



CASE STUDY

Developing a Sustainable Business Model



Client Profile

The Committee of Seventy is a non-partisan, nonprofit organization fighting for effective and efficient government in Philadelphia. Committee of Seventy was founded in 1904 by prominent business leaders and attorneys in Philadelphia who were fighting for civic reform in an otherwise corrupt political system. Throughout its history the organization has focused primarily on elections within the city, however, in recent years it has begun to shift its focus to current political issues.

The Project

Committee of Seventy engaged the Fox Management Consulting (Fox MC) practice at Temple University's Fox School of Business to develop ways to compensate funding loss and to create a sustainable business model. The Fox MC team decided to explore the financial structures of comparable organizations both within the watchdog sector as well as the greater nonprofit industry.

Recommendations

The Fox MC team discovered five approaches leading to sustainability:

- Board giving.
- Reducing expenses.
- Revenue generating activities.
- Individual donations.
- Creating a 501 (c)(4).

The team determined that these approaches alone will not lead to sustainability within the next five years. However, a combination of approaches including, increasing Board giving by 10%, decreasing expenses by 10%, adding four Board members each year, and incorporating revenue generating activities can lead to sustainability.

