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Great Europe Mission Business Plan

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Greater Europe Mission

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Executive Summary

Greater Europe Mission's business model, while still relatively new, is centered on sending a diverse mix of missionaries from many different cultures and countries. The new model provides several benefits for GEM, including insurance if the U.S. further wanders from its Christian roots, opportunities to recruit missionaries outside the U.S., and access to the many giftings that exist throughout Christ's church. The company's two primary competitive advantages are its expertise on witnessing in Europe and its member care services, such as leadership development and counseling. GEM's primary target market for acquiring donors is Baby Boomers or those belonging to older generations, who generally have more disposable income. The company's primary target markets for recruiting new missionaries are university students, young adults in their 20s, and to a lesser extent, families and older couples. GEM invites people to take part in its mission trips, refugee outreach program (GEM Refuge), discipleship multiplication training (DMT), or student internships. John Burns, GEM's CEO, has served in this role since 2016 and previously started a non-profit called Lionsraw. Chris Tweedy has been serving as GEM's CFO for about five years and has many years of public accounting experience with Arthur Anderson and Pricewaterhouse Coopers. Charles Cross, Vice President of Advancement, has worked for GEM for the last 23 years in various roles and has 10 years of public accounting experience with Arthur Anderson. GEM's contribution revenue is expected to grow 1.5% in 2021, 2% in 2022, 4% in 2023, and 5% in 2024. The company's total revenue is projected to grow a total of 9% from 2022 to 2024. GEM's net assets are expected to decrease to about \$500,000 in 2021 but grow about 6% each year in 2023 and 2024. The organization has only one note payable at 1.5% interest on its operations building in Southern Germany.

Table of Contents

Company Description.....6

- Company History.....6
- Legal Issues7
- Company’s Mission7
- Company’s Goals.....9
- Company’s Objectives.....9
- Summary of Overall Strategic Direction.....10
- Description of Products and Services Offered.....11
- Leadership.....12
- Business Model.....13
- Financial and Operational Highlights14
- Recommendations.....17

Industry Analysis.....18

- Industry Overview.....18
- Industry Size and Growth Rate.....25
- Industry Maturity26
- Industry Opportunities27
- Industry Threats28
- Major Competitors29
- Trends.....31
- Technological Change31
- Regulation, Licensing, and Certification.....32
- Supply and Distribution Channels.....33
- Financial Characteristics34
- Global Industry Concerns.....36
- Recommendations.....38

Marketing Plan38

- Company's Message38
- Marketing Strategy.....41
- Marketing Mix.....44
- Relevant content from a weighted SWOT Analysis and TOWS Matrix.....50

Marketing Plan Budget57

Recommendations.....61

Management Plan68

Form of ownership and reasons for the choice of ownership form.....68

Qualifications, Experience, Expertise, and Roles of Members of the Management Team.....68

Other Stakeholders (e.g., Board of Directors, Advisory Boards, etc.)70

Professional Service Firms Providing Management Support.....70

Management Style and Culture.....71

Recommendations.....73

Operations Plan74

Human Resource Needs74

Physical Facilities Requirements.....75

Technology76

Inventory Control77

Supply and Distribution.....78

Customer Service.....79

Implementation Timetables81

Processes for Monitoring Progress82

Financial Controls82

Other Information Regarding Operations84

Recommendations.....84

Financial Plan85

Financial Overview85

Historical Financial Statements87

Tax Discussion and Analysis.....92

Ratio Analysis93

Break-Even Analysis102

Financial Statement Projections.....105

Recommendations.....117

Summary of Recommendations119

References121

Appendix A.....128

Appendix B.....129

Company Description

Company History

While serving in the United States Navy as a chaplain in World War II, Bob Evans was the victim of a mine in southern France. While he was recovering, he learned that most of the people he interacted with had no personal relationship with Jesus Christ. Not long after his experience in France, Evans felt called to bring God's Word to Europe. In 1949, he started Greater Europe Mission in southern France, where he had first recognized a need for Christ. His team constructed Bible schools and started evangelizing to the French people to equip them to spread the Gospel in their communities (C. Cross, personal communication, September 3, 2020).

Greater Europe Mission (GEM) recently moved its headquarters to Frankfurt, Germany. Additionally, the company has three sending offices, located in Colorado, Canada, and the United Kingdom, and has recently started constructing three more sending offices in Germany, Greece, and Kosovo. In the last four years, GEM has seen exponential growth concerning the number of funds raised, putting it in a position where it brought in more funds than required. In 2017, the company raised \$600,000, up from \$141,000 the previous year. The company raised \$1,000,000 in 2018 and \$1,300,000 in both 2019 and 2020, despite the COVID-19 pandemic (C. Cross, personal communication, September 3, 2020). The organization's reach and involvement have evolved significantly since its foundation in France with Bible schools. GEM is looking for Christians from all over the world who are willing to become missionaries to reach Greater Europe.

The company operates in a niche market in the sense that it is focused on missional work and discipleship in an effort to minister to unreached people groups in Europe specifically. However, GEM is actively creating and implementing plans for the expansion of its markets.

There is a great need for the gospel in Europe, and that need provides an ever-expanding market for GEM to reach.

Legal Issues

GEM is registered as a 501(c)(3) non-profit organization both internationally and domestically, which is the best choice for the company given the tax benefits provided to organizations of this type. Legally, it is considered a church by the United States Internal Revenue Service (IRS, 2020). The IRS lists several characteristics that help classify an organization as a church, then makes decisions on a case-by-case basis based on all the evidence. Some of the characteristics GEM has that support its status as a church are as follows: distinct legal existence, distinct religious history, schools for the preparation of its members, and formal code of doctrine and discipline. GEM currently holds the rights to a book about the company's founder, Bob Evans, called *Worth the Risk* (C. Cross, personal communication, September 3, 2020). Other than the book, the company only has copyrights on the information on its website and articles. The company has a lease on its headquarters in Germany, and it has a loan on an operations building in southern Germany. There are otherwise no other contracts or agreements in which the company is directly involved. It has all the required licensures needed to operate in the countries it reaches. Because of the nature of the business, GEM is not held to any importation or exportation obligations.

Company's Mission

Greater Europe Mission is a Christian organization that seeks to positively impact and influence the European continent through its vast and dedicated community. The company's mission statement is as follows: "Reaching Europe by multiplying disciples and growing Christ's church" (Greater Europe Mission, n.d. b, pp. 1). As it is further discussed in the company's

“About Us” page, the company is targeting Europe due to its important relationship with Christianity.

The Europeans had a key role in spreading the word of Christ throughout the centuries, and the continent is also home to one of the “capitals” of the religion: the Vatican. Therefore, the continent is expected to be filled with God-Fearing men and women (C. Cross, personal communication, September 3, 2020). The love towards the word of Christ is fading, and that is where Greater Europe Mission has found its niche. The mission statement clearly communicates the company’s ideals and beliefs and also its ultimate goals. The public gets a clear and concise overview of some of the most important aspects of what drives GEM as an organization.

The organization’s mission statement fulfills almost all the prerequisites of a perfect mission statement. It answers all of the questions that a good mission statement should answer: what does the company do, how does it do it, whom does it target, and what value does it provide. The length of a mission statement is a tricky and key aspect of it. If it is too long, the audience will quickly lose interest, there might be unnecessary information included, and the effectiveness of the message is lost. On the other hand, if the mission statement is too short, there is a risk that it might be vague and leave the audience wondering about the company’s purpose and how it will provide value.

The organization’s vision statement is “God expanding His Kingdom through all peoples of Europe to the world (Greater Europe Mission, n.d. b, para. 1).” This vision statement serves the company well, as it captures its main focus of empowering people in Europe to reach the rest of the world. The statement also provides a powerful explanation of what GEM would like to see in Europe in coming years.

Company's Goals

GEM is a non-profit organization which generates all of its revenue through donations, its business partners, and occasional events. The ultimate goal of the organization is to help Europe rediscover its love for Christ and to see His kingdom reflected on the continent and the world (Greater Europe Mission, n.d. b). Such a broad and somewhat complex goal can only be achieved by targeting the micro, so that the macro can be slowly transformed. Currently, the organization identifies and intercedes in small communities and big cities that are in need of the caring and loving attention of Christ's followers.

The organization has been impacting thousands of lives for more than 60 years. It all started with U.S. Navy Chaplain Bob Evans who, during his time in France, was shocked when he realized that most of the locals did not have any sort of personal relationship with Christ. He then realized that Europe needed help to reconnect with the Lord and started his ministry. Ever since Bob Evans started his mission, thousands of lives have been impacted and transformed with the help of GEM (C. Cross, personal communication, September 3, 2020). Acting in a globalized world with an abundance of resources and platforms, the company has the opportunity to impact even more lives at a more significant rate than it has ever done in its history and eventually come closer to achieving its ultimate goal, to help Europe rediscover its love for Christ.

Company's Objectives

To reach its goal of raising nearly \$2,000,000 over the next fiscal year, GEM is relying heavily on the 23,000 people in its donor database. The company tries to avoid making many cold calls and instead prefers to procure funds from people already familiar with the organization. GEM also organizes various fundraising events to stir up interest and secure

financial commitments from donors. As a result of one such event, someone pledged to donate \$500,000 to the company (C. Tweedy, personal communication, September 3, 2020). The organization has begun to focus more of its resources on recruiting European missionaries. This change will help it reach its communities more effectively, as it is already familiar with their local communities' culture and language.

Summary of Overall Strategic Direction

Greater Europe Mission's action of splitting the company into two separate legal entities in the summer of 2019 represents the continuation of CEO John Burns' vision. Burns, a British native, joined the company in late 2015 with a goal of increasing the company's international presence, particularly in Europe. GEM has traditionally operated as a North American company, sending missionaries from the United States and Canada into various European countries. But under Burns' leadership, the organization has rapidly expanded its operations into Europe (C. Cross, personal communication, September 3, 2020), including the construction of three new sending centers in Germany, Greece, and Kosovo and the addition of new focus cities in three central locations Frankfurt, Berlin, and Athens (C. Tweedy, personal communication, September 3, 2020). The company plans to focus on discipleship and missional work in European countries it already impacts instead of reaching new countries. The decision to split the company and a reinforced focus on recruiting European missionaries to reach Europe will enable the company to further disciple the people in its current locations.

In the future, GEM plans to expand its reach into more European countries, Russia and various Asian countries, and Northern Africa. The company has already had discussions about church planting in Moscow as part of preliminary talks to expand at some point in the future (C. Cross, personal communication, September 3, 2020). The overarching goal is still the same for

Greater Europe Mission: to reach Europe through the gospel and make disciples and grow the European church. But it seems as if the company is preparing itself to better meet this goal through two major phases. The first phase could be categorized under a less aggressive hold and maintain strategy, in which a company focuses on improving the services it already provides. The company recently launched a separate legal entity and is recruiting local European missionaries to minister to further reach countries in which it already operates. In the second phase, the company is poised to implement a more aggressive grow and build strategy to expand its reach into other parts of Europe and the world.

Description of Products and Services Offered

Greater Europe Mission is different from most organizations because the organization offers several services but no products. The organization provides several opportunities to serve in Europe. These opportunities include mission trips, discovery tours, and internships of varying lengths of time. There are also opportunities to become a missionary or serve through its two to three year rapid-development program (Greater Europe Mission, n.d. a).

The services offered by the company meets the need of sharing the love of Jesus Christ with all people and fulfills its mission statement, "reaching Europe by multiplying disciples and growing Christ's church" (Greater Europe Mission, n.d. b). The services are focused on expanding Gods' Kingdom through the people of Europe. Greater Europe Mission recognized that many people in Europe know religion but not many know Jesus personally. This deficit inspired its vision of expanding God's Kingdom in Europe because there are many unreached groups in Europe.

Various aspects make Greater Europe Mission and its services unique. One significant factor is that the organization focuses on Europe specifically, whereas other mission

organizations either target other parts of the globe or attempt to reach every continent without focusing too heavily on any particular region. The decision to focus on Europe and the company's expertise concerning how to effectively witness in that culture makes GEM uniquely equipped to reach Europe compared to other U.S. based mission organizations. Another differentiating aspect is its emphasis on the leadership development of its staff instead of solely focusing on the development of those it reaches. Greater Europe Missions also provides counseling and support to all of its missionaries. Through its intense "member care" department, the organization can help missionaries face personal and team challenges on the field (C. Cross, personal communication, September 3, 2020).

GEM is not a startup, as the company was founded in 1949. Greater Europe Mission plans to expand in the future to reach more European countries and eventually parts of Asia and North America. The company also has plans to add more focus cities in the future and fully integrate its new sending centers into the company's operational network (C. Cross, personal communication, September 3, 2020).

Leadership

Greater Mission Europe is divided into two separate entities. One entity is located in the United States and the other entity internationally. Both entities are under the same management, which means both have similar board members in the U.S. with a slight change of a few international roles. There is a total of 11 board members who are currently on staff for the U.S. entity. The international entity has a total of 10 board members (Greater Europe Mission, 2020a). The chart appendix B includes lists of the names of the board members for both entities.

As seen in the chart in appendix B, all of the board members have had a great deal of experience throughout their careers. Greater Mission Europe focuses on developing its staff;

according to Executive Vice President Charles Cross, “Our emphasis on the leadership development of our staff sets us apart from other organizations” (personal communication, September 3, 2020). The company’s leadership appears to be very solid, with no significant concerns among the officers at the top of the organization. The entity does not appear to have an advisory board, but based on the information gathered in this paper and conversations with key employees, the company is making wise decisions and does not need an advisory board. Like any other entity, GEM requires specific skills to fulfill the corporate goals. Still, GEM looks to empower leaders who not only work in a corporate setting but can show leadership while spreading the gospel of Christ. Employees within mission organizations would be equipped with exceptional people skills and strong oral communication abilities to talk with donors and cast vision so others can clearly understand the importance of mission work.

Business Model

The corporation recently implemented a new business model. Its strategy includes sending cross-cultural workers from various countries and cultures to witness in Europe rather than just those native to the U.S. and Canada. The company intends to improve this strategy in the future and find new ways to improve it. This strategy has been working very well because it reflects the depth and breadth of the church's giftings throughout the world, which better equips Greater Europe Mission as an organization to live out the Great Commission as a witness to European communities. The strategy also protects the organization if the U.S. falls from its status as a Christian missions powerhouse as GEM can rely on its strong European foundation (C. Cross, personal communication, September 3, 2020).

Greater Europe Mission is a non-profit organization whose business model revolves around fundraising money to fund the rest of GEM's organizations. Greater Europe Mission, as

mentioned earlier, is one company but is known as two different entities. One entity is in the U.S. and the other being internationally in Germany. Its business model has different approaches since it has various ways of succeeding. The system that GEM approaches are finding different ways of fundraising through assessments of giving, general funding, estate giving, newsletters, or individuals who know about GEM (C. Cross, personal communication, September 3, 2020).

GEM's fundraising's primary focuses are approaching individual major donors, major donors, or church partners. Most fundraising through the database of various donors currently consists of about 23,000 donors.

Greater Europe Mission is a unique entity and has developed a culture that creates a different value proposition. As mentioned earlier, the GEM business model revolves around the various donors it has in its database. From the 23,000 individuals in its donor database, GEM can build leads and reach new donors. Through this process, GEM has focused on creating long-term relationships (C. Cross, personal communication, September 3, 2020). GEM focuses on getting to know the giver, most times inviting that particular donor to special events to show its gratitude. Throughout the years, GEM has adopted a unique value proposition in the industry, which has allowed it to have successful fundraising years in the past decade.

Financial and Operational Highlights

Greater Europe Mission is a non-profit organization that entails that most of its funding will come from donations. Whether that be individuals giving or large companies donating high dollar amounts, GEM is 97% funded by these gifts (C. Tweedy, personal communication, September 3, 2020). One benefit of donating to a non-profit organization like GEM, besides helping fulfill the work of the Lord, is the tax benefit that the government allows.

The majority of GEM's revenue is redistributed to support its sponsored missionaries in the field. This expense increased over \$1.2 million from 2017 to 2018, which means the foundation is growing. "GEM has more than 310 missionaries living in 23 countries in Europe, Eurasia, and North Africa and ministering in another 10 countries" (Greater Europe Mission, 2020a).

During the early months of 2020, while the COVID-19 pandemic was gaining ground, GEM stuck to its course and has been able to sustain its healthy financial situation. GEM's income has been supported 97% by contributions and support, 1.5% by tuition and fees, and 1.5% by interest and other income. Often, non-profit organization's financial support is contributed by donations to the organization (Greater Europe Mission, 2020a).

For the 2018-19 fiscal year, GEM reported \$22,416,875 in expenses. Of these expenses, 78% were allotted to missionary salaries and expense, while 11.3% pertain to the management of the corporation. The remaining 10.7% are fundraising expenses. Fundraising includes expenses of individual missionaries raising personal support of \$1,946,907 and fundraising expenses for general operations of \$459,657. With GEM supporting over 310 missionaries throughout the world, its expenses were an estimated \$56,400 per missionary for 2019 (Greater Europe Mission, 2020a).

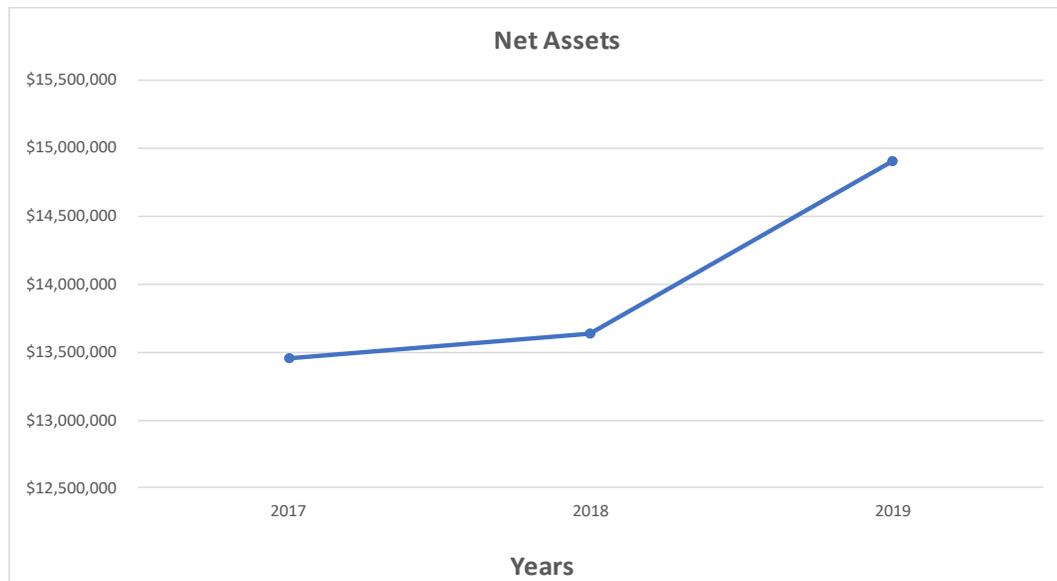
Over the past three years of financial records, GEM has seen steady revenue increase. In 2019, GEM saw an approximate 13% revenue increase over the previous year, which translated into a \$1,274,944 excess for 2019 (Greater Europe Mission, 2020a). Net income has been on a steady rise, and according to the company's CFO, the company is on track to maintain its growth.

Table 1. Comparative financial data

Comparative Financial Data			
	06/30/17	06/30/18	06/30/19
Revenue			
Cash Donations	\$19,905,618	\$20,785,746	\$22,788,205
Noncash Donations	\$2,600	\$0	\$0
Other Revenue	\$1,239,841	\$852,146	\$903,614
Total Revenue	\$21,148,059	\$21,637,892	\$23,691,819
Expenses			
Program	\$15,872,163	\$17,101,041	\$17,486,037
Administrative	\$1,957,777	\$2,216,919	\$2,524,274
Fundraising	\$1,692,056	\$2,138,287	\$2,406,564
Other	\$0	\$0	\$0
Total Expenses	\$19,521,996	\$21,456,247	\$22,416,875
Excess (or Deficit) for the Year	\$1,626,063	\$181,645	\$1,274,944
Other	\$0	\$0	\$0
Total Change in Net Assets	\$1,626,063	\$181,645	\$1,274,944
Total Assets	\$15,534,950	\$15,580,886	\$16,909,848
Total Liabilities	\$2,086,497	\$1,950,788	\$2,004,806
Net Assets	\$13,448,453	\$13,630,098	\$14,905,042

(Greater Europe Mission, 2019)

Figure 1. Net assets



(Greater Europe Mission, 2019)

Recommendations

In GEM's case, the mission statement could further specify its targeted audience (the who) and its methods (the how). By adding just a few words to its mission statement and changing it to "To reach all of Europe through missions, donations, and prayer in order to multiply disciples and grow Christ church," the company would allow the public to know more about the organization and its procedures without compromising the shortness and effectiveness of the message. However, if GEM prefers a shorter mission statement, its current one is effective.

Considering one of the primary goals for growth in the future of GEM is the area of discipleship and expansion, it should be one of the focal points moving forward. Placing a greater emphasis on teaching, developing strategy, and training would benefit the organization by empowering its patrons with advancement tools. In the next five years, GEM aims to have focus cities where participants are equipped with tools for evangelism, discipleship training, and sending. First, it should acquire intel on these locations to learn how it can be the most impactful in these areas. From there, strategies can be fostered for evangelism and training. Furthermore, it would be beneficial if GEM enacted a basic training of sorts. In this training program, the fundamentals of evangelism and discipleship can be taught, giving missionaries a framework of what to expect in their prospective territories.

Industry Analysis

Industry Overview

As defined by the North American Industry Classification System (NAICS) code 813110 and Standard Industrial Classification (SIC) code 8661, Greater Europe Mission is classified as a religious organization. This industry includes churches, mosques, monasteries, missions organizations, Bible schools, and other religious institutions (Miller, 2020). The company could also be classified as a charitable organization (NAICS 813219) because of the various needs it meets in communities throughout Europe, including projects in construction, education, media, sports, and social justice (Greater Europe Mission, n.d. c). However, GEM is a Christian organization as its core, and because the company's mission is to grow the Christian church and not merely to help those in need, the best way to classify it is as a religious organization.

