

# CHARITABLE, NON-PROFIT, AND PROFIT MAKING ORGANIZATIONS: STUDENT AND COMMUNITY BENEFITS IN A RESOURCE CONSTRAINED ENVIRONMENT

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## ABSTRACT

*Charitable and non-profit organizations represent an opportunity to advance our students' educations while simultaneously contributing needed expertise to our communities. This paper examines the benefits of such contributions in a monetarily resource constrained environment and suggests the resulting benefits to the students' expertise and to the university through community goodwill. In addition, discussion of the inclusion of profit making institutions with monetary benefits accruing to the university's fundraising foundation and the resultant student scholarships will be addressed.*

## INTRODUCTION

Student projects in marketing have traditionally been used to provide students with an opportunity to apply what they are learning (theory) to a corporate problem. In light of the continuing strain on state budgets, the projects offer more than experience for our students. Building community goodwill, providing students with scholarships, and monetary contributions to the university's fundraising foundation are additional benefits that can be integrated into the process with significant benefits to various stakeholders, namely, students, local businesses, alumni, and state taxpayers.

The purpose of this article is to share with others specific examples of charitable, non-profit organizations and profit making entities that have contributed both monetary and substantial non-monetary benefits to the students and community as a result of marketing projects conducted by students within a promotions or marketing research class. In addition, a successful grant was obtained through a class project conducted over interactive electronic television (IETV). All three examples were successfully implemented during the last economic downturn during university budget cuts. The examples suggest an untapped resource that exists and needs to be explored more fully.

## CHARITABLE ORGANIZATIONS

Charitable organizations are often in need of expertise and have little if any money to devote to marketing research or promotion. The lack of available dollars signals that such organizations are likely to be unable to

support student scholarships. But they do provide an opportunity to:

- ◆ Create community goodwill while providing experience to students that build marketable skills and develop resumes that highlight the students' accomplishments to future recruiters and employers.
- ◆ Provide publicity to the charitable organization, students, and university via feature stories in the local media regarding the students' marketing contributions.
- ◆ Assist students with a "reality check" in more than just an academic sense. Students come to realize that they are "fortunate" to be able to pursue a higher education and acquire skills that are needed in the community in which they reside. Being needed for the skills they are acquiring imparts a sense of pride and accomplishment that can *not* be purchased. Self-esteem rises as students have a larger sense of their contributions to the local community and their value as a member of that community.

## NON-PROFIT ORGANIZATIONS

Educational entities are often in need of marketing services as well. Rather than waiting for the schools to approach the faculty member for needed help, students are encouraged to consider the non-profit organizations they are currently involved in, or would like to be, and those that are in need of a marketing plan. Student groups are required to:

- ◆ Target an appropriate non-profit organization,
- ◆ Contact key members in the organization that would welcome a marketing plan that would be of benefit to them,
- ◆ Create a brief written proposal and meet with the

faculty member and,

- ◆ Revise the proposal after the initial meeting with the faculty member and include a timeline for completing the project.

It is not necessary to look very far for projects that are worthy of the students' time and effort. Graduate students, in particular, take great pride in selecting and helping a non-profit organization that is badly in need of their services. Often they select projects of greater complexity and challenge than would have normally been assigned in class. Their challenge is greater, but then, so is the gain.

### PROFIT-MAKING ORGANIZATIONS

Profit making organizations that are interested in supporting worthwhile educational activities abound in most every town. But so very often, they are tired of being "touched" for yet another contribution to another worthy cause. One way of approaching profit-making organizations and entrepreneurship is to provide marketing services in the form of a promotional plan for a growth organization. The firm is contacted and expectations are discussed with the understanding that students will form groups and compete for a "Top Team Award." This is a cash award that will be split among the members of the best team in class. The award has a number of advantages:

- ◆ The firm realizes "something" for its contribution. But more than that, owners and/or managers of firms often enjoy the contact with young university students and are pleased (and often impressed) with the project; particularly, the PowerPoint presentations where students are required to field all questions from the client as part of their class grade. Students are also able to see what other teams have created. Finally, the client is allowed to select the Top Team to be awarded the scholarship.
- ◆ The award is tax deductible to the firm or entrepreneur as it is made out to the university fundraising foundation.
- ◆ Paperwork is minimized for the faculty member as the foundation will issue funds to the award winning team members through various means, such as reductions in tuition due for the forthcoming semester, scholarships, etc. Since the foundation has vast experience in this regard, this is a valuable resource for the faculty member.
- ◆ The foundation has the opportunity to cultivate a new contributor to the university.
- ◆ A sense of competition is created among the teams in class, not unlike that in a real world situation.
- ◆ The local news media can be contacted for a story that can encourage other local firms to contact the school of business resulting in additional clients for future courses with scholarships for students.

The projects provide a win-win solution to symbiotic needs; students need both money and experience to fur-

ther their education and firms find the expertise both affordable and satisfying. Community members are often eager to share their challenges and experiences with neophytes. Further, it gives them a preview of student performance of a future employee they might wish to recruit. Finally, the students anticipate spending their time and energy in a project that "makes a difference" and earns a grade as well.

