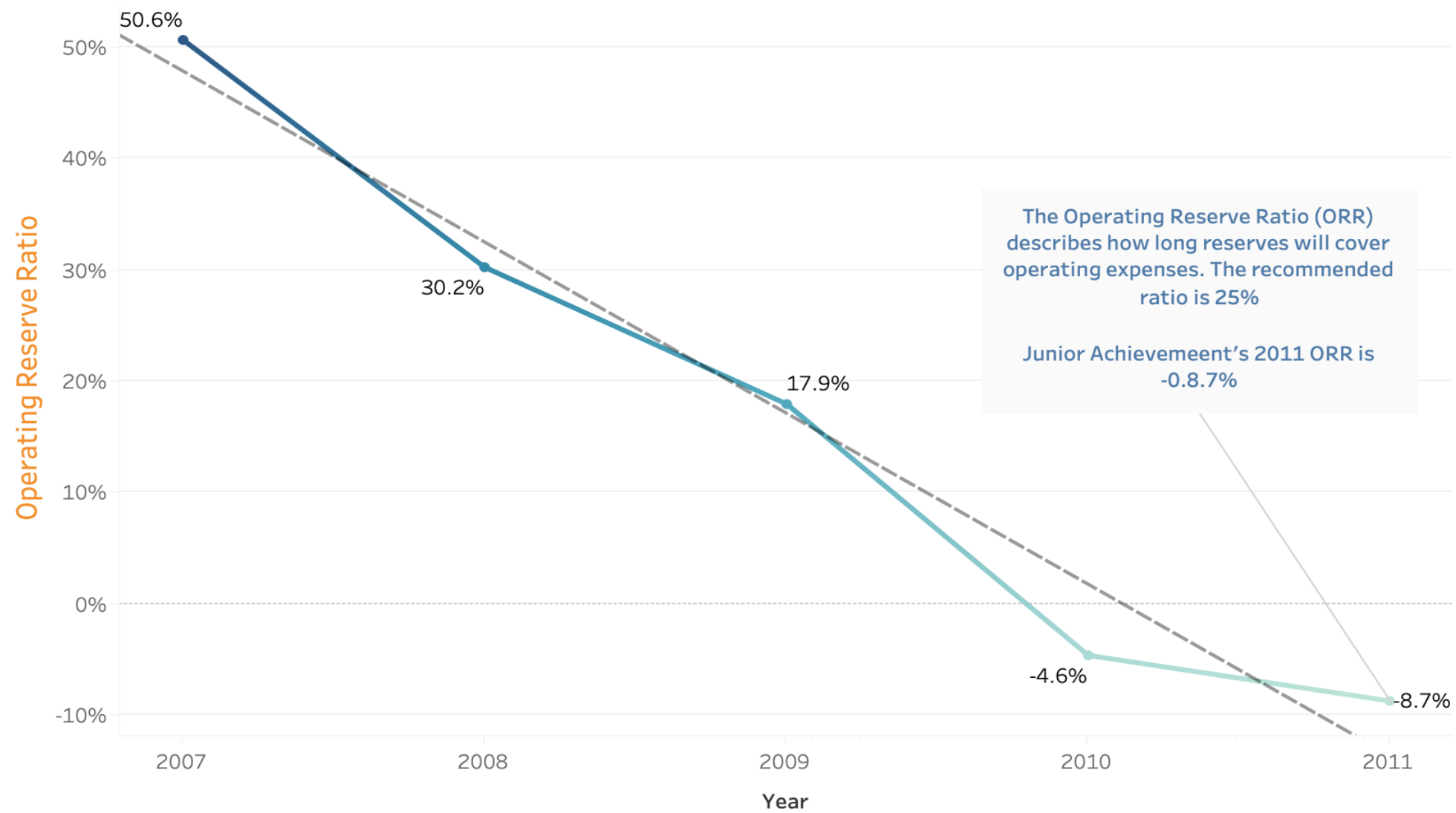
F1

- Corporate
- Foundations
- Individual
- Special events

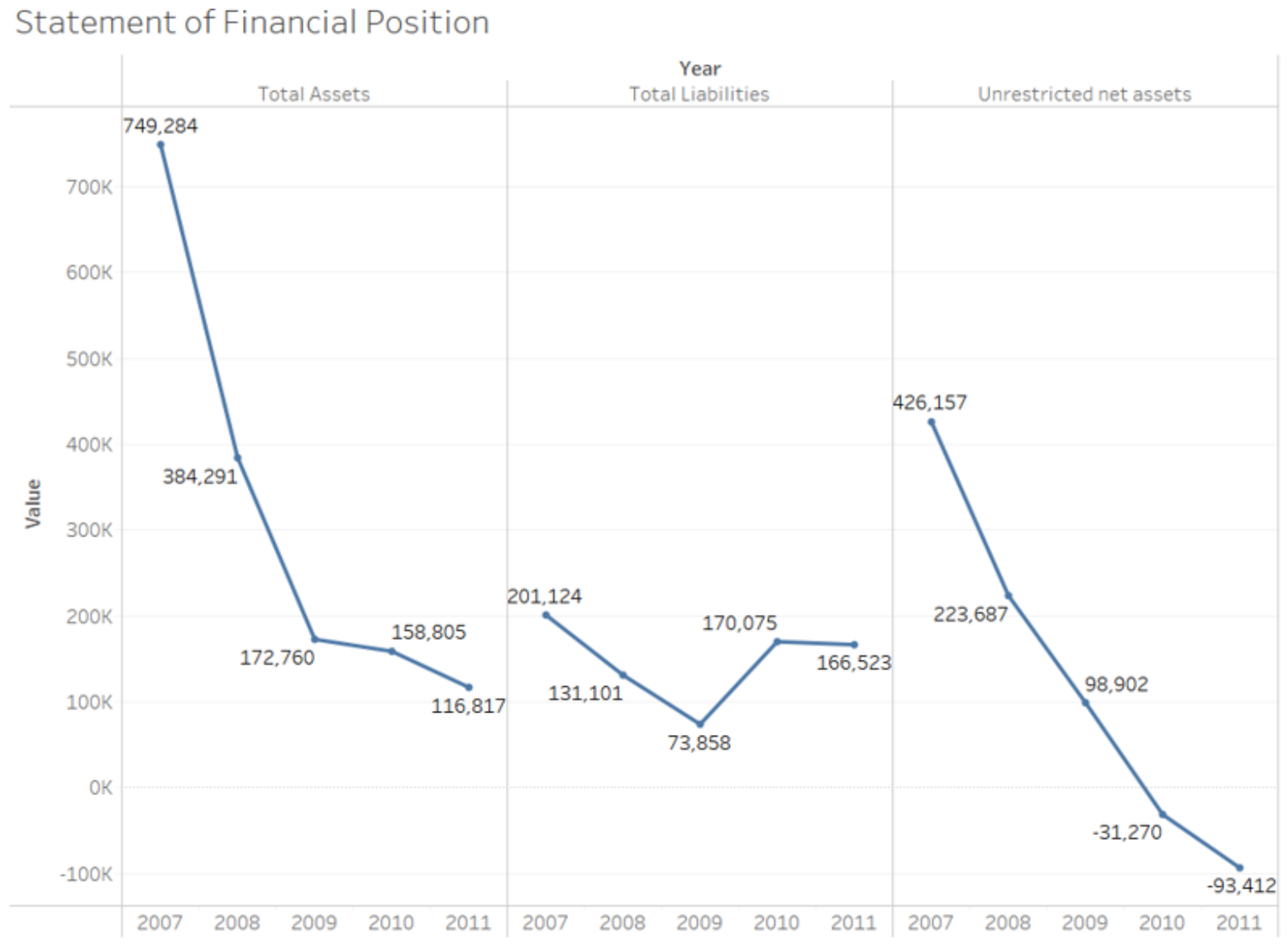
- Total contribution was increased by \$131,628 from 2007 to 2011.
- The contribution total for 2011 was \$473,451.
- Corporate increased from 6% to 60%.
- Special events decreased from 94% to 25%.

