

References to StratML: [First](#) Reference, [Second](#) Reference, [Third](#) Reference, [Fourth](#) Reference

**Capstone Project Action Plan & Analysis Summary:
New Venture for
Development Project Clearinghouse**

**With
Final Draft of MBA Program Project—Course-by-Course Analyses Appendix**

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MMBA 6780 Business Strategy

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Capstone Project Recommendations & Analysis Summary

New Venture Context Information

This new venture action and implementation plan provides detailed analysis and information evaluating the potential launch of the new venture, the Development Project Clearinghouse (DPC). The analysis is based solely on personal/individual and secondary data analysis of materials and assignments completed during the Walden MBA program. The proposed new venture action and implementation plan represents the personal assessment of Larry Bradshaw, acting within the capacity of a student in the MBA program, and is not intended for direct professional application or hire. A one page summary presentation is offered on p. 85.

New Venture Financial Need/Ask and Estimated Returns

In order to successfully launch the Development Project Clearinghouse, I anticipate that the company/organization will require \$5,000 of capital during the first few months of operations (Financial Strategy p. 14, Financial Risk Management, p.15, 12 Month Pro-Forma Income Statement p. 33, Key Assumptions Used in Forecasting Results p. 45.) The initial \$5,000 will fund establishment of the non-profit as a corporation, with a reserve sufficient to pay for two annual renewals. The DPC financial strategy is to be self-sufficient, to operate at low or zero cost, leveraging free technology to deliver basic services until donations are sufficient to fund expansion costs such as labor required to deliver non-technology based results. This venture will utilize free Google services, operate out of the founder's basement or garage, and restricting travel to local Washington DC metro area events. (Sources and Application of Funds, p. 51)

A further \$50,000 and \$100,000 in grants are possible once field results can be shown which is expected to be about after four to six months of operation. Such grants may constitute as much as 30% of DPC funding in the first two years of operations; the bulk of DPC funding is expected to come from donations and contributions. The need for grants will be evident two to three months prior to the first grant and as much as a year prior to the second grant. Funding in these amounts has historically been available from USAID, the U.S. Department of State, the United Nations, the World Bank, and the International Monetary Fund. For example, this venture may significantly enhance the effectiveness of programs funded from an existing trust fund, such as the United States President's Emergency Plan for AIDS Relief (PEPFAR, <http://www.pepfar.gov/>). As a pilot enhancement effort able to deliver immediate or near-term results, DPC may quickly and easily qualify for a small grant. Alternatively, the firm may operate indefinitely without grants, utilizing donations to cover operating costs on a pay-forward basis (Projected Profit and Loss, p.82; Projected Cash Flow, p. 83.) This means that expansions such as leasing office space or hiring Directors and staff will only be done when donations received and banked exceed the estimated costs. (Break Even Analysis p. 81)

Based on the analysis and argument presented in the five sections below, it is expected that investors could have their principle investment returned by the end of the start-up year of operations or June 2015 and that they could receive an estimated 100% return on their investment. The founder views the startup funding as a donation to the non-profit.

Customer Value Proposition: What Specific Needs the New Venture can Meet or Exceed and for Whom, How, When, and Where

The customer value proposition offered by this firm is exemplified in the various humanitarian projects which funded hundreds of millions of dollars to Haiti after the 2010 earthquake there, only to have a hundred thousand people in hospital two years later due to unclean drinking water (<http://www.oxfam.org/en/haitiquake>; *United Nations HDR*, 2011.) For this sum one might reasonably expect not only clean drinking water but full sanitary facilities for the entire population of eight or nine million people, new housing, schools, and roads. The coordination of funding, measurement of results, and alignment of efforts which are this firm's core value proposition could have saved thousands of lives in Haiti, and will save thousands in the future. Lacking coordination prior to initiating work on the ground, such efforts frequently experience less success than a coordinated, combined, integrated effort could reasonably expect to enjoy (p.11). The core DPC value proposition is to enable the coordination and integration of such efforts by offering products and services for free to all customers (Value Proposition, p. 5; Sourcing, p. 61). The perspective of development as a specialized kind of business is an innovation inherent in this value proposition. (Rationale for the Organization, p. 3)

The ability to consistently measure and report results is essential to effective decision-making in this space (<http://www.gatesfoundation.org/Who-We-Are/Resources-and-Media/Annual-Letters-List>). Value proposition details are available on page 5. The value of alignment of results measurements across borders, across departments, and over time is substantial and probably essential to the success of humanitarian efforts (Patel & Fiet, 2006.)

This venture can meet project funding, coordination, reporting, execution, tracking, and collaboration needs for humanitarian assistance projects globally by providing simple templates that are consistently applied by supporters and customers in their projects. In this way each customer can tailor the value proposition to their specific needs within the general scope of our services. Each customer may enjoy their own level of detail, scope, area of execution, and practices within the general templates. When submitted to DPC the templates become permanent records against which simple searches, matches, and reporting will be executed automatically. As DPC grows, human intervention will add to the value provided automatically.

The DPC web site will provide data entry portals where funding seekers and funding providers may enter their specific information. In addition, a search portal will offer match results nearly instantly which will also be available by email. Where funding sources are at present unable to locate projects seeking funding without holding international conferences or engaging in expensive and time-consuming travel to each local area, DPC will enable identification of projects within seconds of the request. DPC will facilitate evaluation of funding requests without providing judgments; final valuation of the merit of the project is the responsibility of the funding provider. This is an open-to-all-comers value proposition for projects in both developed and underdeveloped countries. In cases where the funding requestor and the funding provider are the same entity, such as governments or large non-profits, DPC will provide the

value stated above as if the requestor and provider were different entities. (Value Proposition, p. 5)

Evidence of Customer Preference Relative to Competitor Positioning

The overall marketing strategy can be expressed simply by the statement: “DPC can help your development and disaster recovery projects succeed, for free, in ways no one else will: here’s how.” The DPC value proposition is framed from the customer’s perspective (Hlava & Camlek, 2010) and designed to be communicated to customers by customers over social networks, email, and other referrals. DPC is initially positioned as a virtual firm offering free services and products over the internet. The primary evidence of customer preference relative to competitors is that a) competitors do not offer these services or products at any price, b) competitors will have difficulty imitating these services and products, c) free is a compelling price, d) DPC has no vertical or horizontal market limitations unlike all potential competitors, e) customers who do not prefer us based on price or product may prefer us because we will help save more lives.

The strategy (Sales & Marketing, p. 12) is to deliver value first -- leaving financials and charges to be resolved later. Basic services will be developed and delivered prior to presentation of the firm to the marketplace include a) record keeping, and b) matching of funding requests with funding providers. These functional capabilities will be delivered over the internet globally, in a standardized, consistent, and coherent manner. Over time additional capabilities may be included, such as include project planning, project execution, project reporting, financial management, financial reporting, performance metrics, business analytics, and an expanded repository of records when receipts allow expansion. Prior to such expansion the primary technology engine will operate and deliver basic services at little or no cost to the firm. (Products and Services, p. 9, Analysis of Mission Statement, p. 66) These services are unique and highly valuable in this space and will be difficult to fully imitate for free. The market need for the products is high (p. 11), the products are information based and easily deliverable over the internet, the cycle times can be in the seconds or minutes, and the value-return ratio is very high for the customer effort invested. Other strengths are offered in the Business Strategy Conclusion (p. 19), the Global Opportunities for Growth (p. 62), and the Analysis of Vision Statement (p. 63.)

Over time, projects in dire straits will find we are available to provide management services on an emergency basis, as a partner and a friend, depending on staff availability. Our simple and comprehensive approach to financial information is based on our specific knowledge, which means that we can provide solutions that many firms will desire as they are costly to produce in-house and we can provide these for free. We provide free services but retain ownership rights of any data provided to us, augment its value as an asset by correlation with other data in our possession, and that we will leverage that data over time, while also respectfully requesting a small donation.

Barriers to this venture’s entry into new markets will be reduced by these tactics, while barriers to competitor entry into the same markets will be maintained or raised. This is a significant difference in Product, Pricing, Place/Distribution, and Promotion/Communication strategies from those found in other organizations. Donations are to be requested but not required from

inception. Marketing requires constant management efforts and this firm's management will combine inputs such as the global context, customer context, and collaborator or partner participation to enable this venture to excel compared to competitors. This dynamic and robust approach is supported by the structure of the Board of Directors and venture leadership. This and other tactics will ensure differentiation of our products and services from others. Competitors may include other NGO's, foreign aid efforts from nations, and international organizations. Part of the marketing strategy of this venture is to co-opt potential competitors into partners, offering the uniquely valuable services we specialize in while maintaining a fully transparent organizational culture. Free services support this strategy. (Product/Service Innovation Value Proposition (Benefits) p. 10; Value Chain, p. 70) Other strengths are offered in the Business Strategy Conclusion (p. 19), the Global Opportunities for Growth (p. 62), and the Analysis of Vision Statement (p. 63.)

The final element to the DPC competitive edge is the servant-leadership management approach with a focus on the values, vision, and beliefs of the founder, in combination with an embrace and expectation of future change as innovations are developed and deployed in a continuous cycle of growth, creation, and more growth (Wheatley, 2007.)

New Venture Key Success Factors and KSF Evaluation

The most important keys to the success of DPC are:

- Inspired, experienced leadership, primarily in the servant-leader style, combined with situational leadership.
- An organization structure that facilitates engagement of volunteers and offers opportunities to dedicated individuals passionate about helping others.
- Creation of a website using Google technologies to capture, store, and match records on funding providers and funding seekers.
- Utilization of the web site in pilot cases whose outcomes showcase the value potential of the clearinghouse.
- Presentation of the clearinghouse in a way that showcases the outcomes of the pilot cases to potential funding providers and funding seekers.
- Establishment of strategic partnerships with potential stakeholders such as the United Nations, the U.S. Department of State, USAID, the World Bank, the International Monetary Fund, established global non-government non-profit entities such as the Carter Foundation, the Clinton Foundation, the Gates Foundation, and others.
- Receipt of sufficient funding in donations to cover operating costs and growth costs.
- Engagement of Directors who believe in the DPC core values, mission, vision, and who are dedicated to the success of the venture.
- Innovative use of technology to advance the state of the art in practice.

The most important key to the success of DPC is inspired, effective, experienced leadership. The founder's strengths include being an experienced professional with more than twenty years of business experience, a successful small business owner, a certified PMI PMP and six sigma black belt, a Walden MBA graduate student, a member of various boards of directors for small non-profits (<\$5 million/yr.), active in various charities and non-profits, experienced project manager and financial manager, formerly a contractor to USAID, currently a contractor to U.S.

Department of State, and a volunteer in humanitarian projects since early years. This venture will start as a one-person effort although several other people have expressed interest in leadership roles. Prior to moving forward with engagement of other leadership a decision must be made as to whether to integrate this proposition with an established NGO like the Clinton Foundation or proceed as a standalone entity.

The founder fits this venture and this market space (Patel & Fiet, 2006.) The founder's primary weakness is that he is just one person and may be working as a full time employee while also advancing the DPC organization. Areas of professional development or support that will be needed include: legal advice specific to non-profit incorporation and legal document filings, accounting advance specific to grant and non-profit funding actions such as handling promised donations and recurring donations via credit cards or pay-pal, and human resources advice (Staffing Plan and Human Resources, p. 68) from non-profit associations or support firms to ensure excellent staffing and hiring decisions are made. The most important leadership factor is the inspired vision, the dedication and commitment, the clarity of perception of the desired outcomes, and the competence to lead efforts toward those goals. (Leadership, p. 7) Leadership may occur at any level of the organization.

The organization chart (p. 17) makes sense for this kind of business because it allows each Director a wide swath of autonomy and flexibility while ensuring alignment with strategic goals and effective execution of tactics. Each Director may employ any legitimate and cost effective means at their disposal to achieve the agreed upon goals. It is expected that each region or area of specialization will have unique characteristics, cultures, laws, and behavioral norms. Each Director will adjust their operations to optimize performance in their area. In addition, this structure enables DPC to embrace any inspired, dedicated, visionary individual as a Director and to enable their performance in the area to which they are dedicated. As a non-profit organization, the most empowering thing we can do is to fully support the area of greatest interest to our staff. The more senior the staff, the greater the scope of support we can offer if we use this organizational structure.

A starter web site using free Google technologies has already been created. The next steps are identified in the action plan / milestone goals in detail. The strategy is to first develop technologies sufficient to deliver minimal results, work with partners and stakeholders to deliver initial results, refine the technologies, and then showcase the capabilities to the widest possible audience. The proposed products and services are very doable, sustainable, profitable to both the customers and to DPC, and addresses immediate customer needs (Hlava & Camlek, 2010.)

These success factors will be addressed in the first year by the founder and in subsequent years by the Board of Directors and Executive Committee (Strategic Growth Phase Table, p. 64.) In the start-up year the founder will create the website, perform the software development and testing, identify and engage pilot case projects with potential to showcase the clearinghouse capabilities. With tangible results available about three-quarters of the way through the first year, the founder will solicit strategic partnerships by offering solutions to intractable problems in the form of clearinghouse capabilities. These servant-leadership efforts will emphasize partnership and collaboration on results above and beyond the expected product and services in this plan.

Donations are the majority funding source for this venture. Securing donations requires performance, delivery of services and products, and successful partnerships. The first efforts of this firm will be to develop and deliver the core products and services. These efforts will continue in order to add products and services over time. As soon as products and services are available, these will be exhibited to potential stakeholders and partners, and also provided to interested parties willing to work with the firm as first customers. (Finance Plan, p. 14, Key Financial Indicators p. 80)

This venture envisions innovative use of technology as a cost-saving and productivity-multiplier tool. For example, a technology exists by which strategic plans and progress may be reported and aggregated in a single file format called StratML. If adapted to the development and humanitarian assistance field, this format may be applicable to all projects. In this way a single XML file may suffice as a financial report, a project results report, a project status report, and a funding activity and dependencies report. (Other Considerations, Risks, and Opportunities for Innovation and Use of Technology, p. 32) If files are aggregated into a single file for a region, the correlation of information in plain text (XML) may be a very potent tool.

Consistent use of measures and metrics that are reported and tracked monthly is a competitive advantage for this venture. Projects seldom use comparable measures of success at present, and correlating data by subject area or geographical area is difficult or impossible. As this venture coordinates project efforts and captures project results in standard, relevant, usable metrics that are consistently recorded the customer preference for services provided by this venture will grow.

Specific Action Plan/Milestone Goals to Implement New Venture

Tactics or Milestone Goals to implement new venture as diagrammed in the pdf embedded on p. 85 as Waterfall Chart & Milestones for Startup Year:

- Create non-profit corporation in U.S.
- Draft website user interface, document primary features and functions.
- Document high level web site requirements.
- Research Google technologies, capabilities, and compatible open source software such as database software.
- Cross reference Google and compatible technologies with high level web site requirements to develop an initial technological solution set.
- Perform proof of concept development work to confirm the validity of the initial technological solution set; draft straw-man web site with placeholders for future development work.
- Evaluate open source or crowd source development approach that involves the general public in the form of the source forge technology community.
- Clarify strategic trade-offs inherent in technology selection.
- On the other hand, Google may be interested in supporting this project directly and may contribute one or more Director level staff members.
- Proceed with implementation of functional capabilities and features as documented.
- Complete version 0.01 (gamma) web site with core record acquisition, storage, and match functionality.

- Engage with potential stakeholders to gather funding source and funding request records.
- Facilitate the development of metrics and measures for reporting of project progress.
- Provide match results while tuning web site to ensure correct and proper functionality.
- Solicit permission to showcase results for specific success cases.
- Refine marketing strategy as proposed in the business case into actionable plan.
- Develop screen-capture videos with narratives of three minutes or less in length. Follow marketing plan, utilize marketing strategy tactics.
- Open the website to general public use.
- Create Facebook, Twitter, Google Talk, and other social media presence and post videos and still images or artifacts that are consistent across projects, featuring the DPC web site link.
- Develop roadshow package with executive summary, presentation, and video compilation.
- Reach out to large potential stakeholders and partners with roadshow materials, leverage existing contacts in organizations such as the United Nations, the U.S. Department of State, USAID, the World Bank, the International Monetary Fund, established global non-government non-profit entities such as the Carter Foundation, the Clinton Foundation, the Gates Foundation, Google, and others.
- Establish strategic partnerships with stakeholders interested in participating.
- Perform financial management analysis of operational results and revenues to date, refine projections of future funding needs. Repeat every three months for first two years.
- Decide if Grant applications are needed or if the firm can operate without grant funding.
- Begin recruiting Directors.
- On-board Directors and encourage them to begin recruiting staff.

Feasibility Analysis: Primary Anticipated Risks and Key Assumptions

Offering free services and products may not seem feasible. The free services and products offered in this plan are produced by use of free technology requiring little or no day to day operational investment by the firm. The data captured by this use of technology becomes the property of the firm, an asset obtained at no cost to the firm, provided by customers giving the information to the firm in digital form. This asset is leveraged by the firm in the future to the advantage of the firm in the form of more advanced products and services. This is an innovative approach as it differs from the norm which is that most firms must expend funds to own assets.

This plan is feasible because it utilizes existing technologies, known capabilities, specific knowledge, proven methods, free Google services, and solves intractable problems at extremely low costs thereby delivering very high value to participants. (Background, p.1; Rationale for the Organization, p. 3) Low costs enable the firm to provide free services and products globally. The entire venture is simple and direct with only two moderate areas of complexity. The matching algorithms to pair up funding requestor profiles with funding provider profiles are moderately complex however are also very well understood as they are simpler than and use the same principles as internet dating site algorithms. If these prove too challenging, initial matching may be obtained by manual searches by customers rather than being automated. The financial reporting capabilities sound very complicated yet are dramatically simplified by IFRS and SEC standards recently adopted. (Introduction, p.2) The key to success will be to maintain a flow of new funding and new project information through the website over time. Getting the message out about early successes will help develop new interest. A few quick wins in the very short

term is important to create a track record of success. (Impact of the Global Economy on the Business, p. 59)

The key risk is that organizations choose not to participate, which in its worst form is an organized choice to avoid using the offered services and products on a global basis. This risk is mitigated by engaging in partnership efforts with global leaders in this space such as the United Nations, the World Bank, the International Monetary Fund, the U.S. Department of State, USAID, the Carter Foundation, the Clinton Foundation, the Gates foundation, and many others. The development and delivery of services strategy discussed in the Marketing Strategy (p. 12), Business Strategy (p.16), Risk Management (p. 15) and Blue Ocean Strategy (p. 72) has a single core concept of developing and delivering real-world high-value capabilities prior to marketing or publicizing the innovations. The intent is to identify, define, and capture a blue-ocean market in one action which leaves existing barriers to entry in place and raises them.

The primary assumption is that these innovations can be developed and delivered legally by a U.S. based non-profit corporation. Analysis up to this point indicates that this can be done. Certainly, similar activities have been engaged in previously by the U.S. Military in Operation Unified Assistance (Background, p. 1) and in disjointed and uncoordinated pieces and parts by the U.S. Department of State and USAID. Validation of this assumption is most likely to be satisfactorily obtained in a working partnership with USAID and U.S. Department of State. Exigencies driven by arcane legal subtleties may be best handled in practice rather than in theory, in execution with highly desired results directly observable by U.S. Congressmen and women. These lawmakers can make it possible for this firm to enable whatever they wish.

The willingness to partner with others to deliver high-value results is a key element to the success of this venture. A partnership perspective is emphasized internally and externally and is viewed as critical to the firm. Partnerships often bring unexpected risks. Risks and assumptions are discussed in detail in Key Assumptions Used in Forecasting Results (p. 45), Other Considerations, Risks, and Opportunities for Innovation and Use of Technology (p. 32), Marketing Mix (p. 52), Risk Management (p. 15), and Financial Risk Management (p. 14.)

Appendix

Complete MBA Program Project Detailed Analysis—All Core Courses

Program Project

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Becoming a World Class Manager

MMBA - 6780 - 4

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Development Project Clearinghouse Business Plan Company Overview:

Background

Today, there is an opportunity to improve the global delivery of humanitarian services. We propose the Development Project Clearinghouse (DPC) as a new venture with no history and no present status to help fulfill this opportunity. There is this opportunity due to a void in the global field of international development, foreign aid, and disaster recovery efforts. This void is apparent in the lack of coordination of development efforts prior to funding, the absence of structured stakeholder relationships or partnerships where common interests exist, the difficulty of forming partnerships in this field, and the amount of waste, fraud, and abuse that exists in development work. Recently, this void was raised at a public event where notable panelists spoke of it from various perspectives without directly identifying it as a void to be filled.

While listening to the panelists speak authoritatively, my mind reached back to the tsunami events of a five or six years prior. I recalled a military relief operation named Operation Unified Assistance (Alvarado & Mendis, 2007; Dorsett, 2005; Fitzsimons et al., 2007; McCartney, 2006) I had heard discussed over a professional dinner with friends. The gist of that discussion was that force-multiplier outcomes had been obtained in an emergency-relief project, which I found to be fascinating. If this could be done, years ago, why not do the equivalent on a daily basis, project by project, instance by instance, today, and fill this void, I wondered.

The big idea of this paper is to create a structure by which parties interested in providing funding may connect with parties seeking funding for projects, worldwide. DPC will provide a business style clearinghouse as a platform that connects interested parties on a project-by-project basis as a service to DPC supporters. This service will succeed because DPC will keep it simple and will remain independent and free of encumbrances that prevent others from providing this service. DPC will collect feedback and ideas, big and small from its employees, partners, and supporters and then integrate that information into its planning and operations to realize continuous innovation and improvement. Eventually, force-multiplier effects may also arise.

Fulfilling this opportunity in a structured, simple, cost effective, and well-organized way will give rise to other opportunities. For example, using a standard forms for funding providers and another standard form for projects needing funding and capturing this data in an online database and then tracking monthly results in the same database will enable business analytics not currently possible by any organization. Such analytics may then contribute to the componentization of humanitarian assistance elements such as clean water supplies and sanitary sewer systems across a range of deployment capacities. Without directly executing projects, this venture proposes to change the humanitarian assistance space, dramatically increasing effectiveness of funds expended while reducing response times and simplifying paperwork to reduce overhead costs and increase funding available for actual delivery of relief services. If force-multiplier outcomes arise, the efficiencies obtained could rapidly outdistance any other enhancements possible in this space. Those force-multipliers may be sustainable and grow over time, and humanitarian assistance as we know it today may become a thing of the past due to these efforts. The next section explores the operational space for such an effort and a few of the largest known issues.

Introduction

As discussed in the background section, a more efficient means by which projects seeking funding become connected funding providers and the consistent reporting of results is essential to fill the void. In the big picture, the vast majority of the projects served by this venture may be located within a developing nation and limited to a small area within the country. Many such projects are inter-related. For instance, to provide internet access and/or cell phone coverage one must have a population whose minimal energy needs are met. Likewise, a population whose minimal energy needs have been met has also had their minimum agricultural or food supply needs met. In addition, working with agriculture means handling water issues. Agriculture, water, and energy needs being met requires that minimal health care needs are met. Country policy and legal system are also very important, since personal security and personal property rights are critical to efforts to meet any of the other minimal needs. These are not trivial issues given that the context of the idea presented in this paper is specific to the bottom two levels of the worldwide population pyramid (Prahalad, 2010). The two bottom levels contain several billion people and directly affect the two levels above. Combined, these four levels contain the majority of the world's population. The coordination of work across all of these areas requires coordination across projects, and frequently across borders or geopolitical boundaries or administrative departments. Such coordination is not occurring today, has not occurred or developed as a natural outcome of efforts over the past four decades. It may be reasonable to conclude that only a dedicated effort will realize the needed coordination.

