2018

Creating Revenue Diversification Among Nonprofits

Christopher James Pembleton
Walden University

Walden University

College of Management and Technology

This is to certify that the doctoral study by

Christopher Pembleton

has been found to be complete and satisfactory in all respects,
and that any and all revisions required by
the review committee have been made.

Review Committee
Dr. Steve Roussas, Committee Chairperson, Doctor of Business Administration Faculty

Dr. Janice Garfield, Committee Member, Doctor of Business Administration Faculty

Dr. Rocky Dwyer, University Reviewer, Doctor of Business Administration Faculty

Chief Academic Officer
Eric Riedel, Ph.D.

Walden University
2018

Abstract

Creating Revenue Diversification Among Nonprofits

by

Christopher J. Pembleton

MBA, Kansas Wesleyan University, 2015

BS, Emporia State University, 2005

Consulting Capstone Study Submitted in Partial Fulfillment

of the Requirements for the Degree of

Doctor of Business Administration

Walden University

June 2018

Abstract

Creating revenue diversification forces nonprofit leaders to create innovative programs and services, build resilience against adverse conditions, and establish a sustainable future. The problem is that some nonprofit managers lack strategies for developing a diversified financial portfolio to achieve sustainability. The purpose of this single-case study was to explore the revenue diversification strategies used by 3 leaders of a nonprofit organization in the eastern region of the United States through the conceptual lens of Markowitz's modern portfolio theory and Thaler's behavioral finance theory. Data were collected using purposeful sampling, semistructured interviews, and analysis of organizational documents, social media platforms, and online databases. Four categories were used to organize the data: process strengths, process opportunities, results strengths, and results opportunities. The key themes that emerged from process strengths and results strengths were utilizing volunteers, collaborating with local partners, developing diverse revenue streams, strong fiscal management, program innovation, and evaluating the market. The key themes that emerged from process opportunities and results opportunities were the lack of written processes and procedures, the lack of process improvement strategies and performance measurement outcomes, the lack of knowledge about donor attrition and retention, and high turnover in the executive director position. Organizational leaders who focus on diversifying revenue streams can serve the mission instead of chasing funding streams that have become more competitive. The social change implication of these findings is that nonprofit leaders could create sustainability through diverse revenue streams, ensuring long-term employment, and sustaining positive social impacts.

Creating Revenue Diversification Among Nonprofits

by

Christopher J. Pembleton

MBA, Kansas Wesleyan University, 2015

BS, Emporia State University, 2005

Consulting Capstone Study Submitted in Partial Fulfillment

of the Requirements for the Degree of

Doctor of Business Administration

Walden University

June 2018

Dedication

To my wife, Katie, you are the source of my inspiration, gratitude, and determination in life. Your presence in my life has influenced me more than I could ever begin to explain. Just because I do not say it enough; thank you for everything you have done, currently do, and continue to do for our family. To my children, Jocelyn and Greyson, I am honored to have such amazing and open-minded children. Always remember, whatever your path in life, you are in control of it and can achieve anything you want. Do not listen to all the noise in the world, focus on what makes you happy and do that for the rest of your life. With great honor and humility, I love all of you and thanks again for everything you did during this process; I am truly blessed.

Acknowledgments

There are so many people who I would like to express my greatest appreciation and gratitude for helping in this process. First off, I would like to thank my wife, Katie, and our children, Jocelyn and Greyson. Your love, support, understanding, and flexibility allowed me to pursue this degree. To my in-laws, thank you for always being so supportive, eager, and willing to help. To my chair and mentor, Dr. Roussas, thank you for your expertise, encouragement, willingness, patience, and constant motivation during this process. I cannot imagine doing this without you as my chair; you are a blessing. To Dr. Garfield, thank you for your added layer of expertise, motivation, and strict reviews that forced me to be a better writer. To Dr. Dwyer, thank you for all your help, encouraging emails, and support along the way. To Dr. Turner and all other faculty members that developed this alternative capstone, thank you for all your efforts and commitment to positive social change. This experience has shaped my future and made me realize that nonprofits need more help than they can afford, and this is where I want to spend my career. To Mr. Fred Walker, thank you for sitting with me during my second residency and encouraging me to persevere through this program, you are always so inspiring. To my cohort, thank you for all the insight, motivation, encouraging words, and genuine care for each other; I will miss our interactions. Lastly, I would like to thank all my former teachers, professors, coaches, and mentors for teaching me about work ethic, mental stamina, and selflessness. I promise to pay it forward with the doors this degree will open. I am forever grateful for all of you.

Table of Contents

List of Tables

List of Figures

Section 1: Foundation of the Study

Background of the Problem

In the United States, the nonprofit sector has increased to 1.56 million tax-exempt organizations fighting for limited resources that include a decrease in government funding (NCCS, 2016). While striving for those limited resources, nonprofit managers fail in several categories: low absorptive capacity of knowledge, inability to identify social innovations, and failure to increase efficient fundraising (Unceta, Castro-Spila, & Garcia, 2016). Business leaders who do not increase the efficiency of their fundraising efforts will have a hard time becoming financially sustainable and will waste precious resources (Iwu, Kapondoro, Twum-Darko, & Tengeh, 2015).

Nonprofit organizations that are not financially sustainable have negative cash flows and low accounts receivable, high debt, are over-reliant on a few donors, lack budgeting analysis, lack risk assessment processes, lack the ability to attract new revenue streams, and have inefficient board oversight (Rottkamp & Bahazhevska, 2016). Rowe (2014) stated that mission is more important than margin, but without margin, there is no mission. McDonald, Weerawardena, Madhavaram, and Sullivan Mort (2015) stressed that the metric for measuring mission and margin is known as the double bottom line. The triple bottom line requires nonprofits to become more professional and business-like to gain competitive market space, obtain financial stability, and achieve their social missions (Haigh, Kennedy, & Walker, 2015; McDonald et al., 2015).

Problem Statement

Failure and stagnant growth of nonprofit organizations are due to the low absorptive capacity of knowledge, inability to identify social innovations, and failure to increase effective fundraising (Unceta et al., 2016). Understanding nonprofit financial management, diversifying a portfolio, and knowing what to do with limited resources is important because the National Center for Charitable Statistics (NCCS) recorded that more than 1.5 million tax-exempt organizations in the United States are competing for the same limited resources (NCCS, 2016). The general business problem is that nonprofit business managers fail due to the lack of diversified financial revenue streams. The specific business problem is that some nonprofit managers lack strategies for developing a diversified financial portfolio to achieve sustainability.

Purpose Statement

The purpose of this qualitative single-case study was to explore the strategies nonprofit managers use for developing a diversified financial portfolio to achieve sustainability. The sample population comprised three managers of a nonprofit organization in the eastern region of the United States. The implication for positive social change included the potential to increase and diversify funding and enhance the managers' ability to fulfill the organization's mission (Ebrahim, Battilana, & Mair, 2014). Managers of financially strong organizations have more flexibility and more opportunities to influence their local community through increased services to their recipients (Stecker, 2014).

Nature of the Study

To conduct research, the researcher choses among three methods: qualitative, quantitative, and mixed. Researchers use the quantitative method to test objective theories between variables, measuring the data so it can be quantified and coded through statistical means (Thamhain, 2014). I did not use a quantitative method for this study because my intent was to explore managers' behavioral decisions that lead to revenue diversification. The mixed method is a combination of both quantitative and qualitative methods and requires great knowledge of both methods to perform effectively (Griensven, Moore, & Hall, 2014). I did not use a mixed method for this study because my research does not require the quantitative method. Qualitative research is an exploration of meaning that subjects assign to social or human problems (Yin, 2018). Because I explored the strategies nonprofit leaders use for developing a diversified financial portfolio, I used the qualitative method.

The qualitative method has the following designs: phenomenological, ethnographic, and case study (Yin, 2015). Researchers use a phenomenological design to find common meaning within a phenomenon through lived experiences of a group (Moustakas, 1994). Researchers use ethnography to describe and interpret patterns of value that are learned and shared within a group (Harris, 1968). I did not use either of these two designs because I explored the strategies nonprofit managers use to diversify their financial portfolio. Researchers use case study design to explore a case or cases over time through an assortment of data collection tools (Yin, 2012). Researchers also use the case design to explore a single phenomenon among a group, company, or location through a variety of data collection methods (Yin, 2015). I used the single-case study design to explore the strategies nonprofit managers use to develop a diversified financial portfolio.

Research Question

What strategies do successful nonprofit managers use for developing a diversified financial portfolio to achieve sustainability?

Interview Questions

1. What strategies do you use for developing a diversified financial portfolio?

2. What are the financial sustainability initiatives of your organization?
3. How has performance outcomes affected implementation of financial strategies?
4. How did you assess the effectiveness of your strategies for developing a diversified financial portfolio?
5. What barriers or challenges did you face when implementing financial strategies?
6. How did you overcome those barriers?
7. How did you assess the effectiveness of overcoming those barriers?
8. What else could you share that could be important to the leadership of this organization to maintain long-term financial viability?

Conceptual Framework

The two conceptual frameworks I used were Markowitz's modern portfolio theory (MPT), developed in 1952, and Thaler's behavioral finance theory, developed in 1985 (Markowitz, 1952; Thaler, 2015). A portfolio is the collection of assets from an investment opportunity set (IOS) and the distribution of profits from those investments; it can be stocks, fund-raising campaigns, donations, service fees, grants, and many other revenue streams (Peylo, 2012; Mosley, Maronick, & Katz, 2012). A key concept of Markowitz's MPT is analyzing investment portfolios to evaluate the relationship between the return and risk of revenue streams (Grasse, Whaley, & Ihrke, 2016). Peylo (2012) explained that MPT accounts for the rational investments in a portfolio of securities. Simaan (2014) explained the main idea behind MPT is to create revenue diversification through securities that correlate with each other through a quantitative tool called mean-variance optimization (MVO). A key concept of Thaler's behavioral finance theory is that investors let emotions of hope and fear impede their ability to interpret the facts involved in making rational investments (Curtis, 2004). The behavioral finance theory explains the irrational behavior of the investor, while MPT explains the rational behavior of the market (Thaler, 2015).

Nonprofit managers may choose to invest in other nonprofit corporations that integrate corporate social responsibility into their mission, or social entrepreneurial start-ups (Mosley et al., 2012; Stecker, 2014). Merging the two theories could aid in developing a portfolio with social responsibility in mind, generating bigger returns, developing an operating reserve, and creating a sustainable future for the nonprofit manager and organization (Sloan, Grizzle, & Kim, 2015). More specifically, the two theories created a guideline on how nonprofit managers should build their portfolio based on market information, emotional awareness, loss aversion of time and money, and a strategic pursuit of future opportunities to help move closer to sustainability. Joining the two theories also shows how once opposing economical viewpoints are aligned and integrated they can help explain the whole picture of economics and finance (Curtis, 2004).

Behavioral finance and MPT were selected for this study because of how they hold each other accountable in the decision-making process. Using Markowitz's MPT explains the rational decisions of the market information while Thaler's behavioral finance theory explains the irrational decisions based on human behavior (Curtis, 2004; Markowitz, 1952; Thaler, 2015). The conceptual framework using both theories is a complementary approach, designed to maximize the advantages and minimize the disadvantages of each. The findings of this study could offer important insight into how the theories could be used mutually to gain better perspectives into the financial decision-making process of business managers.

Operational Definitions

Organizational mission: Traditionally the focus of nonprofit or charitable organizations has been to achieve a social or environmental mission sustained through donations (Ebrahim et al., 2014).

Portfolio diversification: Investors seek multiple investment options to reduce risk and increase the combined return on all assets (Biwas, 2015). Seeking multiple revenue streams to decrease over-reliance, increase the stability of unforeseen market shifts, and expand the donor-related network to increase social impact and overall reach.

Revenue streams: The number of revenue types the organization has given to their mission (Mayer, Wang, Egginton, & Flint, 2014). Examples would include all types of donors, grants, membership fees, merchandise sales, special events, crowdfunding, and bequests.

Sustainability: Nonprofit sustainability is centered on two operations: mission-related activities and donation acquisition. The organization must show mission achievement to retain current donors as well as demonstrate responsible resource allocation to secure future donors (Iwu et al.,2015).

Assumptions, Limitations, and Delimitations

Assumptions

Shugan (2007) defined assumptions as the approximation, limitations, conditions, or premises that researchers predict to be true without formal proof. I believe there to be three basic assumptions to this study. First, I assumed that a qualitative method is the best methodology to explore this business problem. Second, I assumed that the participants provided honest and truthful answers. Third, I assumed that the selected population is the best source to study revenue diversification among nonprofit managers.

Limitations

Yin (2015) characterized limitations as circumstances beyond the control of the researcher. There were three limitations that impacted this study. First, using a single-case study design limited the population that could be studied. However, the sample, three nonprofit leaders, had an extensive background in the area studied. Second, the scientific community does not understand a qualitative methodology as well as a quantitative methodology study. Third, the presence of a researcher can influence the behavior and data gathered from the client. Because this study was part of the doctorate in business administration, the client may have acted more business savvy when they were not, which may have altered the data and results.

Delimitations

Delimitations are the researcher's conscious choice to exclude or include parameters or boundaries (Yin, 2015). The parameters of the study were industry, location, population, and sample size. The nonprofit industry was chosen to add a benefit to the research effort and help a nonprofit organization detect potential problems. The chosen location was through an evaluation process performed by Walden University. The single-case study design was chosen to improve the results and focus of the Baldrige Excellence Framework. The sample size limited the ability to transfer the findings to larger populations in the nonprofit sector.

Significance of the Study

Contribution to Business Practice

The findings of this study could impact area nonprofit business practices by providing nonprofit managers strategies to diversify their financial portfolios to achieve success now and in the future. The nonprofit manager's ability to achieve success, now and in the future, would positively affect their social mission (Ebrahim et al., 2014). Many nonprofit leaders closed their businesses during the 2008 recession because they were not equipped to handle government funds being cut and declines in their major funding source (Mosley et al., 2012). Without revenue diversification, nonprofit managers could go out of business; but worse, they would not be giving basic needs to a society that needs those (Chelliah, Boersma, & Klettner, 2015). Once nonprofit managers can sustain the organization, they could invest in other nonprofit ventures through collaboration efforts, start new services, promote educational grants, start community awareness programs, and start other social change efforts (Mosley et al., 2012). The findings of this study could enable a nonprofit team to accomplish its mission.

Implications for Social Change

This study has implications for social change: nonprofit managers could adopt better financial procedures to secure a successful future so that they could fulfill their mission. Recipients of nonprofit services are typically people who are in search of basic needs that are not being met (Chelliah et al., 2015). The findings could lead to nonprofit services for the community by providing them with basic needs.

A Review of the Professional and Academic Literature

The literature review has several purposes. They help demonstrate the framework the researcher has taken to understand, investigate, and add to the body of knowledge for that research problem (Marshall & Rossman, 2010). The researcher used the literature review to explain how their research fits into the bigger picture, help fill the gaps in the literature, and extend prior studies (Cooper, 1984). When a researcher performs a significant investigation of the literature, composed of a thorough combination of various sources, the researcher helps develop future research topics, and a deeper understanding of the current problem (Cooper, 1984). The researcher may use sources such as peer-reviewed journals, reports, and seminal scholarly books to convince readers of the level of examination undertaken by the researcher (Cooper, 1984; Marshall & Rossman, 2010).

The Doctor of Business Administration (DBA) program at Walden University requires that 85% of all academic sources referenced in the literature review to have a publication date within 5 years of the anticipated chief academic officer (CAO) approval date. I used multiple keyword searches, Boolean search techniques, and other tips and techniques obtained from previous educational institutions and information gathered from the Walden Library. I searched online databases such as EBSCOHost, ScholarWorks, Google Scholar, and ProQuest. With access to these databases, I gained a deep insight into financial sustainability in the nonprofit sector, developing an understanding of modern portfolio theory and behavioral finance, as well as researching all types of nonprofit funding and non-traditional revenue streams nonprofit managers use to create financial stability. The terms used to obtain peer-reviewed articles were *modern portfolio theory, behavioral finance, donor retention strategies for nonprofit, portfolio* *diversification, revenue streams for nonprofit, nonprofits sustainability, social innovation, social entrepreneurship, nontraditional revenue streams, financial stability, and organizational development.* After selecting an article, I checked to ensure the journal was a peer-reviewed journal by using Ulrichsweb Global Serials Directory; an online database of more than 300,000 academic and scholarly journals. I then inserted the information into my literature review matrix, a master list of references, and categorized it according to the subsections of the literature review.

Table 1

Literature Review Source Content

Literature review content	Total	Within 5-year range; 2014 - 2018	% total peer-reviewed and within 5-year range
Books	7	3	42.86
Peer-reviewed articles	102	91	89.21
Dissertations	0	0	0.00
Total	109	94	86.24

To shape the literature review sources, I used the purpose statement and central research question as a guide to search and extract related sources. The purpose of this qualitative single-case study was to explore the strategies nonprofit managers use for developing a diversified financial portfolio to achieve sustainability. I achieved this by (a) exploring a nonprofit client organization, (b) providing a consultant–client relationship, (c) improving business processes, (d) assisting in initiating strategic plans, and (e) offering an in-depth evaluation of their current internal processes.

Nonprofit managers face increased competition for limited resources in the nonprofit sector (Mataira, Morelli, Matsuoka, & Uehara-McDonald, 2014). Traditional funding sources such as government grants both at federal and state level are declining and more nonprofits are entering the market, making it more difficult to obtain funding from the government and other traditional revenue streams (Honeyman, 2014; Mataira et al., 2014). Because the nonprofit landscape has become increasingly more competitive, nonprofit managers must learn how to obtain funding through multiple revenue streams as well as utilize the limited resources they currently have (Charles & Kim, 2016). Nonprofit managers need to view each revenue stream as an investment, understand how to make that investment grow, and how to use the revenue towards the social mission. Furthermore, nonprofit managers cannot afford to focus only on financial stability and growth but must fulfill the social mission of the organization through brand imaging, donor stewardship, and long-term sustainability (Charles & Kim, 2016; Mataira et al., 2014).

I present the following topics in the literature review: portfolio diversification, modern portfolio theory, behavioral finance, revenue streams, performance measurement tools, and organizational structure. I explored the strategies nonprofit managers used to develop a diversified financial portfolio to achieve financial sustainability. I applied the lenses of modern portfolio theory and behavioral finance to aid in better decision-making skills for unskilled nonprofit managers and to develop more diversified financial portfolios. A more diversified financial portfolio will create sustainability and stability against the uncertainty of the economy and aid in the resilience of the increasingly volatile landscape of nonprofit donor attrition (Kolm, Tutuncu, & Fabozzi, 2014).

Portfolio Diversification

Portfolio diversification has a different meaning in the nonprofit sector. Within the nonprofit sector, portfolio diversification means actively seeking different and unrelated revenue streams to hedge the risk of an unforeseen economic uncertainty and build an adequate operating reserve (Grizzle, Sloan, & Kim, 2015). The traditional meaning of portfolio diversification is acquiring assets, securities, and other investment options to improve overall wealth generation or maximize profits (Hinton & Maclurcan, 2017). Nonprofit managers have a responsibility to ensure there is enough revenue acquired to make an impact on the social mission while covering all administrative and operating costs (Charles & Kim, 2016). The nonprofit manager's ability to evaluate which revenue streams to pursue is vital to the financial stability and future of their nonprofit business (Charles & Kim, 2016). Poor understanding of the market and letting personal biases intervene will lead nonprofit managers to make poor decisions and ultimately waste limited resources (Ebrahim et al., 2014).

In portfolio management, there are two main concepts to wealth generation: modern portfolio theory and behavioral finance theory (Curtis, 2004). The two concepts have been opposing ideas for many years but using them together managers can make the most informed decision possible (Curtis, 2004). In the following sections, I explained how each theory can generate revenue and how they can be used to examine revenue stream selection in the nonprofit sector. The increase in revenue is the main bottom-line, but it should not be the only bottom-line considered when evaluating a revenue stream. If a fundraiser does not increase revenue, other performance measurements can be measured such as social awareness, potential donor buy-in, or increasing brand image for long-term sustainability (Michaelido, Miceevski, & Cadogan, 2015).

Modern portfolio theory. Modern portfolio theory was developed and presented by Harry Markowitz in 1952. Markowitz (1952) stated that diversifying revenue streams will mitigate unsystematic risks over a long-term investment period. Biswas (2015) defined diversification as the reduction in portfolio volatility, which reduces the portfolio risk. Peylo (2012) defined a portfolio as the collection of assets from an investment opportunity set (IOS) and the distribution of profits from those investments. Simaan (2014) explained the main idea behind MPT is to create revenue diversification through securities that correlate with each other through a quantitative tool called mean-variance optimization (MVO). In the nonprofit sector, revenues or securities can be stocks, fund-raising campaigns, donations, service fees, grants, unrelated business income, and many other forms of revenue streams (Mosley et al., 2012; Peylo, 2012). Under MPT diversification decreases market volatility among revenue streams and increase potential to increase capital over a long-term investment period (Biswas, 2015; Peylo, 2012). Investors that practice MPT concepts are thought to be rational decision makers and seek the maximum return with minimal risk. (Markowitz, 1952; Shipway, 2009).

There are three basic assumptions when understanding MPT: the expected return of each asset, the expected risk of each asset, and how each will react to each other in the market (Markowitz, 1952; Shipway, 2009). Shipway (2009) explained the expected return as the annualized value expected when holding the asset over time. The next measure is risk, which is the assumption of how much the return will deviate over one year also known as volatility (Peylo, 2012; Shipway, 2009). The third basic assumption is reactivity between assets or the correlation, which compares the ups and downs in value between two investments; creating a positive or negative correlation (Shipway, 2009).

Nonprofit managers who are selecting revenue streams can incorporate MPT principles by looking at the returns, risks, and how each revenue streams react to each other (Grasse et al., 2016). Major donors are investors that have donated a substantial amount of money and believe that the nonprofit business is striving towards its mission (Khodakarami, Petersen, & Venkatesan, 2015). While seeking other revenue streams, the nonprofit manager must account the possibility of a negative correlation between the new revenue stream and a major donor (Charles & Kim, 2016; Shipway, 2009). The correlation between revenue streams is known as reactivity and understanding this volatile relationship is a nonprofit manager’s duty (Shipway, 2009). A nonprofit manager that understands this reactive relationship between donor’s belief systems will create noncompetitive positive relationships and increase the amount of total revenue (Charles & Kim, 2016; Khodakarami et al., 2015; Shipway, 2009).

Efficient frontier. The efficient frontier is an elegant and simplistic representation of the combination of a range of revenue streams that factor in risk and return and produces optimal results (Peylo, 2012; Shipway, 2009). The exact point where the investor has maximum returns with minimal specified risks is known as the efficient frontier (Markowitz, 1952). Wise (2017) claimed that adding more assets will result in lower returns and higher risk while taking away risks will result in lower returns. Peylo (2012) noted that not all portfolio managers build portfolios to obtain the same level of return and associated risk; the efficient frontier is the line that represents the level of risks and returns for that specific investment opportunity set (IOS). Shipway (2009) explained that reaching the efficient frontier is not possible in real life because of the risk, return, and correlations are constantly changing. Volatility is the standard deviation of risk, the higher the risk, the higher the investment’s volatility (Shipway, 2009). With all things being equal it is better to have a portfolio with low volatility, which means that the investors would choose investments that have a lower standard deviation on expected risk (Biswas, 2015; Peylo, 2012; Shipway, 2009)

Systematic risk and unsystematic risk. Biswas (2015) defined systematic risk as the amount of risk caused by the economic systems changes to the market. Changes to the market include interest rates, money supply, taxation, exchange rates, commodity prices, government spending, and the like (Biswas, 2015). Depending on the beta analysis of the fund or stock it will have a different reaction to the market index (systematic risk). A low beta will result in little effects from the market variations while having a fund or stock with a high beta will respond strongly to the market fluctuations (Babenko, Boguth, & Tserlukevich, 2016; Biswas, 2015). Biswas (2015) explained beta value as the average sensitivity the fund or stock has with the market return. Systematic risks affect the entire portfolio and not just one fund or stock, it is risk at the macroeconomic level and diversifying a portfolio will not eliminate market risk (Babenko et al., 2016; Kolm et al., 2014).

Biswas (2015) defined unsystematic risk as the amount of risk not related to the market. Examples of unsystematic risk are diversified risk, new competitors, regulatory changes, avoidable risk, and non-market risks. Wise (2017) defined unsystematic risks as changes within a company, industry, or investment type. An investor can reduce the unsystematic risks by investing in diversified securities, industries, and different types of companies (Shipway, 2009). A well-diversified portfolio at the microeconomic level will yield more returns while hedging the unsystematic risks of each investment type and industry (Wise, 2017).

Risk aversion. Under MPT, Markowitz (1952) explained risk aversion as the expectation of the investor to invest in the lower risk associated fund or stock when all else is equal. When the expected return is equal, investing in the lower risk security is the rational choice (Conlon, Cotter, & Gençay, 2016). Before purchasing the security, the investor will have studied the systematic and unsystematic risks of the securities and market and formed an opinion of which stocks are more risk averse (Conlon et al., 2016). Markowitz (1952) assumed that all the information about systematic and unsystematic risk is the same for each investor with no inside information on an individual level.

The premise of MPT is that the representative agent makes unbiased forecasts about the future and makes decisions based on expectations from the market (Markowitz, 1952; Thaler, 2009). Investors utilizing MPT are thought to always make the right choice based on market information and will not deviate from the obvious choice based on personal preferences, bias, or the behavior of others (Markowitz, 2014; Thaler, 2009). If an investor does deviate and make an irrational choice, it will not impact the market equilibrium because of all the other investors counter it with the correct choice (Gokhale, Tremblay, & Tremblay, 2015). Nonprofit managers can use MPT to gather market information, evaluate revenue streams that mitigate risks, collect revenue stream risks and returns, and design a development strategy that aligns with a long-term return with low risk to hedge the unpredictable industry of nonprofits (Sloan et al., 2015).

