



# THE COMMUNITY WEALTH SEEKER'S GUIDE

## Mapping Your Assets and Identifying Opportunities



Community  
Wealth  
Ventures, Inc.



# Contents

	<b>Page</b>
Preface .....	3
Chapter 1: Getting Started .....	4
Chapter 2: Understanding Leverageable Assets .....	14
Chapter 3: Screening My Opportunities .....	23
Chapter 4: What do I do next? .....	38
 Appendices	
A: Additional <i>Community Wealth</i> Enterprise Examples .....	43
B: Additional <i>Community Wealth</i> Partnership Examples .....	44
C: Supplemental Exercise Worksheets .....	45
 About Community Wealth Ventures, Inc. ....	 54



## Preface

Community Wealth Ventures, Inc. (CWV) presents its **Community Wealth Seeker's Guide** series to assist organizations in researching and developing potential *Community Wealth* opportunities. ***Mapping Your Assets and Identifying Opportunities*** is an interactive guide to assessing your organization's *Community Wealth* potential. It is designed to lead your organization through the initial stages of CWV's assessment phase and prepare you to evaluate the feasibility of potential *Community Wealth* activities.

The goal of CWV's consulting engagements is to develop the capacity *within* an organization to execute a *Community Wealth* enterprise or partnership. While we provide diagnostics, frameworks, research, facilitation, and expertise, the success of the potential venture will depend almost entirely on your organization's ability to execute agreed-upon strategies. Therefore, this workbook series is intended to help develop this ability within organizations like yours.

***Mapping Your Assets and Identifying Opportunities*** offers organizations interested in *Community Wealth* the opportunity to research and identify your own assets and opportunities. Organizations that have experience with strategic planning, and already understand their potential assets, may prefer to work through this workbook independently. Other organizations may want or need CWV to lead them through this process. Either way, CWV will remain an integral partner with you, facilitating workshops on how to use this workbook and providing you with ongoing assistance during the brainstorming and screening process.

Therefore, the objectives for this workbook are to:

- introduce the concept of *Community Wealth* as a potential source of unrestricted funding,
- identify and prioritize assets that your organization can leverage in the marketplace, and
- brainstorm opportunities for specific revenue-generating ventures.

***...So gather your senior staff and key stakeholders and let's get to work!***



## Chapter 1

# Getting Started

### Objective:

- To understand the concept of *Community Wealth* and what it can mean for your organization.
- 

### What is *Community Wealth*?

*Community Wealth* is about viewing your organization's assets in a new light – as valuable commodities that you can leverage to create wealth.

**Community Wealth** n. (com'-mu-ni-ty wealth):  
*resources generated through profitable enterprise to promote social change, e.g., business ventures, cause-related marketing partnerships and/or licensing.*

*Community Wealth* is about:

- generating sustainable new resources to support your mission,
- engaging market forces to work for the nonprofit sector,
- allowing for greater flexibility by creating unrestricted revenue,
- decreasing dependence on the external funding community, and
- devising new ways to leverage existing assets.

*Community Wealth* is *not* about traditional fundraising, grant money, gifts, or donations. ***Community Wealth*** also is **not a quick fix out of a financial crisis**. Organizations that decide to pursue a *Community Wealth* enterprise or partnership must recognize that all new business ventures require initial upfront investments of time and financial resources. Moreover, it could be several years before these investments begin to provide a financial return to your organization. However, once the business or partnership is established, it can be an extremely rewarding source of unrestricted revenue.

### **How do I know if my organization is ready for *Community Wealth*?**

For any *Community Wealth* opportunity to succeed, an organization must first define its ***Community Wealth Zone***. As *Figure 1* illustrates, the *Zone* is defined as the intersection of three essential components to a successful *Community Wealth* venture: organizational capacity, marketable assets, and market opportunity. Without any one of these components to anchor an idea in the reality of a competitive marketplace, an organization is unlikely to realize its financial goals. This workbook is designed to provide you with a variety of different diagnostic tools to help you assess each of the following components:

- *Organizational capacity*. To successfully design and implement a *Community Wealth* enterprise or partnership, an organization must have or be willing to acquire the necessary resources to support the new venture. These resources include an ability to meet staffing requirements, reliable sources of financial investment, facilities to house the venture, as well as an organizational culture that supports entrepreneurial efforts.
- *Marketable assets*. To design a feasible *Community Wealth* opportunity, an organization must have a service, product, or internal process that other organizations find valuable.
- *Market opportunity*. For an asset to be marketable, there must be an identified need in the marketplace, whereby potential customers are willing to pay for a specific service or product.

*Figure 1. The Community Wealth Zone*



### **What are types of *Community Wealth* opportunities?**

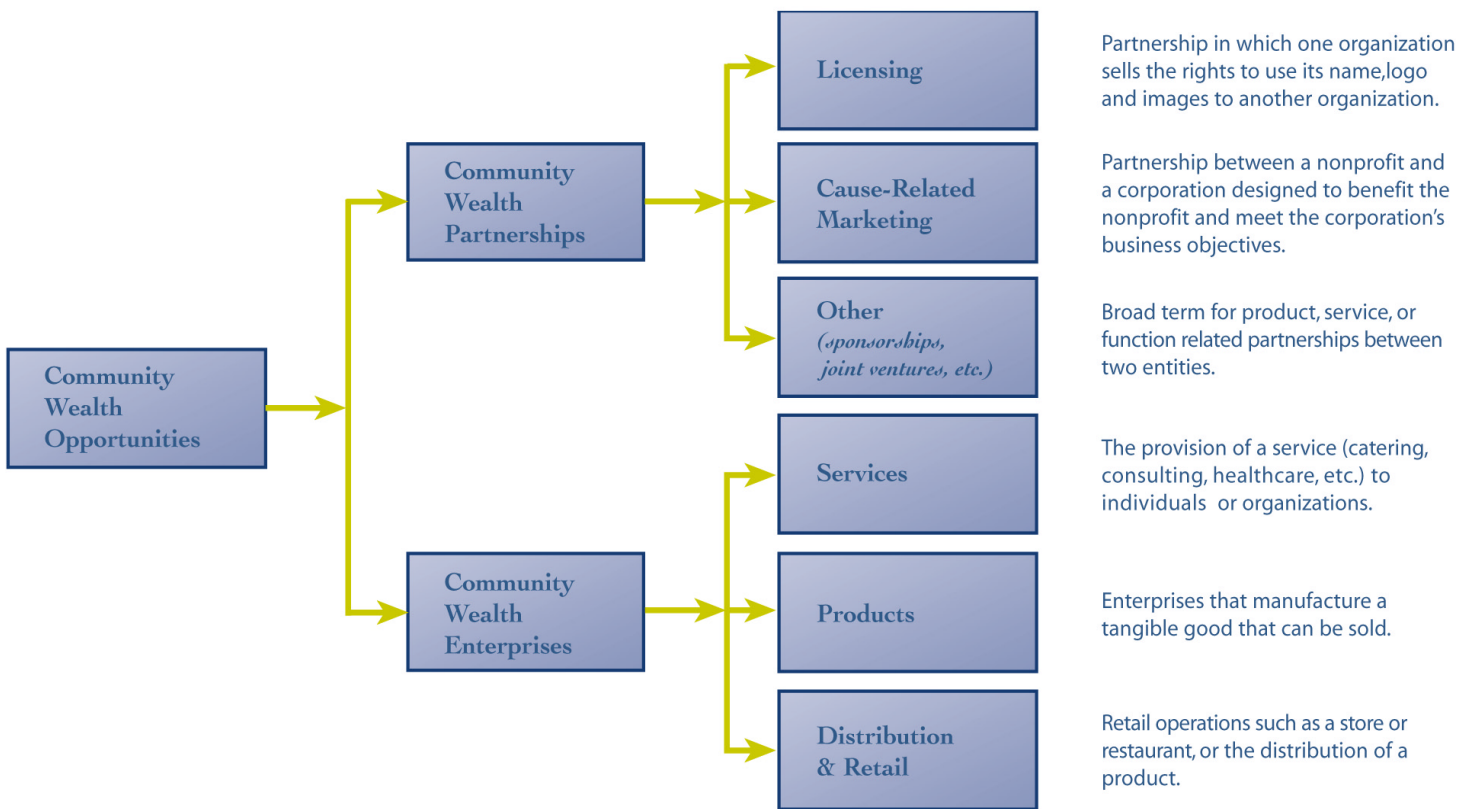
There are two types of *Community Wealth* opportunities: enterprises and partnerships. *Figure 2* provides descriptions of each type.

