

# Field Project

## Somali Family Services

### Business Plan



#### ***Presented By:***

Caroline Shaffer

Linda Weast

Pedro Rojas

Sankar Jena

Varuni Ranasinghe

Xinyu(Tom) Zhou

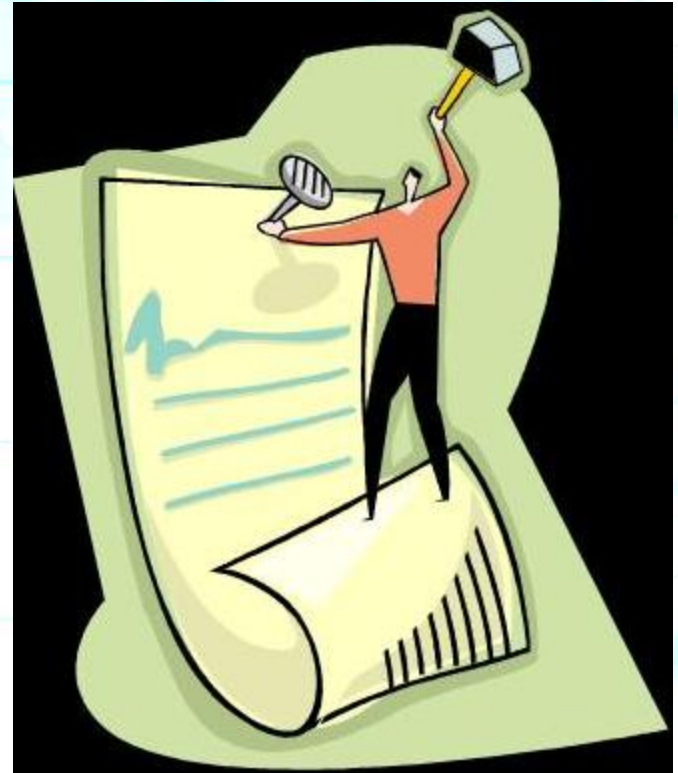


**SOMALI FAMILY  
SERVICES**

**HAMLIN UNIVERSITY**

# Agenda

- Executive Summary
- Somali Family Services
- Corporate Governance
- Somalia Country and Culture
- Non-Profit Environment
- SWOT
- Marketing Strategy
- Institutional Management Capabilities
  - ☐ Technology
  - ☐ Financial
  - ☐ Human Resource
- Conclusion
- Questions



# Executive Summary

Somali Family Services  
A U.S. 501c-3 Non-Profit &  
A Somali Capacity Enhancement entity,  
Located in Garowe, Puntland

Developed a 3-Year Business Plan  
Primarily focused on Non-Profit's  
Marketing & Development Activities  
and  
strengthening Institutional Management Capabilities

- Technology
- Financial Management
- Human Resource Management



# Somali Family Services

Somali Family Services founded in 2003  
by Mr. Abdurashid Ali



Services:

- 1) capacity building and development,
- 2) peace and conflict management,
- 3) promotion of socio/cultural awareness,
- 4) research, literacy, skills and vocational training  
and
- 5) project monitoring and evaluation.





# Somali Family Services

## Program Sponsors:

- National Endowment for Democracy (NED)
- United Nations Population Fund (UNFPA)
- United Nations Development Program (UNDP)
- Diakonia-Sweden



## Book Sponsors:

- Counterpart International
- Books for Africa



# Somali Family Services

## Vision

Somali Family Services' VISION is to promote positive community development to ensure the peaceful co-existence and acceptance in a global community that is both responsible and productive.

## Mission

Somali Family Services' mission is to promote and support Somali families and individuals through access to resources and opportunities. They aim to promote greater community awareness and to advocate for the Somali community. The Organization strives to serve as a strong, reliable link to Somalia for individuals in the Diaspora. Somali Family Services actively supports the interaction and exchange of knowledge, ideas and resources across culture



# Somali Family Services

## Core Values

**Integrity:** Unwavering commitment in promoting the dignity of Somali people based on the principles of human rights, social justice, democracy, capacity building and development, and sustainable livelihoods.