Behavioral finance theory. Richard Thaler, the founder of behavioral finance, rejects the belief system that all investors make rational and well thought out decisions based on data represented by the market (Thaler, 1999). Thaler (1999) explained that people make decisions based on opinions, biases, gut feelings, fear and hope (Curtis, 2004), and other psychological factors (Huang, Shieh, & Kao, 2016) in addition to market information (Markowitz, 2014).

Behavioral financiers consider the human element of decision-making (Thaler, 2015). There are two types of behavior that impact portfolio decision making; rational (market information) and irrational (human behavior) (Markowitz, 1952; Thaler, 1999). Rational and irrational can be interpreted as low and high risk (Thaler, 2015). Rational behavior over a long period will result in a portfolio that has low unsystematic risks and steady growth (Shipway, 2009). Building a portfolio with irrational behaviors creates a volatile IOS with high unsystematic risks (Peylo, 2012).

Managers or investors develop biases based on previous life experiences through learned behavior, taught behavior, social dynamics, and the behavior of peers (Gokhale et al., 2015). Nonprofit managers who understand their irrational behaviors will build stronger more financially stable and sustainable portfolios (Huang et al., 2016). In addition to understanding personal biases, nonprofit managers will understand potential donor biases and gain a better understanding on how to treat that relationship (Charles & Kim, 2016; Khodakarami et al., 2015; Shipway, 2009).

Anchoring bias. Ramiah, Zhao, Moosa, and Graham (2016) defined anchoring as a bias that makes people rely on probability-based decisions even if the market or rational choice states otherwise. When investors display the anchoring bias, they assume greater risk in hopes the asset or revenue will return to its original market price (Astorino, 2015). Jahedi, Deck, and Ariely (2017) concluded that the further someone strays from a rational mindset (less risk-taking) the more they will rely on biases such as anchoring to help make decisions. Nonprofit managers can associate anchoring bias to how much money they have allocated to obtain a revenue stream versus the actual money the revenue stream returns to the organization; not the historical return but the current return on investment (Ramiah et al., 2016). Constant evaluation of all revenue streams, resource management strategies, and investments will help reduce anchoring biases (Sigala, 2015).

Mental accounting. Chhering (2016) defined mental accounting as the coding, categorizing, and evaluation of financial decisions managers use. There are three components of mental accounting; how outcomes are perceived and experienced, assignment of activities to specific accounts, and how frequent the accounts get evaluated (Chhening, 2016). East (2016) explained mental accounting as the separation of knowledge and activity into different fields or accounts. Perren, Faseruk, and Cooper (2015) defined mental accounting as an individual's tendency to handle portions of wealth differently based on predetermined criteria. The segregation is in the form of type, time, and place; which can lead to failure to connect the rationality between the two (East, 2016). An annual expected donation and an unexpected hard to close donation should fall into the same account; revenue (Chhening, 2016). However, easily obtained and accounted for donations are often viewed as *easy money* that will be used for normal expenditures like paying salaries or services. While the hard to close or unexpected donations are often viewed as a bonus and likely be spent buying equipment or other larger items that are not in the fiscal budget (Sloan et al., 2015). Every dollar is equal to the next dollar and accounted for in the same way; big purchases need to be planned and budgeted for, operating reserves created with unexpected donations, and debt alleviated (Sloan et al., 2015). The nonprofit manager needs to have a procedure in place for unexpected donations to hedge the immediate want to replace, buy, overhaul, or otherwise deplete the unplanned funds (Yang & Lee, 2017).

Confirmation bias. Cipriano and Gruca (2014) explained confirmation bias as the ignoring of information that is not consistent or supportive of one's beliefs and the tendency to enhance the information that does support their beliefs. Perren et al. (2015) described confirmation bias as cognitive dissonance; the state of using selective perception. Leaders who practice confirmation bias can create filtered perceptions, a one-way view of the situation, and not take a holistic approach to critical thinking which will lead to subpar choices (Bleaney, Bougheas, & Li, 2017). Managers who do not gather information that supports the whole picture and make decisions out of fear and hope can affect the macro level of economics because of confirmation bias (Peylo, 2009). Nonprofit managers who become transformational adaptive leaders can avoid this bias by seeking information that contradicts and supports their beliefs, strategies, styles, and other major decision-making models (Mataira et al., 2014). Another similar bias is gambler's fallacy, which is the irrational thinking that all small samples characteristics will reflect that of a larger sample (Bleaney et al., 2017).

Herd behavior and overconfidence bias. Financial managers who practice under behavioral finance understands herding or herd behavior as following others without personal knowledge of the market (Huang, Lin, & Yang, 2015). Deshmukh (2017) stated that herd behavior happens when individuals trust the actions of a larger group rather than relying on their instincts and knowledge. There are several reasons why herd behavior happens and understanding those tendencies will help minimize the risk of acting irrational (Balcilar & Demirer, 2015). Deshmukh (2017) claimed that humans are sociable, self-conscious, seek the acceptance of peers, and will choose to follow a larger group instead of making individual choices. Another preconception of herd behavior is how can such a large group of people can be incorrect (Balcilar & Demirer, 2015).

Uneducated or new nonprofit managers will fall into herd behavior and follow organizational norms to protect their insecurities and become accepted by the organization (Bonilla, 2015). Conversely to herd behavior is the phenomenon of overconfidence bias. Deshmukh (2017) recognized overconfidence bias as one of the major reasons investors' damage their portfolios. Investors that display overconfidence can destroy portfolios and organizations similar to confirmation bias; the manager ignores evidence that is contradictory and overemphasizes information that supports their beliefs (Cipriano & Gruca, 2014). Perren et al. (2015) explained that overconfidence bias would result in undiversified portfolios, underestimated risks, excessive trading, and grossly overestimating one's abilities. Nonprofit managers with little experience and an overconfidence bias can bankrupt an organization if they are headed down the wrong path and deplete resources with little to no return if they do not change strategies in a reasonable amount of time (Bonilla, 2015).

Prospect theory. Similar to risk aversion under MPT, investors do not prefer to take an unneeded risk or assume a loss when it is not necessary (Lee & Li, 2016). Prospect theory, developed by Daniel Kahneman and Amos Tversky in 1979, claimed that investors are more sensitive to losses than gains; even if the outcome is equal (Perren et al., 2015). The association of a gain or loss is anchored on the point of reference, which will provide the value of the transactions (Perren et al., 2015). The gain or loss only has value because of the reference point, without the anchored reference point the outcome has no meaning (Droj, Iancu, & Popovici-Coita, 2016; Lee & Li, 2016).

An example provided by Droj, Iancu, and Popovici-Coita (2016) stated an investor started (reference point) with $1,000 and gained $1,000 then lost $500 to make a net gain of $500 versus starting with $1,000 and only gaining $500 with no losses. The investor would have more emotion attached to the first scenario based on prospect theory because of the loss associated with the gain. According to MPT, an investor would choose the second scenario every time to avoid unnecessary risk, however, according to behavioral finance it would depend on the behavior of the investor; risk versus return (Droj et al., 2016).

Revenue Streams

Nonprofit managers annually provide funding for their organizations and traditional methods are becoming scarcer as more nonprofit organizations enter the sector (Charles & Kim, 2016; Khodakarami et al., 2015; Mataira et al., 2014). For nonprofit managers to succeed and work on achieving the mission, they must retain current donors and find new innovative ways to acquire more funding (Thomas, Feng, & Krishnan, 2015). The management team at most nonprofit organizations are not business professionals and may not understand business models such as branding, social media advertising, portfolio management through diversification, market-based opportunities, and other for-profit concepts (Dobrai & Farkas, 2016; Gras & Mendoza-Abarca, 2014). Charles and Kim (2016) argued that successful nonprofit organizations will spend more on funds for administrative cost because they tend to hire business professionals.

With the increased volume of nonprofit companies entering the landscape, it is vital to survival that fund raising extends beyond traditional methods and integrates concepts such as social innovation, social entrepreneurship (Choi & Majumdar, 2014), special events, investments, branding, merchandise sales, and organizational development (Khodakarami et al., 2015; Michaelido et al., 2015; Mosley et al., 2012; Santos, Pache, & Birkholz, 2015). In addition to fundraising, managers with a background in business or degrees related to business are becoming sought after by board members looking for executive directors to target donors like investors of a for-profit company (Charles & Kim, 2016; Haigh et al., 2015). Boesso, Cerbioni, Menini, and Parbonetti (2015) proclaimed that the sum of the human capital of board members (board capital) and the board members' direct ties to their external environment (social capital) might predict the board's ability to provide effective strategies and resources to the firm. Without proper board members, organizations will not have the industry insight, financial strategies, revenue generation knowledge, and the understanding of complex business relationships (Boesso et al., 2015).

Revenue generation or fund obtainment is essential to the success of nonprofit organizations; however, this should not be the sole measurement of their success (McDonald et al., 2015). Martin (2015) discovered that revenue diversification might lead to mutually exclusive revenue streams through a crowding out effect. Simply put, the nonprofit management must understand fund optimization, which is the correlation between donors, social impacts, asset allocation, and the ability to measure success beyond profit (Charles & Kim, 2016; Hinton & Maclurcan, 2017; Kolm et al., 2014; Shipway, 2009).

Financial sustainability for nonprofit organizations comes in the form of revenue diversification instead of revenue concentration (relying on one or two funding sources). Managers of nonprofit organizations can benefit from developing other revenue streams and building those relationships to create success for the future (Gras & Mendoza-Abarca, 2014).

Donors want to give to responsible companies that have visionary goals and missions that are mutually supportive (Minciullo & Pedrini, 2015). Another way to obtain donations is called strategic philanthropy, which is a strategy used by corporations to increase their return on philanthropy and bottom line (Liket & Maas, 2016). If the nonprofit manager can explain how a major donation will positively impact a company's financial bottom line, he or she is more likely to invest in the mission (Liket & Maas, 2016).

Leaders who are transparent about how the mission is impacting the intended target will increase the brand image and reputation for being a consensus organization, which will translate to a responsible organization (Michaelido et al., 2015; Minciullo & Pedrini, 2015). Like for-profit managers, nonprofit managers need to advertise their impacts, products, goals, missions, needs, and start becoming a proactive member rather than a reactive member to social problems (Boesso et al., 2015; Charles & Kim, 2016). Nonprofit managers should seek problems that they provide a niche in and excel at that mission (Valentinov & Vacekova, 2015). Establishing successful funding sources will enable nonprofit managers to be better equipped to compete for more revenue streams (Martin, 2015).

Branding. Michaelido et al. (2015) described the nonprofit brand image as for how the consumers perceive the organization, their mission, and that shapes the motive for donations. Brand image is a collection of ideas, consumer attitude toward the brand, mental representation, and a consumer's connectivity to the organization (Michaelido et al., 2015). Galan Ladero, Galera Casquet, and Singh (2015) called this socially focused branding cause-related marketing; the building of consumer attitudes toward a social consensus marketing campaign. Given the increased number on nonprofits entering the marketplace, nonprofit managers who focus on building their brand, identity, reputation, and new ways to differentiate from the competition will attract more donors (Michaelido et al., 2015).

Chenavaz (2017) studied consumer behavior relative to the quality perceived by the consumer. Like the dichotomy between modern portfolio theory and behavioral finance, branding or marketing considers the rational and irrational assumptions (Chenavaz, 2017). More specifically in prospect theory under the behavioral finance concept, everything has a reference point to measure quality or expected quality (Perren et al., 2015). When designing a branding campaign, it is important to understand that consumers will set a reference point based on your design and the nonprofit manager must deliver the expected value to gain new donors (Chenavaz, 2017). Having an extensive understanding of behavioral finance will aid in the development of an appropriate branding campaign (Chenavaz, 2017). Each potential donor has a combination of the ability to give and reference to quality about the organization; disposable income and consumer attitude toward the mission (Chenavaz, 2017). Branding a high-quality reference point and maintaining its value is fundamental to fund obtainment in the nonprofit sector since giving is motivated by the donor's perception of the organization's ability to achieve the mission (Ebrahim et al., 2014).

Branding on a social media platform can play an important role in shaping consumer behavior toward the brand, promoting positive impacts about the brand, sharing branded content, and creating consumer-generated advertising through shares and likes as the consumer strives for self-identity through brand association (Bernritter, Verlegh, & Smit, 2016). Social media branding gives the nonprofit manager the ability to share images, stories, social impacts, and partnerships for an extremely low price and in real time to a large population (Bernritter et al., 2016). Chenavaz (2017) reinforced the idea of focusing on a quality reference point that the consumer can gauge their interpretation of the organization on and build a self-identity to promote the brand.

Membership and service fees. Nonprofit managers charge a membership fee to join their newsletter, use their services, facilities usage, or other creative ways to obtain a membership fee in exchange for a small incentive (Richardson, 2016). Program service revenue which includes government fees and contracts accounted for 72% of the public charity finances in 2013 (NCCS, 2016). Nonprofit managers who grow a large membership base approximate secured funds and apply those funds to fixed overhead costs (Mitchell, 2017; Richardson, 2016). Examples of fixed costs are administrative fees, operating expenses, and costs of goods or services accrued from doing business (Richardson, 2016). Nonprofit managers who operate with low fixed costs can cover those costs with membership and service revenue as well as other renewable annualized revenue streams (Mitchell, 2017; Richardson, 2016; Sargeant & Shang, 2016).

Mitchell (2017) explained that service fees are paid for as they are needed, unlike membership fees that are paid in advance. Having a robust membership and service fee plan can help a nonprofit manager cover their fixed costs and survive an economic downturn (Ferreira & Proença, 2015; Richardson, 2016). Boesso et al. (2015) explained that board development could lead to innovative services, which can lead to financial stability and cover fixed costs. Charles and Kim (2016) argued that the current performance measurement tools for program and services used by managers do not take quality and effectiveness into account. With the increase in nonprofit organizations entering the sector, nonprofit managers are trending toward a more business-like approach to obtaining membership and service fees (Charles & Kim, 2016). Harris (2014) noted that nonprofit organizations with increased ability to measure their performance outcomes would grow their planned revenue and improve their ability to acquire better board selection.

Donors. Seeking donors and major donors is a great way to build long-lasting relationships with people who share the same vision and mission as the nonprofit management (Khodakarami et al., 2015). Successful nonprofit managers are very transparent with their financing to display what they are doing with the donations (Michaelido et al., 2015; Minciullo & Pedrini, 2015). Donors like to see what is developing, being built, and taking place because of their infusion of cash (Charles & Kim, 2016). Understanding the donor's expectations and shared vision is critical to developing the relationship (Charles & Kim, 2016). While searching and obtaining other revenue streams, the nonprofit manager must keep in mind the donor's viewpoint and why they have given in the first place (Khodakarami et al., 2015). Creating a negative correlation when trying to obtain more funding from a different source can cause more harm than financial good (Charles & Kim, 2016; Shipway, 2009).

A general rule in the nonprofit industry is that 20% of the total donors will contribute 80% of the total revenue, which is also known as Pareto's principle (Serrano-Cinca & Gutiérrez-Nieto, 2014). The nonprofit development team must understand the donors that contribute the 20%, what makes them give to the mission, who else are they supporting, what is their capacity for giving, and what can be done to encourage more giving from them (Serrano-Cinca & Gutiérrez-Nieto, 2014). Developing a major donor relationship requires a lot of delicate and purposeful attention (James, 2015). Nonprofit managers who treat major donors only as an investment will lose out on a long-term relationship to capitalize on a short-term gain; if treated properly major donors will give throughout their life and beyond in their will (Sloan, Charles, & Kim, 2016).

Bequests and endowments. Long-term supporters of nonprofit organizations will sometimes bequest a gift in their will or set up an endowment (Sloan et al., 2016). A bequest is a one-time gift of property or money given to a beneficiary through a will (James & Routley, 2016). An endowment is a perpetual gift that is set up to offer an annual gift for a nonprofit organization (Sloan et al., 2016). These types of donations are not often given and are the result of years of building social capital with the donor (James, 2015). The goal is to make such an impression on donors through mission alignment and success that they want to bequest a gift in their will or set up an endowment for the organization (Sloan et al., 2016).

Grants. Martin (2015) defined grants as funds distributed from one entity to another without any repayment or expectations. Grants are typically project specific, last 3-5 years, are expensive to obtain, and usually require professional administrative staff to write and source the grant opportunities (Martin, 2015). Government grants are a major revenue resource for many nonprofit organizations and typically a key component in development strategies (Lu, 2016; Martin, 2015; Minciullo & Pedrini, 2015). With government grants being such a dependent resource for many nonprofit organizations there is much literature on the compromising of autonomy and mission drift (Lu, 2016). Becoming over-reliant on one funding source could cause a loss of independence as external pressures start to influence management, governance, and civic engagement (Lu, 2016). Having government grants as part of the revenue diversification adds another layer of insurance in times of uncertainty (Lu, 2015). Martin (2015) stated that US government grants were more than $137 billion a year to nonprofits for services. Unlike other funding types, government grants often require performance measurement reports to continue with additional funding (Lu, 2015). Smaller nonprofit organizations may have trouble with the extra administrative tasks of measuring and generating reports to reflect their use of funds (Martin, 2015).

Special events. An often-underutilized revenue stream is special events, which integrate a cause with an activity to entertain a wide range of donors (Inoue, 2016). The participants that are attracted to the special event are often donors, and those interested in becoming a donor and the special event will develop social capital with current donors and new networks of donors (Citroni, 2015; Ihm & Castillo, 2017; Inoue, 2016). Special events can range from sports participation, concerts, workshops, conferences, sports spectatorship, or similar activities (Ihm & Castillo, 2017; Inoue, 2016). Another plus to hosting a special event is the opportunity to collaborate with other nonprofit organizations and develop professional relationships that foster around shared goals (Ihm & Castillo, 2017).

The key reasons to host events are to give thanks and appreciation to current donors, revive an old donor relationship, and to develop new relationships with potential donors (Citroni, 2015; Ihm & Castillo, 2017; Inoue, 2016). Nonprofit managers need to have a system in place during events to make new contacts and gather their information, refresh old relationships, and nurture current donor relationships (Ihm & Castillo, 2017; Inoue, 2016). Many nonprofit organizations fail to engage new relationships at special events beyond the participation at the event (Inoue, 2016). Nonprofit managers with an understanding of intrinsic and extrinsic rewards will gain a better perspective of why participants turn into donors and retain an interest in their nonprofit organization (Inoue, 2016).

Unrelated business income (UBI). Even though most nonprofits organizations are classified as tax-exempt, the administration staff may need to pay taxes for unrelated business income (IRS, 2017). Unrelated business income is income from a trade or business, which is regularly carried on and is not mostly related to the mission, vision, or overall goal of the organization (IRS, 2017). Organizations practicing in unrelated business income will need to file a Form 990-T in addition to other annual forms (IRS, 2017). Examples of unrelated business income are charging rents, developing a for-profit business that is controlled by the nonprofit organization, or selling products that do not align with the overall mission of the nonprofit (IRS, 2017).

Crowdfunding and capital campaigns. Crowdfunding and capital campaigns are similar in the fact that both aim to raise money for a specific reason or project (Inoue, 2016; Margareta & Constantin, 2015). Nonprofit managers can use online crowdfunding platforms to explain their small project and reach thousands of potential small donors throughout the online communities and constituents (Margareta & Constantin, 2015). Capital campaigns use preexisting relationships with donors and other collaborators to raise significant amounts of money throughout the internal community already established within the nonprofit business (Inoue, 2016). Crowdfunding may be implemented to relieve the constant asking of revenue from dependable donors, extend the network of smaller donors, and market the organization’s mission to the online communities the nonprofit manager decides to deploy the crowdfunding campaign (Yang, Wang, & Wang, 2016). Nonprofit managers use crowdfunding to introduce their mission to new online communities and grow their donor base (Gleasure & Feller, 2016). The authors concluded that warm glow and altruism are important in the role of online donations. The reason being is that most donors from crowdfunding are not in the same geographical area, the donor will not be a recipient of the social impact, and donations are anonymously given, giving no public reward for giving (Gleasure & Feller, 2016).

Donor stewardship. Donor stewardship is the action nonprofit leaders take to care for their donors. It is the nurturing that is done to show the donors how much the organization appreciates their philanthropy and generosity (Goldseker & Moody, 2017). Nonprofit leaders who take a proactive approach to donor stewardship are setting up long-term relationships and building strong foundations with donors (Sloan et al., 2016). An organization and donor relationship should not be a one-time exchange but become mutually beneficial throughout the years (Minciullo & Pedrini, 2015). Nonprofit managers must realize the importance of donor stewardship because without donations most nonprofit organizations would be out of business (Richardson, 2016). Because the nonprofit landscape is becoming more competitive, it is essential that nonprofit managers cater to the current donors while continuing to recruit potential donors through various events, publications, social media platforms, and the like (Charles & Kim, 2016; Gras & Mendoza-Abarca, 2014).

Strategic philanthropy. Strategic philanthropy is often referred to as corporate philanthropy—giving to local communities to fulfill their social responsibilities (Liket & Maas, 2016). Instead of that definition, Charles and Kim (2016) proposed that strategic philanthropy is nonprofits showing exactly how a program would operate, the goals to be met, how much funding is required if the program existed, and how that program would help the donor.

Nonprofit managers can proactively set up programs to enhance the understanding of potential corporate partnerships (Charles & Kim, 2016). Society constantly pressures corporations to show their level of social responsibility in their local community (Charles & Kim, 2016). Explaining the immediate social benefits ready to launch model makes it easy for corporate leaders to invest (Charles & Kim, 2016). Corporate philanthropy accounted for 5% of the total of charitable giving in 2013 (Liket & Maas, 2016).

Donor retention. Shehu, Langmaack, Felchle, and Clement (2015) explained that donor retention is simply keeping the donor active in giving to your organization within a certain timeframe. The giving can be in the form of money or time depending on the relationship with the donor (Shehu et al., 2015). Retaining current donors is easier than seeking new donors to replace the ones nonprofit management lost throughout the year (Thomas et al., 2015). There are several strategies nonprofit managers can use to increase and retain donors. Thomas et al. (2015) emphasized the importance of a retention strategy as well as a strategy to increase the current giving of all donors.

Donors stray from nonprofit organizations for many reasons but having a retention strategy in place will help them feel connected to the mission and continue their giving practices (Thomas et al., 2015). A personal connection to the organization through direct contact is at the top of retention strategies (Thomas et al., 2015). Epstein and Yuthas (2014) explained that the nonprofit landscape has become more competitive and topics such as donor retention and donor attrition have become strong strategies for fund obtainment. Nonprofit managers who can create a strong social media presence that displays their social impacts will retain more donors (Bernritter et al., 2016). The reason is that donors can share images, stories, mission successes, and self-identify with the nonprofit association through social media (Bernritter, 2016). The goal of donor retention is developing donors that become recruiters and promoters for your organization and find potential donors within their network and explain to them why they give (Hart, 2016).

Performance Measurement Tools

The number of organizations has increased in the nonprofit sector and the number of government resources has decreased (Charles & Kim, 2016; NCCS, 2016). Given the decrease in funds and increase in the competitive landscape, it is vital that nonprofit managers implement and measure performances to secure funding and add competitive advantages that the competition does not offer (Epstein & Yuthas, 2014). Harris (2014) noted that nonprofit leaders with increased ability to measure their performance outcomes acquire better board selection and enhance their ability to attract more revenue. Michaelido et al., (2015) concluded that there are many outcomes to improve performance measurement tools such as potential donor buy-in, increased social awareness, and improved brand imaging. Boateng, Akamavi, and Ndoro (2016) noticed the difficulty of measuring performance as a nonprofit organization because there is no owner with an equity stake in the organization, finding a bottom line other than financial or profit, and it is not easily quantifiable between the many differing nonprofit entities. Charles and Kim (2016) discovered that performance measurement tools do not measure the quality and effectiveness of program and service organizations. Shu-Hui, Nuryyev, and Aimable (2014) argued that financially weak organizations are limited to the quality and quantity of their services and the managers of financially weak organizations are dependent on the efficient management of limited financial resources. Nonprofit managers use internal and external factors to aid with performance measurement (Boateng et al., 2016).

Internal factors. Internal factors are a focus on the health of the organization through the internal process and administrative decisions (Boateng et al., 2016). Boateng et al. (2016) described the internal factors as financial indicators such as fundraising efficiency, the absence of repeated financial deficits, cost and growth positions, and fiscal performance. Shu-Hui, Nuryyev, & Aimable (2014) offered internal factors such as donor attraction, donor stewardship, financial ratios (ratio analysis: fiscal performance ratio, fundraising efficiency ratio, and public support ratio). There are many internal factors and isolating which ones to improve is vital to improving performance metrics (Williams-Gray, 2016). Nonprofit leadership teams need to evaluate which areas need to be improved or measured for improvement during the strategic management processes (Williams-Gray, 2016).

There are three ratios common in performance measurement and reporting practices in the nonprofit industry (Boateng et al., 2016; Shu-Hui et al., 2014). Boateng et al. (2016) explained that the fundraising efficiency measurement is the total amount of acquired funds minus the cost of acquiring those funds. Shu-Hui et al. (2014) described the fiscal performance ratio as the total revenues plus total reserves divided by total expenses. The third performance measurement ratio is public support ratio, which is the total contributions divided by total revenues (Shu-Hui et al., 2014). When nonprofit manager’s report how donated funds are used it increases donor stewardship, trust through transparency, and attracts donors from competing organizations that may not be so transparent (Cope, 2014; Michaelido et al., 2014).

External factors. Nonprofit managers use a wide range of external factors that measure beyond a financial bottom line (McDonald et al., 2015). McDonald et al. (2015) explained that external factors include client satisfaction, organizational goals toward the mission, comparison to other similar organizations, collaborations and partnerships, obeying regulatory and governance protocols and reporting practices, and measuring the social or environmental impacts of the organization. Boateng et al. (2016) recommended a system resource model, which is the ability to exploit its environment in the acquisition of scarce and valued resources to sustain its function or normal business operations over time. Building partnerships and working collaboratively with other nonprofit organizations helps increase survival and longevity (Boateng et al., 2016). External factors ultimately measure the ability of the nonprofit organization to achieve its mission (McDonald et al., 2015).

