

WOUNDED WARRIOR PROJECT

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WHAT IS THE WOUNDED WARRIOR PROJECT?

- WWP is a non profit organization that provides programs and services to wounded veterans free of charge.
- Veterans eligible for services are those who were injured on or after September 11, 2001.
- Services offered include, mental health counseling, physical health services, career counseling, and many others.

WWP'S MISSION STATEMENT

**OUR MISSION IS TO HONOR
AND EMPOWER WOUNDED WARRIORS**

**We do this with a vision to foster the most successful,
well-adjusted generation of wounded service members
in our nation's history.**

WHERE IT ALL WENT WRONG

- Suspicions arose around the Wounded Warrior Project in early 2016 after a CBS News investigation revealed extensive spending in comparison to other similar charities.
- Investigation revealed that conference expenses (hotels, parties, dinners, etc) had inflated from \$1.7 million in 2010 to a whopping \$26 million in 2014.

POOR INVESTOR RELATIONS

- At its initial fallout, this case is a perfect example of awful investor relations.
- However, in the rebuilding phase, it sets the bar high for how organizations should do crisis management.
- In this case, donors act as our investors. Nonprofits are certainly allowed to allocate their money to their cause as they see fit. But, that's just it- WWVP wasn't funding their cause.

WHAT HAPPENED?

- CEO, Steven Nardizzi, and COO, Al Giordiano were trusted with using funds to further the mission statement of WWP.
- Instead of using the millions of dollars donated to WWP solely for projects and services, Nardizzi and Giordiano allocated funds to expensive hotels for retreats (even when the retreat was local), lavish entrances on horseback to conferences, repelling down walls for gatherings, and huge parties with unlimited food and drink.
- Instead of being transparent about the harsh truth, WWP justified their reckless spending by saying they did so to maintain a healthy work environment among employees.

WHAT DO VETERANS THINK?

- Iraq veteran and former WWP employee, Erick Millette, said "Going to a nice fancy restaurant is not team building. Staying at a lavish hotel at the beach here in Jacksonville, and requiring staff that lives in the area to stay at the hotel is not team building...[They're] using our injuries, our darkest days, our hardships, to make money. So [they] can have these big parties"

EMPLOYEES RESPOND

- https://www.youtube.com/watch?v=2DUW__4belc
- 2:03-3:20

WHO ARE THE KEY STAKEHOLDERS?

- Key stakeholders to note in this case are donors/investors, WWP employees, their families and of course, veterans receiving aid through the organization
- All placed a significant amount of trust, money and passion into WWP only to ultimately feel taken advantaged of and lied to.
- WWP claims to “honor and empower wounded warriors” but investors were in the dark about how they went about doing all their honoring and empowering

HOW DID WWP RESPOND?

- When news outlets got wind of the audit reports, CEO Nardizzi stayed quiet. The board, however, released a statement thanking donors for their generous donations that have helped veterans over the years.
- As is mandatory when dealing with crisis management, WWP looked at the source to fix the problem from the inside out. The board elected to fire Nardizzi and Giordiano. In efforts to cut costs wherever possible, 9 satellite branches were closed
- Mike Lennington, Interim CEO, said “This is a case where the negative publicity have caused us to take an internal look at how to do things better”.

HOW DID WWP RESPOND?

- WWP quit running T.V. commercials, and basically drew back publicly in order to heal privately.
- The organization as a whole completely overhauled in an effort to stabilize funds, strengthen morale and re-gain the trust of the public. By cutting the problem at the root by firing CEO and COO, WWP eliminated any shady dealings that the public knew about.
- Even though WWP's dirty laundry was exposed, they were forced to take a fine tooth comb to the entire organization.

WHAT WAS THEIR STRATEGY?

- They were upfront about the issues at hand
- Instead of asking wounded donors for more money to make up for the deficit, they cut unnecessary spending wherever they could.
- WWVP took all the steps we talk about in class when it comes to crisis management.
- The only thing that could have been dealt with better would be the exodus of the CEO and COO. They should have been forced to make a public apology on their personal behalves, not just a blanket statement from WWVP.

