

Abstract

Non-profit organizations provide many services that contribute to economic stability and play a crucial role in building strong communities and improving quality of life. Often, non-profit organizations act as the voice of the community or people they serve. These organizations usually have strong community relationship and extensive knowledge about their local areas. This paper provides valuable insight into this critical yet often-overlooked area by explaining how to use SWOT analysis as an organization development (OD) intervention in a non-profit organizational setting and highlighting the implications on non-profit HR. This paper concludes by sharing the critical aspects of the intervention and recommendations for future OD practitioners.

Introduction

This paper investigates the application of SWOT (Strength, Weakness, Opportunity, and Threat) analysis as an organization development (OD) intervention for a non-profit organization named as ASPIRE Inc. From an organizational development perspective, SWOT analysis is a useful framework in order to identify both the internal and external positionality of the company in the competition of that particular industry. In addition to that, a cross-examination of SWOT components certainly helps for planning and implementing strategic decisions to minimize the threats and harness the strength of the organization regardless of the nature of business. Besides, the primary purposes of OD are to identify planned change, design systematic strategy, and troubleshoot problems throughout the implementation of the transitions process, in that context, the SWOT analysis framework can be considered as building blocks that can help the transitions smoothly and achieve the desired outcomes.

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This paper describes a case study that has been conducted on ASPIRE Inc., a non-profit organization, to understand how the SWOT analysis can be considered as an effective OD intervention. The purpose of this paper is two folded. First, the study conducts the SWOT analysis of ASPIRE from a non-profit organizations' perspective. Second, to identify the planned changes and to design the systematic strategies, this paper investigates the cross-analysis of strength-threats, strength-opportunities, weakness-opportunities, and weakness-threats to formulate strategies for the organization's future success. This paper concludes by discussing the implications of this study on non-profit human resource (HR) knowledge and practices and by offering useful understanding for future OD practitioners.

Overview of ASPIRE, Inc. and the Elements of OD Intervention

ASPIRE, Inc. (Actions Shaping Possibilities, Integrity, Relationships & Excellence) is a 501(c)(3) charity and non-profit organization located in Carbondale, PA operating throughout the United States. ASPIRE was established in 2007 as an outcome of a decision from a team of professional coaches and consultants in the personal and professional development industry, who declared their interest and commitment to giving something back to their community. They recognized the need for providing coaching and mentoring services to young adults who are facing critical challenges in life. Many of these young adults are high school dropouts and the common challenge they face - financial difficulty, teen pregnancy, alcohol and drug abuse, and gang involvement. To address these challenges, ASPIRE provides quality programs and meaningful projects to their clients. These programs and projects are conducted by a team of volunteer professionals who are dedicated to making a difference in the future of the young adults. The operation of ASPIRE and its team of professionals are manifested by three main elements of their commitment and focus on their clients— “life lived with integrity”, “life filled

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with awesome relationships”, and “be excellent in all endeavors” (Aspire, 2021, para. Our programs).

To carry out the OD intervention for ASPIRE, researchers examined the following five elements which have a direct influence on the company’s operation and management success: technology, structure, culture, members, and processes (See Figure 1). The description of these elements are as follows:

- *Technologies* are copyrighted and confidential proprietary properties, such as *coaching modules, program’s designs and transformational techniques, and program’s delivery processes and procedures.*
- *Structure* defines the organization’s hierarchy, day to day operations, decision-making process, and programs delivery structure. Being a 501(c)(3) organization, ASPIRE depends on fundraising and state and federal grants for its operations. ASPIRE is also subject to complying with all the state and federal laws and regulations related to non-profit charity organizations.
- Being a non-profit organization run by volunteer professionals, ASPIRE’s *culture* involves its core values, vision, and mission statements in the context of working with underserved young adults in crises.
- The *members* element pertains to the relationship between board members, influences of the founder and executive director in the organization’s decisions, and the relationship of coaches among themselves and to the board of directors.
- Lastly, the *processes* involved screening and interviewing the young adults, evaluating their progress and growth, training and developing coaches, board meetings, grants applications, and fundraising designs and implementations.

