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# Hopeful Africa, Inc.

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## Business Plan

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# **Executive Summary**

## *Mission*

To foster sustainable prosperity in Africa through educational development and equal partnership.

## *Organizational Philosophy*

The commercials with starving children do not accurately represent Africa; that image is an oversimplified and hurtful caricature. Africa is full of happy, driven, intelligent people. Perpetuating that false image of a suffering Africa in need of a Western savior is at best demeaning and at worst damaging. While there are undoubtedly challenges and hurdles that many African peoples' face, Hopeful Africa believes it is important to recognize their humanity, intelligence, and determination rather than solely focusing on their perceived wants, as Western media often does. HOPE rejects the image of the "Western Savior" lifting up helpless Africans. Africans are in fact better suited to know what is needed in their own communities. Programs developed by Westerners without the input of target communities are generally unsustainable and further a patriarchal relationship that dehumanizes those they would help. HOPE will operate with the knowledge that Africa is a vast, diverse continent full of potential: a hopeful continent. Because of the peoples that inhabit Africa, the resources the continent has at its disposal, and the growth already apparent, Africa is on the brink of a golden era of sustainable development. While acknowledging the myriad hurdles on the road to development, HOPE believes that significant investments in education can provide the spark which will result in long-term prosperity.

## *Areas of Focus*

### **Education**

Hopeful Africa wants to become irrelevant. Quality education can make that happen by empowering young Africans to fight poverty, stabilize nations, and conquer diseases. Conflict resolution, hunger relief, and medical assistance are all necessary, and admirable, but education is the most effective long-term cure. Education must take precedence to achieve sustainable progress.

### **Partnership**

Development should be partnership, not pity. Development work needs to build on the assets in a community in order to implement sustainable solutions. Local partners most often know community needs better than any outside entity. HOPE operates on a philosophy of equal partnership, recognizing that both HOPE and its partners have resources to contribute.

### **Youth**

Young people are the best agents of change because they are unmatched in their enthusiasm and passion for progress. Also, they are the future political, business, and social leaders of the world. Involving American youth in the development process and helping to empower African youth will have positive effects for years.

### **Awareness**

Americans are often criticized for their lack of knowledge about the world beyond their shores. Hopeful Africa takes pride in the fact that it engages youth through its student clubs and educates them about the reality of Africa. We want Americans to know the intricacies of development in Africa in order to spread best practices.

## *Programs and Operations*

Hopeful Africa (HOPE), formerly Hope 4 Africa, is a 501c3 nonprofit organization committed to the idea that education in all forms is the surest path to prosperity. HOPE has already invested over \$60,000 in schools in Kenya, benefitting thousands of students. HOPE will promote educational development in African countries by working in equal partnership with communities and schools. The goal of the organization is to increase the access to and provision of quality education. HOPE will engage in dialogue with target communities to develop programs that are both necessary and sustainable. Initial programs of focus, as established through prior dialogue and operation, will be Teacher Support, Student Sponsorships, and School Investment.

Other programs within the education sphere which HOPE sees as possible future focuses (depending on community need) include microfinance, agricultural education, and health education. Although HOPE currently operates only in Kenya, the plan is to expand to other countries as expansion becomes feasible. Fundraising for programs will be conducted in the United States through various means, including business partnerships, grants, and online and offline public donations. Another important fundraising component is HOPE's student clubs campaign. By working with students to start and manage clubs at colleges and high schools around the United States, HOPE will generate fundraising and long-term support for its programs in a demographic which the organization considers the most effective agents of change.

## *Objectives*

1. Establish programmatic partnerships with communities throughout Africa to promote sustainable development through educational advancement
2. Engage Americans from all age groups and around the country in strategic partnerships
3. Generate a new level of understanding of the complexities of Africa among those HOPE engages in the U.S.

## *Keys to Success*

- Establish a network of student clubs at high schools and universities to generate funds and support
- Create and maintain fundraising partnerships with businesses, foundations, schools, and individuals
- Keep close relationships with the communities benefitting from programs so as to ensure the programs' timely and efficient completion and to gather information on community progress
- Share information from African programs often for marketing purposes and to further connect American supporters to the cause they aid

# **Business Plan**

## **Services**

First and foremost, the services HOPE will provide are dependent on the educational needs of each specific community and HOPE's capacity. To this point, the needs presented to HOPE, and its organizational capacity, have led to programs related to formal schooling. In the future, however, HOPE will be open to expansion into non-traditional education programming as needed and given the organizational capability, including but not limited to financial, health, and agricultural education. Still, in the short-term, expansion of existing programs to new communities and schools will take precedence. The process HOPE employs for program development begins with relationships. HOPE representatives meet with potential beneficiaries, discuss needs, and then solicit proposals. Programs are judged based on their feasibility and potential impact. If the program is adopted, funding is secured through American partnerships and the program implementation is monitored by a HOPE liaison on the ground. Three programs have already been established based on the needs of HOPE's six partner schools. These programs are such that they can be duplicated given the necessity. All three are likely to be common needs among African schools. Already established programs are listed below with justifications and descriptions of progress.