**Innovation:** Encouraging the exploration of new ideas and developing workable approaches to benefit Somali communities.

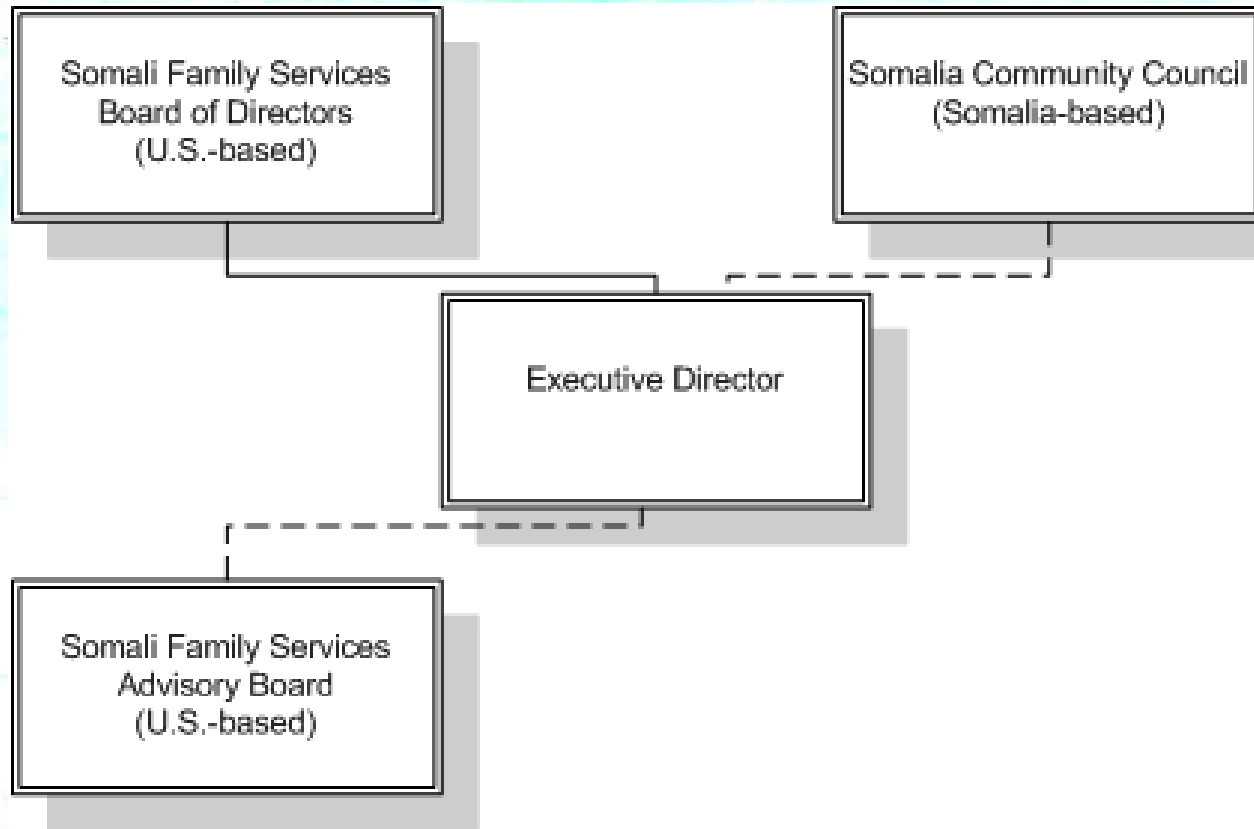
**Effectiveness & Responsiveness:** Using resources in a considered, appropriate and transparent manner for maximum and timely benefit.

**Inclusiveness:** Embracing impartiality and diversity; standing in solidarity with partners, local and Diaspora Somali communities and acting to improve lives.