Nonprofit managers who measure both internal and external factors are practicing what is known as the double-bottom line; the balance of money and mission outcome (McDonald et al., 2015). It is the responsibility of the nonprofit leaders to ensure that the organization is implementing strategies that develop social and fiscal sustainability (McDonald et al., 2015). A third bottom line measurement, recently introduced, is known as planet (Robins, 2007).

Triple bottom line. The triple bottom line theory (TBLT) was conceptualized by Elkington (1997) during his tenure at SustainAbility Consultancy. Although the origins are not completely known, Elkington was the first to publish about TBLT and its connection to the business landscape (Elkington, 1997). Robins (2007) explained the business connections as corporate economy (profits), environmental impacts (planet), social missions (purpose). Robins (2007) investigated deeper and beyond the fiscal balance sheets arguing that corporations and organizations need to include social impacts and environmental impacts into the decision-making process. As Robins (2007) explained, the TBLT framework is intended to capture the holistic picture of doing business and ensuring operations do public good on all three levels; profit, planet, and purpose (Robins, 2006).

Robins (2007) proposed that TBLT has two basic assumptions that are not always unambiguous. First, the decision makers of the organization will adhere to all laws and obligations of the industry the company operates in (Robins, 2006). Second, compliance with the law is a baseline; leadership teams that practice TBLT display a higher moral responsibility and voluntarily go above and beyond laws and embrace social impacts and environmental sensitivity (Robins, 2006). Once the managing members decide to adopt TBLT, they will need to implement a sustainability report to show stakeholders (Manetti & Toccafondi, 2014). Standard practice of financial and accounting reporting primarily focuses on fiscal performance metrics; TBLT will present a holistic and socially acceptable approach while utilizing the method of full cost accounting (Robins, 2007).

Greenwashing. Siano, Vollero, Conte, and Amabile (2017) defined greenwashing as a common trend among most industries in which managers aim to deceive consumers about green alternative methods and satisfy stakeholders without truly accomplishing anything—a mirage of green initiatives. Integrating socially responsible concepts into a business strategy is more than greenwashing your consumers (Hinton & Maclurcan, 2017). Greenwashing is also a trending topic in sustainability that some companies willingly participate in to try and beat the system or take a shortcut to brand imaging and imitate nonprofit altruistic agendas (Hinton & Maclurcan, 2017; Stecker, 2016).

Corporate social responsibility. The first printed record of the term “social responsibility" was in a magazine poll from an issue in a 1930s' Fortune magazine measuring social responsibility of business professionals (Bowen, 1953). There has not been an agreed-upon definition of social responsibility ever since the inception of the concept. The concept of social responsibility took the name of corporate social responsibility (CSR) in the 1990s and was integrated by some companies in their decision-making process (Frynas & Yamahaki, 2016). Knight and Ellson (2017) explained that the goal of CSR is creating positive social impacts and it is measured by the service quality, mission fit, and implementation of strategic CSR activities. Carroll (1999) proposed that CSR activities create unlimited possibilities for microsocial and macrosocial communities. The driving force behind CSR integration is solving social problems with business solutions through positive social changes while making a profit (Cummings & Cummings, 2014). Ali and Ivanov (2015) explained that if CSR became normal business practice then new laws and regulations would be implemented.

Lack of measuring in nonprofits. Charles and Kim (2016) explained that the nonprofit sector is facing pressures to demonstrate performance outcomes relative to their donation revenue. If the nonprofit leadership is new to the nonprofit sector having performance ratios will help the donors develop trust and reduce skepticism through transparency (Epstein & Yuthas, 2014; Michaelido et al., 2014). However, because most small nonprofit organizational leaders do not have the organizational capacity to produce performance reports, it is difficult to display ratios and build donor trust (Charles & Kim, 2016; Epstein & Yuthas, 2014). On the other hand, most donors do not take the time to investigate organizations ratios and performance measurement reports; they simply give donations to the nonprofits that have attractive missions (Charles & Kim, 2016). Sandberg (2016) argued that as nonprofit managers integrate for-profit business-like measurement tools, civil society is at risk. The marketization of the nonprofit sector will entice “entrepreneurialization”; the influx of social change agents with personal agendas rather than a social motive (Sandberg, 2016).

Accomplishing or successfully striving toward the nonprofit mission is very difficult to measure and quantify (Boateng et al., 2015). Most nonprofit leaders are serving a mission that is largely impossible to completely solve or resolve. Because the missions are set up to perpetually draw resources from donors, it is important to try and show how the organizational staff is achieving small goals or accomplishments toward the mission (Boateng et al., 2015; Charles & Kim, 2016). Nonprofit leaders can host special events for their donors and constituents to display their success regarding the mission and to give updates for future projects that align with the mission (Citroni 2015; Ihm & Castillo, 2017; Inoue, 2016). The former nonprofit leaders have not viewed performance measuring as a successful tool for marketing or attracting donors. However, there is a shift in the business world for socially conscious businesses to emerge and start solving societal problems with business solutions (Choi & Majumdar, 2014; Jackson, 2016). The concept of risk management is also overlapping into the nonprofit sector as manager’s start valuing the importance of this as the organization grows (Hagel, 2014). The question is this: Does your nonprofit organization serve the mission better as a nonprofit, hybrid organization, or a social entrepreneur startup?

Organizational Structure

To profit or nonprofit; this is an increasingly important and responsible question social entrepreneurs are facing when considering a start-up or restructuring their existing nonprofit organization (Stecker, 2014). Social entrepreneurs are in the business of making positive impacts through social services, environmental improvements, or supporting other social innovators (Hinton & Maclurcan, 2017; Unceta et al., 2016). Social innovators solve social and environmental problems with business solutions (Unceta et al., 2016). The social change agent can influence change through a nonprofit venture, a hybrid organization, or through the profits of a responsible company (Hinton & Maclurcan, 2017). No matter the organizational structure, the managers have the choice to operate the business like a nonprofit by stating specific limitations in the by-laws and statues (Hinton & Maclurcan, 2017). The following section on organizational structure is discussed as follows: nonprofit organization, benefit corporation, and low-profit limited liability company.

Nonprofit organization. Nonprofit organizations operate outside of a fiscal mission of maximizing profits but rather strive to achieve a social, environmental, religious, educational community service, literary, scientific, benevolent, or other charitable points of view (NCCS, 2016). Nonprofit organizations traditionally obtain revenue through various efforts such as grants, donations, major gifts, endowments, events, services, merchandise sales, collaboration with other nonprofits, and investments (NCCS, 2016). In the event there are surpluses of revenues, the nonprofit management team does not distribute *profits* to shareholders but will put the funds into operating reserves to protect against the volatile environment of donations based business (NCCS, 2016). Under the business status of being a nonprofit, businesses are tax exempt from income and sometimes sales tax (NCCS, 2016).

Brown, Gianiodis, and Santoro (2017) explained the structure for most nonprofit organizations is the board of directors, executive director, CEO or president, chief operating officer or managing director, director of development, and downward. The board of directors are voted into their position, have the responsibility to provide visionary leadership, hire the executive director, and make sure the organization is moving toward the mission (Boesso et al., 2015). The executive director has the responsibilities of visionary and mission related decision making, communicates with the board of directors, and manages the day to day operating decisions along with other managing members of the organization (Langer & LeRoux, 2017). Renard and Snelgar (2016) discussed why people work for nonprofit organizations even though extrinsic rewards (salary) are lower when compared to for-profit positions. The reason employees will take a pay cut to work for nonprofit organizations is the intrinsic reward, which includes meaningful work, flexible work, challenging work, varied work, and enjoyable work (Renard & Snelgar, 2016). When people start helping people and focus on relationships, providing basic needs, and promoting social welfare then society is developing the people aspect of sustainability (Wedchayanon & Chorkaew, 2014).

Benefit corporation (B corporation). Business leaders who operate on a triple bottom line can classify as a benefit corporation (B corporations) (Stecker, 2016). Business leaders operating a B corporation are blurring the lines between nonprofit and for-profit by seeking social and environmental impacts as well as profits (Honeyman, 2014). Stecker (2016) reported that 30 states and Washington D.C. legislators passed legislation, in 2016, that granted business owners the option to operate as a B corporation. Current C corporations have the option to reregister as a B corporation and are eligible to receive its perceived benefits (Rawhouser, Cummings, & Crane, 2015).

Despite the obvious benefits of the B corporation, there are some drawbacks to becoming a B corporation (Rawhouser et al., 2015). One of the biggest drawbacks to classifying as a B corporation is there are no state tax benefits or incentives to seek public benefits (Stecker, 2016). Another drawback is finding investors that want to invest in a company that does not focus on profits, because there are not big returns on their investments like traditional investing as a shareholder (Rawhouser et al., 2015). Owners of B corporations are also required to produce an annual report that evaluates and assesses their public benefit initiatives (Rawhouser et al., 2015). Possibly, the biggest drawback is that the laws governing them are diverse and not transparent or transferable from state to state (Stecker, 2016). Another notable negative impact is stakeholder confusion as it relates to multiple bottom lines and not profit maximization as is in a typical for-profit company (Rawhouser et al., 2015).

Low-profit limited liability company (L3C). A newer kind of limited liability company (LLC) known as a low-profit limited liability company (L3C) merges the financial benefits of a traditional LLC with the social benefits of a nonprofit organization (Haigh et al., 2015). Owners of L3C's must follow a certain criteria to remain eligible; the mission must significantly further one or more charitable or educational purposes, not be motivated by production of income or the appreciation of property, shall not have a purpose to propaganda one or more political or legislative purposes (Haigh et al., 2015). If the L3C owner ceases to abide by the regulations, they must change names and amend the articles of organization accordance of the state (Haigh et al., 2015). All profits made under the classification of L3C are subject to taxation by the Internal Revenue Service (Haigh et al., 2015). Rawhouser et al. (2015) explained that fundraising efforts are difficult for L3C owners since they can make a profit and do not have the same restrictions on assets as nonprofits. However, L3C owners can fundraise to help achieve their mission (Rawhouser et al., 2015). L3C owners are allowed and encouraged to invest their profits into other for-profit ventures to increase their social impacts, increase return on investments, and offer other innovative ways of helping communities (Ebrahim et al., 2014). L3C owners can also distribute profits to shareholders through assets or distribution of funds; nonprofits are not allowed to do this (Haigh et al., 2015). Currently, only nine states in the United States allow business owners to apply for L3C status (Rawhouser et al., 2015).

Summary and Transition

The available information on nonprofit revenue diversification is diverse and ambiguous. Nonprofit revenue diversification researchers have noted that it is difficult to measure the performance and abilities to attract new revenue streams from organization to organization. My research of the literature revealed that most nonprofit managers lack the funds, knowledge of performance measurements, and understanding of the vast nonprofit revenue streams to create a diversified sustainable portfolio. This professional and academic literature review included articles related to the topic of revenue diversification through modern portfolio theory and behavioral finance, revenue streams, performance measurement, and organizational development.

Section 2 includes a detailed understanding of the research methodology and design, populations and sampling, data collections instruments, and techniques for this academic study. Section 2 also explains the analysis of the data, reliability, and validity of the study.

Because this is the consulting capstone, Section 3 includes a comprehensive and detailed description of the DBA Consulting Capstone. The Baldrige Performance Excellence Framework (2017) was used to conduct an in-depth research study on a nonprofit client organization. The purpose of the research study on the nonprofit client was to improve business processes, help initiate strategic plans, provide a consultant-client relationship, and offer an in-depth evaluation of their internal processes. A researcher using the Baldrige Performance Excellence Framework examines leadership, strategy, customers, management, analysis, knowledge, workforce, operations, and the results sections.

Section 2: The Project

Purpose Statement

The purpose of this qualitative single-case study was to explore the strategies nonprofit managers use for developing a diversified financial portfolio to achieve sustainability. The sample population comprised three managers of a nonprofit organization in the eastern region of the United States. The implication for positive social change included the potential to increase and diversify fund obtainment and enhance the managers' ability to fulfill the organization's mission (Ebrahim et al., 2014). Managers of financially strong organizations have more flexibility and opportunities to influence their local community by increasing and improving services to its recipients (Stecker, 2014).

Role of the Researcher

As the only researcher in this study, I was tasked with collecting all the data in this single case study. In a qualitative study, the role of the researcher is to collect data by interviewing individuals or groups, analyzing public information, reviewing archived data sources, and observing the behavior of an individual or group (Yin, 2015). For this study, I collected data by interviewing nonprofit managers and leaders, reviewing tax documents, analyzing organizational by-laws, reviewing previous business plans, and examining social media platforms. I sorted all these data using the Baldrige Excellence Framework for nonprofits into the following categories: organizational profile, leadership, strategy, customers, workforce, operations, and knowledge management. After sorting and analyzing, the data were developed into the results, project summary, and contributions and recommendations.

I have no experience with the Baldrige Excellence Framework or the organization under study. I have never visited the geographical area of the client organization or performed previous work on nonprofit financial stability. Thus, I did not bring biases to my judgment and reasoning. Researchers display bias in three forms. First, they can have a certain preference of order (East, 2016). Second, they may use mechanisms that support the participants' ability to discover the accepted theory or method under study (East, 2016). Third, they mentally separate research and categorize them into different accounts (East, 2016).

Before interviewing and data collection, I became familiar with the *Belmont Report* to ensure that this study aligned ethically with the protocols it described (National Commission for the Protection of Human Subjects of Biomedical and Behavioral Research, 1979). As an inexperienced qualitative interviewer, I used an interview protocol (Appendix B) from the *Belmont Report* to ensure a proper interview format. Qualitative researchers use interview protocols as a script to help steer the interview process (Jacob & Furgerson, 2012). I aligned my interview protocol according to Jacob and Furgerson (2012), who suggested making a procedural guide to prompt the collection of informed consent, scripted questions, introductory comments, and closing remarks. As a qualitative researcher, the interview protocol allowed me to focus on nonverbal cues rather than trying to remember the next step or stage in the interview process.

Participants

The population for the study is nonprofit organizations located in the United States and willing to undergo a Baldrige Excellence Framework in participation with Walden University as part of the consulting capstone. The Walden University faculty assigned client organizations to individual researchers participating in the alternative consulting capstone. The client organization should be in business for a minimum of 5 years to participate in the study. Within my assigned client organization, I interviewed the executive director, education manager, and treasurer of the board. The purpose of interviewing those participants was to triangulate and validate the data collected. I gave all the participants a letter of consent for the study, which explains its voluntary nature, interview procedures, risks and benefits, privacy, and a Walden University staff member's contact information.

As part of my preapproved IRB requirements for this DBA Consulting Capstone, I used public data, internal archival data, literature, and interviews with senior leadership. Because the preselected organization was in a different geographical region I communicated virtually and electronically. Initial contact was in the form of e-mail communication in which I present an introductory and informational message explaining my relationship to the organization and my study. Once I established the initial contact, I sent the consent form to those that were interested in participating in the study via e-mail. I used either e-mail or telephone conversation to answer questions and establish a working relationship with all participants. All participants meet the following criteria (a) at least 18 years of age, (b) possess knowledge of the geographical area, (c) possess working knowledge of the client organization, (d) managers must have minimum of a bachelor's degree, (e) volunteers must have volunteered for a minimum of 1 year, and (f) board member must have knowledge of financial strategies.

Each participant answered questions that pertained to their expertise and knowledge. All telephone interviews were limited to 45 minutes in length. The Baldrige Excellence Framework and Criteria for Performance Excellence (2017) provided a list of questions to ask according to section; I used those questions as well as my interview questions to gather information. All interview questions were asked to at all three participants to ensure triangulation. After each interview session, I organized and e-mailed my interview notes to the participant for verification of the content to increase accuracy and reduce errors and misunderstandings. All participants received a label to protect their identities such as Participant W, Participant X, Participant Y, and Participant Z. All data from this study will be stored for 5 years and then destroyed.

Research Method and Design

Research Method

There are three research methods to choose from when conducting research: quantitative, qualitative, and mixed methods (Newman & Benz, 1998). As a researcher using the qualitative method allowed me to gain a greater understanding of the nonprofit manager's strategies for diversifying a financial portfolio. Nonprofit manager's use financial strategies to predict, evaluate, allocate resources, and ultimately choose which revenue stream to pursue that will lead to a sustainable financial future or dwindling resources with little returns. Qualitative researchers search for the meaning that subjects assign to social or human problems through there lived experiences (Yin, 2015).

Quantitative researchers test and either reject or accept a hypothesis (Vasquez, 2014). My intention was not on a presumption or ideal but rather to strive to understand the central research question as it pertained to each interviewee. Quantitative researchers require the use of statistical data analysis and examining correlations between variables (Barratt, Choi, & Li, 2011; Denzin & Lincoln, 2011). The application of quantitative methods would not have given me the level of understanding and answers to the central research question for this study.

The third method considered was the mixed method. Mixed method researchers combine qualitative and quantitative methods to achieve new findings and explore the solutions to problems and not the cause of the problem (Griensven et al., 2014; Sparkes, 2014). The mixed method researcher verifies the findings by cross-examining to result through the other method to support the new findings (Onwuegbuzie & Leech, 2010). In my study, I focused on finding strategies nonprofit managers used to develop a diversified financial portfolio to achieve sustainability and utilizing the mixed method does not help answer the central research question. I studied human behavioral decisions that lead to revenue diversification and explored that phenomenon, which required no quantitative methods because of its difficulty to be easily measured.

Research Design

I explored the following qualitative designs: phenomenological, ethnographic, and case study. For this study, I selected the research design of case study. Case study researchers explore a single phenomenon among a group, company, or location through a variety of data collections methods (Yin, 2015). I used the Baldrige Excellence Framework for nonprofits, I performed a single case study to gain an in-depth understanding of a business problem of the selected client organization.

Ethnographic researchers study a group with shared patterns over time to interpret shared and learned patterns of behaviors, values, beliefs, and languages (Harris, 1968). Ethnographic researchers concentrate on group thinking and shared mentality and how that was formed, maintained, and passed on to the next system thinkers (Fetterman, 2010). Because I researched nonprofit manager’s strategies to diversify their financial portfolio and the behaviors that dictated their choices, I did not use an ethnographic design. I researched taught behavior patterns and not subconscious group behavior patterns often studied in ethnographic designs.

A phenomenological researcher studies a common theme of lived experiences from several individuals (Moustakas, 1994). The overall goal of a phenomenological study is to reduce everything down to a single phenomenon or object of human experience that is common among the individuals studied (Moustakas, 1994). Phenomenological researchers typically study in social and health sciences (Boratta & Boratta, 1992).

In case study research, the researcher seeks to reach data saturation with primary and secondary data (Yin, 2015). When achieving data saturation, there is no new data collected that is significant or can be themed, and no further coding is required (Fusch & Ness, 2015). When researchers acquire a holistic understanding of the central research question and the phenomenon then data saturation is reached (O’Reilly & Parker, 2012).

Population and Sampling

The population for the study incorporates the executive director, education manager, and treasurer of the board from one organization. I used purposeful sampling as the sampling strategy because the participants had knowledge about the central research question and research problem of the study for the client organization under study (Marshall & Rossman, 2010). The selected participants represented a varied role for the organization and provided individual responses to the questions as well as created diversity, reliability, and validity in the data collected given their role at the client organization.

The executive director provided me with e-mail contact information for potential participants as needed. I contacted each potential participant through an initial e-mail message titled Recruitment Letter (Appendix A). Once potential participants agreed to become involved in the study, I e-mailed the Consent Form to them for review. After obtaining their consent, I set up one on one telephone interviews, semistructured, and took interview notes. After the interview, I wrote out the discussion into paragraph form and e-mailed the questions and responses to the participant for clarification and consent that the information was correct, also known as member checking. I choose e-mail transactions because it is easy to track dates and times of consent, participation, and convenient for the participants to review and approve data collected with documented proof.

Ethical Research

The qualitative researcher faces many ethical issues during the data collection process, analysis of the data, and the development of the qualitative reports (Lipson, 1994). Lipson (1994) formed ethical issues into several groups that are informed consent procedures; deception or covert activities; confidentially toward participants, sponsors, and colleagues; benefits of research to participants over risks; and participant requests beyond social norms. The informed consent letter identifies the researcher, sponsoring institution, purpose of the research, benefits for participating, risks for participation, confidentiality of participants, option to withdraw from the study, Institutional Review Board (IRB) number of the study and university officials to contact if questions arise (Sarantakos, 2005). My IRB number for this study was 11-17-16-0594743. All participants and organizations were assigned an alias or pseudonym name to protect identities, proprietary information, and sensitive information that may compromise their job, industry, or competitive advantages.

As explained in the informed consent form participation was voluntary and the participants could have withdrawn from the study at any time by contacting me through the various communication channels in the consent form. In the event I received a withdraw request, I contacted the participant to gain confirmation and removed all data input. I shreddred the printed materials and erased all electronic files from all storage devices. I will store the data electronically on a hard drive that is password protected for 5 years and all printed materials in a locked file cabinet. At the end of 5 years, I will erase all data from the hard drive and destroy all printed documentation related to the participant's identity by shredding the documents.

Data Collection Instruments

There are many data collection tools available for qualitative researchers when gathering data. The main types of data collection tools are interviews, observations, documents, and audio-visual materials. There are many data collection approaches under the main types of data collection tools such as interviews can be unstructured, semistructured, open-ended, and focus group. I chose to conduct semistructured telephone interviews, take interview notes, and have each participant review my notes for the accuracy of the data collected. Member checking is the process of the participant verifying that the transcribed data from the researcher aligns with their answers and represents their data input (Hudson et al., 2014). I analyzed secondary data such as financial reports, social media platforms, case statements, board minutes, and print advertisements.

I scheduled the semistructured telephone interviews at a time that was convenient for the participants. Once a date and time were determined, I e-mailed a set of questions for the participant to review 2 days before the interview. During the interview, I asked other unsupplied questions to probe further into areas that needed more clarification, reflection, or explanation. Upon the conclusion of the interview, I gathered my notes and transcribed the interview into paragraph form and e-mailed to the participant to begin the member checking process. After the participant reviewed and confirmed the material to be truthful and accurate to the answers they provided, I began to code the data. Coding is the method of systematically assigning the material into segments of texts before giving them meaning (Rossman & Rallis, 1998). Once I gathered all the transcripts, I looked at them holistically and then individually. I selected one transcript and began to code the data by assigning a name to the codes that emerged. After reviewing several transcripts, I began to put the coded text into chunks of data. Once all the transcripts were reviewed and categorized, I reviewed the coded text and explored for more emerging codes until there were no more. The categories became the themes for the study.

Beyond in-depth interviews, I collected secondary data to cross-examine the primary data collected during the interview process. I also asked participants for secondary data such as company documents, financial reports, printed materials, access to the website and other social media platforms. Researching multiple sources of data, both primary and secondary, to locate evidence for themes and provide validity is known as triangulation (Erlandson, Harris, Skipper, & Allen, 1993).

Data Collection Technique

The participants for this single case study were selected based on criteria established that provided knowledgeable answers about the central research question. Participants in the study were key individuals in the organization such as company leaders, long-term volunteers, board members, or former board members. Given the complexity of the central research question, I used purposeful sampling to source participants and company documentation.

Once the participant agreed to be in the study and gave their consent, all interview dates and times were selected by the participant in their time zone. The semistructured telephone interviews followed an interview protocol, which increased the validity and standardization of interviews (Kvale & Brinkman, 2009). During the telephone interviews, I controlled voice inflections by purposefully dulling them to ensure authentic participation and not to influence the participant's answers. While conducted semistructured interviews the researcher and participant can explore beyond the suggested questions and articulate a more in-depth understanding of the phenomenon (Marcella, Baxter, & Moore, 2003; Sandy & Dumay, 2011). I used the Baldrige Excellence Framework for nonprofits questions and my interview questions to steer the conversation and achieve a deeper and holistic meaning to the central research question.

During the interview process, I took interview notes and e-mailed them to the participant to review and clarify; a process is called member checking. The participant reviewed the content for correct interpretation and translation by the researcher. If the participant disagreed with the content, I requested confirmation and deleted the questionable content or rewrote it to align with the intent of the participant.

Data Organization Techniques

During the process of conducting semistructured interviews and cross-examining secondary data such as social media content, financial reports, board meeting minutes, and by-laws, helped piece together an organizational flow and performance evaluation of the organization. Using the Baldrige Excellence Framework criteria, I examined and sorted data into the following categories; organizational profile, leadership, strategy, customers, workforce, operations, and knowledge management. After I collected all the data, I coded, sorted, triangulated, and analyzed the data. After I processed the data, I wrote the results, project summary, and contributions and recommendations sections of the Baldrige Excellence Framework. I used the Baldrige Excellence Framework recommended questions along with my interview questions that focused on exploring the strategies nonprofit managers use for developing a diversified financial portfolio to achieve sustainability.

My procedure for each interview was as follows; provide the interviewee with a list of questions to be discussed 2 days prior to interview, discussed predetermined interview questions, interjected questions to gain a deeper meaning and understanding, concluded the interview, processed the interview notes, e-mailed the interview notes to participant for clarification, once notes were approved I coded them and saved the data. Each participant's data were saved to a file folder as well as integrated into a master coding document. I will store all data in an electronic file for 5 years and then I will erase it after 5 years. The client organization and participants were given pseudonyms to protect their identity and industry competitive advantages and proprietary information.

Data Analysis

The analysis of data is not a one size fits all approach but rather a unique and custom-built process per case study (Huberman & Miles, 1994). Furthermore, the individual processes of data collecting, sorting, analyzing, coding, reporting, and writing do not happen without overlap and being interrelated (Dey, 1995). As Huberman and Miles (1994) explained, the data analysis process is nonlinear but more of a spiral where information can flow from point to point in the system to complete the data analysis process. My initial step was to collect data from participants and secondary data sources followed by managing and organizing the collected data. A qualitative researcher spends a lot of time spiraling between these steps; collect, manage, and organize. Once I collected, managed, and organized enough data, codes started to emerge which allowed me to reflect, classify, categorize, collect more data, and interpret the data collected. After the coding process, I examined the codes for emerging themes. Once the data were in the interpretation stage, I aimed to align the data into categories that represent the Baldrige Excellence Framework sections. Aligning the data into Baldrige Excellence Framework categories allowed me to gain a holistic view of the operations of the client organization and focus my efforts on my central research question. When a holistic view of the data was available, themes began to emerge. The themes gave insight and valuable information for the researcher to suggest in the results and recommendation sections. Ideas for future studies often come from the theme identification and pursue a more complex approach to the interrelationships or connections of the individual themes (Rogers, Day, Randall, & Bentall, 2003).