*Community Wealth* enterprises are essentially business ventures that offer services or products or provide distribution channels for retail operations. A *Community Wealth* enterprise can arise from any defined market need, ranging from entry-level job training, to food service, to catering, to consulting. Most organizations will find that the enterprise route is the most appropriate for their organization, given their mission and presence in the marketplace. However, understanding the marketplace and what potential customers need is critical to developing a successful enterprise.

Alternatively, *Community Wealth* partnerships, often referred to as cause-related marketing agreements, can consist of licensing agreements, cause-related marketing campaigns, or other sponsorship or joint venture activities between corporations and

nonprofit organizations. The key to a successful *Community Wealth* partnership is a clear understanding of how a nonprofit organization can help its corporate partner achieve its strategic business objectives. Therefore, the partnership route is not for everyone. To develop a successful partnership, a nonprofit organization generally needs to have an established regional or national presence or significant assets that corporations find valuable. Additionally, a nonprofit organization must be able to manage the corporate relationship once the partnership is established.

**Figure 2. Community Wealth Opportunities**



## Examples of *Community Wealth* Enterprises

There are numerous examples of nonprofit organizations that have successfully leveraged knowledge, skills, programs, facilities, or internal processes into revenue-generating activities. To help you understand just how boundless your opportunities can be, below we highlight a few organizations that have built successful *Community Wealth* enterprises. Additional examples are available in *Appendix A* of this workbook.



Leveraging its internal expertise as a local health care services provider, **MHRA** founded Data Link to provide technical assistance and training to HIV/AIDS service providers in the New York City metropolitan area. A service division of MHRA, Data Link assists recipients of Ryan White Title I funding to meet federal reporting requirements. Data Link generates over \$500,000 in revenues and has 17 full-time employees.

**Pioneer Human Services** is a nonprofit agency serving 6,000 people a year with an annual budget of \$55 million – most of which is generated by business enterprises and fee-for-service contracts that successfully integrate self-supporting businesses with an array of training, rehabilitative services, and housing. Pioneer employs nearly 1,000 people and its enterprises include manufacturing and finishing light metal parts for Boeing, operating Starbucks' commissary, and managing a hotel.



**Food from the 'Hood** is a community jobs program for youth based out of Crenshaw High School in Los Angeles. The student-owned company produces and markets *Straight Out of the Garden* salad dressings. The firm has licensed its name to programs in New York City and Chicago, as well as Ithaca, NY, which produces *Straight Out of the Orchard* applesauces. Products are available at regional supermarkets and by mail order and all profits go to college scholarships for the student owners. Gross profits in 1999 totaled over \$130,000.

**Asian Neighborhood Design** is a community development program designed to help low-income individuals. It operates *Specialty Mills Products*, a furniture manufacturing business, as well as a fee-for-service architecture design business specializing in affordable housing projects. Annual revenues from these businesses are approximately \$2.6 million.





## Examples of *Community Wealth* Partnerships

*Community Wealth* partnerships, or cause-related marketing campaigns, are growing in popularity as both the nonprofit and corporate sectors increasingly recognize the strategic and financial value of a joint venture. Below we highlight several examples of successful partnerships. Additional examples are available in *Appendix B* of this workbook.



Through its *Charge Against Hunger* campaign, **American Express** raised over \$20 million for Share Our Strength's anti-hunger efforts. In return, the campaign helped American Express to increase card usage, build brand awareness, and improve employee morale. The success of this campaign led American Express to sponsor Share Our Strength's *Taste of the Nation* event, raising over \$30 million for anti-hunger efforts and helping American Express to establish positive relationships with restaurants and card members.

**March of Dimes** licensed the use of its name to Kellogg's Product 19<sup>®</sup> to be used on the cereal boxes for \$100,000. The goal was two-fold: March of Dimes wanted more pregnant women to be aware of their need for folic acid and Kellogg's wanted to increase sales of its product.



The **Avon Breast Cancer Crusade's** mission is to provide women, particularly those who are medically underserved, with direct access to breast cancer education and early detection screening services: mammograms and clinical breast exams. The Crusade raises funds to accomplish this mission through the sale of special Crusade fundraising (pink ribbon) products by Avon's nearly 500,000 Independent Sales Representatives, and Avon's Breast Cancer 3-days, a series of three-day, 60-mile fundraising walks.

Through its *World's Most Beautiful Recycling Project* cause-related marketing campaign, **FTD** partnered with Children's Miracle Network in one of largest and most successful cooperative businesses to date. FTD recycled the roses from the 1994 Tournament of Roses parade floats to create *Genuine Tournament of Roses Potpourri*. Proceeds from the campaign benefited Children's Miracle Network.



### What are the risks associated with pursuing *Community Wealth* opportunities?

As with all new business ventures, *Community Wealth* opportunities are not without risk. While a well-conceived idea and superior planning and execution can minimize most risk, your organization will need to determine the applicability and degree of risk it is willing to accept when assessing whether the rewards will be worth the effort. *Table 1* outlines some of the key risks that your organization should consider.

**Table 1. *Community Wealth* Risks**

Type of Risk	Description
<b>Financial</b>	<ul style="list-style-type: none"> <li>• The <i>Community Wealth</i> venture may cost more to start and operate than an organization is willing or able to commit.</li> <li>• Resources could be better spent elsewhere (opportunity cost).</li> <li>• Traditional funders may decrease funding if other revenue streams exist or if they are at odds with the <i>Community Wealth</i> concept.</li> <li>• The <i>Community Wealth</i> venture may lose money.</li> </ul>
<b>Reputation</b>	<ul style="list-style-type: none"> <li>• The organization could be viewed as a “sell-out” to the for-profit world.</li> <li>• The <i>Community Wealth</i> venture could fail.</li> </ul>
<b>Organizational</b>	<ul style="list-style-type: none"> <li>• The new venture may divert management and staff resources.</li> <li>• Organization may have difficulty managing the increased organizational complexity and new skill sets required to manage the venture.</li> <li>• Differences in the organizational cultures of the core organization and the new venture may be too difficult to overcome.</li> </ul>
<b>Morale</b>	<ul style="list-style-type: none"> <li>• Staff and/or board members may resent the perceived shift in focus away from an organization’s core mission.</li> </ul>



***How willing is your organization  
to accept some risk?***

## **What are some obstacles to building *Community Wealth*?**

There are numerous obstacles to building *Community Wealth*. However, it is important to recognize that your organization can overcome most obstacles if you recognize the problem and take action to address it. Below you will find a list of common obstacles to building *Community Wealth*.