KPI 7 – OPERATING RESERVE RATIO

Operating Reserve Ratio 2007-2011



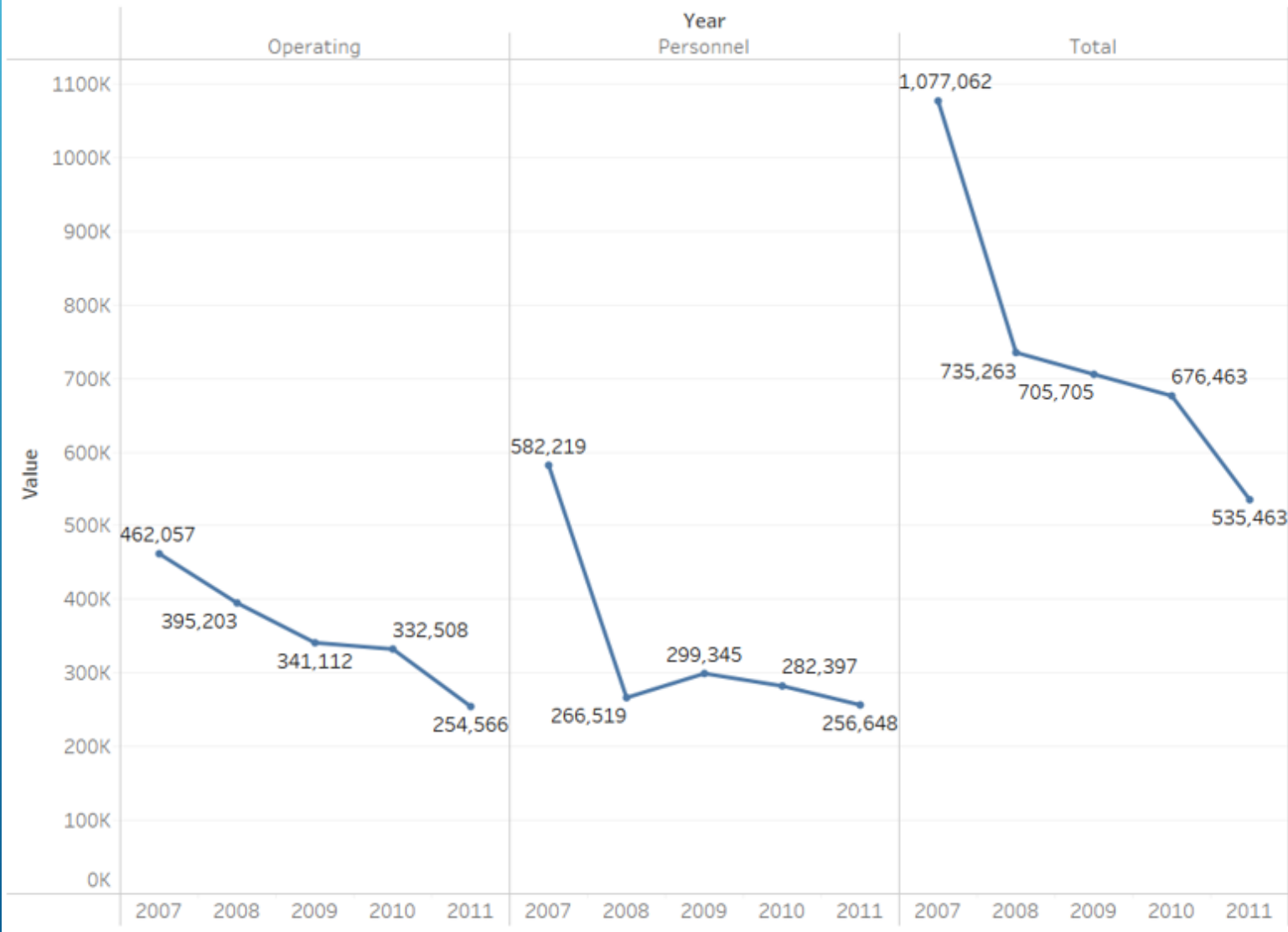
STATEMENT OF FINANCIAL POSITION ANALYSIS



- Total assets and unrestricted net assets have decreased from 2007 to 2011.
- Total liabilities have decreased from 2007 to 2011, however, they have increased by \$92,665 from 2009 to 2011.

