

*U6414 Nonprofit Management and Finance*  
*Spring 2004*  
*Saturdays, 9:00-11:00*

*Instructor: David Campbell, Ph.D.*  
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***Required Course Texts***

Brinckerhoff, Peter (2000). Mission-based Management. 2<sup>nd</sup> edition. New York: John Wiley & Sons.

Light, P. (2000). Making Nonprofits Work: A Report on the Tides of Nonprofit Management Reform. Washington D.C.: Brookings Institution Press.

Ott, J. Steven, Ed., (2001). Understanding Nonprofit Organizations: Governance, Leadership and Management. Boulder, CO: Westview Press.

Salamon, L. (1999). America's Nonprofit Sector: A Primer. 2<sup>nd</sup> edition. New York: The Foundation Center.

A course reader is required and can be purchased at Copy Quick.

***Course Overview***

This course will provide an introduction to management issues faced by leaders in nonprofit organizations. The course will be arranged topically. The topics to be covered are listed for the class session date on which that topic will be presented. The format for the course will be lecture and facilitated discussion. Case studies, assigned readings and other activities will be used to organize class discussions.

***Assignments***

Students will be evaluated based on two different kinds of assignments, case study analyses and a final, take home exam. Over the semester, all class members will be responsible for completing four brief case study memos. The case study memos should be no more than two to three pages single spaced. The analyses will be based on questions provided about Harvard case studies (from the Business and Kennedy Schools). ***We will study five cases; you are responsible for four analyses.*** We will have a class discussion about cases on the day the cases are due. Also, each student will be asked to participate in the preparation of a group project that will be presented in class. There will be a take home exam at the end of the semester.

Course grading will be based 50% on the case studies, 10% on the group presentation, 30% on

the final exam and 10% on attendance/participation in classroom discussion.

### ***Course Schedule***

#### ***January 24***

Course Overview and Introduction to Nonprofit Organizations  
Review of syllabus, course requirements and student interests  
Overview of the nonprofit sector

#### ***Required Reading:***

*Salamon, America's Nonprofit Sector: A Primer, Chapters 2-5 (pp. 7-74)*  
*Brinckerhoff Chapters 1,2*  
*Hall, Inventing the Nonprofit Sector, Introduction, pp. 1-11*

#### ***Recommended Reading***

*Hammack, "Introduction: Growth, Transformation, Quiet Revolution in the Nonprofit Sector over Two Centuries"*

#### ***January 31***

The Legal Structure of Nonprofit Organizations  
Ethical Issues in Nonprofit Management.

#### ***Required reading:***

*Ott, pp. 51-91, 108-119*  
*Independent Sector "Obedience to the Unenforceable: Ethics and the Nations Voluntary and Philanthropic Community"*  
*Stamler, B., "The Gray Area for Nonprofits: Where Legal is Questionable"*

#### ***February 7***

Introduction to Nonprofit Management: Mission, Vision and Strategic Planning  
The role of mission in nonprofit organizations  
Creating, evaluating and using mission and values statements.

#### ***Creating a Strategic Plan***

Role of Strategic Planning in nonprofit organizations  
How to put together a strategic plan

#### ***Required Reading:***

*Drucker, pp. 3-8*  
*Brinckerhoff, Chapter 3,4, 11*  
*Ott, pp. 127-141, 158-166*

*Recommended Reading:*

Mara, C., "A Strategic Planning Process for a Small Nonprofit Organization: A Hospice Example"

Case Study One, GLSTN, is due **February 7th**.

February 14<sup>th</sup>

Financial Management I

Financial Management and Organizational Accountability  
Relationship Between Budgeting and Planning  
Reading and Using Nonprofit Financial Statements  
Financial control strategies in nonprofit organizations

*Required Reading*

Ott, pp. 283-308

Brinckerhoff, Chapters 10

Strachan, J. "Understanding Nonprofit Financial Management"

Trussel, J., "Revisiting the Prediction of Financial Vulnerability"

February 21<sup>st</sup>

Governance Issues and the Organization of Nonprofits

Differences between for profit and nonprofit organizations: shareholder value vs. mission  
Role of the Board in a nonprofit organization  
Leadership and Committee Structure

*Required Reading:*

Ott, pp. 1-37

Brinckerhoff, Chapter 5

Holland, T. "Board Accountability: Lessons from the Field"

Korngold, A., "Term Limits: Only Dysfunctional Organizations Need Them"

Wyland, M., "Term Limits: Only Perfect Board Can Do Without Them"

*Recommended Reading:*

Abzug, R. and Galasciewicz, J.. "Nonprofit Boards: Crucibles of Expertise or Symbols of Local Identities"

Case Study Two: NAACP due

February 28

## Fund Raising Principles

### Fund Raising Plans

Types of fund raising: capital campaigns, annual campaigns, major donors, events.