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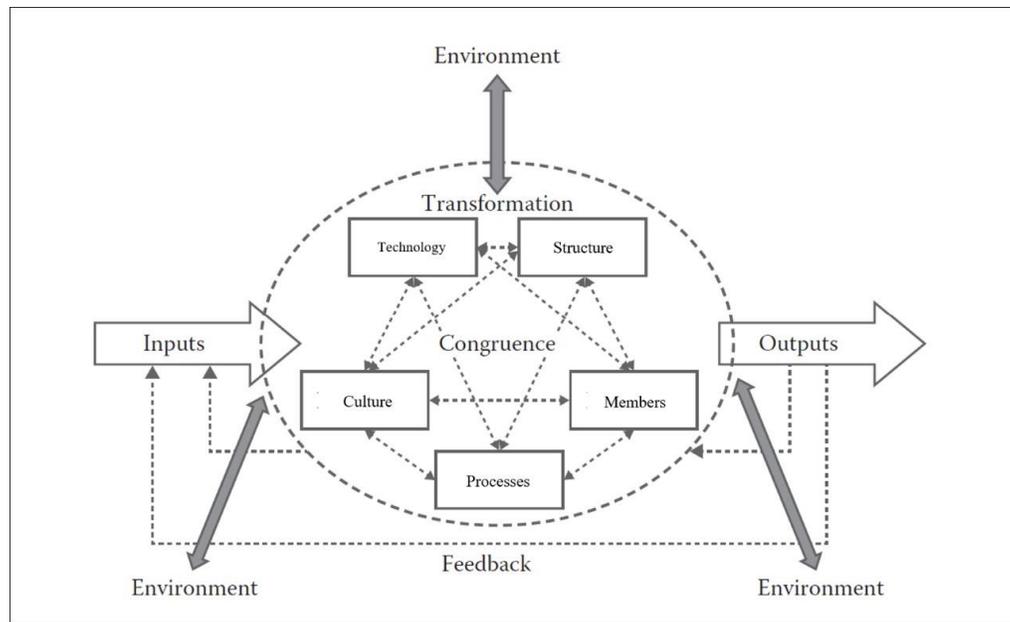


Figure 1: Technology, Structure, Culture, Members, and Processes (Yoon, 2017)

Literature Review on SWOT Analysis Framework

Researchers (Barney, 1995; Mintzberg, 1994; and Porter, 1991) have recognized SWOT as a significant strategic management, strategic planning and decision-making tool that are developed by a group of stakeholders. SWOT stands for Strength, Weakness, Opportunities and Threat. The function of this matrix is to identify “inhibitors” and “performance enhancers” after analyzing internal and external business environments and to determine a list of future actions that need to be taken to gain competitive advantage or to achieve the organizational goals (Leigh, 2009).

The origin of SWOT matrix has been unknown (Helms & Nixon, 2010; Nyarku & Agyapong, 2011). Literature mentioned Stanford University’s Professor Albert Humphrey as the founder, who led a research project among the United States’ Fortune 500 companies between 1960s and 1970s called Team Action Model (TAM), and initially identified a critical analytical tool “SOFT Analysis (Satisfactory, Opportunity, Fault and Threat)” (King, 2004; Nyarku &

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Agyapong, 2011). Later, the model had reformed and renamed as SWOT matrix and considered as a useful tool for analyzing business environment to develop business strategies as well as mission, vision, and organizational policies. The contribution of Dealtry (1992), Wehrich (1982), and Wheelan and Hunger (1998) were notable in order the SWOT to become an innovative and more applicable instrument. By the early 2000, the SWOT analysis was completely developed and had been famously utilized by business practitioners and company's in-house employees as an intervention to become successful. However, it was also argued that the outcome of this matrix may contradict depending on who is behind the bar, conflict can also be raised based on the purpose of SWOT analysis (Nyarku & Agyapong, 2011).

Literature also portrayed both the application and the critique of SWOT analysis. Several applied field of research has been implementing SWOT as a useful device. For instance, as a market research tool, SWOT played a vital role in positioning new product in a competitive industry (Hill & Westbrook, 1997; Leigh, 2009; Sarsby, 2016). In business study such as organization development and strategic management, this 2x2 matrix is formulated for the stakeholders to understand the current business status, furthermore, to take strategic actions for future (Beneda, 2008). Besides the use for-profit organization, SWOT has been implemented for the assessment purpose in healthcare, government, and non-profit organization, some of the examples are- to examine the quality of New National Health System in the UK (Higginbottom & Hurst, 2001), to develop strategy for the Counseling Psychology Division of an international career counseling provider (Savickas, 2007), and to assess the need to improve the public park environment in New Zealand (Wrigley & Gould, 2002). Apart from its broad application, SWOT has been criticized because of its "vagueness and over-simplified" method (Panagiotou, 2003) and coined as "victim of its' own success" (Pickton & Wright, 1998). From Helms and Nixon

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(2010) study, they critique SWOT for not having any hierarchical orders among components, for the source of data if data are outdated and for the inability of analyzing data at the macro-level such as assessment at the national level.