WHAT WERE THEIR TACTICS

- Wounded Warrior officials fired half of their executives, which left nine offices closed.
- Another tactic was they had to fix the money issues and figure out what was missing and how much and how to make this money loss right to the veterans. So the organization redirected their spending and decided for the money to go towards mental health programs and partnerships.
- Wounded Warrior has promised complete transparency and accountability of group finances as well.
- Another of their many tactics is they are boosting support for Long-Term Support Trust and Warrior Care Network, but in promoting these, they are choosing to kill their support toward other things
- The organization decided to put a Report Fraud page on their website.

REPORT FRAUD PAGE



DONATE NOW

REGISTER TODAY
Warriors, Families &
Caregivers

HOME > SCAM INFORMATION

Report Fraud

To ensure public confidence in our organization and its mission, Wounded Warrior Project® (WWP) established this webpage to help the public report fraudulent activities by people misrepresenting fundraising or outreach efforts through use of the Wounded Warrior Project name. Unfortunately, military families are often a target for fraud in general. To learn more, visit the [Federal Trade Commission](#) or [Scams That Target Veterans](#).

Protecting Donor Intent:

WWP is committed to ensuring all donor's intentions are honored. We take this responsibility seriously. To ensure donor clarity, WWP encourages respect and cooperation among the nonprofit community regarding charity names and identifying trademarks.

Do Your Research:

- Research an organization before donating your money.
- Do not send or give cash donations.
- Ask for a receipt that shows the amount of your contribution, and that it is tax deductible.
- NEVER provide personal or financial information to unknown individuals.

WWP Fundraising Efforts DO NOT Include:

- Door-to-door solicitations
- Magazine sales
- Cold-call telemarketing
- Storefront fundraising

If you encounter an alleged WWP representative in ANY of these scenarios, it might be a scammer trying to gain your trust and solicit a fraudulent donation. It is illegal for a person to pose as a WWP representative for the purpose of fraudulently soliciting, collecting, or receiving money. We urge you to contact us at fraudalert@woundedwarriorproject.org to verify if a fundraising effort is legitimate.

How to Report a Suspected Fraud or Scam:

If you suspect fraud, immediately contact your state or local consumer protection office. These agencies have the best available resources to investigate and prosecute these matters. You can contact your state attorney general or Consumer Protection Office online at: usa.gov/directory/stateconsumer/index.shtml

We'd also appreciate a heads-up! Reporting potential fraudulent activity to WWP will allow us to warn other donors, contact us at fraudalert@woundedwarriorproject.org.

FRAUD FAQS

ADDITIONAL RESOURCES

Report incidents of consumer fraud or deception directly to the:

- [Federal Trade Commission \(877\) FTC-HELP](#)
- [Better Business Bureau](#)

WHAT THE PEOPLE THINK AFTER STRATEGY AND TACTICS IMPLEMENTED

- Some veterans are saying the organization has never changed and that veterans are not getting anything the organization promises.
- “As a wife of a Vet, I'm so happy this rip off organization is FINALLY being investigated. Be very educated about any charity you choose to support”
- “We raised millions for the WWVP at my golf course. I never trusted these BS WWVP, because I knew they were crooks”

EVALUATION

- As far as the organization responding when the scandalous news was released, the CEO who was in-charge while the scandalous actions were taking place remained silent.
- The Wounded Warrior Project Board of Directors released a written statement saying that the organization has supported wounded veterans for years and will continue to do so and that they are investigating the issues that have been brought to their attention.
- The organization is currently being overseen by Charity Navigator. During the search of funds, they discovered that just 54 percent of proceeds went to wounded veterans, so they are working to get that right

EVALUATION

- They are still working hard to gain back the trust of the organizations publics.
- The steps the organization is taking are supporting the causes it has chosen to focus on, working every day to better this organization and update it to benefit veterans more, and being completely transparent with its publics.

WHAT WE WOULD HAVE DONE DIFFERENTLY

- The whole issue could have been avoided by hiring the right personnel for the organization.
- The CEO should have responded immediately.
- Something to add is possibly getting all the lost money back to the organization and giving it to veterans properly.
- How they could have avoided this scandal would have been having serious hiring processes.
- They could have checks throughout the year making sure the money was being put to the right causes.

WHAT WE WOULD HAVE DONE DIFFERENTLY

- They could have a yearly budget and earmark what money and how much is going to which person or cause.
- They could have made updating the company an every two month thing, making sure they were at the peak of all technology and advancements.
- They could have a check and balance process to spending money to make sure everything is accounted for and not used for wrongdoing.