Modern portfolio theory (Markowitz, 1952) and behavioral finance theory (Thaler, 1999) were my proposed conceptual frameworks to seek understanding for the strategies nonprofit managers use for developing a diversified financial portfolio to achieve sustainability. Using the Baldrige Excellence Framework criteria along with my conceptual frameworks gave me an in-depth understanding of the client organization, which enabled me to understand the financial decisions from both the market and human perspectives. Performing the study without utilizing the Baldrige Excellence Framework may not have allowed me to understand the organization on a holistic level.

Reliability and Validity

In qualitative research establishing the reliability and validity of the data is important to measure the quality and credibility of the data collected by the researcher (Marshall & Rossman, 2010). To establish reliability and validity, qualitative researchers use four common concepts; transferability, credibility, confirmability, and data dependability (Lincoln & Guba, 1985; U.S. Government Accountability Office, 1990). From the proposed concepts four logical tests emerged to measure the reliability and validity of the research and practices of the researcher. The four logical tests are construct validity, internal validity, external validity, and reliability. Qualitative researchers can increase the validity and reliability by keeping a journal on each participant, a master journal of all interviews and communication, and being consistent with data collection and data analysis. Member checking techniques increased with all the participants after each interview.

Reliability

The goal of qualitative research is to accurately represent the phenomenon within the perimeters of the study. Consistency in qualitative research is reliability and indicates that given the same methodology another researcher would come up with a similar conclusion. I was consistent in the interview process, verifying the data collected through a member checking process, and coding the data. While collecting data, I adhered to the Walden University Institutional Review Board research guidelines to eliminate researcher bias. After each interview, I performed a member checking process in which the participant verified my summarizations of the interview responses from their interview. I scheduled all interviews for 45 minutes in length and every other week until I reached data saturation. I used the Baldrige Excellence Framework suggested questions as well as my interview questions that centered around the central research question in mind. All participants answered my interview questions about my study but not all the suggested Baldrige questions.

Validity

The qualitative researcher uses validity to reflect the accuracy of the study by examining the researched data (Yilmaz, 2013). Yin (2013) explained that validity separates into credibility, transferability, dependability, and confirmability. Cope (2014) explained that credibility increases as the participant's description or understanding of the phenomenon are transparent with the results. Lincoln and Guba (1985) explained transferability as the ability to generalize or transfer the results to other contexts or settings. The researcher can improve transferability by completing a thorough investigation of the findings and describing the research context within the study parameters (Yin, 2013). Silverman (2005) described dependability as having a detailed coding process, transcribing the data, using computer programs to assist with data processing, and organizing the data into emerging codes and themes. The data collection process among all participants was the same and created dependable data inputs and built validity. Lincoln and Guba (1985) stated that confirmability is the process of performing a data audit on the data collection and analysis procedures. An outside researcher performs the data audit performance to offer an opinion if the research has the potential for bias or distortion (Lincoln & Guba, 1985).

Summary and Transition

In Section 2, I examined the purpose of the study, the research methodology and design, the role of the researcher, and the data collection methods and techniques. Semistructured telephone interviews were the primary data collection method used to gather information with the nonprofit client organization. These interviews focused on my central research question related to revenue diversification among nonprofits. I continued the interviews until I reached data saturation. I used secondary data in the form of financial records, case statements, by-laws, business plans, and social media platforms to build reliability and validity.

In Section 3, I used the Baldrige Performance Excellence Framework on the nonprofit client organization and the leaders. The Baldrige criteria from the 2015-2016 Baldrige Excellence Framework include the following categories: (a) leadership, (b) strategy, (c) customers, (d) measurement, analysis, and knowledge management, (e) workforce, (f) operations, and (g) results. Section 4 contains study findings, an executive summary of key themes, project summary, and contributions and recommendations for future research.

Section 3: Organizational Profile

Introduction

Organization X (a pseudonym) is a science museum. The leaders of Organization X focus on exposing young minds to science, technology, engineering, and math (STEM) skills through exhibits, programs, camps, and creativity. The organization has been in business since 2007 when it became incorporated as a 501(c)(3) nonprofit organization; the museum opened in 2011. Since 2011, management of Organization X has recorded steady growth in memberships as well as valuable partnerships with local businesses and universities. Organization X currently offers after-school programs in four school districts, 17 summer camps (Appendix E), workshops, annual fundraising events, partnerships with local universities. It has recorded steady membership growth every year (Table 2).

Table 2

Memberships per Year

Year	Members
2012	241
2013	363
2014	488
2015	550
2016	716
2017	808

Note. Memberships include household/family, single parent, grandparent, and corporate memberships.

The workforce of Organization X comprises the executive director, education manager, development manager, visitor experience manager, 10 part-time employees, volunteers, and internships with local universities. The leaders are selective with staff and implement strict guidelines when hiring and selecting volunteers. As of 2017, there were 79 small exhibits

(Appendices C and D), weekly workshops, 17 summer camps, and four after-school outreach programs. The leaders of Organization X work with local university STEM departments to help design and build some of the exhibits. Key drivers for the workforce are caring about children, serving the community, and instilling science literacy and scientific thinking in all participants.

Key Factors Worksheet

Organizational Description

The purpose of Organization X is to increase exposure to science, technology, engineering, and math to youth participants. The leadership of Organization X offer exhibits that are interactive and create interest through a fun learning environment. The focus is on youth development of the STEM skills, which seek to develop an inquisitive mind in youth participants. Recent studies have shown that the United States is trailing in science performance when compared to similar countries (Rozek, Svoboda, Harackiewicz, Hyde, & Hulleman, 2017).

Organizational environment.

Product offerings. The leaders of Organization X help advance early childhood development in STEM environments through interactive exhibits at the museum. The children become young scientists and learn to observe, predict, question, and experiment with exhibits, staff members, and volunteers in this no-limit-to-learning environment. Management offers space for birthday parties, field trips, summer camps, workshops, and afterschool programs in four different school districts, and carry out three fundraising events per year. Memberships are available for an annual fee, and members get special discounts throughout the year.

The leaders of Organization X use several marketing efforts to reach customers. The customers are children from preschool to middle school. Management uses social media to stay in contact with the parents and guardians. Management uses a Twitter account to connect with businesses and professionals. Traditional marketing efforts used by management are print advertising in magazines and the local newspaper. The leadership team at Organization X host the main fundraising event held annually in the fall as well as smaller events held on Earth Day and during holidays. A child-focused event is held during January and February each year focusing on brand imaging and creating interrelationship opportunities outside of normal business hours. Organization X has over 800 family memberships, which has increased every year of operation (Table 2). Shown in Table 3, during 2017 Organization X had over 19,000 visitors to the museum and reached an additional 3,000 children through off-site programs.

Table 3

Number of Visitors per Year

Year	Visitors
2012	7,000
2013	9,000
2014	13,000
2015	14,000
2016	16,000
2017	19,000

Mission, vision, and values. The mission of Organization X is to provide engaging science experiences that spark creativity, curiosity, and imagination. The executive director is working on a vision statement to present to the board of directors. As of 2017, there are not any value statements for the organization. However, the leaders of Organization X are working to complete these statements. The core competencies are strengthening youth interest in STEM education, donor stewardship, adding benefits for committed volunteers, working relationship with the local university and other nonprofits, and developing interactive exhibits. Most parents participate with children; a few will bring laptops and work on their computers while the child interacts with exhibits and staff. The location is one big room that provides the parental figures a sense of safety and ability to watch their child while working on the computer. The management allows this activity because it is a rare occurrence and has not become a problem. The preference is for the parental figure to be involved and participate in the learning environment.

Workforce profile. The workforce profile, featured in Table 4, displays employee classification, number of employees, minimum educational requirement, and key drivers relative to the position.

Table 4

Workforce Profile

Employee Classification	No. Of Employees	Minimum Required Education	[a]Key Drivers
Executive director	1	Master's in business or education	Care about children, loving giving access to science experiences
Education manager	1	Master's in education	Same as above
Development manager	1	Bachelor's required	Same as above
Visitor experience manager	1	Bachelor's required	Same as above
Part-time	10	No requirement	Less buy-in than full-time employees
Board members	13 to 15	No requirement	Child-focused, science-focused
Volunteers	46 regular / 100 annual	No Requirement	Serve community and children
Internships	1	Pursuing a degree	Gain experience

Note. [a]Key drivers refer to what engages the person in achieving the mission and vision of Organization X.

The staff positions have emerged along with the growth of Organization X (Figure 1). The staff since 2012 has grown from three part-time employees to 10 part-time employees and three full-time employees (Table 5). The staff growth is parallel with the growth of memberships, exhibits, volunteers, and program offerings.

Table 5

Staff Members per Year

Year	Part-time	Full-time	Salary Expense
2012	3		$109,898
2013	5		$129,775
2014	9		$129,775
2015	6	2	$184,139
2016	8	4	$243,765
2017	10	3	Not recorded yet

Note. As the organization grows it is expected that number of salaried positions and personnel expenses will increase.

Table 6

Volunteers per Year

Year	Volunteered more than 120 hours a year
2012	22
2013	29
2014	35
2015	37
2016	48
2017	46

Note. Does not include volunteers who contribute fewer than 120 hours per year.

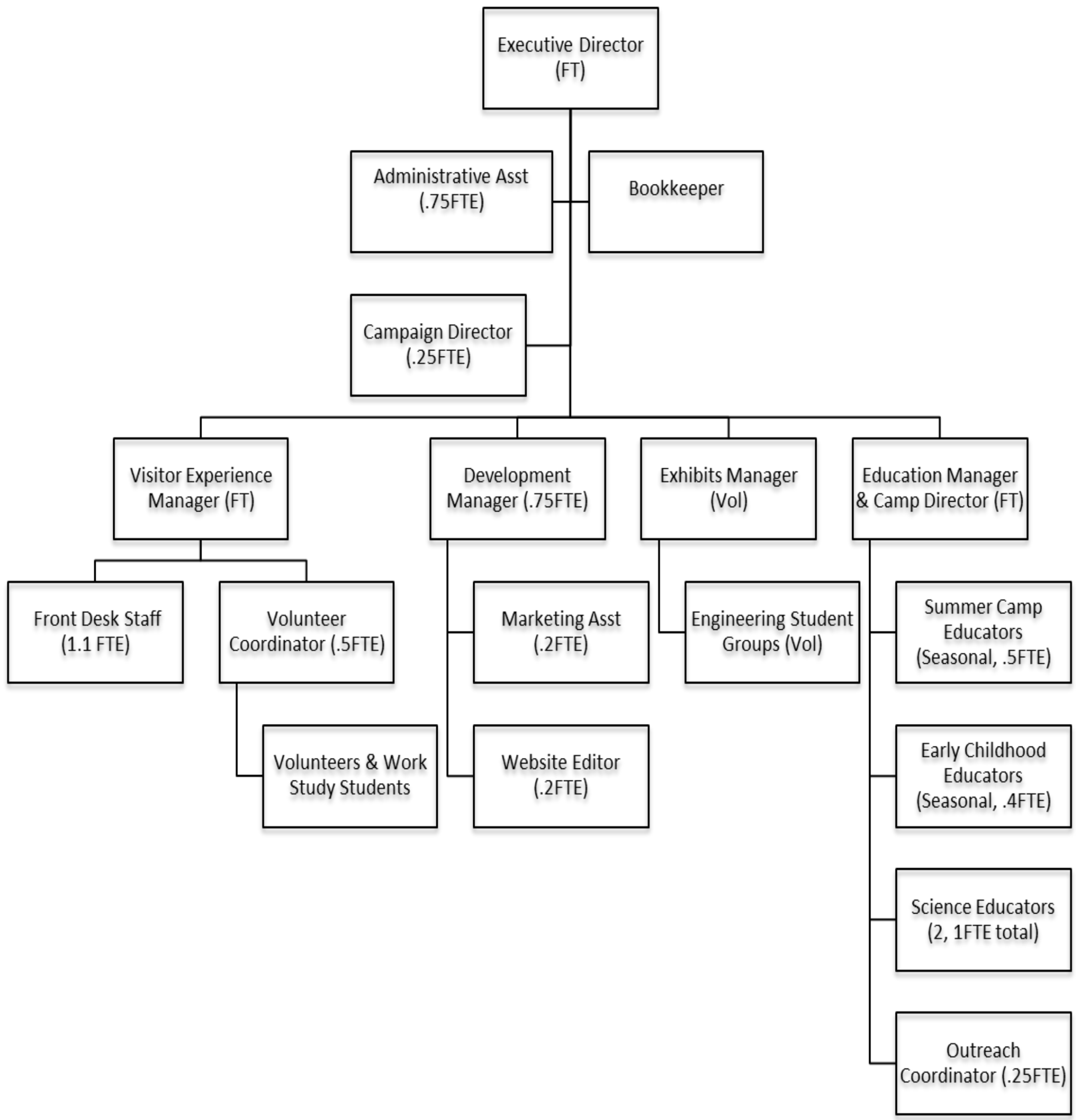


Figure 1. Organizational chart - October 2017.

Assets. The museum has a 2,600-square foot floor space of interactive exhibits on aviation, meteorology, paleontology, geology, and other STEM-related topics. A Dodge Caravan was donated to Organization X in 2017. Appendix C shows the list of exhibits and Table 7 shows the exhibits per year from 2012 to 2017; the current exhibits are valued at $24,325. Other assets include gift shop inventory, computer equipment, and office furniture. Management rents the building they operate in, but the long-term goal is to purchase a building.

Table 7

Exhibits per Year

Year	Exhibits
2012	13
2013	21
2014	38
2015	51
2016	67
2017	79

Note. Organization X moved into a larger building in 2017 that can house more exhibits.

Regulatory requirements. All staff members must pass a state background check, a Federal Bureau of Investigation (FBI) background check, a child abuse clearance, and an online mandated reporter training. All regular volunteers must pass a state background check and a child abuse clearance. All annual volunteers are not required to pass background checks. An employee supervises all volunteers when working with children. The public in the geographical area is sensitive to protecting children because of past child exploitation of a community leader. The person that took advantage of children was a trusted community leader involved with the university. The leadership of Organization X wants to ensure the safety of the children during interaction with staff and volunteers.

Organizational relationships.

Organizational structure. The organizational structure for Organization X is as follows: The board of directors (BOD) vets new board members via the systematic processes of a nominating committee and proposing new members based on the expertise needed for the future of Organization X. The BOD discusses areas of expertise needed from potential board members for future developments via the most recent business plan or strategic plan. The BOD has the authority to hire, fire, and evaluate the executive director as well as set the compensation for that role. The executive director has the responsibility and authority to hire, fire, and evaluate the staff. If a new position is needed, the BOD has to approve the new position. Financial governance is closely regulated by board members who approve annual budgets and monitor progress at each board meeting, as well as an accounting firm that provides all accounting functions including the filing of Form 990. A financial committee provides useful input in financial decisions and gathering relevant data. The executive director has a daily spending limit of $2,000. However, the executive director will gain board approval for a purchase of this size at the board meeting before purchasing. Term limits for board members are 2 years with an unlimited number of terms overall and in sequence. Policies, leadership, and governance are the board's major responsibilities, and fundraising is a minor role for board members. The executive director is the leader, organizer, and driving force behind fundraising activities and events.

As the organization grows, the board member's responsibilities and participation have changed. From 2011 to 2016, board members were hands-on and participated in daily functions, but as Organization X continues to grow the board members must become a separate entity that helps with policy, governance, organizational structure (Figure 1), and assist with fundraising. The transition from a participatory board member to a hands-off approach may present some challenges as Organization X continues to grow.

Customers and stakeholders. Organization X leaders focus on children that are 15 years old and younger as well as their families or guardians that are participating. Other stakeholder relationships are providing indirect childcare during summer camps, supporting local businesses that donate funds and sponsor exhibits, and developing a volunteer base that teaches workshops and camps and assists where needed. Stakeholders can be anyone who believes in the promotion of science, technology, engineering, and math programs for children. The management of Organization X pays close attention to customer and stakeholder needs when designing and offering summer camps. Members can use summer camps as a daycare provider while the child learns important STEM skills. The summer camps are designed to attract customers from 3 to 5, 6 to10, and 11 to15 years of age. Another stakeholder benefit is being open on the weekends to serve the customers' demand and availability and closing Mondays and Tuesdays. Table 8 displays the stakeholder design the leadership team developed.

Table 8

Organization X's Stakeholder Design

Stakeholder Design
• A place where adults bring children for their earliest science experiences. • A place with highly sought-after, accessible summer science camps. • A place K-5 schools schedule for a field trip every year. • A provider of afterschool STEM programming for four school districts. • A provider of day camps during school district in-service days. • A place where parents have their children's birthday parties. • A place where retired people want to volunteer their time and talent. • A place where organizations and businesses want to host their events.

Suppliers and partners. Being located near a large Division 1 university gives Organization X the ability to build a partnership with the university's engineering and science departments. Graduate students and engineering students help design exhibits and provide the content expertise needed to develop informative exhibits and activities. University students study the latest technologies and can provide innovative ideas. University students also provide assistance with operations through internships. Other partnerships are local businesses that donate funds in return for branding on camp T-shirts or banners at events promoted by Organization X. Areas of partnership that are not as common are working with artists and sculptors to develop exhibits or host an exhibit for a limited time.

The supplies of Organization X are purchased at local stores, Amazon.com for ordering products not found locally, and other online vendors. Products purchased are for restocking the gift shop, building materials for exhibits, computer upgrades, replacement parts, and restroom supplies. There is not a structured restocking schedule because it depends on the number of field trips, birthday parties, programs, and camps. A third-party accounting professional supplies the accounting needs.

Organization X leaders use e-mail communications with university staff and business owners and managers to regulate supplier and partnership relationship. Participants can write feedback on the whiteboard by the front desk, fill out the birthday request forms, and through direct communication with staff during their visits. Staff members prefer the informal and direct communication method for regulated feedback and problem-solving.

Corporate membership is another way that Organization X increases partnerships and community engagement. There are four levels of corporate membership: Einstein level $5,000 and above donation, Curie level $2,500 donation, Newton level $1,000 donation, and Darwin level $500 donation. Please see Table 9 for the specifics of each level of corporate membership.

Table 9

Corporate Membership Levels and Benefits

Corporate Memberships	Donation Amount	Benefits of Membership
Einstein Level	$5,000 or more	• Choice of an element of Essential Elements of Organization X (Periodic Table of Donors) • All the benefits of Curie Level
Curie Level	$2,500	• 100 one-time passes with a 50% discount for accompanying guests • 10% discount on family or grandparent memberships for employees • Certificate to display your collaboration • Listed as a business partner of Organization X's display screen and website
Newton Level	$1,000	• 40 one-time passes with a 50% discount for accompanying guests • 10% discount on family or grandparent memberships for employees • Certificate to display your collaboration • Listed as a business partner of Organization X's display screen and website
Darwin Level	$500	• 20 one-time passes with a 50% discount for accompanying guests • 10% discount on family or grandparent memberships for employees • Certificate to display your collaboration • Listed as a business partner of Organization X's display screen and website

Organizational Situation

Competitive environment.

Competitive position. Organization X is the only hands-on science enrichment organization in the local community that offers educational experiences during birthday parties. Other science delivery competitors are science summer camps, which affects only the summer market share. Organization X also has a wide variety of summer camps and collaborates with local university science outreach department, nature centers, local parks and recreation department, as well as the local Youth Men's Christian Association (YMCA). The most competitive revenue stream is birthday parties because the participants can choose a competing activity such as bowling, laser tag, mini golf, swimming pool, or jungle gym with ball pits. Field trip customers can choose to visit the local university, nature centers, and larger science centers that are out of town. There are nine museums or science centers within 100 miles of Organization X.

Competitiveness changes. In 2017, the leaders of Organization X relocated to a larger physical space to offer more exhibits, workshops, summer camps, accommodations for parties, and overall opportunities to develop STEM skills of their customers. Because of the collaborative relationship with the local university, this relocation will help increase space for more exhibits. Relocating into a larger space gives the leaders of Organization X the capacity to increase memberships, summer camps, birthday parties, and interactive exhibits that could increase the exposure to STEM for children.

Comparative data. Organization X belongs to the Association of Science-Technology Centers (ASTC), but not the Association of Children's Museums or American Alliance of Museums because of the membership fees for these organizations are prohibitively expensive. Membership in the Association of Children's Museum and American Alliance of Museums would allow Organization X to increase the comparative and competitive advantages related to their industry; science museums. Organization X is also a member of the state nonprofit organization (state-omitted to protect confidentiality) but is not specific to science or museums.

Strategic context. The strategic challenges that management of Organization X face are listed in Table 10.

Table 10

Organization X's Strategic Challenges

Strategic Challenges
• Relocated into a larger space – October 2017 • Larger space can accommodate more programs and services that require additional staff members to operate • Two to three additional staff members needed for programs, services, and development areas • Lacking foundational business processes such as a completed vision statement and value statements

The executive director has an earned PhD and has helped with Organization X since 2007. The leaders of Organization X developed a reputation for providing interactive exhibits that are fun for all ages. Through growth and attention to market demand, the executive director increased summer camp options for the 6-10 years old market share; Organization X's largest customer group. The leaders of Organization X pay close attention to attendance numbers to determine which customer groups are being reached through marketing and promotional efforts. Active relationship building has created a strong connection with the local university offering an opportunity to involve STEM departments with youth development, exhibit innovation, and volunteer opportunities for students. Remaining transparent and effectively communicating with stakeholders and partners is a high priority and strategic advantage for Organization X. Another strategic advantage is an active and committed volunteer base from the community.

Performance improvement system. The leaders of Organization X hold monthly staff meetings and weekly manager meetings. The purposes of these meetings are to find operational problems and create solutions, relay important announcements and other information, and gain a holistic understanding of the current operations. The board of directors participates in a monthly board meeting offering expert advice and opinion of visionary items. There are several committees that meet quarterly, each designed to assist and problem solve in different areas. The committee groups are by-laws, development, finance, personnel, executive, and nominating committee (Table 11). As of 2017, there is not a formal performance improvement system that is in place.

Leadership Triad: Leadership, Strategy, and Customers

Leadership

Senior leadership. The executive director sets the mission, vision, and values of Organization X and the board of directors provides feedback, acceptance, and approval. As of 2017, the executive director is creating the vision statement for the approval of the board of directors. The mission statement is unchanged since the inception of the organization. The leadership team values ethical and legal behaviors because all staff members must clear a state background check, an FBI background check, a child abuse clearance, and an online mandated reporter training. The public in this geographical area is sensitive to protecting children because of past exploitation of a community leader. These strict regulations enforced by the leaders demonstrate the level of commitment to ethical and legal behavior. There is an open-door policy with management such that all staff, volunteers, and community members can discuss any concerns or issues openly and freely.

The leadership developed a finance committee that meets quarterly to discuss operating reserves and larger expenses. The finance committee comprises board members and community members. Key communication among the senior leadership, the workforce, and key customers also adds to the financial commitment of donors. The leadership team holds monthly staff meetings to evaluate and solve any problems, sign thank-you cards for all donations, senior leaders make an appearance at events, and the executive director contacts all levels of the organization from day-to-day customers to board members. Mission-focused leadership is important to the senior leaders because they demonstrate actions that align with the mission statement.

Governance and societal responsibilities. The BOD of Organization X ensures responsible governance by including a lawyer and other professionals on the board of directors. The leaders of Organization X ensure governance and ethical behaviors with the formation of committees to head up areas of expertise (Table 11). The BOD comprises the following committees: by-laws, development, finance, personnel, executive, and nominating committee. The BOD uses systematic approaches to select new board members and new committee members. The BOD evaluates community involvement, occupation, and positive track record. As of 2017, the performances of board members operate on a self-regulating method. There is not a procedure to follow if board members fail to meet objectives.

Table 11

Committees of Organization X BOD, Community Members, and Staff

Committee	Purpose
By-laws	Monitor the organizational by-laws, mission, vision, and value statements. Offer revisions as needed.
Development	Evaluate fundraising strategies and propose new strategies to obtain future funds and develop donor relationships.
Finance	Monitor the financial health of the organization.
Personnel	Evaluate the needs of the organization and staff capacity.
Executive	Made up of the managers of the organization to discuss organizational issues.
Nominating	Review board prospects based on the needs of the organization.

The board members meet once a month to fulfill their role in helping the organization work toward its mission. The board meeting agenda is as follows: consent agenda, approval of previous meeting minutes, new agenda items, updates from committee progress, and other items. When a board member or executive director proposes a new agenda item, the board must vote on approving or disapproving the implementation of the action. Without a majority vote, discussion of the new item will not pass, and alternative solutions are discussed. The leaders of Organization X seek feedback from visitors, members, and other stakeholders by conducting surveys, direct interaction, and monitoring social media reviews. The leadership team at Organization X uses an online survey tool called Survey Monkey. The leaders use Survey Monkey on a regular basis for feedback on programs, services, customer service, special events, and employee satisfaction. Participants can use their smartphone, tablet, or another device to take the survey. Using an online survey tool allows for quick tabulation of the survey results and can generate instant feedback to staff members. There are approximately 75 surveys archived on the Survey Monkey account. The leaders use survey results within 2 years to make corrective actions, forecast customer trends, and assist with strategic planning. Leaders of the organization release information through many avenues (Table 12).

Table 12

Communication Strategies used by Organization X

Communication Strategies
• Press releases • Website updates • Social media platforms – Facebook, Twitter, and Instagram • Shared e-news about the organization • Comment cards • Surveys • Whiteboard near the front desk

The staff members at Organization X determine approaches to help families with low socioeconomic status and underserved audiences participate in the exhibits, programs and services. The leaders create innovative strategies to raise funds for supporting those groups with free memberships, so families can enjoy the exhibits and educational programs of Organization X.