Inclusion of Directors from nations such as China will be critical as they seldom participate in global development conferences organized by the United Nations (UN.), the United States (U.S.), or the European Union (E.U.) due to foreign policy conflicts. Another issue is the requirement for separate, stand-alone, non-government organization (NGO) reporting in each country in which the NGO is registered. As a fully transparent non-governmental organization with little or no proprietary data, the DPC will formulate standard reports that are posted on a web site and available to any interested party. Reporting of financial information is an issue on projects funded by organizations with different accounting standards and reporting requirements. Financial reporting issues may be resolved by collecting financial details in a standard way that can then be aggregated and formatted to comply with different reporting standards using the same detailed financial data. This will require collecting financial information at the lowest level required by any of the accounting standards. Aligning the collection of financial information with the requirements of IFRS (<http://www.ifrs.org/Use-around-the-world/Pages/Use-around-the-world.aspx>) will empower this approach. DPC will use a simplified accounting practice of recording each outlay as a separate transaction. By also recording the measure of success for the outlay at or before the time of expenditure, subsequent reporting may be simplified. This approach will enable us in theory to comply with any of the major accounting standards and any governance, local or international. To assure compliance in practice external expertise will be engaged as needed. For example, grant financial filings for grants from the U.S. government are different from required financial filings for European Union grants. Consolidating stand-alone reporting to several governments into single-site public reporting will provide a significant value to DPC supporters secondary to the primary value delivered by partnership development and facilitation work.

Local governance is also a global issue. Epstein and Gang (2009) suggest that each NGO conduct an “aid contest” (p. 383), and award the aid to the country that invests in good governance. They reason that an absence of good governance is an indicator that aid may be diverted after it is within the local jurisdiction (Epstein & Gang, 2009, p. 382). DPC will address governance by several means including within the development project, within the results tracking, and within the lessons learned.

Social values may be an issue, as these values may vary widely from culture to culture. Values will be stated in the each project specific business case, for clarity and for use as part of a criteria set for matching projects to funding sources. DPC social values are intentionally such that they can generally align with any global cultural values.

The next section explores the rationale for this venture in some depth and also offers the mission statement, vision statement, and core value proposition.

Situation and Industry Analysis

Rationale for the Organization

Some aspects of the core services to be offered by DPC are executed independently by each funding provider and funding seeker in the humanitarian space at present. The void discussed earlier exists due to a lack of coherence in how these activities are executed and the incomplete or partial nature of what is executed today. By executing the entire service in a consistent, coordinated, and coherent way, DPC is proposed to deliver value and capabilities that do not currently exist and which are not easily accomplished by existing practices. For example, USAID was cited by the GAO as lacking sufficient measures and metrics regarding humanitarian aid to Africa in 2001 (GAO-01-449, 2001), still, today, over a decade later, few or no precise measures are available. The measures that are available are not used by other organizations or countries. In addition to the obvious waste and other inefficiencies, it is known that poorly managed aid can do damage (Maxwell, 2007.) Humanitarian assistance and related failures in Sudan, Darfur, Somalia, and elsewhere (Loconte, 2007) also have geopolitical and violent conflict implications. We know how to do better (Lane, 2006; McDaniel, 2006; Morrow, 2006; Samuelson, 2011) and this venture is proposed as a means by which the global humanitarian space may be significantly improved. Lessons learned, existing known best practices, logistical techniques, measures and metrics, project and program practices, and technological capabilities will be combined in a single DPC platform which any organization may utilize to enhance and report its humanitarian efforts. The use of a single platform may, over time, encourage the development of integrated relief efforts with logistical coordination that increases the results on the ground in the same way that military force multipliers increase military results. Such outcomes are possible in the humanitarian assistance space and have been documented for at least four decades (<http://www.rwjf.org/en/about-rwjf/40th-anniversary/force-multipliers.html>.)

No organization or platform was found that provides development facilitation services to all comers – any funding source and any project. Nor was such a platform found in any form. It is true that circulation of prior drafts of this business plan to the World Bank, USAID, US Department of State, the Clinton Foundation, and the Carter Center has raised awareness of the lack of collaboration in the field of humanitarian aid and assistance. Parties that never spoke previously are now talking. Some field partnerships and collaboration have been developed. Positive social change has been driven by this business plan albeit limited. Each potential

stakeholder organization or partnership is constrained in their own way, and no similar global platform or competing global venture has been found to exist. The United Nations does reach arrangements with NGOs through the Department of Economic and Social Affairs ("NGO Branch ECOSOC," 2011.) Independent arrangements with the U.N. Department of Public Information, and each office within the United Nations also exist ("NGO association with the U.N.," 2011.) U.N. office headquarters exist in various cities in Europe in addition to New York City, NY. It is reasonable to conclude that a dozen possible U.N Office associations exist for a large NGO with various specialized interests. This means that to interact successfully with the U.N., a large NGO with various specialized interests might be required to dedicate a dozen people full time to communicating and interacting with the U.N. Offices. Clearly, a single facility or platform is needed where any NGO and any interested party such as an U.N. Office can quickly and easily connect. DPC will provide this platform as its primary service. In addition, the measurement of results will be integrated into the platform

Some simplification of the common development field views will increase the effectiveness of providing this service. The complexity of the development community in a world with 192 sovereign nations ("U.N. Member States," 2011) and 47,000 internationally operating large NGO's estimated as existing in 2001 (Anheier, Glasius, & Kaldor, 2001, p. 5) has resulted in divergent views of development. Offering a single perspective which encompasses all development views, and which encourages a convergent view of development over time is central to our efforts. This single view of development may be a competitive edge, unique to DPC.

The view that development is a specialized kind of business whose market is a worldwide market with many niches is new, distinctive, and offered as an innovation in this paper. Development has historically been primarily government funded. The acceleration of globalization of business and the related rise of non-government organizations over the past decade or two has significantly increased the level of partnership required to execute development. Worldwide changes due to the end of the cold war, the rise of Brazil, Russia, India, and China (BRICs) as global producers of goods and services, and the preoccupation of the United States with the war on terror have all contributed to a very different development situation, globally. The new-to-this-decade development situation is fluid and continues to change, in part due to continuing globalization, international business, global economic and political changes.

This venture is summarized in vision statement, mission statement, and value proposition in the next section.

Vision Statement of the Organization

The vision is to establish a non-profit firm as a worldwide non-governmental organization to provide a dedicated business platform that facilitates the connection of projects needing funding with entities interested in providing funding as a service to its supporters. This service will enable supporters to fund and execute better-coordinated development projects faster, with less waste, fraud, and abuse, and with better results on the ground. Existing capabilities and expertise will be engaged to improve both the short-term and the long-term success of development, humanitarian, emergency relief, and disaster recovery efforts.

Mission Statement of the Organization

Our mission is to connect those seeking funding with funding providers. We want to be the world-wide clearinghouse for this activity using a dedicated internet accessible business platform. Combining existing resources, capabilities, practices, and expertise in an innovative way to fulfill the goal of connecting projects with funding sources. Collaborate with private individuals, for-profit firms, non-profit firms, academic organizations, governments, and other NGOs to fulfill the vision of improving development effort coordination and overall effectiveness. In addition, provide related secondary or spin-off services.

Value Proposition

It is common for development efforts to be able to report precisely what funding was expended but not be able to report what results were achieved by the project because the entire administrative effort available was absorbed doing accounting. Standard funding source, project, accounting, and reporting formats provided on a single Google site is an innovative service badly needed by the international development community. This venture proposes to provide a single, standard format for development, disaster recovery, and humanitarian assistance artifacts such as application for funding (project documentation), funding source (goals, metrics, criteria), financials (accounting reports, financial management), results (project outcomes), and cultural considerations.

DPC offers value to firms and governments in the humanitarian assistance, development, emergency relief, and disaster-recovery space in the form of enhanced efficiency, new services, operational improvements, and innovative new capabilities. All of these combine to increase results on the ground and will be measured in tangible metrics. Where no monthly reporting now exists, DPC will provide monthly reporting. Where no consistency between projects now exists, DPC will create consistency using innovative new capabilities. Where no common metrics now exist between projects, DPC will create and apply new metrics. The ability to consistently measure and report results is essential to effective decision-making in this space (<http://www.gatesfoundation.org/Who-We-Are/Resources-and-Media/Annual-Letters-List>).

Where waste, fraud, and abuse now exist DPC will create visibility and transparency that helps to eliminate these negative forces. Where parties seeking funding now have to wait weeks and sometimes months or years to hear back from funding sources, DPC will enable near-real-time response capabilities limited only by each funding source's internal ability to respond. Where funding sources are at present unable to locate projects seeking funding without holding international conferences or engaging in expensive and time-consuming travel to each local area, DPC will enable identification of projects within seconds of the request. DPC will facilitate evaluation of funding requests without providing judgments; final valuation of the merit of the project is the responsibility of the funding provider. This is an open-to-all-comers value proposition for projects in both developed and underdeveloped countries.

In cases where the funding requestor and the funding provider are the same entity, such as governments or large non-profits, DPC will provide value in the form of consistently applied business results driven metrics and reporting mechanisms. The value of alignment of results measurements across borders, across departments, and over time is substantial.

The Organization, Culture & Values

In prior sections this proposal has identified the void or blue ocean space it intends to fulfill and capture, the vision and mission and value proposition involved, and the background and context in which this effort will develop. The proposed organizational culture and values are discussed in this section.

The organization culture will be multi-national, and will feature the constructive, transparent, progressive, civil-society components common in international partnerships and non-governmental organizations. The organization culture will emphasize an ability to adopt and integrate the lessons learned from its own experiences, or from the experiences of other NGOs or as documented in academic journals such as noted by Murray and Clark (2008, p. 477). A high performance team environment will exist, that emphasizes collaborative teamwork in horizontal layers, meetings, stated strategic intent, excellent management, and employee communications. Recognition of performance may include rewards such as choice of assignments and advancement.

The single most critical component will be trust between the firm's Executive Committee supporters, Directors, Advisors, staff, and customers. Trust that no significant or decisive bias exists in the execution of the core processes of the firm. Trust and practice in the alignment of work activities to tactics and strategy by all employees and volunteers. (Faust, 2007) Trust that decisive leadership will correct any anomalies that do occur. Trust that facts as reported are true, accurate and correct to the extent the firm can verify the data. In addition, an openness to evolve, to adjust, to take direction from the United Nations, USAID, US Department of State, European Union, or other government or non-government organizations so that the core mission is fulfilled as the primary service is delivered and continues to be delivered over time. The values of DPC will engender, support, and safeguard this trust. DPC message themes shown in the table "Organization Messages," are based on the organization values. Organizational values are presented in the table DPC Strategic Values on p. 18.

On occasion, firms find their core values directly challenged by real-world business drivers because such external forces demand a response. A brief exploration of business drivers is offered in the next section. The full, in-depth identification of drivers is expected to be a core agenda item for the Board of Directors meetings as long as this firm is in operation.

Business Drivers

Change is always occurring all around us. Some of this change may be better understood as the result of specific driving forces that act upon the situation. To fully understand a business or venture it is important to understand the drivers creating change for that business or venture. Development business drivers are often local and local drivers are too many to list here; the drivers listed below are commonly known to exist across locales, regions, or market niches:

- basic human needs, such as for water, food, energy, security, medical services and a peaceful society in which to exist
- empathy of private individuals with resources for the plight of those without resources
- national interests of developed countries, which may be served in part by development aid to countries that are not as developed

- for-profit corporate interests, which may be served in part by development aid to countries or local areas
- development community of practice practical realities, limitations, encumbrances and other reasons why the DPC vision stated above is not the reality today.

Each Director will assess and report on business drivers in their region. Anticipating a wide range of drivers, it is expected that each Director will have significant autonomy subject only to Board and Executive Committee approval. This approach will ensure that local drivers are well understood and fully responded to; failing to understand local business drivers are well known as a root cause of business failure.

It has been said that “life is 10% what happens to me and 90% of how I react to it.” (Charles. R. Swindoll, http://thinkexist.com/quotes/charles_r._swindoll/). If this is true of people then it is also true of organizations which are made up of people. In the next section a discussion of leadership explores how the firm will handle the drivers and context discussed above.

Leadership

The business drivers, context, and global challenges discussed earlier require significant leadership efforts on the part of this venture. This section discusses the leadership characteristics essential to the success of this venture. It is critical that the senior leadership team include experts from around the world, some of whom may also be employed by other organizations or as public servants in their home nation. For example, the Chinese are often not party to various humanitarian efforts for one reason or another. To encourage full and direct partnership by Chinese, DPC will seek to ensure that at least one Director and one Senior Advisor is Chinese. Leaders at the executive committee or director level in DPC must believe the vision, mission, goals, and be qualified by years of experience in the development field to successfully lead these efforts.

The author is uniquely qualified to provide leadership in this organization. It is his vision expressed in this business plan, but plans and text documents can never capture the full spirit and passion of an inspired vision. He has completed his Bachelors of Science degree at Texas A&M University, and is working on his Masters of Business with an emphasis in Projects. He has founded and successfully run businesses, and managed people. Still, he has not founded or managed an NGO. This weakness will be handled by reliance on the expertise of other executive committee supporters, such as the vice-chairperson, or perhaps an external advisor, as needed. The author will lead the organization by chairmanship of the executive committee through the first year of operations, and then yield control to the incoming chairperson.

Leaders will exist at all levels in the organization. Experienced leaders may volunteer, or be recruited, from people working in international NGO's, or working in humanitarian and development efforts. With over a hundred thousand NGOs in existence, a large pool of highly qualified and experienced talent exists. Inexperienced leaders may be developed internal to DPC because of staff empowerment and mentoring. Weaknesses are to be identified and noted in the annual plan, updated quarterly, and addressed by addition of resources with strength in related areas. Such resources may be drawn from staff internal to DPC, advisors or consultants external to DPC, or resources available through partnership structures.

The leadership style will be predominately servant-leader adapted by situational leadership. The executive committee may exercise directive leadership at any time. The next few sections discuss organizational mechanisms such as the Board of Directors, the Executive Committee, and annual and five-year planning efforts.

Board of Directors Review – Evaluation of Changes

The Board of Directors, when formed, will review the marketing strategy and this entire business plan to identify any needed additions, changes, or modifications. Market entry is expected to be direct via partnership or direct representation, indirect via internet access and electronic communications, and representative via Directors and their staff. Market penetration is expected to be driven by the balance between funding available and projects seeking funding – both are required. Market distribution will be via internet or electronic communications. Excellence will be driven by direct feedback from partners, and by the performance standards set by the Directors. Sufficient resources will be made available to support the marketing plan when finalized, to see the efforts through all phases of the lifecycle with whatever adaptations are needed to full capture market share (Dibb, 2002).

Annual & Strategic Planning, Measurement of Success, Performance Management

Organizational planning will occur on an annual basis, and will consist of a one-year tactical plan and a five-year strategic plan based on a SWOT analysis to focus leadership efforts. The tactical plan and related budget items will be updated quarterly during the year to reflect the operational realities. Quarterly organization reports generated by each Director will include an updated tactical plan containing short-term or this-year goals, definition of success, and measures of success (Hlava & Camlek, 2010.) The DPS strategic plan will be updated at least once a year.

The sitting executive committee chairperson will transition the chair to the vice-chairperson during the last three months of the chair term. In this time, the vice-chair will present their tactical or operating plan for the next year to the executive committee for discussion, revision, and adoption. Once adopted the tactical plan will be integrated into the five-year strategic plan. The annual measures of success will roll up into a cumulative five-year success metric in the strategic plan. Subjective and objective, qualitative and quantitative measures will be aggregated in the strategic five-year plan and individual metrics in the tactical one-year plan. Documentation of message themes in use by DPC will be included in a standard format in the one-year and five-year plans. The fluid nature of the development field suggest that the global market will change for at least the next few decades. The quarterly reviews and annual planning cycles will ensure that DPC is aware of change and adapts to change as needed to fulfill the DPC vision and mission.

The five-year strategic plan, and the one-year tactical plan will be published on the DPC web site, and included in face to face discussions, meetings, presentations and other communications with partners and the DPC supporters overall. Feedback to the published plans from partners, employees, and supporters are critical. Feedback will be captured into a single format for internal circulation, discussion, and review at all levels within DPC. The measures and metrics included in each plan will be reported monthly as appropriate to track progress

towards tactical and strategic goal fulfillment (Hlava & Camlek, 2010.) Goals in each plan will be assigned by Directorate and may be different for each Directorate as Directorates will serve different regions with different business needs and priorities. Performance management across Directorates will be achieved by this framework which covers the entire organization. Performance management within each Directorate will be up to the Director to establish and manage, but will at least consist of monthly reporting of metrics sufficient to support the monthly Directorate reporting.

Quarterly reviews consisting of presentations by Directors covering their past activities, milestones achieved, challenges identified, progress made, expenditures made, expected future activities, and costs will be held. Documents presented will be compared to the weekly reports electronically submitted in the internal collaboration area of the organization Google site. These will ensure executive accountability, direct control by the Board, and a high-level record of organizational activities.

Grants and awards often have unique accounting requirements and separate controls. Conveniently, these requirements and controls are more or less consistent by awarding organization. To facilitate management of these monies, a Director will be accountable for reporting of grants and awards from each awarding organization. This will improve the consistency of business practices.

The next section discusses the products and services which the above planning efforts are intended to realize. These are the outcomes apparent at this time, prior to initiation of work. It is expected that new or different products and services will be apparent after work is underway.

Products and Services

Product/Service Innovation Description (Idea)

The planning and organizational structures discussed above exist to realize results to the benefit of supporters and partners. If no products or services are produced the purpose of this venture cannot be fulfilled. These results are designed to evolve and develop over time.

Products and services provided by this venture are discussed in detail in the first pages of this document. In summary, the connection of funding sources with projects seeking funding absent any political, world order, other agenda or bias is innovative and unique to this venture. The identification of possibly related service offerings and projects is also innovative. This service will enable project owners to be aware of and explore teaming arrangements with other ongoing efforts in the same location, or having corresponding risks or dependencies. Standard data filing, reporting, and tracking is also innovative because at present each project must file data in the format required by the funding source. If several funding sources are combined into support one project, the project may be required to report financials to three or more different accounting standards. By developing standard artifacts and data formats that are generally acceptable to all funding sources, this venture will provide unique value (Stancill, 1981.) The value is immediately apparent as reduced overhead for projects, and less apparent as a searchable repository of data in a coherent format. To evaluate the effectiveness, for example, of water projects funded by perhaps three dozen funding sources over the past thirty years at a given location like Uganda it is known from anecdotal evidence that a government organization like USAID must combine project result data from at least six different formats. The result is often a

loss of confidence in the analysis. In short, while billions are spent on a wide range of humanitarian, development, and disaster recovery efforts annually, the actual effectiveness of these expenditures is not really measurable with any precision. This venture proposes to add value to the efforts made by the development community by:

- reducing overhead costs of funding providers and funding recipients,
- reducing the calendar time required to connect and evaluate and make funding decisions,
- tracking development project results in a standard way,
- reporting development project work in a standard way,
- significantly improving the review or audit of financials on development projects funded by several funding sources,
- enabling the automation of searches and connection of funding sources with projects needing funding,
- providing the awareness of and facilitating teaming with other projects that share location, risk, dependencies or other criteria,
- enabling greater precision in the measurement of results achieved,
- actively seeking to create new innovations that add new value.

In addition, unique and valuable improvements in the development community may be realized in the intake process alone by a development view that:

- perceives development as a specialized kind of business with a global market,
- views all development efforts as special projects,
- recognizes all of these special projects as partnerships between funding sources and project execution teams,
- and understands that these special projects are worthy of a simplified, standardized but abbreviated business case that includes certain critical components, namely goals, conditions, mission statement, values, culture, policy and legal considerations, staffing plan, rationale or justification, and measures of success.

Carrying the perspective of development as a specialized kind of business further, DPC will apply best practices across all services. The precise mix of practices will be determined during operations. DPC will apply practices that include: (a) standardized format for funding sources and business cases and project descriptions, (b) performance reporting and tracking over time, (c) application of consistent measures and metrics, (d) flexible methods that adhere to the highest possible standards of quality, legality, and performance, (e) risk management, (f) simplified acquisition, accounting, and reporting, and (g) capturing and sharing learned lessons.

Product/Service Innovation Value Proposition (Benefits)

The value proposition offered by this organization is discussed with the vision and mission statement above. This proposition requires the effective connection of funding sources with projects seeking funding absent any political, world order, agenda, or bias. Funding sources spend a great deal of time identifying, vetting, and tracking projects that seek funding. Projects seeking funding spend a large amount of time seeking funding, reporting on funding use, and accounting for funding expended while not always identifying results achieved. The effective

connection of funding sources with projects offered by this venture includes standard reporting and accounting in addition to identification of results achieved. By lowering overhead costs on both sides of the table this venture's products and services offer considerable value. The integration of related projects is a holistic way to engage synergistic situations that produce results greater than any one project could have produced on its own, while reducing or removing project risks due to external dependencies. These innovations are in significant demand as exhibited by World Bank, USAID, Department of State, and United Nations calls for greater NGO and Government organization partnership and joint efforts ("Symposium," 2011.)

At present, each project or development effort seeking funding must apply separately to each potential source of funding. At the United Nations, this may mean separate application to a dozen offices ("NGO association with the U.N.," 2011). Each office may use its own forms. Within just the United Nations it is difficult for a development effort to ensure it is reporting data in the required format after funding is received from a single office. The number of offices providing funding multiplies this difficulty. Standard funding source, project, accounting, and reporting formats provided on a single Google site is an innovative service badly needed by the international development community. It is common for development efforts to be able to report precisely what funding was expended but not be able to report what results were achieved by the project because the entire administrative effort available was absorbed doing accounting. This venture proposes to provide a single, standard format for development, disaster recovery, and humanitarian assistance artifacts such as application for funding (project documentation), funding source (goals, metrics, criteria), financials (accounting reports), results (project outcomes), and cultural considerations. Automating the provisioning of these artifacts worldwide as web site services on a Google site is innovative and unique to this venture (Patel & Fiet, 2006.) The Google web site service to suggest connections between similar projects and enabling the exploration of possible synergies or shared risks or shared dependencies by location or region or other criteria is also new and innovative, as this is not done elsewhere. It is frequently the case that different funding sources provide funding for overlapping development work in the same area; Haiti is one example (*United Nations HDR*, 2011). Lacking coordination prior to initiating work on the ground, such efforts frequently experience less success than a coordinated, combined, integrated effort could reasonably expect to enjoy.

Sales & Marketing

Marketing Strategy

The prior sections discussed products, innovations, leadership, organization, and the core value proposition. Each Director will be empowered to develop their staff and processes in ways that work best for their region and their focus. Specific staff roles are expected to vary. In addition, some Directors may produce a majority of one product or service or combination that are essential to the success of their efforts in their region. Another Director may find their business drivers, market conditions, and local cultures require a different focus. The marketing strategy below is offered as a general overview that is subject to refinement and adaptation by each Director subject to Board and Executive Committee approval.

