Using Crowdsource Funding to Feed the Homeless

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Problem and Innovation

I come from a big city with bright lights, streets teeming with life, and never ending traffic. Chicago, Illinois is a place full of opportunity and great people. Businesses are booming and big cities like this seem to always have room for innovation. With all the positive outlook, there is also the part that people gloss over. The human beings that sleep under bridges and cardboard boxes.

Growing up in an environment where the population is close to three million people, over 140,00 people are homeless (Goudie and Markoff). To paint a vivid picture; That means over five percent of Chicago's population is without a home. Better yet; on average there are about 24,000 students enrolled into Old Dominion University (ODU) per year. Imagine everyone that attends the school being homeless, then multiply that by approximately 5.8. There are almost six times the amount of homeless people in Chicago than the amount of students attending ODU.

Crazy part about it is that Chicago is only the third largest populated city in the United States behind Los Angeles and New York City. It is fair to say that the bigger the population, the greater the number of human beings without a home. If not having a place to call your own isn't

bad enough, how about not getting three full meals everyday if any, or not having a decent bed to rest your head on a nightly basis; What about the luxury of taking a shower and putting on clean clothes afterwards. There is so many things these unfortunate people go through everyday just to hope that they can live an average life, so why not help out with what we can?

If we can develop a systematic approach that help feed the homeless a couple times a week and put a randomly selected few in a decent motel during the week I think it will be a great start. The motel idea would give them an opportunity to shower, put on fresh clothes and sleep in a bed once in a while. Along with kind gestures like food and clothes, I plan to have a team of bright individuals that would be willing to just talk to those in need. I believe that sometimes they just want to be heard, have some one to laugh with, and someone to call a friend. Feeding one mouth at a time would be the primary goal, but the overall idea is to provide services so they'd be willing to take a leap of faith and instead of giving up and feeling self-pity, try tackling life again and again.

You as a reader is probably thinking "How on earth are we going to feed, clothe, and shelter hundreds of thousands of people across the United States?" Great Question. It would be nearly impossible to help all those people and have an immediate turn around. The truth is – you buy someone food one day, they're still going to get hungry the next, but a little gesture goes a long way. With Crowdsource funding, platforms like GoFundMe can help be a great contribution towards our goal to feed the homeless.

The article by (Ordanini, Miceli and Pizzetti) explained it best; "This phenomenon, called crowdfunding is a collective effort by people who network and pool their money together,

usually via the Internet, in order to invest in and support efforts initiated by other people or organizations."

By collecting small contributions from people advertised through means of media, crowdfunding has quickly gained traction over the years. This particular form of funding became popular in the United States when a computer programmer and musician launched a software called ArtistShare in 2003. Brian Camelio's aim was to help other musicians by seeking donations from the fans to help with digital recordings, but then turned into a fundraising platform for all sorts of projects (Freedman and Nutting).

California remains the forefront (accounting for 20 percent) as on any given night, over half a million people are without a home throughout the United States (Kushel). The article by Margot Kushel talks about how homeless Americans are growing older and sicker. In the 1990's just over 10 percent of the homeless population was age 50 and over, by 2003 that number rose to 37 percent; Now to this date over 50 percent of Homeless Americans are over the age of 50 (Kushel).

Northwestern University's Creative Action Lab did a study on Why people are motivated to Post and Fund Projects on crowdfunding platforms. My assumption would be because it's easier to raise money for small ventures that entrepreneurs can pursue. It's a great way to earn funding from your peers and organizations without having to go through the process of obtaining a business loan from a bank. This article states reasons for those willing to give: Sympathy and empathy, happiness, guilt, and identity (Gerber, Hui and Kuo). They found that the motivation for giving is more of an interpersonal connection between the requestor and giver. When asked how much time they'd be willing to donate, individuals were compelled to donate more money to a charity rather than dedicate their time.

Have you ever thought about what happens to nonprofit organizations after the first couple of years of what seems to be a success. The truth of the matter is, not a lot survive. An article of The Nonprofit Starvation Cycle discusses the unrealistic expectations about how much operating a nonprofit would costs (Gregory and Howard). They suggest that Funders themselves must take the lead on social causes. By building a solid infrastructure of financial systems, skills training, and fundraising opportunities, you are more likely to succeed than those who don't.

Nonprofit organizations use websites as engagement tools. There are Strategic processes of interacting with people via blog sites depending on the complexity of the business plan. Due to interactivity, dialogue, and interpersonal engagement, social media has provided opportunities that other websites and platforms couldn't (Lovejoy and Saxton).

How it relates to material from classes taken outside of major

I believe that just about every major in college requires a class that teaches some sort of morals and ethics. To me it's all about doing what I think is right. Everyone deserves to be treated well and properly fed even if they made some poor decisions in life. I know I haven't done anything wrong to cause the homeless to experience this way of living, but I'm not doing anything right by not doing anything. Classes I took pertaining to morals and ethics made me realize what my mom has been telling me ever since I was a kid. "Treat people how you would want to be treated." If I was down on my luck and living on a sidewalk, I'd want someone to do all these amazing things for me. Even if it's only temporary, a kind gesture is enough to give a person hope, happiness, or even motivate a person enough to 360 their life.