STATEMENT OF FUNCTIONAL EXPENSES ANALYSIS

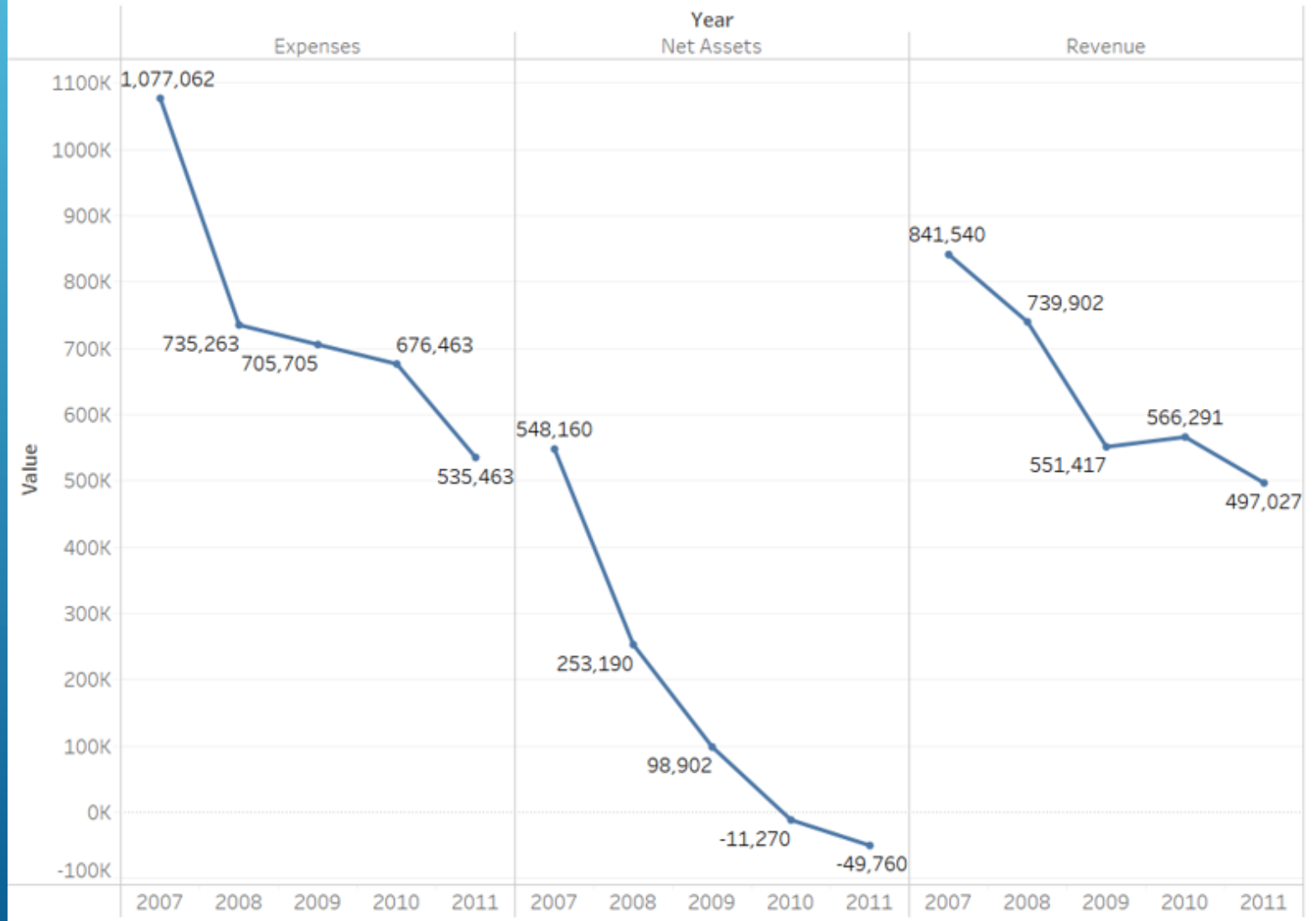
Statement of Functional Expenses



- Operating expenses have decreased by 55% from 2007 to 2011.
- Personnel expenses have decreased by 44% from 2007 to 2011.
- Total functional expenses have decreased by 50% from 2007 to 2011.