Strategy

Strategy development. The strategic development process for Organization X consists of input from the executive director, education manager, development manager, and board members and final approval from the board of directors. The leaders of Organization X review surveys, comments, customer input, and implement strategies that cater to the demands of the customer. Analyzing the voice of the customer data and information, leaders of Organization X have increased summer camps for the age range of 6-10 year-olds and offer daycare after the regular summer camp hours. Also, the leaders of Organization X work with the local university STEM departments to conceptualize ideas for new exhibits that apply the latest technologies. Once the exhibit is agreed on, volunteers and students build the exhibit with staff oversight.

The 2017 business plan provides an overview of the organization, action plan for the next 5 years, the case for growth, the significance of the mission, partnerships, a business summary, proposed 5-year budget of income and expenses, detailed revenue streams, improvements plan, and conclusion. The BOD members are working on a formal strategic plan but as of 2017 the business plan is used to forecast and steer decisions. The leaders of Organization X currently use surveys, membership growth, revenues, expenses, and other quantifiable metrics to monitor the action steps and forecast plans.

The mission of Organization X is direct and allows the leaders to set goals, action plans, avoid mission drift or creep, and grow revenue streams both internally and externally. The current internal revenue streams are general admission, memberships, field trips, birthday parties, camps, outreach programming, gift shop sales, and facility rental. The leaders at Organization X also value local partnerships and use them to their strategic advantage. Local partnerships help with donations of money, time, expertise, materials, and equipment. Having strong community relationships demonstrates collaboration and unity among the community and general compassion for each other’s missions.

The board of directors is working on a sustainability plan that intends to increase the financial health of the organization. There are three main veins of revenue; donations, grants, and earned income (Table 17).

Strategy implementation. Once the leaders of Organization X develop the strategic plans, it is time to implement and take actionable steps. There are short-term (Table 13) and long-term action plans (Table 14) in place.

Table 13

Short-term Action Plans

Short-term action plan	Timeframe for competition
Hire a development manager	Achieved in March 2018
Increase full-time staff by two or three members	2 years
Increase the number of quality exhibits	2 years

Table 14

Long-term action Plans

Long-term action plan	Timeframe for competition
Find a comparable building to purchase	5 years
Increase revenue by 35%	5 years
Increase area of impact	5 years
Implement a capital campaign	5 years

The executive director monitors the short-term and long-term action plans and presents updates at the monthly staff and board meetings. During the updates at the monthly staff and board meetings, members offer suggestions to keep actions plans on track for completion. The executive director can assign a committee to take a closer look at an action plan to ensure it stays on track for completion. If the committee's do not offer a solution, the executive director may consult the BOD to determine why the action plan is not meeting or exceeding the intended goal.

The leaders of Organization X rely on several committees to help with the implementation of action plans (Table 11). Each committee is made up of staff and community volunteers with expertise in the committee's area of focus. Items that need detailed planning and implementation instructions are discussed and presented to the leaders of Organization X. One example of strategic planning and implementation was the capital campaign for the new location in 2017. All committees helped design and shape the specifics of the campaign to a certain degree. The capital campaign target was $1,500,000 and has a March 2020 end date; 3 years from the start date. The campaign is in a quiet phase (no promotion) and has raised half of the funds through donations or pledges of current donors. The next phase is to promote the campaign and make a public announcement which will occur late spring 2018.

Partnerships with the local university provide strategic design and implementation. Once the concepts for new exhibits are decided, university students create the design, the lead educator gathers materials, and volunteers to help construct the exhibit. New workshop and camp development are similar, but the lead educator is responsible for creating the curriculum or lesson plan. The education manager oversees all new exhibits, workshops, and camps.

The leaders of Organization X have implemented marketing efforts to increase brand imaging, access to new programs, and exposure to potential new donors and members. The marketing implementation utilizes social media platforms such as Facebook, Twitter, Instagram, and an up-to-date website. Providing information on upcoming workshops, camps, new exhibits, and special events support the revenue and membership generation of the action plans. Another online mechanism used is Survey Monkey, an online survey website. The surveys provide real-time feedback and results, which the leaders of Organization X can use to modify current implementations to achieve desired results.

The leaders of Organization X have developed key performance indicators (KPIs) and tracked them year to year to measure impact (Table 15). Key performance indicators help with grant applications, which show how grants are being used to create mission-aligned impacts. Organization X shows steady growth in each KPI over the past 5 years.

Table 15

Key Performance Indicators of Organization X

Key Performance Indicators
• Memberships per year • Summer camps per year • Visitors attendance per year • Volunteers per year • Program attendance • Revenue per year

Customers

Voice of the customer. Customer voice is important and valued by the leaders of Organization X. Staff members are encouraged to interact with customers and their guardians on the exhibit floor. Results of the in-person interactions are considered the most valuable form of data collected. The interactions are a chance to transfer knowledge, listen to customer complaints, problem solve in real-time, and create strong social interactions. Building strong staff-customer relationships gives the parents peace of mind and makes it easier for them to sign their children up for day and summer camps, which can be an all-day activity.

Customers can use social media platforms to voice their experiences to other community members as well as staff members. Facebook has a review feature that allows customers to rate their experience and offer feedback. The executive director and education manager handle poor reviews on Facebook. Because Facebook is public, complaints are addressed publicly to the initial review and the details are handled in a private conversation with the party involved via messenger or telephone.

Twitter, Instagram, and Facebook are used by the leaders to spark curiosity and interest in the community. Customers can use these public online platforms to interact with staff members and ask questions, seek understanding, and provide feedback about their experience of the organization. Personal interactions, surveys, and social media interactions determine customer satisfaction, dissatisfaction, and engagement. If personal interactions, surveys, and social media interactions are positive and complaints corrected immediately then membership increases, length of stay increases, customers invite their friends and family, demand for more workshops and camps, and local partnerships increase. The leaders of Organization X state that customer's voice drives growth through demand.

Customer engagement. The leaders of Organization X determine products and service offering by working with staff members, local partnerships, volunteers, and committees. All new products or services must be STEM focused and approved by the executive director and education manager. Once the executive director and educational manager accept the new product or service, it is assigned to a lead educator. The lead educator is responsible for writing the lesson plan or curriculum, gathering of materials, and identifying how much staff or volunteer help is needed to implement the product or service. New products or services include exhibits, summer camp themes, workshop themes, gift shop products, and how to extend the reach of Organization X to rural areas.

The education manager at Organization X manages the Facebook account. The purpose of using Facebook is to promote STEM products and services. Building a social media following allows the education manager to share interesting facts about STEM topics, share pictures of the exhibits, promote upcoming events, and reach newer target audiences. The executive director handles the Twitter and Instagram accounts for Organization X. Twitter and Instagram can be used to help promote upcoming events, reach different target audiences, identify and recruit volunteers, and assist in marketing for Organization X.

The visitor experience manager (VEM) oversees the personal interaction with customers, visitors, and other guests at Organization X. The VEM welcomes guest into the facility, shows them newer exhibits, answers questions, shares STEM knowledge, and ensures a pleasant visit. The VEM also collects data by asking questions and gathering feedback about products and services. The leaders of Organization X value person to person feedback as the highest form of data. If there is an issue or problem with a customer, it is handled immediately by the VEM or with the help of the executive director and education manager. Building personal relationships with customers, their guardians, and their guests make Organization X a friendly place to visit.

The leaders of Organization X determine customer groups and market segments by analyzing the current market. Using prior data from workshops, summer camps, exhibits, and products the leaders can predict which programs and services will cater to the market in the upcoming year. The leaders understand that a large segment of their market is 6-10 year-olds and offering more summer camps and daycare for this age range will increase total numbers for summer camps. The middle school aged customers are the smallest segment because of external competition such as sports, afterschool activities, and the ability to stay home without supervision. A volunteer recently conducted a market analysis for the leadership team to help project market saturation of memberships. The findings indicated that current membership represents about half of the potential market.

New workshops for 2018 are Recycled Robots, Marble Maze, Flight Technology, 3D shapes, Cardboard City, Colors and Coding, Balance Sculptures, and Pluck and Play. Moving into the new and larger space gave the leaders the ability to expand and capitalize on more innovative ideas that create variety for the customers. The summer camps offered for 2018 summer are the most they have ever offered; with the majority focused on the 6-10 year-old age range.

Results Triad: Workforce, Operations, and Results

Workforce

Workforce environment. The leaders of Organization X recognize that moving into the larger space created room for more exhibits, workshops, camps, and products. Given the potential increase in all products and services, there is a need to hire two or three additional full-time employees by the end of 2019. In March of 2018, the executive director hired the first development manager for Organization X. The development manager will focus on building donor relationships, generating revenue streams, and increasing collaborations and partnerships.

The leadership team's process for hiring personnel is to post the job description on local community boards and the organization's website. Depending on the position, such as development manager, the leaders decided to expand the geographical area and focus on scientific websites with job boards. During the interview process the executive director selects three to six potential candidates and conducts telephone interviews. After completing the telephone interviews, three individuals are selected to conduct face-to-face interviews with the leadership team. If no candidate matches the criteria, the process is restarted. If a candidate exemplifies the necessary skills and qualifications, then they are offered the position. All full-time employees are eligible to participate in continuing education, conferences, and professional workshops. The leadership team will choose one employee to participate in an activity per year but employees are encouraged to find and present interesting options.

The overall turnover at Organization X is low but there are some part-time positions that have a high turnover rate. The birthday party host is a position that represents high turnover rates because it is a part-time position filled with a younger workforce that finds better opportunities once they have graduated from college or found full-time employment elsewhere. The full-time employees have low turnover rates, which are reflective of the nonprofit industry focusing on intrinsic rewards of social impact rather than extrinsic rewards of a higher salary opportunities.

The workforce at Organization X is a top-down hierarchical structure. Every employee understands who to report day-to-day problems and suggestions based on the organizational chart (Figure 1). If the employee has a conflict with their supervisor, there is an open-door policy. The executive director implemented the open-door policy to allow any employees or volunteers the opportunity to communicate about any issues they are experiencing with their supervisor outside of staff meetings.

The leaders at Organization X involve all employees in the changing needs of the organization. Monthly staff meetings are held to share updates, upcoming events, discuss problems, host brainstorming sessions, and generate inspiration among staff members. Weekly manager meetings are held to share updates and challenges. Structuring in a hierarchical reporting model does not influence the transfer of ideas and innovations among the staff. Everyone is encouraged to share ideas and participant in discussions.

Three full-time employees at Organization X receive health insurance, no dental or vision, and two weeks of earned time off per year. The education manager receives one extra week of earned time off as compensatory time for the extra hours worked during summer camps. The employee benefits are equivalent to other nonprofits in the same geographical area. Employees receive a policies book and standard operating procedures manual is in process.

Workforce engagement. Employees of Organization X have many avenues to share ideas, bring up complaints or issues, and develop relationships with each other. Each month the leaders of Organization X have a staff meeting. Every week a managers meeting is held which allows managers to share updates and challenges. There is an open-door policy to all employees and volunteers to come and discuss issues or suggestions to the executive director. Face-to-face interaction is the preferred line of communication. The executive director and education manager try to be transparent with information and gain staff input on major changes or implementations.

The key drivers of the workforce at Organization X are a personal passion for STEM skills, instilling STEM into the local youth, providing alternative activities, sparking an inquisitive nature about how things work, and increasing STEM focused careers goals. Some of the volunteers and part-time employees share some of the same key drivers but are also using Organization X as a stepping stone to full-time employment or seasonal work during college. The entire workforce shares dedication to sharing the knowledge of STEM skills and its importance in exploring career options for the children's future.

The leaders at Organization X have started performing quarterly check-ins and implemented an evaluation criteria format. The evaluation criteria focus on individual performance in financial performance, organizational operations, organization, mission, and strategy, and leadership and partnership development. Within each performance, metrics are top priorities and secondary priorities goals (Figure 2). The executive director meets with each staff member to discuss the quarterly goals and progress.

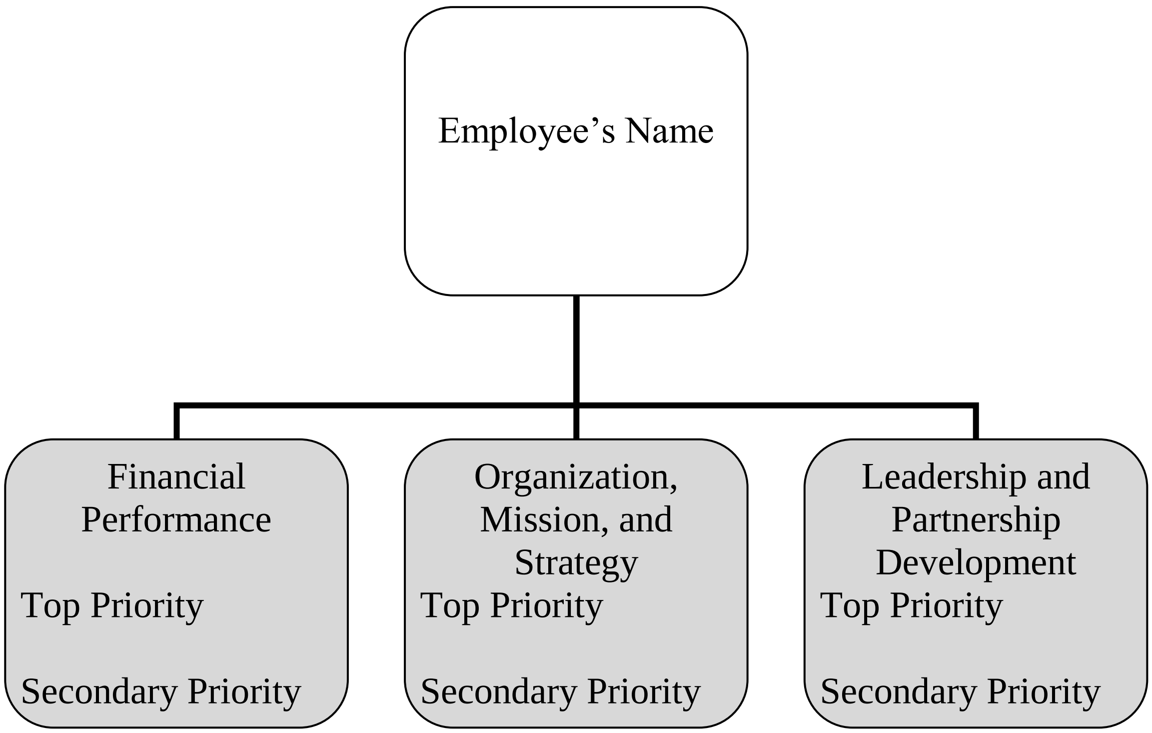


Figure 2. Organization X's evaluation of employee performance.

There is not a formal evaluation of effectiveness and efficiency of learning and development system of the workforce. The full-time employees are eligible to attend conferences, workshops, and other continuing educational retreats. The leaders send one full-time employee per year. Other opportunities may warrant multiple employees attending or more frequent development trips depending on the outcome. Attending professional workshops are expensive plus travel and lodging expenses make it more expensive. Travel and lodging expenses are typically the employee's responsibility. The leaders of Organization X are meticulous when choosing which conference or workshop to send the employee. Given the low turnover rates and commitment displayed by the full-time staff members at Organization X the career progression and advancement opportunities are limited. By the end of 2019, the executive director would like to hire a couple new positions such as marketing assistant, membership coordinator, and assistant director, which will aid in the career progression of current employees.

Operations

Work processes. The executive director of Organization X holds a PhD, which is valuable in determining key services and products as well as work process requirements. The market share for Organization X is unique from other areas because of the large influence of the local university. There is a local preference for more technical exhibits, workshops, and camps such as computer programming and physics rather than focusing on a skilled trade such as plumbing or electrical. It is recognized that this might be a local demand because of the higher education level achieved by the local demographic (Figure 3).

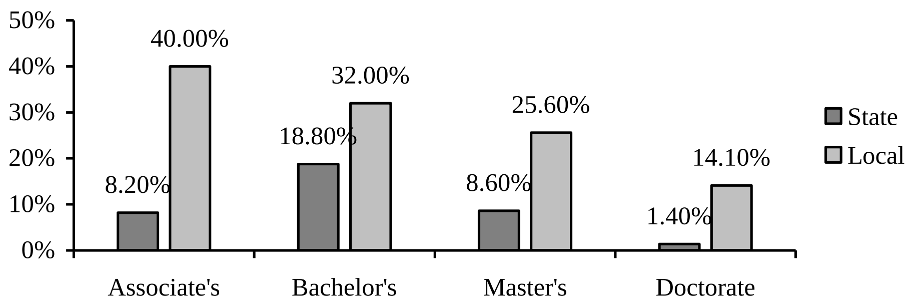


Figure 3. College degree holder comparison for the state and local community.

The leaders of Organization X have developed a process to meet requirements for exhibits, workshops, and camps. The requirements for implementation of exhibits are safety measures, the durability of the design, proper signage and instructions, and STEM focused. Workshops and camps are designed to meet state and national science standards, which are provided by the Department of Education and aligned with school curriculums. When an exhibit is deemed unsafe, it is immediately taken off the exhibit floor and redesigned, rebuilt, or retired. By the end of 2019, the leaders plan to overhaul all exhibits to ensure their quality, functionality, safety, and durability.

Long-term employees perform the day-to-day processes and everything is a known process but not necessarily written down. The executive director is working on standard operating procedures (SOP) manual to help with the ambiguity of procedures and who completes the procedures. Some examples are opening and closing the museum checklists, cleaning schedule and checklist, handling customer complaints, donor recognition, and evaluation criteria for exhibits. Once the SOP is completed and used by employees, it will improve facility management, increase the customer's overall experience, and increase employee effectiveness and efficiency saving time and resources.

The leaders of Organization X value STEM concepts and principles and the innovations in the industry, however, the target market is children from 3-15 years old. The leaders recognize that a highly technical product or service can do more discouraging than encouraging of the young customer market. Products and services are carefully selected and targeted towards the target market; children. As the child progresses through the workshops and camps, they can elect to choose more technical and complicated products and services. The leaders of Organization X research new technologies through scientific journals, websites, conferences, partnerships, and online communities. There are plenty of products for children to enhance their STEM skills but the products can be expensive and delicate.

Operational effectiveness. To control costs, the board of directors must approve all costs that are over $2,000, and the executive director must approve all costs below the $2,000 limit. Before purchases are made, the executive director will send out an e-mail to the volunteer network to source materials or products for upcoming programs and exhibits. If the e-mail effort does not source any materials, then online or local purchases are made. The leadership team controls labor-related costs by using the volunteers to help build exhibits, participate in programs, and assist on many levels to drive administration cost down. Constant evaluation of revenue generated is being performed by the leadership team to determine if more funded is needed or if better cost controls are needed.

The leaders of Organization X manage their supply chain by using the volunteer network to source materials and products for exhibits, camps, and workshops. Once the lead educator has a list of items for the exhibit, camp, or workshop the education manager or executive director will send out an e-mail blast to the volunteer network. Donating materials provides another form of giving for the constituents of Organization X. The gift shop has products that require management to restock and purchase as they become depleted. Online purchasing is the normal method of restocking the gift shop items.

The leaders of Organization X carefully consider the operating environment when evaluating safety measures. The leaders of Organization X moved into a building that is American Disabilities Act (ADA) compliant with handicapped parking, fire alarms, and bus parking nearby. In case of inclement weather, which is typically snow related, a professional snow removal company is contracted to remove snow and de-ice the entrance and parking area. If the weather is severe enough to close schools, the leaders of Organization X will remain open to accommodate the influx of customers unless the weather conditions are too unsafe; then the leaders will decide to close Organization X. The executive director will send out e-mails and social media posts announcing the closing because of weather.

As mentioned in several areas, all staff members must clear a state background check, an FBI background check, a child abuse clearance, and an online mandated reporter training. All regular volunteers must pass a state background check and a child abuse clearance. All annual volunteers are not required to pass background checks. Every June, just before the summer camps begin, the executive director hires a Cardiopulmonary Resuscitation (CPR) and Automated External Defibrillator (AED) trainer to come to the facility and train all staff and volunteers that lead a camp or workshop.

The management of Organization X prepares for other unforeseen disasters. In case of a fire, there is a designated meeting space outside of the building. The executive director is working on an escape plan and is including it in the SOP manual. When children are dropped off for summer camps and workshops parents or guardians may leave them but must fill out a contact information sheet containing two adults contact information. If children are in the exhibit room, parents or guardians must stay on sight and encouraged to participate in the learning experience. All information technology (IT) data is stored virtually and is automatically backed-up daily. An IT company is contracted to assist with problems, manage the storage and back-up, and offer consultation. Other possible disasters are an out of control customer, parent, or guardian and injury to a customer, parent, or guardian. The leadership team has a written protocol and scenarios to help staff members manage an out of control situation. The procedure for an injury is to fill out an incident report, notify the parent or guardian, and follow-up with a telephone call two days later if the injury is major the procedure is to call 911 emergency services.

Measurement, Analysis, and Knowledge Management

Measurement, analysis, and improvement of organizational performance. Daily statistic sheets are used to track daily operations. The daily statistic sheets monitor front desk admissions, daily revenue, free passes, memberships sold, and volunteers. The VEM enters the information from the daily sheets into Salesforce; a database that tracks donors and data. The leadership team at Organization X can run reports depending on the metrics they want to examine within a specific timeframe from the information saved on Salesforce. The leadership team realizes there is a cost associated with daily operations but focuses on the positive experience of the visitors rather than a financial measurement for success.

Because the managers of Organization X input the data daily into the Salesforce program, they can retrieve relevant data from the past 2 years to help forecast trends. Metrics that are analyzed are workshop and camp attendance as well as membership sold per year. The leadership team believes these metrics help tracks the growth of operations which help decision-making about the number of programs and camps, location capacity, number of staff members, and volunteer help needed. The leaders can also pull reports from Salesforce about fundraising expense ratios, administrative cost ratios, variance analysis of budget projections, and the like.

The VEM communicates with all customers exploring ways to improve their experience of Organization X. The VEM will engage customers on the exhibit floor, during birthday parties, events, summer camps, as well as other programs and services. The information gathered impacts exhibit decision-making, program offerings, summer camp themes, gift shop products, and the like. For example, if an exhibit is noticed to have low participation, the VEM will explore its usage and may determine to retire the exhibit and replace it with a more interactive one.

The leaders of Organization X remain agile in their operations. If unexpected or unforeseen change is needed, the leaders will discuss during the weekly manager's meeting and formulate a plan. As of 2017, the leaders have not faced any unexpected change that required more than a collective effort to solve. The nature of the museum is STEM and the science museum industry is stable with little abrupt change. Given the low volatility of Organization X the leaders do not review performance and capabilities unless there is a process that is not working.

Every year the leaders of Organization X attend ASTC conference to learn the industries best practices. Depending on the year, the leaders will participate in panel discussions, networking forums, and presentations. During the event, the leaders will communicate with similar organizations and share best practices, ideas, concepts, and other relevant information. Because the market for museums is locally based, leaders in the industry share the information more freely than other industries that protect proprietary information. The leaders of Organization X will also attend or send staff to other conferences throughout the year.

The leaders of Organization X project future performances in several ways; daily logging of metrics in Salesforce, market analysis, competition analysis, and community events. The leaders make sure the metrics are entered into Salesforce daily and cross-check them for discrepancies. The leaders of Organization X also know their target market and how many customers need to reach market saturation per age group. The education manager pays close attention to the competition and schedules camps or workshops on the days the competition is not offering services. The leaders will look ahead at major community events and schedule accordingly to avoid conflicts. If the community event has a potential to bring in a lot of customers, they will increase staff. If the community event has the potential to consume the market then workshops and camps will not be scheduled during the same timeframe as the community event. The leaders of Organization X also track age ranges of customers, so they know which ages are not being marketed and have the largest potential for growth.

Information and knowledge management. The leadership team is working on a standard operating procedures manual which will include day-to-day operational flows, process to handle certain scenarios, knowledge management procedures, emergency plans, and the like. The knowledge management includes meeting minutes, a shared drive, daily on-site computer backup, website, social media, business plan, strategic planning, and an employee handbook. To ensure the quality of organizational data, the leaders cross-evaluate all data before entering into Salesforce, posting on social media, or sending out to staff or board members.

The leaders of Organization X installed a shared drive on the server so employees could easily access organizational information and seek clarification. Administrative folders on the shared drive have restrictions due to employee confidentiality. If IT problems arise, the organization is under contract with an IT service provider. The IT provider can solve issues remotely and on-site. The IT provider will also inform the leaders of equipment needing to be updated or replaced before the information is lost or corrupted.

In the event of an emergency, the Salesforce data is a cloud-based program and creates versions daily. Salesforce includes bookkeeping data, revenue data, volunteer information, donor information, memberships, and daily activity. All passwords, emails login credentials, computer login credentials are stored with the IT provider to ensure security for each user. The IT provider charges a flat quarterly rate of $850.00 for all remote and on-site services excluding hardware and equipment upgrades and replacements.

Collection, Analysis, and Preparation of Results

Product and Process Results

The leaders of Organization X have a wide range of products and services that cater to individual age ranges within the market. The leaders understand market analysis, trends, competition, and competing events. There is not a performance measurement system in place due to the difficulty of identifying what to measure. Performance measurements that focus on cost or profit are often not used due to the mission focusing on positive influences of STEM activities and not a monetary bottom line. The leaders are discussing performance outcomes and what is important to measure, but nothing is determined yet.

The organization moved locations October 2017 into a larger space to accommodate the increase in memberships, camps, workshops, and exhibits. Since 2012, Organization X has shown increases in revenue, memberships, after-school programs, workshops, camps, volunteers, staff, and processes. The leaders develop processes when there is a demand for the process. Which is not always the best practice, but problems rarely become significant due to the daily interaction of the leadership team and effective communication between the executive director and board members. The leadership team is working on a standard operations procedure (SOP) manual for staff members. The SOP will include daily processes, scenarios, weekly processes, list of vendors, emergency preparedness plan, and continuity of operations per position, which will increase customer service through improved processes.