Companies in the NAICS industry code 813110 take many forms and promote, organize, and operate religious institutions and ideas. Schools that have religious affiliations are classified as educational services (NAICS Association, n.d.). Radio and television stations, publishers, and public health organizations that have religious affiliations are likewise classified in other industries. Thus, to be classified as a religious organization under code 813110, the company must primarily concern itself with activities that promote a specific religion. For example, the Salvation Army is primarily classified as a religious organization despite its welfare services because its core activity is to share the gospel of Christ (Salvation Army, n.d.). This industry comprises all religions and belief systems and their institutions and is dominated by the Catholic, Evangelical, and Mainline Protestant churches (Miller, 2020).

Religious organizations appear to operate solely as service organizations. These institutions provide support for their members financially, emotionally, spiritually, and

logistically. For example, GEM organizes funds and provides budgeting assistance to its missionaries (Greater Europe Mission, n.d. b). The company provides counseling services and cultivates a prayer community among its supporters (C. Cross, personal communication, September 4, 2020). It also plans individual trips and connects missionaries to contacts on the field. GEM provides a service to its donors as it enables them to put their faith into action by offering financial and spiritual support to missionaries.

GEM also operates as an intermediary between donors and missionaries. Donors could choose to give their funds directly to missionaries, but instead, they give them to a company like GEM, which then distributes the funds to its missionaries. Donors often give to mission organizations instead of individual missionaries because they trust that the company will use the money responsibly and achieve its intended purpose. In this sense, GEM acts as a distributor, but not all companies in this industry operate similarly. Many religious organizations interact directly with their members and intended target audience, such as churches and institutions that hold services and local outreaches. The “product” or service in this industry is actually religious knowledge or spiritual growth, or in the case of both donors and missionaries, the ability to exercise faith in a religion (Miller, 2020). Companies in this industry also engage in charity work and human welfare to some extent, but their primary focus is to spread knowledge of their religion or belief system and invite others to adopt such beliefs as their own.

According to one study, 15% of church givers account for 51% of the total funds donated (Costello, 2019). Since religious organizations rely heavily on funds from their largest donors, these organizations are likely to suffer during the summer months unless they properly save funds from previous periods. Charitable giving tends to decrease in the summer, primarily because those with more significant amounts of disposable income, and thus those who are more

likely to donate, take vacations during that period (Penney, 2017). Additionally, 30% of all donations are made during the month of December, with a third of those donations occurring during the last three days of the year (Non-Profits Source, 2018).

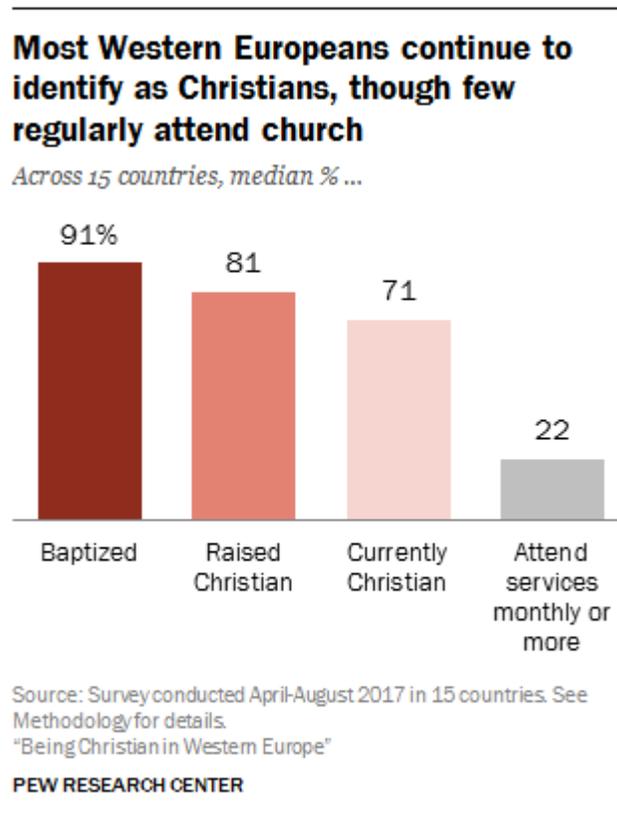
Religious organizations are highly sensitive to economic cycles. One of the industry's key external drivers is disposable income, which enables individuals to donate more and volunteer more of their time (Miller, 2020). In times of economic prosperity, people have more disposable income and thus feel more comfortable giving to charities and religious organizations. They can also spend more time serving in mission trips and local outreaches and less time working. However, during recessions, religious giving takes a substantial hit and results in less overall donations (Miller, 2020). While a portion of the church will be consistent in their tithing regardless of the state of the economy, those people only constitute about 10-25% of the overall church population (Costello, 2019). However, GEM is less likely to be affected by economic cycles because its donors have made it a priority to give to the organization on a consistent basis (J. Burns, personal communication, October 13, 2020). Many of these donors are also relatively wealthy and have the disposable income to spare, such as the donor that gave \$500,000 to GEM after attending just a single weekend event (C. Tweedy, personal communication, September 3, 2020).

Defining a consumer in this industry is a complicated task. For churches and other institutions that directly interact with their members and target audience, the consumer is the general public who use the services those organizations provide. For missions organizations like GEM that act more as distributors, the consumer is the donor or the missionary who uses the services those organizations provide to reach the intended target population. GEM asks for about 10% of each donation to cover administrative costs but will respect the donor's wish if they

would like 100% of their gift to go toward a specific missionary (J. Burns, personal communication, October 13, 2020). For these organizations, the demographics of the people they are indirectly reaching through missionaries are still important, especially when determining what locations to target and which programs to design and implement. For the purposes of this industry, key consumer demographics will be broken down into three subsets: the general public, missionaries, and donors.

Religious commitment varies from country to country based on historical precedent, culture, socioeconomic factors, and other drivers. According to Pew Research, 71% of Western Europeans identify as Christians, yet only 22% attend church services at least once a month (2018). In fact, non-practicing Christians outnumber those who are religiously unaffiliated in the countries surveyed. In a more surprising find, non-practicing Christians in Western Europe outnumber the total population of all other religions combined.

Figure 2. Demographics of Christians in Western Europe

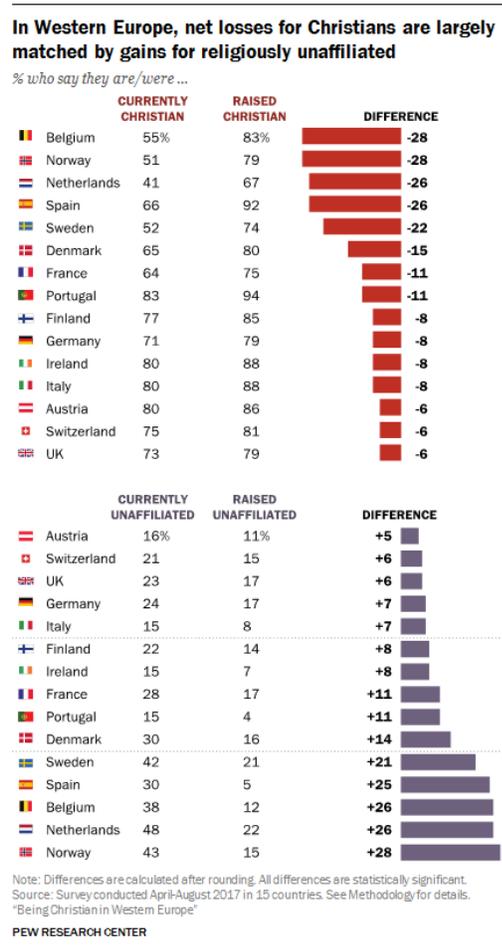


(Greater Europe Mission, 2019)

In the United States, church attendance is more frequent, but attendance varies based on age. Over half of those belonging to either the Greatest Generation or Silent Generation attend church at least on a weekly basis, whereas only 27-28% of millennials attend a church weekly (Miller, 2020). Leaving religion altogether is becoming increasingly more popular for those in Western Europe. Of the people residing in the 15 countries surveyed, the percentage of those who currently identify as Christian is less than that of those raised Christian (Pew Research Center, 2018). In Belgium, Norway, the Netherlands, and Spain, this difference exceeds 25 percentage points. In those same countries, those who currently identify with no religion is at least 25% greater than those who were raised without religion. In every country surveyed, a

greater percentage of people said they are currently religiously unaffiliated than those who were raised that way.

Figure 3. Changes in the Christian population of Western Europe



(The Traveling Team, 2018)

It is estimated that there are about 400,000 Christian missionaries serving abroad as of 2017 (The Traveling Team, 2018). Out of the 5.5 million people involved in Christian ministry full-time, just under 8% are serving in a foreign country (Missionary Portal, n.d.). According to R.W. Lewis, about 30 times as many missionaries serve reached people groups than unreached groups. There are just 20,500 local workers serving unreached people groups, representing only 0.37% of the Christian worker population. This lack of engagement with unreached people

groups presents a massive problem for missions organizations, particularly those reaching Europe. Western Europeans are abandoning their faith at an alarming rate, and while this creates an opportunity for missionaries to have a more significant impact, there are very few missionaries willing to go to other countries and even less willing to stay there.

While much more data exists concerning donors that give to charitable organizations rather than specifically to religious organizations, religious giving receives the most funds of any cause (Non-Profits Source, 2018). Thus, the findings that apply to all charitable organizations will likely also apply to religious organizations. Only 11% of the total charitable giving in the United States comes from Millennials, yet they constitute about 26% of the country's population. Millennials donate an average of \$481 each year, while Baby Boomers give \$1,212 each year. However, this disparity in giving could be attributed to the two generations' massive differences in average household wealth. In the second quarter of 2020, Millennials held only 4.6% of the wealth in the U.S., while Baby Boomers held 53.2% of this wealth (Federal Reserve, 2020). The Greatest Generation (born in the 1900s to 1920s) gives an average of \$1,362 each year, despite holding less than 16.8% of the wealth in the United States. In 2016, 47% of Millennials donated using a company's website. Generation X often donates based on messages they see on social media, and about a third of the population gave based on promotional emails. Baby Boomers and those belonging to the Greatest Generation prefer calls, emails, and even direct mail.

Demographic data concerning church donors is less optimistic. As mentioned previously, only about 10-25% of church members tithe regularly. Christians are only giving 2.5% of their income to churches, which is lower than giving during the Great Depression (Non-Profits Source, 2018). The average person who attends a Protestant church in the U.S. gives a mere \$17.

Interestingly, those who tithe often give more than 10%, as 77% of tithers give at least 11% of their income and sometimes greater than 20%.

Industry Size and Growth Rate

Greater Europe Mission falls under the "Religious, Grantmaking, Civic, Professional, and Similar Organizations" industry, a subsector in the National Association of Insurance Commissioners' database. The subsector represents over 150,000 organizations (Bureau of Labor Statistics, 2020). GEM will find competition even at this level because of its close relation to other charity organizations. GEM relies on donors for most of its revenue, putting the company in competition with nonreligious and religious charities and organizations. To GEM's benefit, this competition is proportionally reduced because of GEM's niche market; it is a Christian organization and attracts predominantly Christian donors. Going deeper into the NAICS industry sectors, GEM is a Religious Organization (NAIC 813110), an industry made up of 23,991 establishments that employ roughly 199,000 people in the U.S. in 2020 (Bureau of Labor Statistics, 2020). This number has gone up by 1.9% from quarter one of 2019 to quarter one of 2020 (Bureau of Labor Statistics, 2020). The number of organizations has been steadily growing domestically for the last five years. IBISWorld projects that the number of religious organizations within the U.S. is expected to grow by 0.9% annually for the next five years following 2020. Employment within those organizations is expected to grow by 1.2% (Miller, 2020). The United States' gross domestic product (GDP) is expected to grow at 1.9% annually for the next 10 years. This growth indicates that though the industry is expected to grow, it will still be outpaced by the GDP. However, Christianity is the most widely spread religion globally (Cornwell, 2020). In the U.S. alone, there are over 240 million Christians, meaning that even with a relatively slow growth rate, the industry still has a vast potential customer base. Revenue

for the industry has been dropping recently but is expected to recover with an annual growth rate of 1.5%. With increasing employment rates, establishment numbers expanding, and rising predicted revenues, the industry is in a stable position with room for even more growth.

Industry Maturity

The religious organization's industry in America is stable. It is experiencing slow growth in revenues and employment, while not lagging too far behind the economy. The Industry Added Value (IVA) of religious organizations is forecasted to grow at 0.7%, just barely outpaced by the GDP's expected growth rate of 1.9% (Miller, 2020). Though it is growing slower than the GDP, it is not contracting, indicating that the industry is stable while not expanding faster than most U.S. industries (Miller, 2020). Additionally, the presence of particular religions within the industry is changing very little, if at all; Christianity is the most widely practiced religion in the world (Pew Research Center, 2014). Additionally, the industry's basis changes very little over time, with faith being a very tradition-based practice.

In GEM's case, the stability of its industry can be very beneficial. It is an established company that has been around for 65+ years and has several already established donors (Greater Europe Mission, n.d. a). The industry identifies as 25.1% Evangelical Protestant, 14.5% Mainline Protestant, 6.4% Historically Black Protestant, and 13.2% other Christian (Miller, 2020). Nearly 60% of the organizations in the industry are Christian, creating many opportunities for GEM to partner with like-minded companies. However, the maturity and size of the industry can present some challenges for GEM. The company is a part of such a large sector, which means that it competes with other foundations and organizations for funding. Though GEM is unique, it is not the only mission and outreach organization in the U.S., as there are other religious organizations that contribute to international aid. It has competition in the form of

organizations like Missions.Me, which leads large scale missions and works with large churches like Gateway Church that have global missionary programs (Gateway Church, 2020).

Industry Opportunities

Though the industry is mature, there is still change happening throughout the world that creates new opportunities for GEM and similar organizations. One of those opportunities comes in the form of the Syrian refugee crisis. With 11.8 million people displaced in Syria, many refugees are moving to Europe (Reed, 2020). The substantial increase in immigration creates an opportunity for religious organizations and individuals operating there to reach new ears. These people have never even heard the Word of God in many cases. GEM is in the unique position of already having long-term, established missionaries in those countries accepting refugees and having a financial surplus enabling it to bolster efforts.

While many other Christian organizations have mission programs based in the U.S., there are also over 140 denominations of Christianity (Foyer Media, 2020). This diversity segments the industry significantly and lets GEM focus more on those churches and other recruiting methods that closely fit its beliefs. However, there is a lot of intersectionality between the denominations, and GEM can find missionaries and donors in any one of them.

In 2020, the U.S. GDP contracted by an annual rate of 5% in the first quarter and 31.4% in the second quarter due to COVID-19, which represent the first significant GDP decreases since the Great Recession, which ended in 2009 (Center on Budget and Policy Priorities., 2020). GEM is now in a financially secure position as a company, so the contraction does not present a substantial threat. Additionally, many of its employees can complete their work remotely, which helps reduce the effects of the pandemic, which has otherwise hit the U.S. economy hard. GEM has a unique opportunity during this time to find new donors because most churches are not

meeting in person. This shift forces a massive wave of people away from in-person to online donating, an area that GEM is already equipped to take advantage of with its website. The industry has a slow growth rate relative to GDP, which does not create many opportunities in itself. In Europe and America, the industry is loosely regulated, meaning the respective governments interfere with the industry operations little (Miller, 2020).

Industry Threats

While GEM resides within a generally sound industry, the industry still faces threats from a few places. The biggest threats to the industry come in the form of newer generations and saturation. These threats can lead to crippled individual organizations, whether it be a lack of access to funding due to extreme competition or a lack of customers.

The number of people who put a high degree of importance upon religion in the U.S. decreases at an annual rate of 0.9% (Miller, 2020). While this does not present an immediate threat, it does mean a shrinking donor base, which can be detrimental for organizations that rely heavily upon charitable contributions. Even further, a study by Gallop indicates that younger individuals that do see religion as necessary are less likely to attend a specific church than the generations before them (Miller, 2020).

Saturation is a significant threat to the industry because of the sheer number of organizations competing for funding from the same people. With roughly 24,000 religious organizations in the U.S., competition comes from every direction (BLS, 2020). The religious organizations industry is also dense, meaning that there are usually multiple churches in the same area. With a decrease in religious practitioners, many churches must start competing for an even smaller donor population.

Major Competitors

The International Missions Board (IMB), formally known as the Foreign Missions Board, is a Baptist Christian missionary community associated with the Southern Baptist Convention (SBC). The SBC is a group of churches that come together to impact the world with the gospel. The IMB has its headquarters in Richmond, Virginia (International Mission Board, n.d.). However, the company partners with churches and people from the Americas, Central Asia, East Asia, Europe, North Africa & Middle East, South Asia, Southeast Asia, and Sub-Saharan Africa. In 2019, IMB generated \$305 million in revenue (Evangelical Council for Financial Accountability, n.d.).

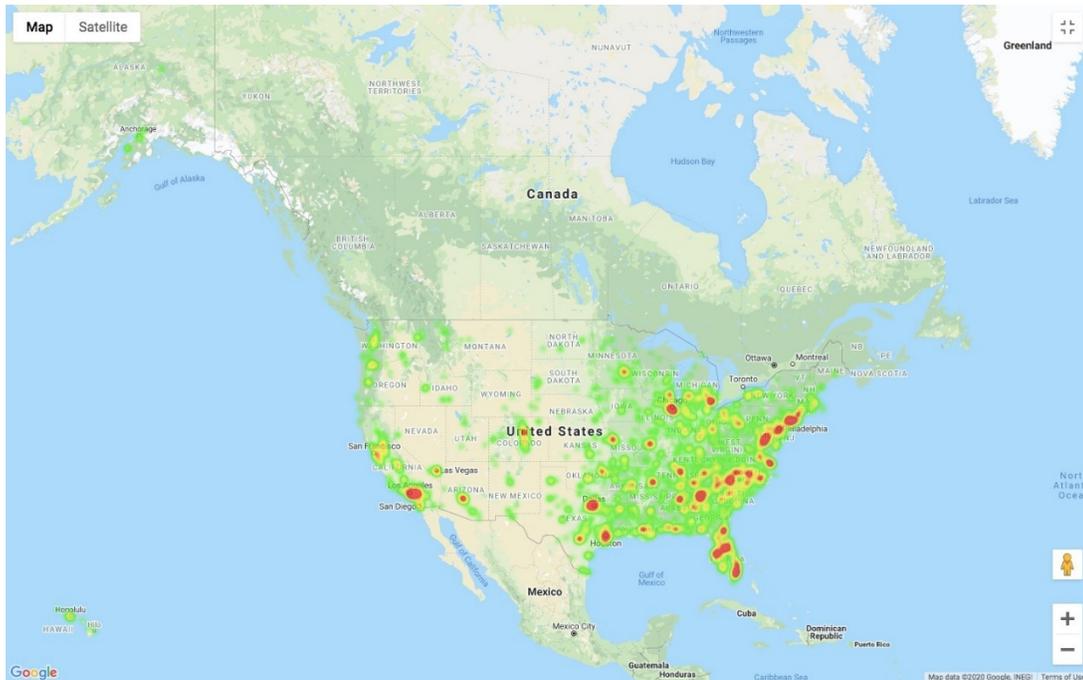
According to SEND International, " The SEND is an interdenominational, multinational, evangelical mission organization with around 500 missionaries in more than 20 areas of Asia, Europe, Eurasia, and North America" (n.d., p.1). SEND's headquarters is based in Farmington, Michigan, but it also serves many missionaries and take part in many Christian projects around the world. For 2019, The Send International had revenue of \$18 million.

Greater Europe Missions is a non-profit Christian organization that focuses on "expanding His kingdom through all peoples of Europe to the world" (n.d. a, pp. 2). GEM holds its headquarters in Monument, Colorado. However, it also has bases in the U.K. and Canada. In 2019, GEM generated \$23.5 million in revenue.

There are a couple of differences between GEM and its competitors IMB and SEND. A significant difference among the three is the amount of revenue they each made in 2019. GEM made the second-highest revenue of \$23.5 million and SEND had the lowest revenue of \$18 million, which is not too far from GEM. From the three missions organizations, IMB made the

highest amount of revenue of \$305 million during the year of 2019, mainly because it is much larger than GEM and SEND.

Figure 4. Heat map of religious organizations



(Dun & Bradstreet, 2020)

The heat map of organizations in GEM's industry indicates a lot of saturation in the Eastern United States, particularly in Florida and New England (Dun & Bradstreet, 2020). There is a significant level of saturation near the company's U.S. headquarters in Monument, Colorado. This heat map is not a relevant depiction of where GEM's competition comes from because the company has several locations in the U.S. and internationally and does not operate in one specific location (Greater Europe Mission, 2020a). GEM competes for donors and missionaries with religious organizations across the U.S. and to some extent in Canada and elsewhere, so it is not competing with the companies geographically close to it. However, this heat map does indicate where GEM can look to recruit missionaries. For example, Central Florida has is highly saturated with churches and other mission organizations, so GEM could look at that region and

see if there is a large pool of potential missionaries to be recruited. However, a high level of saturation could also indicate that there is too much competition for GEM to successfully recruit in the area. If there is a high concentration of churches in a particular geographical area, there are likely many other mission organizations looking to recruit in those locations, so GEM needs to evaluate each location on a case-by-case basis.

Trends

Greater Europe Missions experienced seven significant trends within its industry from 2015 to 2020 (Miller, 2020). The first was that the percentage of people that associated themselves with having no religious preference increased. Second, during this time span, the industry's donations grew significantly. Third, an increase in total wage expenditures affected the profit within the marginal revenue growth. Fourth, the increase of "leftover" income will most likely balance out the revenue. Fifth, the number of people who hold religion as a priority is predicted to decrease. Sixth, teenagers will need to be drawn in from industry operators. Finally, the seventh industry trend is that surveys have revealed that church attendance has declined, and people and the community are not holding religion as a priority.

Technological Change

Greater Europe Missions is classified as part of the religious organization's industry. The technological change in this industry is relatively low. It has become effortless for organizations to manage donations and payments. There have been several systems put in place which help manage online donations, such as PayPal and also through fundraising services such as GoFundMe. Greater Europe Mission has also made it easy for people to make donations through its website. People can donate to a specific mission trip or donate to the organization in general.

This option has made donating more convenient and private for the members who contribute to the organization.

In the religious industry, technology does not change rapidly. The level of technological change is shallow and is not subject to technological disruption (Miller, 2020). Many organizations have implemented streaming capabilities and mobile apps to engage with followers and deliver messages. Implementing these strategies has created some evolution in the industry. However, these strategies do not cause technological disruption. Greater Europe Mission has maintained its traditional roots and only marginally used technology to engage its members.