Data Collection and Analysis

For our investigation, data were collected from three senior managers (the executive director, senior board advisor and senior master coach) and two groups of participants. The first group had five members of the board of directors, excluding the executive director and the senior board advisor. The second group had six members of the coaching team, excluding the senior master coach. The researchers conducted one-on-one interviews with the three senior managers. Two senior managers were local and the interviews with them were in person. The third senior manager was located out of state, so the interview was occurred via video conference. The researchers also conducted two focus group sessions—one with the members of the board of directors and the other with the coaching team members. Both focus group sessions were conducted through video conference. Table 1 summarizes the main questions asked to the participants. Questions were mostly open-ended and illuminated the participants' opinions and experiences about their organization and gave the researchers a better understanding of their background, environment, culture, and what the participants find as the organization's strengths, weaknesses, opportunities, and threats.

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Table 1

A List of Interview Question with their purpose

Purpose	List of Questions
SWOT analysis	<ol style="list-style-type: none"> 1. In your opinion, what are the greatest strengths of ASPIRE? 2. In your opinion, what are the biggest weaknesses of ASPIRE? 3. In your opinion, what are the greatest opportunities of ASPIRE? 4. In your opinion, what are the biggest threats of ASPIRE?
SO, ST, WO, WT strategies	<ol style="list-style-type: none"> 1. From your perspective, how could ASPIRE use its strengths to take advantage of current and future opportunities? 2. From your perspective, how could ASPIRE use its strengths to avoid current and future threats? 3. From your point of view, how could ASPIRE overcome its weaknesses by using its current and future opportunities? 4. From your point of view, how could ASPIRE minimize its weaknesses to avoid current and future threats?
Top three organizational strategies	<ol style="list-style-type: none"> 1. From your point of view, what are the top strategies that would assist ASPIRE to achieve its vision? 2. What strategies are more in line with ASPIRE's vision, commitment, and mission statements? 3. What strategies match up with your personal values and principles? 4. What strategies would excite you the most and push you in a forward motion?

After collecting data, the researchers invited the participants to go through multiple rounds of matching and eliminating processes and vote for the top three elements of each aspect of SWOT; for example, the top three strengths, weaknesses, opportunities, and threats that all participants can get aligned with and agree upon. Next, the participants worked together and came up with some strategies based on their selected SWOT elements. This process helped ASPIRE's team find solutions for problems they pinpointed in their organization. Depending on how many problems they want to take on, the team will determine proper solutions to work on resolving their organization's problems.

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Findings

This section presents the results of SWOT analysis for ASPIRE, a collection of strategies which was an outcome of cross-analysis through the focus group and the selected strategies after combining with one-to-one interviews.

SWOT Analysis of ASPIRE

The results of investigating Strength, Weakness, Opportunities and Threat are shown in Table 2. The internal strength of ASPIRE are tangible and intangible resources including skills, knowledge, and work experiences of employees as well as infrastructures and technology. With these unique qualities, ASPIRE holds a significant influence in the community also among consumers. From the SWOT analysis, it was also identified that ASPIRE has multiple opportunities such as to become a leader, to implement long-term strategic planning and to apply for grants from government. In addition to the enhancer components, SWOT analysis data also exhibited several weaknesses, majorities are lack of financial support as ASPIRE depends on donations mostly, internal politics among stakeholders and the unclear chain of command. Lastly, threats from external environment included the immergence of new regulations, the scare of running out of liquid capital, and the negative publicity in social media.

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Table 2

The Result of SWOT Analysis of ASPIRE

	Strengths	Weaknesses
Internal	<ul style="list-style-type: none"> • Influence in the Community • Intangible Assets (Skilled and knowledgeable Employees) • Company Resources (Capital, Property and Technology) 	<ul style="list-style-type: none"> • Lack of Funding • Internal Politics • Unsettled Chain of Command
	Opportunities	Threats
External	<ul style="list-style-type: none"> • Become a Community Leader • Long-term Strategic Plan • Federal & State Grants 	<ul style="list-style-type: none"> • The Emergence of New Laws and Regulations • Negative Publicity • Running Out of Money
	Enhancer	Inhibitor

The Cross-analysis of SWOT

After collecting data from group discussion, the participants voted for three strategies from each SWOT category. Table 3 represents a cross-analysis matrix that has identified three strategies for each section and these were highly recommended by the participants to implement at ASPIRE.