**Engagement & Empowerment:** Uniting with national and international communities to build an equitable and sustainable future.



# Corporate Governance





# Corporate Governance

## **Board of Directors**

**Molly McCoy, Chair**

Outreach Coordinator, University of Minnesota

**Ali Warsame, Co-chair**

Director of East African Economic Development

**Lena Jones, Secretary**

Faculty, Dept. of Political Science, Minneapolis Community & Technical College

**Carol Kratzer, Treasurer**

Operations Manager, Ameriprise Financial

**Thomas O'Connell**

Professor of Political Science, Metropolitan State University

**Jamal Elmi**

Advantage Program Assistant, CommonBand Communities

**Maslah Jama**

Financial Analyst, Best Buy

**Michal Moskow, Ph.D.**

Director of Online Learning, Metropolitan State University



# Map of Somalia



# Country and Culture

## Some Basic Factors:

- Location: Eastern Africa, longest coastline in Africa.
- Capital: Mogadishu
- Monetary unit: Somali Shilling
- Religion: Sunni Muslim
- Economy: large population in poverty and high unemployment rate.
- Politics: one central government and several regional autonomous governments with no democratic political format.
- Recent history: civil war 1991
- Other issues: some terrorism activities and upsurge of piracy.
- Somali traditional culture also respects many good values (such as honesty and diligent work), like many other cultures.



# Country and Culture

## U.S. Somalis

- Immigrated to the United States related to Somali civil war.
- Keep their traditional culture.
- Due to difference in culture, language, education, etc., have some gap between local culture and show low level political involvement.
- Relatively low socio economic status and rare charitable activities.
- Some slight terrorism activities (i.e., money laundering) reported.





# Non-Profit Environment

## Non-profit organization (NPO) fundamentals:

- Organization that does not distribute its surplus funds to owners or shareholders, but instead uses them to help pursue its goals.
- Each NPO is different, but for the most part their structure is similar, as guided by the standards and requirements set by the government as well as the expectations set by the public.
- Some NPOs are adopting specific management practices from the business world and creating best practices: effective internal management, ensuring accountability for results, and monitoring the performance of different divisions.
- NPOs may be controlled by board members, steering committee members, or trustees who owe the organization a fiduciary duty of loyalty and trust.



# Non-Profit Environment

## Non-profit organizations (NPO) fundamentals:

- In the United States, NPOs are formed by incorporating in the state in which they expect to do business.
- The act of incorporating creates a legal entity enabling the organization to be treated as a corporation under law and to enter into business dealings, form contracts, and own property as any other individual or for-profit corporation may do.



# Non-Profit Environment

- The NPOs must be recognized as such by the U.S. government and obtain a 501c-3 status (Somali Family Services case).
- The 501c3 Status:
  - Makes the NPO tax-exempt.
  - The NPO is allowed to accept sponsorship or donations and provide their sponsors or donors with a tax receipt for those contributions.
  - The NPO is obligated to provide full transparency about their organization (how much money is usually received and spent, how much each staff is paid); this is all public information that anyone may have access to it.



# SWOT

Strengths	Weakness
<ul style="list-style-type: none"> <li>• Noble cause to serve the community</li> <li>• Successful track record - recent success executing projects for the community</li> <li>• Presence in a stronger economy like the U.S.</li> <li>• Elite members on BOD and advisory board/advisory council</li> <li>• Strong local community cooperation</li> <li>• Partners in many parts of the world</li> <li>• Recognition of the UNDP</li> <li>• International Program serves many segments of the Somali community</li> <li>• Rapidly growing Somali population/Diaspora in Minnesota/US</li> </ul>	<ul style="list-style-type: none"> <li>• Lack of funding/sponsors</li> <li>• Lack of strong marketing strategy/support</li> <li>• Technological challenges</li> <li>• Security concerns in Somalia</li> <li>• Political instability</li> <li>• Current state of financial controls/reporting</li> <li>• Lack of communication</li> <li>• Lack of Human Resource Management</li> <li>• Declining credibility of Somali organizations in the U.S.</li> <li>• Key man risk (Executive Director)</li> </ul>
Opportunities	Threats
<ul style="list-style-type: none"> <li>• Geographical expansion</li> <li>• Target expansion for fund raising</li> <li>• Expansion of membership options</li> <li>• Increased Communication Methods                             <ul style="list-style-type: none"> <li>Facebook</li> <li>Twitter</li> <li>SFS website</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>• Budget constraints for additional projects</li> <li>• Socio-political situation in Somalia</li> <li>• Recent events related to the Somali community in the US and growing unpopularity</li> <li>• Upsurge in piracy</li> </ul>