There has been very little change in the gathering and use of data. Many organizations in this industry rely on email and social media. During the COVID-19 pandemic, many organizations used social media to attract new members and have also released online services, enabling many people to watch. Emails and zoom have also become more common because of the pandemic and the restrictions put in place.

Regulation, Licensing, and Certification

The Religious Organizations industry in the U.S. is not very sensitive to government regulations because of the First Amendment. The amendment states,

Congress shall make no law respecting an establishment of religion, or prohibiting the free exercise thereof; or abridging the freedom of speech, or of the press; or the right of free exercise thereof; or abridging the freedom of speech, or of the press; or the right of the people peaceably to assemble, and to petition the government for a redress of the people peaceably to assemble, and to petition the government for a redress of grievances.

The low level of regulation allows an organization to decide its budget and what to do with the money that is donated to it.

All of the organizations in this industry are tax-exempt organization since they are non-profit organizations (Miller, 2020). For a religious non-profit organization to qualify for tax exemptions, it must operate for religious purposes only. Most of these organizations file the 501(c)3 tax-exemption clauses. Religious organizations are different compared to regular non-profit organizations because religious organizations are not required by law to file tax returns. Also, religious organizations are not held to the same standards that regular non-profits are by the IRS. These organizations are not required to provide audited financial statements to the public because of their status as a church, but many organizations share some financial information so that donors can see how their money is being used.

Supply and Distribution Channels

Identifying supply and distribution channels for religious organizations is complicated because of the lack of traditional products and services present in the industry. These products and services could be described as the religions and belief systems themselves, but a more practical way to define them in relation to supply and distribution channels is as information. This information can flow through various mediums, such as through music, books, magazines, and conversation, among others (Miller, 2020).

In this industry, physical supplies do not drive the supply and distribution channels. Instead, fundraising makes it possible for religious organizations to provide their services and carry out their mission. Donors come from a variety of sources, and donor demographics have been covered more extensively earlier in this paper. Key donor groups include older generations, those with high disposable income, and a small population of consistent tithers (Miller, 2020).

While donations primarily come from individual donors, religious organizations also receive funds from foundations, corporations, and even bequests, such as wills.

Distribution systems include organizations like GEM, which take funds from donors and allocate them to specific missionaries to support the company's overall goals. Corporations of this nature provide a support system for those looking to go on missions but have no idea how to plan a trip or get in touch with local pastors and contacts. These companies also provide assurance to donors that their money is being used responsibly and for its intended purpose (Greater Europe Mission, 2020a.). Religious organizations must also allocate funds toward administrative expenses that do not directly support its services or mission. GEM asks that each of its donors would allow the company to use 10% of their donation to cover administrative costs. Additionally, GEM itself raises money to fund its current programs and set up new ones. In fiscal year 2020, the company raised \$1.3 million and is hoping to raise \$2 million in fiscal year 2021.

Financial Characteristics

In 2020, the industry (NAICS 813110, Religious Organizations) is expected to produce total revenues of \$123.9 billion, a 5.1% decrease from 2019, which was primarily caused by a lower amount of disposable income available due to economic hardship from COVID-19 (Miller, 2020). Over \$84 billion (68%) of this revenue comes from individual donors, while \$22 billion (18%), \$11.5 billion (9%), and \$5.8 billion (4.7%) is derived from foundations, bequests, and corporations, respectively. Those belonging to the Greatest Generation, Silent Generation, Baby Boomers, and Generation X each contribute more to the overall total revenue than do Millennials or Generation Z. The industry is relatively small in terms of total revenue but is highly

concentrated. For example, Greater Europe Mission, which earned about \$23 million last year, represents just 0.019% of the total revenue produced by the industry.

Industry profit is expected to decrease to 8.5% in 2020 from 12.2% in 2015, mainly due to the economic implications of COVID-19 (Miller, 2020). Technically speaking, non-profits like religious organizations cannot make a profit, but these corporations usually still bring in more revenue than they need to cover expenses. Thus, in the context of non-profits, profit refers to the amount of funds still available after all expenses have been covered.

Organizations in this industry do not offer any goods or services that can be marked up because they are almost always free to the public. Likewise, sales commissions are not a factor in the industry because donations are not considered sales. In fact, giving commissions based on the amount of money employees raise is generally considered a bad practice and could be argued as unethical (Conservation Tools, n.d.). Donors may lose confidence in an organization if they realize that employees are receiving commissions on their contributions, as that could suggest that employees care more about their wages than the people the organization is aiming to help. There are no relevant standard credit terms for missions organizations like GEM because they offer no physical products. Religious organizations that offer substantial amounts of tangible items such as food or shelter would likely be categorized as charitable organizations under NAICS code 813219 or fall within multiple industry categories.

Wages account for the largest expense among religious organizations. While companies in this industry rely heavily on volunteers to run their operations, larger institutions often need several paid staffers to cover all of the various responsibilities. In 2015, wages expense constituted 29.9% of total industry revenue and is projected to grow to 33.2% in 2020 (Miller, 2020). Depreciation is the second-highest industry cost and is expected to account for 8.5% of

total industry revenue in 2020. Religious organizations often utilize buildings to facilitate their operations, and even missions organizations like GEM use buildings to house administrative functions and operate sending centers for its missionaries. Other notable costs include rent, purchases, utilities, and marketing, which are projected to account for 7.5%, 3.4%, 1.2%, and 1.2% of total industry revenue in 2020.

Global Industry Concerns

The most prominent concern for religious organizations across the globe is religious oppression, either through government restrictions or social backlash (Mergent, 2020). According to Pew Research Center (2018), Turkey, Indonesia, India, and Russia are among the most hostile countries towards religious activity. GEM almost exclusively operates in Europe currently, and most European countries are very welcoming to various religions, particularly Christianity. However, as the company plans to expand to other countries in Asia and North Africa in the future, it may encounter less favorable political and social conditions.

Another potential industry concern is whether enough missionaries are willing to travel abroad to promote religious activity in both reached and unreached foreign countries. As mentioned earlier, just 8% of missionaries are serving in a foreign country (Missionary Portal, n.d.). It is much easier to donate money than to serve as a missionary, which could lead to a shortage of missionaries to allocate donated funds. Missions organizations worldwide either need to focus on recruiting people to send to other countries or need to train local believers to reach the people around them. According to the Business Research Company, the size of the industry is expected to be worth \$365.31 billion by 2022 and grow at a compound annual growth rate (CAGR) of 10% during the period (2020). This rate represents a significantly higher industry growth rate than that of the U.S., which is projected to grow at about 1.5% per year.

Even in countries where government restrictions and social pressures concerning religious activity are relatively low or non-existent, starting and operating a religious organization is often much harder than it is in the United States. Whereas non-profits in the U.S. are given a significant amount of freedom and are possibly regulated too loosely, such organizations in other countries are often subject to more restrictions. Developing countries are among the most challenging places for non-profits to operate (Carter, 2018). Several countries in the Middle East and Africa will not allow non-profits to conduct meetings without proper registration, and some countries prohibit foreign organizations from setting up offices.

Raw materials and supplies are not much of a factor in this industry. Religious organizations generally utilize very little material or supplies, as purchases account for less than 4% of total industry revenue for religious organizations (Miller, 2020). Corporations like GEM rely on a supply of funds from donors to product their services.

The distribution channels of religious organizations take a couple of different forms. For churches and similar institutions, the organization is the producer and the members or recipients are the consumers. Missions organizations like GEM could be described as distributors, which are responsible for connecting the producer (donors) with the consumers (missionaries). Distribution channels concerning international markets are not fundamentally different from those in domestic markets because the primary service is information about particular religions. The only major concern is that some distribution channels could be blocked by countries with governmental restrictions that prohibit certain religions or ideas from being shared. In that case, more precautions may be necessary to distribute information, such as in China, where Christianity has been forced underground (The Guardian, 2019).

Recommendations

Greater Europe Mission should focus on recruiting local missionaries willing to serve countries that are already familiar to them. Because most missionaries serve their home country, it would be smart to direct the company's efforts towards recruiting people that currently reside in Europe. Under CEO Jon Burns' leadership, GEM is focusing on recruiting European-based missionaries to reach local populations, but the company should be prioritizing this over its recruitment of those based in the U.S. or Canada. GEM would greatly benefit from creating a new discipleship program based in Europe. Another suggestion could be to partner further with churches in the U.S. because there is such a large population that aligns with GEM's religious beliefs. Through such a partnership, GEM could recruit members to join its missions programs, as funding is plentiful, but missionaries are in short supply.

Finally, the company should wait a few years before it starts expanding into Eastern Europe, Asia, and North Africa. Countries in those regions are subject to stricter governmental regulations concerning religious teaching, and GEM has not established itself well enough yet in the countries it already occupies. The demographic research in this analysis reaffirms the notion that Europe still needs Christian missionaries, and GEM should focus its efforts towards reaching the European population in the near future.

Marketing Plan

Company's Message

Greater Europe Mission is a Christian organization that seeks to expand God's ministry and community in Europe through its mission trips. The company classifies as a nonprofit since all the money made is reinvested in its mission "reaching Europe by multiplying disciples and growing Christ's church" (Greater Europe Mission, n.d. b). GEM has already impacted countless

lives throughout the years and will, certainly, further increase its influence on Europe on the oncoming years.

However, to achieve this goal, the company needs funding. GEM's main form of income is the donations it receives from people interested in supporting its mission. Therefore, GEM's marketing plan has immense importance in the functioning of the organization as a whole. If the company fails to communicate efficiently with the targeted market, the whole organization cannot function.

Greater Europe Mission presents itself as a Christian-driven organization that seeks to connect people with their purpose inside Christ's community. The company's most significant differentiating factor is that GEM focuses solely on European grounds and will offer opportunities to serve and/or pray for sites in Europe that would likely be forgotten by other missions-focused organizations (C. Cross, personal communication, September 4, 2020). By focusing specifically on one continent, GEM is able to better comprehend and adjust to the needs of the communities being served. Greater Europe Mission has created deep roots in Europe and can influence communities.

The company provides credibility to the public throughout its vast impact in European communities since 1944. In the past 76 years, thousands of missions, serving opportunities, and prayers have been directed towards Europe's needing cities (Greater Europe Mission, n.d. a). The success of said experiences throughout the years brings positive feedback and an overall feeling of trust towards the organizations that benefits the marketing department's goal of attracting new customers.

GEM's most prominent tagline is displayed throughout the company's website and is as follows (Greater Europe Mission, 2020b): "Reach Europe. Change the world!" It appears that this tagline has been used throughout the entirety of the organization's existence. GEM also encourages its users to go, give, and pray, and these three actions steps are found throughout its website. The company's primary logo would best be described as a combination mark, which utilizes both a symbol and a wordmark (May, 2017). The logo is a green lowercase "gem" against a white background, with the words "greater Europe mission" in black underneath. The company has a couple alternate forms of this logo. One alternate form uses the letters in GEM and displays each one against a different-colored background. Another simplified form uses only the letter "g" in white against a variety of different-colored backgrounds, most often green. It appears that GEM's logos have not changed since the company's inception.

Figure 5. GEM's logos



Greater Europe Mission's most significant selling proposition is that the company is a Christian organization that focuses solely on the European continent (C. Cross, personal communication, September 4, 2020). Although the unique selling proposition (USP) is not made completely obvious by the logo, it is easy for the public to correlate its name and focus of action.

By limiting its activities and focusing on a specific continent, the organization can offer significant advantages to its targeted audience. There is a broader knowledge of all the nuances and characteristics of the communities that need help in the European area. This knowledge is translated into a better experience for both the missionaries and the citizens receiving any assistance.

Marketing Strategy

GEM has two main focuses on its marketing, and they are both related to the two fronts that keep the organization working: missionaries and donors (Greater Europe Mission, n.d. a). Through Greater Europe Mission's marketing strategy, the management conveys a trustworthy and modern image. These two characteristics are based on the company's experience and reliability in the market, combined with the willingness presented to remain a relatively young organization.

The company has been aiding and providing to European communities since 1944 and is a key part of thousands of testimonies of people that say they have had a meaningful encounter with Jesus through GEM actions (Greater Europe Mission, n.d. a). The organization has several of those testimonies on its social media platforms. People are glad to acknowledge and thank the organization for the impact it had on their lives. These factors build trust and convey a sense of excellence related to the organization.

GEM focuses on adding young adults to both its management and mission teams to have fresh ideas that will enable the organization to better interact and react to modern conditions and events. A great example of GEM's prowess in reacting to new issues that relates to its business is the response from the company to the refugee situation in Europe. This tricky and relatively new

issue has been successfully tackled by the organization and shows the promptness of GEM to face news issues that may affect its business.

By building this strong brand identity, the company is looking primarily to attract missionaries that will be physically present on the sites and connect and impact lives through their work rather than their money (personal communication, C. Cross, September 21, 2020). Recruiting missionaries is a vital part of the business because the organization simply cannot function if no Christians are willing to sacrifice their time and comfort zone to go to a different continent and build Christ's kingdom on earth. Therefore, the effort to be perceived as a modern organization has its importance accentuated since the targeted market must relate to its involvement.

The GEM's website focuses primarily on organizational needs outside of fundraising. (C. Cross, personal communication, September 21, 2020). Even though the company provides an option to donate through its website, the primary marketing strategy does not directly involve the internet. GEM's primary marketing strategy to gather monetary capital consists of the company directly contacting the people funding the missionary's individual missions and inviting them to learn more about the organization and its impact on European lives. This marketing strategy has proven to be the most efficient form of acquiring new donors and is done in a relatively simplistic and somewhat old-fashioned way: through personal conversation.

GEM can reach two opposite sides of the demographic charts by contacting donors directly and holding informational events. The usual missionaries are young adults who recently graduated from college, do not own a house, and have a low annual income. On the other hand, GEM's primary source of monetary capital is citizens that are 40+, have kids, own a house, and

have high annual income (Miller, 2020; C. Cross, personal communication, September 4, 2020). These two groups correspond to the missionaries and the donors, respectively.

Missionaries tend to have the desire to explore the world and live adventures (C. Cross, personal communication, September 4, 2020). They find fulfillment in contributing to God's kingdom directly and seeing the result of their actions through their own eyes. On the other hand, donors are in a different life stage and cannot contribute physically to God's kingdom. Their families, occupations, and age are big reasons why they prefer to contribute towards missions using their money rather than their own hands. They are content in helping indirectly and see their money as an instrument that will lead to change in the world.

Considering that GEM is a nonprofit organization, the number of missionaries available directly impacts the company's costs. Therefore, more missionaries bring more costs, while fewer missionaries result in smaller costs. The model of business is self-sustaining: Whenever GEM's workforce grows, donations grow accordingly. This donation growth comes from the new donors who contribute on behalf of the new missionaries. Despite the overall sustainability of the business model, Greater Europe Mission is currently experiencing growth rates unprecedented in the company's history (C. Tweedy, personal communication, September 3, 2020). With this growth, GEM is now facing costs and adversities that were not a concern in other years. Therefore, there is an increased need for donor support.

The two main target markets are big enough to fill these demands, considering that they are not too specific nor limiting. According to Statista, 47% of Americans aged between 20-29 are Christians (Duffin, 2020); therefore, there are around 21 million possible "clients" in the market for GEM. Currently, GEM has about 400 missionaries involved with the organization (C. Tweedy, personal communication, September 21, 2020). Every missionary has multiple donors

that fund their trip, and these "private" donors are considered possible contributors to Greater Europe Mission. It is important to note that the average missionary only participates in a mission with GEM once. Therefore, it is crucial that the company explores the market to its full potential.

Reflecting on GEM's recent success in attracting and maintaining new missionaries, it is easy to conclude that the target market is sizeable enough to support sustainable business activity. However, the size of the market cannot support the organization alone. It is key for GEM to increase their investment in marketing strategies proportionally to its growth rates to maintain a healthy business model.

Marketing Mix

Product.

The mission's industry as a whole provides a service rather than a product. Many organizations have merchandise and other physical items that generate profit, but the organizations' main purpose is to provide its service. GEM provides its service through missionaries and has other various ways of serving the world to glorify Jesus Christ. As mentioned, GEM serves as a nonprofit missionary business that is located in three different parts of the world: the US, Canada, and the UK, with its main headquarters in Frankford, Germany (Greater Europe Mission, 2020b). GEM is currently in the process of trying to recruit more missionaries to serve in Europe. The main service is not considered a luxury service but rather a service that serves where there are needs while glorifying God and His kingdom. Greater Europe's service is currently in a very good position in the industry.

Price.

As mentioned, GEM provides its service to areas that are in need. GEM is not selling a product for profit. Since GEM is a nonprofit organization, most of the money that is generated comes from donations. GEM accepts donations from anyone, but its main donations come from wealthy individuals that donate large amounts of cash since most of the projects that GEM funds acquire high costs. Most of the donations are from leads the company has gathered over time and previous donors. In 2019, Gem had a total of 17,765 donors (Greater Europe Mission, 2020a). In 2020, GEM's current database holds about 23,000 donors (C. Cross, personal communication, September 3, 2020). GEM estimates that about 18,000 of these donors are active, meaning that they made a contribution in the last 12 months. GEM does not have a door-to-door approach as a sales job would. Before missionaries are sent to their assigned location, they have to raise their own money to fund their work. GEM provides many services to the missionary, such as managing the money they raise. GEM is responsible for making sure that missionaries have locations to fulfill their missionary work. Additionally, GEM provides different ways that missionaries can stay connected with other local churches, not only where they are serving. GEM's revenue in 2019 was \$23.5 million, indicating a fundraising effort of about \$58,700 per missionary. It may seem like a high cost, but it varies a lot depending on location, the time in work, the fees, and many miscellaneous expenses. The amount of revenue GEM has accumulated helps fund other organizations, provide member care, and help organize conferences. Since COVID-19 hit, many organizations took a toll because jobs shut down and people lost their jobs in general; GEM did not take a massive hit. In fact, GEM did much better than the previous year (C. Cross, personal communication, September 3, 2020).

Place.

Currently, GEM is located in the US, Canada, the UK, and its headquarters are located in Frankford, Germany. GEM's primary focus is expanding all over Europe because many individuals in Europe do not know Jesus. A big push to locate in Germany is because GEM believes that building relationships will create a space for Jesus. Even with GEM focusing on expansion all over Europe, GEM is still serving nationwide (M. Taylor, personal communication, September 21, 2020). Just in 2019 alone, GEM had 643 individuals engaged nationwide (Greater Europe Mission, 2020a). Just as GEM's projected budgets have increased, so has the amount of engagement nationwide in 2020. As GEM increased its overall size, it has been able to make partnerships with many organizations. One big partnership based in Europe is European Christian Mission International (ECIM). Additionally, GEM has partnered with the Crew and SIM (C. Cross, personal communication, September 21, 2020). GEM's main partnerships come from local partnerships. In Germany, the US, and Canada, local partnerships are a huge deal because they are hoping for Jesus to move (M. Taylor, personal communication, September 21, 2020).

Promotion.

GEM uses a relationship-based way of generating donations and other forms of capital. GEM is a very traditional organization that technically does not spend much on online advertising. With that being said, GEM's marketing budget sits at \$1 million in order to accommodate its many diverse audiences (C. Tweedy, personal communication, September 21, 2020). The company's marketing budget represents about 4.3% of its total revenue for 2019 (Greater Europe Mission, 2019). Organizations in GEM's industry spend an average of 1.2% of their revenue on marketing (Miller, 2020). Most of the money from GEM's marketing budget is

spent on traditional ways of advertisement. Greater Europe Mission does not focus on using social media to promote its brand, but it does have a few social media accounts that help with GEM's exposure.

The main focus of the social media platforms analyzed will be the European page. GEM's most popular social media is currently Instagram, and the company is currently in the process of creating new and better content to better engage through this platform. GEM is also producing live videos since it has become more difficult to meet in person due to COVID-19 (M. Taylor, personal communication, September 21, 2020). GEM primarily uses the live feature on Instagram is to announce events and invite individuals to talk about their testimonies. GEM has a good follower to following ratio on Instagram having almost twice as many followers as following. The posts are also good quality pictures that are aesthetically pleasing and allow a clean interaction.

GEM also uses Facebook, which is known to be a big marketing platform to target specific audiences. Currently, GEM has a total of 4,971 likes since its Facebook page launched. The number of followers is currently 5,089, which is not a bad follower count since GEM is a ministry corporation. GEM's Facebook posts receive an average of 30 likes per post. When taking the number of followers divided by the estimated average number of likes per post, the resulting engagement rate is about 0.59% per post. This calculation is not taking into account the number of shares, comments, and views (M. Taylor, personal communication, September 21, 2020). This average is only using its Europe page. It does not include the US and Canadian pages since the main focus is Europe.

Twitter is probably the least managed account of social media (M. Taylor, personal communication, September 21, 2020). GEM's twitter account has more followers than its

Instagram page, but the amount of engagement is low. GEM's most shared post has only six shares, and its page also has a low liking engagement. Its European LinkedIn account is a more professional view of its organization. GEM also makes use of LinkedIn for business inquiries and opportunities to expand its organization. LinkedIn also provides a view of the company's employees and job opportunities that are available within the organization. GEM's social media content is an accurate representation of the company and what it is trying to accomplish in Europe.

The organization is currently working on new websites, including ones for its US, European, UK, and Canadian markets. The new website will be launched in January. The cost of this website is roughly \$100,000. This price includes any maintenance, necessary adjustments, and add-ons (M. Taylor, personal communication, September 21, 2020). This website will incorporate all of the websites that are divided by its locations. Therefore, this page will include all subsections that will re-direct the consumers to land on the respective webpage. This merge will be excellent for GEM because it will direct all of the traffic to one website. GEM is not looking to engage in any search engine marketing (SEM) as mentioned earlier. GEM will update its SEM and improve its organic appearance. This new website is needed since its old website is about three years outdated. The website will create a more efficient way for future donors, missionaries, and interested consumers to be engaged and see how God is moving through GEM (C. Tweedy, personal communication, September 21, 2020).

Sales Management, including Sales Planning, Sales Approach, and Sales Force

Most of the revenue Greater Europe Mission receives is via donations that the company's missionaries raise individually. GEM primarily uses personal conversations and donor events the company organizes to drive donations to cover other administrative and program expenses (C.