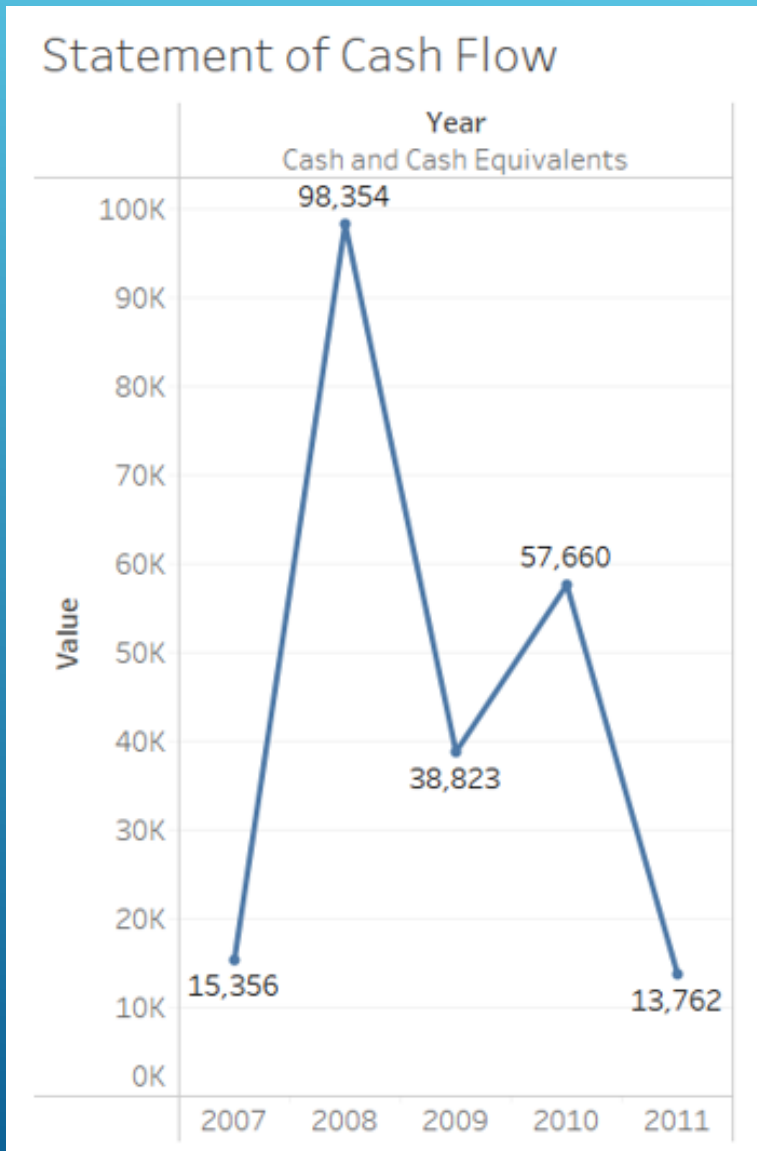
STATEMENT OF ACTIVITIES ANALYSIS

Statement of Activities



- Expenses have decreased by \$541,599 from 2007 to 2011.
- Net assets have decreased by \$597,920 from 2007 to 2011.
- Revenue has decreased by \$344,513 from 2007 to 2011.