The overall marketing strategy can be expressed simply by the statement or marketing message: “DPC can help your development and disaster recovery projects succeed: here’s how.” This message and related services and products will be promoted by self-discovery on the internet, and by social networking (twitter, Facebook, etc.) Linkage from established partner organization’s web presence such as the United Nations, USAID, or large scale NGO’s, will also promote our services. Products and services will be distributed electronically via global internet, sometimes with direct in-country participation and support by volunteers or employees. A consistent, internet centric channel design (Dolan, 1997) is expected to yield significant advantages which other organizations will lack.

Free use of services and products will be offered at each stage of venture maturity. The strategy is to deliver services first -- leaving financials and charges to be resolved later. Barriers to this venture’s entry into new markets will be reduced by this tactic, while barriers to competitor entry into the same markets will be raised. Similar tactics exist elsewhere in this business plan to benefit this venture by addressing the five forces noted by Porter (2008). The combined effect of these tactics is to differentiate and advance this venture, and to distinguish this venture in ways that others will find difficult, or impossible to match. Our layered approach to product differentiation is designed to enhance resilience and sustainability over time.

This is a significant difference in Product, Pricing, Place/Distribution, and Promotion/Communication strategies from those found in other organizations like the World Bank, or the United Nations, or USAID. This venture will utilize grant funding to maintain a break-even status for efforts required to provide services to specific locations or development verticals. Donations are to be requested but not required from inception. Marketing requires constant management efforts and this firm’s management will combine inputs such as the global context, customer context, and collaborator or partner participation to enable this venture to excel compared to competitors. This dynamic and robust approach is supported by the structure of the Board of Directors and venture leadership. This and other differences will ensure differentiation of our products and services from others. Competitors may include other NGO’s, foreign aid efforts from nations, and international organizations. Part of the marketing strategy of this venture is to co-opt potential competitors into partners (Patel & Fiet, 2006), offering the uniquely valuable services only an NGO can provide while maintaining a fully transparent organizational culture.

A stair-stepped product life cycle (Mackie, 2012) is expected, as specific services or products are adopted, fully successful, and attain worldwide social network advertising. If the

global situation continues to rapidly change and evolve it is reasonable to expect the products and services provided by this venture will be in introduction and growth stages for the next few decades. This is the case because our product strategy includes development of new products or services as new needs are identified.

Self-reference criteria and ethnocentricity (Craddock, 2002) considerations are integral to the structure of our services. Products and services will be designed to satisfy the highest use pattern and most common / highest need or desired capabilities in country, thus appealing to the best interest of the local customer with a global, internet-based service. In-country staff will be encouraged to run native language versions of the web site, and the venture will explore structuring the web site so that it is sensible and usable as a single site with different language use automatically determined by the client machine's native language code. Direct feedback from in-country partners or staff will advance the use of our services as native or normal to the citizens of the country (Longo, 2002). The effort here is to internalize the cues to self-reference criteria and ethnocentricity, making them a significant part of this venture's structure, normal business practices, and organizational culture. These concerns are central to the core value proposition of this venture.

The global positioning statement is: "For development, humanitarian aid, and disaster recovery project sponsors and participants who are spending more time doing paperwork and tracking money than producing on-the-ground results, and who frequently miss out on partnership opportunities with independent but related project efforts our products are services that facilitate paperwork reduction, enhance accuracy of financial tracking, improve connections to potential partners, and align funding source objectives with project (funding recipient) objectives".

Providing fully automated, transparent, and unbiased services only an NGO can provide is core to the value proposition of this venture. The venture's web site offers several services to connect funding sources with projects needing funding, while also offering project tracking and financial services. Successful use of services is fully visible on the website. Specific language versions are available. Customization requests are welcome, and delivery mechanisms are flexible.

Finance Plan

Financial Strategy

Carrying the above marketing strategy to the next step the section below offers a financial strategy. This strategy is subject to refinement and adaptation once the firm is in operation.

The financial strategy of this venture is to operate at low cost with minimal staff offering limited services initially. Once the initial goal of proven, demonstrable results is achieved, it is expected that funding will be available in the form of donations and grants. The scope and range of services will be incrementally increased, followed by staff increases to minimize excess capacity. This is primarily a self-supporting growth financial strategy (Brigham/Houston, 2008), using small grant amounts as seed money at critical junctures in the first year or two.

Different financial phases are planned. These are 1) startup phase, 2) initial build-out and recruitment phase and 3) steady-state, annual phase (Collier, 2012). The annual review process may result in significant changes to the venture in each of these phases. The startup phase will have near zero costs over the first calendar year. The initial build-out phase will have some travel and full time employment costs over the second calendar year. Each subsequent year of full operations will have sizeable employment and facility costs.

These costs are offset by income from grants and donations. Grants will be applied for once demonstrable results have been proven in a limited setting if appropriate and desired by the Board and Executive Committee at that time. Donations will be requested from supporters on the web site, but not required. Supporters who donate a minimal amount monthly will be given preferred access consisting of faster service and advanced services such as financial reporting, financial management, and financial consulting. Of the millions of potential supporters worldwide, we estimate a maximum of 85,000 donating supporters at some point past year three, or a maximum premium supporter donation level of \$20m/year. This estimate is intentionally conservative.

Results will be proven in the startup phase at low cost or zero costs. With demonstrable results available, this venture will seek grants and financial support from the United Nations, the U.S. Department of State, USAID, and the World Bank in the startup year. Other sources of grants may be determined during the initial build-out phase and each subsequent year. The financial goal is to achieve a year-forward funding structure, where venture operations are fully funded for at least the next calendar year at any point in time (Stancill, 1981.) If the number of premium supporters doubles, or if donations above the minimum requested exceed other donations, this objective will be reached. For the purpose of this document, a low number of supporters is used. The use of a low number of supports shows the viability of this project if the primary income source is less than one third of the amount shown by informal market research. The Board will receive and approve market research, financial projections, an income statement, a balance sheet, and the cash flow analysis at least annually.

Detailed financial analysis including Pro-Forma Income Statements and Common Sized Financial Statements are included as appendices.

Financial Performance Attainment Risk Management

The most excellent of plans will have difficulties and risk management is offered below to provide an initial approach to resolving difficulties. In this section an abbreviated discussion of attainment risk management is offered to provide insights into the interlocking risk management mechanisms which are envisioned but perhaps less than obvious elsewhere. The overarching DPC financial performance attainment risk management strategy is to exercise a financially conservative management policy that tracks and reports use of money month by month at the Director level. Using the ratios and percentages noted in the Appendix - Non-Profit Business Ratios (p. 40), Directors and senior management will review operational performance at least once a month and make adjustments as needed. The most critical factors are identified in the Key Financial Indicators discussion (Appendix, p. 79); still, other ratios and percentages may be helpful over time. To identify these decision criteria the Directors and senior management will review all of the ratios and percentages documented in this business case for applicability to DPC operations.

Examples of several areas for management attention are included in the financial section. In addition, it may be helpful to compare DPC to more than three other firms with published and audited financial statements as a broad cross sectional analysis may be more informative than comparison to a single firm. All of the risks noted elsewhere in this business plan have financial components, and some are discussed at length. For the sake of brevity these are not repeated here.

Risk Management

Business Operations Risk Management

More general business risks exist beyond the attainment risks discussed above. The next section discusses a few of the major, known risks. This discussion includes risk response thinking and examples intended to provide insights into the commitment, deliberate intent, and resiliency of the proposed firm.

It is a risk that some other organization may attempt to provide products similar to those in this venture (Patel & Fiet, 2006.) Mitigation to this risk is to franchise our approach out, embrace the leadership of the potential competitor, and join forces with them if a shared vision exists. As an NGO, we have no shareholders to protect or investor interest to serve. Mitigation lies in the expertise in DPC management, depth of knowledge of development and disaster recovery efforts, and the skills DPC staff. A final mitigation is that the world is a big place, with billions of people who need help in hundreds of locations. In this large market space, it is possible to observe what others do well and innovate to do it better (Hlava & Camlek, 2010.)

It is a risk that different interpretations of strategic intent are possible across several cultures worldwide (Ice, 2007.) Local and regional adaptations may be the lowest risk way to proceed (McCann & Acs, 2011.) Use of a well-stated, global strategic intent with collaborative decision reviews at the regional and headquarters levels will mitigate several risks with one business function.

Public communications carries high risk, whether done in email, internet web site announcements or in personal communications channels. Translations of messages, instructions,

web site postings, even emailed status reports may require review before release. Mitigation may be to translate the material into the foreign language, and then translate it back into the original language, as a check for accuracy and meaning. Many blunders are possible regarding translations (Ricks, 2006.) Native language speaking Directors will help mitigate this risk.

Supporting partnerships may change over time, and personal relationships or communication channels may change. Continuous engagement of new partnerships will help mitigate this risk. Where new efforts overlap with prior initiatives, this venture will blend the two lines of effort into one.

Technological changes may carry risks that are not yet fully understood. The management team for this venture will maintain a risk-adverse posture, and stay vigilant so that new risks are identified, quantified, and mitigated as early as possible.

Cultural, language, management style, and legal or ethical conflicts are almost certain to occur, given the diverse backgrounds of Directors. These conflicts in aggregate present a substantial risk to this venture. Direct participation of Executive Committee supporters, will help to align Director decision-making with the stated strategic intent. Following a standard approach to development of strategy by sub-region by Director, such as the five steps discussed by Ice (2007), at all levels especially at the Executive Committee level, will help align decisions and work activities to produce the desired results with minimal conflict. Well known conflict resolution approaches (Wheatley, 2007) including identifying common ground, establishing respect for each other's expertise, recognizing the contributions of everyone on the team, applauding compromise and collaborative efforts between people who may basically just not like each other very much, and facilitating freedom and breathing room between conflicted parties will also help.

Recognizing differences in markets that drive differences in strategies and decisions at the sub-regional or Director Level may also defuse conflicts. Building on common ground and common causes by recognizing the good works done and encouraging people to agree to disagree and just get along is essential to the success of this venture across cultures and behavioral norms.

Business Strategy

Business Operations

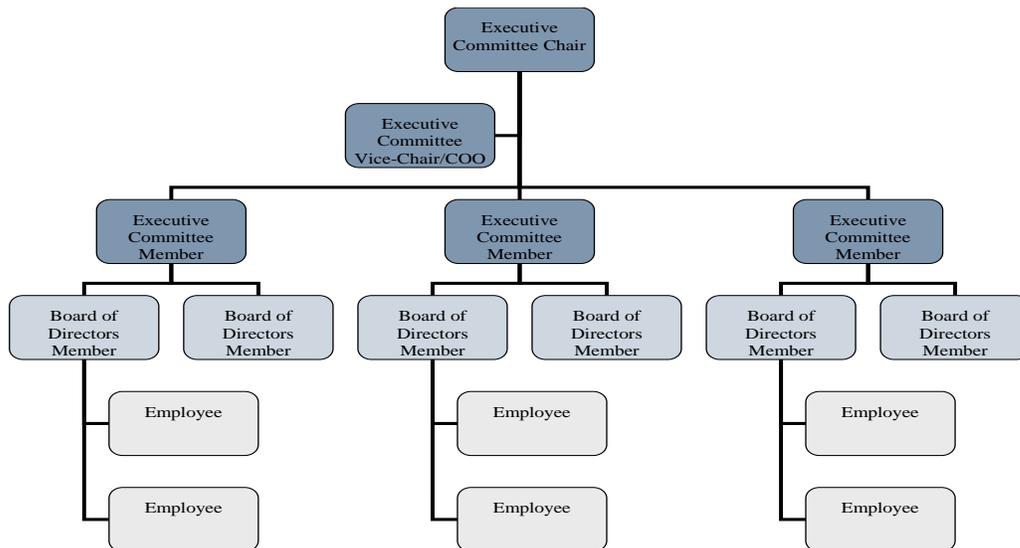
An over-arching business strategy exists which is discussed in the next section in the form of business operations, organizational structure, strategic values, and message themes at a strategic level.

DPC operations are determined by limited decision-making in the Executive Committee with delegation of all other decisions to Directors. The DPC organization structure is depicted in the Organization Chart diagram below. As shown, the Executive Committee consists of the Chair, the Vice-Chair, and Members. The primary purpose of this committee is to maintain the strategic intent of the organization (Hamel & Prahalad, 2005; Ice, 2007) and to spur transformative leadership by Directors (Caldwell et al., 2012; Collins, 2005). The Executive Committee is drawn from the Board of Directors which is subject to the leadership and guidance defined by Executive Committee decisions.

Strategic leadership will occur primarily at the Executive Committee and Director level although some leadership will exist at all levels in the organization. Strategic weaknesses will be

identified by blue-ocean as well as traditional business analytics, noted in the annual plan, updated quarterly, and addressed by addition of strategic elements in appropriate areas. To execute this strategic leadership the leadership style will be predominately servant-leader adapted by situational leadership with directive leadership executed by the Executive Committee. The DPC culture as discussed elsewhere will be leveraged to strategic advantage by Directors

Organization Chart



exercising leadership characteristics including humility, sincerity, honesty, integrity, a willingness to respond to the needs of customers, and their years of field experience in the region(s) they serve.

Significant delegation of decision-making to Directors is expected. For example, matrix teams are expected to be developed, coordinated, and controlled by Directors to fulfill strategic goals as effectively as possible. While an organizational budget will be maintained at the Executive Committee level it is intended that each Director run their own flexible budget. A fixed budget and a complimentary flexible budget at the Directorate level is expected to provide the best outcomes (Ekholm & Wallin, 2011; Marple, 1946; Yahya-Zadeh, 2012).

Directors will submit funding requests with justifications between three months and one year in advance of funding need. If required, the Executive Committee will make funding decisions although it is preferred that the Board of Directors manage the flex budget and reach funding decisions that best advance the goals of the organization. This is a highly results oriented approach. Directors are both partners and competitors with each other. The goal of this design is to facilitate ongoing performance improvement by funding efforts that produce the best results in the judgment of the Directors.

Directors will be encouraged to draft funding requirements with justifications in business value terms for results expected from the expenditure of the requested funding in value terms used by customers. Such drafts may extend several quarters into the future, and be cross referenced to the five year plan as well as aligned with the current year plan and traced into the next year plan. Present Value of funding requests may include follow-on work that has a hard dependency on the results to be produced by the requested funds. This traceability will utilize the same methods and techniques used in the project funding and project results reporting on the primary public facing website. The intent is to eliminate waste before it occurs, to embrace lean techniques where they make sense, to ensure full alignment of funded work with stated goals,

and to optimize performance over time. Within each Directorate the exact organizational performance framework will vary as needed to support the goals of the unit; not all goals will be the same as different regions with different needs will be served by different Directorates. In general, strategic and tactical goals will be established in each annual plan and monthly performance against those goals will be reported by each Directorate.

DPC corporate values permeate the strategic planning and execution and are listed in the table below. These values will flow from the leadership down throughout the organization. All employees, volunteers, interns, and partners are expected to employ these values in their work activities. The strategic growth of the firm is highly dependent upon these values, and on the organization remaining above reproach. Alignment of work activities with these values will be a permanent agenda item for Directors, the Board, and the Executive Committee as well as the subject of Human Resources, Team Meetings, and various corporate communications.

DPC Strategic Values

Simplicity is valued over complexity
Transparency is valued over privacy or opaqueness of operations and activities
Flexibility is valued over hard line structures
Consistency is valued over ad-hoc activities; work activities should always have predictable outcomes, be repeatable, and composed of known elements – these elements may be rearranged to maintain flexibility and still be consistent
Simple, coordinated, coherent communications achieved by means of message documentation is valued over ad-hoc communications
Fairness is valued over expediency
High quality and reliability is valued over quick or shallow results
Honesty and forthrightness is valued over political posturing
Integrity, ethics and morals are highly valued
Environmentally friendly, or “green” products and activities are valued over other products or activities
People are valued as supporters of an empowered workplace that supports and encourages the individual talents, skills, interests, and desires of each employee
Career opportunities for employees that enable their advancement over time, either internal to the firm, or externally through partnerships and collaborative efforts
Support local communities, economies and individuals at all times
Continuous improvement is highly valued and will be accomplished by quarterly and annual reviews, annual planning, and multi-year strategic planning
Substantial diversity of cultures and ethnicity and gender is valued at all levels in the organization
Positive social change is highly valued, and is central to the vision and mission of this organization
Supporters are stakeholders and are highly valued, are to be respected, and it is to the supporters that DPC is ultimately accountable
Servant-leaders are preferred, and this style is valued above other leadership styles

DPC organizational strategic message themes are listed in the table below. These themes will surface in strategic elements, communications, and will contribute to the shaping of the firm over time as it grows. Directors are in control of messages within their Directorates although these are subject to review and approval by the Board of Directors. Explicit development of messages will help to bridge the normal gap between execution of work activities and tactical goals and strategic goals as these messages rise above such categorizations. The aggregation of all Directorate messages will be used to confirm fulfillment of stated Mission and Vision for the firm, and alignment with Strategic and Tactical goals by Directorate.

Organizational Message Strategic Themes

DPC is here to help; we are here to serve our supporters, primarily by connecting funding sources with projects needing funding.
DPC is listening; we welcome feedback, comments, suggestions, and ideas.
DPC is impartial, fair, sincere, honest, open, and transparent. We will answer any questions we receive, but we also ask supporters and partners to check the web site first, to see if the question has already been answered.

Business Strategy Conclusion

By not seeking to execute projects directly, anticipating rather than responding to complaints or emergency requests, creating new business analytics across projects, reporting field results monthly, working to develop components for humanitarian assistance, and by including all strategic groups as buyers, the proposed venture is significantly different than ad superior to (Hlava & Camlek, 2010) existing efforts in the humanitarian space. For example, in conversations with a person at the World Bank after a Department of State conference in early 2012, his very knowledgeable and well founded conclusion was that “it will never work”. Because “you can’t do the financials; it’s impossible.” And yet, today, we have the SEC and IFRS aligning their regulatory and reporting efforts (<http://www.ifrs.org>) and in any case the proposed venture has a proven methodology for satisfying any reporting requirements from a single financial database that is highly detailed. What we propose to do is very different from what has been done, historically, in humanitarian assistance. We fully expect to change this space more than we already have, and progress so far has been significant as noted elsewhere, although beyond the scope of this paper.

Given the reinforcement of initial DPC business plan concepts by blue-ocean analysis it is appropriate to plan to repeat blue-ocean and value-innovation analysis as part of each annual planning cycle and each five year plan update. These results will support Director level decision-making as technology development proceeds based on customer demand and alignment of services provided to customers with organizational goals.

DPC will utilize both an incremental value enhancement and a value-innovation, blue-ocean creation strategic approach (Barwise & Meehan, 2012; Chan Kim & Mauborgne, 2005.)

DPC will balance existing or traditional tools with blue-ocean tools as discussed by Burke, Van Stel, & Thurik, (2010).

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a new venture

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Appendices

Appendix - SWOT

The SWOT analysis indicates the existence of worldwide opportunities with minimal barriers to entry and participation. Initial efforts may focus on participating in World Bank, United Nations, and U.S. Department of State / USAID initiatives, to produce near-term results and establish a successful record of accomplishment. The table “SWOT Analysis” offers details.

SWOT Analysis

Strength	Weakness	Opportunity	Threat
Clarity of vision, purpose, goals, and path ahead.	Lack of funding, low cash levels, few resources.	Every disaster, earthquake, tsunami, or failed state for which humanitarian aid, development projects, and disaster relief projects are initiated will bring a new set of opportunities for this venture.	Government regulations. U.S. or other government regulations may render international aid efforts incompatible or difficult to execute.
Uniquely unrestrained, as an NGO, no obligations, no incompatibilities.	Absence of critical staff at inception; Board of Director supporters will have to be recruited	United Nations opportunities exist through different offices or initiatives.	International lawbreakers may pose a threat to this organization, if they attempt to use the services offered to facilitate their law-breaking.
In-depth knowledge of the international aid, development, and disaster response community, practices, results and pitfalls.	New organization - lack of name recognition, market presence, credibility, and history.	World Bank partnering opportunities exist through grants and initiatives.	Local cultures with great humanitarian service needs, low cultural ethical values, a lack of governance. (Ivory Coast, Nigeria, Somalia)
		US Department of State and USAID partnering opportunities exist.	

Appendix - PEST

Each country's political and legal environment will be different from others. In order to comply with all local laws and regulations, in-country partners including government offices or individuals employed by the local government. These partners will submit project documentation to the web site and in so doing will assert compliance with their country's laws. Humanitarian assistance, development aid, and disaster response aid always depends on the local conditions and situation including economic factors. The economic environment, specific local considerations, policies, and procedures will be included in the project documentation. This venture is sensitive to the cultural norms in each country, region, or market. Each project will include a cultural section that addresses cultural behaviors expected to occur during the project, and will identify or declare the social standards that apply to the project. This venture will support internet access from mobile phones, other mobile devices like ipads, portable computers, desktop computers and other electronics. Such devices can be used to fill in the blanks on the standard project forms with the required information. If no other means exists, then the in-country project owner can verbally convey the information to our in-country representative or partner or Director, who will be equipped to submit the information.

Appendix - Other Considerations, Risks, and Opportunities for Innovation and Use of Technology

SEER (Social, Economic, Environmental, and Human Rights) values (Di Norcia, 1994) are as central to the mission and vision of this effort. This venture is about improving the effectiveness of humanitarian assistance, disaster relief, and development efforts by reducing waste, overhead costs, communications costs, and enhancing synergies between projects in the field. Sustainability of results delivered is critical to project success.

Project data collected, tracked, or reported by this venture is project oriented and includes no personal data. Feedback will also be captured as data. Technology will be used to maximize human contact and communications. DPC leaders will communicate with staff and supporters face to face, locally on the phone, through video conferences and meetings, through published announcements, discussion groups, blogs, and requests for comment on the DPC web site. External phone communications with most parties will be restricted to local Director level contact as the highest DPC level of contact to empower and enable the organizational structure. Extensive local telephone access will reinforce local communications with local DPC staff.

Some staff communications and feedback will not be accessible to supporters but will be made available as part of full transparency and disclosure when requested. Feedback from supporters, employees, and third parties will be captured in many forms such as telephone, email, internet via a standard feedback template on the website, and formal requests. Requests for additional services will be seriously considered as secondary services. Feedback will be circulated among Directors and employees for review and consideration by a standard process integrated into the web site.

Data disclosure practices for project data and feedback data are to be noted in the supporters terms, employee handbook, project data submission documents, and on the web site as public information.

Continuous improvement through innovation and full alignment with SEER values is central to this venture. Innovation is an essential part of this organization from inception through all phases of the organizational growth and maturity curve. The envisioned technology and innovations enable moment-by-moment interaction with customers, and round the clock provision of services and products worldwide. Some of the technology such as StratML is to be adopted early and adapted as needed to fulfill this ventures mission and vision statements because the value of the technology outweighs the risks involved. In such cases, this venture will resolve technological issues as they arise. Other technologies may mature further before adoption, to reduce technological risk. An approach that balances risk against result value delivered to customers is inherent in this venture's technology strategy. This venture views innovation as a means to enhance services and results delivered to customers and as a way to engage employees in efforts they find inspiring and personally fulfilling. In contrast, our competitors wait for technology to be proven in order to minimize their organizational and personal reputation risk, and see innovation and technology as a way to reduce costs and sometimes reduce services due to technological limitations.