Cross, personal communication, September 3, 2020). The organization does not have a dedicated salesforce, nor does it outsource a salesforce. Instead, many executives perform multiple duties outside of their original roles to help cover this void, including CFO Chris Tweedy, VP of Engagement Charles Cross, and VP of Mobilization Mike Taylor. GEM relies on its extensive donor pool of about 23,000 people (C. Cross, personal communication, September 3, 2020) and its donor events, including its annual three-day weekend getaway, to secure additional funds (C. Cross, personal communication, September 3, 2020). GEM does not employ dedicated salespeople, so training and compensation are not necessary.

Relevant content from a weighted SWOT Analysis and TOWS Matrix

Figure 6. Weighted SWOT table

		Impact	Probability	Total
S	- Strong donor relationships	0.35	3	1.05
	- Management	0.10	3	0.30
	- Member care	0.10	3	0.30
	- Financial performance	0.20	2	0.40
W	- Program development and organization	0.20	2	0.40
	- Online presence	0.05	4	0.20
O	- Lack of practicing Christians in Europe	0.18	4	0.72
	- Increasing 65+ population	0.11	1	0.11
	- Refugee crisis	0.08	2	0.16
	- Light regulation	0.08	4	0.32
T	- Reliance on disposable income	0.10	4	0.40
	- Declining importance of religion	0.20	4	0.80
	- Lack of consistent giving from younger generations	0.15	3	0.45
	- High concentration	0.04	4	0.16
	- Economic ramifications of COVID-19	0.06	2	0.12

(Greater Europe Mission, 2019)

Strengths.

Greater Europe Mission has four primary strengths: strong donor relationships, management, member care, and financial performance. The company has accumulated a donor database of over 23,000 people, but those relationships' quality is even more impressive (C. Cross, personal communication, September 3, 2020). Even during a global pandemic, the corporation's 2020 program fundraising numbers are projected to be the same as last year at \$1.3

million (C. Cross, personal communication, September 3, 2020). This figure is even more impressive considering that in 2016, GEM raised just \$141,000. Charles Cross and the rest of the fundraising team deserve credit for creating strong connections with donors that have translated to massive fundraising revenue gains over the last four years.

GEM's management is exceptional, especially with the hiring of CEO Jon Burns in 2016, and enables the company to continue its rapid success in recent years. Burns, CFO Chris Tweedy, and VP of Engagement Charles Cross have valuable work experience that benefits the company. Burns previously started a nonprofit, Tweedy has an extensive accounting background, and Cross worked in consulting for several years (C. Cross, personal communication, September 3, 2020). All three key management members have a passion for mission work and are heavily invested in reaching its goals. Burns has brought fresh vision and new ideas since taking over as CEO. Tweedy has met several different needs for the company outside his role as Chief Executive Officer (CFO). Cross continues to be the focal point for fundraising and engagement and has served in France for 20 years. It is evident from Tweedy and Cross that GEM's management is well-respected and that the company is in good hands for the foreseeable future.

GEM genuinely cares about its missionaries. As part of a program termed "member care," the company provides constant support to all its missionaries on the field, including counseling services (C. Cross, personal communication, September 4, 2020). This program is critical to the organization's success because if the missionaries that join GEM do not feel valued, they will find another company where they will. Member care is a valuable recruiting tool and will attract the most committed missionaries because they know the company is committed to caring for its people.

Finally, the company has posted incredibly strong financials over the past few years. According to CFO Chris Tweedy, the organization was the strongest financially in the last five years right before the COVID-19 pandemic occurred (C. Tweedy, personal communication, September 3, 2020). In 2019, GEM witnessed a 9.8% growth in total revenue, reaching almost \$23.5 million (Greater Europe Mission, 2019). The total change in net assets from operations (equivalent to net income for nonprofits) in 2018 was a negative \$81,788; but in 2019, this change was a positive \$1,064,813, a margin of 4.5%. GEM can use these excess net assets to invest in new programs and gather resources to target new regions. Additionally, the company only has one note payable, a loan on a building it operates in southern Germany that carries just a 1.7% interest rate until 2027, when the rate can be adjusted.

Weaknesses.

Despite Greater Europe Mission's many strengths, the company has two deficiencies: program development and organization and online presence. The company has one well-defined program: GEM Refuge. Otherwise, it is rather unclear what opportunities the company offers to serve Europe. Under CEO Jon Burns' leadership, the company is directing more effort towards discipling the locals in the European regions it reaches. Its Discipleship Multiplication Training (DMT) program sounds like a great way to realize this vision. However, according to CEO John Burns, only 1,500-2,000 people have participated in the program in the last seven years (personal communication, October 13, 2020). Burns noted that GEM could be more intentional with its DMT program and could move 1,000 people through the program each year in the future as it hires more staff. Additionally, the company has hundreds of service opportunities, yet it is almost impossible to filter through them all. Since GEM does not promote any specific trips or fields of service, it can prove challenging for an inquirer to find an opportunity right for them.

The organization would greatly benefit from overhauling the way its programs are presented online. The GEM Refugee program is well documented on its website, but the DMT button links to service opportunities that are not connected to the program. The “50 in five” button links to the mission and vision page, which gives no information about the “50 in five” initiative. The website is both inconsistent and disorganized, as there are too many ways to reach certain pages and not enough direction for other pages. The web page that lists service opportunities is relatively informative and useful, but the number of opportunities can be overwhelming for someone who has never used it before. Furthermore, GEM does not utilize social media as a primary marketing strategy, and it does not regularly update its accounts on Facebook or Instagram, which could be a good tool to share stories and increase interest.

Opportunities.

The industry GEM occupies (Religious Organizations, NAICS 813110) abounds with opportunities. Mission organizations can take advantage of a lack of practicing Christians in Europe, an increasing 65+ population, the ongoing refugee crisis, and lenient regulations. The first of these is arguably the most important for GEM. While Christianity historically heavily influences Europe, newer generations are less interested in practicing religion (Pew Research Center, 2014). A study administered by Pew Research (2014) shows that just 22% of Christians attend monthly services in Western Europe, even though 71% of them identify as Christians. The same study indicates that Europeans are leaving the faith altogether faster than before and are choosing to become religiously unaffiliated. These conclusions present a tremendous opportunity for GEM and similar companies to lead Europeans back to the Christian faith.

The other three major opportunities the company can capitalize on are less impactful but are still worth noting. Data suggests that Baby Boomers give about \$1,212 each year to charity,

and those belonging to the Greatest Generation give about \$1,362 per year. These two generations contribute significantly more than Millennials, who give only \$481 per year to charities (Non-Profits Source, 2018). In 2020, the 65+ population is expected to increase (Miller, 2020), providing an opportunity for organizations like GEM to post higher fundraising numbers. The COVID-19 pandemic has only exacerbated the already disastrous European refugee crisis, as migrants are displaced and even dying as countries are on lockdown (Reynolds, 2020). GEM's strong refuge program that aids refugees can be particularly helpful during this time. Finally, religious organizations face few regulations, especially in the United States, because of First Amendment rights and similar European laws (Prpic, 2018). Such organizations are also tax-exempt and are not held to the same financial reporting standards as other corporations (Miller, 2020).

Threats.

While the industry offers several enticing opportunities, the threats facing religious organizations are troubling and could significantly render many opportunities infeasible. These threats include reliance on disposable income, the declining importance of religion, lack of consistent giving from younger generations, high concentration of organizations in the industry, and economic ramifications of COVID-19. Out of these five major threats, religion's declining importance among people of all ages stands out as the most potentially catastrophic one. This particular threat is interesting in that it is also an opportunity. As religion becomes less important in Europe, there are fewer practicing Christians, which creates an opportunity for GEM organizations to serve this population and bring them back to Christ (Pew Research Center, 2014). But the inherent problem in this trend is that these Christians are already familiar with the faith and are making a conscious decision to forego religious practices or leave the religion

altogether. While ministering to those that have never heard of Christianity is a difficult task, it can be argued that it is even more challenging to lead people back to the heart of the Christian faith when they are already so exposed to it and still choose to walk away. Greater Europe Missions and other Christian mission organizations must find ways to reach a continent that is as spiritually dormant as ever.

The threat with the second-most potential to impact the industry concerns Millennials' rather apathetic giving tendencies. As mentioned previously, older generations give much more to charities on average than do younger generations (Non-Profits Source, 2018). This threat is obviously at least partly due to the reality that younger generations just do not have as much disposable income available to give to religious organizations. But the disparity in giving between generations may also be due to the religion's declining influence among younger generations. Christians are giving only 2.5% of their income to churches, which is a lower percentage than the giving from people living through the Great Depression. Low giving may become an uncomfortable reality that religious organizations must face, particularly among younger members.

The remaining three threats are more incidental. The industry is heavily reliant on disposable income, as those with higher levels of disposable income can more easily part with their money and donate it to religious organizations. In 2020, disposable income levels are expected to decline (Miller, 2020), but it is unknown whether they will continue to decline in the future. Similarly, the economic ramifications of the COVID-19 pandemic will eventually slow, and the economy will rebound, although it continues to hurt religious organizations in the near future. Lastly, the industry is highly concentrated, as it contains 23,991 companies in the United States alone (U.S. Bureau of Labor Statistics, 2020). This high level of concentration is partially

due to the high level of fragmentation that exists in the industry (Miller, 2020). While just a few major religions dominate the industry, some countless individual congregations and institutions are affiliated with the major religions.

Impact and Probability of SWOT Elements.

Based on the impact of each SWOT element (measured as a fraction based on magnitude) and the probability that each element continues to occur (measured on a scale from one to four, with four being the highest), a weighted SWOT analysis indicates what factors should be prioritized into company decisions (LaConte, 2017). The impact score for all strengths and weaknesses sum to one, as do the opportunities and threats. Three elements distanced themselves from the rest in terms of overall score: strong donor relationships (1.05), lack of practicing Christians in Europe (0.72), and the declining importance of religion (0.80). No other score topped 0.45 points. Strong donor relationships received the highest impact rating easily because fundraising is essential to GEM's core operations. Lack of practicing Christians and the declining importance of religion likewise received higher impact ratings because these elements are critical characteristics of people and locations GEM is targeting. They also both received fours on the probability scale because their research indicates they are extremely likely to persist.

Figure 7. TOWS matrix

	Strengths 1. Strong donor relationships 2. Management 3. Member care 4. Financial performance	Weaknesses 1. Program development and organization 2. Online presence
	Opportunities 1. Lack of practicing Christians in Europe 2. Increasing 65+ population 3. Refugee crisis 4. Light regulation	S-O strategies Recruit local European missionaries (S2, S3, O1, O3, O4) Implement aggressive fundraising campaign (S1, S2, O2, O4) Invest more heavily in focus cities (S1, S3, O1, O3)
Threats 1. Reliance on disposable income 2. Declining importance of religion 3. Lack of consistent giving from younger generations 4. High concentration 5. Economic ramifications of COVID-19	S-T strategies Increase donor base (S1, S2, S4, T1, T3, T5) Partner with other mission organizations (S1, S2, T2, T4)	W-T strategies Redesign website (W1, W2, T3) Develop discipleship programs (W1, T2, T4)

Based on the TOWS matrix, seven strategies emerge as the best options for Greater Europe Mission to implement moving forward that maximize the company's strengths and opportunities and minimize its weaknesses and threats. These strategies are as follows: recruit local European missionaries (occurs twice), implement aggressive fundraising campaign, invest more heavily in focus cities, develop discipleship programs (occurs twice), increase donor database, partner with other mission organizations, and redesign the website. Of these strategies, the two most prominent are recruit local European missionaries and develop discipleship programs. These strategies fit together nicely, and they also incorporate the most important elements from the SWOT analysis.

Marketing Plan Budget

According to CFO Chris Tweedy, Greater Europe Missions spent about \$1,000,000 on marketing in FY 2019 (personal communication, September 21, 2020). This is a rough estimate because the company does not track specific overall marketing costs, and even specific marketing expenses are unclear. Furthermore, it is hard to define which costs are marketing

related and which are not. However, after discussing with the company, its marketing costs can be broken down as follows: \$490,000 for the annual three-day weekend donor event, \$345,000 for online marketing and mobilization, \$120,000 for print and email advertising, and \$45,000 for the VP of Engagement to utilize. The company's annual three-day weekend event is the single largest cost the company incurs for marketing but provides an incredible investment return. In 2019, the event cost about \$490,000 but the company received \$2,000,000 in donor commitments over the next two years (C. Cross, personal communication, September 21, 2020). This year, GEM invited donors from around the country to join the company at an expensive hotel in Palm Beach, Florida. The organization hosts renowned speakers and worship artists and spends the weekend investing in its donors, hoping to secure fundraising commitments. GEM is expecting more people to attend this year's event in Laguna Beach, California.

The online marketing and mobilization category includes all costs related to the company's website, social media, and content creation. GEM currently manages several different Instagram and Facebook accounts, with a different account for each geographic area in which the company operates. The company have recently hired a couple people to oversee content creation and the production of testimonies and stories to engage followers (J. Burns, October 13, 2020). GEM is also currently developing a new website that will be launched in January. Print and email marketing includes direct mail marketing and email campaigns (C. Cross, personal communication, September 21, 2020). While these types of marketing are becoming less important for GEM, it still sends out letters and email newsletters to provides information and updates for donors and supporters. The VP of Engagement, Charles Cross, also receives funds to secure new donor commitments.

To create the marketing budget for GEM, the consulting team used the company's 2019 numbers as a baseline to project costs for 2020 and 2021. Costs for the annual donor event are projected to increase by 20% per year because this is GEM's most profitable form of marketing. Online marketing and mobilization costs are projected to increase 15% per year as the company's online presence continue to grow, and an additional \$100,000 is factored into the company's 2020 budget to account for the complete overhaul of its website. Print and email marketing is projected to decrease by 25% per year as these channels decline in popularity. Finally, the VP of Engagement budget is projected to increase by 10%, as he has proved himself capable of increasing fundraising for GEM's programs over the past few years.

The consulting team prepared an accompanying sales forecast using 2019 as a baseline to project revenue for 2020 and 2021. Due to COVID-19, 2020 revenue is projected to decrease by 2% compared to the 2019 figure. This drop would be worse if not for fundraising efforts from the company's management and a donor base that is not heavily affected by temporary fluctuations in the economy. However, the company's revenue is projected to rebound in 2021 and increase by 9.5%, the same percentage the company's revenue increased from 2018 to 2019. The projected marketing budget and projected revenue for 2020 and 2021, along with its 2019 figures, are presented in the table below. The table also includes the total marketing costs as a percentage of revenue.

Table 2. Projected marketing budget

Projected Marketing Budget			
	2019	2022*	2023*
Annual donor event	\$490,000	\$588,000	\$705,600
Online marketing and mobilization	345,000	496,750	456,263
Print and email marketing	120,000	90,000	67,500
VP of Engagment funds	45,000	49,500	54,450
Total marketing costs	\$1,000,000	\$1,224,250	\$1,283,813
Total Revenue	\$23,691,819	\$23,680,552	\$24,718,852
Marketing costs as a % of revenue	4.22%	5.17%	5.19%
*projected			

(Greater Europe Mission, 2019)

In 2019, marketing costs constituted 4.26% of GEM's total revenue, which is significantly higher than the industry average of 1.2%. In 2020 and 2021, GEM’s marketing costs are projected to account for 5.32% and 5.09% of the company's revenue. The 2020 figure is greater than the 2021 figure because of the additional \$100,000 spent to overhaul its website. Marketing costs are expected to increase relative to the company's revenue because of an increased focus on online marketing and rising costs associated with the annual donor event.

Recommendations

Invest more heavily in donor retreat.

GEM's last annual donor event was a huge success, bringing in \$2,000,000 in donor commitments compared to a total cost of just under \$500,000 to organize the event (C. Cross, personal communication, September 4, 2020). The consulting team recommends that the company allocates at least 25% more funds towards this event this year since the return on investment is so high. The company could consider organizing two separate weekend events to offer another range of dates for donors that cannot attend one of the events. In addition, the company could host the two events in two different cities to accommodate more donors, particularly those who live on the coast. The majority of GEM's donors come from seven major U.S. cities: Los Angeles, San Francisco, Atlanta, Denver, Chicago, Dallas, and Houston. GEM's first event, which was held earlier this year, was located in Palm Beach, Florida. Not many people from the West Coast were able to attend. Next year, the event will be held in Laguna Beach, California, which is closer to more of GEM's donor population pools. The company has already seen more interest from donors for this year's event than last year's.

If the company organized two separate donor events, it would be best to host one in California, which would be close to major donor pools in Los Angeles, San Francisco, and Denver. The second donor event could be hosted in Texas, which would close to major donors pools in Dallas and Houston and would be much closer to Chicago or Atlanta than California would. A third option is St. Louis, which is a central location for GEM's donor pools in the Midwest and East. However, the city may not draw the same appeal as locations in California or Texas, both of which have beaches and are generally warmer. Since GEM's first donor event was hosted in a coastal city and was extremely successful, and its second event will also be held

in a coastal city and is drawing significant interest, it is probably best for the company to continue hosting its donor events in coastal cities.

Consistency across platforms.

The consulting team also recommends that GEM streamlines its social media accounts. The company currently has different Facebook and Instagram accounts for every region of the world. Each account has different posting styles and shares different content, making the message the company is trying to communicate extremely inconsistent. GEM's USA Instagram account currently has the best content, including Instagram live videos that are particularly helpful to those interested in serving with the company. While the content may differ depending on the region, GEM's other social media accounts should model their Europe Instagram account, creating a streamlined look across all platforms and accounts.

Alternatively, the company could merge all of its existing social media channels into one channel. For example, instead of having multiple Instagram accounts for every location, GEM can merge them into one main account. There are two major benefits of having only one main account instead of several smaller ones. First, employing one main account eliminates need to keep track of the various content posted across various channels. All of the content can be centralized through one main channel so that viewers would not have to sort through so many accounts to find the content they want. Second, most of GEM's social media channels receive little traffic. In merging its accounts, GEM can redirect all viewers from its various channels to one main channel, which should increase traffic and engagement.

Incorporate testimonies and stories into all marketing channels.

While looking at the various social media accounts managed by GEM, the consulting team also suggests that the company incorporates video testimonies from the missionaries' experiences serving with GEM. Video testimonies can be uploaded to Instagram, which is currently GEM's most engaging marketing channel. The content from the video testimonies will come from the missionaries themselves, unless someone from GEM's staff would also like to contribute and share some of their own experiences on the mission field. These video testimonies should be shared at least two times a week and will create a diverse mix of content to accompany pictures and stories. Sharing testimonies just twice a week will ensure that consumers are not overwhelmed by the amount of content. Throughout the video, the goal is to get the missionary to mention some of the miracles and what it has been like to serve wherever they are stationed.

The other goal of the testimonies is so that the donors also get to see how their money is being invested in the lives of individuals in unfortunate circumstances. People like to see the results of their actions. Instagram TV (IGTV) is becoming an increasingly popular way of sharing stories. For example, pastors often use IGTV to share their sermons. While GEM already uses IGTV to share content, it can further utilize the platform to share testimony videos (M. Taylor, personal communication, September 21, 2020). IGTV is also a good way to share videos from Instagram to Facebook or vice-versa. As mentioned, one of the goals with this idea is for GEM's donors to have easy access to these testimony videos, but some of the donors may be older and prefer Facebook over Instagram. Fortunately, Facebook recently bought out Instagram, so IGTV videos are allowed to be posted on Facebook as well. The main target of these testimony videos is young adults who are graduating from school and are looking to step into the missionary industry, but such videos could also appeal to donors who want to hear stories of how

their contributions changed lives in Europe. The video testimonies would be a great idea to share these experiences, enabling the organization to be known by a larger audience.

The consulting team also recommends that GEM adds an interactive testimonies page to its new website, if the company is not already planning to do so. There is nothing more powerful than a story well told. The impact of hearing about God's using his people to change the world is second to none, and such feeling should reach the largest possible audience. Adding an interactive testimonies page that would be linked to GEM's social media accounts and would allow missionaries, workers, and beneficiaries to share the impact that the organization had on their lives would speak louder than any marketing strategy ever could. God's work in Europe must be GEM's principal form of marketing regardless of the outlet.

Establish a marketing team.

GEM has done an amazing job of gathering funds and managing its resources throughout the company's history. Despite the lack of resources that are usually common for non-profit, Greater Europe Mission learned how to balance its books while maintaining satisfactory efficiency (J. Gilberts, personal communication, September 30, 2020). Non-profits often give individual employees responsibility in multiple areas of the business to combat their monetary constraints. The consequence of this reality is that employees will not be able to focus or dedicate themselves to any single area of the business. GEM's marketing department appears to suffer from a lack of dedicated marketing staff. By allocating fewer resources to the marketing department, GEM is hindering its ability to receive donations and amplify God's work in Europe.

To ensure that marketing becomes one of GEM's strongest areas, the consulting team recommends that the company establishes a marketing team with clearly defined roles. To

combat monetary constraints inherent to non-profits, the consulting team believes that GEM could greatly benefit from offering unpaid internships to college students. This strategy would represent a win-win situation for both the company and the intern. The company would not have to invest a great amount of money building an entire marketing team, as the costs involved with the strategy would be relatively low and the company would achieve one of its goals of bringing fresh and new ideas to its culture (J. Burns, personal communication, October 13, 2020). As for the interns, they would be given the unique opportunity of getting experience in a reputable organization. GEM could also use these internships to look for talented students that could help the company in a permanent role.

It is key to note that this new internship program would have a cost. To start the program, GEM would likely need to find a coordinator to manage and oversee the work of the interns and also train them. However, creating and establishing an internship program would certainly be an investment that would likely have major payoff for GEM.

Better educate public about services and opportunities.

GEM is working on a new website that will be available to the public in January of 2021 (C. Tweedy, personal communication, September 21, 2020). The website will include a completely new interface with modern features, which will be extremely beneficial to the organization's goal of relating to the younger audiences. However, the consulting team suggests that the company creates a page specifically designed for donors. Instead of simply describing the impact that their donations make, a well-produced video showing exactly where these funds are being used could increase the website's persuasiveness in general. Currently, the donations page on GEM website offers little insight into how the money incoming from donations is being used. There is a small explanation on the payment page, but there is no specific information

regarding whether the money is going to be used for the funding of food, shelter, the creation of a new hospital for a needy community, or even the maintenance of the company itself.