### *Teacher Support*

Sub-Saharan Africa (SSA) has recently made legitimate strides towards universal primary education, with 76.3% of children of primary school age now attending school. However, as this influx has been rapid, schools have often been left underfunded, without the necessary infrastructure, materials, and teachers to provide students quality education. The student to teacher ratio for primary school in SSA is 42.5:1 while secondary school enrollment in Africa jumped 48% between 2000 and 2008<sup>1</sup>. The result is a severe lack of teachers that has been apparent in the partner schools with which HOPE works and has led to the development of the teacher support program, which has thus far provided eight teachers annually to a total of four partner schools.

Going forward, HOPE will be prepared to work with understaffed schools to provide teachers. The model for provision will likely change from community to community, so the approach to each community will be tailored to suit the community's needs. At present, HOPE provides funds to seven partner schools which they then use for teacher pay and support. Expansion of this program to other schools, regions, and countries will be as needed, dependent upon relationships, and when feasible.

### *Student Sponsorships*

While primary education in Kenya and in many other SSA countries is free and open to all, secondary school is often cost-prohibitive. The costs drive down secondary school attendance to 26.2% of school-aged youth throughout SSA<sup>2</sup>. Since 2009, HOPE has worked with Boror Secondary School to pay the school fees of students who, despite immense economic struggles that often force absences, have

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<sup>1</sup> Data.worldbank.org

<sup>2</sup> Ibid.

shown dedication in school. Thus far, 28 students have been sponsored and that number will continue to rise. This program is unique to secondary schools as most countries (with a few exceptions) offer free primary education. However, expanding the program to include tertiary school is a possibility.

### *School Investment*

School investment is HOPE's broadest program and seeks to address the lack of resources at schools in SSA. Public expenditures on public school as a percent of GDP is 4.3%<sup>3</sup>, well below the UNESCO-recommended 6%<sup>4</sup>. Additionally, spending has only increased 13% since 2003 despite a large influx of students in the wake of the global push for access to education.<sup>5</sup> Schools are often found to be buckling under the weight of an increased student body, with the student-to-teacher ratio being one example. Other areas suffering due to lack of funds are textbooks, electricity and other infrastructure, arts programs, computers, and more.

The school investment program allows for a wide variety of projects. HOPE has thus far provided over 4000 books, 20 computers, a library renovation, computer lab furnishings, electricity at one school, trees, musical instruments, and more to partner schools in Kenya. The model of this program is crucial because of the widely differing needs from school to school.

### *Ancillary Service: Global Education for U.S. Youth*

Beyond programs in Africa, HOPE offers a crucial service to youth in America: the opportunity to obtain a global education. With student clubs at American universities, HOPE gives students the chance to engage in international philanthropic ventures while learning about the complex situation in Africa. In today's world, it is important for young people to learn about and engage with the global community, for both their economic and social futures. HOPE offers an opportunity for students to lead in a global environment. Students also have the option to go to Kenya to help implement programs. Going forward, the expansion of the student club campaign to more universities and high schools will be vital not only to the funding of the above programs but also to the objective of generating new understanding about Africa. Additionally, HOPE will reach out to elementary and middle schools in an effort to expand youth outreach.

## **Market Analysis**

HOPE's success depends on access to distinct markets in Sub-Saharan Africa (SSA) and in the U.S. In essence, the two primary markets are Program Partners and Fundraising Partners. This section will present general descriptions of each market.

### *Program Partners (SSA)*

In order to provide services, HOPE must establish partnerships with African communities. HOPE will begin by targeting schools, initiating in the Nakuru area of Kenya but expanding to other regions and countries as it becomes feasible. Schools in SSA face the already described problems of teacher shortage, lack of resources, and cost-prohibitive secondary school. HOPE will target those schools in SSA

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<sup>3</sup> Data.worldbank.org

<sup>4</sup> Gasperini, Lavinia – "The Cuban Education System: Lessons and Dilemmas."