Appendix – 12 Month Pro-Forma Income Statement

The required 12 month Pro-Forma Income Statement is embedded below as a pdf document and may be examined separately. The initial year of operations consists primarily of advertising, grant application, and introduction of the services to key players in the market space:

Development Project Clearinghouse 12-Month Pro-Forma Income Statement	Startup Year												SubTotal	Total	CSFS Pct
	Qtr 1			Qtr 2			Qtr 3			Qtr 4					
	Jan	Feb	Mar	April	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec			
Revenue															
Payment for Services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0%
Grants	-	-	-	-	50,000	-	-	-	-	-	-	-	50,000	-	29%
Donations	5,000	-	-	100	750	4,250	12,000	15,000	16,000	8,000	20,000	43,900	125,000	-	71%
Revenue Subtotal	5,000	-	-	100	50,750	4,250	12,000	15,000	16,000	8,000	20,000	43,900	175,000	175,000	
Expenses															
Administrative and misc expense	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Advertising & Promotion	-	-	-	3,000	2,000	1,000	500	500	500	1,500	500	500	10,000	-	6%
Board of Directors expense	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fund-raising expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Gold Award Ceremony	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Internet, Google web site, email, collab	-	-	-	-	-	-	1,000	2,000	2,000	2,000	2,000	1,000	10,000	-	6%
Insurance - liability, E&O, professional	-	-	-	-	5,000	-	-	-	-	-	-	-	5,000	-	3%
Legal fees	2,000	-	-	-	-	-	-	3,000	-	-	-	-	5,000	-	3%
Meetings and conferences	-	-	-	-	-	-	2,000	3,000	2,500	6,000	1,000	3,500	18,000	-	10%
Office Equipment, Computers, Desks, F	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Payroll, related taxes, benefits, and leav	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Professional Fees	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Travel	-	-	-	-	-	2,000	5,000	4,000	6,000	3,000	2,000	4,600	26,600	-	15%
Depreciation and amortization	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rent & Utilities - office space in DC or	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Security	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Training	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Temporary contractors to do paid servic	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Expense Subtotal	2,000	-	-	3,000	7,000	3,000	8,500	12,500	11,000	12,500	5,500	9,600	74,600	74,600	43%
Other Income (expense):															
Dividend and interest income	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest Expense	-	-	-	-	-	-	-	-	-	-	-	(30,000)	(30,000)	-	-17%
Other Income Subtotal	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Expenses	2,000	-	-	3,000	7,000	3,000	8,500	12,500	11,000	12,500	5,500	9,600	74,600	74,600	43%
Net Assets, End of Year	3,000	-	-	(2,900)	43,750	1,250	3,500	2,500	5,000	(4,500)	14,500	34,300	100,400	100,400	57%

Appendix - 3 Year Pro-Forma Income Statement

A three year Pro-Forma Income Statement is below. This was prepared to enhance the limited perspective on the business offered by the 12-month view. This is also a pdf file that may be printed separately for convenience. Significant growth is shown in the startup years and is not expected to level off until year 6 or 7.

Development Project Clearinghouse				
3 year Pro-Forma Income Statement				
	Startup Year	Year 1 2015	Year 2 2016	Year 3 2017
Operating Revenues				
Payment for Services	-	5,000	441,500	549,050
Grants	50,000	200,000	250,000	100,000
Donations	125,000	826,000	2,650,000	5,050,000
Operating Revenue Subtotal	175,000	1,031,000	3,341,500	5,699,050
Operating Expenses				
Administrative and misc expense	-	16,300	48,000	60,000
Advertising & Promotion	10,000	25,000	45,000	50,000
Board of Directors expense	-	6,000	12,000	12,000
Fund-raising expenses	-	20,000	40,000	40,000
Gold Award Ceremony	-	12,000	12,000	12,000
Internet, Google web site, email, collabora	10,000	5,000	5,000	5,000
Insurance - liability, E&O, professional bc	5,000	10,000	35,000	40,000
Legal fees	5,000	20,000	23,000	23,000
Meetings and conferences	18,000	50,000	125,000	125,000
Office Equipment, Computers, Desks, Fur	-	80,000	110,000	16,000
Payroll, related taxes, benefits, and leave	-	553,800	1,960,800	3,820,800
Professional Fees	-	4,000	10,000	10,000
Travel	26,600	54,000	85,000	90,000
Depreciation and amortization	-	-	11,429	27,143
Rent & Utilities - office space in DC or ne	-	69,300	240,000	240,000
Security	-	2,000	6,000	6,000
Supplies	-	1,000	2,000	3,000
Training	-	3,000	6,000	9,000
Temporary contractors to do paid services	-	-	210,750	266,025
Operating Expense Subtotal	74,600	931,400	2,986,979	4,854,968
Other Income (expense):				
Dividend and interest income	-	468	1,256	2,835
Interest Expense	(30,000)	(50,000)	(50,000)	(100,000)
Other Income Subtotal	(30,000)	(49,532)	(48,744)	(97,165)
Total Expenses	74,600	981,868	3,038,234	4,957,803
Net Income	100,400	49,132	303,266	741,247

Appendix - 3 Year Pro-Forma Common Size Financial Income Statement

A three year Pro-Forma Common Size Financial Statement (CSFS) Income Statement is below. This was prepared to enhance the limited perspective on the business offered by the 12-month view and the regular income statement. This is also a pdf file that may be viewed separately, used as a stand-alone document on a web site, or included in other publication material. Reuse of reports is proposed earlier in this business plan as a means of saving costs, enhancing transparency, improving traceability, and simplifying communications. Embedded pdf files like this are an example of how this can be done. It is expected that such files will soon be routinely produced as XML files, and that this will further the gains expected by using this technique.

Horizontal CSFS Analysis

Applying Common Size Financial Income Statement (CSFS) structure to a new venture non-profit organization is an interesting exercise in that it highlights the growth phases of the

Development Project Clearinghouse 3 year Pro-Forma Income Statement

	Startup Year	Year 1 2015	Dollar Change	Percent Change	Year 2 2016	Dollar Change	Percent Change	Year 3 2017	Dollar Change	Percent Change
Revenue										
Payment for Services	-	5,000	5,000	100.0%	441,500	436,500	98.9%	549,050	112,550	20.5%
Grants	50,000	200,000	150,000	75.0%	250,000	100,000	40.0%	100,000	-	0.0%
Donations	125,000	826,000	701,000	84.9%	2,650,000	1,949,000	73.5%	5,050,000	3,101,000	61.4%
Revenue Subtotal	175,000	1,031,000	856,000	83%	3,341,500	2,485,500	74%	5,699,050	3,213,550	56%
Expenses										
Administrative and misc expense	-	16,300	16,300	100.0%	48,000	31,700	66.0%	60,000	28,300	47.2%
Advertising & Promotion	10,000	25,000	15,000	60.0%	45,000	30,000	66.7%	50,000	20,000	40.0%
Board of Directors expense	-	6,000	6,000	100.0%	12,000	6,000	50.0%	12,000	6,000	50.0%
Fund-raising expenses	-	20,000	20,000	100.0%	40,000	20,000	50.0%	40,000	20,000	50.0%
Gold Award Ceremony	-	12,000	12,000	100.0%	12,000	-	0.0%	12,000	12,000	100.0%
Internet, Google web site, email, collab	10,000	5,000	(5,000)	-100.0%	5,000	10,000	200.0%	5,000	(5,000)	-100.0%
Insurance - liability, E&O, professional l	5,000	10,000	5,000	50.0%	35,000	30,000	85.7%	40,000	10,000	25.0%
Legal fees	5,000	20,000	15,000	75.0%	23,000	8,000	34.8%	23,000	15,000	65.2%
Meetings and conferences	18,000	50,000	32,000	64.0%	125,000	93,000	74.4%	125,000	32,000	25.6%
Office Equipment, Computers, Desks, F	-	80,000	80,000	100.0%	110,000	30,000	27.3%	16,000	(14,000)	-87.5%
Payroll, related taxes, benefits, and leave	-	553,800	553,800	100.0%	1,960,800	1,407,000	71.8%	3,820,800	2,413,800	63.2%
Professional Fees	-	4,000	4,000	100.0%	10,000	6,000	60.0%	10,000	4,000	40.0%
Travel	26,600	54,000	27,400	50.7%	85,000	57,600	67.8%	90,000	32,400	36.0%
Depreciation and amortization	-	-	-	0.0%	11,429	11,429	0.0%	27,143	15,714	0.0%
Rent & Utilities - office space in DC or	-	69,300	69,300	100.0%	240,000	170,700	71.1%	240,000	69,300	28.9%
Security	-	2,000	2,000	100.0%	6,000	4,000	66.7%	6,000	2,000	33.3%
Supplies	-	1,000	1,000	100.0%	2,000	1,000	50.0%	3,000	2,000	66.7%
Training	-	3,000	3,000	100.0%	6,000	3,000	50.0%	9,000	6,000	66.7%
Temporary contractors to do paid servic	-	-	-	0.0%	210,750	210,750	0.0%	266,025	55,275	0.0%
Expense Subtotal	74,600	931,400	856,800	92%	2,986,979	2,130,179	71%	4,854,968	2,724,789	56%
Other Income (expense):										
Dividend and interest income	-	468	468	100.0%	1,256	788	62.7%	2,835	2,047	72.2%
Interest Expense	(30,000)	(50,000)	(20,000)	40.0%	(50,000)	(30,000)	60.0%	(100,000)	(70,000)	70.0%
Other Income Subtotal	(30,000)	(49,532)	(19,532)	39%	(48,744)	(29,212)	60%	(97,165)	(67,963)	70%
Total Expenses	74,600	981,868	907,268	92%	3,038,234	2,130,966	70%	4,957,803	2,826,836	57%
Net Assets, End of Year	100,400	49,132	(51,268)	-104%	303,266	354,534	117%	741,247	386,714	52%

organization and the differences between a non-profit and a for-profit organization. The goal of a non-profit organization is to have no profit or to zero out net income in the process of providing services.

Operationally, a non-profit organization will increase services and interest expenses as much as possible in order to utilize all available funds. In terms of the pro-forma income statement provided above, the DPC net income amounts are likely to be zeroed out by increased services, disbursement of funding as dispensations to charities, or purchase of short-term securities at end of year and shown as an increase in interest expense. Zero net income causes interesting outcomes in some ratios and some business equations normally applied to for-profit organizations. For these reasons, those ratios and business equations are seldom applied to non-profits in the same way they are applied to for profits, and may be invalid altogether or even unintentionally misleading.

Looking at the CSFS year to year, the growth of the firm may be observed in the decline of Advertising, Meetings, Travel, and other line items as a percentage of Operating Revenue. In addition, the growth of Payroll, Rent & Utilities as a percentage of Operating Revenue reveals the cost increases that may reasonably be expected to continue to increase if the firm continues to grow. A strategic decision to be made by the Board of Directors will determine if the firm continues to grow to deliver services by direct labor or if the firm automates more of the services, reducing the direct labor required, or if both are done as a balanced growth effort. If services are automated without addition of new services then the labor requirements may decline and the Payroll percentage of operating revenue may decline, freeing up cash for other use. If no more automation is done and services are added, then more direct labor may reasonably be expected to be required in which case the Payroll percentage of Operating Revenue may increase. If both occur then the Payroll percentage of Operating Revenue may remain in line with the current levels as both Payroll and Operating Revenue increase due to more income from more services delivered both by automation and by people. The CSFS suggests that rapid growth of the firm may be expected to continue in future years. This may pose an interesting issue for the Board of Directors, if they are inclined to reduce or limit growth in the face of market demand that grows exponentially over time. The primary challenge for DPC may be the question of how to grow fast enough to satisfy demand if donations exceed projections. As noted elsewhere, conservative assumptions were used for these projections. If the upper end of the range identified in initial research is the true market demand line, DPC may have significant issues in growth management. Early consideration of this issue by the Board of Directors will ensure that sufficient consideration and identification of alternatives are executed. The DPC organizational and technological infrastructure design is scalable to a very large size, still, executing year over year growth in excess of 600% will be difficult at best. The horizontal analysis raises the concern that the pro-forma growth percentages are too low and that exceptional management attention will be required to avoid the risk of unforeseen growth rates.

Appendix - Vertical CSFS Analysis

Looking at the DPC CSFS line over line within years, it is apparent that Payroll is consistently the single largest operating expense. When a firm has a single line as over half of its expenses this indicates that the line deserves exceptional scrutiny. On review, it makes sense that Payroll is the largest single expense because DPC is an online provider of facilitation, financial, and management services whose core asset will be its employees.

The vertical comparison of startup year percentages to out year percentages reveals that certain core activities are critical to the success of the firm, namely advertising and promotion, internet presence and service portal, meetings and conferences, travel, and legal and liability

Development Project Clearinghouse 3 year Pro-Forma Income Statement Common Sized Financial Statement Vertical

	Startup Year	Startup Percent	Year 1 2015	Year 1 Percent	Year 2 2016	Year 2 Percent	Year 3 2017	Year 3 Percent
Revenue								
Payment for Services	-	0.0%	5,000	0.5%	441,500	13.2%	549,050	9.6%
Grants	50,000	28.6%	200,000	19.4%	250,000	7.5%	100,000	1.8%
Donations	125,000	71.4%	826,000	80.1%	2,650,000	79.3%	5,050,000	88.6%
Revenue Subtotal	175,000	100%	1,031,000	100%	3,341,500	100%	5,699,050	100%
Expenses								
Administrative and misc expense	-	0.0%	16,300	1.6%	48,000	1.4%	60,000	1.1%
Advertising & Promotion	10,000	5.7%	25,000	2.4%	45,000	1.3%	50,000	0.9%
Board of Directors expense	-	0.0%	6,000	0.6%	12,000	0.4%	12,000	0.2%
Fund-raising expenses	-	0.0%	20,000	1.9%	40,000	1.2%	40,000	0.7%
Gold Award Ceremony	-	0.0%	12,000	1.2%	12,000	0.4%	12,000	0.2%
Internet, Google web site, email, collaboration tools	10,000	5.7%	5,000	0.5%	5,000	0.1%	5,000	0.1%
Insurance - liability, E&O, professional bond	5,000	2.9%	10,000	1.0%	35,000	1.0%	40,000	0.7%
Legal fees	5,000	2.9%	20,000	1.9%	23,000	0.7%	23,000	0.4%
Meetings and conferences	18,000	10.3%	50,000	4.8%	125,000	3.7%	125,000	2.2%
Office Equipment, Computers, Desks, Furniture	-	0.0%	80,000	7.8%	110,000	3.3%	16,000	0.3%
Payroll, related taxes, benefits, and leave	-	0.0%	553,800	53.7%	1,960,800	58.7%	3,820,800	67.0%
Professional Fees	-	0.0%	4,000	0.4%	10,000	0.3%	10,000	0.2%
Travel	26,600	15.2%	54,000	5.2%	85,000	2.5%	90,000	1.6%
Depreciation and amortization	-	0.0%	-	0.0%	11,429	0.3%	27,143	0.5%
Rent & Utilities - office space in DC or nearby	-	0.0%	69,300	6.7%	240,000	7.2%	240,000	4.2%
Security	-	0.0%	2,000	0.2%	6,000	0.2%	6,000	0.1%
Supplies	-	0.0%	1,000	0.1%	2,000	0.1%	3,000	0.1%
Training	-	0.0%	3,000	0.3%	6,000	0.2%	9,000	0.2%
Temporary contractors to do paid services	-	0.0%	-	0.0%	210,750	6.3%	266,025	4.7%
Expense Subtotal	74,600	43%	931,400	90%	2,986,979	89%	4,854,968	85%
Other Income (expense):								
Dividend and interest income	-	0.0%	468	0.0%	1,256	0.0%	2,835	0.0%
Interest Expense	(30,000)	-17.1%	(50,000)	-4.8%	(50,000)	-1.5%	(100,000)	-1.8%
Other Income Subtotal	(30,000)	-17%	(49,532)	-5%	(48,744)	-1%	(97,165)	-2%
Total Expenses	74,600	43%	981,868	95%	3,038,234	91%	4,957,803	87%
Net Assets, End of Year	100,400	57%	49,132	5%	303,266	9%	741,247	13%

protections. Introspective examination suggests that these activities may be essential to any venture in any market segment or industry. While people have been identified as the core asset of the firm this is not obvious in the startup year percentages. This makes sense because no salaries are paid in the startup year although one or more principal will be working diligently to ensure the success of the firm without compensation. This exhibition of goodwill reminds us that not all critical success factors may be quantifiable as financial indicators or numerical percentages. When people believe in something so strongly that they will work hard for its success without financial compensation, all that remains is to organize and coordinate the work efforts within a business plan such as this one to adequately address all necessary concerns. This is the essence of non-profit work.

As with the Horizontal analysis, the vertical percentages evolve year over year as the firm grows and the funding needs are aligned to support growing work activities documented in each line. As money is set aside in bonds for future use, the Interest Expense percentage changes relative to other vertical percentages, and over each year. From the vertical percentages, one may conclude that the Board of Directors intended to keep Net Income between 5% and 15% of Operating Revenue for the year. If this is the general business rule being applied by management, then years with more Operating Revenue may expect to see higher expenditure amounts on lines other than Payroll, or a significant increase in the Interest Expense line. Likewise, in years with declines in Operating Revenue, expenditure amounts could reasonably be expected to decline, perhaps first with the Interest Expense line amount, and then in other lines. If the Interest Expense line amount equates to a rainy day fund, this amount may be inverted as funding is drawn out to support the business. This is the case in the comparison firm, Africare.

Appendix - Common Size Financial Income Statement Comparison to Africare

Applying Common Size Financial Income Statement (CSFS) comparison techniques to a DPC and a well-established non-profit of comparable staff size such as Africare (<http://www.africare.org/documents/Final%20Audited%20FS,%20June%2030,%202011.pdf>) is an effective way to note differences between the ventures:

AFRICARE STATEMENT OF ACTIVITIES AND CHANGE IN NET ASSETS FOR THE YEAR ENDED JUNE 30, 2011 WITH SUMMARIZED FINANCIAL INFORMATION FOR 2010						
	Africare		Development Project Clearinghouse			
	2011 CSFS	2010 CSFS	Startup Year	Year 1	Year 2	Year 3
REVENUE						
U.S. government grants	43.2%	54.4%	28.6%	19.4%	7.5%	1.8%
Contributions and other grants	35.7%	19.6%	71.4%	80.1%	79.3%	88.6%
Miscellaneous revenue	1.5%	1.3%	0.0%	0.5%	13.2%	9.6%
Management and General	3.8%	4.3%	0.0%	53.7%	58.7%	67.0%
Fundraising	1.3%	1.8%	0.0%	1.9%	1.2%	0.7%
NET ASSETS, END OF YEAR	17.6%	10.5%	57%	5%	9%	13%

After year 1, for example, the end of year assets are seen to be comparable percentages of 9% and 13% to 10.5% and 17.6%. In addition, miscellaneous revenues and fundraising are small percentages. The fact that Africare is heavily dependent on U.S. government grants is obvious in the first line of data. Considering this and other lines such as Management and General, which is compared to DPC payroll, it is clear that the two firms are probably not in exactly the same business. This is true in that Africare dispenses over 60 million of dollars of aid in program areas such as development projects, water, agriculture, and road development to locations in Africa, while DPC provides only intellectual services as a facilitation and financial services organization. Although comparable in cost at about 3.2 million dollars, the percentage of management costs in Africare is much smaller due to the much larger amount of money that flows through the firm from the U.S. government and others to Africa, and to the ten-fold larger amount of contributions.

Drawing the CSFS comparison was difficult because few non-profit organizations post their financial information or make it available since there is little or no legal requirement for publication. In addition, non-profit organizations are at greater liberty to construct their statements than are for-profit firms. Locating any report with a few comparable lines is difficult, and finding one with comparable percentages in salary costs, end of year assets, grants, contributions, miscellaneous revenue, and fundraising was difficult. As no investments or loans are included in the financial strategy, the comparison above may be informative to organizations that provide grants or to prospective Directors or other employee candidates.

Appendix - Non-Profit Business Ratios

Non-profit organization ratios are concerned with operation of the firm and sustainability of operations, and do not show profit margins or profitability per se (<https://nonprofitsassistancefund.org/resources>). The Reliance Ratio indicates the extent to which a firm is reliant on a single revenue stream, and is calculated as the largest revenue type divided by the total revenue. The Reliance Ratio then yields the degree to which the firm depends on that single revenue stream. For comparison, the Reliance Ratio is calculated below as the Donations divided by the Operating Revenue. This shows that DPC is far more reliant on Donations than Africare. This makes sense considering the Reliance on Government Ratio indicates the extent of reliance on government funding which is calculated by dividing the amount of revenue from government funding by the total revenue. This ratio shows that DPC is less reliant on government funding than Africare. The two ratios offset, with DPC more dependent on donations and less dependent on government funding, and Africare more reliant on government funding and less so on donations. If the expected donation income is put at risk, DPC may find that government funding is available to offset the loss of donation income.

The Self Sufficiency Ratio shows how well the firm may stand alone, and is calculated by dividing total revenue by total expenses, omitting depreciation. DPC is more self-sufficient than Africare, and generates more income than is needed to fund projected operating expenses beginning in year 2. The Self Sufficiency Ratio for DPC may be a good indicator growth risk, as it aligns to DPC growth. Being this self-sufficient may mean that DPC needs to make extra efforts to align with market trends and innovations as it may be less aware of changes in the marketplace than other organizations that are more dependent on external funding. The risk is that DPC may assume that historical success indicates future success is attainable by the same practices when the market has evolved in ways that require DPC to make adjustments to continue to be successful.

The Personnel Cost Ratio may be valuable to track over time for all kinds of organizations as it reveals staffing bloat by showing the relationship of total personnel costs to total expenses. This is calculated by dividing total personnel costs by total expenses. The DPC Personnel Cost Ratio is not comparable because Africare is vastly larger than DPC, and directly funds fieldwork with tens of millions of dollars of pass-through funding each year. Pass-through funding is money that is provided as a grant or donation to the non-profit and which the non-profit then passes on to specific projects, charities, foundations, or fieldwork. This is a one-way transaction in that the non-profit provides no results or products to the source of the funding other than re evidence of field results. This kind of cash flow offers direct evidence that traditional financial management ratios and calculations may be ill suited to non-profit application. This kind of cash flow is limited to a small percentage of DPC revenue and this is discussed further in the common sized financial statement comparison. If the DPC and Africare Personnel Cost Ratios correlated closely this could indicate some issue in the preparation of these financial statements.

In general, an escalating Personnel Cost Ratio indicate a direct threat or risk to retained earnings, also known as net income or net assets, end of year, for non-profits. Steadily increasing health care costs, for example, increase the Personnel Cost Ratio when other expenses remain steady. In financial management practice the consideration of the Personnel Cost Ratio must be informed by increases in net gains from productivity, innovation, staff training, and process improvement. Considering only Personnel Cost Ratio may result in poor decision-

making that results in management decisions that negatively affect productivity, innovation, and process improvement gains. Those negative results may offer opportunities for competitors to exploit one or more of the five forces discussed by Porter (Porter, 2008.)

The Earned Income Ratio indicates how much of the total income was earned and is calculated by dividing the total earned income by the total income. At one time, it was expected that public-service non-profits would maintain 50% or higher in this ratio, but that is no longer the case (http://www.huffingtonpost.com/michael-kaiser/the-earned-income-ratio_b_2037888.html). For comparison purposes this has been calculated by adding up Africare contributions, dues, miscellaneous revenue, and income then dividing by total revenue. For DPC, donations and payment for services were summed and then divided by operating revenue total. These are the lines of income received for services or products delivered. This is the most difficult ratio to approximate accurately due to different non-profits reporting receipts in different ways. Still, DPC has a much higher Earned Income Ratio than Africare as is expected given that DPC requests donations of a given amount in exchange for services rendered as the primary source of income while this is a secondary source of income for Africare who has government funding as the primary source of income. For DPC, a decline in this ratio should be immediately addressed by management as an early indicator of income risk. DPC management may wish to monitor this ratio daily or weekly and to develop seasonal adjustment factors to normalize the ratio throughout the year.