History classes teach and enlighten us about everything our ancestors had to endure, and the amount of work that was done for us to have the technological luxury of being connected

with someone over a thousand miles away. History teaches us that nothing from nothing leads to nothing, so we have to start somewhere and make a stride towards the goal one day at a time. Every thought, decision, or innovation today was influenced by a thought or decision of someone in the past.

Anything math related like accounting, statistics, and calculus could prepare you for the ideology behind crowdsource funding. Understanding how to not only bring in money but to maintain and budget to carry out the plan set forth in the beginning in key. In 2005 I was in sixth grade where I learned how to balance a checkbook. Although there is no need for them because everything is electronic, when owning a business it is wise to keep a paper trail of all expenses and understand how to calculate and balance numbers manually.

Owning a business or starting your own organization is basically taking everything you've ever learned and applying it to an idea or goal. Entrepreneurship can be summoned through just about any subject or topic if your open minded enough. Somewhere there is a major, coursework, or job for just about anything you can think of. That's because someone thought of the plan to develop a curriculum to teach a topic and in return they get paid for there services. Whether it's to sell curriculum or to teach (inform), this is Entrepreneurship at its finest.

Is it Effective?

I will know my plan is effective by how the media reacts and the feedback I get. Knowing that I could change someone's life by feeding them and motivating one to change their outcome by changing their actions is success in itself. Deep conversations with young or older

people, allowing them to be heard, letting them know that they matter and providing resources that would assist them in their journey to rebuild is important to me. To a lot people thins may sound like crap, but growing up with the childhood I had and things that I've experienced, there were people that spoke to me with words of encouragement, life lectures, and have filled my heart with kind gestures. It doesn't sound like a lot, but to someone the may be hopeless and feeling like there is no way out of a dead end situation, someone like me, coming in contact with people who truly cared changed my life and it kept me from going down the wrong path. Where I come from, a lot of kids don't make it to see age 19. I so truly believe that if young children, teens, and adults that are homeless and going through hardships had a system of support around them like I had, it would be the necessary change the world needs. The goal is to change a life and being successful means that those who are helped would eventually have a testimony that matches mine.

What is needed:

1. *Research*

   It is necessary to do an ample amount of research to ensure that this organization is successful in the long run. Research is how I will be prepared to tackle any journey. I need to be sure that my nonprofit organization will fulfill the need in communities. Ways to ensure the need will be met include the following: Receiving grants and having support with numbers to back up my claims. Finding out what types (target group) of people will support my causing will help take the pitch to a different level; I would know exactly who to target

when the time comes to promote and advertise. It's also a good idea to know if there is another organization already doing what you plan on doing. Knowing the potential competition you may have can make or break you, whether the company is big or small. Doing the proper research will give me a leg up on the whole process because it'll help me know what to expect.

2. *Build a Foundation*

Building a solid foundation that will stand the test of time requires having self-discipline, integrity, persistence, and a clear sense of direction.

3. *Create a Business Plan*

Creating a business plan may seem like you can just 'wing-it' or think as you go, but that is the quickest way to fail. An Executive summary would give you a short overview of the plan. Products and Services describes what my organization will be developing and what sets it apart from everyone else. Market Analysis explains what the landscape of the market is like (competitors and stakeholders). The marketing plan is a crucial point in the whole idea because it has to do with who gets the information and services, how to be found, and getting people onboard to support the cause. Operational planning explains the location or headquarters of my business, the material I need to operate, the deliverance of services, and the staff members or volunteers. Organizational structure lists the staff and roles being filled and financial planning is what an investor sees when processing whether they want to support my foundation or not.

4. *Understand Revenue*

I must know the different ways to create revenue by means of private contributions and government grants.

5. *Choose a Name*

6. *Recruit your Board*

When partnering with members I want those who can set and achieve goals by having a strong work ethic; someone who is dependable and always follow through; a positive attitude to be around; Self-motivated, team-oriented, great communicator, and someone who can adapt to untimely changes. Necessary positions to fill with the traits of those listed are as follows: The Leader, Secretary or Committee Chair, and Treasurer.

7. *Incorporate*

From the steps above I can incorporate my nonprofit by Choosing a business name, appointing a board or directors, deciding on the legal structure, filing my incorporation paperwork, applying for nonprofit federal and state tax exemption, and obtaining the proper licenses and permits.

8. *File for Tax Exemption*

9. *Ongoing Compliance*

Maintaining integrity by following the rules and staying within the guidelines of the law.

Next steps

The only thing left to do now is to re-evaluate everything. I can start by holding more meetings with my investors to polish over every detail. Using popular platforms like Instagram, Twitter, Facebook, Youtube, and even major blog sites, we can spread the word to the masses. By building a connection with the people who seem interested in support our organization, we can build a network where information can be exchanged and spread even faster to enlighten those who may not be social media savvy. Donations via crowdfunding with the help of these platforms would be our primary source of revenue.

Launching a business is probably one of the scariest things I have thought about, because the idea of failure and losing everything I worked for is very relevant. It's obvious the closed mouths don't get fed – in other words: Things don't happened unless you make them happen – so I must hit the ground running. As stated before, it would be nearly impossible to completely end hunger for all homeless personnel unless there was a tremendous effort nationally. I know that even a small gesture of kindness can be enough to give certain people different perspective on life. Our goal is change a life. By feeding one mouth and clothing one body at a time we can do exactly that because a butterfly effect can change the world.

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