STATEMENT OF CASH FLOW ANALYSIS



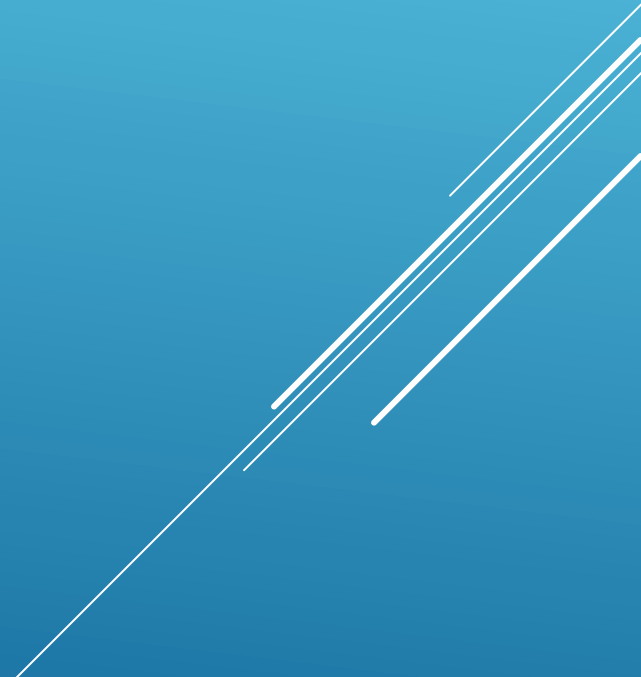
- Even though there was loss \$7,215, JA had sold its investments and PP&E to increase cash flow during 2007 – 2009. Total increased cash was \$37,570.
- JA had borrowed from line of credit to increase cash flow during 2007 - 2009. Total line of credit was \$61,893.

RECOMMENDATIONS

► To increase donations

- Develop a clear and compelling message
- Make it easy to donate
 - Set up online donation page with the option of recurring donations
- Leverage data-visualizations
 - Build dashboard to show donors the amount others are donating
- Re-vamp marketing campaign
 - Gain support from high turnout events such as sports games, local concerts, local celebrities to increase individual donations

RECOMMENDATIONS

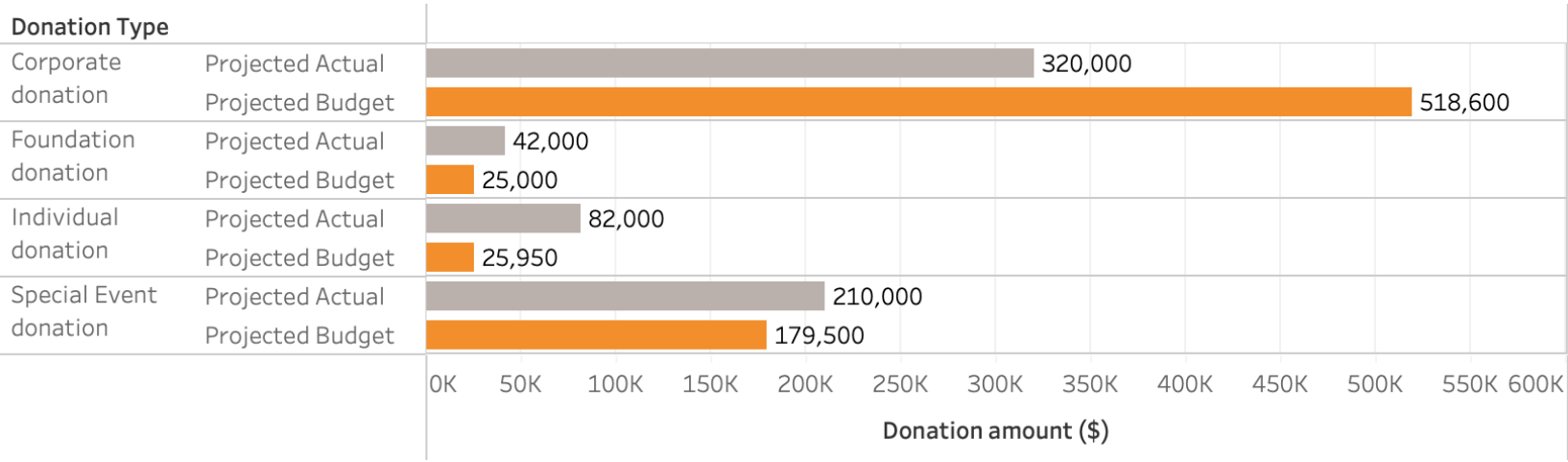
- ▶ To turn a one-time contributor into a repeat contributor
 - ▶ Cultivate a relationship and build a stronger relationships with donors
 - ▶ Show the impact
 - ▶ Offer different ways to give besides donating
 - ▶ Share updates and progress reports of the organization to donors
 - ▶ Host donor events
 - ▶ Recognize and thank donors consistently
 - ▶ Offer incentives to donors
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WHAT-IF PROJECTIONS FOR 2013

