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Case Study Analysis III

As an external consultant, I see the governance issues at hand were excessive spending, misallocation of funds, and high profile inaccurate marketing campaigns. The organizational growth seemed to outgrow the infrastructure. Wounded Warrior Project contributions were the bulk of donations for veterans at that time. With my expertise, I wonder, were they actually honoring and empowering wounded soldiers or spending the money on too much team building and administrative costs. After all, Charity Navigator reported a 40% overhead cost when typically, nonprofits have a 20% overhead budget. Certain spending habits may have broken public trust. Furthermore, public pressure took affect from the media.

The board should have had accountability and transparency as higher priorities. They should have put policies in place in regard to event, travel, and compensation or have stronger bylaw statues. It seems basic monitoring and evaluation processes were not followed. The input was excessive financial spending which led to wrongful activities and no policies in place which lead to a lack of beneficiary outcome and long term bad impact. Essentially, the board did not follow a program logic model with inputs, activities, outputs, outcomes, and objectives processes (Brown, 2015). Perhaps, the board also need stronger, more experienced, and more diverse leadership to make decisions related to financial oversight and risk management.

The board must take various steps to solve these issues. In regard to excessive spending, they should put checks and balances on all employees and their expense accounts. They need to have a stronger travel and booking policies for plane and hotel fares and event reservations. These policies can discourage first class tickets, lower venue costs, and decrease lavish work

parties. The board should discuss what programming areas can be funded without external costs. Is 94% spent on events and conferences really a good idea or is direct servicing programs better use of the money?

The board needs to ensure that donor funds are actually used for client services in this case the veterans to serve this essential population and honor those who served. An evaluation of Nardizzi and senior staff should have been done much earlier covering fiscal responsibility, external and internal public relations, planning, leadership, administrative issues, effectively working with the board, and staff relationship and capacity. This evaluation would be conducted with input from the board and other stakeholders with the assistance of relative staff members. The evaluation must tabulate both quality and quantitative results, then can be analyzed quickly and efficiently (BoardSource, 2016). The evaluation should have then been brought to executive session by the board to determine key findings and action plan. The President of the Board should hold a meeting with Nardizzi to determine the future. In the best interest of Wounded Warrior Project, I would recommend the meeting result in termination Nardizzi and encouragement towards other executives to resign. If the evaluation and immediate termination of Nardizzi and Giordiano was conducted, prior to the findings, being made public as is this case here, maybe Wounded Warrior Project could have survived.

Mandatory trainings must be put in place to ensure new policies are put in place to the fullest extent and allow for the view of all jobs roles with an ethics lens. The board must consider a long term financial recovery plan. They must make a public appeal statement reflecting on wrongdoings and revealing their financials to earn back integrity. They should consider doing less fundraising events and more advocacy outreach to veterans in the local area.

The key I believe is to stop just spending for spending's sake and actually encourage community partnerships that can benefit soldiers who have given so much to our country.

Bibliography:

BoardSource. (2016). *How to Conduct a Chief Executive Performance Assessment in 10 Steps*. Retrieved from <https://boardsource.org/wp-content/uploads/2016/12/10-Steps-CEO-Performance-Assess.pdf>.

Brown, Ann-Murray. (2015, August 27). *Basic Monitoring and Evaluation Concepts*. [Video]. YouTube. <https://youtu.be/lR8FalapJf0>.