GEM believes that one of its most powerful assets is the testimonies from the people that exhibit a relationship with God by participating in the company's missions (M. Taylor, personal communication, September 21, 2020). These testimonies should be exposed all over the new website, and specially, in the donations page. The consulting team believes that it is advisable for the company to give a face to the cause and make the process of donating more relatable. The life changing work that was and is still being done by GEM in Europe should not be difficult to find. Instead, it must be used to recruit more donors and, consequently, change more lives.

Greater Europe Mission also requires further development of its Discipleship Multiplication Training (DMT) program if it has not already been doing so. Discipleship is critical to the success of GEM's mission. Yet, no information exists on the program's current website, leading those interested in serving with GEM to believe that the program is underdeveloped. A strong discipleship program would take advantage of the industry's best opportunities and minimize some of its most prominent threats.

Work on building a brand identity.

Having strong brand identity is important for any business, as it causes consumers to remember the brand and return for future transactions. GEM currently does not have a logo that stands out and creates a strong brand identity within its industry. The consulting team recommends that GEM consider creating a new logo that could stand out to consumers while maintaining the mission and vision of the company. Not only will a logo create brand identity, but it will also create brand loyalty. As an organization, the goal should be for the consumers to

see the logo and feel connected. For example, Nike, Inc. has a simple logo that has created brand loyalty and, most importantly, brand identity. A simple swoosh carries an entire lifestyle for Nike. GEM's logo should be able to speak for itself and differentiate the company from its competitors.

Take recruiting visits to universities.

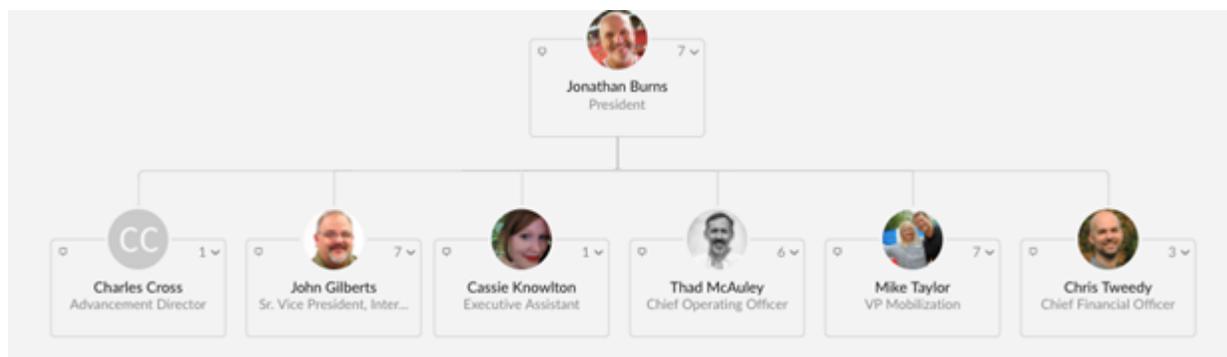
A large part of GEM's target market demographic is composed of young adults who are currently going through or recently graduated from college (Miller, 2020). People from this age group often do not have a family to take care of or as many job responsibilities, which makes young adults perfect candidates for missionary work. GEM should be focusing on building relationships with this age group and to make itself present on their minds. A fairly cheap and practical way of building these relationships is to make recruiting visits to universities, such as Oral Roberts University. The focus should be on creating and developing brand awareness among the faculty of the visited schools. It is important to prepare good, relatable content to persuade the students. Such content could include videos of the missions, flyers, and a presentation from a talented speaker, which would captivate a young audience and help bring new missionaries to the company.

Management Plan

Form of ownership and reasons for the choice of ownership form

Greater Europe Mission is a 501(c)(3) non-profit organization and is thus tax-exempt. The organization has over 400 fulltime workers, most of whom are missionaries in the field every day. GEM has a tall organizational style, meaning there are many management levels (Greater Europe Mission, 2020a). However, because GEM is a very familial company, there is still much fluidity to the organization structure. Upper-level management often interacts with every level of the organization and is very involved throughout it.

Figure 8. Organizational Structure/Chart



(C. Cross, personal communication, September 30, 2020)

Qualifications, Experience, Expertise, and Roles of Members of the Management Team

Jon Burns became CEO of Greater Europe Mission in 2016. He took the role alongside his role as the founder of Lionsraw, an organization that uses Europe's passion for football to create positive change. He has experience as a senior pastor for 10 years and worked at several other religious organizations before GEM (Burns, n.d.). He is based in Colorado and leads the organization from its headquarters there. His Christian organizations' background, both domestically and internationally, gives him the unique ability to lead GEM effectively and with great insight.

Charles Cross has worked at Greater Europe Mission for almost 24 years, starting first as a missionary appointee and working his way up to his current position as Advancement Director (Cross, n.d.). He is responsible for a large part of GEM's fundraising that goes directly to the organization. Over the past few years, as Charles has gained more responsibility within the company, he has created significant revenue growth from relative stagnation (personal communication, September 4, 2020).

John Gilberts graduated in 2006 from the University of Phoenix with a Master of Business. Gilberts has worked for Greater Europe Mission for 26 years; he started as a mailroom manager and now serves as the Senior Vice President International (Gilberts, n.d.). In this role, he recruits missionaries from areas outside of the United States and Canada to serve the church in Europe.

Thad McAuley has been at GEM for 16 years and has risen through the ranks to reach his position. Currently, he serves as the Chief Operating Officer (COO) and lives in France (McAuley, n.d.). He is the most direct contact from management to the regional directors and is the catalyst for direction within the organization at large (C. Cross, personal communication, September 30, 2020). His location in Europe is hugely beneficial in creating an effective global organization.

Mike Taylor joined GEM's management team in 2018 as Vice President of Mobilization. Before GEM, he worked at several non-profit and religious organizations, including serving as Executive Director of UK-USA Ministries for seven years (Taylor, n.d.). Taylor has a Masters in Discipleship and Church Ministry from Liberty University. He helps GEM to create and implement new strategies for expansion.

Chris Tweedy serves as the Chief Financial Officer for GEM and has been working with it since 2002. He has a background in finance and is responsible for the financial management of GEM. Tweedy lives and operates out of Germany while being a Canadian native. He went to college at Biola University in California. His diverse background allows him to operate well in a global environment and lends valuable skills to the organization (Tweedy, n.d.).

Other Stakeholders (e.g., Board of Directors, Advisory Boards, etc.)

GEM has two internal advisory boards, the U.S. and the international. The U.S. Board consists of various individuals from diverse occupations (Greater Europe Mission, 2020a). There are several Senior Pastors, Vice presidents of other organizations, and other executives that provide input on GEM's domestic operations. On the International Board, the landscape looks very similar; however, the inclusion of those executives that operate in Europe provides another perspective different from that of U.S. based individuals. GEM is also in partnership with the Evangelical Council for Financial Accountability, an organization that aims to enhance trust by increasing transparency (Evangelical Council for Financial Accountability, n.d.).

Professional Service Firms Providing Management Support

One professional service that GEM utilizes is a human resource software company called Bamboo (C. Roberts, personal communication, September 30, 2020). Bamboo exists to "set people free to do great work" (Bamboo H.R., 2020, p. 1). This software aids businesses in efficiently handling and completing human resource needs, which enables them to focus on investing in those who serve in various capacities within the entity. The software's values align with GEM's highest priorities, including developing leaders within the organization (C. Roberts, personal communication, September 30, 2020). Most of the people who are directly a part of the organization are committed to serving the mission. The stresses of some of the operational duties

can potentially hinder the member's effectiveness in upholding that.

Beyond human resources (HR), the organization outsources other departments, including finance and accounting, internal communications, and customer relationship management (J. Gilberts, personal communication, September 24, 2020). Financial Navigator handles all accounting and financial transactions and issues. Blackbaud provides secure storage for the organization's confidential data and information (Blackbaud, n.d.). Salesforce provides a platform for the organization to keep its customer data organized (Salesforce.com, n.d.). Finally, Tenfold BPO gives the company a proficient means of internal communication and provides customer relationship management (Tenfold BPO, n.d.). Outside of the firms listed above, most of the internal operational work is done by management members within GEM.

Management Style and Culture

GEM incorporates Christian values into every area of its organization. The organization's core values are passion, humility, community, stewardship, leadership, and transformation (Greater Europe Mission, n.d. c). These values guarantee that missionaries, employees, partners, and donors know that it is engaging with an organization they can trust. The company believes that it is just as important as what it is doing for Europe's people.

GEM's highest priority is to grow Christ's church in Europe through strategic missions and prayer (Greater Europe Mission, n.d. a). The company's mission revolves around showing compassion and solidarity towards those in need, and the culture of the company is an extension of that mission. GEM operates much like a family (J. Gilberts, personal communication, September 30, 2020). There is not a significant power distance between management and the other employees. The company's regional mission leaders are responsible for overseeing its respective teams and resolving the field's issues. However, often its duties are comparable to

those of a first-time missionary. The company is hugely involved with its missionaries and donors and strives to build relationships with them that last many years. These missionaries have close contact with more experienced leaders, making the workplace feel more like a family gathering. Everyone involved in the company develops a strong sense of belonging and are motivated to contribute to GEM's healthy environment.

GEM employs Terry Crook's LDC framework, which focuses on leading, developing, and caring in every part of its organization (C. Roberts, personal communication, September 30, 2020). Cathy Roberts, one of GEM's upper-level administrative employees, indicated that its culture significantly improved when GEM implemented this framework. The LDC model consists of three primary components: lead, develop, and care. Each of these components appears in Figure 9.

Figure 9. LDC Model



(Dibden, n.d.)

GEM has a low employee turnover rate, and its employees report that the job is highly fulfilling. This satisfaction is, in part, attributed to the company's management giving lower-level

employees liberties that allow them to be more involved in significant decisions (J. Gilberts, personal communication, September 30, 2020). Many of GEM's management members have spent at least 10 years at the company (J. Gilberts, personal communication, September 24, 2020). It is also common for a missionary to participate in several missions, spending years contributing to GEM's organization.

Recommendations

GEM's management team is quite comprehensive, and because of the organization's maturity, it has been able to identify needs and fill those gaps over time. However, there are still several places in which the organization can improve. One of the significant issues facing an aging organization is a disconnect between executives and the younger generations. While GEM's management members are exceptional, the company could benefit from fresh perspectives for the organization's operations and management styles. In marketing and leadership, the most effective strategy advances with time, and regularly adapting is key to staying current with the industry.

GEM must also be very wary of the strain its key members may experience. Many non-profit organizations have small executive teams, and most of those members are responsible for overseeing multiple departments or projects. Burnout is a real consequence that comes from too much responsibility. The company seems sustainable; however, pushing any more responsibility upon the executives would not be advisable.

The workplace culture and environment of GEM is unique, innovative, and progressive. The company benefits vastly from a familial culture, and it is a significant factor in its success over the years. However, GEM's power structure is not very well defined, so it can be easy for employees and managers to forget their respective roles and see each other as friends. This

perspective can potentially cloud managers' judgment and lead them to make bad decisions. The consulting team recommends that management ensures that boundaries are set concerning relationships within the organization to maintain professionalism in the company.

Operations Plan

Human Resource Needs

One of the key departments that enables Greater Europe Mission to achieve its strategic objectives is HR. The human resource processes of GEM are divided between the HR and personnel departments (J. Gilberts, personal communication, September 24, 2020). HR is responsible for technical and legal aspects, such as hiring and firing. The personnel department is responsible for vetting potential missionaries and workers to ensure that candidates are suitable for the organization.

The operations sector of the organization seems to be understaffed across multiple locations. The company's international centers are especially affected. In Canada, there are three staff members and two volunteers responsible for all operational duties, and in the United Kingdom, there are four staff members who bear those responsibilities (J. Gilberts, personal communication, September 24, 2020). While there are enough people to get the job done, those people have to occupy multiple roles, working cross-departmentally. It creates a hefty workload for employees, particularly in the international locations. For the last five years, the organization has undergone regular periods of growth, which puts even more pressure on those who already handle multiple roles within the company. While GEM's employees can currently keep up with their many tasks, eventually it will become inefficient, and the quality of work will diminish. Vice President of Operations for GEM, John Gilberts, revealed that every department of the organization says that they are at least one person short.

Ideally, the organization would benefit tremendously from a highly skilled human resources director who is knowledgeable of the ever-changing laws for each sending center and is a learner by nature (J. Gilberts, personal communication, September 24, 2020). For international sending centers, the situation is very similar, except the company has only a few people working and satisfying the totality of the operational duties. Additionally, hiring qualified candidates to help alleviate and evenly distribute the workload for the operations of GEM would be highly recommended. It would be the company's best interest for operations to run smoothly to ensure the organization operates at an optimal level.

Despite any perceived shortcomings in GEM's workforce, the organization thrives in employee retention (C. Tweedy, personal communication, September 21, 2020). In some instances, candidates have a particular idea of what working for a Christian non-profit looks like, and their experience does not match what they imagined. However, it does not seem to be an issue for GEM. The vice president of operations also communicated that, to his surprise, there are typically somewhere between 25-50 applicants applying to work for the company.

Physical Facilities Requirements

The U.S. sending center is GEM's largest facility with 5,005 square feet (J. Gilberts, personal communication, September 24, 2020). It is located in Monument, Colorado, although the particular location is not that important because its services can be provided anywhere. Parking is not an issue because the company does not physically serve customers there. About 30 people work in the U.S. office, comprising nine different departments. A third of the building is rented out to the finance company GEM partners, and another third to a company that offers counseling for pastors. This location is a two-story building. It would appear that the U.S.

location's facilities are adequate for the time being. Depending on how quickly the company grows in the next three to five years, expansion may be necessary, but for now, GEM is in a good place.

Technology

Technology goals and positions.

GEM is now operating with an increased focus on globalization, so technology will continue to serve as a primary means of communication, information distribution, and updates. The organization has a database of over 23,000 donors who can send and receive information to and from GEM (C. Cross, personal communication, September 3, 2020). Additionally, the company's website serves as an informational center for those looking to get involved with its programs. The new website the company is currently developing will do an even better job of providing information about the various service opportunities GEM offers, which should help attract more missionaries. From an operations standpoint, the use of third-party software can help with efficiency. New and innovative programs are now able to aid businesses in the completion and maintenance of managerial responsibilities. Blackbaud, Financial Navigator, and Tenfold BPO are all utilized by GEM for administrative purposes (J. Gilberts, personal communication, September 24, 2020). Blackbaud is used for data storage, while Financial Navigator and Tenfold are both used for finance. GEM does not utilize hardware in any significant way that would be worth mentioning.

Internet goals and positions.

The organization is currently making some innovative changes to its website. It is now six years old, and it is common for businesses to update their site in some way every three years (C. Tweedy, personal communication, September 21, 2020). Pursuing this change

will greatly benefit the organization as it will make accessing information more efficient while drawing more traffic to its website. The company's website primarily serves to outline all the different programs and missions people can choose to take part. By creating a multisite with different sites for each GEM location, the company's SEO performance should recognize a significant boost and the increased visibility should yield favorable results for the organization.

Hardware, software, and personnel.

Currently, the systems it has in place are both efficient and sufficient. From the sending center located in the United States, the Information Technology Department can serve both the U.S. and international facilities because of its available resources. GEM currently has a three-year contract for website maintenance through Tripple, a means of off-site technical support (C. Tweedy, personal communication, September 21, 2020). As the company rolls out its new website internally in November, it can benefit from this agreement to work out any mishaps and further innovate to perfect its online presence.

Inventory Control

Most businesses require inventory, production, manufacturing, and other necessary materials and processes to make most of their everyday operations. A warehouse or some facility is essential to keep track of inventory, equipment, or any assets that might need space to be kept (Abrams, 2019). However, GEM is not in business to sell products and has an immaterial amount of raw materials and finished goods, coming only from its branded merchandise (J. Gilberts, personal communication, September 24, 2020).

All of these products can fit inside a single office space, and they constitute a tiny portion of the company's business (C. Cross, personal communication, September 24, 2020). GEM's closest thing it has to "inventory" that comprises its core business is the missionaries. If GEM

does not recruit enough people to become missionaries, there will not be enough missionaries to reach all of its target markets and fulfill its goals. GEM is continuously searching for and recruiting new missionaries to join its team, including churchgoers, university students, and families. While GEM is currently not struggling to raise finances, the current number of missionaries the company has will soon be inadequate based on its rapid growth. Missionaries are the closest thing the company has to “inventory,” and they bring significant value to the organization and enable it to carry out the mission (Abrams, 2019).

Supply and Distribution

Since GEM does not rely on raw materials or finished goods to make sales or bring value, its supply chain is also completely different. The supply chain is an essential element in ensuring a business always has the inventory to make sales (Abrams, 2019). GEM does not have a traditional supply chain where it receives imported resources or any material type. However, the organization does have sending centers, which directly communicate with missionaries and ensure they are taken care (J. Gilberts, personal communication, September 24, 2020). These centers also help train and equip the missionaries GEM recruits through personal conversations, website inquiries, and site visits. They are all autonomous but are held together by a centralized vision and mission. The sending centers are located in the United States, Canada, and the United Kingdom, with locations in Germany, Greece, and Kosovo currently under development. Since all of the sending centers are autonomous, this means that all sending centers are solely managed where they are located. For example, the sending center in the United States is only managed by the board and directors in charge of that U.S. facility and makes its own purchases regarding what it needs.

Even though GEM's sending centers purchase technology, the company does not purchase technology or any other equipment for missionaries (J. Gilberts, personal communication, September 24, 2020). The missionaries are in charge of raising funds for expenses while also raising their salary. The missionaries have to provide funds for their own laptop, on-ground missionary costs, and anything else that they might need to make sure they have adequate funds for the duration of their stay. They use the money they raise to create a secondary safety fund. With the funds that have been saved, each missionary that purchases their own technology or equipment will then get reimbursed with the money from the fund. Most of the missionaries get reimbursed within a year, roughly between \$7,000 and \$10,000. The only way they can receive reimbursements on their expenses is if they are approved as a qualifying expense by the IRS. If the missionaries can file these reimbursement forms within the time given, they can also be tax-exempt; but if they miss the deadline, it can become taxable income. It is also essential to consider that the amount of reimbursement will vary throughout time since some missionaries spend months, or even years in the field, which can cause those reimbursement amounts to fluctuate. The only time GEM provides for expenses is for full-time employees, which can include flights or other administrative related expenses which are covered through the company's general funds.

Customer Service

Customer service is an essential component of running a successful business. As mentioned in the book *Successful Business Plan Secrets & Strategies*, "Good customer service emphasizes developing an ongoing relationship with your customers" (Abrams, 2019, p. 192). As mentioned previously, GEM has two target markets: missionaries and donors. Both are centralized not only from a business standpoint but from a relationship point of view. The

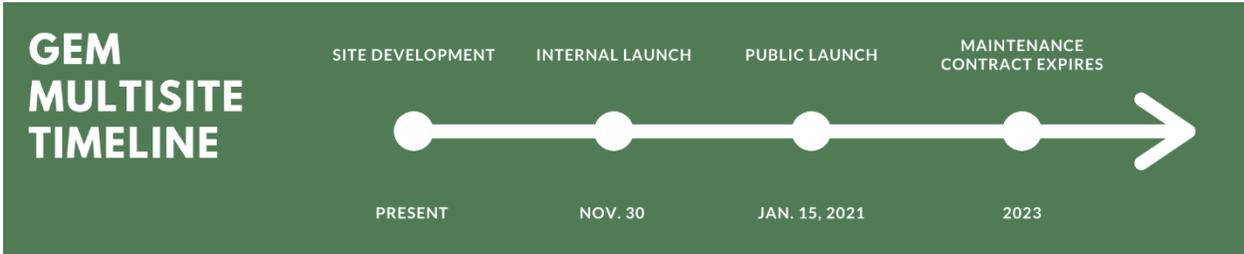
missionaries' customer service line is called Missionaries Services, which provides in-house, personal assistance with any problems they may encounter (J. Gilberts, personal communication, September 24, 2020). The missionary is connected to a sending center, where missionaries can contact the organization with any questions or concerns. This center is set up so that the missionary does not have to worry about any administrative issues and can focus on their ministry. Missionary Services also provides assistance with finances, such as getting cash in advance, reimbursements, and any other financial concerns. GEM also provides an IT service that helps the missionaries with any technical issues. The company's HR department is involved in making sure that the missionaries are aware of any benefits applied during their time as a missionary at GEM, and also ensures they are in healthy conditions when in their assigned stations.

The other primary audience that GEM focuses on providing care and assistance is to its donors, who are a massive part of the company's continuing success. The company's most significant concern for donors is making sure that there is a relationship in place, which hopefully develops into a long-term relationship. GEM relies on an outsourced organization called Tenfold BPO to take care of its finances (J. Gilberts, personal communication, September 24, 2020). Tenfold, which is known for helping non-profit Christian organizations with accounting services, has been connected with GEM for a very long time (Tenfold BPO, n.d.). Whenever a donor is having an issue or concern about giving, they can contact Tenfold BPO, who will address any complaints or problems on behalf of GEM and work to resolve the issue. If the issue is too complicated for Tenfold BPO to resolve, it will redirect the donor to speak with a representative at GEM (J. Gilberts, personal communication, September 24, 2020).

Implementation Timetables

GEM is currently working on developing a new website that will launch internally on November 30 and be available to the public on January 15 (C. Tweedy, personal communication, September 21, 2020). While undergoing its website refresh, the company is continuing to pursue new donors and support for the organization. One aspect which GEM is trying to adapt its business is a young adult’s perspective of its operations and performance. Being able to understand how the younger generation thinks will help the company adapt its marketing to be able to capture people either to send out into the field or be potential donors. The new website aims to provide easier access to service opportunities and highlight GEM’s various programs. One of GEM’s flagship programs for young adults, Ten2, is launching a new website this year independent from the company’s primary website to help recruit young people to join the organization (M. Taylor, personal communication, September 21, 2020).

Figure 10. GEM multisite timeline



(C. Tweedy, personal communication, September 21, 2020)

In 2019, GEM got involved to help reach the thousands of refugees that have fled to Europe mainly through the Greek islands (GEM, 2020). There are thousands of these refugees that are crammed into a refugee camp the size of a Walmart parking lot. These people are barely surviving and dealing with monumental issues daily. This past year, GEM has acted on this issue

and opened an outreach center where GEM missionaries can help these refugees and share the gospel with them. The company provide games, hot tea, and a peaceful environment that these people can enjoy. Since the center has been open, over 100 people have come to know Christ and have been baptized.