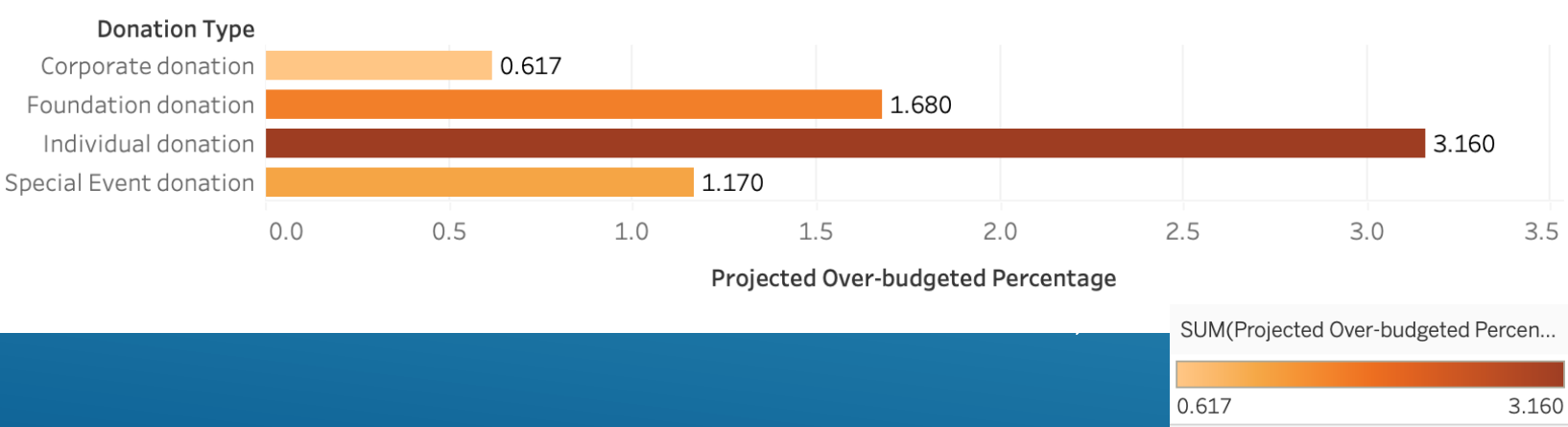
The targeted marketing campaign and focus on individual and special event donations should lead to an increase in actual revenue for 2013.

Individual donation would have a 316% increase from the budgeted amount and special event donation would have a 117% increase over budget.