# Marketing Strategy

## Current Sponsors/Designations

- National Endowment for Democracy (NED)  
*Democracy*
- United Nations Population Fund (UNFPA)  
*Human Rights*
- United Nations Development Program (UNDP)  
*Civil Society Organization*
- Diakonia-Sweden  
*Democracy & Women's Rights*

*Successful implementations – project execution*  
*Example: Puntland Library and Resource Center*



# Marketing Strategy

## Positioning Statement

Helping the global community restore peace through education, community awareness and improving the lives of Somali people.

*“For its valued contributors,  
who support human rights and peace in all parts of world,  
the sponsorship of Somali Family Services  
is a step toward helping this cause.*

*The Non-Profit Organization promotes socio/culture  
awareness and capacity building in Somalia.”*



# Marketing Strategy

## Fundraising

### Objectives:

- Raise funds to sustain and help achieve the Organization's mission and vision and support activities and objectives
- Organize programs that support the Non-Profit's cause

### Recommendations:

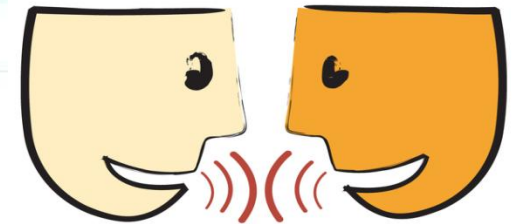
- Hire a dedicated Development/Fundraising professional
- Develop a communications plan
- Focus on target market
  - Continue marketing to sponsors
  - Attract new donor groups – Individual and Corporations
  - Maintain sustainable relationships with sponsors/donors
- Attempt to raise Somali Family Services global awareness (brand value)
- Build “trust” into the marketing campaign



# Marketing Strategy

## Communication

- Four C's in marketing mix: Consumer, Cost, Convenience, and Communication.
  - Communications is a weakness
    - Website content
    - Consistent message
    - Internal communication



### Communication Plan Recommendations:

- Communication must be an integral part of Somali Family Service' strategy
- Electronic Communications
  - A newsletter to contributors and prospects





# Marketing Strategy

## Marketing Organization

*Establish Specific Measurable Attainable Realistic Timely  
Goals & Objectives*

- Marketing function/professional's performance should be based on the following:
  - Success rate sustaining existing sponsor relationships and developing new relationships (gathering resources/funds)
  - Improving communications
  - Supporting internal audit



# Marketing Strategy

## Marketing Organization

- Ultimately, Somali family Services needs two positions:
  - Development/Fundraising Director (2011)
    - Mainly responsible for researching and identifying potential fund sources, and establishing and sustaining relationships.
    - Development/Fundraising Director takes a internal audit role – to ensure strong institutional management capabilities.
  - Communications Director (2012)
    - Manage PR & communications of Somali Family Services.
    - Maintain long-term relationship with potential fund sources.
- Separate as Organization grows.