GEM is also currently in the process of creating new sending centers in Greece, Germany, and Kosovo (C. Tweedy, personal communication, September 3, 2020). These new centers exist in name only as of right now and are in the early stages of development. It is unknown when these centers will be completed.

Processes for Monitoring Progress

GEM's Key Performance Indicators are currently managed by the board of directors. They report on the company's performance three times a year and the report is discussed with the staff quarterly (J. Gilberts, personal communication, September 24, 2020). The importance of transparency to the staff is to show success or areas of improvement. These indicators usually take the form of a numeric report including dollar amounts and missionary support. GEM's main performance goal is to be able to place more missionaries out in the field (Greater Europe Mission, 2020a). GEM's quarterly performance reports are objective in the fact that they measure the numeric values. However, the overall subjective goal is to continue growing the number of missionaries it can implement in the field. To be able to support more missionaries, GEM must continue to increase income.

Financial Controls

GEM's finance and accounting department is outsourced. GEM currently use Financial Navigator, which is a software aimed to aid single family offices, multi-family offices, accounting firms, and high-net-worth individuals in their accounting and financial organization.

Along with Financial Navigator, GEM is currently subscribed to a few other services including Tenfold (J. Gilberts, personal communication, September 24, 2020). They provide customer communication and phone service integration. Salesforce is another software that is integrated with Tenfold that specializes in customer relationship management. They provide GEM with the ability to keep track of the customer data (Salesforce.com, n.d.). The combination of these subscription-based software programs provide GEM with a consistent and efficient financial and operational system.

The company's cash is controlled by the board of directors. They receive over \$20 million annually and have to allocate each dollar to a purpose. Missionaries have support accounts which get fed by GEM when reimbursement is appropriate (J. Gilberts, personal communication, September 24, 2020). Financial information such as account numbers and passwords are protected by a series of strategies and services. The company subscribes to Blackbaud, a company that provides technology to a myriad of organizations including numerous other non-profits. Blackbaud aims to promote social good within communities and does so by supporting organizations like GEM (Blackbaud, n.d.). Blackbaud's software provides GEM with a secure data storage for all the valued information. Blackbaud did have a data breach earlier in 2020, although GEM was not greatly affected by this issue (Anscombe, 2020).

In past years, GEM has cut out most third-party software who might sell the data stored on their servers, including Dropbox and Google Drive (J. Gilberts, personal communication, September 24, 2020). GEM does use Microsoft Office 365 for cloud storage and function ability. The company currently has two-party authentication implemented into the accounts to maintain security. GEM also discourage employees from storing company data on their private computers and devices. Doing so will cut down the risk of a data breach on sensitive information. GEM has

had only minor issues with fraud within the company, primarily stemming from untrustworthy employees who might not have been transparent. Minimizing fraudulent activity in a company and maximizing security can be the difference between a company flourishing or going under (Abrams, 2019). Since GEM has multiple facilities that are not just in the U.S., it must be thorough in the research on data security. The company must pay special attention when transferring funds and information across different countries because of the differences in privacy laws.

Other Information Regarding Operations

One of GEM's minor operation issues is the function of employees "wearing more than one hat" (J. Gilberts, personal communication, September 24, 2020). To some degree, it could be considered beneficial for the company because it minimizes unnecessary expenses and thus improves the net assets. However, if employees are stretched too thin, it can cause disfunction in the company as employees suffer from burnout. With more employees, the company would likely produce higher revenues and could grow faster.

Recommendations

GEM does an incredible job in handling day-to-day operations. One of the things that concerns the consulting team is that GEM appears to be understaffed. Even though the company has been able to accomplish its goals and perform everyday operations, there are staff members who have taken on other massive roles other than what they were hired to do. It might not seem like a significant issue concerning GEM's recent financial performance, but the amount of extra work that the staff has to take on to fulfill the company's needs will eventually add up. Even more concerning is the fact that key members of management are taking on responsibilities they should not be, such as the CFO, who is helping with marketing and web development. If key

members of management suffer from burnout, dramatic financial and organizational consequences could result. The consulting team recommends that GEM hire more staff.

However, with the anomaly of the pandemic, it might not be an ideal time.

Furthermore, GEM should ensure that its employees are correctly positioned within the company and understand their specific role. Conducting a thorough employee analysis will help determine the efficiency and cost of the current employees and which departments could use more employees.

Financial Plan

Financial Overview

The financial plan will discuss GEM's past and current financial performance through various metrics and provide projections as to what the company will look like over the next few years. Historical financial statements for 2018 and 2019 are provided with discussion and analysis of the statement of activities, financial position statements, and statements of cash flows. GEM is a non-profit and thus does not have a retained earnings statement, but a brief discussion on its net assets is included (Greater Europe Mission, 2019). The financial plan offers a theory on why non-profits are tax-exempt and guidelines on how GEM can keep its tax-exempt status. A thorough analysis of five key ratios will be provided, and the break-even point will be computed and discussed. The financial plan will also include three years of pro forma statement of activities, one year of pro forma statements of financial position, and four quarters of pro forma statements of cash flow. Finally, the consulting team will offer recommendations and other helpful notes.

GEM's primary source of revenue is from donor contributions. The company's contributions account has been growing over the past few years, although financial data from

2020 suggests that GEM's contributions decreased slightly (Greater Europe Mission, 2019). In 2019, contributions increased by \$2,002,459, which represents a 9.63% increase. The organization's most significant operating expense is its program services, which increased by \$384,996, or 2.3%, in 2019.

Total operating support and revenue increased by \$2,107,229 from 2018 to 2019 (Greater Europe Mission, 2019). GEM does not have a gross profit margin or a net profit margin because it is a non-profit. Most of its expenses are derived from its program services, which have increased but not significantly. Other costs include management and general activities as well as fundraising. These expenses also slightly increased. Management and general activities and fundraising rose by \$307,355 and \$268,277, respectively.

Liabilities have been trending upward, increasing by \$54,018 from 2018 to 2019 (Greater Europe Mission, 2019). While this increase is insignificant, GEM needs to ensure these values do not increase significantly over the years. Total current liabilities increased by \$96,584, and non-current liabilities decreased \$42,566. GEM's current assets increased by \$1,185,626 from 2018 to 2019. This increase is due to a significant increase of \$1,079,697 in the cash and cash equivalents accounts. Because of the drastic increase in current assets, the total assets also increased. Another significant fluctuation in the financial statements is the total operating support and revenue, which increased by \$2,107,229. The increase in operating support and revenue caused total net assets to grow. The net cash provided by operating activities was a negative \$296,544 in 2018 but was a positive \$1,266,031 in 2019 because of the increase in net assets. There are no projected net and gross profit margins because GEM is a non-profit organization.

Historical Financial Statements

Table 3. Consolidated statement of activities

	Greater Europe Mission and Affiliates	
	Consolidated Statement of Activities	
	For the year ended June 30, 2018	For the year ended June 30, 2019
Operating support and revenue		
Contributions	\$ 20,785,746	\$ 22,788,205
Camper registration fees	296,723	348,734
Investment income	65,955	8,115
Change in value of gift annuities	(5,404)	(970)
Other income	231,439	337,604
Total operating support and revenue	\$ 21,374,459	\$ 23,481,688
Expenses		
Program services	17,101,041	17,486,037
Supporting activities		
Management and general	2,216,919	2,524,274
Fundraising	2,138,287	2,406,564
Total expenses	21,456,247	22,416,875
Change in net assets from operations	(81,788)	1,064,813
Non-operating support and revenue		
Investment income	188,238	239,125
Change in value of deferred compensation of liability	105,893	1,704
Valuation adjustment on non-operating land and buildings	(30,698)	(30,698)
	263,433	210,131
Change in net assets	181,645	1,274,944
Net assets, beginning of year	13,448,453	13,630,098
Net assets, end of year	13,630,098	14,905,042

(Greater Europe Mission, 2019)

Consolidated statement of activities discussion and analysis.

Greater Europe Mission performed well in 2018 and 2019 concerning net assets. The company's net assets increased by \$1,274,944 in 2019 (Greater Europe Mission, 2019). This increase was primarily due to the radical change in the contributions, which are GEM's primary source of revenue. Because of the sizeable change in contributions, the change in net assets increased from a negative \$81,788 in 2018 to a positive \$1,064,813 in 2019.

The company's total revenue increased by \$2,107,229 from 2018 to 2019, representing a 9.86% increase. This increase was significant and has allowed the organization to perform

exceptionally well compared to its competitors. GEM's net assets increased by 9.35% year over year. The main reason for this increase is because of the 9.63% increase in contributions.

The most significant fluctuations are the contributions and the change in net assets from operations accounts. There are two main dubious classifications or interpretations: change in gift annuities and change in the value of deferred compensation of liability. Unfortunately, the company's audited financial report contains few notes about its financial statements. Since the organization is not legally required to file Form 990 because of its status as a church, it does not file this form (C. Tweedy, personal communication, October 9, 2020). A Form 990 document would provide further insights into the organization's specific accounts.

Net assets discussion and analysis.

Greater Europe Mission does not have a retained earnings statement as a non-profit, but it includes net assets in its statement of financial position (Greater Europe Mission, 2019). Net assets are classified into two categories: without donor restrictions and with donor restrictions. Net assets without donor restrictions decreased from \$6,945,078 in 2018 to \$6,895,624 in 2019, while net assets with donor restrictions increased from \$6,685,020 to \$8,009,418 during the same period (Greater Europe Mission, 2019). GEM allows donors to donate specifically to a certain missionary, which could explain why net assets with donor restrictions increased more than the account without donor restrictions. The organization uses this money only for the purposes the donor specifies.

Table 4. Consolidated statements of financial position

	Greater Europe Mission and Affiliates Consolidated Statements of Financial Position			
	As of June 30, 2018		As of June 30, 2019	
Assets				
Current assets				
Cash and cash equivalents	\$ 2,059,067		\$ 3,138,764	
Advances and other receivables	262,670		502,769	
Loans receivable - current portion	43,782		43,972	
Prepaid expense and other assets	660,640		547,463	
Amounts held for others	141,807	\$ 3,167,966	120,624	\$ 4,353,592
Non-current assets				
Loans receivable - net of current portion	157,655		113,228	
Investments	8,108,364		8,315,030	
Real estate held for investment	358,791		358,791	
Land, buildings, and equipment - net	3,788,110	12,412,920	3,769,207	12,556,256
Total assets		15,580,886		16,909,848
Liabilities and net assets				
Current liabilities				
Accounts payable and accrued expenses	392,824		508,049	
Deferred revenue	156,745		160,051	
Investments held for others	141,807		120,624	
Note payable - current portion	18,232		18,069	
Annuities payable - current portion	12,113		12,028	
Deferred compensation liability - current portion	61,860	783,581	61,344	880,165
Non-current liabilities				
Note payable - net of current portion	486,780		456,230	
Annuities payable - net of current portion	58,268		47,440	
Deferred compensation liability - net of current portion	622,159	1,167,207	620,971	1,124,641
Total liabilities		1,950,788		2,004,806
Net assets				
Without donor restrictions	6,945,078		6,895,624	
With donor restrictions	6,685,020	13,630,098	8,009,418	14,905,042
Total liabilities and net assets		15,580,886		16,909,848

(Greater Europe Mission, 2019)

Consolidated statements of financial position and analysis.

When considering the statements of financial position, GEM performed admirably. GEM has managed its assets and liabilities well. There is a positive trend in the financial position of the organization. Total assets outweigh the total liabilities by a significant amount, which suggests that the company can easily satisfy its debt obligations (Greater Europe Mission, 2019).

Current assets have increased by \$1,185,626, which is a 37.43% increase. This 37.43% growth was mainly caused by increases in the cash and cash equivalents and advances and other

receivables accounts. The cash and cash equivalents account and advances and other receivables account increased by \$1,079,697 and \$240,099, respectively (Greater Europe Mission, 2019).

The company's total assets increased by \$1,328,962, which is an increase of 8.53% (Greater Europe Mission, 2019). The significant factor that accounted for this change is the growth in current assets, particularly in the cash and cash equivalents account and the advances and other receivables. The total liabilities accrued an increase of \$54,018, which is a 2.77% increase. This increase resulted from the increase in current liabilities of \$96,584 and the decrease in non-current liabilities of \$42,566.

The net assets increased drastically, specifically the net assets with donor restrictions. Net assets with donor restrictions increased by \$1,274,944. Non-current liabilities decreased, which is beneficial because it indicates that note payables and annuities payable are reducing. There are no dubious classifications or accounts because all the charges on the financial position statements are significant and play an essential role in the company's performance (Greater Europe Mission, 2019).

Table 5. Consolidated statements of cash flows

	Greater Europe Mission and Affiliates	
	Consolidated Statements of Cash Flows	
	For the year ended June 30, 2018	For the year ended June 30, 2019
Cash flows from operating activities		
Change in net assets	\$ 181,645	\$ 1,274,944
Adjustments to reconcile net cash provided (used) by operating activities		
Depreciation	243,508	239,336
Reinvested dividends	(127,934)	(223,904)
Net realized and unrealized gains on investments	(60,305)	(15,220)
Change in value of gift annuities	5,404	970
Change in operating assets and liabilities		
Advances and other receivables	(75,485)	(240,099)
Other assets	(342,442)	113,177
Amounts held for others	12,401	21,183
Accounts payable and accrued expenses	(48,717)	115,225
Deferred revenue	33,675	3,306
Investments held for others	(12,401)	(21,183)
Deferred compensation liability	(105,893)	(1,704)
Net cash provided (used) by operating activities	<u>\$ (296,544)</u>	<u>\$ 1,266,031</u>
Cash flows from investing activities		
Purchases of investments	(500,265)	(146,477)
Proceeds from sales of investments	217,602	190,963
Purchases of land, buildings, and equipment	(116,282)	(220,433)
Loans issued and foreign currency valuation adjustment	(2,811)	3,710
Issuance of loans receivable	(58,048)	-
Collections of loans available	36,991	40,527
Net cash used by investing activities	<u>(422,813)</u>	<u>(131,710)</u>
Cash flows from financing activities		
Payments on note payable	(14,400)	(17,765)
Foreign currency valuation adjustment on note payable	13,312	(12,948)
Maturity of annuities	(190)	(11,883)
Face value of new annuities	5,000	-
Payments on annuities	(12,113)	(12,028)
Net cash used by financing activities	<u>(8,391)</u>	<u>(54,624)</u>
Net change in cash and cash equivalents	<u>(727,748)</u>	<u>1,079,697</u>
Cash and cash equivalents, beginning of year	<u>2,786,815</u>	<u>2,059,067</u>
Cash and cash equivalents, end of year	<u><u>2,059,067</u></u>	<u><u>3,138,764</u></u>
Supplemental disclosure		
Interest paid	17,430	8,233

(Greater Europe Mission, 2019)

Consolidated statements of cash flows discussion and analysis.

According to the statement of cash flows, the organization is relatively stable. As mentioned before, various accounts play a vital role in the organization's performance, one of them being the net cash provided by operating activities. GEM managed to improve this number from a negative \$296,544 to a positive \$1,266,031 (Greater Europe Mission, 2019). Another significant account that helped the organization perform well is the net change in cash and cash equivalents.

Net income does not tie out to the cash flow statement. However, change in net assets does tie out to the cash flow statement. Net income does not tie out to the cash flow statement because the company does not have net income due to the organization being a non-profit. The ending cash and cash equivalents balance does tie out to the balance sheet.

The net cash provided by operating activities increased from a negative \$296,544 to a positive \$1,266,031, which is an increase of \$1,562,575 (Greater Europe Mission, 2019). The net cash used by investing activities increased from a negative \$422,813 to a negative \$131,700. Net cash used by financing activities decreased from a negative \$8,391 to a negative \$54,624. The ending cash and cash equivalents account increased from \$2,059,067 to \$3,138,764, which represents a 52.44% increase. This percentage increase indicates that GEM is performing well and managing its cash flow well.

Tax Discussion and Analysis

GEM is a 501(c)(3) non-profit organization. The company does not offer any products or services taxed (M. Taylor, personal communication, September 21, 2020). There are several reasons why non-profits are not taxed, and a few will be mentioned in this section. Non-profit organizations, including hospitals, private schools, and homeless shelters, fill many of the needs

of local communities that the government would otherwise need to address (Maine Association of Nonprofits, n.d.). Additionally, even if the government wanted to tax non-profits, economists indicate that doing so would limit the effectiveness of non-profits to the extent that the taxes would harm local communities more than increased taxes would benefit them. Non-profits provide many benefits to communities and need to be put in the best position possible to succeed financially.

Non-profits must follow two major guidelines to retain their tax-exempt status. They must "be organized and operated exclusively for charitable, scientific, religious, or public safety purposes" (Morah, 2019). They also must distribute the entirety of their excess income to verified charities. GEM, a Christian mission organization, abides by both of these guidelines. As long as the company focuses on building Christ's church and manages its finances responsibly, it will remain a tax-exempt organization.

Ratio Analysis

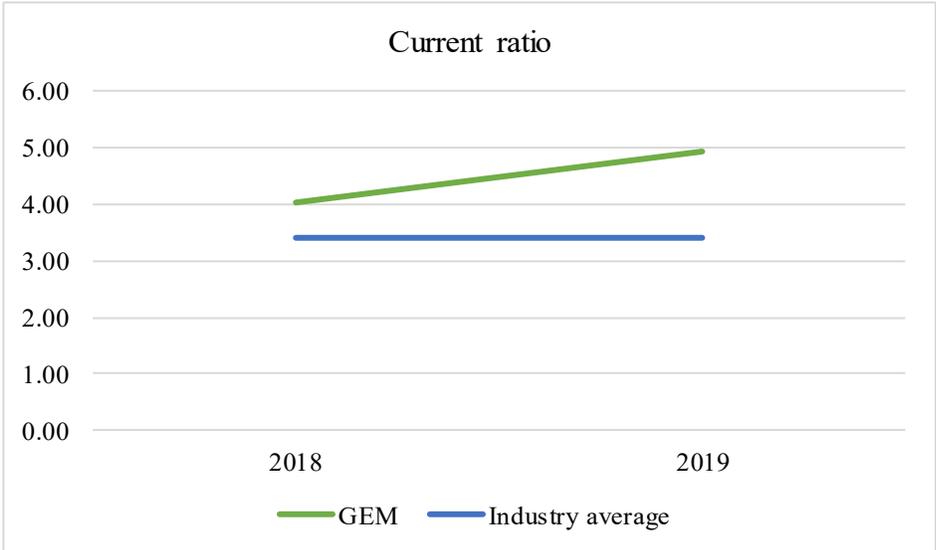
It is critical to compute and analyze a variety of financial ratios for several reasons. Ratios are often extremely simple to calculate but can provide valuable information about a company's overall financial health and how one financial account or category relates to another (Abrams, 2019). Most of the key ratios fall into one of four groups: liquidity, profitability, debt, and activity. Each group provides different information that can guide management on what courses of action the company should take to achieve financial success. Ratios are also an excellent comparison tool, as they are standard across nearly all industries and can be used to compare the current year to past years.

When considering GEM, the consulting team chose to compute and analyze five different ratios: the current ratio, operating reserve, net operating ratio, total assets turnover, and program

services ratio. The current and operating reserve ratios are both liquidity ratios that indicate how GEM would perform if donations decreased quickly. The net operating ratio was chosen over the more popular profit ratio because most of its revenue comes from operations, and its other revenues are less reliable. The total assets turnover and program services ratio are both activity ratios that show how efficient the organization is in carrying out its mission with its available resources.

Liquidity ratio.

Figure 10. Current ratio graph



(Greater Europe Mission, 2019)

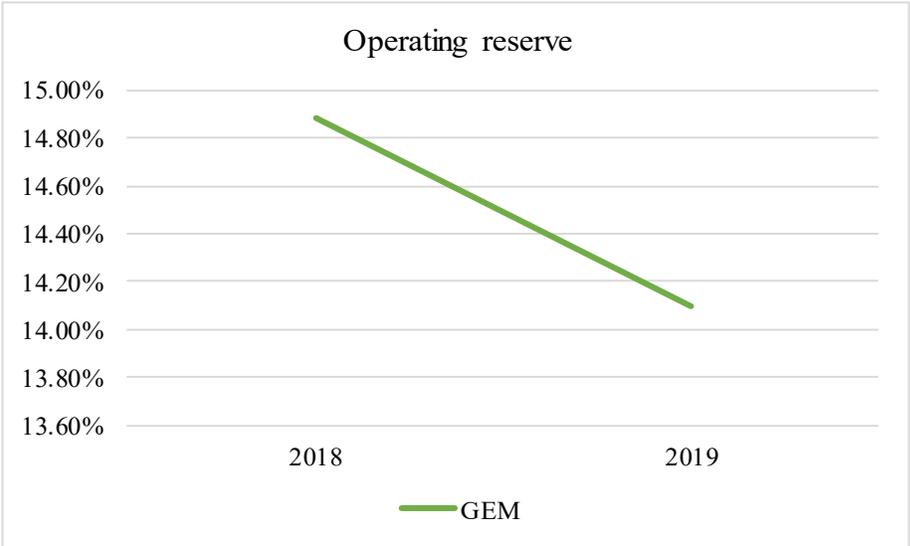
Table 6. Current ratio table

Current ratio		
	2018	2019
Current assets	\$ 3,167,966	\$ 4,353,592
Current liabilities	\$ 783,581	\$ 880,165
GEM	4.04	4.95
Industry average	3.40	3.40

(Greater Europe Mission, 2019)

Liquidity ratios indicate whether an organization can cover its current liabilities and if it has sufficient current assets to perform in the short-term *Successful Business Plan* defines the current ratio as “how capable the company is to cover short-term debts with short-term assets (Abrams 2019, p. 393).” The current ratio is found by dividing current assets by current liabilities. GEM’s current ratio increased from 4.04 in 2018 to 4.95 in 2019 (Greater Europe Mission, 2019). Current assets increased by 37.4% in 2019, while liabilities increased only 12.3%, which explains the significant increase in its current ratio. GEM’s current assets rose because of sizeable changes in two accounts: cash and cash equivalents and advances and other receivables. Cash and cash equivalents increased from \$2,059,067 in 2018 to \$3,138,764 in 2019, an increase of 52.4% year over year. Advances and other receivables rose from \$262,670 in 2018 to \$502,769 in 2019, an increase of 91.4% year over year. The company is easily outperforming the industry, particularly 2019, which beat the industry average by almost a point and a half. GEM only needs to maintain this ratio, as the company is currently well-positioned to cover its short-term debt.