<sup>5</sup> Data.worldbank.org

that are underfunded and tend to be struggling to provide quality education to a growing population of students. The current education situation has created much demand for assistance, so entry into the school market will depend on HOPE's organizational capacity to fulfill the needs of each school with which it has discussions. In the future, HOPE will be open to expanding its reach, as capacity allows, to communities at large rather than only schools to operate programs such as microfinancing and health and agricultural education. Despite recent growth, SSA still faces a GDP per capita of \$1,647.50; 7.6% unemployment; life expectancy of 56.4; 4.7% HIV infection rate; and adult literacy of 59.8%<sup>6</sup>. HOPE will work to form community partnerships that help launch programs to move the needle on any or all of those and more measures.

### *Fundraising Partners (United States)*

In order to maintain service provision to African markets, HOPE will have to generate support through various avenues in the United States. Among developed countries, the United States is at the top in regards to private international philanthropy per GDP, at 1.95% (Center for Civil Society Studies, 2008). The appetite for philanthropy is still strong across the United States. The initial target market for fundraising partnerships will be the Midwest and specifically Iowa. HOPE's base of operations, Des Moines, Iowa is considered the one of the wealthiest cities in regards to disposable income due to cost of living. In the first few years, HOPE will take a center-out approach with American outreach, focusing on Iowa and the Midwest and then expanding its reach outward into other markets. The U.S. market for HOPE can be segmented as follows:

1. Schools and Students

Starting student clubs and reaching out to school partners is a priority of HOPE. This market segment presents five separate categories: preschool, elementary school, middle school, high school, and colleges/universities. Target demographics for each category are different, generally beginning with engaging teachers and administration at preschools and working with students more as the level of schooling increases. Outreach to colleges and universities is primarily concerned with students.

2. Individuals

Individuals are people that would not be officially tied to the organization through other institutions, but still involved and supportive. For example, online donors, parents with children involved in a club, philanthropists interested in the cause, volunteers, etc. This market is vast and can serve many purposes.

3. Businesses

HOPE will engage the business community to form strategic partnerships. From potential fundraising partners to in-kind donors, access to this market is crucial to the growth and success of the organization. HOPE will reach out to businesses that have shown philanthropic tendencies in the past with a special focus on businesses with international interests, especially in Africa.

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<sup>6</sup> Data.worldbank.org

#### 4. Community Organizations

HOPE will reach out to community organizations such as religious groups, service groups, and other clubs in order to build support for the organization. Particular attention will be paid to those groups who have undertaken mission trips, engaged in charitable pursuits, and/or have other ties to the organization.

#### 5. Foundations

The organization will seek out grants from foundations in order to fund programs and operations. Two distinct sets of foundations will be approached: those with an interest in international & African causes/ educational development and those with a potential interest in increasing American students' global awareness.

## **Management Summary**

HOPE will be overseen by a board of directors while its everyday operations will be handled by paid staff and an extensive team of volunteers.

### *Board of Directors*

The Board of Directors will hold the traditional nonprofit responsibilities of organizational oversight and growth. Terms will be three years long and limited to two terms. The structure of the Board of Directors will be

- Chair
- Vice-Chair
- Treasurer
- Secretary
- Members (4-10)
- ex-officio: Hope Team Representative
- ex-officio: Executive Director

HOPE will reach out to individuals with experience in or currently a part of the following sectors/communities in order to give the organization diverse, well-rounded leadership and promote strategic growth:

- Business
- Nonprofit
- Education
- Legal
- African immigrants/refugees
- Public Relations and Media Experts

### *Executive Director*

The Executive Director is the chief executive officer of Hopeful Africa and will be responsible for the growth, strategy, and management of the organization. The Executive Director reports to the Board of

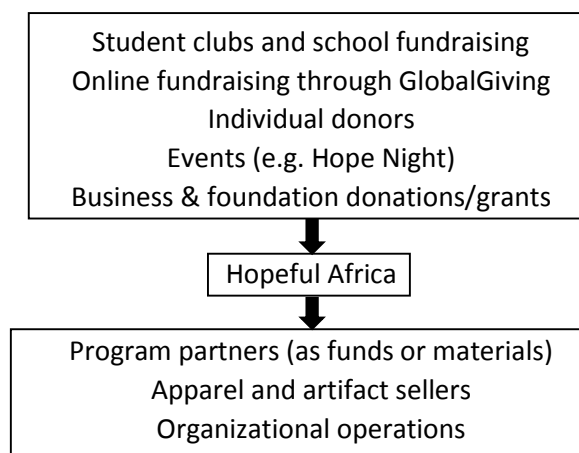
Directors and must consistently promote the fulfillment of Hopeful Africa's mission while ensuring organizational fidelity to the organization's ethos. This is a full-time, salaried position. In FY2015, the Executive Director will be paid \$20,000 for 11 months. This will be split into two terms, each with a salary of \$10,000. If, during the first, six-month term, the Executive Director is able to secure funding sufficient to pay for the second-term, the last five months will be completed. After FY2015, this will become a permanent, regular position as funding allows.