- *Reconciling mission and business mindsets.* Operating a nonprofit organization and running a profitable business can sometimes make an organization feel a bit schizophrenic. Many nonprofit organizations may find it difficult to strike a healthy balance between the two mindsets.
- *Access to capital.* All new business ventures require initial upfront investments of time and financial resources. Based on your particular venture idea, you may need to get creative when identifying potential sources of investment capital. However, venture philanthropy is an emerging field, and a growing number of new funds are available to support nonprofit's entrepreneurial activities.
- *Lack of necessary management talent.* Most nonprofit organizations are staffed by people with a strong interest or passion in the organization's mission. However, many of these people are not adequately trained or prepared to manage a for-profit business. Your organization may find it necessary to train specific staff, or even hire new staff, to develop the internal expertise necessary to make your venture a reality.
- *Small membership base/few donors or suppliers.* Many potential corporate partners are interested in *Community Wealth* opportunities because nonprofit organizations bring to the relationship strong networks of contacts that may be valuable. It is important for your organization to be realistic about the value of its assets, or lack thereof, and focus on potential *Community Wealth* opportunities that relate directly to your assets.
- *Cause or issue has limited reach.* Most potential corporate partners are interested in access to new markets. Therefore, if your organization's mission affects a very small number of people, you may find it difficult to develop corporate partners.
- *Low public awareness of an issue.* If your organization's mission affects a large population, but public awareness for your cause is low, you may find it difficult to develop corporate partners or leverage your organization's reputation in marketing a small business enterprise.

- *Tradition-driven rather than market-driven leadership.* To successfully design and launch a *Community Wealth* enterprise or partnership, your organization must adopt a new mindset that focuses on understanding the competitive marketplace.
- *Limited expertise in marketing or sales promotions.* Developing a new market-focused mindset is only the first step. For your *Community Wealth* enterprise or partnership to be successful, your organization also will need to develop or acquire marketing and sales expertise.
- *Slow decision-making process.* Corporate executives are accustomed to making sharp business decisions based on market demand. If your organization hesitates, it could hinder negotiations with potential corporate partners, or result in missed opportunities, significant additional costs, or loss of competitive advantage.
- *Divisive internal politics.* *Community Wealth* requires complete buy-in and support from Board, senior staff, and key stakeholders. If there is tension within your organization and its board, you may find it difficult to develop the necessary support to build a *Community Wealth* venture.
- *Poor reputation for adhering to agreements or working with partners.* While this obstacle may go without saying, a *Community Wealth* corporate partnership is only effective if negotiated between two reliable partners. Your organization will need to ensure that it develops the internal capacity to properly manage a corporate partnership once it is negotiated.

### **Why do organizations pursue *Community Wealth* opportunities?**

Besides wanting to be on the cutting-edge of the nonprofit world, nonprofit organizations are motivated to pursue *Community Wealth* opportunities for a variety of reasons, including:

- *Entrepreneurial drive.* A nonprofit organization may have an individual or senior leadership team with a strong vision or passion to make things happen and a willingness to take risks.
- *External opportunities.* An organization may find that outside groups routinely approach them for assistance or services, or that local resources are readily available to make a new venture happen.

- *Financial assistance.* An organization may foresee a need to diversify its funding sources as its existing grants expire, budget deficits grow, or membership base declines. However, projected, rather than current, financial need should drive interest in a *Community Wealth* opportunity.
- *Mission fulfillment.* An organization may wish to deepen or extend its mission by reaching a larger audience, or find new ways to make a larger impact.
- *Performance enhancement.* An organization may wish to bolster its relationship with a targeted market segment, improve its brand image, increase sales, or simply expand learning opportunities for employees or constituents.



*What motivates your organization to pursue Community Wealth?*



## Chapter 2

# Understanding Leverageable Assets

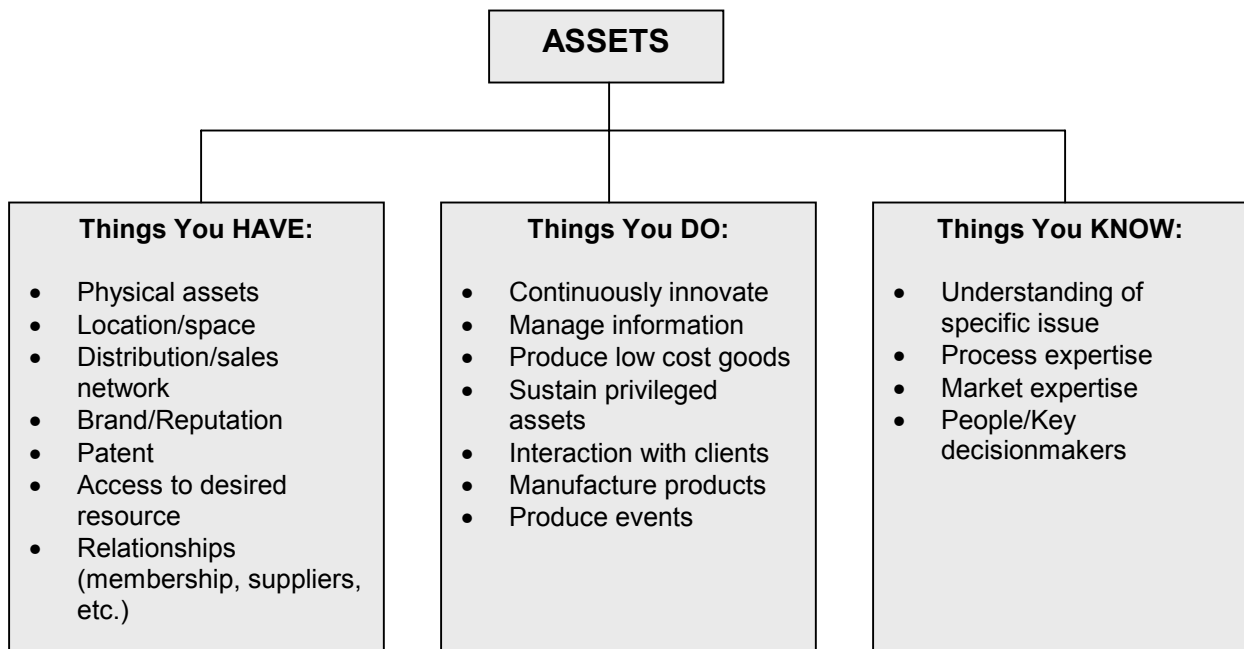
### Objectives:

- To understand what assets your organization has at its disposal to achieve its social and economic vision.
- To build a shared understanding of the key organizational competencies that are leverageable and represent the strongest opportunities to create *Community Wealth*.

---

### What are my assets?

Assets are the things your organization has, does, or knows that other organizations or people may find valuable. Often, your greatest assets are the things you take for granted as part of your everyday operations, such as your office space. However, assets also can be the result of years of experience in a particular field, such as your knowledge of a specific social issue.



When taking stock of your organization's assets, it is important to think beyond just your mission or core competencies to everyday functions or processes. To get you thinking, here are examples of potential assets:

- Well-known charismatic leader
- Access to celebrities
- Easily identifiable logo
- Appealing cause
- Ability to get positive press
- Extensive volunteer network
- Relationship with specific sector
- Knowledge of local community
- Acknowledged leader in the field
- Large membership
- National distribution system
- Extensive, high quality mailing list
- VIP entertainment possibilities
- References from satisfied sponsors
- High quality publication
- Conference rooms/banquet facilities
- Expertise in providing a service
- Unique method for doing something
- Access to nonprofit rates
- Access to low cost workforce
- Access to low cost, highly skilled talent
- Ability to get things done
- Easily mobilized network
- Expertise on specific subject
- Popular website
- Access to influential Board of Directors
- Public relations exposure

### How do I identify my assets?

When thinking about your assets, many heads are always better than one. To perform a deeper assessment of your organization's assets, seek out new voices or perspectives. You may find it helpful to gather key staff and board members together for a group brainstorming session. Additionally, it is often helpful to interview individual senior staff, board members, and other key stakeholders in your organization to determine organizational assets and overall capacity that your organization could leverage into a *Community Wealth* activity. Your key stakeholders may include constituents, foundations, donors, community leaders, and other organizations with whom you have strong working relationships. Either way, these data gathering sessions will provide valuable insight into your organization's tolerance for risk, requirements for mission appropriate activities, and other issues. Moreover, the process often helps to establish broad support for your endeavor, and as we mentioned earlier, board members' buy-in will be key to any *Community Wealth* venture your organization pursues.