Organization X does not have a formal emergency preparedness plan. The leadership team provides training to employees about fire emergency, annual CPR and AED certifications, and inclement weather procedures. The leaders are working on formal emergency preparedness plan to be included in the SOP.

The leaders use supply chain management practices to source labor and materials from volunteers and other constituents through e-mail contact. Volunteer labor is used as much as possible with an active volunteer base. The leaders of Organization X work with many local businesses, the local university's STEM departments, as well as retired community members to build exhibits. If the materials cannot be sourced from the local network, the materials will be purchased at the lowest cost to the organization; online or local.

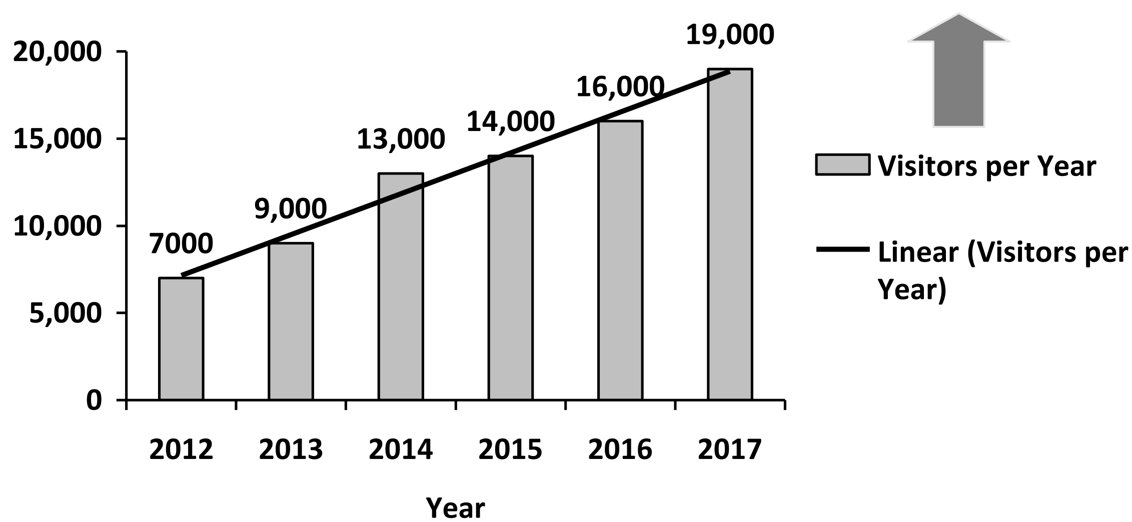


Figure 4. Visitor attendance per year from 2012 to 2017.

Customer Results

The customers of Organization X participant in many surveys, conversations with staff, and participate on social media platforms, which allow staff to monitor satisfaction or dissatisfaction. The Facebook page has a rating system of one to five stars. Figure 5 displays Organization X's current rating on Facebook. As of October 2017, the Facebook rating for Organization X was 4.4 out of 5.0 stars from 77 reviews collected (Figure 5). The survey results tracked on the organization's Survey Monkey account have an overall positive outcome. Since inception, the admissions rates have not changed, but the leadership team does plan to raise the admission rates of programs and services, which may adversely impact customer satisfaction.

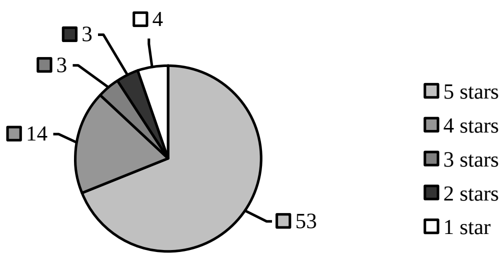


Figure 5. Facebook reviews of Organization X from 2012 to 2017.

The staff at Organization X consistently engages customers throughout their visit. The VEM speaks directly to each customer gathering data to improve visits. Staff members also reach customers through social media platforms such as Facebook, Twitter, and Instagram as well as online surveys and e-mail interactions. The leadership team has a high educational background and understands the importance of data mining directly to gain a glimpse of customer perception. As of 2017, there is not a standard procedure for customer engagement or data obtainment.

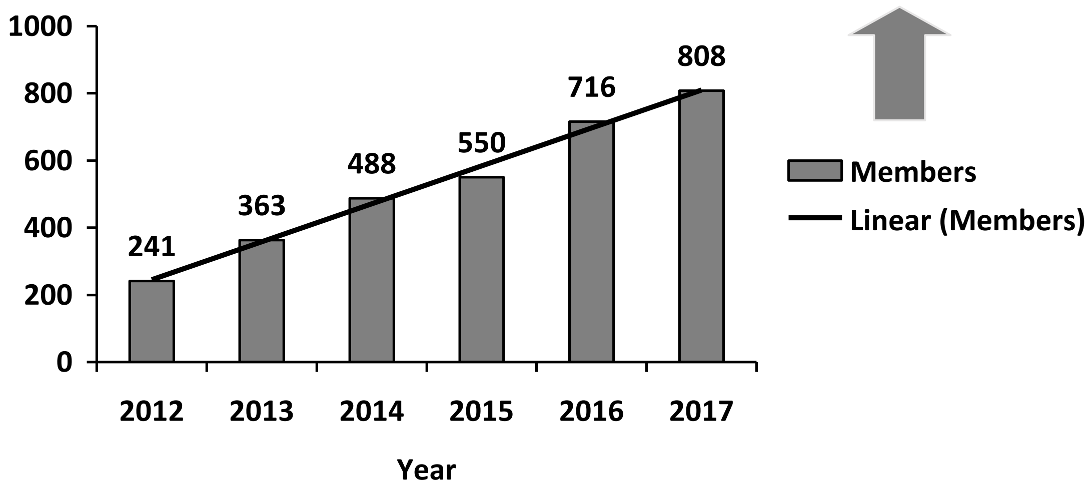


Figure 6. Memberships sold per year from 2012 to 2017.

Workforce Results

Shown in Table 5, the workforce of Organization X has increased every year since inception. The backbone of the organization is the part-time employees and volunteer assistance. The full-time employees that make up the leadership team are the executive director, education manager, visitor experience manager, and development manager (hired in 2018). For a list of all the part-time positions, please refer to the organizational chart (Figure 1). Figure 7 displays the full-time and part-time positions held each year of operation from 2012 to 2017. Figure 8 shows the steady increase of volunteers that volunteered more than 120 hours per year from 2012 to 2017.

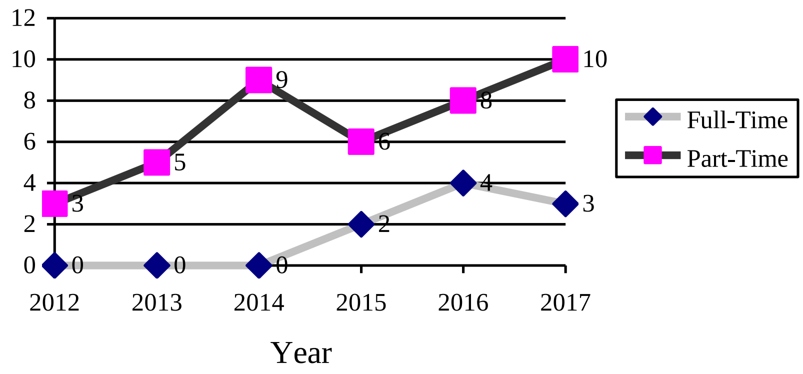


Figure 7. Organization X’s full-time and part-time employment per year, 2012 to 2017.

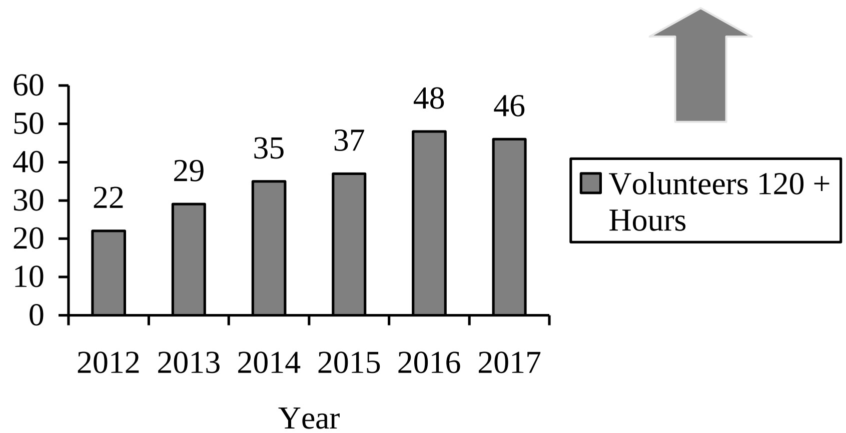


Figure 8. Organization X’s volunteers with more than 120 hours per year, 2012 to 2017.

The leadership team at Organization X believes that volunteers play a significant role in the implementation of programs and services but not an irreplaceable role. It is important that the volunteer remains transparent with the leaders of Organization X to ensure quality and transferability. The volunteer base makes up for capacity shortages, but the leaders do not want to over-rely on volunteers and create disinterest from being overworked.

The climate of the workforce is mission-driven with a passion for serving children of all ages. The key drivers for the workforce are STEM skills and increasing STEM exposure to all customers. The leaders at Organization X are increasing the daily operations, security, safety, and performance measurement devices to enhance the workplace environment. The benefits and salary are comparable to other nonprofits in the area. The executive director performs an annual review of all staff members based on performance and ability to fulfill the mission. The organization’s website has a telephone number listed, physical address, and e-mail information for customers to contact with questions or concerns. Table 16 lists the workforce engagement strategies that promote a positive work environment.

Table 16

Strategies to Improve Workforce Engagement

Engagement Strategies
• Weekly managers meeting • Monthly staff meeting • Monthly bod meeting • Open-door policy • Volunteer recognition • Option to attend workshops, conferences, and presentations

Leadership and Governance Results

The executive director of Organization X has an open-door policy for any employee, volunteer, or customer. The leaders of Organization X are very involved in the interaction with customers, staff members, volunteers, donors, and community partners. The executive director has an annual review with the BOD. The BOD evaluates the executive director’s performance and progression related to the mission of the organization. During the monthly staff meeting, employees address workforce problems, discuss solutions, and create an action plan to solve issues.

Organization X is a 501(c)(3) nonprofit organization, and the leaders are required to submit 990 tax forms at the end of each fiscal year, according to the Internal Revenue Service (IRS). The executive director works with an accounting firm to ensure the validity and accuracy of the 990 tax form. Nonprofit tax information is public information and can be share if requested or found on various internet sites.

Because the target market is children, there are internal regulations that all employees must pass. The internal requirements for staff members are FBI background check, state and local background checks, child abuse clearance, and pass an online mandated reporter training. All regular volunteers (more than 120 hours per year) must pass a state background check and a child abuse clearance. All annual volunteers (fewer than 120 hours per year) are not required to pass background checks. An employee supervises all volunteers when working with children. The public in the geographical area is sensitive to protecting children because of past exploitation of community leaders, and the leaders of Organization X have taken the extra precautions to ensure safety.

The executive director holds ethical and legal requirements with high regard. Employees, volunteers, and board members must pass background checks, hold a positive community impression, and remain vigilant about protecting the children that visit the organization. Strict rules and regulations are present in the employee handbook, which acts as a guideline for decision-making.

The leadership team created a business plan for 2018 to 2022. Within the business plan are strategies for growth, increasing community partnerships, budget projections, revenue projections, and actionable items. It is too early to measure the achievements of this business plan. Throughout the plan memberships, revenues, and services increase during the 5-year plan. Throughout my observations and interaction with the workforce, the leadership team is transparent about operations, decision-making, expectations, and other aspects of the organization.

Financial and Market Results

The leadership team put in a large effort to understanding the market and how to achieve financial success in that market. Marketing analyses are performed to understand potential membership volume, number of customers per school grade, and potential customers per school district. Not all decisions are based on maximizing financial inputs but instead are focused on mission-related programs and outputs. The leadership team has increased its numbers of application for grants and the number of fundraisers hosted per year. Grants are a great way to fund areas that donors typically do not want to fund. Hosting fundraisers can increase funds, social capital, and create exposure to potential members and donors. Shown in Table 17, are the many diverse ways Organization X uses to obtain funds and develop a diversified financial portfolio. Internal revenue streams are projected to represent 42.25% of revenue each of the 5 years in the current business plan.

Table 17

Revenue Streams of Organization X

	Revenue Streams
Donations and Grants	• Donations – Capital campaigns, program specific giving, and the periodic table of giving • Grants – Governmental, local, regional, foundational • Bequests and endowments • Corporate gifts – Tiered system for donation levels • Sponsorships – Sponsor a camp, workshop, events
Earned Income	• Programs – Camps, workshops, after-school outreach, birthday parties, field trips • General admissions • Facility rentals • Membership fees • Low-income memberships
Events	• Friendraisers – Events to promote social capital and exposure for marketing purposes – Hosting a 5k run for the community. • Annual fundraiser and special events

Table 18

Fundraising Events per Year

Year	Events per year
2012	0
2013	0
2014	1
2015	2
2016	2
2017	3

Note. Fundraising events create revenue, partnerships, potential donors, and exposure creating social capital.

Table 19

Number of Grants Applied for per Year

Year	Grants
2012	0
2013	0
2014	1
2015	3
2016	8
2017	14

Note. Increasing the number of applied grants will increase and diversify revenue streams but may require more staff time to track and measure results.

Figure 9 displays the total revenues versus the total expenses for years 2012 to 2015 for Organization X. As the organization grows, it is normal for the total revenue and expenses to mirror that growth. In the year 2015, expenses were higher than revenue for the first time in the organizations history.

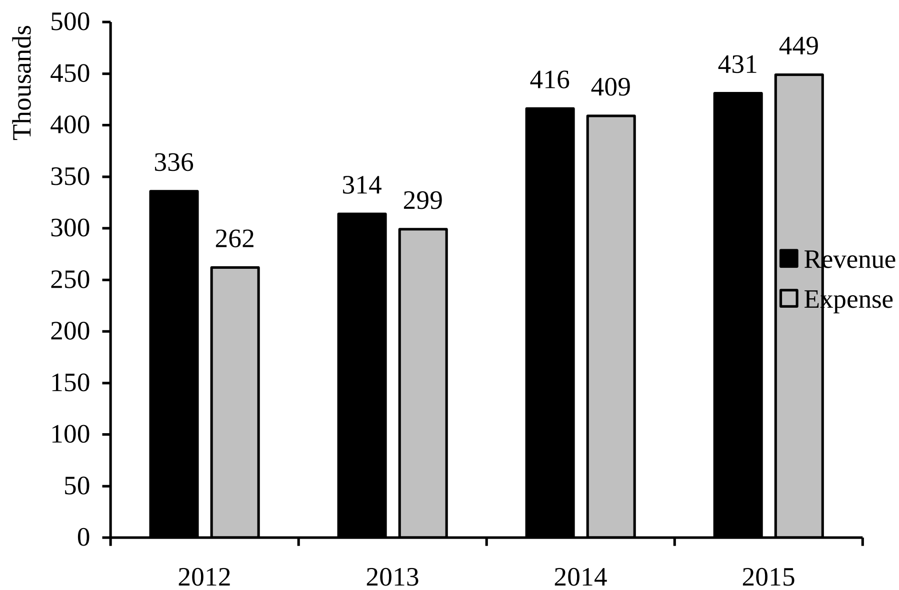


Figure 9. Revenue and expenses from 2012 to 2015.

Figure 10 shows the major expense categories for years 2012 to 2015. Understanding how to control expenses will help reduce overall costs. Program expense is the highest every year. Program expense includes exhibits, camps, workshops, outreach programs, and relative costs to implement those items.

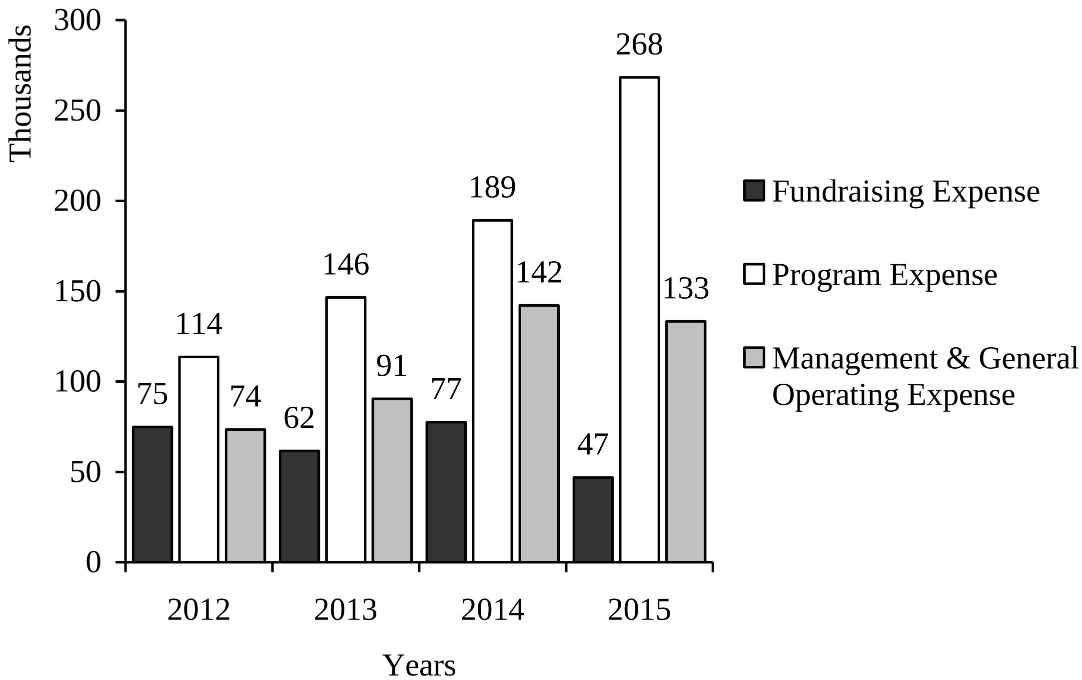


Figure 10. Major expense breakdown: 2012 to 2015.

The development committee is made up of community and employee members that explore new ways of developing funds and relationships, evaluate current methods, and monitor the success of previous fundraising strategies. The development committee meets once a quarter to discuss strategies, opportunities, and trends in the development industry. The purpose of fundraising comes in the form of financial resources, positive social capital and impact, and strengthening community relationships. Building positive social impact is shown with Organization X’s low-income membership rates, after-school out-reach programs, and many partnerships with local businesses.

Figure 11 shows the fundraising efficiency ratio, which is the percentage cost to raise one dollar. As shown by the trendline, this ratio is decreasing each year. An appropriate percentage is between 15% and 30%. In 2015 the percentage it took to raise one dollar was 14.61% of that same dollar, which is an excellent ratio.

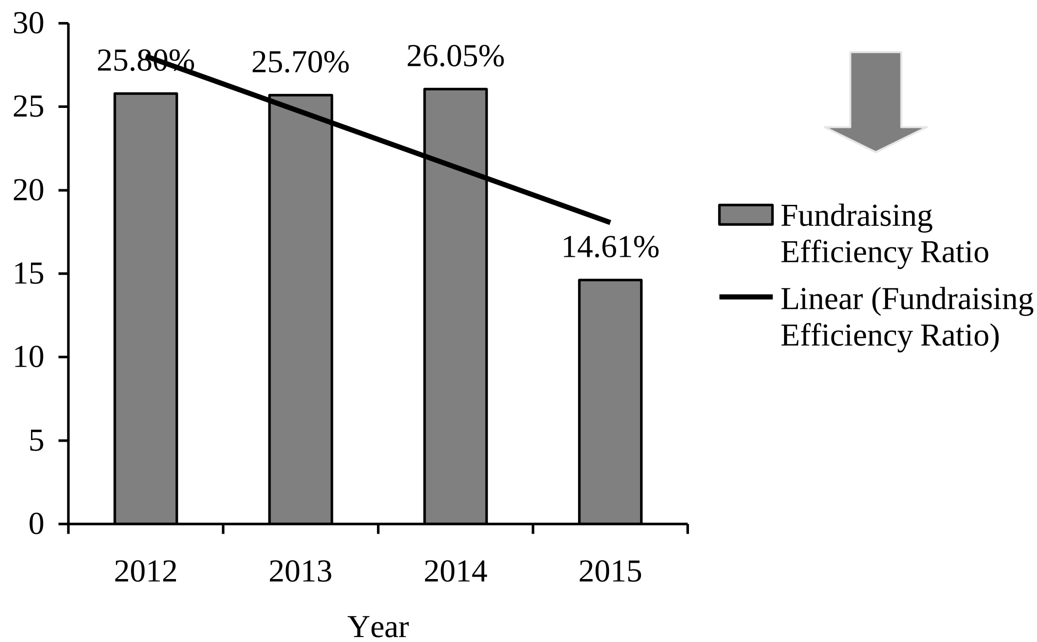


Figure 11. Organization X's fundraising efficiency ratio, 2012 to 2015.

Figure 12 represents the earned income ratio of Organization X from 2012 to 2015. Organization X's earned income includes membership dues, admissions, outreach programs, camps, workshops, field trips, birthday parties, facility rental, and gift shop sales. As shown by the trendline, the percentage is increasing every year. An increasing earned income ratio represents an organization becoming more sustainable and self-reliant.

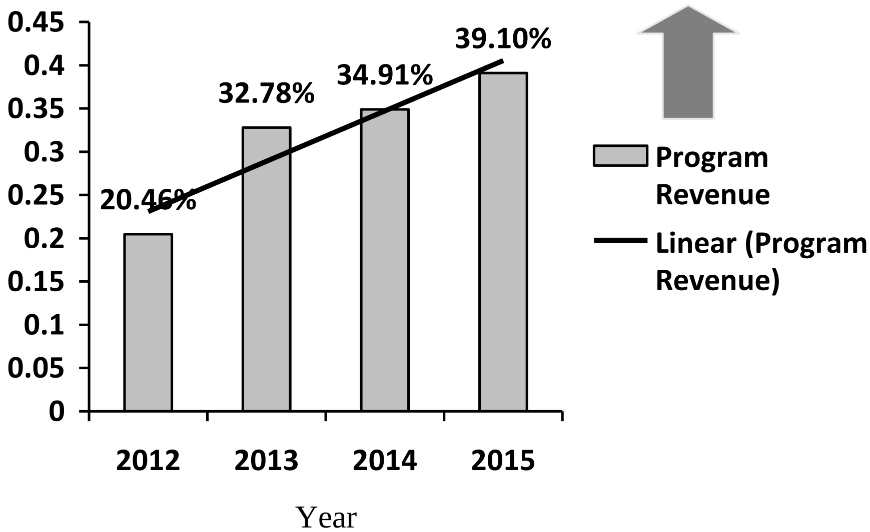


Figure 12. Organization X's memberships and program services revenue, 2012 to 2015.

Figure 13 shows the subcategories of revenue streams recorded in 2015. The total revenue for 2015 was $430,631.00. The two major revenue streams are donations and earned income (membership dues and program services). Donations and gifts represented $242,043 or 56.21% of the total revenue. Membership dues and program service revenue represented $168,370 or 39.10% (Figure 13).

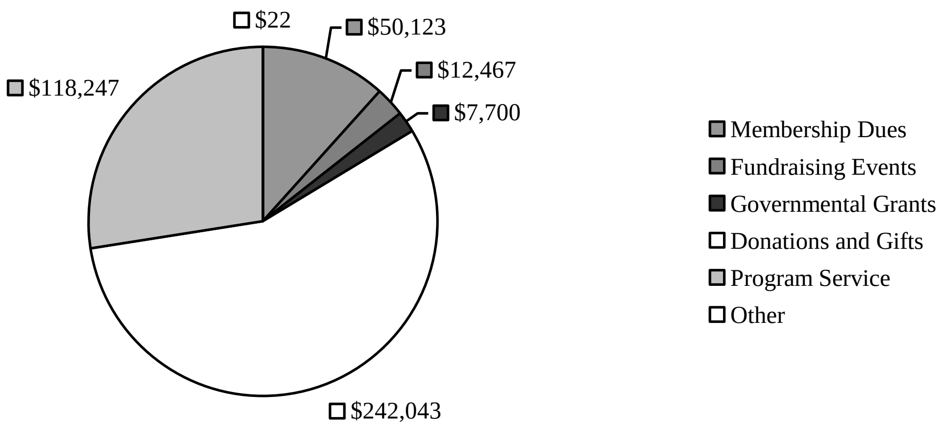


Figure 13. Organization X's revenue streams for 2015.

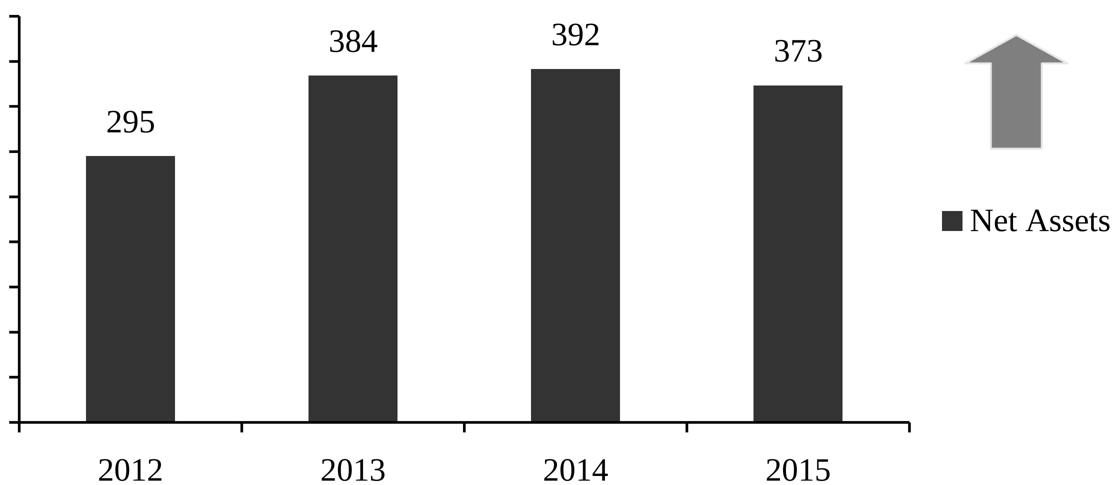


Figure 14. Organization X's net assets, 2012 to 2015.

