Growth Opportunities in Our Own Backyards

Social and Economic Growth, in Local Economy, by Investing in Our Third World Neighbourhoods

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Executive Summary

- Problem statement
  - Economy is shrinking, and will adapt to global changes
  - Are there opportunities in this transition? do we have a stake in the adaptation process? Can we employ the talents and skilful people are laid off right and left? Can we positively shape the diverse society to avoid racial, and ethnic tensions in some neighbourhoods?
- Economic and social growth requirements
  - Creating business opportunities either productive/services
  - Creating environment of learning and positive integration of peoples' energies
- Helping local economic and social growth
  - Network integrating many small businesses with a business model that provides
    - Iterative injections in local economy
    - Maximizing Resource Performance
    - Active in Community Development
  - Find hidden opportunities in underdeveloped communities, and utilizing skills and talents in the community…fill in in the gaps
  - Value based business that integrates and shapes the capabilities of our diverse society
- Next steps
  - Assemble a team
  - Take a sample community and priorities needs
  - Think out of the books for creative solutions (business/education/integration of processes or efforts)
  - Perform cost-benefits/SWOT analysis with key stake holders to determine feasibility of listed opportunities.

Outline

- Vision
- Objective
- Problem statement
- Economic and social growth requirements
- Helping local economic and social growth
- Next steps

Vision Statement

- Diverse communities living quality life based on life-time values, and economic prosperity

Objective

- *Establish an Community Turnaround Organization* that initiates and profits from creating economic and social growth, during current local and global economic transition, by discovering hidden opportunities and filling major gaps that other businesses/organizations are unaware of, or are short of filling the needs of underdeveloped neighbourhoods, using the talents, skills and resources in our communities to produce creative solutions.

- Establish a value based growth opportunities to integrate and shape the capabilities of our diverse society to better serve the future of our country, and extend/share it beyond our borders.

- Establish an economic and social environment of brotherhood and cheerful service. A model that promotes candor and builds trust through empowering people, increasing their commitment, team spirit and morale, enhance the quality of life. In return, it will ultimately impact the future and the outlook of our civilization and country.

Problem Statement

Today's Situation

- Economy is shrinking due to global economy directions

How Did We Get Here?

- Global economics, and market competitions resulted in
  - Large corporations, on which key USA's economic assets is established, go through
    - Mergers
    - Layoffs
    - Outsourcing to low cost regions
  - More imported products impacting local manufacturing

Problem Statement: Corporate Competitions

1. Merger and Outsourcing Impacts on Local Economy

- Company's excess capacity, resulting from the merger, is rationalized to reach projected equilibrium with market demands (P_1)
- Outsourcing results in under utilization of employable manpower (P_2)
- Competition with less costly commodities result in phasing out local production
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- Both direction, although profitable to corporate America, yet result in shrinking in the local economy due to reduction is spending, and idle resource of production

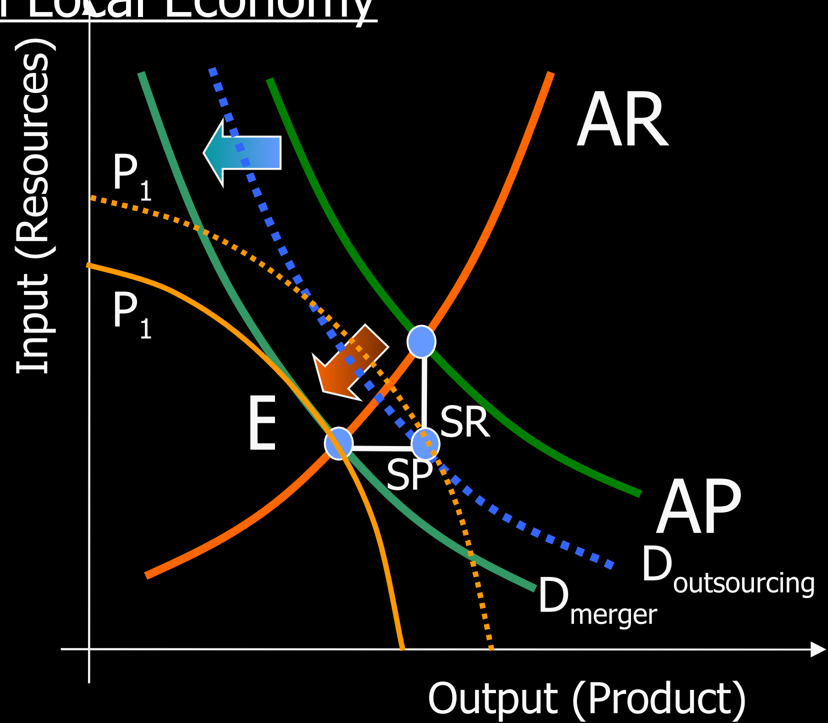

Fig. 1. Rationalizing Excess Capacity Due to Mergers.