**Asset identification can be a matter of perspective....**



**Zoo Doo** – The National Zoo in Washington, DC looked at the dung in its elephant habitat and saw fertilizer and potential profits.



**Church Steeples** – New England churches knew that their buildings, with steeples, were regarded locally as historical assets. However, not until recently did they recognize that their steeples made ideal antennae for mobile communication companies.

At this point, it is time for you to prepare to identify your organization's assets. Whether you decide to interview key stakeholders individually, or host a group brainstorming session, below are a few guidelines for conducting the sessions.

**Guidelines for Interviewing and Brainstorming**

- ✓ Identify your organization's key internal and external stakeholders, based on specific knowledge base, relevant expertise, or positions in the organization. Seek out people with new perspectives and creative vision. The total number of people you speak with is less important than who you choose.
- ✓ Prepare a list of discussion questions and provide participants with the questions prior to the interview or brainstorming session.
- ✓ Explain the purpose behind the interview or brainstorming session and ensure that participants understand the *Community Wealth* concept and how it relates to your organization.
- ✓ For individual interviews, you may conduct the interview in person or over the telephone.
- ✓ Take notes and create a summary file for collecting all of the interviewees' input.
- ✓ Consider following up with participants to let them know your overall findings. This follow up is particularly important if it is someone whose buy-in will be critical as your *Community Wealth* research progresses.



**EXERCISE 1. Identify Your Assets**

**Instructions:** Using the following worksheet and the box on p.15, brainstorm your organization’s assets. (Additional worksheets are available in *Appendix C.*) Be creative and think beyond just your mission to what your organization’s core competencies are. No idea is a bad one, regardless of how trivial, or far out (remember the Zoo Doo example), or obvious it may seem. ...So go crazy!

**People**

*What people do you have that are particularly valuable to your organization? (e.g., name recognition, skill sets, etc.)*

---

---

---

---

---

**Audience/Special Relationships**

*What are the key strengths of your target audience? (e.g., size, demographics, psychographics, loyalty, etc.) What other key relationships do you have with charismatic or well-known leaders?*

---

---

---

---

---

**Programs/Proprietary Content/Events**

*How are you unique? What are your core competencies? What are the key programs or content that you have at your disposal?*

---

---

---

---

---

**Skills/Expertise**

*What kinds of skills and expertise do your staff have? Internal or External processes?  
What about your advisory board? Volunteers?*

---

---

---

---

---

**Tangible Assets/Facilities**

*What does your organization own or have access to use? (e.g., real estate, equipment, collections, materials, etc.)*

---

---

---

---

---

**Reputation**

*What does your name mean in the community? To whom is it valuable?*

---

---

---

---

---

**Other (Please specify.)**

---

---

---

---

---

### How do I translate my assets into opportunities?

Determining which assets are most leverageable requires a combination of analytic ability and intuitive sense of what might produce success. When leveraging assets into *Community Wealth* opportunities, organizations should ask three key questions:

- What about this asset is distinct and differentiates it from assets of comparable organizations?
- Can this asset produce clear, measurable value? To whom? How much would they be willing to pay?
- How sustainable is this asset?

Additionally, you may want to consider whether you could combine a particular asset with other assets to enhance its value. An individual asset may not be of great value, but when combined with another asset, it may represent a blockbuster idea.

In asking yourself these questions, you want to begin to prioritize your assets. Exercise 2 will help you do this.

**EXERCISE 2. Evaluating Assets**

**Instructions:** Using the entries below as examples, complete the grid by listing your primary assets and evaluating their potential. (Additional worksheets are available in *Appendix C*.) Your answers should be based on your gut instinct and understanding of your organization. Feel free to qualify your answers if needed. Once you have answered all of the questions for each asset, rank the assets according to their potential using “A” for high potential, “B” for moderate potential, and “C” for low potential. (*Note: Be critical when ranking your assets -- Not every asset can be an “A” asset!*)

Asset Evaluation Chart						
Asset	Is the asset unique or distinct? (Yes/No)	Who would value the asset?	How valuable is the asset? (Low/Med/High)	What is the willingness to pay? (Low/Med/High)	Is the asset sustainable over time? (Yes/No)	Overall Rank (A, B, or C)
Facility: Conference room with audiovisual equipment	Yes – State of the art equipment	NPOs, businesses, and individuals looking for meeting space	High – Limited availability in the city	High	Yes	A
Facility: Empty storage space	No	NPOs, businesses, and individuals needing off-site storage facilities	Med	Low – Lots of competition	Yes	C

Based on your rankings, take a minute to list your top ten assets. While most of these assets should be “A” assets, there may be some “B” assets that make this list as well. We will come back to this list in a later exercise, so hold on to it.

**Top Ten Assets**

1. \_\_\_\_\_
2. \_\_\_\_\_
3. \_\_\_\_\_
4. \_\_\_\_\_
5. \_\_\_\_\_
6. \_\_\_\_\_
7. \_\_\_\_\_
8. \_\_\_\_\_
9. \_\_\_\_\_
10. \_\_\_\_\_

Now that you have prioritized your assets, you can begin to think about what sorts of marketable opportunities they present. Although you likely will want to focus your discussion on opportunities around your “A” assets, do not completely discount the value of your “B” and even some of your “C” assets – particularly if they can be combined with other assets to enhance their value.

**EXERCISE 3. Opportunity Identification**

**Instructions:** Based on your asset assessment, brainstorm a list of potential opportunities that you find particularly appealing for your organization. Once again, *be creative*. The only dumb ideas are those you keep to yourself.

**Potential Community Wealth Opportunities**



1. \_\_\_\_\_
2. \_\_\_\_\_
3. \_\_\_\_\_
4. \_\_\_\_\_
5. \_\_\_\_\_
6. \_\_\_\_\_
7. \_\_\_\_\_
8. \_\_\_\_\_
9. \_\_\_\_\_
10. \_\_\_\_\_
11. \_\_\_\_\_
12. \_\_\_\_\_



## Chapter 3

# Screening My Opportunities

### Objective:

- To identify up to three potential *Community Wealth* opportunities.
- To identify areas where assets may need to be developed or acquired to execute the chosen opportunity.

### How do I identify the best *Community Wealth* opportunities?

Narrowing the list of opportunities requires a rigorous screening process. The end goal should be to identify two, but not more than three, really strong opportunities that warrant additional market research. To screen your potential opportunities, you should keep two key questions in mind:

- How easy will it be for my organization to implement this opportunity?
- What is the potential revenue that this opportunity will generate for my organization? (*Note: Revenue potential refers to earnings, not not necessarily profits.*)

#### Ease of Implementation

- ✓ Expected complexity of the project
- ✓ Availability and skills of your current staff to manage the new opportunity
- ✓ Ability to recruit other staff quickly
- ✓ Access to necessary capital

#### Revenue Potential

- ✓ Market demand and estimated size of market
- ✓ Level of competition
- ✓ Quality of product
- ✓ Expected growth rate
- ✓ Cost structure

If your answers to these questions are within your organization's capacity and satisfy your revenue requirements, then you may just have a winning proposition. The exercises in this chapter are designed to lead you through an analysis of these two questions for each opportunity.

However, before you dive into the next set of exercises, it is important to become familiar with some key terms and definitions.

- **Fit with assets** – The degree to which your top assets support a specific opportunity.
- **Fit with mission** – The degree to which a *Community Wealth* opportunity is aligned with your organization's mission. Although some nonprofit organizations place a strong emphasis on this criteria, other organizations do not consider it a prerequisite.
- **Fit with internal capacity** – The degree to which your current staffing levels and expertise are capable of managing the new venture.
- **Market potential** – The degree to which you can identify target customers or partners and estimate the level of demand for your product or service.
- **Ability to finance** – Your level of access to investment capital and the willingness of potential investors to finance your opportunity.
- **Competitive advantage** – The degree to which your organization's venture can differentiate itself from potential competitors. Advantages could include things such as access to low-cost labor, greater economies of scale for purchasing or production costs, brand recognition, reputation for quality, or compelling mission.