# Institutional Mgmt - Technology

## *Room for improvement - technology*

### **Recommendations:**

- Website recently revamped but changes recommended.
  - Typos
  - Slowness
  - Formatting enhancements
- Use of social networking for communication purposes
  - Facebook, Twitter, YouTube, etc.
- Use of technology to support Institutional Management Capabilities
  - QuickBooks for Non-Profits



# Institutional Mgmt - Financial

## *Room for improvement - financial management*

\$200K USD & growing annual budget

1) improve tracking and reporting and 2) improve controls

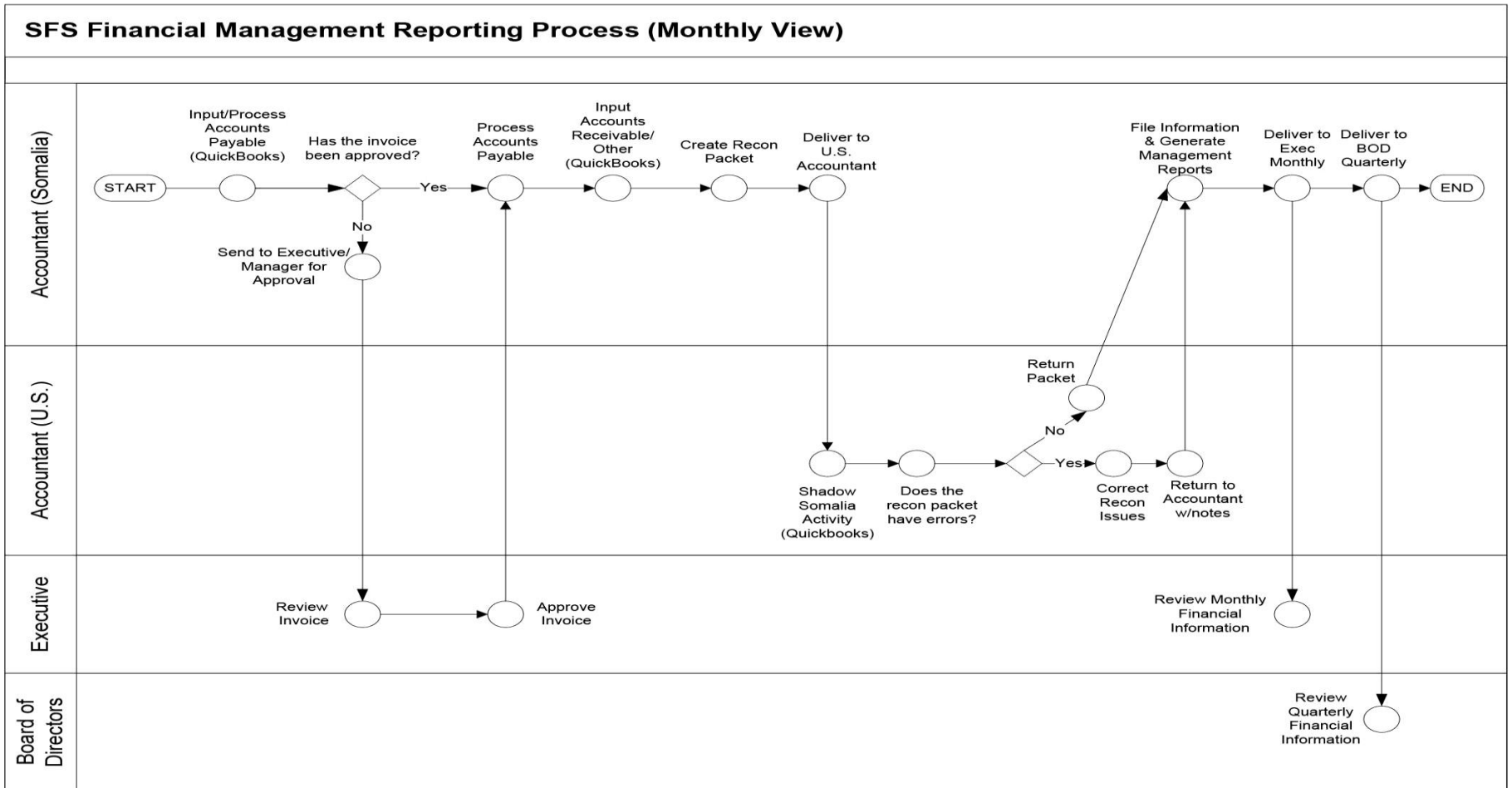
### **Recommendations:**

- Install QuickBooks for Non-Profits
  - financial reporting
- Compensate accounting positions (1 FT & 1 PT),
  - Finance Director
- Implement review by PT position (control)
- Share financial information (for transparency purposes)  
w/leadership and Board of Directors