Figure 11. Operating reserve graph



(Greater Europe Mission, 2019)

Table 7. Operating reserve table

Operating reserve		
	2018	2019
Net assets - net fixed assets	\$ 6,945,078 - \$ 3,788,110 = \$ 3,156,968	\$ 6,895,624 - \$ 3,769,207 = \$ 3,126,417
Annual expenses - amortization and depreciation	\$ 21,456,247 - \$ 243,508 = \$ 21,212,739	\$ 22,416,875 - \$ 239,336 = \$ 22,177,539
GEM	14.88%	14.10%
Industry average		

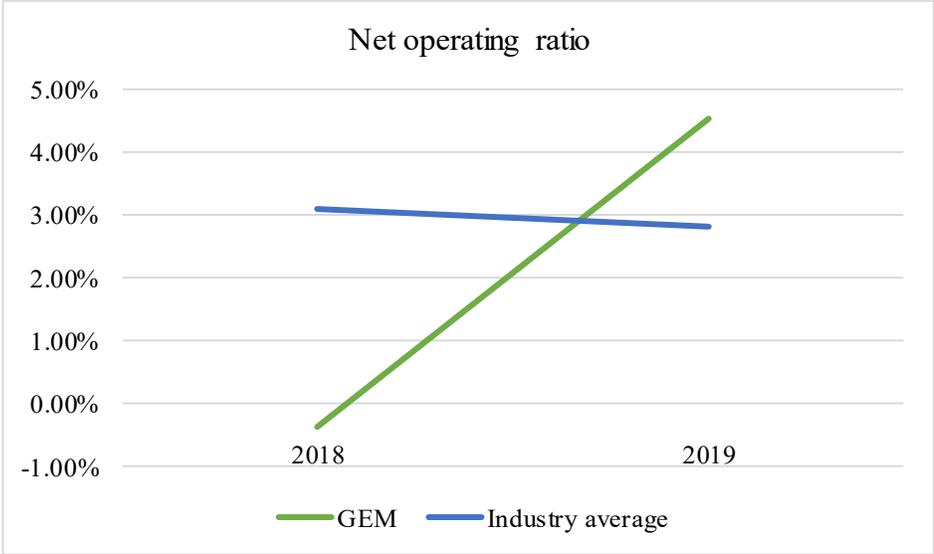
(Greater Europe Mission, 2019)

Paszkievicz defines the operating reserve ratio as a measure of “how long an entity can continue its operations without any revenue coming in to fund the operations” (2018, para. 4). This ratio is found by subtracting net fixed assets from unrestricted net assets and dividing the difference by annual expenses less amortization and depreciation. GEM’s operating reserve declined from 14.88% in 2018 to 14.10% in 2019. This decrease was primarily caused by the company’s \$49,454 drop-in unrestricted net assets in 2019. Net fixed assets and amortization and

depreciation did not change enough to have an impact on the ratio. While industry data was not available for the operating reserve ratio, the company’s 2019 figure of 14.10% translates to only 1.7 months of reserves. It is generally recommended that a non-profit keep a reserve of a minimum of three months (Frambes, 2019); therefore, GEM is underperforming concerning this ratio. While GEM most likely has stable streams of operating income due to its well-established donor base, the company needs to improve this ratio if an unexpected disaster occurs (C. Cross, personal communication, September 3, 2020). In 2018, less than half of the organization’s net assets were unrestricted. However, in 2019, 54% of its net assets were unrestricted, which indicates the company is not working to increase its operating reserves.

Profitability ratio.

Figure 12. Net operating ratio graph



(Greater Europe Mission, 2019)

Table 8. Net operating ratio table

Net operating ratio		
	2018	2019
Change in operating net assets	\$ (81,788)	\$ 1,064,813
Total revenue	\$ 21,374,459	\$ 23,481,688
GEM	-0.38%	4.53%
Industry average	3.10%	2.80%

(Greater Europe Mission, 2019)

Profitability ratios measure an organization’s ability to generate profit, or net assets for a non-profit, based on various financial categories, such as total assets, operating income, and equity (Abrams, 2019). According to Barnes-Dennig, a CPA firm, the net operating ratio figure indicates the efficiency of the organization’s use of operation funds (Frambes, 2019). This ratio is computed by dividing the change in operating net assets by total revenue. GEM’s net operating ratio rose from -0.38% in 2018 to 4.53% in 2019. The positive \$181,645 change in net assets in 2018 was primarily because of non-operating income and a significant adjustment in non-operating land and buildings’ value. In 2019, contributions jumped 9.6%, while operating expenses only increased by 2.3%. This increase resulted in a positive \$1,064,813 change in net assets from operations and an attractive net operating ratio of 4.53%, which was significantly greater than the industry average.

Based on data provided by CFO Chris Tweedy, GEM’s operating margin is expected to decline again in 2020. While the company is still awaiting audited financial statements for the year, it processed a total of \$22,133,816 in donations, yet recorded over \$24 million in expenses. However, Tweedy is not concerned with a potential decrease in net assets because it would primarily result from missionaries spending their allotted funds (Personal communication, October 6, 2020). The company has controls in place that prohibit missionaries from drawing

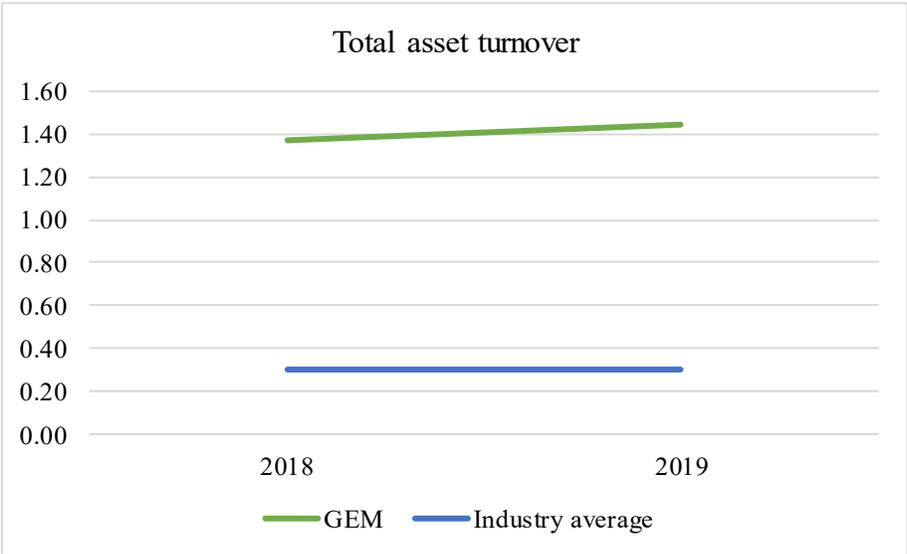
their restricted balances below zero. Thus, a negative net operating ratio should not be alarming because GEM’s financial controls keep the company’s risk at a minimum.

Debt ratio.

Debt ratios measure a company’s reliance on debt financing and its ability to leverage its operations (Abrams, 2019). GEM is financed primarily through its net assets. In 2019, liabilities represented only 11.9% of the company’s total assets. GEM only has one note payable on a building in Germany (C. Tweedy, personal communication, October 6, 2020). Thus, it does not make sense to compute any debt ratios because it does not utilize debt as other organizations do.

Activity ratio.

Figure 13. Total asset turnover graph



(Greater Europe Mission, 2019)

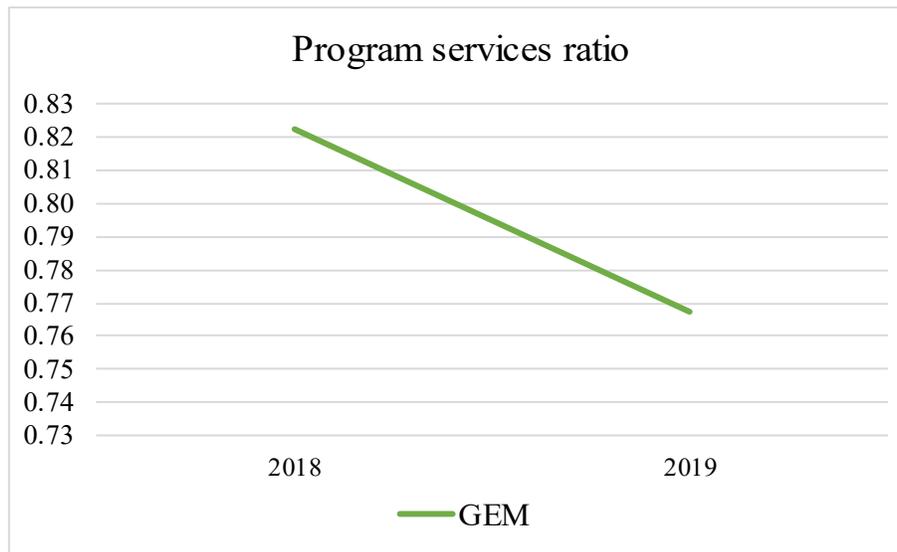
Table 9. Total asset turnover table

Total asset turnover		
	2018	2019
Total revenue	\$ 21,374,459	\$ 23,481,688
Average total assets	\$ 15,557,918	\$ 16,245,367
GEM	1.37	1.45
Industry average	0.30	0.30

(Greater Europe Mission, 2019)

Activity ratios highlight how efficient the organization utilizes its assets (Abrams, 2019). According to Investopedia, the total asset turnover ratio “helps investors understand how effectively companies are using their assets to generate sales” (Hayes, 2018, para.2). This ratio is found by dividing total revenue by average total assets. GEM’s total asset turnover ratio increased slightly from 1.37 in 2018 to 1.45 in 2019. Total revenue rose over \$2,000,000 in 2019, but it was almost entirely offset by a nearly \$700,000 increase in total assets the same year. As with most of the company’s other ratios, total asset turnover is trending positively. The industry average for both 2018 and 2019 was 0.3, which means that GEM’s total asset turnover is over four times the industry average in both years (Frambes, 2019). The company is using its assets extremely effectively and should strive to continue doing so.

Figure 14. Program services ratio graph



(Greater Europe Mission, 2019)

Table 10. Program services ratio table

Program services ratio		
	2018	2019
Program expenses	\$ 17,101,041	\$ 17,486,037
Total expenses	\$ 20,785,746	\$ 22,788,205
GEM	0.82	0.77
Industry average		

(Greater Europe Mission, 2019)

Paszkievicz indicates that the program services ratio “provides information on how much of an organization’s expenses are being spent on programs versus supporting services, such as management, general or fundraising expenses” (2018, para. 6). This ratio is computed by dividing program expenses by total expenses. GEM’s program services ratio decreased from 82% in 2018 to 77% in 2019. This decrease occurred because total expenses rose 9.6% from 2018 to 2019, while program expenses increased only 2.3% during the same period. GEM spent

relatively more on fundraising, primarily because of its annual donor event, which caused total expenses to rise much more than program expenses. There is no comparable industry data for the program services ratio, but a 90% ratio is generally considered a feasible goal for non-profits to reach (Frambes, 2019). While donors would like this ratio to be as close to 100% as possible, a company must also consider other spending areas that will sustain its operations long-term.

While GEM has not recently posted ratios close to 90%, the company is fulfilling its mission and using its funds appropriately based on the rest of the ratios mentioned in this paper. However, the organization has room to improve its program services ratio, but the consulting team has no knowledge of any plans to do so.

Break-Even Analysis

Table 11. Break-even analysis

Break-even Analysis				
Expense category	Total costs	Variable %	Variable costs	Fixed costs
Program services	\$ 17,486,037	0.95	\$ 16,611,735	\$ 874,302
Management and general	2,524,274	0.25	631,069	1,893,206
Fundraising	2,406,564	0.75	1,804,923	601,641
Total costs	22,416,875	0.85	19,047,727	3,369,148
				2,000,000 Annual fixed donations
				1,369,148 Net fixed costs
Net fixed costs	\$ 1,369,148	=	<u>\$ 7,250,833</u>	Break-even point (\$)
Contribution margin	0.19			
Revenues and support			\$ 23,481,688	
Variable cost			19,047,727	
Contribution margin (CM)			4,433,961	
CM ratio			0.19	
Net fixed costs			1,369,148	
Break-even				<u>\$ 7,250,833</u>

(Greater Europe Mission, 2019)

According to Abrams, the break-even point is where a company “is neither making a profit nor losing money; [the company has] just covered the cost of staying in business and

making [its] sales” (2019, p. 320). This concept applies to both for-profit and non-profit organizations, although the methodology of determining the break-even point for a non-profit like GEM is slightly different. As per financial information provided by GEM CFO Chris Tweedy, the average monthly donation is about \$166.81, although this figure changes depending on the time of year. It is nearly impossible to determine the average variable cost per donation. Thus, a different approach was used to determine the company’s contribution margin percentage. In 2019, the latest data available, GEM’s total revenues were \$23,481,688. The company’s total variable costs, which were \$19,047,727 in 2019 as computed in Table 11, were subtracted from its total revenues. This difference was \$4,433,961, resulting in a contribution margin of 19%.

A thorough analysis of the company’s expenses was conducted to calculate GEM’s fixed costs, as shown in Table 11. For each expense category, a variable cost percentage was determined. Program service expenses are an estimated 95% variable because they are related to the number of missionaries the organization utilizes and their expenses. Thus, if GEM employs fewer missionaries, almost all of its program service costs will evaporate. Management and general expenses are an estimated 25% primarily because these costs are not directly related to the company’s performance, particularly executive salaries. Finally, fundraising expenses are 75% variable for the same reason program services are, except that some fundraising events may require fixed assets and labor agreements.

Each expense category was then multiplied by the variable cost percentage to find the respective variable costs used to determine fixed costs. Variable costs totaled \$19,047,727 and fixed costs totaled \$3,369,148. From one perspective, most donations the organization receives are fixed because most donors set up reoccurring payments. However, because donors are not locked into a contractual agreement, most of GEM’s donations should be considered variable.

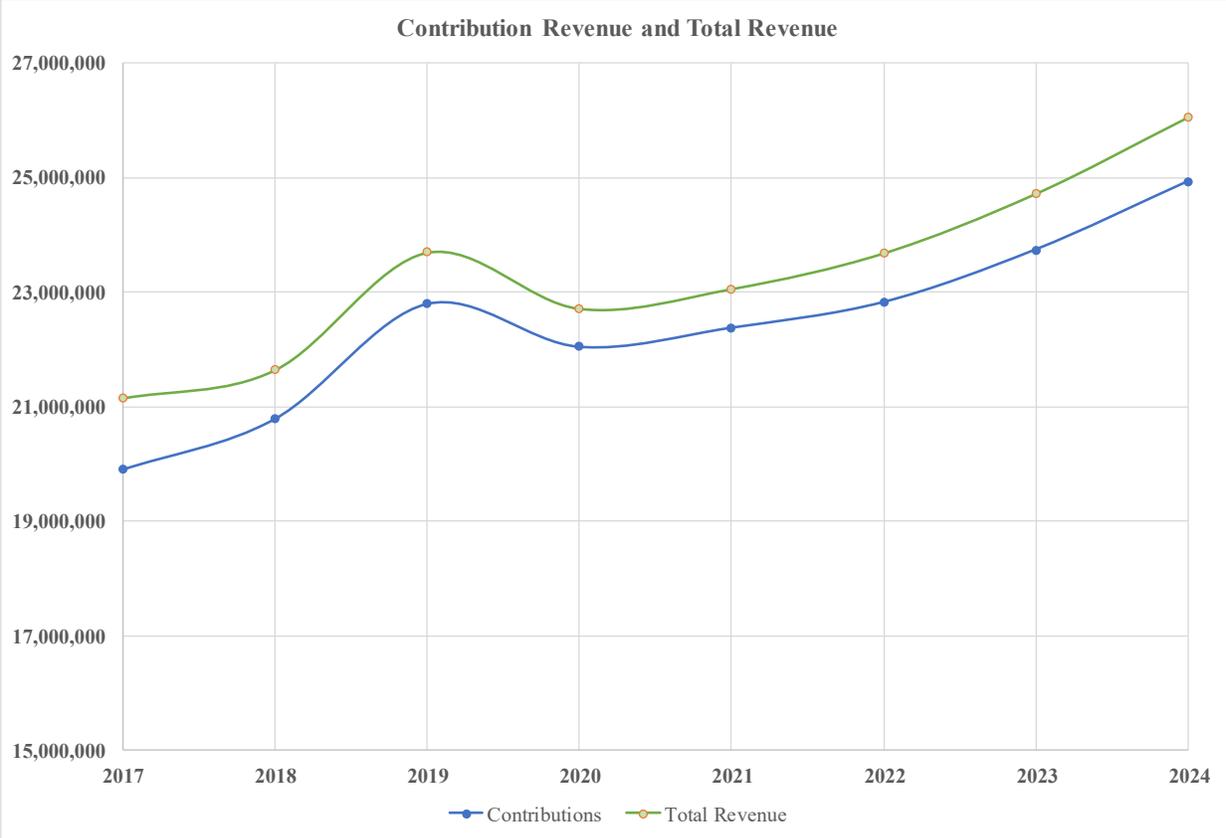
Last year, GEM's annual weekend donor event generated \$2,000,000 in fundraising commitments. That total will be considered fixed, which is a fair estimate because it represents only 8.8% of total contributions. Subtracting fixed donations from fixed costs results in \$1,369,148 in net fixed costs. The break-even point in dollars is found by dividing net fixed costs by the contribution margin. GEM's net fixed costs are \$1,369,148, and its contribution margin is 19%, which results in a break-even point of \$7,250,833.

Financial Statement Projections

Consolidated statement of activities assumptions.

Revenues and support forecast assumptions.

Figure 15. Projected contribution and total revenue



(Greater Europe Mission, 2019)

Figure 15 displays the historical and projected growth for both contribution and total revenue year over year. Non-contribution revenue includes camper registration fees, investment income, change in value of gift annuities, and other income. Because contributions comprise nearly all GEM’s revenue and are directly related to its mission and objectives, this section will focus on projecting contribution revenue as opposed to total revenue. The contribution forecast is based on the company’s 2018–2020 contribution numbers, factoring in the effects COVID-19

had on contributions for 2020 and 2021. The year of 2022 has a relatively low projected contribution number due to the recovery of COVID-19. However, moving into 2023 and 2024, contribution levels are projected to increase based on a near-complete recovery following the pandemic along with a 22% increase in the marketing budget in 2022 and a 5% increase in 2023. The increase in the marketing budget is expected to bring in more contribution revenue.

The annual industry growth rate for a religious organization is 1.5% (C. Tweedy, personal communication, October 9, 2020). GEM's anticipated growth rate is \$500,000 annually, which would represent about a 2.1% increase based on 2019 revenue figures. GEM's revenue grew about 8.7% from 2018 to 2019. Despite the COVID-19 pandemic, the company only experienced a 3.2% decrease in contributions from 2019–2020. In 2021, contributions are projected to increase at the industry rate of 1.5 percent. In 2022, they are projected to increase 2%, about the same rate as the company desires. However, contribution revenue numbers in 2023 and 2024 will benefit from new marketing strategies and are projected to rise by 4% and 5%, respectively.

GEM's contribution trend line has consistently risen. (Greater Europe Mission, 2019) While taking a slight dip due to COVID, it is expected to jump back on track and increase in the projected three years. Total support and revenue will climb from a projected \$23,895,465 in 2022 to \$26,277,173 in the last projected year of 2024. That is a 9% revenue growth from 2022 to 2024.

From 2018 to 2019, GEM's other income increased by 46%. This change was due to an increase in rent income from GEM's sending center building in Colorado. This increase is not expected to be as large in future years, so the consulting team projected that other income would

increase 40% in 2022 but then increase only 20% in both 2023 and 2024 (C. Tweedy, personal communication, October 27, 2020).

Change in net assets discussion and analysis

Costs are steadily rising with contributions because GEM's goal is to support missionaries. GEM budgets in a certain amount of missionary support that its revenues can support. If the revenues increase, the company would be able to support more, increasing its program services expenses. Management and general expenses are not projected to increase a significant amount because its number is not directly correlated with contribution revenue. Fundraising expenses is projected to increase by 8% because of implementing the revised marketing budget. The majority of GEM's expenses are projected to be linear as with past years. A benefit of Microsoft Excel is that GEM can change percentages or numbers, and the spreadsheet is formulated to account for the inputs. GEM technically has a zero-based budget; however, it wisely has positive net income when possible to prepare for future events (C. Tweedy, personal communication, October 6, 2020).

In 2019, GEM spent approximately \$1,000,000 on marketing, which can be broken down as follows: \$490,000 for its annual donor event, \$345,000 for online marketing and mobilization, \$120,000 for print and email marketing, and \$45,000 for the VP of Engagement to use (C. Tweedy, personal communication, September 21, 2020). As per the marketing budget prepared by the consulting team, more funds will be set aside for the annual donor event in 2022 and 2023 because of its success in 2019. Online marketing and mobilization costs will increase significantly in 2022 because of costs related to GEM's new website but will fall in 2023. Less funds will be used on print and email marketing so that the company can prioritize the other marketing categories listed previously. Finally, the funds allotted to the VP of Engagement,

Charles Cross, will be increased to provide him with the resources he needs to secure new donors.

The marketing budget is reflected in the pro forma statement of activities in two expense categories: program services and fundraising. The increases in marketing for annual donor event and Cross's budget were added to the fundraising category, which explains why it is projected to increase at least 8% and 9% in 2022 and 2023, respectively, when contributions are only expected to increase 2% and 4% in those years. The changes in online marketing and mobilization and print and email marketing are reflected in the program services account. The increases in the marketing budget are expected to increase contribution growth from 2% in 2022 to 4% and 5% in 2023 and 2024, respectively.

Depreciation is affected by the current and long-term assets. The depreciable basis is based on projections of revenue and current and long-term assets. Depreciation is expected to parallel the increase of those assets. GEM's gross revenue margin for the year 2022 is 0.85% while still recovering from the poor economic conditions in 2020. However, gross revenue is projected to increase 4% and 5% in 2023 and 2024, respectively. GEM has shown substantial growth historically and is projected to recover from the struggling 2020 year with ease (Greater Europe Mission, 2019). A contributing factor that will set the company up for success in future years is its low debt. The company's low debt during difficult years ensure that its expenses will not tower over its slightly declined revenue.