**EXERCISE 4. Opportunity Assessment**

**Instructions:** List the opportunities you brainstormed on p.22 in the grid below and then assess the components of each opportunity's revenue potential and ease of implementation as high, medium, or low.

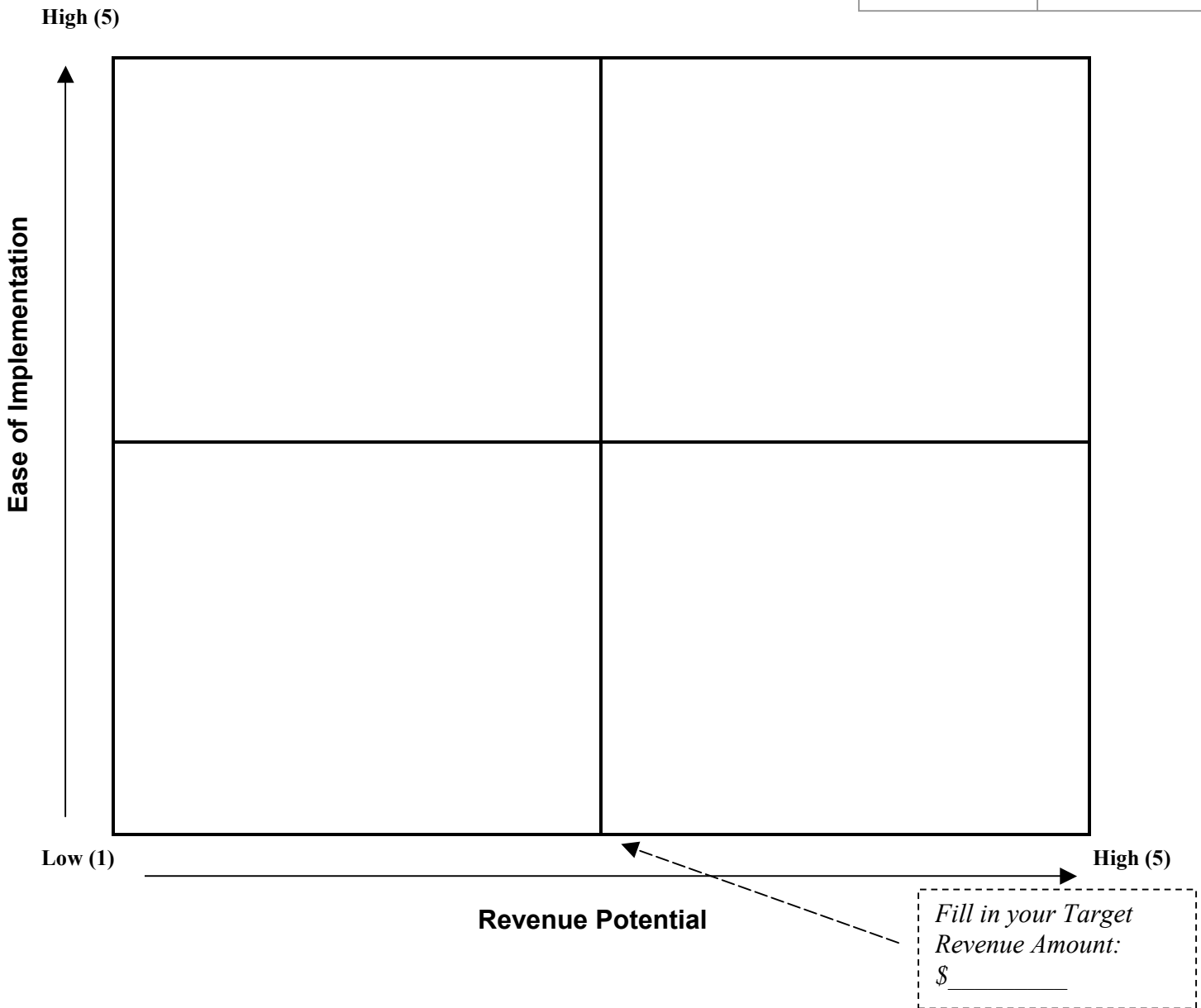
Opportunity	Revenue Potential				Ease of Implementation			
	Start-Up Costs	Market Demand/ Willingness to Pay	Expected Profit Margin	Overall Assessment	Internal Expertise (knowledge, experience)	Operational Complexity of Venture	Access to Resources (people, money)	Overall Assessment

**EXERCISE 5. Opportunity Plot**

**Instructions:** Using the grid below, plot the list of opportunities you brainstormed based on your overall assessment in Exercise 4 of their revenue potential and ease of implementation. Before you begin, you will first need to establish what your minimum revenue target is and use that figure as the baseline for your comparison on revenue potential. (Additional worksheets are available in *Appendix C.*)

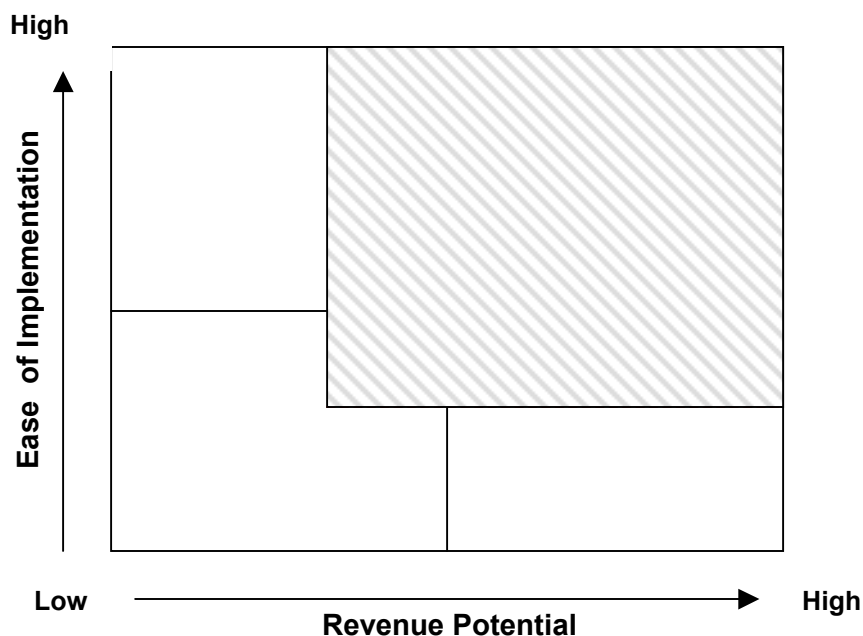
*Example:*

	<ul style="list-style-type: none"> <li>• Temp Agency</li> </ul>
<ul style="list-style-type: none"> <li>• Job Training</li> </ul>	
	<ul style="list-style-type: none"> <li>• Property Management</li> </ul>
	<ul style="list-style-type: none"> <li>• Consulting</li> </ul>



Based on the results of Exercise 5, the opportunities located in the upper right quadrant (or at least in that general direction, as indicated by the shaded area in *Figure 3*) represent opportunities with the highest revenue potential and greatest ease of implementation. Therefore, these opportunities represent the strongest potential for your *Community Wealth* venture.

**Figure 3. Target Opportunity Area**



It is important to note that you may discover that *none* of your opportunities fall in the target region. Do not panic! What you want to consider in this exercise is *which of the opportunities that represent the greatest revenue potential will your organization be able to implement*. Therefore, focus on those opportunities that you have plotted in the general vicinity of the upper right quadrant.