# Institutional Mgmt - Financial



# Institutional Management-HR

## *Room for improvement – Human Resource Management*

### **Recommendations:**

- Implement Human Resource Management System
  - 2 HRMS Tools
    - Indicators (employee handbook, nondiscriminatory hiring practices, roles & responsibilities, job descriptions)
    - Organizational Systems List (organizational chart, strategic plan, marketing plan, communications plan)
- Key-man risk
  - Adds to staff (development, accountant)
  - Promotions (Operations, Finance Director)



# Institutional Mgmt - HR

## HRM Indicators Checklist

E= essential; R= recommended; A= additional  
to strengthen organizational activities

RATING*	INDICATOR	MET	NEEDS WORK	N/A
E	Organization has a written personnel handbook/ policy that is regularly reviewed and updated a) describing the recruitment, hiring, termination and standard work rules for all staff; b) to maintain compliance with government regulations including Fair Labor Standards Act, Opportunity Act.			
R	Organization follows a nondiscriminatory hiring practices.			
R	Organization requires employee performance appraisals to be conducted and documented at least annually.			
A	The organizations has a process for reviewing and responding to ideas, suggestions, comments and perceptions from volunteers.			



# Institutional Mgmt - HR

## Organizational Systems Checklist

### Example

- Place a check mark next to each item below that has been completed and is useful in your organization.
- From among those items that are not checked, mark each top priority item with a "1", bottom priority items with a "3", remaining items to be "2"s.

### **BOARD OF DIRECTORS**

\_\_\_ Current mission / vision / values statements

\_\_\_ Board member recruitment system

\_\_\_ Board member orientation system

### **PLANNING**

\_\_\_ Current strategic plan

\_\_\_ Diversity plan (for Board and staff)