These ratios have been calculated for all four DPC years and for two years at comparable humanitarian organization, Africare (<http://www.africare.org/about-us/financial/>). In addition, the Cash Conversion Cycle (CCC) was calculated assuming the Operating Expenses are the Cost of Goods Sold (COGS) as non-profit organizations seldom break out or track production costs for either services or tangible goods. It is interesting that the spontaneous liability ratio declines for these two non-profits as the financial situation improves, however this ratio may be unreliable for non-profits. There was some concern that the DPC growth rates were optimistic, however a similar Year over Year ΔS is seen in Africare. Both organizations obtain a solid negative CCC, although this indicator may also make less sense for non-profits than some of the other ratios calculated. The negative CCC indicates effective cash management with the possibility that too much cash is being kept on hand, therefore management is advised to institute practices to ensure that all available capital is being gainfully employed.

Overall the two firms seem to compare favorably. DPC has a lower asset intensity ratio A/S than Africare, which may suggest a lower demand for additional funds needed. Africare is more dependent on government funding than DPC as show by the Reliance on Government and Self Sufficiency Ratios. The DPC spontaneous liability ratio is lower than that calculated for Africare, which suggests that DPC revenue streams are less asset intensive than Africare's. A review of the Income Statement confirms that DPC is less asset oriented than Africare, which makes sense given that Africare is a development and assistance organization operating in the USA and Africa, while DPC is an online services firm with individual offices to be leased in remote locations in out years, with little or no bricks and mortar assets.

These comparisons suggest that DPC may find that government funding is available and exceeds funding available from contributions and donations. If this is true then the Board of Directors will need to make a strategic decision regarding departure from the founding principle of being self-sufficient and entirely able to earn sufficient funding to execute operations or to take government funding if offered. There is a risk that DPC will lose the non-government

organization independence considered critical to the differentiation of DPC from others, if strings are attached to the government funding such as adherence to a political party agenda.

**Development Project Clearinghouse
Pro-Forma Statements of Financial Position**

Ratios	Year 1		Year 2		Year 3		Africare	
	Startup	2015	2016	2017	2010	2011		
Reliance Ratio	0.71	0.80	0.79	0.89	0.20	0.36		
Reliance on Government Ratio	0.29	0.19	0.07	0.02	0.54	0.43		
Earned Income Ratio	0.71	0.81	0.93	0.98	0.21	0.38		
Self Sufficiency Ratio	1.68	0.89	1.04	1.16	0.23	0.41		
Personnel Cost Ratio	-	0.59	0.66	0.79	0.04	0.04		
	A/S	59.1%	17.8%	22.6%	32.9%	62.5%	53.6%	
	ΔS	175,000	856,000	2,310,500	2,357,550	8,897,815	22,748,592	
	Year over Year ΔS		4.89	2.70	1.02		2.56	
	L/S - spontaneous liability ratio	84.8%	26.6%	32.4%	27.2%	76.6%	62.7%	
	Margin	57.4%	4.8%	9.1%	13.0%	10.5%	17.6%	
	Sales/365	479	2,825	9,155	15,614	169,674	231,999	
	COGS/365	204	2,690	8,324	13,583	81,511	131,264	
	Net income	100,400	49,132	303,266	741,247	9,779,567	19,584,168	
	Assets	103,375	183,580	756,545	1,872,173	47,627,669	53,209,664	
	Total Current Liabilities	148,400	274,732	1,082,666	1,548,426	47,449,598	53,101,089	
	Accounts Payable	12,915	76,088	246,603	420,590	3,771,458	18,050,083	
	Accounts Receivable	2,975	15,527	44,806	88,370	966,294	1,053,250	
+ACP	Accounts Receivable/Sales/365	6.21	5.50	4.89	5.66	5.70	4.54	
+ICP	If inventory = 0, inv / cogs/365 = 0	-	-	-	-	-	-	
-PDP	AP/(COGS/365)	63.19	28.28	29.63	30.96	22.23	77.80	
=CCC	Cash Conversion Cycle	(57)	(23)	(25)	(25)	(17)	(73)	

In the traditional financial management ratio analysis below Inventory Turnover, Days in Inventory, Fixed Asset Turnover, Earnings Per Share, P/E Ratio, Payout Ratio, and Times Interest Earned are not applicable (N/A) to these two non-profit firms as they have no inventory, no stock shares, no payouts or dividends, and no interest expense in general administration as far as can be ascertained. In addition, Profit Margin on Sales, Asset Turnover, Return on Equity, Days sales outstanding, Quick Acid, and Current Ratio are suspect because the assets are derived not as expenditures of equity on items to be employed in generating products to be sold for profit, but are instead derived from donations, grants, or other gift-based funding streams. Still, these are calculated as an exercise that may inform the business plan reader, who is warned that these ratios may be misleading for the reason stated above. Clearly, the reader expects these ratios to be calculated, so this has been done.

	Startup Year	Year 1	Year 2	Year 3	Africare	
					2010	2011
<i>Assets</i>						
Cash	\$ 100,400	\$ 49,132	\$ 303,266	\$ 741,247	\$32,179,519	\$36,768,189
Accounts receivable	2,975	15,527	44,806	88,370	966,294	1,053,250
Other fluid assets	0	118,921	408,474	1,042,555	5,581,713	7,607,911
Inventories	0	0	0	0	0	0
Total current assets	\$ 103,375	\$ 183,580	\$ 756,545	\$ 1,872,173	\$ 38,727,526	\$ 45,429,350
Land and building	0	0	0	0	3,078,554	3,078,554
Machinery	0	0	0	0	6,935,713	7,545,128
Other fixed assets	0	0	0	0	4,708,259	4,059,154
Less: Accumulated deprecia	0	0	0	0	(5,822,383)	(6,902,522)
Total assets	\$ 103,375	\$ 183,580	\$ 756,545	\$ 1,872,173	\$ 47,627,669	\$ 53,209,664

<i>Liabilities and equity</i>						
Accounts payable	\$ 12,915	\$ 76,088	\$ 246,603	\$ 420,590	\$ 3,771,458	\$ 18,050,083
Accrued liabilities	35,085	149,512	532,797	386,589	37,161,572	20,172,759
Total current liabilities	\$ 48,000	\$ 225,600	\$ 779,400	\$ 807,179	\$ 40,933,030	\$ 38,222,842
Long-term debt	0	0	0	0	0	0
Common stock	0	0	0	0	0	0
Retained earnings	100,400	49,132	303,266	741,247	6,516,568	14,878,247
Total liabilities and equity	\$ 148,400	\$ 274,732	\$ 1,082,666	\$ 1,548,426	\$ 47,449,598	\$ 53,101,089

	Startup Year	Year 1	Year 2	Year 3	Africare	
					2010	2011
Operating Revenue	\$ 175,000	\$ 1,031,000	3,341,500	5,699,050	61,931,035	84,679,627
Cost of goods sold	74,600	981,868	3,038,234	4,957,803	29,751,516	47,911,438
Gross profit = Net Revenue	\$ 100,400	\$ 49,132	\$ 303,266	\$ 741,247	\$ 32,179,519	\$ 36,768,189
General admin. and selling	-	-	-	-	3,768,186	4,298,848
Depreciation	-	-	-	-	5,822,383	6,902,522
Miscellaneous	-	-	-	-	12,809,383	5,982,651
EBT	\$ 100,400	\$ 49,132	\$ 303,266	\$ 741,247	\$ 9,779,567	\$ 19,584,168
Taxes (40%)	-	-	-	-	-	-
Net income	\$ 100,400	\$ 49,132	\$ 303,266	\$ 741,247	\$ 9,779,567	\$ 19,584,168

	Startup Year	Year 1	Year 2	Year 3	2010	2011
<i>Per-Share Data</i>						
Cash comon dividends/shar	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Market price (average)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Number of shares outstandi	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Interest Expense in GA Sab	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00

Ratio Analysis	Development Project Clearinghouse				Africare	
	Startup Year	Year 1	Year 2	Year 3	2010	2011
<i>Liquidity Ratios</i>						
Current ratio	2.15	0.81	0.97	2.32	0.95	1.19
Quick Acid	2.15	0.29	0.45	1.03	0.81	0.99
Receivables turnover	18.92	66.40	74.58	64.49	64.09	80.40
Days sales outstanding	19.29	5.50	4.89	5.66	5.70	4.54
Inventory turnover	N/A	N/A	N/A	N/A	N/A	N/A
Days in Inventory	N/A	N/A	N/A	N/A	N/A	N/A
<i>Asset Management</i>						
Fixed assets turnover	N/A	N/A	N/A	N/A	4.21	5.77
Total assets turnover	1.69	5.62	4.42	3.04	1.30	1.59
<i>Profitability</i>						
Profit margin on sales	57.37%	4.77%	9.08%	13.01%	15.79%	23.13%
Asset Turnover	121.97%	561.61%	441.68%	304.41%	130.03%	159.14%
Return on assets	69.98%	26.76%	40.09%	39.59%	20.53%	36.81%
Return on equity	200.00%	100.00%	100.00%	100.00%	150.07%	131.63%
Earnings Per Share-EPS	N/A	N/A	N/A	N/A	N/A	N/A
P/E ratio	N/A	N/A	N/A	N/A	N/A	N/A
Payout Ratio	0.00	0.00	0.00	0.00	0.00	0.00
<i>Solvency Ratios</i>						
Debt ratio	46.43%	122.89%	103.02%	43.11%	85.94%	71.83%
Times Interest Earned	N/A	N/A	N/A	N/A	N/A	N/A

DPC's liquidity position changes dramatically over the four years shown as growth stabilizes and donations increase. It is interesting that a small firm or first year startup may have

solid ratios that fail to indicate the imminent failure of the firm if growth efforts are lacking, as is the case with DPC. Liquidity comparison to Africare shows that DPC has higher liquidity in the startup year and year 3 than Africare 2010 and 2011, in the current ratio and the quick acid ratio. Receivables turnover between DPC year 3 and Africare 2010 are directly comparable, and all of the DPC years except the startup year are closely associated with the Africare 2010 and 2011 receivables turnover ratios. If the liquidity ratios are considered to be valid and useful information by the DPC Board of Directors, then it may be that a decline in the liquidity ratios could indicate performance concerns for the Board to address and resolve.

DPC has no fixed assets in the pro-forma financial statements, still, a comparison of the total asset turnover ratio may be helpful if this ratio is valid for non-profit use. The DPC total asset turnover ratios are consistently higher than Africare's, indicating that DPC turns over assets or executes cash conversion cycles faster than Africare. This may be due to DPC being in more of an online service provider business while Africare is in more of a fieldwork business. Over time there is significant fluctuation in the DPC as well as the Africare asset management ratios, which may indicate the results that may be reasonably expected as Board of Director decisions have direct asset management consequences in both lean years and flush years.

DPCS Profitability ratios correlate to Africare ratios, except for asset turnover, and not as closely as the liquidity ratios correlate. Asset turnover is higher for DPC than for Africare. The operational differences between the month-to-month service business model of DPC and the quarterly or annual project-funding model of Africare may be observed in the profitability ratios. Assets would not be expected to turn over as quickly in a business model based on an annual or quarterly cycle as they are expected to in a monthly business model. As DPC matures, the profitability ratios drop off while the Africare ratios are within the expected range given the double digit increase in revenue for Africare from 2010 to 2011. Three operational years in addition to the original startup year were developed in the pro-forma financial statements for DPC because initial investigations indicated that several years would be required for the firm to become operationally stable and well poised for future success.

The year over year declines for DPC in this ratio analysis validate the initial investigation results, and suggest that performance expectations may be unreliable until year 5 or 6, as growth may continue or steeply increase due to process and business innovations that enable operational breakthroughs. In addition, the ratio comparisons above may or may not be valid for non-profit use. In any case, the correlations and differences are offered as evidence supporting the validity of the pro-forma DPC financial statements as offered. If the DPC financial statements were entirely unrealistic and out of line with the industry, these ratio comparisons would reveal broad disparities that would be difficult or impossible to explain away.

Appendix - Key Assumptions Used in Forecasting Results

The following assumptions were made during the development of the financial analysis.

- 1) That the Pareto principle or 80-20 rule applies to the DPC marketplace. That 80% of DPC donations will come from 20% of givers (Pepe, 2012) and that attention to the vital 20% will inform DPC investment decisions and yield rapid growth that far outpaces the projections below.
- 2) As a non-profit organization it is assumed that this venture has no income tax exposure.
- 3) A major disaster will occur at least once every two years. This assumption is based upon the past twelve years of history, where a hurricane, typhoon, earthquake, tsunami, local civil conflict (Syria, Lybia, Iraq, Afghanistan) has occurred at this rate. This assumption increases the demand for services offered by this venture.
- 4) Initial legal fees and other costs incurred in the first three months of operations or until demonstrable results are obtained will not exceed \$5,000.
- 5) Demonstrable results will be available after the expenditure of \$5,000. This is vital to the venture. Prior to incorporation, the principal stakeholders may obtain independent opinions regarding results achieved to date, and the value of services offered by the straw-man website developed by the founder.
- 6) Results suitable for demonstration can be obtained during the startup phase, at low cost or zero cost. It is assumed that straw-man website capabilities can be enhanced and refined to a point that demonstrations and presentations that generate grant awards are appropriate.
- 7) Grants and financial support will be forthcoming given proven results:
 - a. \$50,000 in the second quarter of the startup year.
 - b. \$200,000 in the first quarter of Year 1 of operations
 - c. \$250,000 in Year 2 of operations
 - d. \$100,000 in Year 3 of operations
- 8) A maximum of 85,000 supporters donating monthly will exist after year 3.
- 9) At least 4,100 donating supporters will be participating on the site in the startup year.
- 10) Startup year minimum donation amounts will be \$10 per premium supporter.
- 11) First year donation amounts will be \$15 per premium supporter and 8,000 premium supporters will be participating monthly by the end of the first year.
- 12) Second year donation amounts will be \$15 per premium supporter and 32,000 premium supporters will be participating by the end of the second year.
- 13) Third year donation amounts will be \$20 per premium supporters and 48,000 premium supporters will be participating by the end of the third year.
- 14) Premium supporter usage is person specific, and is available in blocks for organization level access, such as World Bank, U.S. Department of State, or USAID.
- 15) Staffing plans allow for up to ten temporary contract people to provide paid services for 100 hours per month at a cost of no more than \$25/hr. A bulk work agreement with a maximum time and materials charge per hour, or a firm fixed price contract would be negotiated prior to accepting the work. Terms would include payment of contractor only when payment is received from the customer via internet transaction. Usually payment will be received before premium service is delivered, and the contractor will automatically be paid upon receipt. Services which may be rendered if supporter demand is great enough include: project rescue and support, project management mentoring, project analysis, pro-forma analysis prior to

project approval, operational analysis, and hands-on face-to-face field support of humanitarian, disaster relief, and development projects. Over time, expertise may be developed in specific verticals such as roads, water wells, schools, energy, and health. This work would be done with the goal of being a force-multiplier for other parties involved, so that with our presence their success is assured at significantly lower costs and calendar time requirements. Paid services are not a core service to this endeavor, but are included due to continued strong market demand for competent assistance and support.

- 16) Grants are a critical source of funding and market presence for non-profit organizations. Participating in Grant programs is important because of the connections and introductions made in the program, as much or perhaps more so than the money. It is assumed that all grants received have no restrictions.
- 17) Donations from supporters are a core revenue source for many non-profits including DPC. The global market reached by the web site has an estimated customer base in excess of six million non-government organizations that need our services. This estimate is derived from an estimated total count of thirty million in-country and international NGO's in the world today, of which one in five badly need our services and will utilize our web site. As a low estimate, one person from each of those six million organizations is assumed to visit the DPC web site each month. The real number according to informal market research is about seven people per organization on average, or a web site traffic level of 42 million hits per month in Year 3 or Year 4. Of the six million web site participants each month it is estimated that a total of 10,710 donations of \$10 or more will be received in the Start-up year from 4,100 premium supporters. with 53,400 in Year 1 of \$15 or more, 160,000 in Year 2 of \$15 or more, and 240,000 donations of \$20 each or more in Year 3. In percentage of traffic terms, it is assumed that 4% of web site participants will donate the minimum amount each month in order to receive premium access to the site and expedited services.

18)

Assumptions	Startup Year												Total
	Qtr 1			Qtr 2			Qtr 3			Qtr 4			
	Jan	Feb	Mar	April	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	
Monthly number of premium supporter donations assumed at minimum amount	-	-	-	10	75	125	1,200	1,500	1,000	700	2,000	4,100	10,710
Assumed minimum donation per supporter	10	10	10	10	10	10	10	10	10	10	10	10	10
Amount donated above minimum requested	-	-	-	-	-	3,000	-	-	6,000	1,000	-	2,900	12,900

- 19) In addition, it is assumed that some donors will contribute more than the minimum requested. This amount will increase over time as the organization becomes widely recognized and donors outside of our customer base begin contributing. It is assumed that monthly donations will vary over time. The following annual donation factors are assumed and calculations are shown using these assumed numbers. It is worth noting that these numbers are less than one third of the figures shown by the limited market research performed to date. Using the actual figures produced growth estimates, which revealed the limiting factor on DPC growth to be staffing and organizational development. Demand for services is expected

to outstrip what DPC can supply for the first ten years. For this reason, conservative figures were used on the assumption that only five Directors could be developed and productive in the first three years.

**Development Project Clearinghouse
Pro-Forma Statements of Financial Position**

	Startup Year	Year 1 2015	Year 2 2016	Year 3 2017
Donations assumptions				
Maximum number of premium supporters in the year	4,100	8,000	32,000	48,000
Average number of monthly premium supporters	893	4,450	13,333	20,000
Total number of premium donations for the year	10,710	53,400	160,000	240,000
Minimum donation amount requested	10	15	15	20
Premium support donations at minimum amount	107,100	801,000	2,400,000	4,800,000
Amount donated above minimum	12,900	25,000	250,000	250,000
Revenue from donations	125,000	826,000	2,650,000	5,050,000

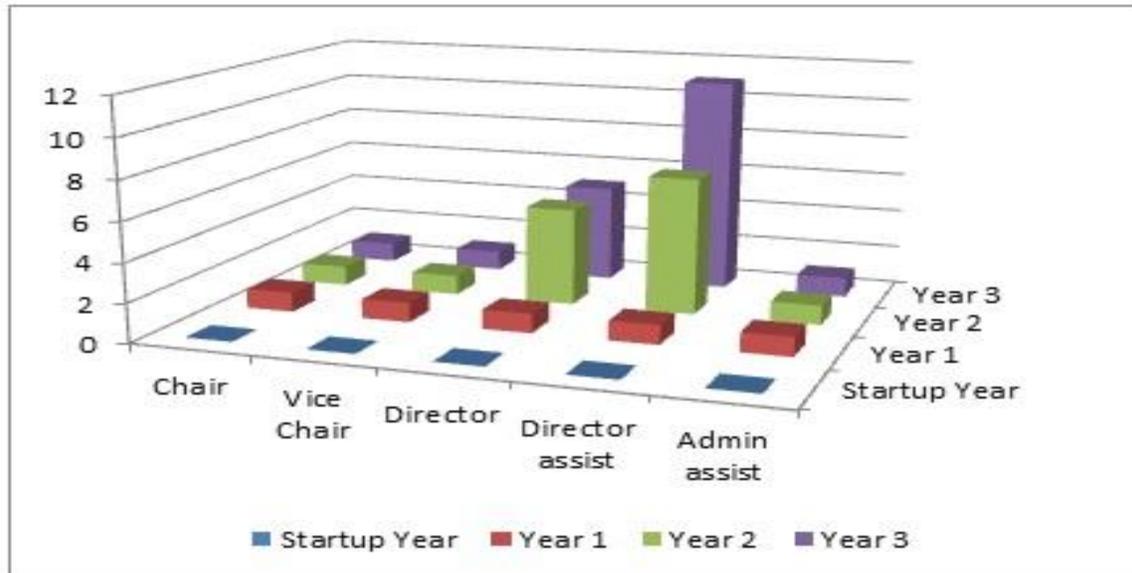
- 20) It appears after a limited amount of research that administrative and miscellaneous expenses required by events encountered in normal office operations routinely exceed expected amounts, therefore it is assumed that \$16,300 in Year 1, and \$48,000 in Year 2 and Year 3 will be sufficient. A great deal of planning and work has been done to capture costs, so this may be excessive.
- 21) Advertising and promotion is as important to a non-profit as it is to a for-profit. \$10,000 is assumed to be sufficient for internet (Google search) and other on-line advertise as well as a limited amount of print advertising or a small booth presence at conferences in the start-up year. The assumption is that this cost will increase as people come into the firm and begin their work of promoting the firm and delivering results through the web site and project portals. It is assumed that \$20,000 will be sufficient in Year 1 and \$40,000 will be sufficient in Year 2 and Year 3.
- 22) Board of Directors (BoD) expense is assumed to be no more than \$6,000 in Year 1 and \$12,000 in Year 2 and Year 3. BoD meetings are expensive and must occur monthly to ensure the young organization gets all the direction, governance, inspiration, and management that is required to assure success. The first meeting will be in or after the month of June in Year 1.
- 23) Fund-raising expenses are required to reduce the maturity curve of donations and grants solicitations, and to expedite awards. The founder will do this work without compensation in the startup year, and after that, it is assumed that \$20,000 in Year 1 and \$40,000 thereafter is sufficient to cover fund-raising costs not otherwise in the budget.
- 24) A Gold Award Ceremony is planned to occur annually. The amount of \$12,000 is assumed to be sufficient to recognize critical team supporters in our efforts, some of whom will not be employees as this ceremony is as much about our supporters, donors, and professional friends as it is about our employees.
- 25) Internet, Google web site, email, and collaboration tools are critical to this effort. The internet is an enormous leveler of the playing field and this venture seeks to leverage that fact to the utmost. It is assumed that all internet connectivity and web site development work can be done for the initial \$10,000 allocated in the first three months of the startup year. \$5,000

per year thereafter is assumed to be sufficient for subsequent enhancements. This is an area that may receive additional funding if justified, although the technical expertise to do this work is widely available at very reasonable rates. In addition, the founder may be able to do all of this work prior to the startup year.