AR	Aggregate Resources
AP	Aggregate Production
D	Demand
E	Equilibrium
SR	Surplus Resources
SP	Surplus Production
P	Production Possibility Curve (P_1, P_2)

Problem Statement: (cont.)

2. Accumulative Forces of Economic Shrinkage

- Rationalization of excess work force will result in reduction in marginal propensity to consume, hence, further shrinkage of the local economy and adversely impacts public opinion, trust in economic plans and leadership

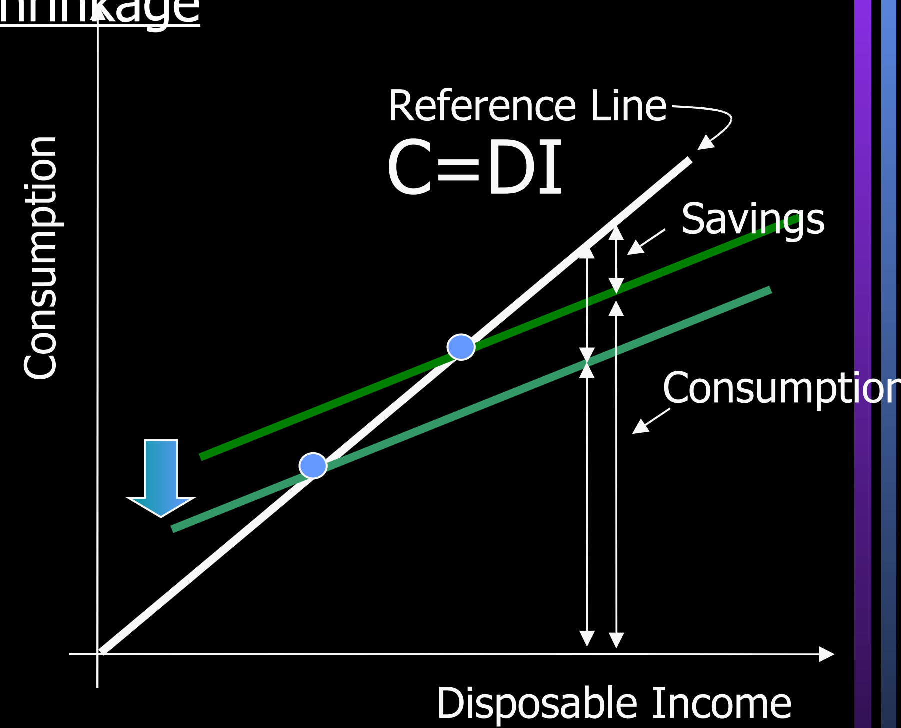

Fig. 2. Rationalizing Resources Decreases Spending in Local Economy, hence, shrinks it.

C Consumption

DI Distensible Income

Options for Economic and Social Growth

- Everything is OK, do nothing
- We need a change
  - Creating business opportunities either productive/services
  - Creating environment of learning and positive integration of peoples' energies
- List advantages & disadvantages of each
- Determine cost of each option

Helping Local Economic and Social Growth

- Create a network integrating many small businesses with a business model that provides
  - Iterative injections in local economy
  - Maximizing Resource Performance
  - Active in Community Development
- Find hidden opportunities in underdeveloped communities, and utilizing skills and talents in the community…fill in in the gaps
- A value based business that integrates and shapes the capabilities of our diverse society

Iterative Injections in Local Economy

How? (Ex.)

2. Redirecting a Subset of Surplus Resources to create the leading business group (entrepreneurs)
3. Structure a business model that
   - Injects part of profit shares in community development (Social, and new businesses)
   - Maximizes resource performance

- Profit sharing/injections
  1. Business share
  2. Employee share
     - Reduce debt, child education, …
  3. Community share/development
     - New businesses
     - Youth