## *Hope Team*

The Hope Team is an organized team of volunteers who give their time to help manage organizational operations. As they are volunteers, they are not obligated to work any number of hours. Each Hope Teamer completes tasks by their own volition, with the direction of the Executive Director. The Executive Director sets out plans for organizational operation which are then carried out by the volunteer Hope Team. HOPE leadership recruits Hope Teamers based on skills, passion for the organization, and experience. Many of the volunteers are college students while others are young professionals. Hope Teamers are given broad titles and roles in which their talents would best be suited, but the Hope Team operates as a group, handling tasks in the best way possible for the organization. Currently, one member of the Hope Team is a volunteer liaison in Kenya who ensures consistent communication between the organization and program beneficiaries as well as proper implementation of any projects. In the future, more liaisons will be added with the possibility of expanding the role into country or regional management and making it a paid, full-time position.

## **Operating Plan**

HOPE's operations can generally be described as fundraising in the United States and online which flows into program expenditures in Africa and organizational expenses in the U.S. Money is sent to Africa using wire and bank transfers. To this point, HOPE has then granted the funds to schools for specific purposes such as paying for another teacher or purchased books, computers, or other materials which were then granted to schools. In the future, grants may be made to non-school entities or communities in order to implement non-traditional educational programs such as microfinancing. In either case, a liaison on the ground ensures proper completion of and reports on any projects. The financial operations of HOPE are as follows:



Operations are overseen by the Board of Directors and executed by the Executive Director and the Hope Team. The volunteer Hope Team conducts public relations, produces multimedia, and helps manage student clubs. The Executive Director works with all parties to pursue organizational growth and



development in addition to overseeing day-to-day operations. The Executive Director is accountable to the Board of Directors.

## **Competitive Analysis**

### *Organizations in Iowa*

Competition in Iowa is relatively thin. HOPE defines competition as charitable organizations or pursuits with an African focus. HOPE will operate in the market for African-focused charities, which is distinct from other charity markets. However, even upon expanding that market to internationally-focused charities, Iowa still presents a lack of competition. Trends indicate that internationally-focused organizations gravitate towards the coasts. Organizations such as the Center for Citizen Diplomacy, the Iowa International Center, CultureAll, and the World Food Prize are organizations that have ties to the international sphere but do not necessarily operate as charitable, programmatic organizations in other countries. The following are a few of the more prominent organizations in Iowa that fundraise and/or operate for international causes:

- Medicine for Mali
- African Aid Initiative
- Service Clubs (e.g. Lion's Club International, Rotary International)
- Rise Africa
- Blessman Ministries
- Kingdom Cares International
- Outreach
- State Universities and Private Colleges
- Other ministries and church missions

### *Nationwide Organizations*

Nationwide, there has been somewhat of a surge in prominence for Africa-focused and internationally-focused charity organizations. Competition with these charities would mainly be online while HOPE operates out of the Midwest. There is no denying that these organizations' spheres of influence extend beyond the coasts, but they do not enjoy the same support and ubiquity in the Midwest as they do in their home cities and states. The following are examples of prominent, nationwide and global organizations.

- Pencils of Promise (New York)
- charity: water (New York)
- Oxfam (Washington D.C.)
- Invisible Children (San Diego)
- Save the Children (Connecticut, D.C.)
- Humanitarian relief and aid organizations (e.g. Red Cross)

## *Competitive Advantages*

HOPE's competitive advantage lies in three central tenets of its operation:

- Focus on education
- Engagement of American youth in its mission
- Positive representation of Africa

Education is highly valued by society because people know that education is the best path towards future prosperity, both for individuals and for society at large. HOPE's focus on education is a selling point that sets it apart from other aid organizations. Additionally, HOPE's engagement of American youth in a global pursuit has been a powerful marketing tool to this point and remains an aspect of the organization that is very attractive to potential donors and partners. The model of student clubs generating support for a cause is not new; however, HOPE's focus on the student clubs as a backbone and the level to which it allows students to develop leadership in the global arena offers is relatively rare for international charities. Finally, HOPE offers a drastically different portrayal of Africa than is commonly seen: a positive image of a hopeful continent. The contrast between this optimistic view and the commonly held image of a suffering Africa will be a refreshing change of pace and will further make HOPE a unique organization.