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Table 3

A Cross-analysis of SWOT

	Opportunities (O)	Threats (T)
Strengths (S)	<p>SO-- Using strengths to take advantage of opportunities</p> <ol style="list-style-type: none"> 1. Provide internal structure for responsibility, accountability, and performance report. 2. Create fun monthly, weekly and daily production games. 3. Write a business/strategy plan. 	<p>ST-- Using strengths to avoid threats</p> <ol style="list-style-type: none"> 1. Establish a quarterly performance report for the coaching team. 2. Create partnerships and alliances with larger chambers of commerce in the area. 3. Provide local and state-wide fundraising events by inviting local celebrities.
Weaknesses (W)	<p>WO-- Overcoming weaknesses by using opportunities</p> <ol style="list-style-type: none"> 1. Provide team training for the development of board members and the coaching team. 2. Plan a reinvention workshop to create a powerful vision and mission to support the strategic plan and business plan. 3. Create a community stakeholder event for a strategic alliance with the community. 	<p>WT-- Minimizing weaknesses to avoid threats</p> <ol style="list-style-type: none"> 1. Create job descriptions and manuals for all positions. 2. Design and plan an organizational budget to empower future planning. 3. Create a bonus and incentive plan for coaches and sales teams with established targets.

The Top Three OD Strategies

To serve the vision of ASIPRE, the participants chose the following three strategies to be implemented in future.

1. ASPIRE requires developing an organizational strategic plan.
2. ASPIRE requires to design an internal structure to record data on responsibility, accountability, and performance.
3. ASPIRE requires to develop target-based incentive plans for coaches and sales teams.

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Discussion and Critical Aspects of the Study

After reviewing the entire process of collecting data, listening to individual's concerns (most being symptoms of a problem), paying attention to the source of issues/problems, and reflecting on the future of ASPIRE and its well-being, we find the followings to be the sources of the organization's issues or problems:

- Lack of clear path, business planning, and strategies or long-term planning.
- Uncertainty due to lack of long-term planning, and open communication among stakeholders.
- Lack of team accountability, and organization growth structure.
- The absence of relevant professional training & development for the employees.

The above issues have and will cause the following among ASPIRE's team members: 1) Uncertainty about their future. 2) Just surviving the day or an issue and passing the buck. 3) Not being motivated to build something, just going through the motions. 4) Not taking ownership of the organization. 5) Not taking any responsibility on issues or being accountable for resolutions. 6) Expressing their frustrations on others. 7) Not feeling their efforts being appreciated. 8) Developing a "me" versus "us" attitude.

ASPIRE is a small non-profit charity that has limited its operations to the Northeast Pennsylvania geographical area. The nature of the organization and its Federal designation defines its activity and potential expansion without accommodating and operating based on Federal government regulations. ASPIRE's annual budget and expenses depend on the general public, local businesses and state donations. This fact is limiting the organization's expansion and future budgeting. This issue made our research on the organization's model of operations

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and its practices limited to a small area, compared with the entire state of Pennsylvania or the whole country.

Another critical element was the size of the organization's personnel. The whole organization is made up of 18 members, including nine board of directors, who are all volunteers, which makes it very hard to demand on them for accountability and producing promised results. The second group is nine coaches, which are in different states and operating their responsibilities remotely. Because of this geographical separation, there are not many direct interactions among the team members which would make supporting each other more difficult compared with a team working at the same location or same town.

However, the study also identified that, even though the number of employees is not bigger, the employees are substantially enrich with knowledge, skills and prior experiences of mentorship, leadership development, competency development and coaching. Their diverse background in terms of professional experiences, philosophy about life, and the urge of crating impact in the community certainly add value as an initiative of developing human capital, overall, social development. The study also reveals the knowledge workers are the most important strength of this organization and there lies a large scope of managing these knowledge workers.