**EXERCISE 6. Scoring Opportunities**

**Instructions:** List your top opportunities from Exercise 5 in the grid below and then score each opportunity on the criteria listed using a scale of 1 to 5, where 1 represents low and 5 represents high. For revenue potential and ease of implementation, assign a numerical value to the assessments you made in Exercise 4. (Additional worksheets are available in *Appendix C*.) Note: Do not complete the weighted score column yet.

Opportunity	Revenue Potential	Ease of Implementation	Fit with Assets	Fit with Mission	Fit with Internal Capacity	Ability to Finance	Competitive Advantage	Weighted Score

Now, using the formula listed below, calculate the weighted score for each opportunity you listed in the table and record the scores in the column labeled **Weighted Score** on the previous page. For components marked with **(x 2)**, you should multiple their scores by two before adding the total score together.

**Opportunity Scoring Formula:**

<b>Weighted Score equals</b>	<b>Revenue Potential</b>	<b>Ease of Implementation</b>	<b>Fit with Assets</b>	<b>Fit with Mission</b>	<b>Fit with Internal Capacity</b>	<b>Market Potential</b>	<b>Ability to Finance</b>	<b>Competitive Advantage</b>
<b>the SUM of:</b>	<b>(x 2)</b>	<b>(x 2)</b>				<b>(x 2)</b>		<b>(x 2)</b>

If you have a group of opportunities with close or identical scores, and it is difficult to prioritize one opportunity ahead of another, you may find it useful to go back and check that all of these opportunities are indeed anchored in the assets you identified earlier. Exercise 7 provides a tool for you to map out visually how well your key assets support each opportunity.

**EXERCISE 7. Asset Check**

**Instructions:** Fill in your top opportunities in the far left column of the table. Along the top of the table, fill in the top ten assets that you listed on p. 21. For each opportunity, check off the assets that apply. When you are finished, you should be able to confirm whether you have appropriate assets to adequately support your top opportunities. (Additional worksheets are available in *Appendix C*.)

Opportunities	Assets									

 *Do you have the assets to support your opportunities?*

**What if there are gaps in my assets?**

Not to worry! Just because you do not have certain assets, does not mean your opportunity is doomed to fail. The key is to assess how integral that asset is to the overall success of the project.

For example, if your organization wants to enter a licensing agreement with a corporation, and your organization does not have a strong brand or identifiable logo or image, the success of the licensing venture likely will be low. However, if your organization wants to license its logo and has excellent brand recognition, but lacks the legal expertise needed to negotiate the licensing agreement, then your organization likely will be able to overcome this asset gap by retaining a lawyer.

**EXERCISE 8: Opportunity Refinement**

**Instructions:** Based on the weighted scores you calculated in Exercise 6 and your asset check in Exercise 7, identify your top five opportunities. Complete one of the following grids for each of these five opportunities. (Additional worksheets are available in *Appendix C.*)

<b>Opportunity #1:</b>
What are the potential strengths?
What are the potential flaws?
What are the skills, resources, and knowledge required?
Approximately how much will it cost?
Is this idea better than other things you could do with your time and money? (Does the potential profit justify the investment?)
What are the risks involved?
Is this idea really what you want to do?



<b>Opportunity #2:</b>
What are the potential strengths?
What are the potential flaws?
What are the skills, resources, and knowledge required?
Approximately how much will it cost?
Is this idea better than other things you could do with your time and money? (Does the potential profit justify the investment?)
What are the risks involved?
Is this idea really what you want to do?

<b>Opportunity #3:</b>
What are the potential strengths?
What are the potential flaws?
What are the skills, resources, and knowledge required?
Approximately how much will it cost?
Is this idea better than other things you could do with your time and money? (Does the potential profit justify the investment?)
What are the risks involved?
Is this idea really what you want to do?

<b>Opportunity #4:</b>
What are the potential strengths?
What are the potential flaws?
What are the skills, resources, and knowledge required?
Approximately how much will it cost?
Is this idea better than other things you could do with your time and money? (Does the potential profit justify the investment?)
What are the risks involved?
Is this idea really what you want to do?

<b>Opportunity #5:</b>
What are the potential strengths?
What are the potential flaws?
What are the skills, resources, and knowledge required?
Approximately how much will it cost?
Is this idea better than other things you could do with your time and money? (Does the potential profit justify the investment?)
What are the risks involved?
Is this idea really what you want to do?

Based on this refinement exercise, list your top three opportunities:

- 1. \_\_\_\_\_
- 2. \_\_\_\_\_
- 3. \_\_\_\_\_



## Chapter 4 What Do I Do Next?

### Objectives:

- To explain a feasibility assessment.
  - To outline how CWV can help you take your potential *Community Wealth* opportunities to the next level.
- 

### Next Step: Feasibility Assessment

Now that you have assessed your assets and identified and screened your top three potential *Community Wealth* opportunities, the next step is to assess the feasibility of these opportunities and make a “Go/No-Go” decision for each one. The feasibility assessment analyzes the operating requirements and profit potential of up to three *Community Wealth* opportunities. For each opportunity, the ultimate goal is to determine the viability of generating sufficient revenue streams without detracting from your organization’s core mission.

### What is a feasibility assessment?

CWV’s research activities for a feasibility assessment vary slightly depending on whether we are researching a *Community Wealth* enterprise or partnership. Based on our client’s individual needs, we tailor these activities accordingly.

For enterprises, CWV typically will:

- Conduct high-level market research to identify whether demand exists, who is the target audience, how much they would be willing to pay, and what is the best way to market to them, and who are the competitors.
- Conduct a high-level assessment of the potential venture’s revenue and profit potential.
- Identify implementation requirements, including barriers to entry and organizational capacity needs.

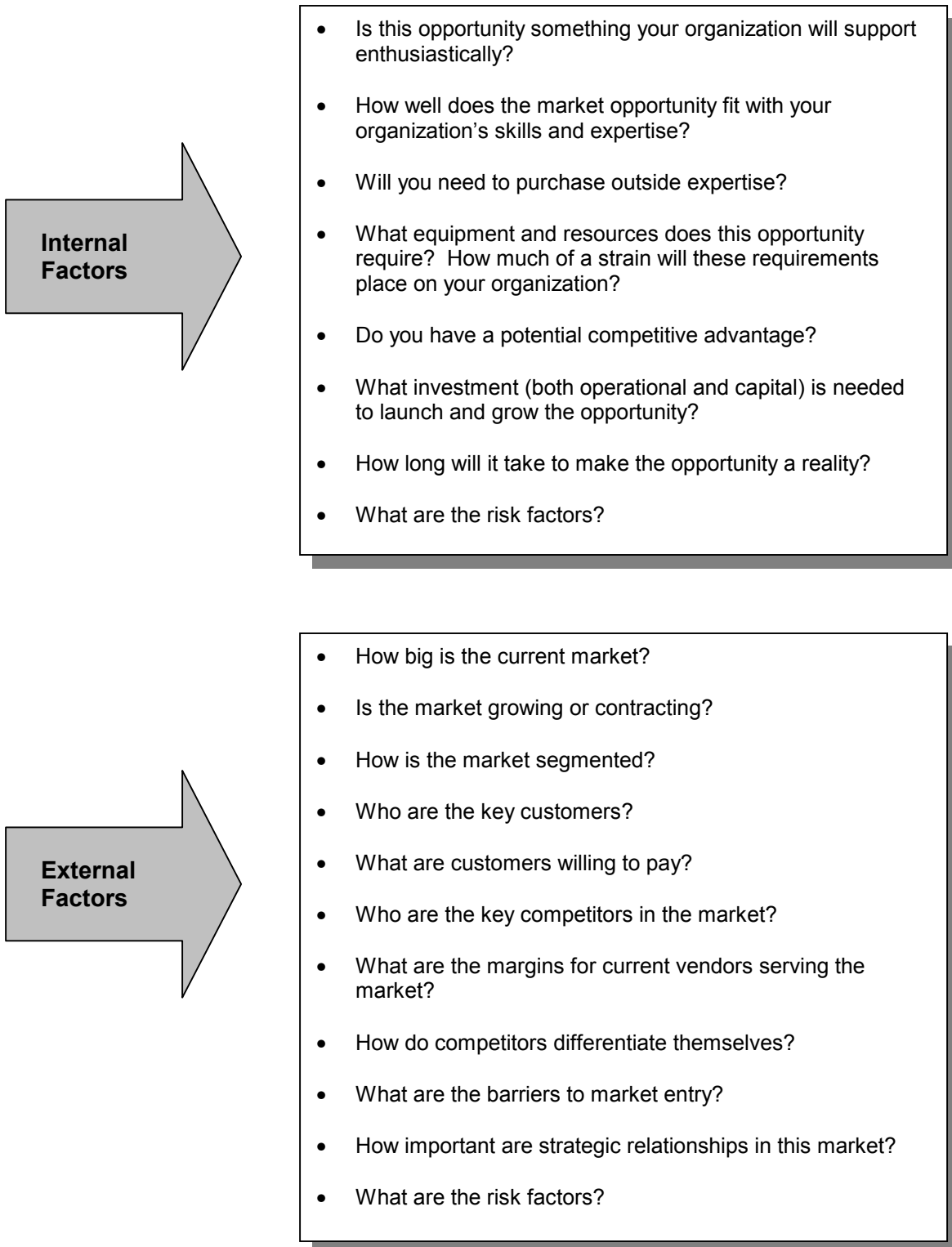
- Evaluate workplace environment, organizational capacity, and readiness for change.