- 26) Liability, E&O, professional bond insurance is important to any business as a defense against frivolous litigation. It is assumed that \$5,000 will be sufficient in the Startup Year. As more people become active in the firm this cost will increase. It is assumed that \$10,000 in Year 1, \$35,000 in Year 2, and \$40,000 in Year 3 will be sufficient.
- 27) Legal fees are minimal, \$5,000, in the startup year for Delaware incorporation and filing and limited legal advice, based on known conditions. It is assumed that once staffs are onboard, the increase to \$20,000 in these fees for Year 1, and \$23,000 thereafter will be sufficient given that each Director will have legal experience and some may be active attorneys. In-kind professional services contributions of legal and other services may be available; still, market research shows that in the current tight economic conditions few professionals are donating services to start-up non-profit organizations.
- 28) Meetings and conferences are emphasized because in the non-profit community being seen and available to other parties is critically important. If a non-profit does not participate in U.N, Department of State, USAID, and other gatherings then it is assumed to be less than serious about the work. It is assumed that \$18,000 in the start-up year will be sufficient to introduce the firm to the community on a face-to-face basis. These figures, and the subsequent figures for this line, are subject to reductions of up to 50% if needed to balance the budget.
- 29) Office Equipment, Computers, Desks, Furniture were calculated using parametric methods and a cost per person approach. With the advent of bring-your-own-device practices, staff may have their own computers or equipment they wish to use. Given the amount of travel, fund-raising, promotion, meetings, conferences, and BYOD, it is assumed that not every person will require a dedicated desktop machine. As a result, a significant portion of this funding is for other items such as furniture, software, and other equipment such as smart phones for the Directors.
- 30) Payroll, related taxes, benefits, and leave were calculated as a total cost per position, and then by number of positions filled over time. Positions are planned to be filled in the fall as a general rule. The first Director will be added in May of Year 1, which is when the Chair will begin drawing a salary as well. The second Director will be added in September of Year 1, and one of these two people will be the new Chairperson in Year 2. Full staffing is not planned until Year 3 and could occur earlier if grants or donations exceed expectations or costs are lower than expected.
- 31) Staffing by position by year is below. It is assumed that this staffing will be sufficient to ensure the growth desired. Note that no salaries are paid out in the Startup Year, and so no staff headcount is given because these numbers are most commonly used to tie to salaries and other costs.

**DPC Pro-Forma Notes to Financial Statements
Staffing by year**

Staffing by position	Startup Year	Year 1	Year 2	Year 3
Chair	0	1	1	1
Vice Chair	0	1	1	1
Director	0	1	5	5
Director assist	0	1	7	11
Admin assist	0	1	1	1
	0	5	15	19



32) Staff salaries were developed using average pay scales for non-profits in the Washington DC area based on position advertisements online (<http://www.dice.com>) and on available reporting (<http://www1.salary.com/Non-Profit-and-Social-Services-Salaries.html>). Income taxes, health insurance, benefits, and other staff costs were aggregated into one cost per position title. Salaries in this area have been flat for several years and it is assumed that no salary increases will occur in the first three years of operations.

Position Title	Total Annual Cost
Chair	240,000
Vice-Chair	240,000
Director	240,000
Administrative Assistant	160,800
Director Assistant	180,000

33) Professional Fees include organization membership fees for employees and fees paid for services rendered by external parties. It is assumed that no Professional fees are required in the Startup Year. \$4,000 in Year 1 and \$10,000 thereafter is assumed sufficient as legal fees are covered separately. This is based on one to three organization membership fees per staff person for at most half of the staff at average association membership costs.

34) Travel costs are expected to be significant. Internet based communications will be used as much as possible, still, it is assumed that staff will be required to be present at United

Nations Offices and other offices in New York City or elsewhere such as Europe, Africa, and South America. It is assumed that \$26,600 in the Startup Year, \$54,000 in Year 1, \$85,000 in Year 2, and \$90,000 in Year 3 will be sufficient.

- 35) Depreciation and amortization are helpful to any organization dealing with capital investments as the gear ages and deteriorates past the point of usefulness. These calculations assumed a useful life of seven years and further assumed that all items depreciate at the same rate.
- 36) Rent & Utilities - office space in the District of Columbia (DC) was priced at \$54/sq ft / year (<http://www.showcase.com>). It is assumed that \$6,300 a month will cover rent for respectable office space on K Street in downtown DC for the initial group of 3-7 people expected in Year 1. This space will grow in Year 2 to the full size expected to be needed in Year 2 and Year 3. It is assumed that \$20,000 per month will be sufficient funding to provide space for 20 people. This is a difficult calculation to make, as it may be that up to half the staff are out on travel or field work assignments at any given time. To be conservative in planning, a full house was used. Each Director is allowed 200 sq ft, and all others are allowed 150 sq ft for a total of 5,350 sq. ft. at \$54/yr the estimated rental cost is \$180,900 per year. This was increased to \$240,000 per year to include utilities, reception area, a conference room, and a small margin of error.
- 37) Security requirements are minimal, still state of the art office security was priced at \$2,000 for a starting set up in Year 1. It is assumed that is a valid price quotation, and that will be sufficient until Year 3, when \$6,000 is assumed to be sufficient.
- 38) Limited supplies will be required. It is assumed that \$1,000 in Year 1, \$2,000 in Year 2, and \$3,000 in Year 3 will be sufficient to provide the needed office supplies.
- 39) Training is estimated at \$3,000 in Year 1, \$6,000 in Year 2, and \$9,000 in Year 3 using parametric methods.
- 40) Dividend and interest income is obtained as returns from certificates of deposit (CDs). These instruments are bought in December of each year except Year 3 when they are assumed to be purchased in July. An interest rate of 1.56% APY was quoted by the Department of State Credit Union (<https://www.sdfcu.org/rates>). It is assumed that conditions will encourage purchase of 60 month CDs, and that these instruments will be left intact.
- 41) It is assumed that paid services work demand will be so high in the Startup Year and Year 1 that the venture adapts to provide services for a fee in Year 2 after small trials in the last quarter of Year 1. The staffing plan allows up to ten people to provide paid services for 100 hours per month at no more than \$25/hr. Typically temporary contractors paid \$25/hr or less would do this work. A bulk work agreement with a maximum time and materials charge per hour, or a firm fixed price contract would be negotiated prior to accepting the work. Terms would include payment of contractor only when payment is received from the customer via internet transaction. Payment is assumed to be received the same day or hour. Services which may be rendered if supporter demand is great enough include: project rescue and support, project management mentoring, project analysis, pro-forma analysis prior to project approval, operational analysis, and hands-on face-to-face field support of humanitarian, disaster relief, and development projects. Over time, expertise may be developed in specific verticals such as roads, water wells, schools, energy, and health. This work would be done with the goal of being a force-multiplier for other parties involved, so that with our presence their success is assured at significantly lower costs and calendar time requirements. Paid

services are not a core service to this endeavour, but are included due to continued strong market demand for competent assistance and support.

- 42) It is assumed that adobe portable document formats or similar technology will soon be commonly available that enables XML financial file and report reuse in new ways. Pdf files are embedded in this business plan as an example of such reuse. As always in Microsoft word documents, double clicking an embedded file will open the file in its native format if that format is known and configured to support such functionality on the device in use.

Appendix - Source and Application of Funds

Funding sources include donations, grants, and awards. Funding will be applied to incrementally grow services and increase the value delivered by this enterprise. Growth after the Year 3 will be limited to control costs until sufficient funding is on hand to cover operations through the next calendar year. The assumption is that donations, grants, and awards may not be available for a given year due to global recession or other economic downturn.

The founder will donate \$5,000 at startup to cover costs of incorporation and other legal fees.

Appendix - Marketing Mix

The services and products offered by this venture will eventually support any funding source and any project needing funding, within the legal limits of international law and the countries involved. Our services will be targeted at humanitarian relief projects, disaster recovery projects, development projects, and sources of funding for such projects. Initial services offered will be specific to development projects, and the coordination of partnership efforts between parties interested in funding development projects and parties interested in having development projects funded. Tailoring Product, Pricing, Place/Distribution, and Promotion/Communication to the needs of our customers will no additional criteria other than fully complying with all applicable laws, and remaining fully transparent is a significant part of what makes this venture unique. For example, all other Government players and a majority of NGO's have a political agenda, stated or unstated. This agenda directly affects their Product, Pricing, Place/Distribution, and Promotion/Communication efforts. Gaps result, and ineffective service and product delivery occurs as a widespread phenomenon in the development community worldwide. Absence of a political agenda will naturally differentiate our products and services, in addition to our other efforts to differentiate ourselves, such as full transparency and consistent reporting.

Products and services will evolve over time as the state of the art in verticals like development projects is improved by our efforts, and the efforts of our partners or others. The Board of Directors will determine initial market segments. South America is the current initial target markets, followed by Africa.

Pricing of services is to be determined by venture cost factors, and offset by appropriate use of grant or gift funding. The venture is a non-profit organization and will operate as a non-government organization (NGO) internationally. Pricing will need to be sufficient to cover costs and perhaps set aside trust funding for future years as a small overhead percentage. This is the sub-optimal "cost-plus" method mentioned by Mackey (Laureate Education, Inc. [Laureate], 2007, p. 15.)

Promotion is expected to be accomplished in primarily electronic modes. Internet search results on Google (perhaps donated if Google is a Partner to this venture), Facebook, and twitter social media, direct promotion at regional events such as those hosted by the World Bank, the United Nations, USAID, the U.S. Department of State, China, India, or others.

Every Director on the Board of Directors is also, or will have been, an external customer. A majority of the staff, volunteers, interns, and employees will be either foreign nationals or American citizens of foreign descent. Everyone will relate to the external customers. A consistently applied, heavily researched, well planned, and properly funded marketing strategy will help ensure that everyone relates to the external customers.

Appendix - Product/Service Innovation Implementation (Conversion) Plan

The five aspects of this venture's innovation implementation plan include innovation project initiation, project planning, project execution, project monitoring and control, and project closure. The innovation implementation plan is finalized and executed in the "First build-out" stage shown in the growth-phase table. During project initiation, an initiation process will authorize the overall project. In this process project objectives will be established, scope is defined in a written project charter document where responsible parties and deliverables such as web site sections and specific services like entry, search, match, and reports are identified

During the planning process, the actions that result in achievement of the project objectives are defined. Scope planning, schedule development, resource planning, and cost budgeting will occur as core project planning efforts. Quality planning, staff acquisition, and risk identification will occur as needed.

In executing the project, resources will be engaged and coordinated to fulfill the project plan. Execution involves coordinating resources, human and otherwise, to carry out the overall project plan. Coordination and management efforts include team development, information distribution, solicitation, performance reporting, cost control, quality control, schedule control, risk monitoring, and required project monitoring and control. Project closure involves presentation of project results for acceptance, capture of lessons learned, and termination of project activities.

The initial innovation implementation plan utilizes free Google site internet capabilities, and donated technologist and management time. About one month of technologist and management time is required to build the initial Google site with integrated services and supporter's communications. This time can be spread out over several months or even a year so that few direct costs are incurred by this venture initially. Quality of results sufficient to be acceptable to other NGOs, the United Nations, the World Bank, the International Monetary Fund, and USAID are needed. In short, the initial innovation implementation plan costs are near zero, the resources are free or donated, quality is business standard professional, and time requirements are flexible.

Overall, the plan is to proceed incrementally with significant feedback during each phase of implementation. Feedback captured in a standard format will be readily available to all DPS staff for review and consideration. The desired result is a self-tuning organization that is built to be self-optimizing at inception and to remain self-controlling as it grows. Continuous improvement through innovation is important to this effort and is incorporated in the organization structure, strategic and tactical planning, message themes, and operations. Risk management is also important, and various risk mitigations are designed into the structure of this venture as well as in the strategic and tactical planning efforts noted elsewhere in this paper. Should things not go as expected at any time, the organization is imbued with the agility to change course as needed to realize success as quickly as needed.

Appendix - Product/Service Innovation Diffusion Plan

The venture's innovation diffusion strategy utilizes free Google site internet capabilities, and exposure through USAID, the World Bank, the International Monetary Fund, and the United Nations. Partnership and grant opportunities are known to exist at these organizations at present. Partnership with such organizations is only possible if criteria specific to each organization are met. Such criteria may be generalized as 1) being an NGO, 2) being a non-profit, 3) having credentials, capabilities, and competencies sufficient to satisfy the decision-makers.

The author has personal relationships with decision-makers at these organizations. Working in partnership with these organizations, DPC's products and services can be promoted directly to third world governments who often own projects needing funding, to NGOs and Governments that often provide development funding, and to interested third parties. These promotions are to be done in person, over the internet, and eventually by local representatives holding positions such as supporters or Directors in this venture. Initial promotion efforts may be limited to one or two regions. Internet-based promotion efforts will be global.

This venture will accumulate unique data of significant value to other parties. Sharing of this data will be limited to the purposes of increasing the effectiveness of development, disaster recovery, and humanitarian aid. Various studies may be done using this data, and this venture will retain source control over the data it owns outright. Sharing of data will be an effective way to promote other services offered by this venture.

Appendix - Use of Technology

This venture will utilize innovative technology in unique and innovative ways. For example, recent innovations in XML data have produced an XML vocabulary and schema for strategic plans and strategic collaborations. This venture views development projects as subject to strategic collaborations within the host countries. XML will be used as a core technology that enables the documentation of development projects and development funding in the strategic format that is StratML (Ambur, 2008; Chun et al., 2011; "XML.GOV," 2012.) Applying StratML to development projects is an innovative idea that requires extension or adaptation of StratML. When completed, this innovative work may result in an entirely new ontology and schema derived from, compatible with, but different from StratML. For example, StratML has been more or less exclusively focused on data capture and representation to date with little or no focus on data interchange, while this venture proposes data interchange after capture as a core innovative service. The services and products proposed are innovative, the proposed use of existing technology is innovative, the results to the development community are uniquely valuable, and these results are not to be found at present either individually or in aggregate. When viable, these innovative results may give rise to other capabilities.

A unique benefit of this approach is that content specific to both projects and funding may be documented as plain text XML files, resulting in easily searchable content preserved as data without using a database. Single format technology like this makes the offered services much less technologically challenging, increases operational efficiency, and enables future innovations such as customized tools or phone gadgets while complying with all known standards.

In addition, adobe portable document format (pdf) files are embedded in this document as an example of the advantages to be gained by financial report reuse. Each financial statement could be prepared as an XML pdf file, and made available on most if not all technology devices (<http://partners.adobe.com/public/developer/xml/topic.html>). The embedded pdf files may be printed separately, used as a stand-alone document on a web site, or included in other publication material. Reuse of reports, especially performance data and financial data, is proposed earlier in this business plan as a means of saving costs, enhancing transparency, improving traceability, and simplifying communications. Embedded pdf files like those in this business plan are an example of how this can be done at present. It is expected that the capabilities and ease of use will increase over time while costs of use of this technology declines. The effect of financial and performance source data being embedded and directly accessible for in-depth analysis may be significant. Each financial statement or report generated by DPC may enable single click drill down to the desired level of detail within the report or document. Clicking on a number may show all the notes, adjustments, and month-by-month or week-by-week tallies that support that number while incurring no network traffic and very little local device computation workload. This functionality is possible given the presence of the data in the file in XML format, which is simple text with a structured hierarchy around it that is also simple text. In short, clicking on a number in an XML document works much the same as clicking on an index item in this document does – it displays other data in the same file on the screen. This sounds fantastic in a financial and performance report context but is very doable, technologically speaking.

Eventually, perhaps the Securities and Exchange Commission, IFRS, and other legal governing authorities with a mandate to provide governance over financial and performance reports will adopt the data reuse within the report approach outlined in this business plan. DPC

has no intention on waiting on government entities to catch up; we can lead the way successfully by defining the standards and delivering the financial and performance reporting capabilities that may eventually be used globally. If the IFRS or SEC adopted standards are different from the DPC methods, we can adapt easily to whatever those governing bodies eventually approve. It is reasonable to expect that such IFRS or SEC standards are several years, if not decades, in the future.

Appendix – Balanced Score Card

The balanced scorecard analysis for the four performance measures (customer perspective, internal perspective, innovation, and learning perspective, and financial perspective) is below:

Customer Perspective	Financial Perspective	Innovation & Learning Perspective	Internal Business Perspective
<p>To secure funding that enables development project work to proceed with results delivered as needed</p> <p>developments like schools, water wells, hospitals, roads, bridges, ports, or other facilities.</p> <p>To provide funding to worthy projects that are competently managed to produce results in the category(s) for which the funding is being provided.</p> <p>Increase local population capabilities</p> <p>Overhead reduction</p> <p>Risk reduction</p> <p>Integration with other projects in the same area or region</p> <p>Tracking of project results in a standard way</p> <p>Accounting and reporting performed in standard ways</p>	<p>Project financial success involves securing sufficient funding to execute the project, and expending the funding in ways that result in successful project completion</p> <p>Funding source success involves finding projects needing funding, and providing funding that secures results in the category(s) for which the funding is being provided</p> <p>The local population is more successful after development projects are successfully concluded</p> <p>Funding sources include NGO's, Governments, and organizations like the World Bank, International Monetary Fund, and United Nations</p>	<p>Achieve the stated vision for this venture, and continue to innovate and improve</p> <p>Skill development</p> <p>Motivating funding sources and projects seeking funding to perform at higher levels than has been historically the case</p> <p>Increasing competence with respect to technical requirements</p> <p>Continuing development of business organization and culture</p> <p>Measure of employee capabilities</p> <p>Accept feedback from all parties to inspire additional innovation, and/or new strategies</p> <p>Publish new strategies and communicate them to partner organizations and supporters</p>	<p>To satisfy partner and member expectations</p> <p>Excel at automating connection of funding sources with projects needing funding</p> <p>Evaluate applicable technological innovations like StratML</p> <p>Providing excellent services, developing better services as a result of continuous improvement</p> <p>Utilizing rationalized processes</p> <p>Knowing the development space, participating in big data projects underway at World Bank, USAID, and United Nations to develop new insights that can be translated into action</p>

Appendix - Product/Service S-Curve Analysis

No peers exist to this venture because no worldwide development project clearinghouse has been found in any form. In addition, coordination, collaboration, full transparency, and an absolute absence of bias in any form is central to the vision of this venture, and makes this venture unique because other parties have strong biases. The biases create gaps in the best possible outcomes of development project work if it were perfectly executed, which is seldom. An innovation analysis using Figure 1.4 in White & Bruton (2008, p. 22) of this venture identifies it as a category 1 innovation as integration of development projects and connection of development funding sources with projects needing funding is an old problem while this venture offers a new solution to that problem. The products and services offered in this venture fall in the invention area of the S-curve of technological progress (White & Bruton, 2008, p. 42) because these are new products and services not currently offered or available. The invention area of the S-curve is the very first area on the curve. This area indicates significant risk and significant opportunities if no direct competitors are known.

Appendix - Ethics & Legal: Social Responsibility

Adoption of standard NGO Ethics ("WANGO Code," 2011) will go a long way towards satisfying ethical and legal requirements. Ethical behavior in this market space is subject to interpretation, as few national or international ethical standards exist in complete agreement. Setting the highest possible standard of ethical conduct in all management efforts related to this venture will set a high bar that competitors may find difficult or impossible to measure up to. Utilizing a rotational management structure will realize servant-leadership, reinforce humility as a DPC cultural norm, and will keep management energized, fresh, and invigorated.

Ethics must be above criticism, with internal controls and full transparency to external scrutiny (WANGO Code & PMI Ethics.) Robust and immediate remediation is important to control any risks due to ethics blunders. Corporate and Project structure matters, and should be such that unethical practices are eliminated or corrected in short order. (Vance & Harris, 2011)

Projects should make a commitment to use original and legal goods. Utilizing fakes or illegal products of any kind will cause issues over the long term. (Balfour, 2007)

Dieck & Anette (2011) point out that being informed is critical. Using internet resources and services such as Dun & Bradstreet to ascertain ethical standing of corporations will help. Communications is important to ethical behavior. Final evaluation of the project is the responsibility of the investor or funding provider, and part of the value proposition offered by the clearinghouse is to facilitate evaluation without providing judgments. To communicate this point effectively it will be restated in several places on the web site and in search results.

High performance teams are often primarily results oriented. Results oriented work activities may engender a results oriented ethical mindset. Results oriented ethics are sometimes ends-justify-the-means ethics rather than rule-based ethics. Compliance with rule-based ethics in all DPC results-oriented high-performance teams is important.

Appendix - Impact of the Global Economy on the Business

One thing that is certain about the global economy is that it will continue to change. In addition, businesses and nations will seek to improve their situation as change occurs (Dieck & Anette, 2011.) Long-term projects may find their success is as dependent upon being adaptable to change as any other factor. Trends and popular support vary over time. Popular support, being trendy and cool, matters to project efforts (Shi, 2011.)

Contradictory root forces or business drivers in the global marketplace may give rise to synergy and convergence if skillfully managed. It may be advisable to execute a regional strategy, with sub-regional management as the fulcrum of operations rather than headquarters or regional decision-making. Consistent leadership within this venture will be important as this venture adapts to global economic changes. Stating a strategic intent, and working through a known process to formulate and execute an international growth and development strategy, will help to ensure success (Ice, 2007.)

The opportunity summary is that connecting parties seeking funding for development or disaster recovery projects with parties interested in providing funding can be achieved in a simple, fair, consistent, flexible, and reliable structure already outlined on a DPC google site. Many projects are never funded at present. Funding resources are sometimes realigned to purposes other than originally intended because the need is known when unknown projects exist

that fit the original intention of the funding. Other opportunities exist specific to synergies between projects and between projects and local expansion efforts by companies.

DPC opportunities are global in scale. Various partners including NGOs, US Government, European Union, Russia, and others will benefit from DPC efforts in return for minimal funding and participation commitments. Still, creating synergistic partnerships can be quite difficult. Many niche markets exist in which such partnerships may be formed by applying consistent practices and leveraging automation in ways not yet explored. Information is the key product of this venture. The sourcing and distribution channel for this product is the internet. Internet risks include denial of service attacks and other hacking or virus attacks, and the possibility that the internet itself is unavailable at some future time. Critical relationships to this venture include corporate partnerships and local government participation. Risks to these critical relationships include damage from ethical misconduct. New unforeseen risks inherent in the core business drivers identified above may arise. Unexpected state failure may be one example of unforeseen risks to projects ("Foreign Policy," 2011.) Failed states require special attention as basic security and humanitarian needs may not be met.

The key to success will be to maintain a consistent flow of new funding and new project information through the website over time. Getting the message out about early successes will help develop new interest. A few quick wins in the very short term is important to create a track record of success.

Appendix - Sourcing

Sourcing from the United Nations in New York City, from the U. S. Department of State, and from USAID will be executed by connections with individuals in each organization, through personal channels. Additional sourcing may occur by opening new channels with Russia, China, India, Brazil, or other nations. Managing the supply chain is included in our relationship management, relationship building, and networking efforts. The business will create value by automation of partnership practices on a free Google site. Some practices are well known while other practices are unique to this venture. The management team will continue to develop new partnership practices, and incorporate those in the web site automation.

Sourcing and distribution channels are very important to companies and countries that are the major resource providers. As the global economy changes, these companies, and countries will evolve (Dieck & Anette, 2011.) When policies and politics change in significant ways, this venture may need to adapt to the realities of the global situation. Supporting partnerships may change, and critical funding sources may change. For example, Google may cease to provide free web sites and email support, in which case this venture will need to transition to a different provider of free technology, or, perhaps engage a paid service.

As a knowledge venture, this enterprise will use knowledge sources as key products with sourcing from institutions or organizations. For example, projects that use known management standards such as ISO 9000, PRINCE, and PMI's OPM3 ("ISO 9000", "OPM3", "PRINCE2," 2012) may be more likely to receive funding support than projects that use no internationally recognized standards.

If a regional subsidiary approach is adopted then sourcing as much of the venture's work locally as possible makes good business sense. Still, some work is likely to be done outside the regional subsidiary, or outsourced. Postponement is a manufacturing theme discussed by Kumar & Wilson (2009). Over time, this venture may develop a repository of project data identifying lines between groups with stated goals and objectives that have a great deal in common. Social matrix mapping may help us bridge these fault lines, and suggest partnerships between resource providers and project requestors that would not otherwise have developed (Rico, Sanchez-Manzanares, Antino, & Lau, 2012.) From project data, it may also be possible to identify recurring project stressors, and report indicators of the presence of stressors along with remediations including interventions to promote project success in much the same way team stressors are identified (Rodriguez-Escudero, Carbonell, & Munera-Aleman, 2010.)