\_\_\_ Marketing plan

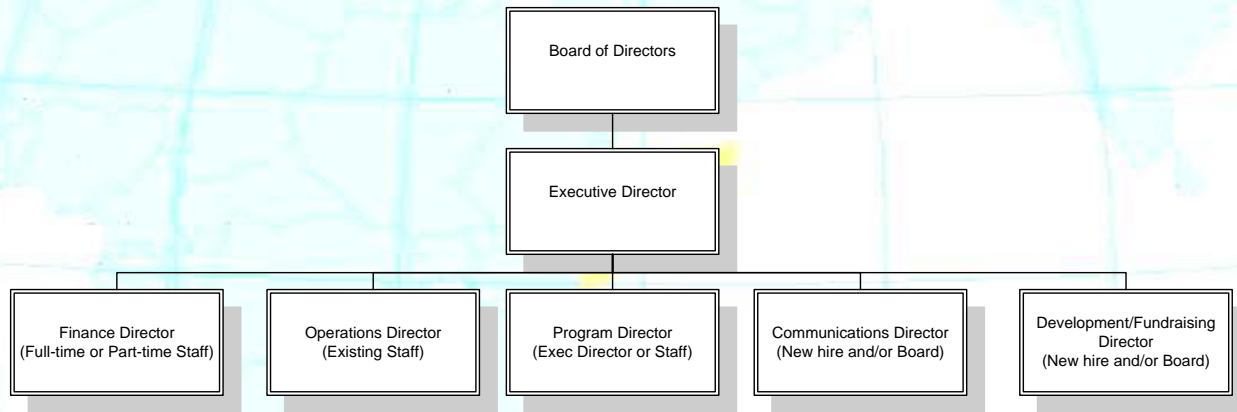
\_\_\_ Fundraising / Development plan





# Institutional Mgmt - HR

## Somali Family Services Leadership Organizational Chart



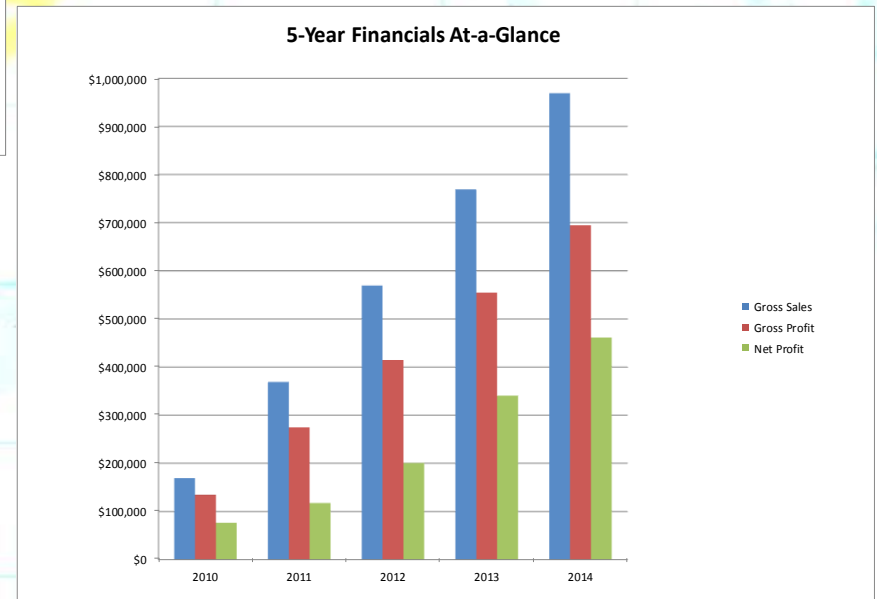
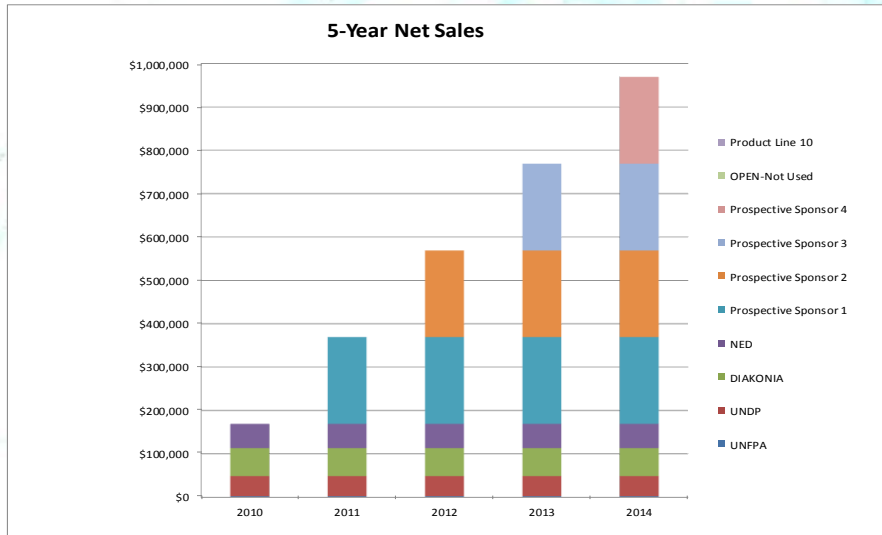
# Conclusion

*In order for Somali Family Services to deliver on its vision and mission, and execute on its activities and objectives, the Non-Profit Organization must ensure its grass-roots fundraising strategy is performing at an optimal level and it has strong institutional management capabilities (the ability to support business requirements).*



# Conclusion

## Financial Projections



# Thank you!!