Key Themes

During the examination process of Organization X, four themes emerged; process strengths, process opportunities, results strengths, and results opportunities. The process strengths and process opportunities derived from categories 1-6 of the 2015-2016 Baldrige

Excellence Framework. The results strength and results opportunities derived from category 7 of the 2015-2016 Baldridge Excellence Framework.

Process strengths. Organization X's process strengths are (a) diverse revenue streams, (b) utilization of volunteers and BOD, and (c) collaboration with local partners. The process strengths that emerged are vital to organizations becoming sustainable and gaining market share. Each one of these process strengths has increased over the 7 years of operating. The leaders of Organization X take an active approach to ensure sustainability.

The leaders of Organization X have developed multiple revenue streams allowing the organization to become more sustainable and resilient to the volatile nonprofit market. Kolm et al., (2014) explained that diversified revenue streams would create sustainability and stability against the uncertainty of the economy and aid in the resilience against the increasingly volatile landscape nonprofits. There is a development committee that specifically studies local trends and makes suggestions to the leadership team on how to increase market share and revenue streams.

The second process strength of Organization X is the utilization of volunteers. Volunteers are an effective way to reduce labor costs, increase social capital, and involve more community members. The leadership team uses volunteers as committee members, constructing exhibits, developing camps and workshops, teaching camps and workshops, as well as helping at special events. There is much diversity in the ways a volunteer can help at Organization X and help manage labor costs.

The third process strength is collaboration with local partners. The leaders of Organization X understand the importance of building strong and lasting community relationships with local businesses both for-profit and nonprofit. Community building extends to the local university which assists with exhibit development and implementation as well as internship programs. Once these exhibits are designed and approved, volunteers will typically build them with staff oversight. Using partnerships and working together reduces the overall cost of programs and increase the survival and longevity of nonprofits (Boateng et al., 2016).

Process opportunities. The second emerging theme is process opportunities. Process opportunities for Organization X are (a) the lack of written processes, (b) the lack of written procedures, and (c) the lack of process improvement strategies. The workforce of Organization X has processes they perform but are not standardized or written down. The executive director is working on a standard operating procedures manual, but it is not implemented as of 2017. Streamlining processes and creating continuity when faced with turnover reduce costs and increase funds for mission-related activities.

Creating a written process or checklist of activities ensures that nothing is forgotten and reduces unneeded redundancy. Areas that I see improvement are creating marketing checklists, donor recognition checklists, and volunteer appreciation checklists. Given the limited market share of Organization X, it is vital to success that all constituents feel appreciated and connected to the organization. Checklist and processes will ensure that all bases get covered, and the organization has done everything they could to make them feel like part of the organization.

The lack of written procedures is different than processes. Procedures are the daily business activities that the organization faces. Procedures are items such as security, emergency preparedness planning, cleaning schedules, locking and unlocking schedules, and the like. The leadership team is currently working on some of these procedures and will be implementing them shortly.

The last process opportunity is implementing process improvement strategies. Process improvements might reduce redundant costs, streamline work processes, improve the productivity of the workforce and volunteers, and clarify which processes have the highest costs. Process improvement allows the leaders to systematically comb through the work processes looking for strategic ways to improve productivity and reduce unneeded costs.

Results strengths. The third theme that emerged was results strengths. The results strengths of Organization X are (a) fiscal management, (b) program innovation, (c) evaluating the market. All three of these results strengths work holistically to ensure the sustainability of the organization and viability of serving the target market. The financial responsibility of Organization X is growing year after year with decreasing costs and increasing program revenues. Organization X carries strict spending policies and tries to source donations for materials and labor whenever possible. The program innovation and expansion of Organization X is unparalleled within their market and competition. The leaders are constantly looking for ways to provide programs to niche markets and underserved areas. A prime example of this is the stEMPOWERed girls program that is grant funded and mission-focused. The leaders of Organization X also have an evidence-based understanding of the customer market and create programs that are in need. They recognize trends, cater to specific markets, concentrate on creating diversity within their customers, and constantly analyze potential market opportunities. The leaders of Organization X dedicate considerable effort to gathering data from walk-in customers, fundraising participants, volunteers, staff, and collaborators. The information gathered helps steer the direction and decision-making of the leaders.

Results opportunities. The fourth theme to emerge was results opportunities. The results opportunities are (a) the lack of knowledge about donor attrition and retention, (b) the lack of performance measurement outcomes, and (c) high turnover in the executive director position. The ability to generate reports reflecting donor retention or attrition is vital to nonprofit organizations. The reports suggest that the organization is doing well at taking care of their donors or there is something wrong with the donor care process and requires reevaluation.

As of 2017, the leaders of Organization X do not use performance measurement outcome metrics. That is not uncommon in the nonprofit industry; however, measuring an organization's success will source more donors (Epstein & Yuthas, 2014). Donors are more likely to give funds and increase their level of giving if shown a performance measurement outcome metric (Epstein & Yuthas, 2014). Goldseker and Moody (2017) explained that organization leaders who use performance measurement outcomes appeal to donors wanting to make a direct impact. As younger generations become the principal donors for nonprifits, they will require an outcome of performance measurement before committing donations to the organization (Epstein & Yuthas, 2014). The third results opportunity was the high turnover in the executive director position. Organization X has been operating for 7 years and has had three executive directors. An unstable nature of the leadership role may be giving potential donors second thoughts about giving (Michaelido et al., 2014). A stable executive director position will increase the commitment from the workforce, community, and donors (Michaelido et al., 2014).

Section 4: Executive Summary of Key Themes

Project Summary

Nonprofit organizations need to diversify their revenue streams to hedge against the unstable market and not over-rely on a few donors (Lu, 2016). A diversified financial portfolio reduces negative cash flows, increases accounts receivables, lowers debt, and increases the ability to assess risks, analyze budgets, and create innovative revenue streams (Rottkamp & Bahazhevska, 2016). This study focused on the financial diversification strategies nonprofit managers use to create sustainability now and in the future. The data gathered during this single-case study can be used to aid a nonprofit manager's decisions about financial diversification and help the organization become more sustainable and resilient to unforeseen markets.

The results of the data collected from the participants reflect their perception of all aspects of leadership, strategy, customers, measurement, analysis, knowledge management, workforce, operations, and organizational results. Leaders of comparable nonprofits who read this single-case study will be better informed about ways to become more financially diverse and sustainable. The results of implementing financial diversity are becoming a holistic member of the community, increasing sustainability, and finding innovative ways to solve societal problems.

Contributions and Recommendations

Implications for Social Change

This study has implications for social change. Its findings could help nonprofit managers adopt better financial procedures to secure a successful future so that they can fulfill their mission. Recipients of nonprofit services are typically people in search of basic needs (Chelliah et al., 2015). The findings could lead to nonprofit services for the community by providing them with basic needs.

The strategies of diversification uncovered during this study may assist nonprofit leaders in developing sustainability and achieve financial success now and in the future. The findings of this single-case study could promote positive social change by giving nonprofit leaders skills to question the status quo and seek more diverse methods to become sustainable. Nonprofit managers who seek financial diversification are securing the organizations future from an increasingly volatile nonprofit landscape. Successful financial diversification provides long-term employment, sustained positive community impacts, and hedges the market during economic downturns.

Recommendations for Action

Throughout this single-case study, evidence-based themes and results supported the need for diversified revenue streams. Diversifying revenue streams forces nonprofit organizations to become innovative rather than relying on a few donors to pay the expenses. Revenue diversification creates innovative programs and services, creative ways to source materials, utilizes volunteers and community partnerships, and finds business solutions to societal problems. Revenue diversification can drive organizations to rethink how to solve their customers' needs, which will create more effective strategies and innovations. In contrast, revenue concentration creates lethargic organizations, resistance to change, and subjection to economic downturns that cause many nonprofits to close their doors. Organization X displays diversity in revenue streams, employees, board members, volunteers, program implementation, service offerings, and donor attraction.

There are areas that Organization X can reevaluate and improve on to help increase their sustainability. The areas of improvement are implementing written processes and procedures, instilling a mindset for process improvement strategies, increasing awareness of donor retention, creating performance measurement outcomes, and stabilizing the executive director position. Most nonprofit managers do not possess for-profit business strategies and are not familiar with capitalizing on streamlining their operations, supplying donors with performance measurement outcomes, or treating donors like investors in the organization (Dobrai & Farkas, 2016; Gras & Mendoza-Abarca, 2014).

Written processes and procedures create stability and continuity for the workforce. The leaders of Organization X are working on a standard operating procedures manual but have not implemented it. The SOP is a living manual requiring constant updates as processes and procedures change. Assigning to an employee the responsibility to implement the process and procedures within the SOP, evaluate the manual annually, and add processes and procedures that are missing or changed. The SOP manual lessens the learning curve for new employees, increases security and safety of the workforce, and reduces redundancy among employees, which reduce costs and wasted wages.

Implement a process improvement system and evaluate your processes and procedures. Designate a committed employee to receive training and train staff or hire a consultant to train the staff. There are many formats such as Lean Thinking, Six Sigma, Theory of Constraints, and Box Theory that would serve Organization X’s needs. Implementing a process improvement system will help the workforce to recognize wasteful activities and reduce unneeded bottlenecks of the operational workflow. The results of a process improvement system are streamlined processes, less waste, increased satisfaction and engaged workforce, increased productivity, gaining a holistic approach, and understanding of how the organization operates. Implementing a process improvement system is not a quick process; it takes lots of training and reflection about the current processes. Process improvements are a series of small changes that result in systematic changes; making a 1% change every day will result in a systematic change over time.

The next opportunity for improvement is increasing the awareness of donor retention or attrition. Monitoring the donor relationships is vital to the success of all nonprofits. Organization X's donations accounted for 56.21% of all revenue streams in 2015. Without this significant revenue stream, Organization X could not serve its current demand. I recommend tracking every donor and creating a donor file for each donor. Within the file, I recommend monitoring relationship progress, the frequency of donations, amounts of donations, key reasons they are giving, family information, and other vital information. Once you have an established relationship with the donors, it is important to meet their heirs and help introduce your mission to them as well. After some time, the donor will develop a trackable frequency for his/her giving pattern. If the donor's frequency pattern changes, it becomes easy to ask questions, improve the relationship, invite them to volunteer, or other ways to recapture their interest in the mission. In the event the donor does not support the mission or administration anymore the donor will provide useful information once questioned about frequency disruption. The management of Organization X can use that data to fix the problem and hedge against further donor attrition. With proper donor stewardship, donors will contribute their time, talent, treasures (donations), and ties (networking) to the organization (Goldseker & Moody, 2017).

The next suggestion is creating performance measurement outcomes (PMO) to reflect how the staff of Organization X achieves its mission and adds value to society. The purpose of creating PMO's are to show the organizations positive impact of the mission, give reassurance that donations are used effectively, and create the ability to monitor progress and work towards success. Measuring and improving outcomes can become very confusing without a proposed method. Epstein and Yuthas (2014) offered excellent literature about measuring social impacts. Harris (2014) noted that nonprofit leaders with increased ability to measure their performance outcomes acquire better board selection and enhance their ability to attract more donors. In the nonprofit industry donors are participating in results-driven funding (Epstein & Yuthas, 2014). If the organization does not measure their performance, many donors will not donate (Harris, 2014). Having a measurement metric reassures the donors that funds are being used for programs and not squandered on poor fiscal management.

The last suggestion is to create stability in the executive director position. A revolving leadership team will signal instability to donors and hinder major donors to commit to the organization (Michaelido et al., 2014). The current executive director's involvement started at the inception of the organization as a volunteer and donors need to know this information. There is no reason to believe that the current executive director will exit the position in the immediate future, which will help create the stability needed. I suggest that the development manager use this information to recruit new donors and put their mind at ease if asked about the leadership of Organization X. Donors will commit if they know the employees are committed as well (Michaelido et al., 2014).

My recommendation for further research would be to conduct a multiple-case study with nonprofit organizations. Further exploration of the findings and recommendations could provide information on revenue diversification strategies nonprofit leaders can use to create sustainability. The concepts discussed could also be examined by quantitative research methods, which might add a different perspective to the findings. Because of this potential, the results of this study could be disseminated in academic literature. Additional methods of disseminating could be via conferences, trainings, and lectures.

References

Aime, F., Humphrey, S., Derue, D., & Paul, J. (2014). The riddle of heterarchy: Power transitions in cross-functional teams. *Academy of Management Journal*, *57*, 327-352. doi:10.5465/amj.2011.0756

Ali, A., & Ivanov, S. (2015). Change management issues in a large multinational corporation: A study of people and systems. *International Journal of Organizational Innovation*, *8*(1), 24-30. Retrieved from http://www.ijoi-online.org

Astorino, F. X. (2015). How anchoring biases influence clients' financial behavior. *Journal of Financial Planning*, *28*(6), 20-21. Retrieved from https://www.onefpa.org/journal/Pages/default.aspx

Babenko, I., Boguth, O., & Tserlukevich, Y. (2016). Idiosyncratic cash flows and systematic risk. *Journal of Finance*, *71*, 425-456. doi:10.1111/jofi.12280

Balcilar, M., & Demirer, R. (2015). Effect of global shocks and volatility on herd behavior in an emerging market: Evidence from Borsa Istanbul. *Emerging Markets Finance & Trade*, *51*, 140-159. doi:10.1080/1540496X.2015.1011520

Bernritter, S. F., Verlegh, P. W., & Smit, E. G. (2016). Why nonprofits are easier to endorse on social media: The roles of warmth and brand symbolism. *Journal of Interactive Marketing*, *33*, 27-42. doi:10.1016/j.intmar.2015.10.002

Biswas, D. (2015). The effect of portfolio diversification theory: Study on modern portfolio theory of stock investment in the national stock exchange. *Journal of Commerce & Management Thought*, *6*, 445-455. doi:10.5958/0976-478X.2015.00027.0

Bleaney, M., Bougheas, S., & Li, Z. (2017). Do psychological fallacies influence trading in financial markets? Evidence from the foreign exchange market. *Journal of Behavioral Finance*, *18*, 344-357. doi:10.1080/15427560.2017.1331234

Boateng, A., Akamavi, R. K., & Ndoro, G. (2016). Measuring performance of non-profit organisations: Evidence from large charities. *Business Ethics: A European Review*, *25*, 59-74. doi:10.1111/beer.12108

Boesso, G., Cerbioni, F., Menini, A., & Parbonetti, A. (2015). Philanthropy by decree. *Nonprofit Management & Leadership*, *25*, 197-213. doi:10.1002/nml.21122

Bonilla, M. (2015). Building resilience in small nonprofits. *OD Practitioner*, *47*(1), 8-14. Retrieved from http://www.odnetwork.org/page/Publications

Bowen, H.R. (1953). *Social responsibilities of the businessman*. New York, NY: New York University Press.

Brown, J. A., Gianiodis, P., & Santoro, M. D. (2017). Managing co-opetition for shared stakeholder utility in dynamic environments. *California Management Review*, *59*(4), 114-139. doi:10.1177/0008125617705868

Calabrese, T. T., & Ely, T. L. (2016). Borrowing for the public good. *Nonprofit & Voluntary Sector Quarterly*, *45*, 458-477. doi:10.1177/0899764015584064

Carroll, A. (1999). Corporate social responsibility: Evolution of a definition construct. *Business and Society Review*, *38*, 268-295. doi:10.1177/000765039903800303

Charles, C., & Kim, M. (2016). Do donors care about results? An analysis of nonprofit arts and cultural organizations. *Public Performance & Management Review*, *39*, 864-884. doi:10.1080/15309576.2015.1137775

Chelliah, J., Boersma, M., & Klettner, A. (2015). The role of a national regulator in developing solutions to governance challenges in the not-for-profit sector. *Journal of Developing Areas*, *49*, 449-458. doi:10.1353/jda.2015.0083

Chen, J., & Adamson, C. (2015). Innovation: Integration of random variation and creative synthesis. *Academy of Management Review*, *40*, 461-464. Retrieved from http://amr.aom.org

Chenavaz, R. (2017). Dynamic quality policies with reference quality effects. *Applied Economics*, *49*, 3156-3162. doi:10.1080/00036846.2016.1254345

Chhering, M. (2016). Where your money is going? Mental accounting an empirical approach. *CLEAR International Journal of Research in Commerce & Management*, *7*(7), 26-28. Retrieved from http://ijrcm.org.in/commerce/index.php

Choi, N., & Majumdar, S. (2014). Social entrepreneurship as an essentially contested concept: Opening a new avenue for systematic future research. *Journal of Business Venturing*, *29*, 363-376. doi:10.1016/j.jbusvent.2013.05.001

Cipriano, M., & Gruca, T. S. (2014). The power of priors: How confirmation bias impacts market prices. *Journal of Prediction Markets*, *8*(3), 34-56. http://ubplj.org/index.php/jpm/index

Citroni, S. (2015). Civic events in a dynamic local field. The role of participation for social innovation. *Industry & Innovation*, *22*(3), 193-208. doi:10.1080/13662716.2015.1033838

Conlon, T., Cotter, J., & Gençay, R. (2016). Commodity futures hedging, risk aversion and the hedging horizon. *European Journal of Finance*, *22*, 1534-1560. doi:10.1080/1351847X.2015.1031912

Cooper, H. (1984). *The integrative research review: A systematic approach.* Beverly Hills, CA: Sage.

Cope, D. G. (2014). Methods and meanings: Credibility and trustworthiness of qualitative research. *Oncology Nursing Forum*, *41*, 89-91. doi:10.1188/14.ONF.89-91

Cummings, T., & Cummings, C. (2014). Appreciating organization development: A comparative essay on divergent perspectives. *Human Resource Development Quarterly*, *25*(2), 141-154. doi:10.1002/hrdq.21186

Curtis, G. (2004). Modern portfolio theory and behavioral finance. *The Journal of Wealth Management*, *7*(2), 16-22. doi:10.3905/jwm.2004.434562

de Andrés-Alonso, P., Garcia-Rodriguez, I., & Romero-Merino, M. E. (2015). The dangers of assessing the financial vulnerability of nonprofits using traditional measures. *Nonprofit Management & Leadership*, *25*, 371-382. doi:10.1002/nml.21134

Denzin, N. K., & Lincoln, Y. S. (2011). *The Sage handbook of qualitative research* (4th ed.). Thousand Oaks, CA: Sage.

Deshmukh, P. (2017). Herd investment behaviour among women employees of IT & ITES sector in Pune. *Journal of Commerce & Management Thought*, *8*, 350-360. doi:10.5958/0976-478X.2017.00020.9

Dey, I. (1995). Reducing fragmentation in qualitative research. In U. Keele (Ed.), *Computer-aided qualitative data analysis.* Thousand Oaks, CA: Sage.

Dobrai, K., & Farkas, F. (2016). Nonprofit organizations from the perspective of organizational development and their influence on professionalization. *Our Economy*, *62*(2), 25-32. doi:10.1515/ngoe-2016-0009

Droj, L., Iancu, E., & Popovici-Coita, I. F. (2016). Premises of behavioral finance in rational decision-making. *Annals of the University of Oradea, Economic Science Series, 25,* 671-681. Retrieved from http://anale.steconomiceuoradea.ro/en

East, R. (2016). Bias in the evaluation of research methods. *Marketing Theory*, *16*(2), 219-231. doi:10.1177/1470593115609797

Ebrahim, A., Battilana, J., & Mair, J. (2014). The governance of social enterprises: Mission drift and accountability challenges in hybrid organizations. *Research in Organizational Behavior: An Annual Series of Analytical Essays and Critical Reviews*, *34*, 81-100. doi:10.1016/j.riob.2014.09.001

Elkington, J. (1997). *Cannibals with forks: The triple bottom line of 21st century business*. Oxford, England: Capstone/John Wiley.

Epstein, M., & Yuthas, K. (2014) *Measuring and improving social impacts: A guide for nonprofits, companies, and impact investors.* San Francisco, CA: Berrett-Koehler Publishers.

Erlandson, D. A., Harris, E. L., Skipper, B. L., & Allen, S. D. (1993). *Doing naturalistic inquiry: A guide to methods.* Newbury Park, CA: Sage.

Euchner, J. (2013). Innovation is change management. *Research-Technology Management*, *56*(4), 10-11. doi:10.5437/08956308X5604002

Ferreira, M. R., & Proença, J. F. (2015). Strategic planning and organizational effectiveness in social service organizations in Portugal. *Management: Journal of Contemporary Management Issues*, *20*(2), 1-21. Retrieved from http://hrcak.srce.hr/150562

Fetterman, D. M. (2010). *Ethnography: Step by step* (3rd ed.). Thousand Oaks, CA: Sage.

Frynas, J. G., & Yamahaki, C. (2016). Corporate social responsibility: Review and roadmap of theoretical perspectives. *Business Ethics: A European Review*, *25*, 258-285. doi:10.1111/beer.12115

Fusch, P. I., & Ness, L. R. (2015). Are we there yet? Data saturation in qualitative research. *The Qualitative Report*, *20*, 1408-416. Retrieved from: http://nsuworks.nova.edu/tqr/vol20/iss9/3

Galan Ladero, M. M., Galera Casquet, C., & Singh, J. (2015). Understanding factors influencing consumer attitudes toward cause-related marketing. *International Journal of Nonprofit & Voluntary Sector Marketing*, *20*(1), 52-70. doi:10.1002/nvsm.1517

Gill, M. J. (2014). The possibilities of phenomenology for organizational research. *Organizational Research Methods*, *17*(2), 118-137. doi:10.1177/1094428113518348

Gleasure, R., & Feller, J. (2016). Does heart or head rule donor behaviors in charitable crowdfunding markets? *Journal of Electronic Commerce*, *20*, 499-524. doi:10.1080/10864415.2016.1171975

Gokhale, J., Tremblay, C. H., & Tremblay, V. J. (2015). Misevaluation and behavioral bias in financial markets. *Journal of Behavioral Finance*, *16*, 344-356. doi:10.1080/15427560.2015.1095756

Goldseker, S., & Moody, M. (2017). *Generation impact: How next gen donors are revolutionizing giving*. Hoboken, NJ: John Wiley & Sons.

Gras, D., & Mendoza-Abarca, K. I. (2014). Risky business? The survival implications of exploiting commercial opportunities by nonprofits. *Journal of Business Venturing*, *29*, 392-404. doi:10.1016/j.jbusvent.2013.05.003

Grasse, N. J., Whaley, K. M., & Ihrke, D. M. (2016). Modern portfolio theory and nonprofit arts organizations. *Nonprofit & Voluntary Sector Quarterly*, *45*, 825-843. doi:10.1177/0899764015603204

Griensven, H. V., Moore, A., & Hall, V. (2014). Mixed methods research–The best of both worlds? *Manual Therapy*, *19*, 367-371. doi:10.1016/j.math.201.05.005

Grizzle, C., Sloan, M. F., & Kim, M. (2015). Financial factors that influence the size of nonprofit operating reserves. *Journal of Public Budgeting, Accounting & Financial Management*, *27*(1), 67-97. Retrieved from http://pracademics.com/index.php/jpbafm

Hagel, J. (2014). Not-for-profits delve into risk management. *Journal of Accountancy*, *218*(5), 24-25. Retrieved from www.journalofaccountancy.com

Haigh, N., Kennedy, E. D., & Walker, J. (2015). Hybrid organizations as shape-shifters: Altering legal structure for strategic gain. *California Management Review*, *57*(3), 59-82. doi:10.1525/cmr.2015.57.3.59

Hall, M. (2016). Realising the richness of psychology theory in contingency-based management accounting research. *Management Accounting Research*, *31*(2), 63-74. doi:10.1016/j.mar.2015.11.002

Harris, M. (1968). *The rise of anthropological theory: A history of theories of culture.* New York, NY: Thomas Y. Crowell Company.

Harris, E. (2014). The impact of board diversity and expertise on nonprofit performance. *Nonprofit Management & Leadership*, *25*(2), 113-130. doi:10.1002/nml.21115

Hart, D. J. (2016). Charity begins at home? Setting a future research agenda for national identity and charitable ethnocentrism. *Social Business*, *6*(2), 125-151. doi:10.1362/204440816X14715138381621

Heinze, K. L., Banaszak-Holl, J., & Babiak, K. (2016). Social entrepreneurship in communities. *Nonprofit Management & Leadership*, *26*, 313-330. doi:10.1002/nml.21198

Hinton, J., & Maclurcan, D. (2017). A not-for-profit world beyond capitalism and economic growth? *Ephemera: Theory & Politics in Organization*, *17*(1), 147-166. Retrieved from http://www.ephemerajournal.org

Honeyman, R. (2014). *The B corp handbook: How to use business as a force for good.* San Francisco, CA: Berrett-Koehler Publishers

Huang, T., Lin, B., & Yang, T. (2015). Herd behavior and idiosyncratic volatility. *Journal of Business Research*, *68,* 763-770. doi:10.1016/j.jbusres.2014.11.025

Huang, J. Y., Shieh, J. P., & Kao, Y. (2016). Starting points for a new researcher in behavioral finance. *International Journal of Managerial Finance*, *12*(1), 92-103. doi:10.1108/IJMF-05-2015-0111

Huberman, A. M., & Miles, M. B. (1994). Data management and analysis methods. In N. K. Denzin & Y. S. Lincoln (Eds.), *Handbook of qualitative research.* Thousand Oaks, CA: Sage.