## **Fundraising Strategy**

The fundraising strategy can be separated into these audiences: Schools/Student Clubs, Individuals, Businesses, Foundations, and Community Organizations. Fundraising growth will follow a center-out model, expanding in Iowa and the Midwest in the short-term with an eye on larger expansion down the road. The strategies for each are listed below:

### *Schools/Student Clubs*

Schools and student clubs will run fundraising events and campaigns for HOPE. Currently, student clubs have leadership teams that organize and execute events for the organization that engage their respective student bodies. Student clubs also play a large role in promoting online fundraisers and birthday campaigns (see below). HOPE has also worked directly with grade schools, providing a partner for which their students can raise funds and participate in philanthropic activities. In each case, students are gaining valuable experience and exposure to a global cause. Expansion of school and student club partnerships is vital to HOPE's financial growth.

### *Individuals*

Through events, online campaigns, and personal outreach, HOPE will engage individuals in fundraising for the organization. HOPE will continue to host an annual Hope Night silent auction and dinner in Des Moines, Iowa while exploring other opportunities to host events targeted at the public. Other events in Des Moines and elsewhere will be explored. HOPE is a member of the GlobalGiving online community and will host continuous online fundraisers for programs. GlobalGiving offers several special opportunities to fundraise throughout the year that will excite the public. Also through GlobalGiving, HOPE supporters can donate their birthdays, asking for donations rather than presents; participate in athletic events and seek donations for HOPE; or set up any individual fundraiser with the proceeds

benefitting HOPE. HOPE also has a campaign called Msingi (Swahili for 'Foundation') which is an effort to secure financial support from friends of the organization. HOPE will continuously pursue growth of the Msingi donor base, as the organization reaches out to new people.

## *Businesses*

HOPE will reach out to businesses for charitable contributions. HOPE will reach out to those businesses that have shown philanthropic tendencies in the past with a special focus on businesses with international interests, particularly in Africa. Business outreach will be a consistent pursuit with HOPE developing and maintaining long-term strategic partnership. HOPE will market itself to businesses as an organization contributing to the long-term prosperity of Africans while giving American students a global perspective that is much-needed in today's economy.

## *Foundations*

HOPE will pursue grants from foundations that fall under two separate categories: those with an interest in international & African causes/ educational development and those with a potential interest in increasing American students' global awareness. The former is straightforward; foundations that fund African development programs naturally fit with HOPE's mission. However, the latter is a more complicated, but perhaps more fruitful sell. HOPE's focus on student clubs could attract foundations that are interested in the betterment of education in the United States, with the idea being that students will benefit greatly from a global and philanthropic perspective. Additionally, HOPE's student clubs allow for leadership development in a unique, nonprofit-related way.

## *Community Organizations*

Religious groups, social clubs, service societies, and other community organizations would make strong partners. HOPE will pursue strategic partnerships with these groups so as to boost fundraising and other support. One example would be a local young professionals' group in Des Moines that promotes nonprofits as part of their program. By engaging with these groups, HOPE will gain access to entirely new donor pools and build long-term, productive relationships.

## **Brief Strategic Plan (Three-Year)**

This section will serve as a very brief strategic plan for the next three years as well as a summary of the strategies outlined in previous sections. In 2014, however, HOPE will work towards establishing a five year, in-depth plan which will officially guide the organization. In the immediate future, HOPE will pursue growth of the Board of Directors and \$75,000 to ensure financial and organizational sustainability.

## *Marketing and Fundraising*

HOPE will focus on the following in marketing the organization to potential donors and partners:

- Benefits of youth engagement with HOPE
- Focus on the assets and the positive side of Africa
- Significance of education

HOPE will reach out to the following audiences to grow fundraising:

- Schools and Student Clubs
- Individuals (online and offline)
- Businesses
- Foundations
  - With U.S. focus
  - With International focus
- Community Organizations

## *Growth*

Through the above marketing and growth focuses, HOPE will seek to expand in the following ways from 2014 through 2017:

Strategic Partnerships (schools, student clubs, businesses, organizations, etc.):

Year 1: 10

Year 2: 25

Year 3: 50

Paid Staff:

Year 1: 1 (Executive Director)

Year 2: 1 (Executive Director)

Year 3: 3 (Executive Director, Director of Operations, Director of Marketing)

Expansion in Africa:

Year 1: Kenya

Year 2: Expand in Kenya and explore partnerships in Ghana and Tanzania

Year 3: Expand in Kenya and establish partnerships in Ghana and/or Tanzania (2-3 total)