GEM's net revenue for 2022 is projected to be \$499,193 which is down 60.85% from the previous year due to the recovery period for COVID and increased expenses. For the year 2023, net revenue is projected to increase 6.45% year over year to \$531,385 with better economic

conditions and with the effects of new marketing strategies. In 2024, the company's net revenue margin is projected to be 6.24%, continuing the company's growth.

Table 12. Pro forma consolidated statement of activities for 2022

	% Growth 2022	% of Sales 2022	Greater Europe Mission and Affiliates Pro Forma Statement of Activities For the Year Ended June 30, 2022
Operating support and revenue			
Contributions	2%	96%	\$ 22,823,479
Camper registration fees	8%	2%	376,633
Investment income	8%	0%	8,764
Change in value of gift annuities	0%	0%	(970)
Other income	40%	2%	472,646
Total operating support and revenue	1%	100%	\$ 23,680,552
Expenses			
Program services	5%	77%	18,272,909
Supporting activities			
Management and general	0%	11%	2,524,274
Fundraising	8%	11%	2,599,089
Total Expenses	4%	99%	23,396,272
Change in net assets from operations	-73%	1%	284,280
Non-operating support and revenue			
Investment income	2%	1%	243,908
Change in value of deferred compensation of liability	0%	0%	1,704
Valuation adjustment on non-operating land and building	0%	0%	(30,698)
Total non-operating support and revenue	2%	1%	214,914
Change in net assets	-61%	2%	499,193

(Greater Europe Mission, 2019)

Table 13. Pro forma consolidated statement of activities for 2023

	% Growth 2023	% of Sales 2023	Greater Europe Mission and Affiliates Pro Forma Statement of Activities For the Year Ended June 30, 2023
Operating support and revenue			
Contributions	4%	96%	\$ 23,736,418
Camper registration fees	8%	2%	406,763
Investment income	8%	0%	9,465
Change in value of gift annuities	0%	0%	(970)
Other income	20%	2%	567,175
Total operating support and revenue	4%	100%	\$ 24,718,852
Expenses			
Program services	4%	77%	18,949,006
Supporting activities			
Management and general	4%	11%	2,625,245
Fundraising	9%	11%	2,833,007
Total Expenses	4%	99%	24,407,258
Change in net assets from operations	10%	1%	311,593
Non-operating support and revenue			
Investment income	2%	1%	248,786
Change in value of deferred compensation of liability	0%	0%	1,704
Valuation adjustment on non-operating land and building	0%	0%	(30,698)
Total non-operating support and revenue	2%	1%	219,792
Change in net assets	6%	2%	531,385

(Greater Europe Mission, 2019)

Table 14. Pro forma consolidated statement of activities for 2024

	% Growth 2024	% of Sales 2024	Greater Europe Mission and Affiliates Pro Forma Statement of Activities For the Year Ended June 30, 2024
Operating support and revenue			
Contributions	5%	96%	\$ 24,923,239
Camper registration fees	8%	2%	439,304
Investment income	8%	0%	10,223
Change in value of gift annuities	0%	0%	(970)
Other income	20%	3%	680,610
Total operating support and revenue	5%	100%	\$ 26,052,406
Expenses			
Program services	5%	76%	19,896,457
Supporting activities			
Management and general	5%	11%	2,756,507
Fundraising	8%	12%	3,059,648
Total Expenses	5%	99%	25,712,612
Change in net assets from operations	9%	1%	339,794
Non-operating support and revenue			
Investment income	2%	1%	253,761
Change in value of deferred compensation of liability	0%	0%	1,704
Valuation adjustment on non-operating land and buildings	0%	0%	(30,698)
Total non-operating support and revenue	2%	1%	224,767
Change in net assets	6%	2%	564,562

(Greater Europe Mission, 2019)

Change in net assets assumptions.

GEM's net assets are rising at a consistent 6% over the next three years. Being a non-profit organization, GEM holds net assets on its financial statements for future savings or to protect against an anomaly year like 2020. If GEM continues to have positive years and produces more net assets, the company will be able to incorporate more program services to support more missionaries.

Consolidated statement of financial position assumptions.

GEM's revenue growth is not directly determined by the assets it purchases, being a ministry organization. It relies on donations and contributions to increase its revenue. Thus, increasing its marketing budget will project an increase in contributions. Also, lowering its management and general expenses will provide GEM with higher net assets or the ability to allocate more to program services.

Property, plant, and equipment should not significantly increase with sales because they are not directly correlated. Unless GEM decides it needs to restructure its fixed assets, the assets should not fluctuate drastically. As GEM grows into the projections, the company potentially would need to add to its fixed assets to accommodate its growth.

GEM does not have many accounts receivables on its books. The company has about \$44,000 in its "loans receivable" account as of 2019 (Greater Europe Mission, 2019). The loans receivables are projected to increase by about 1% due to the nature of its organization. Its revenue contains mostly cash because donations are usually made in cash form. The inventory it holds only consists of t-shirts and other promotional items. Those costs are not specified in the financials because it would be immaterial

GEM's liabilities consist of the accounts payable and accrued expenses account, which hold 57.7% of its current liabilities in 2019 (Greater Europe Mission, 2019). That number is projected to increase by 10% each year. GEM does have one note payable for a building it is currently paying off. The balance of the note payable account is \$456,230 as of 2019. This figure is projected to decrease 3% annually with the owed amount of the building decreasing. GEM does not need to draw on a line of credit at the moment. Taking on more debt than what is necessary could risk the overall financial health of the company. Its risk is low and would not need to leverage debt because GEM's revenue does not reflect its debt. If GEM does consistently have negative years, it would be able to draw on its line of credit or cut expenses until recovery.

Table 15. Pro forma statement of financial position for 2022

	% Growth 2022	Greater Europe Mission and Affiliates Consolidated Statements of Financial Position As of June 30, 2022	
Assets			
Current assets			
Cash and cash equivalents	6%	\$3,327,090	
Advances and other receivables	8%	542,991	
Loans receivable - current portion	1%	44,192	
Prepaid expense and other assets	0%	547,463	
Amounts held for others	0%	<u>120,624</u>	\$4,582,359
Non-current assets			
Loans receivable - net of current portion	-8%	104,170	
Investments	4%	8,647,631	
Real estate held for investment	0%	358,791	
Land, buildings, and equipment - net	-1%	<u>3,750,361</u>	<u>12,860,953</u>
Total assets	3%		17,443,312
Liabilities and net assets			
Current liabilities			
Accounts payable and accrued expenses	10%	560,316	
Deferred revenue	2%	163,252	
Investments held for others	0%	120,624	
Note payable - current portion	-1%	17,888	
Annuities payable - current portion	-1%	11,908	
Deferred compensation liability - current portion	-1%	<u>61,037</u>	935,025
Non-current liabilities			
Note payable - net of current portion	-3%	443,456	
Annuities payable - net of current portion	-10%	42,696	
Deferred compensation liability - net of current portion	-1%	<u>617,866</u>	<u>1,104,018</u>
Total liabilities	2%		2,039,043
Net assets			
Without donor restrictions	0%	6,895,624	
With donor restrictions	6%	<u>8,508,645</u>	<u>15,404,269</u>
Total liabilities and net assets			<u><u>17,443,312</u></u>

(Greater Europe Mission, 2019)

Quarterly consolidated statements of cash flows assumptions.

The company's financials, which are audited by Capin Crouse, do include some important notes concerning specific accounts, but there are not very many of them. The consulting team used relevant notes from the audited financials, the change in net assets from the pro forma statement of activities, and the current asset and liability accounts from the pro forma statements of financial position to project the company's cash flows for the four quarters of fiscal year 2022. Additionally, relevant notes from the audited financials were reviewed to construct the pro forma statements of cash flows.

The major change to the cash flow statement is the projected change in net assets. With the organization getting back to its familiar contribution totals, the change in net assets is slightly down for the projected year, but is expected to increase. When revenue and net assets increase, there should be an increase in the purchases of investments account on the cash flow from the available cash.

The financing of long-term debt mostly relates to GEM's note payable on a building it is currently paying off. GEM's cash flow is affected by seasonality mainly in the months of November and December. GEM sees a noticeable increase in contributions during this time mainly due to corporations and individuals looking for tax deductions near the end of the year.

Table 16. Pro forma statement of cash flows for the second half of 2021

	Greater Europe Mission and Affiliates	
	Quarterly Statements of Cash Flows	
	For the Quarters Ended as Noted Below	
	July—September, 2021	October—December, 2021
Cash flows from operating activities		
Change in net assets	\$ 118,958	\$ 142,270
Adjustments to reconcile net cash provided (used) by operating activities		
Depreciation	58,936	58,936
Reinvested dividends	(55,976)	(55,976)
Net realized and unrealized gains on investments	(3,805)	(3,805)
Change in value of gift annuities	243	243
Change in operating assets and liabilities		
Advances and other receivables	(10,055)	(10,055)
Other assets	-	-
Amounts held for others	-	-
Accounts payable and accrued expenses	13,067	13,067
Deferred revenue	800	800
Investments held for others	-	-
Deferred compensation liability	(77)	(77)
Net cash provided (used) by operating activities	\$ 122,091	\$ 145,403
Cash flows from investing activities		
Purchases of investments	(75,000)	(75,000)
Proceeds from sales of investments	47,741	47,741
Purchases of land, buildings, and equipment	(55,108)	(55,108)
Loans issued and foreign currency valuation adjustment	-	-
Issuance of loans receivable	-	-
Collections of loans available	11,000	11,750
Net cash used by investing activities	(71,368)	(70,618)
Cash flows from financing activities		
Payments on note payable	(4,500)	(4,625)
Foreign currency valuation adjustment on note payable	-	-
Maturity of annuities	(2,971)	(2,971)
Face value of new annuities	-	-
Payments on annuities	(3,007)	(3,007)
Net cash used by financing activities	(10,478)	(10,603)
Net change in cash and cash equivalents	40,245	64,183
Cash and cash equivalents, beginning of year	3,138,764	3,179,009
Cash and cash equivalents, end of year	<u>3,179,009</u>	<u>3,243,192</u>
Supplemental disclosure		
Interest paid	8,233	8,233

(Greater Europe Mission, 2019)

Table 17. Pro forma statement of cash flows for the first half of 2022

	Greater Europe Mission and Affiliates	
	Quarterly Statements of Cash Flows	
	For the Quarters Ended as Noted Below	
	January—March, 2022	April—June, 2022
Cash flows from operating activities		
Change in net assets	\$ 118,958	\$ 118,958
Adjustments to reconcile net cash provided (used) by operating activities		
Depreciation	58,936	58,936
Reinvested dividends	(55,976)	(55,976)
Net realized and unrealized gains on investments	(3,805)	(3,805)
Change in value of gift annuities	243	243
Change in operating assets and liabilities		
Advances and other receivables	(10,055)	(10,055)
Other assets	-	-
Amounts held for others	-	-
Accounts payable and accrued expenses	13,067	13,067
Deferred revenue	800	800
Investments held for others	-	-
Deferred compensation liability	(77)	(77)
Net cash provided (used) by operating activities	\$ 122,091	\$ 122,091
Cash flows from investing activities		
Purchases of investments	(75,000)	(75,000)
Proceeds from sales of investments	47,741	47,741
Purchases of land, buildings, and equipment	(55,108)	(55,108)
Loans issued and foreign currency valuation adjustment	-	-
Issuance of loans receivable	-	-
Collections of loans available	12,500	13,532
Net cash used by investing activities	(69,868)	(68,836)
Cash flows from financing activities		
Payments on note payable	(4,750)	(4,875)
Foreign currency valuation adjustment on note payable	-	-
Maturity of annuities	(2,971)	(2,971)
Face value of new annuities	-	-
Payments on annuities	(3,007)	(3,007)
Net cash used by financing activities	(10,728)	(10,853)
Net change in cash and cash equivalents	41,495	42,402
Cash and cash equivalents, beginning of year	3,243,192	3,284,688
Cash and cash equivalents, end of year	<u>3,284,688</u>	<u>3,327,090</u>
Supplemental disclosure		
Interest paid	8,233	8,233

(Greater Europe Mission, 2019)

Recommendations

While GEM is not required by law to file the IRS Form 990, some donors would probably like to see more detailed information about the company, and this form would provide that. While it is certainly possible that GEM privately shares this information with its donors, the organization would also benefit from filing the Form 990 so that the public and future donors can more easily access company information. Filing this form also provides an extra measure of accountability for the organization and further ensures donors that funds are being used for their intended purposes.

GEM could look into allocating more funds towards paying off its notes payable account to save money on interest. The company could consider consolidating as its revenues increase over the next few years. If GEM increases its marketing budget and allocates more money for fundraising, its revenues should increase, providing an opportunity to pay off some of its note payable.

Program ratios are vital in measuring the organization's performance. GEM should look to improve its program services ratio because, while it is evident that the company is carrying out its mission, this ratio could still be higher. GEM's program services ratio dipped below 80% in 2019, and as mentioned previously in this paper, donors like to see this ratio as close to 100% as possible. If the company improved its program services ratio even slightly, it may win over more reluctant donors. The company's low operating reserve is also concerning, although the risk this ratio suggests is partially mitigated by the company's strict policies on missionary account balances.

It is not necessary for GEM to reclassify any of its accounts, simply because it is not practical for the organization to do so. While many of the company's accounts are ambiguous or

obscure, it is important to note that the organization's financial statements are consolidated.

While the Form 990 would provide valuable information to donors, the audited financials do not cover similar information. According to CFO Chris Tweedy, GEM itself does not use the audited financials at all (personal communication, October 6, 2020). If the audited financial statements provide no benefit for neither the company nor potential donors, it does not make sense to reclassify any accounts.

GEM only has one note that carries an interest rate of 1.7%, and the organization does not plan to acquire any more notes in the near future (C. Tweedy, personal communication, October 6, 2020). Decreasing this interest rate may be challenging, but there are multiple organizations to choose from when taking out a loan. GEM needs to find the organization with the lowest interest rates. Instead of going to the bank first, the company should consider taking a loan from either community foundations, board members, or government bonds. These organizations charge low interest rates, and in some cases, no interest at all.

Summary of Recommendations

Company Description

- Build out discipleship programs and focus on training and equipping missionaries to disciple locals in GEM's focus cities

Industry Analysis

- Focus on recruiting European-based missionaries and consider prioritizing them over American-based missionaries because of knowledge of language and culture
- Look for more partnerships with other churches and mission organizations to expand pool of potential missionary recruits
- Hold off on expanding into Eastern Europe, Asia, and North Africa for at least a few years and instead focus on further establishing presence in Western Europe where there is a great need for Christian missionaries

Marketing Plan

- Invest more heavily in donor retreat and consider splitting the annual retreat into two separate events to accommodate more people and incorporate another location
- Focus on making high quality testimony videos and articles that can be shared frequently on multiple platforms on a consistent basis
- Ensure that content and design across all social media platforms and accounts is consistent and that these accounts are updated more frequently
- Partner with university mission programs and participate in site visits to inform students and prospective missionaries about GEM's service opportunities and internships
- Work on building a brand identity and consider updating the company logo to better reflect what the company is
- Establish a marketing team and clearly designate roles among employees so that every area of marketing, such as social media, content creation, missionary recruitment, and donor contact, are headed by employees that can focus on those areas without having to handle too many other responsibilities within the company
- Educate the general public about service opportunities and programs and make this information easily accessible on GEM's website and social media accounts so that those interested do not have to contact the company to find important details

Operations Plan

- Consider hiring more staff or finding ways to reduce responsibilities for key management employees to protect against burnout and adverse performance
- Conduct an employee analysis to determine best roles for each employee since GEM utilizes less staff than for-profit organizations

Management Plan

- Seek input from younger people that may have different perspectives on how to carry out GEM's mission, particularly in recruiting young missionaries
- Avoid giving too much responsibility to management to ensure they can sustain their levels of performance
- Clearly define power structure and ensure that boundaries are established concerning employee relationships to maintain professionalism

Financial Plan

- File an IRS Form 990 to provide more financial accountability and maintain transparency with donors and those interested in how GEM is using donor funds
- Consider allocating more funds to pay off note payable earlier and save money on interest
- Improve program services ratio to win over reluctant donors and take a closer look at operating reserve ratio to ensure the company is not in financial danger
- Do not spend time reclassifying any accounts in the GEM's audited financials because neither the company nor donors use these financials to make decisions Look for low interest rates from community foundations, board members, or government bonds before going to the bank if another loan is needed in the future

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Appendix A

Confidentiality Agreement

CONFIDENTIALITY AGREEMENT

Printed Name of Signers:

Neilson Pettingell Jonathan Pride
 Drishana Pillay Justice Davenport Jorge Barrientos
 Vauntez Purnell Vinicius Oliveira

During the course of our study in providing services in improving the business plan for Greater Europe Mission, located in Monument, CO, to partly fulfill the requirements for my Senior Paper, I will have access to information, which is confidential and should not be disclosed. I acknowledge that the information must remain confidential, and that improper disclosure of confidential information can be damaging to the participants. This agreement shall be governed by the laws of Oklahoma.

By signing this Confidentiality Agreement I acknowledge and agree that:

1. I will not disclose or discuss any confidential information with others, including friends or family.
2. I will not in any way divulge, copy, release, sell, loan, alter or destroy any confidential information except as properly authorized.
3. I will not discuss confidential information where others can overhear the conversation. I understand that it is not acceptable to discuss confidential information even if the participant's name is not used.
4. I will not make any unauthorized transmissions, inquiries, modification, or purging of confidential information.
5. I agree that my obligations under this agreement will continue after termination of the job that I will perform.
6. I understand that violation of this agreement will have legal implications.
7. I will only access or use systems or devices I'm officially authorized to access, and I will not demonstrate the operation or function of systems or devices to unauthorized individuals.
8. I will delete all project related information from my personal computer and cloud storage drive at the end of the course.

Signing this document, I acknowledge that I have read the agreement and I agree to comply with all the terms and conditions stated above.

Signature: <u>Neilson Pettingell</u>	Date: 9/1/2020
Signature: <u>Drishana Pillay</u>	Date: 9/1/2020
Signature: <u>Jonathan Pride</u>	Date: 9/1/2020
Signature: <u>Jorge Barrientos</u>	Date: 9/1/2020
Signature: <u>Vauntez Purnell</u>	Date: 9/1/2020
Signature: <u>Vinicius Oliveira</u>	Date: 9/1/2020

Appendix B

Key Members of Management Detail

In late 2015, Greater Europe Mission introduced a new CEO, Jon Burns, who began his position on January 1, 2016. Jon previously started a non-profit called Lionsraw. Lionsraw focuses on serving local communities through soccer. In 2014, Burns was awarded the CNN Hero Award and received a British Metal in 2015 (Greater Europe Mission, 2020b). Burns is currently living in North Dallas with his family and continues to develop a passion to spread the gospel through growing disciples of Jesus Christ (C. Cross, personal communication, September 3, 2020).

The current CFO of Greater Europe Mission is Chris Tweedy. Tweedy has lived in Germany with his family for the last 18 years but is currently stationed in Los Angeles for the year. Tweedy graduated with a business degree and completed his CPA. He worked as a public accountant for Arthur Anderson and then transitioned to Pricewaterhouse Coopers (PwC) for a few years, where he served in a managerial role. In 2002, Tweedy joined Greater Europe Mission to work on the company's financial system in Europe. He then assisted in renovating GEM's European headquarters before becoming the corporation's CFO about five years ago (C. Tweedy, personal communication, September 3, 2020). Throughout his career, Tweedy has been able to equip himself with several skill sets.

Executive Charles Cross is the Vice President of Engagement for Greater Europe Mission (C. Cross, personal communication, September 3, 2020). He currently resides in Houston but has lived in several different locations throughout the United States and has served in France for 20 years. Cross attended the University of Baylor. After graduating, he worked for Arthur Anderson Consulting for 10 years before joining Greater Europe Mission, where he has worked for the last 23 years. His primary role with the company is to secure funds for the entity.

Through connection and new leads, Cross has been able to help Greater Europe Mission raise significant funds in the last several years.

Figure 16. US board members

<u>US BOARD MEMBERS</u>	
Dr. Robert Bugh	Board Chairman <i>GEM Senior Pastor, Wheaton Bible Church</i>
Mr. Joe Armes	Chairman <i>President & CEO, CSW Industrials</i>
Rev. Jon Burns	President & CEO , <i>GEM</i>
Mrs. Emily Firnstahl	Speaker/Secretary , <i>Stonecroft</i>
MR. Corey Grindal Sr.	Sr. Vice President , <i>Gas Supply and Trading, Cheniere Energy Inc.</i>
Mr. Carl Hefton	Managing Director , <i>Six Pillars Partners</i>
Mr. Greg Ladd	Vice President of Sales , <i>Reltio, Inc.</i>
Mr. David Laube	Executive In Residence , <i>University of Colorado-Denver, School of Business</i>
Mr. Duane Martin	Facilitator , <i>Sales and Leadership Development, IBM</i>
Mrs. Sarah Robins	VP of Sales & Client Relations , <i>Vanderbloemen</i>
Mr. Eric Wakeling	Senior Pastor , <i>Calvary Church Of Santa Ana</i>
<u>INTERNATIONAL BOARD MEMBERS</u>	
Dr. Robert Bugh	Board Chairman <i>GEM Senior Pastor, Wheaton Bible Church</i>
Mr. Joe Armes	Chairman <i>President & CEO, CSW Industrials</i>
Rev. Jon Burns	President & CEO , <i>GEM</i>
Mrs. Emily Firnstahl	Speaker/Secretary , <i>Stonecroft</i>
MR. Corey Grindal Sr.	Sr. Vice President , <i>Gas Supply and Trading, Cheniere Energy Inc.</i>
Mr. Carl Hefton	Managing Director , <i>Six Pillars Partners</i>
Mr. David Laube	Executive In Residence , <i>University of Colorado-Denver, School of Business</i>
Mr. Duane Martin	Facilitator , <i>Sales and Leadership Development, IBM</i>
Mr. Karl Martin	International Speaker & Executive Leadership Development Coach
Mr. Dave Norton	GEM Canada Board Chairman

(Greater Europe Mission, 2020)