Hudson, S. M., Newman, S. D., Hester, W. H., Magwood, G. S., Mueller, M., & Laken, M. A. (2014). Factors influencing hospital admissions and emergency department visits among children with complex chronic conditions: A qualitative study of parents' and providers' perspectives. *Issues in Comprehensive Pediatric Nursing, 37*(1), 61-80. doi:10.3109/01460862.2013.85584

Ihm, J., & Castillo, E. A. (2017). Development and transformation of collaborative networks in events. *Journal of Convention & Event Tourism*, *18,* 205-224. doi:10.1080/15470148.2017.1322021

Inoue, Y. (2016). Event-related attributes affecting donation intention of special event attendees. *Nonprofit Management & Leadership*, *26,* 349-366. doi:10.1002/nml.21192

IRS (2017). Unrelated business income tax. Internal Revenue Service. Retrieved from https://www.irs.gov/charities-non-profits/unrelated-business-income-tax

Iwu, C. G., Kapondoro, L., Twum-Darko, M., & Tengeh, R. (2015). Determinants of sustainability and organisational effectiveness in non-profit organisations. *Sustainability*, *7,* 9560-9573. doi:10.3390/su7079560

Jackson, K. (2016). Economy of mutuality: Merging financial and social sustainability. *Journal of Business Ethics*, *133,* 499-517. doi:10.1007/s10551-014-2408-0

Jacob, S. A., & Furgerson, S. P. (2012). Writing interview protocols and conducting interviews: Tips for students new to the field of qualitative research. *Qualitative Report*, *17*(42), 1-10. Retrieved from http://nsuworks.nova.edu/tqr/vol17/iss42/3/

Jahedi, S., Deck, C., & Ariely, D. (2017). Arousal and economic decision making. *Journal of Economic Behavior & Organization*, *134,* 165-189. doi:10.1016/j.jebo.2016.10.008

James, R. N. (2015). The family tribute in charitable bequest giving. *Nonprofit Management & Leadership*, *26,* 73-89. doi:10.1002/nml.21141

James, R. N., & Routley, C. (2016). We the living: The effects of living and deceased donor stories on charitable bequest giving intentions. *International Journal of Nonprofit & Voluntary Sector Marketing*, *21*(2), 109-117. doi:10.1002/nvsm.1549

Khodakarami, F., Petersen, J. A., & Venkatesan, R. (2015). Developing donor relationships: The role of the breadth of giving. *Journal of Marketing*, *79*(4), 77-93. doi:10.1509/jm.14.0351

Knight, H. H., & Ellson, T. (2017). Value drivers of corporate social responsibility: The role of explicit value and back value. *Social Business*, *7*, 27-47. doi:10.1362/204440817X14970183097830

Kolm, P., Tutuncu, R., & Fabozzi, F. (2014). 60 Years of portfolio optimization: Practical challenges and current trends. *European Journal of Operational Research*, *234*, 356-371. doi:10.1016/j.ejor.2013.10.060

Kvale, S. & Brinkman, S. (2009). *InterViews: Learning the craft of qualitative research interviewing* (2nd ed.). Thousand Oaks, CA: Sage.

Langer, J., & LeRoux, K. (2017). Developmental culture and effectiveness in nonprofit organizations. *Public Performance & Management Review*, *40*, 457-479. doi:10.1080/15309576.2016.1273124

Lee, B., & Li, L. (2016). The idiosyncratic risk-return relation: A quantile regression approach based on the prospect theory. *Journal of Behavioral Finance*, *17*(2), 124-143. doi:10.1080/15427560.2016.1133624

Liket, K., & Maas, K. (2016). Strategic philanthropy: Corporate measurement of philanthropic impacts as a requirement for “happy marriage” of business and society. *Business & Society*, *55*, 889-921. doi:10.1177/0007650314565356

Lincoln, Y. S., & Guba, E. G. (1985). But is it rigorous? Trustworthiness and authenticity in naturalistic evaluation. In D. D. Williams (Eds.), *Naturalistic evaluation.* San Francisco, CA: Jossey-Bass.

Lipson, J. G. (1994). Ethical issues in ethnography. In J. M. Morse (Eds.), *Critical issues in qualitative research methods*. Thousands Oak, CA: Sage.

Lu, J. (2015). Which nonprofit gets more government funding? *Nonprofit Management & Leadership*, *25*, 297-312. doi:10.1002/nml.21124

Lu, J. (2016). The philanthropic consequence of government grants to nonprofit organizations. *Nonprofit Management & Leadership*, *26*, 381-400. doi:10.1002/nml.21203

Manetti, G., & Toccafondi, S. (2014). Defining the content of sustainability reports in nonprofit organizations: Do stakeholders really matter? *Journal of Nonprofit & Public Sector Marketing*, *26*(1), 35-61. doi:10.1080/10495142.2013.857498

Mataira, P. J., Morelli, P. T., Matsuoka, J. K., & Uehara-McDonald, S. (2014). Shifting the paradigm: New directions for non-profits and funders in an era of diminishing resources. *Social Business*, *4*(3), 231-244. doi:10.1362/204440814X14103454934212

Marcella, R., Baxter, G., & Moore, N. (2003). Data collection using electronically assisted interviews in a roadshow: A methodological evaluation. *Journal of Documentation*, *59*, 143-167. doi:10.11080/00220410310463464

Margareta, I., & Constantin, I. (2015). The actuals of crowdfunding. *Ovidius University Annals, Series Economic Sciences*, *15*, 774-778. Retrieved from http://stec.univ-ovidius.ro/html/anale/ENG

Markowitz, H. (1952). Portfolio selection. *Journal of Finance*, *7*(1), 77-91. Retrieved from https://www.jstor.org/journal/jfinance

Markowitz, H. (2014). Mean–variance approximations to expected utility. *European Journal of Operational Research*, *234*, 346-355. doi:10.1016/j.ejor.2012.08.023

Marshall, C., & Rossman, G. B. (2010). *Designing qualitative research* (5th ed.). Thousand Oaks, CA: Sage.

Martin, M. (2015). Building impact businesses through hybrid financing. *Entrepreneurship Research Journal*, *5*, 109-126. doi:10.1515/erj-2015-0005

Mayer, W., Wang, H., Egginton, J., & Flint, H. (2014). The impact of revenue diversification on expected revenue and volatility for nonprofit organizations. *Nonprofit and Voluntary Sector Quarterly*, *43*, 374-392. Retrieved from http://journals.sagepub.com/loi/nvs

McDonald, R. E., Weerawardena, J., Madhavaram, S., & Sullivan Mort, G. (2015). From “virtuous” to “pragmatic” pursuit of social mission. *Management Research Review*, *38,* 970-991. doi:10.1108/MRR-11-2013-0262

Michaelido, N., Miceevski, M., & Cadogan, J. (2015). An evaluation of nonprofit brand image: Towards a better conceptualization and measurement. *Journal of Business Research*, *68*, 1657-1666. doi:10.1016/j.jbusres.2015.03.024

Minciullo, M., & Pedrini, M. (2015). Knowledge transfer between for-profit corporations and their corporate foundations. *Nonprofit Management & Leadership*, *25*, 215-234. doi:10.1002/nml.21125

Mitchell, G. E. (2017). Fiscal leanness and fiscal responsiveness: Exploring the normative limits of strategic nonprofit financial management. *Administration & Society*, *49*, 1272-1296. doi:10.1177/0095399715581035

Mosley, J. E., Maronick, M. P., & Katz, H. (2012). How organizational characteristics affect the adaptive tactics used by human service nonprofit managers confronting financial uncertainty. *Nonprofit Management & Leadership*, *22*, 281-303. doi:10.1002/nml.20055

Moustakas, C. (1994). *Phenomenology research methods*. Thousand Oaks, CA: Sage.

National Commission for the Protection of Human Subjects of Biomedical and Behavioral Research. (1979). *The Belmont Report: Ethical principles and guidelines for the protection of human subjects of research.* Bethesda, MD: ERIC Clearinghouse.

Newman, I. & Benz, C. R. (1998). *Qualitative-quantitative research methodology: Exploring the interactive continuum.* Carbondale and Edwardsville: Southern Illinois University Press.

NCCS (2016). Quick facts about nonprofits. National Center for Charitable Statistics. Retrieved from http://nccs.urban.org/statistics/quickfacts.cfm

Onwuegbuzie, A. J., & Leech, N. L. (2010). Generalization practices in qualitative research: A mixed methods case study. *Quality and Quantity*, *44*, 881-892. doi:10.1007/s11135-009-9241-z

O’Reilly, M., & Parker, N. (2012). Unsatisfactory saturation: A critical exploration of the notion of saturated sample sizes in qualitative research. *Qualitative Research, 19*, 190-197. doi:10.1177/1468794112446106

Parris, D. & Peachey, J. (2012). Building a legacy of volunteers through servant leadership: A cause-related sporting event. *Nonprofit Management & Leadership*, *23*, 259-274. doi:10.102/nml.21047

Perren, M., Faseruk, A., & Cooper, T. (2015). Making sense of behavioral finance. *Journal of Business Diversity*, *15*(1), 14-22. Retrieved from http://www.na-businesspress.com/jbdopen.html

Peylo, B. T. (2012). A synthesis of modern portfolio theory and sustainable investment. *Journal of Investing*, *21*(4), 33-46. Retrieved from http://www.iijournals.com/toc/joi/current

Ramiah, V., Zhao, Y., Moosa, I., & Graham, M. (2016). A behavioural finance approach to working capital management. *European Journal of Finance*, *22*, 662-687. doi:10.1080/1351847X.2014.883549

Rawhouser, H., Cummings, M., & Crane, A. (2015). Benefit corporation legislation and the emergence of a social hybrid category. *California Management Review*, *57*(3), 13-35. doi:10.1525/cmr.2015.57.3.13

Renard, M., & Snelgar, R. J. (2016). How can work be designed to be intrinsically rewarding? Qualitative insights from South African non-profit employees. *SAJIP: South African Journal of Industrial Psychology*, *42*, 1-12. doi:10.4102/sajip.v42i1.1346

Richardson, A. J. (2016). Managing revenue and costs to implement strategy: The conference organizer's dilemma. *Accounting Perspectives*, *15*, 331-335. doi:10.1111/1911-3838.12133

Robins, F. (2006). The challenge of TBL: A responsibility to whom? *Business and Society Review*, *111*, 1-14. doi:10.1111/j.1467-8594.2006.00258

Rogers, A., Day, J., Randall, F., & Bentall, R. P. (2003). Patients' understanding and participation in a trial designed to improve the management of anti-psychotic medication: A qualitative study. *Social Psychiatry and Psychiatric Epidemiology, 38*, 720-727. doi:10.1007/s00127-003-0693-5

Rossman, G., & Rallis, S. F. (1998). *Learning in the field: An introduction to qualitative research.* Thousands Oak, CA: Sage.

Rottkamp, D. M., & Bahazhevska, N. (2016). Financial sustainability of not-for-profits. *The CPA Journal*, *2*, 8-9. Retrieved from http://www.nysscpa.org

Rozek, C. S., Svoboda, R. C., Harackiewicz, J. M., Hyde, J. S., & Hulleman, C. S. (2017). Utility-value intervention with parents increases students' STEM preparation and career pursuit. *Proceedings of the National Academy of Sciences of the United States of America*, *114*, 909. doi:10.1073/pnas.1607386114

Sandberg, B. (2016). Against the cult(ure) of the entrepreneur for the nonprofit sector. *Administrative Theory & Praxis (M.E. Sharpe)*, *38*, 52-67. doi:10.1080/10841806.2015.1130524

Sandy, Q. Q., & Dumay, J. (2011). The qualitative research interview. *Qualitative Research in Accounting and Management*, *8*, 238-264. doi:10.1108/11766091111162070

Santora, J. C., Sarros, J. C., Bozer, G., Esposito, M., & Bassi, A. (2015). Nonprofit executive succession planning and organizational sustainability: A preliminary comparative study in Australia, Brazil, Israel, Italy, Russia, and the United States. *The Journal of Applied Management and Entrepreneurship*, *20*(4), 66-83. doi:10.9774/GLEAF.3709.2015.se.00006

Santos, F. M., Pache, A., & Birkholz, C. (2015). Making hybrids work: Aligning business models and organizational design for social enterprises. *California Management Review*, *57*(3), 36-58. doi:10.1525/cmr.2015.57.3.36

Sarantakos, S. (2005). *Social research* (3rd ed.) New York: Palgrave Macmillan.

Sargeant, A., & Shang, J. (2016). Outstanding fundraising practice: How do nonprofits substantively increase their income? *International Journal of Nonprofit & Voluntary Sector Marketing*, *21*, 43-56. doi:10.1002/nvsm.1546

Serrano-Cinca, C., & Gutiérrez-Nieto, B. (2014). Microfinance, the long tail and mission drift. *International Business Review*, *23*, 181-194. doi:10.1016/j.ibusrev.2013.03.006

Shehu, E., Langmaack, A., Felchle, E., & Clement, M. (2015). Profiling donors of blood, money, and time. *Nonprofit Management & Leadership*, *25*, 269-295. doi:10.1002/nml.21126

Shipway, I. (2009). Modern Portfolio Theory. *Trusts & Trustees*, *15*(2), 66-71. doi:10.1093/tandt/ttn129

Shu-Hui, s., Nuryyev, G., & Aimable, W. (2014). The effect of financial management on the performance of non-profit organizations: an empirical study in Haiti. *International Journal of Organizational Innovation*, *6*(4), 90-98. Retrieved from http://www.ijoi-online.org

Shugan, S. (2007). It's the findings, stupid, not the assumptions. *Marketing Science*, *26*, 449-459. Retrieved from https://ideas.repec.org/s/inm/ormksc.html

Siano, A., Vollero, A., Conte, F., & Amabile, S. (2017). “More than words”: Expanding the taxonomy of greenwashing after the Volkswagen scandal. *Journal of Business Research*, *71*, 27-37. doi:10.1016/j.jbusres.2016.11.002

Sigala, M. (2015). From demand elasticity to market plasticity: A market approach for developing revenue management strategies in tourism. *Journal of Travel & Tourism* Marketing, *32*, 812-834. doi:10.1080/10548408.2015.1063801

Silverman, D. (2005). *Doing qualitative research: A practical handbook* (2nd ed.). London, England: Sage.

Simaan, Y. (2014). The opportunity cost of mean-variance choice under estimation risk. *European Journal of Operational Research*, *234*, 382-391. doi:10.1016/j.ejor.2013.01.025

Sloan, M. F., Grizzle, C., & Kim, M. (2015). What happens on a rainy day? How nonprofit human service leaders create, maintain, and utilize operating reserves. *Journal of Nonprofit Education & Leadership*, *5*, 190-202. Retrieved from https://js.sagamorepub.com/jnel

Sloan, M. F., Charles, C., & Kim, M. (2016). Nonprofit leader perceptions of operating reserves and their substitutes. *Nonprofit Management & Leadership*, *26*, 417-433. doi:10.1002/nml.21207

Sparkes, A. C. (2014). Developing mixed methods research in sport and exercise psychology: Critical reflections on five points of controversy. *Psychology of Sport and Exercise*, *16*(3), 49-58. doi:10.1016/j.psychsport.2014.08.014

Stecker, M. J. (2014). Revolutionizing the nonprofit sector through social entrepreneurship. *Journal of Economic Issues*, *48*, 349-358. doi:10.2753/JEI0021-3624480208

Stecker, M. J. (2016). Awash in a sea of confusion: benefit corporations, social enterprise, and the fear of "greenwashing". *Journal of Economic Issues*, *50*, 373-381. doi:10.1080/00213624.2016.1176481

Thaler, R. H. (1999). The end of behavioral finance. *Financial Analysts Journal*, *55*(6), 12-17. doi:10.2469/faj.v55.n6.2310

Thaler, R. H. (2015*). Misbehaving: The making of behavioral economics.* New York, NY: W & W Norton and Company.

Thamhain, H. (2014). Assessing the effectiveness of quantitative and qualitative methods for R&D project proposal evaluations. *Engineering Management Journal*, *26*(3), 3-12. doi:10.1080/10429247.2014.11432015

Thomas, S. A., Feng, S., & Krishnan, T. V. (2015). To retain? To upgrade? The effects of direct mail on regular donation behavior. *International Journal of Research in Marketing*, *32*(1), 48-63. doi:10.1016/j.ijresmar.2014.09.001

Tian, Y., & Smith, W. K. (2014). Entrepreneurial leadership of social enterprises: Challenges and skills for embracing paradoxes. *Journal of Leadership Studies*, *8*(3), 42-45. doi:10.1002/jls.21339

Unceta, A., Castro-Spila, J., & Garcia, J. (2016). Social innovation indicators. *The European Journal of Social Science Research*, *29*, 192-204. doi:10.1080/13511610.2015.1127137

Valentinov, V., & Vacekova, G. (2015). Sustainability of rural nonprofit organizations: Czech Republic and beyond. *Sustainability, 7*, 9890-9906. doi:10.3390/su7079560

Vasquez, D. (2014). Employee retention for economic stabilization: A qualitative phenomenological study in the hospitality sector. *International Journal of Management,* *Economics, and Social Sciences (IJMESS), 3*(1), 1-17. Retrieved from http://www.ijmess.com

Wedchayanon, N., & Chorkaew, S. (2014). The sufficiency economy and people-centered development. *European Journal of Training & Development*, *38*, 822-844. doi:10.1108/EJTD-10-2013-0118

Williams-Gray, B. (2016). Building capacity in nonprofit human service agencies through organizational assessment during the accreditation process. *Journal of Nonprofit Education & Leadership*, *6*, 99-114. doi:10.18666/JNEL-2016-V6-I2-6499

Wise, R. (2017). Reassessing the risks in emerging markets. *Journal of Risk Management in Financial Institutions*, *10*, 74-77 Retrieved from http://www.henrystewartpublications.com/jrm

Yang, S., & Lee, Y. J. (2017). Are the factors affecting satisfaction and actual purchase the same? Comparisons between unplanned and planned purchase. *Journal of Fashion Marketing & Management*, *21*(2), 172-186. doi:10.1108/JFMM-04-2016-0034

Yang, Y., Wang, H. J., & Wang G. (2016). Understanding crowdfunding processes: A dynamic evaluation and simulation approach. *Journal of Electronic Commerce Research*, *17*, 47-64. Retrieved from http://www.jecr.org/

Yilmaz, K. (2013). Comparison of quantitative and qualitative research traditions: Epistemological, theoretical, and methodological differences. *European Journal of Education*, *48*, 311-325. Retrieved from http://www.wiley.com/WileyCDA/

Yin, R. (2012). *Applications of case study research* (3rd ed.). Thousand Oaks, CA: Sage.

Yin, R. K. (2018). *Case study research and application: Design and methods* (6th ed.). San Francisco, CA: Sage.

Yin, R. K. (2013). Validity and generalization in future case study evaluations. *Evaluation*, *19*, 321-332. doi:10.1177/1356389013497081

Yin, R. K. (2015). *Qualitative research from start to finish* (2nd ed.). New York, NY: Guilford.

Appendix A: Recruitment Letter

RE: A RESEARCH STUDY THAT MAY INTEREST YOU

Dear [Name]:

My name is Chris Pembleton, I am currently a doctoral candidate in Business Administration - Social Impact Management at Walden University. I am conducting research on financial strategies nonprofit managers use for developing a diversified financial portfolio to achieve sustainability under the guidelines of the Baldrige Excellence Framework for Nonprofits. The study is entitled: “Creating Revenue Diversification among Nonprofits.” I am conducting this study to explore some nonprofit managers’ effective strategies for improving financial success now and in the future. The client organization that I am paired with is Organization X (omitted for appendix).

I am seeking telephone interviews with nonprofit personnel who meet the following criteria:

- Must be at least 18 years of age.
- Must have knowledge of the (Geographical area omitted for appendix).
- Must have working knowledge of Organization X.
- Managers must have at minimum a bachelor's degree.
- Volunteers must have volunteered for more than one year.
- Board members must have knowledge of financial strategies.

The study criteria was developed to ensure that you, the participant, are likely to demonstrate knowledge and information regarding financial strategies, leadership, operational strategies, general nonprofit knowledge, and day to day practices of the client organization. If you meet the criteria and are willing to participant, please see attached consent form. Read the consent form thoroughly and if you agree to become a study participant, please reply with “I consent.”

Please call me at xxx-xxx-xxxx if you have any questions. Thank you for your time and consideration.

Sincerely,

Chris Pembleton
Doctoral Candidate
Doctor of Business Administration Program
Walden University

Appendix B: Interview Protocol

Interview Title: Creating Revenue Diversification Among Nonprofits

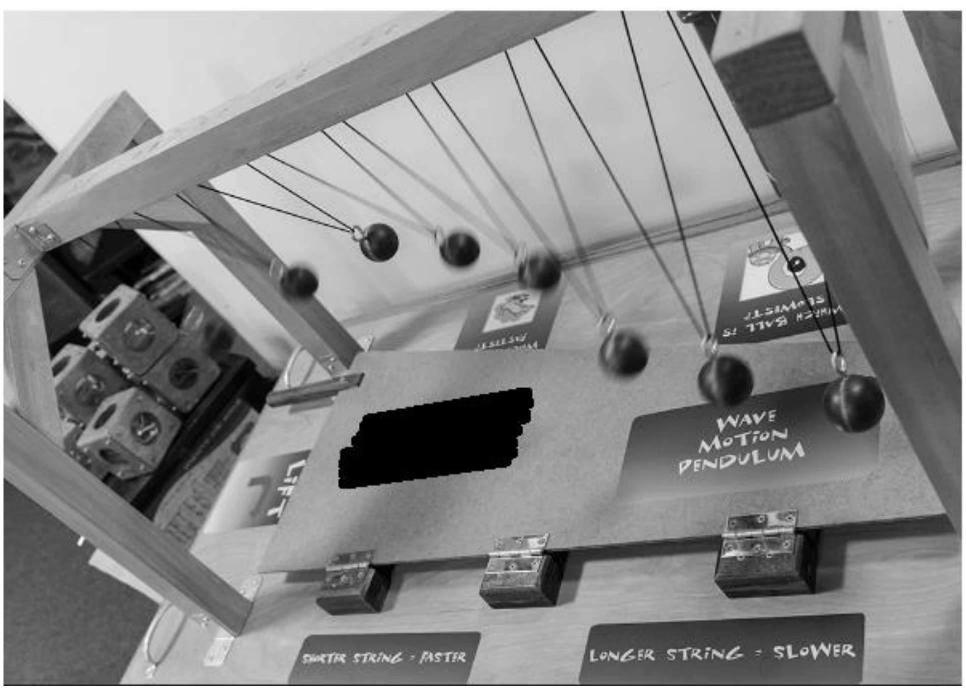
1. The interview protocol begins.
2. Introduction of myself to participant.
3. Thank the participant for participating in the study.
4. Discuss the options for withdrawing from that study
    a. Written notification of withdrawal and all document will be shredded/deleted
5. Notify the participant that a pseudonym will be used and no names or organizations will be named in the study.
6. Explain the member checking process.
    a. Ensures reliability and validity of the data.
7. Notify the participant that I will be audio recording the interview for reference.
8. Proceed with interview questions.
    a. Ask probing questions as needed.
9. Thank the participant for their time, participation, and contribution to the study.
10. Let the participant know if there are follow-up questions that I can be reached by my contact information from our email exchange.
11. Protocol ends.

Appendix C: List of Exhibits

Ariel View of Geographical Location
Ball Drop
Beaver Table
Bernoulli Blower
Bowling Balls
Brown Table
Building a Coaster Workshop
Cockroaches
Colored Shadows
Create the Constellations
Dinosaur Dig Pit
Dinosaur Eggs
Discover Center County
Electromagnetic Crane
Energy Efficiency
Fluorescent Rock Exhibit
Friction Racer
Front Desk
Generacer
Giant Lever
Gravity Tubes Funnels
Gravity Well
Harp
Heartbeat Drum
Imagination Playground
Interactive Gravity Exhibit
Inventor's Bench
Physics Racer
Legos
Light Bright
Light Table
Listening Tub
Mabel Turtle
Magnet Maze
Magnet Pipes
Magnet Tiles
Magnetic Mountain
Magnetic Scale
Magnetic Train Exhibit
Mirror Magic Periscope
Mirror Funhouse
Musical Materials

NASA Space TV
Nest Ball
Nest Bench
Nest Book Cubes
Newton's Cradle
Operation Boy
Physics Racer
Pneumatic Tube Donation Tube
Reflection and Refraction Box
Rock Table
Sailboat Showdown
Sand Exhibit
Snap Circuits
Solar Racer
Space Trivia Steel Wall
Tree Nest
Tornado
Vertical Wind Tunnel
Wave Motion Pendulum
Weather Measurements
Musical Tubes

Appendix D: Pictures of Exhibits




"PHYSICS"
RACER
WHICH TRACK
FINISHES FIRST?

Appendix E: List of Summer Camps

Preschool Camps

- Ages 3-5
- 9am – 12pm
  - Who Lives There?
  - Once Upon a Makerspace
  - Mirrors and Magnets

Day Camps

- Ages 6-15
- 9am – 4pm
  - Read It. Think It. Do It.
  - The Notion of Motion
  - Bio and Beyond
  - All About Energy
  - Launch Lab
  - Code to Create
  - Culinary Chemistry
  - On Deck: Genetic Tech
  - Chemistry Color Lab
  - Break it and Remake it
  - GLOW: Girls Leadership Opportunity Week
  - Future Forecasters
  - Ocean Commotion
  - Topping the Charts

Appendix F: Glossary of Abbreviations and Acronyms

A
ADA
American Disabilities Act

AED
Automated External Defibrillator

ASTC
Association of Science Technology Centers

B
BOD
Board of Directors

C
CPR
Cardiopulmonary Resuscitation

I
IRS
Internal Revenue Service

IT
Information Technology

F
FBI
Federal Bureau of Investigation

FT
Full Time

FTE
Full Time Equivalent

K
KPI
Key Performance Indicators

P
PhD
Doctor of Philosophy

PMO
Performance Measurement Outcomes

PT
Part-Time

S
STEM
Science, Technology, Engineering, Math

SOP
Standard Operating Procedures

V
VEM
Visitor Experience Manager

Vol
Volunteer

Y
YMCA
Youth Men’s Christian Association