For partnerships, CWV typically will:

- Clarify desired outcomes and measures of success for the partnership.
- Establish criteria to evaluate potential partners.
- Conduct high-level market research to determine specific target market size, demographics, and psychographics.
- Conduct high-level background research on selected industry targets.
- Conduct high-level assessment of revenue and profit potential.

Our research focuses on two areas: internal factors, such as organizational capacity and fit with your organization's assets, and external factors, such as market forces. *Figure 4* outlines each component of our research and the key questions we attempt to answer.

**Figure 4. Components of a Feasibility Assessment**





Based on our research, CWV will facilitate a discussion with your key staff to select your top *Community Wealth* opportunity. However, your selection of the best opportunity will require thoughtful consideration of a variety of factors, including:

- fit with assets;
- feasibility given resource and funding needs;
- consistency with goals, values, and organizational culture;
- favorable market forces (e.g., customer willingness to pay);
- timing requirements;
- risks involved; and
- revenue requirements.



*Are you ready for  
Community Wealth?*

## **Ten Important Tips for Implementing Successful Enterprises and Partnerships**

- Build opportunities consistent with your organization's assets.
- Draw upon traditional business skills to build a strong management team.
- Build support with board members, senior staff, and important stakeholders.
- Dedicate specific staff members to developing new ventures.
- Seek out high quality strategic partners.
- Maintain a long-term commitment to the success of your vision.
- Carefully evaluate the amount and sources of start-up funding.
- Maintain an entrepreneurial spirit.
- Seize the opportunities that present themselves.
- Don't ignore the small business opportunities.

## APPENDIX A

### Additional Community Wealth Enterprise Examples



Based on its diversity training for school district staff, the **Bloomfield, MI school district** founded the ARKUS (Awareness, responsibility, knowledge, Understanding, Skills) Diversity Training Institute in 1999. ARKUS trains local executives on building trust across racial, religious, gender, status, ability, and orientation lines.

**AARP** operates Health Care Options Inc., offering quality health insurance products and services to meet the needs of AARP members. Products include supplemental Medicare insurance products and long-term care plans. AARP also created AARP Services, Inc., a wholly-owned and independently operated subsidiary, to develop and manage new member products, provide marketing services, and enhance AARP's e-commerce. Annual revenues from these activities in 1999 totaled over \$165 million.



**Boys and Girls Clubs of Newark** designed a focus group business that generates revenue for the youth services organization by providing companies with access to one of its most powerful assets – its close relationship with the inner city African-American and Latino communities. Corporations, advertising, and marketing firms pay for access to this valuable market information.

**Esperanza Unida**, a counseling and job placement nonprofit organization in Milwaukee, WI operates seven job training businesses, including an auto repair shop, body shop, housing rehabilitation service, child care center, metal fabrication shop, catering service, and a used car sales lot. Annual revenues from these activities in 1998 totaled approximately \$1.3 million.



**APPENDIX B**  
**Additional Community Wealth Partnership Examples**



**Special Olympics** offers numerous corporations such as Oracle, Coca-Cola, and America Online, opportunities to become official sponsors of various events. Additionally Special Olympics has participated in joint cause-related marketing campaigns with First USA, M&M Chocolate Candies, and other corporations that have donated to Special Olympics.

**Calphalon** partnered with Share Our Strength to raise money for anti-hunger efforts. Share Our Strength's network of chefs and fine restaurants enabled Calphalon to build brand awareness and pan revenues. In return, Calphalon's pan sales raised over \$550,000 for Share Our Strength's anti-hunger efforts.



**The Timberland Company** and City Year, a nonprofit national service organization, have benefited from a longstanding partnership that over the years has ranged from donating boots to sponsoring a team of City Year volunteers to committing a \$5 million investment in City Year's organization. Timberland is now the official uniform outfitter for City Year volunteers and a portion of its proceeds from its Red Boot Campaign go to City Year.

**APPENDIX C**  
**Supplemental Exercise Worksheets**

## EXERCISE 1. Identify Your Assets

**Instructions:** Using the following worksheet, brainstorm your organization's assets. Be creative and think beyond just your mission to what your organization's core competencies are. No idea is a bad one, regardless of how trivial, or far out (remember the Zoo Doo example), or obvious it may seem. ...So go crazy!

### People

*What people do you have that are particularly valuable to your organization? (e.g., name recognition, skill sets, etc.)*

---

---

---

---

---

### Audience/Special Relationships

*What are the key strengths of your target audience? (e.g., size, demographics, psychographics, loyalty, etc.) What other key relationships do you have with charismatic or well-known leaders?*

---

---

---

---

---

### Programs/Proprietary Content/Events

*How are you unique? What are your core competencies? What are the key programs or content that you have at your disposal?*

---

---

---

---

---

**Skills/Expertise**

*What kinds of skills and expertise do your staff have? Internal or External processes?  
What about your advisory board? Volunteers?*

---

---

---

---

---

**Tangible Assets/Facilities**

*What does your organization own or have access to use? (e.g., real estate, equipment, collections, materials, etc.)*

---

---

---

---

---

**Reputation**

*What does your name mean in the community? To whom is it valuable?*

---

---

---

---

---

**Other (Please specify.)**

---

---

---

---

---

## EXERCISE 2. Evaluating Assets

**Instructions:** Using the entries below as examples, complete the grid by listing your primary assets and evaluating their potential. Your answers should be based on your gut instinct and understanding of your organization. Feel free to qualify your answers if needed. Once you have answered all of the questions for each asset, rank the assets according to their potential using “A” for high potential, “B” for moderate potential, and “C” for low potential. (*Note: Be critical when ranking your assets -- Not every asset can be an “A” asset!*)

Asset Evaluation Chart						
Asset	Is the asset unique or distinct? (Yes/No)	Who would value the asset?	How valuable is the asset? (Low/Med/High)	What is the willingness to pay? (Low/Med/High)	Is the asset sustainable over time? (Yes/No)	Overall Rank (A, B, or C)



### EXERCISE 4. Opportunity Assessment

**Instructions:** List the opportunities you brainstormed on p.22 in the grid below and then assess the components of each opportunity's revenue potential and ease of implementation as high, medium, or low.