### CAUTIONS

There are a number of guidelines that can help the faculty member limit the stress involved with the many uncertainties.

- ◆ Be certain not to promise more than can be delivered within the semester or quarter the class is held. Students often need help in "paring down" to a manageable set of achievable objectives. Early, structured meetings, in small groups will prove useful in setting reasonable limits and expectations for both the participants and the clients.
- ◆ Keep the team to a manageable size; an ideal size is four. The best teams have never had less than three members and beyond four the logistics are a challenge with conflicting work and school schedules.
- ◆ Build "contact time" for the project into the class schedule throughout the semester. This allows students an opportunity to divide the work up or agree to meet at another time. Even 10 minutes at the end of class is welcomed by the students and underscores the importance you place on the project.
- ◆ Schedule a class time at the beginning of the semester to have the decision maker in the firm address the students. This will eliminate the problem of students on different teams asking the same questions concerning general information. Later, ask the decision maker to meet with the individual teams for a short meeting so that the competition can begin in earnest.

### SUCCESSFUL PROJECTS COMPLETED BY STUDENTS

Four different projects successfully completed are summarized here as examples of the scope of projects that might be appropriate to different classes in marketing.

- ◆ The educational division of the Choctaw Indian Nation needed a promotional campaign for a series of children's books. The books were unique in that the stories were both important to the Nation's cultural heritage and helped preserve and expose young children to their native language. In addition, the stories were both written and illustrated by Choctaw natives. The director of the educational division was instrumental in offering the first "Top Team" award. The check was given to the university foundation along with a list of the students who had won. The monetary

incentive was exciting for the class and brought out a competitive spirit that will serve all of the members of the class well in future challenges.

- ◆ A Home Health Care firm provided not only a “Top Team” award with a monetary incentive attached, but students were welcome to apply for a newly created position in the firm where their marketing skills would be a decided advantage in the rapidly growing entity. As in the case of the Choctaw Nation, the public relations division of the university welcomed the opportunity to share the story.
- ◆ One graduate group in a remote location via IETV completed a project that resulted in a \$10,000 grant for a local school district. The educational foundation for the BYNG school system had only been in existence for 15 months and was in need of both a strategic and marketing plan. Target markets were identified, a timeline developed, recommended committees created. Through contacts with the students in the MBA class developing the plan, a major benefactor was identified who elected to provide the initial \$10,000 grant needed to achieve the foundations’ initial goals.
- ◆ Another well motivated group elected to develop a project for a federally funded \$12 million grant over five years that required a marketing plan in order for the university to continue receiving funding. This group was led by the Assistant Director/Budget Coordinator of GEAR-UP (Gaining Early Awareness and Readiness in Undergraduate Programs), with the rest of the group being comprised of parents (who were also MBA students) knowledgeable about the benefits of the program. The mission of the GEAR-UP program is to significantly increase the number of low-income students who are prepared to enter and succeed in postsecondary education. Further, the project had the goal of ensuring sustainability of the program beyond the five-year implementation period.

### A WIN-WIN SOLUTION

All projects emanated from a city with a population of 14,000. With a small corporate base it is necessary to be creative in order to provide opportunities for students to develop skills that will benefit them when they graduate.

The projects are also a tremendous boom for organizations that need skill, talent, and commitment from local volunteers. In one project, the organization hired a key

member of the winning team. In another, the firm decided to add a marketing position and invited all the competing team members to apply for the newly created job.

Faculty are seen as helping needy organizations and as a link in creating monetary benefits for marketing students. Students get needed support in paying tuition, acquiring marketing experience, and a much enhanced vita.

Finally, universities benefit as well. The positive public relations fosters a sense of community where charitable organizations are concerned. In the case of profit making firms, the fundraising foundation provides a contact that can lead to long-term commitment and support of the university’s goals.

### DISCUSSION

Given the budget cuts of the past few years and the continuing strain on state budgets, it is likely that Schools of Business will be expected to play a more robust role in building endowments and developing external funding within their school. Faculty at some schools are already tapped to phone alumni during the annual fundraising drive. In addition, endowed chairs are often accountable for developing the university’s reputation in the community. Identifying and converting marketing projects into monetary benefits so students can play an important role in meeting the needs of our local community while further developing our students’ expertise and experience.

In the marketing classes where students are allowed to select and develop the proposal for a charitable or non-profit organization, they are urged to select a project that is worthy of them. They bring a commitment to the project that goes far beyond mere compliance and demonstrating mastery of their discipline for a “good grade.” Their pride and knowledge that the work that they do will impact on other lives and make a difference in their community often transcends any “requirement” that a faculty member could place upon them. Enthusiasm for the end result carries them through the myriad dull details that now become essential building blocks to their success.

Finally, with unrelenting state cutbacks on the horizon, a decline in the number of high school graduates, and state legislatures demanding accountability, well developed, well publicized, challenging and revenue generating student projects provide a partial answer to the challenges that educators face now and in the future.

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