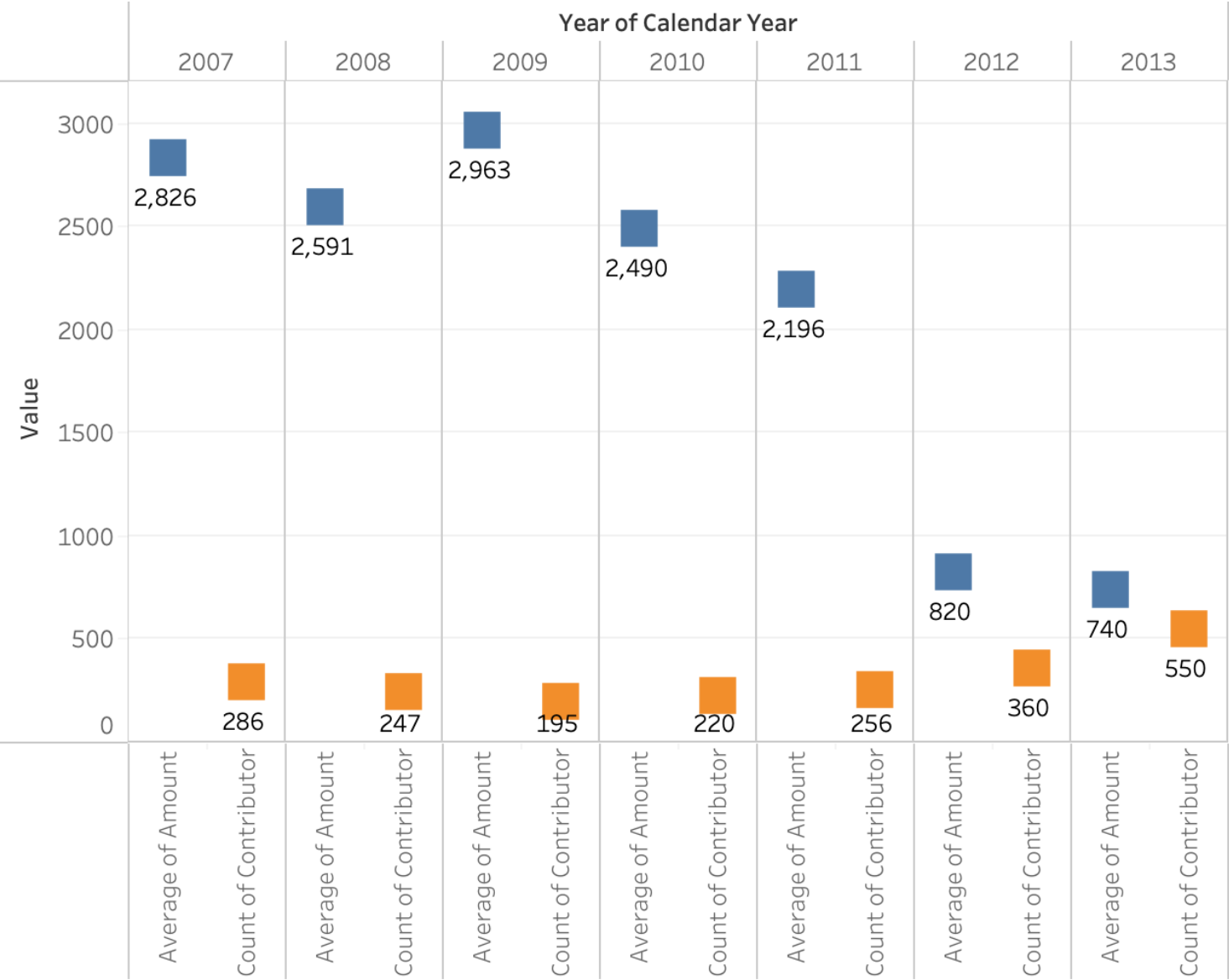
Projected Revenue Source 2013: Actual vs. Budget



Projected Revenue Source 2013: Actual vs. Budget as %



Projected Average Amount donated vs. Number of Contributors (2013)



WHAT-IF PROJECTIONS FOR 2013

By focusing on increasing number of individual donors yearly, while allowing the average donation size to decrease we can increase total amount donated on a year-by-year basis.

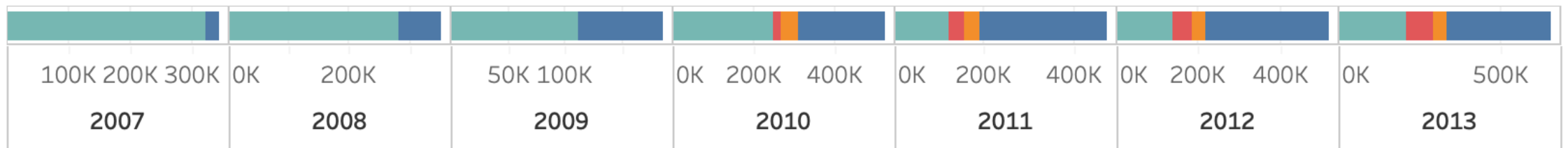
WHAT-IF PROJECTIONS FOR 2013

By changing business strategy to focus on individual and special event donation rather than corporate, we can double the amount of donors with the understanding they aren't donating as much money as in previous years.

F1

- Corporate
- Foundations
- Individual
- Special events

Projected change in donation type (2013)



CONCLUSION

It's important for any industry to adapt to changing economic circumstances. Although increasing corporate donations would be ideal, we cannot continue to count on that to remain solvent. The goal is to provide training, mentorship and financial support to the youth of America and the recommendations provided:

- Turning a one-time contributor to a repeat contributor
- Re-vamping the marketing campaign to encourage more individual and special event donations
- Making it easier to donate with data visualizations
- Developing a clear and compelling analysis

would help Junior Achievement achieve this goal.

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