In addition to developing strategies and action plan, it is also crucial for ASPIRE to conduct a job analysis and eventually design job descriptions for each position that would include lists of tasks and responsibilities, as well as performance measurement criteria. As human resource development is considered as a significant stakeholder of the organization, the organizational development (OD) cannot be successful without focusing on employee development.

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Implications on Non-profit HR

This study has significant implications in understanding the essentials and key responsibilities of Non-profit HR, getting started with Non-profit HR, and realizing the importance of HR for Non-profit organizations. For many people, one common misconception is that Non-profit organizations are partially or entirely exempt from employment laws and policies. In reality, all organizations with employees or independent contractors must comply with any applicable law and policy, regardless of the organization's 501(c)(3) status (Carver, 2019). According to Carver (2019), unique challenges of Non-profit HR include their core driving forces, volunteer management, project-based staffing, and recruitment challenges. While the primary focus of for-profit HR is to support the organization's ability to make a profit and operate efficiently, Non-profit organizations "provide help or resources to a target audience with a specific need" (Sandilands, 2019, para. 1) and improve people's lives in the community. Team members working for Non-profit organizations such as Aspire, Inc. are volunteers, so one of the key tasks of Non-profit HR is to volunteer management. Non-profit organizations usually rely on donations or project- or program-specific grant and can be "more logistically complex than in a for-profit business" (Carver, 2019, para. Project-based staffing). Lastly, Non-profit organizations can face more recruitment challenges due to limited financial resources. Therefore, Non-profit HR must find appropriate fixed and variable compensation approaches for their volunteers to be in compliant with IRS standards and prevent fraud. This study should help Non-profit HR to better engage and retain these volunteer members.

Recommendations for Future OD Practitioners

It is natural that during a change intervention, the organization's executive or senior managers feel they are relinquishing their power to the OD consultant. This feeling will cause

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resistance to change and will influence the velocity and speed of change intervention (Worley, 2012). The interaction between the OD consultant on one side and management and members on the other side might be perceived by the organization as giving up command and control, which from the management perspective is losing effectiveness (Worley, 2012). This potential perception can be resolved during the initial meeting and through communication with management and creating a partnership with the organization.

It is a common practice for OD consultants to look down at an organization and try to understand their design and figure out their strategies. How can any organization implement the needed change? (Worley, 2012). That starts with changing people's behaviors and attitudes, which determine their actions. OD practitioners need to start looking into the organization's design to see how it is affecting people's behavior. That is changing the culture which would affect the organization's strategies and people's interactions (Worley, 2012).

To be able to successfully implement a change intervention, an OD practitioner needs to understand the important roles that the organization's members are playing in the change effort. Employees and team members have an important role in the velocity of the process, by their accepting the process, by not reacting to it, by not resisting it and by communicating their needs and concerns (Wittig, 2012). An OD practitioner needs to understand employees' emotions and cognitions and include them in making a Communication Charter that includes all the employees. Making employees feel included is one of the most important elements of minimizing resistance (Wittig, 2012).

No OD practitioner can be a perfect instrument in the implementation of a change effort, and it is very difficult to have a mastery in all aspects of an OD intervention. However, we all can provide our best capabilities and skills to direct, consult, support, and advice, to be an

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effective instrument of the change effort. We can be a vital part of the organization's undertaking the change and discovering a new and empowering way to operate and to be productive (Cheung-Judge, 2012, p. 46).

Conclusion

Non-profit organizations provide many services (e.g., advocacy, arts, civic, cultural, educational, health and human service, etc.) that contribute to economic stability and play a crucial role in building strong communities and improving quality of life. Instead of focusing on financial gain, non-profit organizations seek to improve social benefits and various public interests. Often, the leaders of non-profit organizations act as the voice of the community or people they serve. These organizations usually have strong community relationship and extensive knowledge about their local areas. They understand their communities' needs and the best ways to meet them better than others. Well-resourced and well-managed non-profit organizations that are connected to the decision-making authorities in their communities can foster growth and opportunity. This paper provides valuable insight into this critical yet often-overlooked area by explaining how to use SWOT analysis in a non-profit organizational setting to develop business strategies and highlighting the implications on non-profit HR. Results of the study should help non-profit organizations understand their business better, address weaknesses, deter threats, capitalize on opportunities, take advantage of their strengths, and develop business goals and strategies for achieving them. Finally, analysis of these dimensions can be used to identify the non-profit HR department's roles and responsibilities in carrying out the organization's mission, goals, and strategies.

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