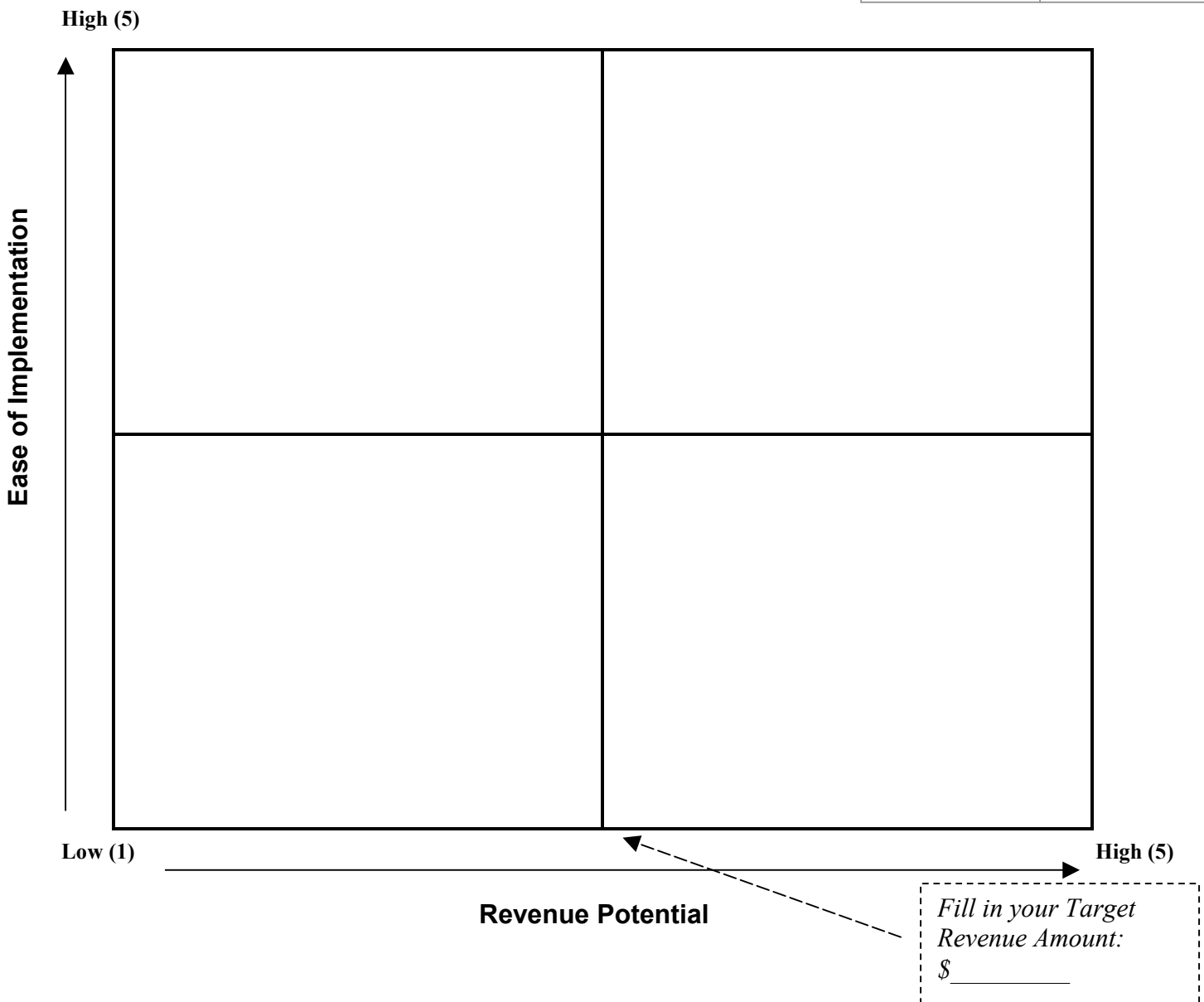
Opportunity	Revenue Potential			Ease of Implementation				
	Start-Up Costs	Market Demand/ Willingness to Pay	Expected Profit Margin	Overall Assessment	Internal Expertise (knowledge, experience)	Operational Complexity of Venture	Access to Resources (people, money)	Overall Assessment

## EXERCISE 5. Opportunity Plot

**Instructions:** Using the grid below, plot the list of opportunities you brainstormed based on your overall assessment in Exercise 4 of their revenue potential and ease of implementation. Before you begin, you will first need to establish what your minimum revenue target is and use that figure as the baseline for your comparison on revenue potential.

*Example:*

	<ul style="list-style-type: none"> <li>• Temp Agency</li> </ul>
<ul style="list-style-type: none"> <li>• Job Training</li> </ul>	
	<ul style="list-style-type: none"> <li>• Property Management</li> <li>• Consulting</li> </ul>



## EXERCISE 6. Scoring Opportunities

**Instructions:** List your top opportunities from Exercise 5 in the grid below and then score each opportunity on the criteria listed using a scale of 1 to 5, where 1 represents low and 5 represents high. For revenue potential and ease of implementation, assign a numerical value to the assessments you made in Exercise 4. (Additional worksheets are available in *Appendix C*.) Note: Do not complete the weighted score column yet.

Opportunity	Revenue Potential	Ease of Implementation	Fit with Assets	Fit with Mission	Fit with Internal Capacity	Ability to Finance	Competitive Advantage	Weighted Score

**EXERCISE 7. Asset Check**

**Instructions:** Fill in your top opportunities in the far left column of the table. Along the top of the table, fill in the top ten assets that you listed on p. 21. For each opportunity, check off the assets that apply. When you are finished, you should be able to confirm whether you have appropriate assets to adequately support your top opportunities.

Opportunities	Assets										

## EXERCISE 8: Opportunity Refinement

**Instructions:** Based on the weighted average scores you calculated in Exercise 6 and your asset check in Exercise 7, identify your top five opportunities. Complete one of the following grids for each of these five opportunities.

<b>Opportunity:</b>
What are the potential strengths?
What are the potential flaws?
What are the skills, resources, and knowledge required?
Approximately how much will it cost?
Is this idea better than other things you could do with your time and money? (Does the potential profit justify the investment?)
What are the risks involved?
Is this idea really what you want to do?

## About Community Wealth Ventures, Inc.

---

Community Wealth Ventures, Inc. (CWV) is a for-profit consulting subsidiary of Share Our Strength (SOS), a leading nonprofit anti-hunger and anti-poverty organization based in Washington, DC. Founded by Bill Shore in 1984, SOS earns most of its budget through entrepreneurial ventures and corporate partnerships. SOS launched CWV in 1997 on the premise that every organization can increase its social impact by building on its own internal assets, rather than relying on support from external organizations. Our consulting objective is to teach our clients how to best leverage the *Community Wealth* concept to meet their mission and revenue objectives.

At CWV, our commitment to social change demands and depends on creating new resources to support those programs that are already proven to work, but do not have the capacity to grow to scale. Helping organizations design and build successful revenue-generating partnerships and enterprises is our mission and the fastest way to advance the *Community Wealth* concept. CWV helps nonprofits design and build revenue-generating ventures with the goal of increasing their financial self-sufficiency and capacity to deliver services. We specifically work with nonprofits to identify their assets; assess opportunities; and build appropriate ventures, including business enterprises, partnerships, and licensing agreements. We also work with organizations on specific issues surrounding revenue creation, such as capacity building and development of strategic marketing and business plans.

CWV works with clients in a collaborative relationship in order to leverage the strengths of both organizations. Our consulting model focuses on empowering our clients throughout the engagement to think strategically about the *Community Wealth* concept and then apply it to their organization. Through this transfer of knowledge, CWV enables its clients to capitalize upon the opportunities created for revenue-generating ventures.



733 15<sup>th</sup> Street, NW, Suite 600  
Washington, DC 20005-6030

Phone: (202) 478-6570  
Fax: (202) 347-5868

Website: [www.communitywealth.com](http://www.communitywealth.com)