End-of-Chapter Questions and Cases

HEALTHY KIDS INC.

You are the founder of a social enterprise called Healthy Kids Inc., which specializes in improving nutrition and reducing child obesity by educating parents in how to feed their children in a healthy way. After a slow but steady start, a major foundation has approached you and asked you to write a grant for major funding that would quadruple your operations within the space of one year. The grant would continue for two years and then be phased out over the next three, during which time you would be expected to replace the foundation's funding with outside donations, grants, fees, and government support. As part of the grant process, the foundation has asked that you assess the risk of your operation.

1. Write a short memo that discusses risk in the following categories.
   a. Leadership
   b. Staff and volunteers
   c. Sustainability of the enterprise concept
   d. Marketplace volatility
2. What are the risks involved in simply accepting such a large increase in funding represented by this grant, especially since the support is temporary?