

Changing the NUMBERS GAME

Forza Financial impacts communities one small business at a time.

BY ELLEN JOHNSON AND OLIVIA GRIDER

Branson Horn, a University of Alabama junior majoring in finance, came to college with a passion for business and economics – and a desire to serve his adopted community.

“I loved studying economics and seeing how businesses worked,” Horn says. “I knew I wanted to be part of the business school, and I was looking for something to get involved in.”

The opportunity Horn was searching for presented itself in the form of Forza Financial, a student-founded and student-run nonprofit organization that provides loans to small-business owners in West Alabama. Horn is now chief executive officer of the micro-lending firm that began in 2009 and achieved nonprofit status in 2014.

“It’s good to go out and see what it’s like for people outside of campus,” Horn says. “I think one of the biggest things I’ve learned from working with Forza is how much I value the people I work with and really enjoy being in a position where I can help people grow and find things they enjoy doing and ultimately further our mission as an organization,” Horn says.

Forza provides a service most banks don’t: small loans to individuals with little capital who are trying to start or grow a business. These business owners sometimes turn to payday lenders, which typically charge triple-digit annual interest along with finance fees. Through Forza, students provide uncollateralized loans, competitive interest rates and consultation using group lending. UA professors lead free seminars on a variety of business topics, and trained students provide free



UA students Rick Lewis, chief academics officer for Forza, and Keeley Aten, a business coach, working in Forza’s downtown Tuscaloosa office. Student volunteers man the office every weekday, answering calls, attending meetings and doing client outreach.

business coaching in specific areas such as accounting, tax filing and incorporation in Alabama.

“Many of our students are finance and business majors and use those specific class lessons in best aiding our clients, especially with our business coaching and with considering taking on new clients,” says Megan Dorn, who graduated with a bachelor’s degree in communication in 2016 and served as chief communications officer for Forza during Fall 2015. “Our communication department is also mostly marketing, PR and advertising students who get to use those class skills in developing our communication strategy.”

Some students also enroll in UH 120 Honors Explorations: Forza Financial, which meets weekly and focuses on lending practices and the microloan process and includes guest-speaker presentations. Students conduct company planning during bi-weekly staff meetings.

Forza’s model is based on the ideas of Muhammad Yunus, the founding father of microfinance. Yunus won the 2006 Nobel Prize for his strategy of empowering impoverished communi-



UA students [l-r] Lauren Hardison, Evan Hargrave and Bret Buckler present a check to a business owner. Through Forza Financial, students provide small loans with competitive interest rates to individuals trying to start or expand businesses.

ties by providing small loans. Students say Forza is one of a limited number of groups that are working to bring microfinance to the United States.

Forza students meet with small-business owners and evaluate them as loan candidates. The entrepreneurs present business plans, budgets and financial statements. If the Forza selection committee chooses someone as a client, the application process begins and that person is on his or her way to getting a new business off the ground or improving a current business.

Forza Financial writes loans from \$500 up to \$5,000. Since 2011, the organization has assisted 15 clients in West Alabama, providing more than \$25,000 in loans. Each semester, between 30 and 40 UA undergraduates regularly volunteer with Forza. Most students spend up to eight hours a week working for Forza, and the executive team spends upwards of 15 hours weekly. More than 75 students have participated in Forza since its launch. In 2015, Forza Financial earned a UA Service and Leadership Award for Most Outstanding Professional Organization. The award is the highest honor the University bestows upon student organizations for leadership and service.

Norma Young, owner of Service

with a Smile, LLC, a Tuscaloosa-based cleaning service, has been a Forza client since 2014. She purchased the first computer for her business with a Forza loan.

“It was \$1,000 to buy me a computer, and I’ve also been to several seminars,” Young says. “I found out about Forza when I was talking to



UA student Caroline Morrison with Tameka Hope, owner of Faithful Printing and Apparel in Tuscaloosa. Hope received a \$2,200 loan from Forza in Spring 2015 to jumpstart her business printing T-shirts. She sells the shirts in her store along with copies of her book, which tells about her experience with the April 2011 tornado that destroyed her home.

someone else about helping me build my business and they referred me to Forza for financing.”

Most Forza loan recipients haven’t had any formal business education but aren’t looking for a business-consulting firm because of the high costs.

Young says she appreciates the skills and knowledge Forza students offer.

“I don’t have to pay for their services,” Young says. “Since most of [the students] are studying business, they can help me with mine.”

Rick Lewis, a sophomore majoring in English, began volunteering with Forza in Fall 2015 and quickly moved into a leadership position, now serving as chief academics officer. He says Forza has given him a chance to breach the campus bubble.

“It’s easy for us as students to become somewhat disengaged from Tuscaloosa as a town, so this was an interesting way to reconnect myself with the actual Tuscaloosa community,” Lewis says. “It’s refreshing to be off campus for awhile and deal with people in the real world.”

Dr. Louis Marino, a professor of strategic management in the Culverhouse College of Commerce, teaches UH 120 Forza Financial and says students always grow from involvement with the Forza organization.

“Forza Financial gives students an unparalleled experiential learning opportunity,” Marino says. “It gives them valuable contacts, experience in running a business and the opportunity to apply key skills in helping others. Very few students have the opportunity to gain such valuable experience and to have the responsibility and impact that Forza offers.”

For more information about Forza Financial, contact Dr. Louis Marino at lmario@cba.ua.edu or 205-348-8946 or Branson Horn at bthorn@forzafinancial.com.