Reputation and trust is everything. Dealing fairly, honestly, and openly with everyone will be critical. Maintaining full transparency and openness will help ensure an excellent reputation.

Appendix - Global Opportunities for Growth

Opportunities for growth for this venture exist in several areas. For example, each failed state represents a new set of opportunities for growth of this venture. Each failure of a sovereign nation brings new shortfalls into sharp contrast, and makes new needs visible and obvious. As some states recover, and other states fail, opportunities may change over time but are likely to continue to grow due to natural disasters, economic downturns, and governmental corruption.

It is important that this venture be positioned to respond to new business drivers. Brand recognition will help us capture new opportunities. Branding the DPC services offered is important to global success. It is reasonable to expect others to copy some portion of the DPC services offered. Differentiating the full service offering from other partial services is important; brand distinction will be a part of that differentiation (Applegate, Montealegre, Berasategui, & Etchard, 2003.)

In addition, this venture will enjoy the opportunity to gather project results, cultural notes, and other inputs from local and regional areas. As this database grows, it may be a valuable resource to others, and may generate new opportunities for this venture.

Appendix - Analysis of Vision Statement

This vision was created by a process of thoughtful reflection upon and critical thinking about the challenges that face the development community, the voids that exist in the development community ("Public Events," 2011; *United Nations HDR*, 2011), and how existing expertise and common practices might be applied to fill one or more of those voids. A future is visualized where development projects perform as well, or better, than projects in for-profit firms perform today. The practical realities, limitations, encumbrances, and other reasons why this vision is not the reality today in the development community of practice are drivers for this venture.

In a future with this vision executed the worldwide development landscape would look very different than it does today. Wasted efforts would be significantly reduced or mostly eliminated. Interconnections between projects are well understood and project overlaps are minimized. Development funding is much more effectively used, and achieves better results faster and with fewer issues. Projects are coordinated. Partnerships between projects are realized as a secondary service. Governments that want development funding for specific projects have one place to go where they may seek funding. Funding sources have one place to go where they may review projects they may wish to fund. Secondary services are available including tracking of results, sharing of lessons learned, project status reporting, troubled project interventions, financial management, financial reporting, and others. Eventually, the complex interdependencies of water, security, and energy and agriculture development are fully understood. If these development interdependencies are viewed as a chain where each link must be improved at about the same time for the entire chain to be effectively improved, then this vision when fully executed will facilitate those improvements. Fully transparent and entirely open the proposed dedicated business platform can operate with no proprietary data and can subject itself to any external review.

The author knows no reason as to why this vision may not be doable in the current global situation. All of the known components identified to date as essential and required already exist in some form, whether technological, organizational, human, or financial. The basic research has been done and verified, so to speak, and all that is needed is for the innovative spark this vision captures to be acted upon.

DPC will bring this vision to reality in phases, will measure success by phase, and each phase will be a major milestone. Phases in the realization of the vision are shown in the growth phase table. In the first three phases partner stakeholders will benefit, as these efforts will contribute to their fulfillment of their own strategic goals within each of their own organizations. In each subsequent phase, all of the stakeholders will directly benefit because each phase provides results that are valuable to the stakeholders. The stakeholders are numerous, and the primary service results may be used differently in some cases than in others. Stakeholders may be categorized as (a) partners in facilitating development projects (USAID, UN, World Bank among others), (b) parties providing funding for development efforts, (c) parties seeking funding for development projects, (d) parties executing development projects if different from those seeking funding, and (e) those directly affected by the results of development projects; the local population. Some five billion people on the planet may be stakeholders under this categorization. Indeed, the entire global population may be stakeholders in this venture.

Strategic and tactical plans will be communicated at least once a year, in presentations to partners and on the DPC web site. Google offers free websites and collaboration tools; a simple

example site (<https://sites.google.com/a/larrybradshaw.com/dpc/>) exists. Communications will also occur by participation in academic and professional conferences, meetings, and events. Each Director will organize local or regional use of more dynamic forms of communication such as Twitter or YouTube or Facebook.

Communications will be coordinated by means of internal DPC use of stated message themes. These themes will be included in the strategic and tactical plans, and refined by each Director as appropriate for the area(s) in their domain of responsibility, and their stakeholders. Simple, coordinated, coherent communications are very important to the fulfillment of the DPC vision.

Appendix - Strategic Growth Phase Table

Initial structuring	key individuals onboard, organizational structuring, first round of legal considerations addressed, and forge partnerships with the United Nations, the World Bank, the UN and others, joining professional organizations such as World Association of Non-Governmental Organizations (WANGO) and the NGO Management Association Switzerland, adoption of the WANGO Code of Ethics and Conduct
First path forward	next steps documented such as identification or confirmation of components needed, define initial facilities and operations, refine critical staff positions to be filled, set target dates for additional internet site content development, get specific about improvements to intake process for funding sources and projects, identify any communications that need to occur between the organization and other parties, identify and formulate additional partnerships such as with other NGOs or with for-profit firms to fulfill their corporate social responsibility goals
First build-out	activate the organizational elements in the initial facilities with whatever staff is available, and begin operations using the technological and business process components to create the internet site content needed to provide the primary service with limited functionality but very high quality and reliability, work with partners to validate and verify the primary service is sufficiently capable for initial use,
Go-live	activate the intake process to begin capturing project and funding source data, release press statements in partnership with the UN and USAID and World Bank and others, socialize the functionality to interested parties especially government entities via the UN and the World Bank; this concludes the first path forward efforts,
Review path forward	review progress to date, clarify the vision, develop next steps as needed to begin providing secondary services and to enhance the limited functionality available in the primary service, refine staffing plan, define future facilities and operations, evaluate weaknesses in leadership as among organizational risks and provide mitigations for organizational risks, set goals for the next five years in six month and one year groupings, finalize measures and metrics internal to the organization, finalize how the organization defines success and measures success,

	structure these results into a five year strategic plan and a one year tactical plan, communicate strategic and tactical plan to supporters
Review build-out	align operations to fulfill the path forward review results,
Repeat evaluation	repeat path forward evaluation and planning annually, and execute the build-out during the following year, assume the world situation will change rapidly so that annual reappraisal and realignment is critical to the long-term success of the vision, revise strategic and annual plans every year, communicate revisions to supporters.

Appendix - Analysis of Mission Statement

The mission was developed to fill a void recently identified in the development community by various experts during a Symposium on Future Development Challenges sponsored by USAID, U.S. Department of State, Woodrow Wilson International Center for Scholars and the National Defense University ("Public Events," 2011.) The result, years from now, may be perceived as a social network (a) built around business case criteria for development projects, (b) in which funding sources and those requesting funding find connections on a project-by-project basis, and (c) in which partnerships are formed between parties with common interests. The critical capabilities needed to reach this future result already exist in organizations such as venture capital firms, business schools and government business offices, off the shelf software products, and the large pool of NGO talent that is present, worldwide. This mission has no direct competitors at present.

The core competencies required to execute the mission and fulfill the vision are: (a) negotiations competency defined as the ability to form partnerships with key development field players, (b) technical competency defined as the ability to build a web site capable of capturing two types of documents, extracting key fields from standard templates for those two types of documents, and enabling searches on those key fields through a web enabled user interface, (c) organizational and management competency defined as sufficient to run an NGO on international terms. These competencies exist in the development field, today, but have simply not been combined as DPC intends to do, to independently provide a single or primary service. This is the main DPC goal. Achievement of this goal will occur by executing mission milestones that align with and fulfill the vision. Mission milestones will be fully defined after phase 1 – initial structuring is complete, and during phase 2 – first build-out.

Two types of supporter or customer documentation will drive the primary service: the funding source profile and the project business case. Both types will include specific goals and measures of success. The funding source profile will identify the primary and secondary goals of the party providing the funding, their reporting requirements, and any special conditions they may have. The project business case will include a number of identifying characteristics including any unusual local conditions, legal requirements, governance efforts, and cultural notes. Additional supporting documentation will be captured if provided. This may include project plans, funding source award criteria, charts and graphs or multi-media files. For example, a party seeking funding might capture a presentation in a short video file, ten to fifteen minutes in length, and submit that with their business case. Visual representation of needs, and hard evidence of results to be created, may help their case. The primary service offered by DPC will be to align goals, measures of success, and conditions within each type of document, so that funding sources are aligned with projects that have matching goals, conditions, and similar definitions and measures of success. Whenever possible, conflicting goals inherent in the project will be clearly stated. It is sometimes the case that efforts to fulfill short-term goals produce results in conflict with long-term goals, or that funding of a long-term goal in one country diminishes the prospect of success for the same long-term goal in a different country (Epstein & Gang, 2009, p. 384). Capturing better documentation of goals, definitions and measures of success, conditions and other characteristics or criteria will enable DPC to facilitate improvements in development decision making and encourage development efforts that are more effective. Templates and samples of each type of documentation will be provided on the DPC website.

Initially, manual searches may be the best approach for alignment of funding sources and projects. The approach is important because the details of the intake process are in part determined by the results needed from the intake process to realize the DPC vision. Manual searches can be simplified when the intake process produces discrete keywords and numerical ranges, or if these are included in the sample template documents. Eventually, operations research and linear algebra based tools using different models may replace the manual searches, such as discussed by Murugan and Manivel (2009, p. 146). In the interim, funding seekers and funding providers may find suggested connections on their home page at login, because of limited automation of cross matching.

Appendix - Legal, Regulatory and Ethical Requirements of the Organization

DPC will operate under US law, and will obey applicable local laws when operating within a non-USA jurisdiction. DPC will be organized as an incorporated non-profit ("Exemption Requirements - Section 501(c)(3) Organizations," 2011) in the state of Delaware, and registered with the United Nations and other organizations or other sovereign states as an NGO ("How to start a non-profit," 2011; Joanna, 2008; Joanne, 2011). The Company Corporation can help form the nonprofit corporation, and handle all needed legal filings for a fee of \$1,995.00 ("Form a Nonprofit and Obtain Tax Exempt Status," 2011).

As an incorporated non-profit, the DPC organization will include a Board of Directors elected by a fixed executive committee. An executive committee of five people is the minimum envisioned. While management decision-making is centralized in the Directors and leadership decision-making is centralized in the executive committee, it is intended that power generally flow from the bottom up, from the front line managers and the project team leaders up and out through the organization to the stakeholders.

DPC will adopt and uphold the WANGO Code of Ethics ("WANGO Code," 2011).

Appendix - Staffing Plan and Human Resources

Executive committee supporters need to be identified as a first step toward the creation of this organization. These will be people with board of director, chief operating officer or chief executive officer experience in NGOs, or equivalent experience. The author may serve as the DPC executive committee chairperson for the first year of operations.

The fixed executive committee will consist of five key personnel identified prior to build-out of the organizational structure, but may be augmented by recommendation of a majority of Directors with unanimous executive committee approval. The organization will seek out the best-qualified and available candidates. Executive committee supporters must have extensive knowledge of foreign aid and development projects. Qualifications for Executive Committee or Director level positions include decades of experience in this field, local cultural and legal knowledge, a proven track record of success, and evidence of the dedication and commitment that come from inspired engagements.

The Directors will report to a chief operating officer in executive committee meetings or as arranged. The chief operating officer will be the executive committee vice-chairperson until a separate seat is justified due to the organizational workload, as determined by the executive committee. It is desirable that Directors be drawn from a worldwide pool of experts, so that their native language and cultural skills may contribute to the success of the venture.

The executive committee vice-chairperson will ascend to the executive committee chair annually. The executive committee vice-chairperson seat will be voted in annually by majority vote of the executive committee from the pool of candidates who may assume the executive committee chair the following year. During the last three months of each year, the executive committee vice-chairperson will transition into the chairperson role. In this way, the executive committee chairperson seat will rotate among executive committee supporters, with one year of chairperson service based on one year of vice-chair experience. This will grow the organization by spreading the leadership experience among the executive committee supporters. Moreover, this will ensure a fresh perspective and new energy at the top of the organization every year. Rotating leadership is the example set by the United Nations, and the World Bank and International Monetary Fund similarly transfer power to new people for a fixed term on a regular basis. The catch is that once a person has been the supreme commander, a tremendous amount of humility and self-effacement is required for that person to serve as a member of the leadership team, but no longer as the supreme commander. This example of such humility at the highest levels will encourage, enrich, and sustain a robust servant-leader style throughout the organization. No one person may hold the executive committee chairperson seat more than once every five years. The executive committee will directly manage the organization during the first year, and will transition direct management to the Directors as they are appointed.

Directors need to be highly educated, skilled managers who share the vision of the organization and who bring extensive hands-on development experience from the field into DPC. The executive committee will assign each Director's area of responsibility when they are appointed. An area of responsibility may include one or more domains, and each domain may consist of several verticals such as market niches or humanitarian interest. This is not to say the organization will consist of silos. For example, all Directors will function as a team, on a horizontal layer, and various teams may exist horizontally under Directors. The Directors and their staff will form high performance teams featuring collaboration in vertical layers. As the primary decision-maker, the Director will be close to the business. If a sub-regional decision-

making approach is approved by the initial management team, then each sub-region will be run by a Director, with executive committee supporters running the regional and headquarters operations. Teams will collaborate as appropriate, with Directors determining what is appropriate. It is highly desirable that a substantial diversity of cultures, ethnicity, and gender be represented at the Director level, as these are the primary managers in DPC. Therefore, a Director might run a sub-region in the same area she or he was originally born in, and a majority of Directors may be of non-USA birth. If twenty Directors were eventually present in DPC, the goal would be that no two be from the same country, local culture, ethnicity, and gender. A limited organization chart is provided as a table "Organization Chart."

Each Director will submit their staffing plan to the executive committee for approval. Staffing plans at the Director level are required to follow the general philosophy of significant diversity. Staffing plans will provide for professional growth and training of employees.

Many supporters in the organization may volunteer to participate in a less formal role than as employees. The need for business case reviews, for instance, could be of benefit to scholarly institutions in their curriculum, and the firm could benefit from the results.

Phase 1 staffing needs are minimal, but precise administrative level of effort is unknown at present. Initially, senior people will execute high-level negotiations, partnership development work, and problem solving. The staffing approach is that the organization be built from the top down, as the demands on the organization justify staffing at the executive committee and director level. Executive committee candidates identified during the first year of operations will be thoroughly vetted with the goal of adding one executive member in the first half of year one and another in the second half. An executive assistant will join the organization around mid-year of year one.

Salaries work out to be a major expense of this organization. This is people intensive work, and our people, our specific knowledge, and our perspective of development as a specialized kind of business are what differentiate us from existing capabilities in the development community at present. People execute our mission and vision, uphold our values, and realize the potential offered by the uniqueness of this effort.

Under this approach, each director has a unique opportunity to build out his or her area of responsibility with whatever specific capabilities are required. Directors will keep human resource efforts in alignment with DPC mission and vision as one of their management duties.

Employees and volunteers are expected to comply with the WANGO Code of Ethics and Conduct ("WANGO Code," 2011,) as adopted, at all times. The Code of Conduct will be amended during adoption to include adherence to the message themes in use by DPC. If a Director is not able to maintain the organizational values within their area of responsibility, the executive committee may dismiss that Director by simple majority vote.

Appendix – Value Chain

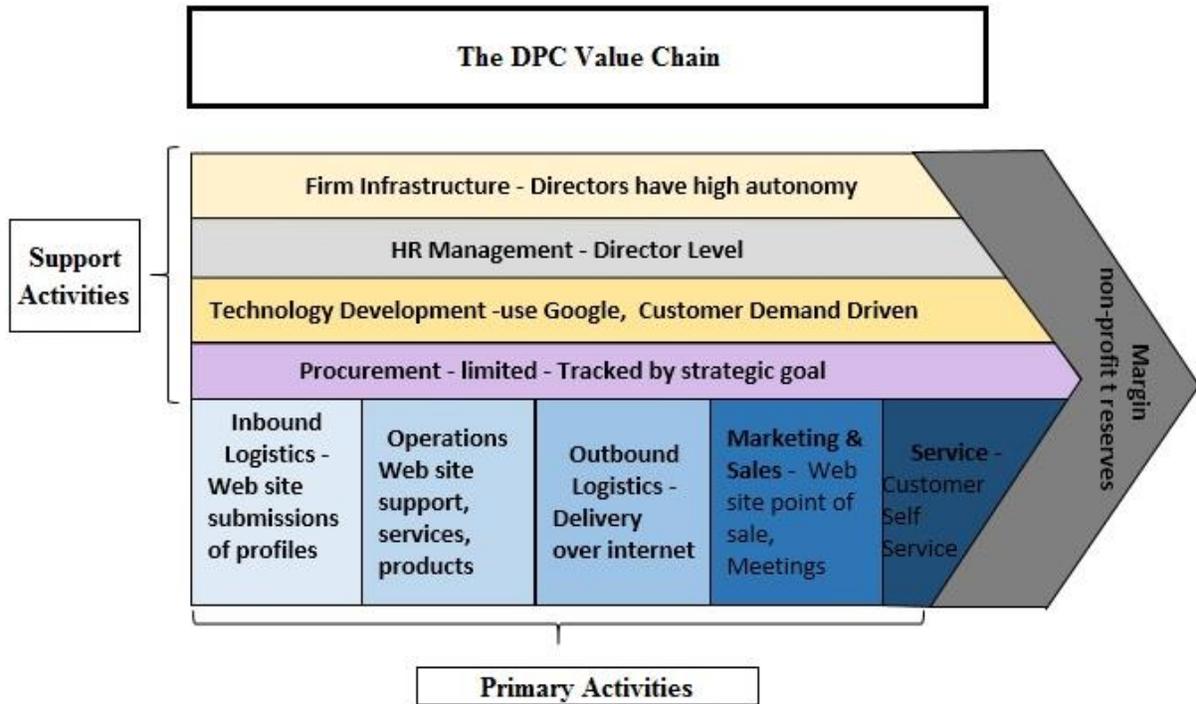
The DPC value chain is depicted in the Value Chain diagram below. Porter's value based management (http://www.valuebasedmanagement.net/methods_porter_value_chain.html) were applied to the DPC organizational structure and business approach to produce this diagram. As with many other firms, the DPC value chain consists of Inbound logistics, Operations, Outbound Logistics, Marketing & Sales, and Service. Inbound logistics consists of data capture on the DPC web site using standard profile forms for project funding provider and project funding requestor data. This data is stored for the customer. At the customer's discretion the data may move to the next step where it is processed using automated routines that result in outcomes which define the next step. Prior to submission or saving, the web site will ensure that the submitter is a human being and not an automated system of some kind. Automated submissions such as from other organizations is a future service beyond the scope of this initial plan.

If a match is found immediately, the customer is advised of the outcome immediately on the web site and by email response as one element of the outbound logistics. If a match is not found but several potential candidate matches exist that are subject to further review, the customer is notified of this outcome. At this point the customer is also advised that DPC offers facilitation services to supporters who have made a small donation, if the customer wishes such assistance. The customer may make a donation or may pursue the potential candidate reviews using other web site capabilities such as site text chat or Google's hangout (<http://www.google.com/+learnmore/hangouts/>) capabilities which support voice and video conferencing.

If issues are found in the data as submitted, the customer is advised of the most common causes of issues and common resolutions. If no matches are found, the customer is advised of this and provided a brief history of counterpart submissions so that they may develop reasonable expectations. In addition, the DPC Director responsible for the submission area will receive an email notice in a bulk email account or drop box indicating the unsatisfied request details.

Metrics on submissions will be captured by the web site and processed using Google Analytics (<http://www.google.com/analytics/>) capabilities, which are provided free by Google. Over time DPC may pay Google for Premium Analytics although these are more than is needed for the first three years of operations as understood at present.

The DPC web site is the point of sale and collection site for most donations although a U.S. Post Office Box will be available for paper transaction based donations. Marketing efforts will be heavily internet based and will also include presentations at meetings and conferences by Directors. DPC may engage in analytics and humanitarian assistance enhancement and facilitation efforts that result in published white papers, credible publication submissions, or peer-reviewed journal submissions. These efforts will be initiated and coordinated by Directors at the invitation of the Executive Committee. Such publications are viewed as a form of marketing in that by contributing to the advancement of the state of the art in humanitarian assistance, DPC is also advancing the firm's name recognition and respect.



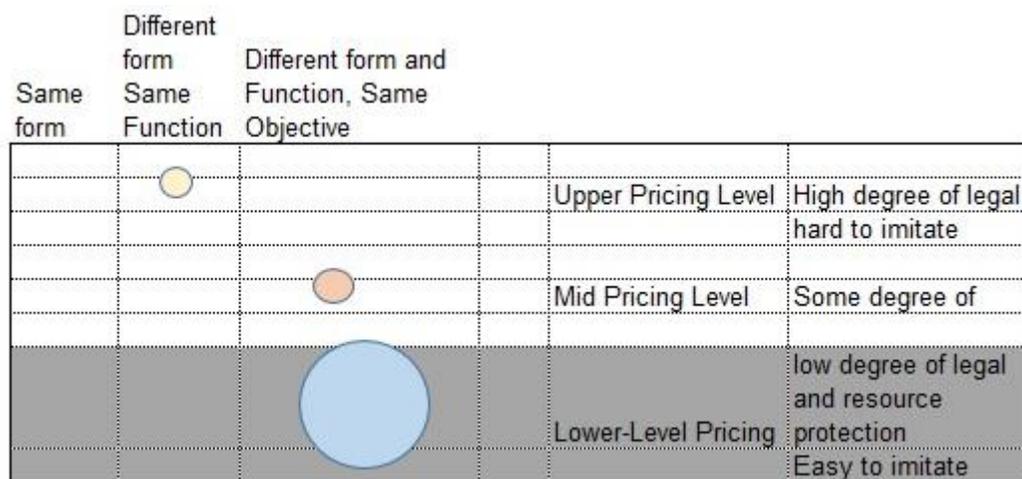
Services to customers are strictly limited in scope to predefined areas of effort specific to the DPC web site data collection, match identification, and notification functions. Many other desirable services are known to exist and these will be addressed by the Board of Directors over time as the firm matures. A critical point is that the Board of Directors will need to carefully balance which services are provided free of charge to all customers and which are held back and provided only to supporters who have paid a small fee. Some services may prove to be highly valuable and a thorough analysis may be required to fully evaluate buyer utility and the price corridor of the mass (Chan Kim & Mauborgne, 2005) prior to decision-making. Of the high value service innovations, a few may be so transformational that a fresh blue-ocean analysis of DPC is appropriate.

Appendix - Blue Ocean Strategy

DPC has undertaken a strategy to change the humanitarian assistance space, to cause it to be more effective at producing life-saving results in shorter timespans with fewer resources and less planning. Part of this approach involves the aggregation of project data such as funding amounts and results with subsequent analysis efforts whose goal is to leap-frog the traditional assistance mechanics by identifying and facilitating the development of entirely new capabilities. For example, componentized clean water supplies are entirely feasible but have not been undertaken on a serious scale and are not applied to the humanitarian assistance space. If supported by sufficient analysis, it may be possible to realize the production of clean water supply components that are sufficient to permanently supply any population with clean water. The same may be said for sanitary sewers. By completing those two efforts, DPC can enable blue-ocean humanitarian assistance work that is not viable at present.