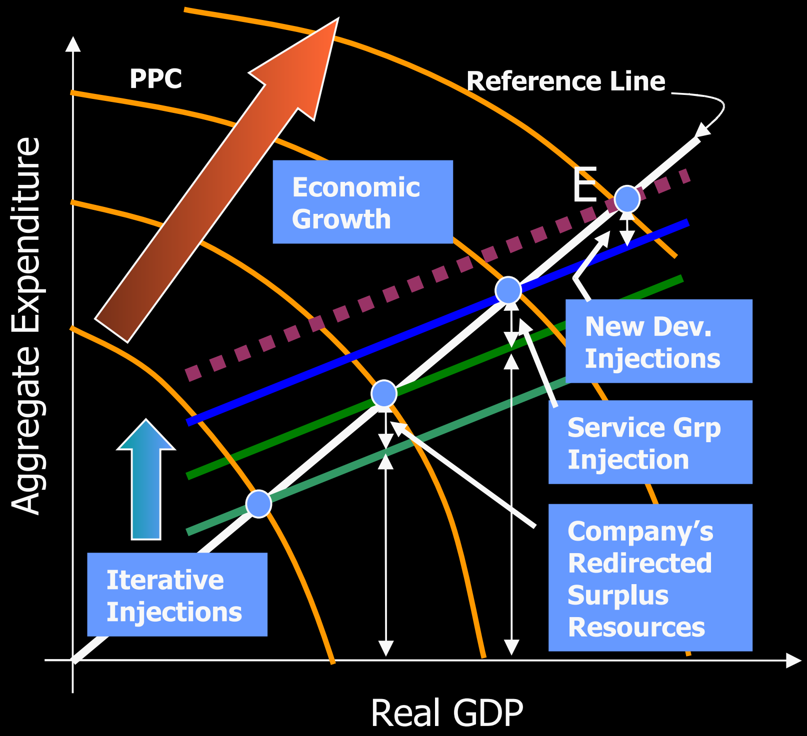

Fig. 7. Iterative Injections in Local Economy.

C	Consumption
DI	Distensible Income
GDP	Gross Domestic Product
PPC	Production Possibility Curve
E	Equilibrium

Grow Local Economy & Improve PR

Business Model Active in Community Development

- The Service Group will use one third of its profit, and engage part of its resources in Community and youth development
  - New business development & Charity
    - Create employment opportunities
    - Grow the economy
    - Resulting business to follow a similar business model
    - Exterminate poverty
  - Youth development
    - Leadership development
    - Education
    - Service projects
    - Diversity integrations

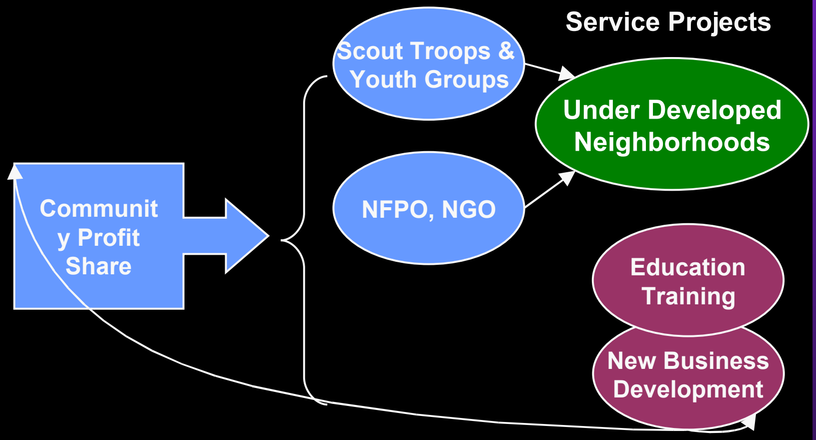

Fig. 9. Community Development.

Business Model to Maximizing Resource Performance

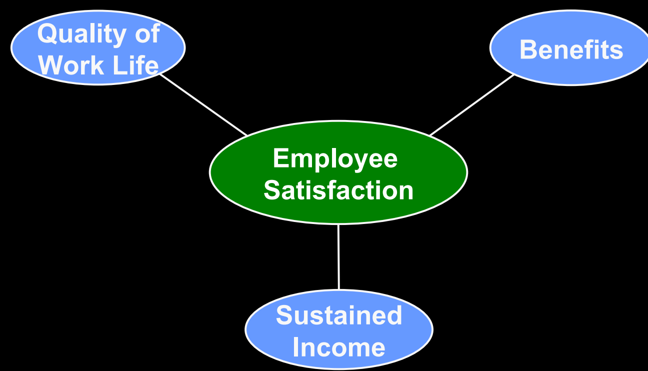

Fig. 8. Maximizing Resource Performance.

Requirement	How to Satisfy It	Pros/Cons Impacts on Execution/Efficiency/PR
1. Sustained income	Move severance package to float service group.	Efficient use of Company resources, support US/Local economy… **Temporary**
	Take a loan	Risky to service group
1. Good Benefit Package	Move benefit package to float service group, and share profit	**Initial** cost to Company
1. Quality of work life	Employee Based, Family environment, Empowerment, Ownership	Increasing morale and productivity will reflect into customer satisfaction and good PR. Pilot for resource rationalized at other locations

In Short, What We Do & Want to

- Forward looking social education
- Business development
- Integration and packaging of small social service organization products
- Optimising organizational efficiencies of social service entities work
- Charity (Monetary, Non-monetary, and services)
- Youth service projects