Another example of DPC blue-ocean strategy (Chan Kim & Mauborgne, 2005) lies in the concept of automatically matching any project needing funding with any funding source available to fund the project, followed up by monthly reporting of project progress. This concept is not in practice at present although it is technologically little different than the plethora of online-dating services available free of charge on the internet. Applying proven technological capabilities to lower the cost to connect assistance providers with assistance needs while increasing the value of the connection to all parties and at the same time reducing the cycle time from weeks or months to seconds or minutes is an example of value innovation (Chan Kim & Mauborgne, 2005). Providing the connection and a few other services free of charge to any and all parties was a core DPC maxim stated in the first draft of this plan, and it is confirmed by the Price Corridor of the Mass diagram below.

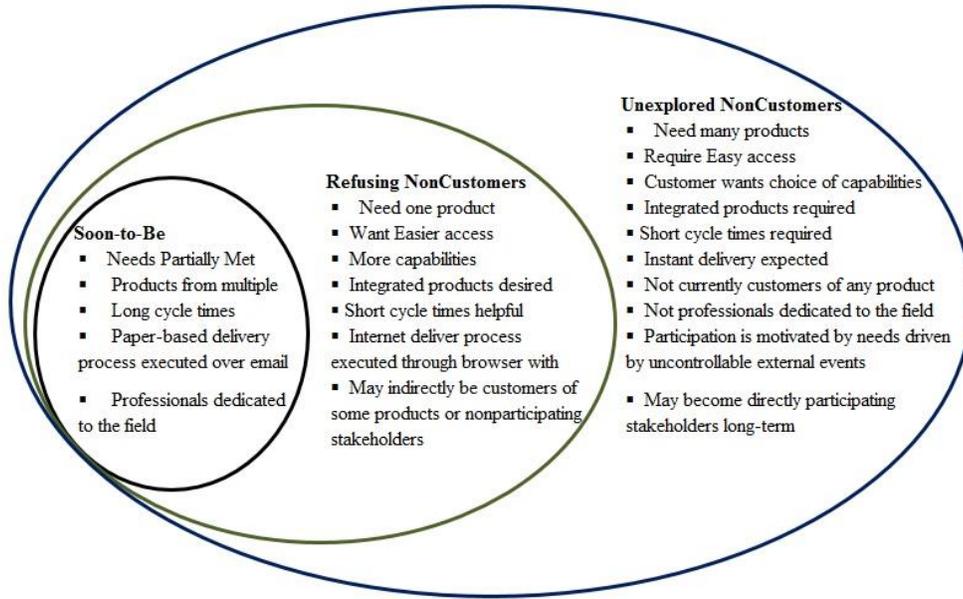
Price Corridor of the Mass



In addition, the noncustomer analysis below reveals the importance of keeping the DPC web site open and available to access over the internet. The unexplored customers are most likely to be people suffering a disaster in their area, or concerned relatives, friends, and neighbors. Providing mass connectivity of people to people is a service that DPC will add to the

free services already envisioned because it is revealed by the analysis below to be immediately useful to unexplored customers.

NonCustomer Analysis



Appendix - Six Paths Analysis

This analysis is interesting because non-profit organizations do not really compete head-to-head for customers in the humanitarian assistance space. Indeed, one of the larger issues that my venture proposes to resolve is the consolidation and coordination of projects when there is a dramatic over-supply such as in the case of Haiti. In this regard the Six Paths Analysis is helpful in depicting the absence (Chan Kim & Mauborgne, 2005) of project coordination, consolidation, or componentization in the humanitarian assistance space.

	Head-to-Head Competition		Blue Ocean Creation
Industry	Focuses on specialized areas within humanitarian relief industry	→	Look across all areas, all service needs of humanitarian projects. In addition, evaluate private industry, government think tank, and government alternatives in other industries. Specifically, draw upon project execution expertise in private enterprise in developed countries. (Ugwuegbu, 2013)
Strategic group	Local, National, Regional, and Global strategic groups	→	Provide services to Local, National, Regional, and Global groups. Design services to satisfy as many levels or all levels if possible for simplicity. Enable groups to use whatever services they need and which benefit them.
Buyer group	Focus is on Political factions as the buyers of humanitarian services.	→	Redefine the industry buyer group as the actual people being helped and sell to political factions and influencers in those terms.
Scope of product or service offering	Focus is generally on one vertical product.	→	Provide services for all humanitarian projects regardless of product. Provide facilitation service to integrate products of disparate projects to maximize value delivery, minimize waste, fraud, abuse, and minimize costs overall while shortening the delivery cycle time.
Functional-emotional orientation	Focused on price performance at project level without comparison of results. Customers are often stigmatized as “needy” or “desperate”.	→	Enable comparison of results by using standard performance metrics. Enhance performance on purely cost basis by focusing on results delivered to people being helped. In addition, change the emotional appeal to attract greater buy-in of the people being helped by offering facilitation and sharing of project know-how, transferring basic management

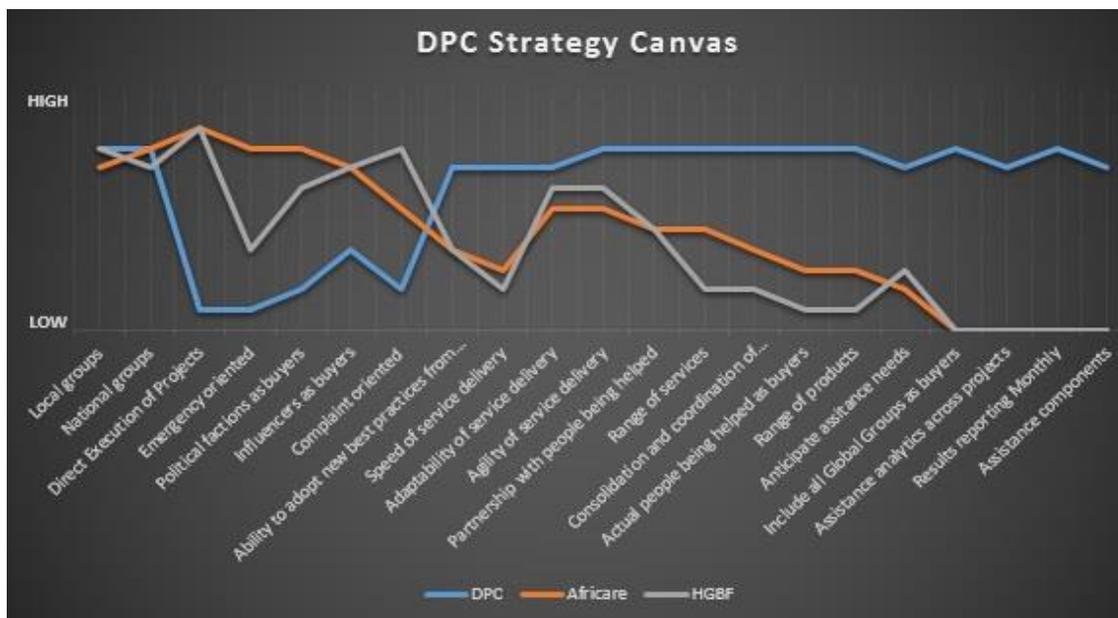
	<p>Outcomes are short-term or one-time assistance that seldom or never result in long run self-sustaining successes partly because the people being helped believe they can't manage on their own over the long term.</p>		<p>skills to others willing to learn them. Accept the people being helped as partners in their own assistance, and as owners of the long term results. Encourage outcomes that are long-run self-sustaining and self-advancing over one-time assistance efforts. Show people that they can manage on their own over the long term.</p>
<p>Time</p>	<p>Need oriented, frequently emergency response driven. New efforts seldom arise until the death toll is high enough to get TV publicity. Anticipation of needs is forecast but rarely or never compelling enough to motivate significant responses months or years in advance of those needs occurring.</p>	<p>→</p>	<p>Identify patterns among projects seeking funding. Facilitate new project funding requests based on needs analysis from U.N. or USG. Anticipate the need and minimize the funding levels required by resolving humanitarian issues before they become crisis situations. Provide other analytical services and suggestions. For example, suggest that the U.N. or World Bank design standard water supply systems as component units that may be combined as needed to serve various population sizes. Ask major global suppliers to design interchangeable parts that many can manufacture, and provide those parts to the U.N. for deployment to disaster areas like Haiti, or in anticipation of disasters to areas in need.</p>

The Blue Ocean Creation column contains examples of how the factors identified in this column will expand the existing opportunities for services provided by the proposed venture. If none of these expansions occur, the proposed venture expects to be viable and self-supporting in the current market space due to the simple fact that humanitarian assistance efforts plan, execute, and report on results of projects very poorly indeed compared to private enterprise project efforts in developed nations. The proposed venture will utilize standard project funding source and project execution templates. These templates will incorporate standard metrics as suggested for use across all projects. Additional metrics will be suggested for projects in specific verticals such as medical, water supply, electricity supply, roads, bus and rail transportation, and schools. Project execution updates will be suggested monthly. Over time, the proposed venture will accumulate a considerable database of project execution metrics including risks and mitigations. Business analytics on this data will support refinements to proposed projects not yet funded, projects currently in progress, and development of componentized solutions. For example, sanitary sewer and potable water needs may lend themselves to componentization. Such

components may be developed on a scale from temporary to permanent quality and low population to high population. As an example of the high end product vision, a high quality high population componentized potable water system could serve to permanently replace the existing water supply in any major city after an earthquake. The integration of these services, the ongoing development of new internet-delivered services, the support for componentization and project consolidation, and the online availability of these services as provided to unexplored populations by twitter or other internet-based social community, these all combine to create new markets at speeds only deliverable over the internet.

Appendix - Strategy Canvas Analysis

This analysis is interesting because non-profit organizations do not really compete for customers in the humanitarian assistance space. It is clear that many if not all humanitarian assistance organizations do share strategic thinking, boundaries, and customer perceptions which the strategy canvas may help to articulate. The humanitarian space is a large and complex space with many factors to choose from, only the most important have been selected. In addition, no other organization or entity provides the internet-based project funding source to project execution connection, or some of the other services proposed by this venture. It is difficult to relate the proposed firm to the current humanitarian services industry given the dramatic differences between the proposed venture and the industry at present. Monthly reporting of field results using metrics common across project globally, for example, is simply nonexistent.



Value Element	DPC	Africare	HGBF
Local groups	9	8	9
National groups	9	9	8
Direct Execution of Projects	1	10	10
Emergency oriented	1	9	4
Political factions as buyers	2	9	7
Influencers as buyers	4	8	8
Complaint oriented	2	6	9
Ability to adopt new best practices from alternatives	8	4	4
Speed of service delivery	8	3	2
Adaptability of service delivery	8	6	7
Agility of service delivery	9	6	7
Partnership with people being helped	9	5	5
Range of services	9	5	2
Consolidation and coordination of projects	9	4	2
Actual people being helped as buyers	9	3	1
Range of products	9	3	1
Anticipate assistance needs	8	2	3
Include all Global Groups as buyers	9	0	0
Assistance analytics across projects	8	0	0
Results reporting Monthly	9	0	0
Assistance components	8	0	0

These factors were chosen based on importance to successful delivery of results, contributors and donors, grant and other funding applications, and from criteria stated in humanitarian assistance analysis and annual reports (Hofstede, 2001; Nuruzzaman, 2009; Ross-Larson, 2011; Sharma & Mahajan, 1980; "Foreign Policy," 2011; "USAID," 2012; *United Nations HDR*, 2011; <http://www.africare.org/>; <http://www.thehowardgbuffettfoundation.org/>.) Fewer factors could be used by consolidating some of these, still, the rich diversity of the humanitarian assistance space means that aggregation of any of these factors will introduce inequalities that significantly increase the error range and lower the accuracy of the value curve. A higher error range and lower accuracy in the value curve may reasonably be presumed to reduce the value of the analysis overall and contribute to misleading results or perhaps inaccurate conclusions.

The relative offering level for each element was assessed from annual reports and web site information for two comparable non-profit organizations (<http://www.africare.org/>; <http://www.thehowardgbuffettfoundation.org/>) with substantial presence, expertise, and success in the humanitarian assistance space. The current data for these firms was assessed against the to-be Year 3 data for the proposed venture because no work has yet been done by the proposed venture and a direct comparison to current capabilities would not be informative. These are the same two non-profits identified in prior analysis and comparison work. The reasons for selecting these two firms remain the same in that they are mature, well-known, highly respected, capable, successful, and skilled firms with significant funding that are likely to remain in operations for some years to come and are expected to be available for future comparisons. In addition, using the same two firms will keep the analysis in the business plan consistent across sections and simplify the business case without sacrificing quality, value, or depth of discussion.

Appendix - Four Actions Grid Analysis

The Four Actions Grid Analysis result, shown below as an Eliminate-Reduce-Raise-Create Grid (Chan Kim & Mauborgne, 2005, p. 35) identifies the effort to "...simultaneously pursue differentiation and low costs to break the value-cost trade-off."

Eliminate	Raise
Direct Execution of Projects	Adoption of new best practices from alternatives
Emergency Orientation	Speed of service delivery
Complaint oriented	Adaptability of service delivery
	Agility of service delivery
	Partnership with people being helped
	Global groups
	Range of services
	Consolidation and coordination of projects
	Actual people being helped as buyers
	Range of products
Reduce	Create
Influencers as buyers	Anticipate assistance needs
Political factions as buyers	Assistance analytics across projects
	Results reporting Monthly
	Assistance components
	Include all Global Groups as buyers

It is significant that the proposed venture intends to replace the current complaint-oriented business model of the comparison firms with a needs-oriented business model that factors anticipated humanitarian assistance needs into the service offerings. This strategy has the potential to realize radical cost savings in several areas over time. After Year 3 the tagline for the proposed venture might be "We don't wait for disaster to be declared after people die; we anticipate, identify partners, and deliver services before people die."

The Strategic Growth of the firm over the first three years is represented in the strategic growth phase table below. As a start-up firm, the initial efforts are all about organizing the firm and capturing initial successes. Subsequent growth is strongly guided by the leadership of the firm as it develops.

Appendix - Key Financial Indicators

The critical financial indicators for this venture in order of importance according to business analysis conducted to date are:

- 1) Responses to presentations and solicitations for grant and other funding, consisting of dollar amounts awarded and timeframes for use.
- 2) Reliance Ratio
- 3) Reliance on Government Ratio
- 4) Earned Income Ratio
- 5) Self Sufficiency Ratio
- 6) Personnel Cost Ratio

Non-profit organizations rarely attempt to use traditional financial management ratios ([https://non profits assistance fund.org/resources](https://nonprofitsassistancefund.org/resources)) as these are based on the accounting assumption that the organization is a rational enterprise seeking to maximize profits (Collier, 2012). The attempt to calculate traditional financial management ratios for a non-profit organization contribute to the strength of this business case. Still, none of the traditional financial management ratios are considered key indicators for this venture. Indeed, lean accounting is the methodology most likely to be used for this venture once the Board of Directors is in place and able to vote on the matter. It is unfortunate the in-depth financial management information for lean accounting practices is not widely studied or available, yet, as such academic works or industry studies could directly contribute to the success of this venture.

Financial indicators may not equate to growth indicators for non-profits as they do for-profits. Research into growth indicators for non-profit organizations indicates that factors such as readiness for growth and management capacity are the critical determinants of non-profit growth (Trzcinski & Sobeck, 2012). The DPC organization structure, vision, mission, and strategy are integrated to maximize readiness for growth and management capacity.

Appendix - Break-Even Analysis

As a non-profit, non-government organization this organization is required to have sufficient cash on hand to operate, but is not required to deliver a profit or pay dividends. Similarly, while the purpose of a for-profit organization is to maximize gains and returns resulting in a large bottom line, the purpose of a non-profit is to have a low bottom line, preferably zero. The break-even point for a non-profit is the point at which expenses equal income (<http://www.nonprofitadvancement.org>.) Calculating the break-even point is similar to calculating the zero bottom line point. In the case of this venture, the zero bottom line will be reached annually by either a) identifying encumbrances to fund the next calendar year of operations or b) identifying funds to be set aside as distributions. The monthly break-even amount is shown as the operating expense subtotal line in the startup year.

Appendix - Projected Profit and Loss

As a non-profit, non-government organization income and expense forecasts projections are important. Profit will be banked for future use and organizational growth. Losses will be covered by existing banked funds. The organization will control losses by deferring expenditure of funds in the reverse of the funding priority list. In a worst-case scenario, addition of executive personnel, their supporting staff, and travel will be deferred until income exists to cover staff costs through the end of the next calendar year. The firm is projected to generate sufficient funding to be self-sustaining after the first year and to reach financial stability after three years.

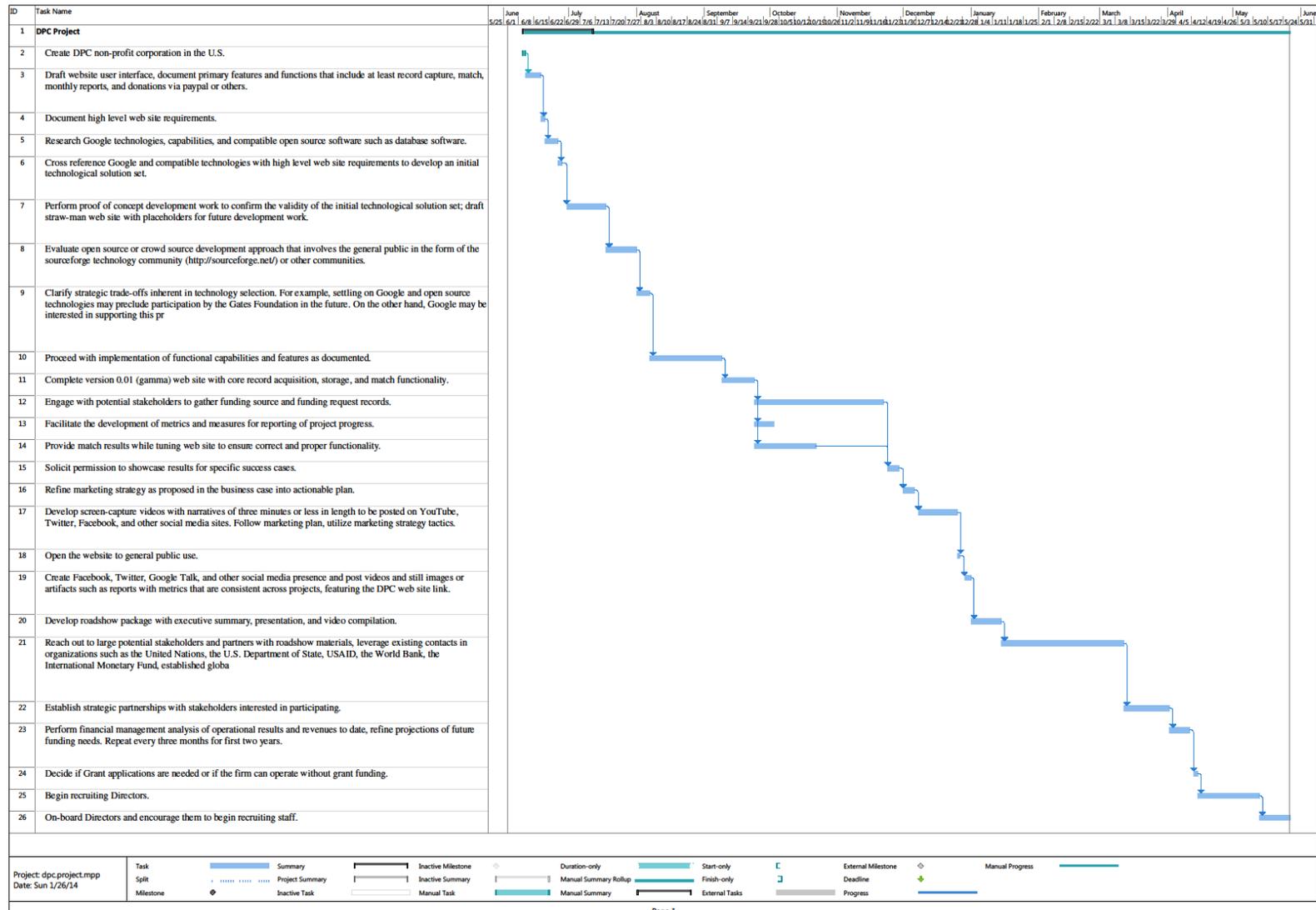
Appendix - Projected Cash Flow

The first quarter of the Startup Year for this venture has no cash flow other than the initial \$5,000 donation by the founder to pay for incorporation and initial expenses. Cash flow is forecasted to occur from donations, grants, and other forms of awarded funding that require no product to be delivered or service to be performed. Products and services will be performed to the extent possible with available funding. If funding shortfalls occur then services will be curtailed, while quality and value of service delivered will be maintained.

The general financial expectation is that funding will be banked in each quarter and earmarked for future growth of services. Over time, the organization may be able to enjoy several years of funded operations solely based on current cash available.

Minimal cash is expected in the Startup Year. Leveraging the internet through a Google web site is projected to rapidly increase donations from \$125,000 in the Startup Year to \$1m in Year 1, \$3.3m in Year 2, and \$5.5m in Year 3. Expenses will increase in line with cash available, with some portion of received funding continuously set aside as a reserve. Expenditure priorities are a) staff to do the work, b) office space in which to work, c) travel & promotion / advertising, d) legal, insurance, office equipment, fund raising and administrative, e) everything else. Realignment of funding will be done as needed, and realigned funds will be applied first to the top priority items and then to the secondary items.

Appendix – Waterfall Chart & Milestones for Startup Year



Appendix – One Page Talking Point Presentation

Summary:

DPC offers faster, lower cost, more reliable, more flexible, more agile, easier to evolve services and products designed to increase in value and utility as change occurs in the humanitarian assistance market space.

Hot button:

Disaster relief, humanitarian assistance, and development aid dollars frequently achieve lower results on the ground than expected or desperately needed.

Solution:

Capture force-multiplier effects of related efforts by coordinating, aligning, integrating, and co-performing projects while reporting results with standard terms used throughout the efforts. Track results as reported, leverage data as an asset, increase returns and lower costs.

Alternatives considered:

- Provide templates and project management support. Helpful, but no force multiplier effect.
- Offer critical moment or tipping-point services and support to ensure projects overcome the worst challenges. Helpful but cost intensive; and sunk costs cannot be recovered.

Discriminators:

- Specific knowledge enables our team to ensure agility and flexibility to support future change and growth of data use while simplifying data handling and IT architecture.
- Electronic data submittal process via internet portal on web site.
- Internet delivery of information-based products and services is rapid, globally available, low cost, device independent, and existing infrastructure includes two-way channels.
- Google web site and automation technologies are available at no cost.
- Global humanitarian assistance experience, U.S. Government experience.
- No similar or equivalent services or products exist.
- Services and products are free although a small donation is requested.

Proof:

- U.S. Navy led and organized response to tsunami proves that force-multipliers can be obtained in the humanitarian assistance space.
- Somalia, Sudan, other failed states teach us that humanitarian assistance matters and has regional consequences for good or ill. The best way to prevent future wars and conflicts may be to ensure the growth of mutually interdependent regional marketplaces where all stakeholders enjoy profitable and successful ventures. This requires successful development.
- High value results can be obtained with minimal investment and delivered globally. Design alternatives enable successful outcomes even if original design milestones are not met. For example, manual searches are an alternative to automated searches.
- Performance can initially be accomplished in teaming arrangements with USAID and U.S. Department of State. Quick wins can be thoroughly documented and subsequent efforts can be engaged to secure second round successes prior to publicity or social networking communications.