Creating a constituency

### *Required Reading:*

*Ott, Chapters pp. 167-201*

*Philanthropy Industry Note Part A: Landscape of Philanthropy in the United States.*

*Lindahl, W., & Conley, A. "Literature Review: Philanthropic Fundraising"*

*"Giving and Volunteering in the United States 2001" available at*

*<http://www.independentsector.org/PDFs/GV01keyfind.pdf>.*

## **March 6**

### Financial Management II

*Case Study Three: Historical Society of Pennsylvania is due on March 6<sup>th</sup>.*

## **March 20**

### Social Entrepreneurship

Entrepreneurship and nonprofit organizations

Non-traditional sources of revenue

### *Required Reading:*

*Brinckerhoff, Chapter 8*

*Dees, J.D. "Enterprising nonprofits"*

*Dahle, Cheryl, "We've got two bottom lines: Money and the Mission"*

*Reis, Tom, "Unleashing New Resources and Entrepreneurship for the Common Good"*

*(available at <http://www.wkcf.org/pubs/PhilVol/Pub644.pdf>). Or, go through*

*[www.wkcf.org](http://www.wkcf.org), to knowledgebase to publications and resources, select "u"*

### *Recommended:*

*Boschee, J. "Merging Mission and Money: A Board Member's Guide to Social Entrepreneurship"*

*Case Study Four: City Year due*

**March 29**

Nonprofit Management Reform  
Reform Pressures  
Key Reform Movements: Theory and Practice

*Required Reading*

*Light, Chapters 1-3, pp. 1-77*  
*Ryan, W. "The New Landscape for Nonprofits"*  
*Bradley, B., Jansen, P., Silverman, L. "The Nonprofit Sector's \$100 Billion Opportunity"*

**April 3**

Nonprofit organizations and public policy  
  
The relationship between the nonprofit sector and government  
How nonprofit organizations influence public policy debate  
Legal issues in nonprofit advocacy

*Required Reading:*

*Salamon, Chapter 10, pp. 135-147*  
*Boris, E., Krehely, J. "Civic Participation and Advocacy," in Salamon, L, The State of Nonprofit America, pp. 299-330.*  
*Rosenman, M., "Why Social Service Groups Must Mobilize"*  
*Wartik, N., "The Case for 2 Approaches"*

*Group Project 1 due*

**April 10**

The role of foundations in nonprofit management  
Project funding , venture philanthropy, sources of foundation money

*Required Reading:*

*Ott, Chapter 16*  
*Letts, Ryan and Grossman, "What foundations can learn from venture capitalists"*  
*Porter and Kramer, "Philanthropy's New Agenda: Creating Value"*  
*Stauber, K., "Mission Driven Philanthropy"*

*Bailin, M., "Requestioning, Reimagining and Retooling Philanthropy"*  
*Blumberg, G., "Spend it Now: Why some Foundations Plan their Demise"*  
*Review Foundation Center statistics about foundations at [www.foundationcenter.org](http://www.foundationcenter.org).*  
*Click on Researching Philanthropy and Funding Trends.*

*Case Study Five: "EMC: A New Approach at an Old Foundation" due*

***April 24***

Accountability Issues in the Nonprofit Sector  
September 11<sup>th</sup> and the Nonprofit Sector: A Case example

*Required Reading:*

*Carson, E., "Public Expectations and Nonprofit Sector Realities: A Growing Divide with Disastrous Consequences."*  
*Jones, D., & Campbell, D. "How Did we Do? Philanthropy's Response to September 11<sup>th</sup>" (to be distributed).*  
*Light, P., Pathways to Nonprofit Excellence, pp. 1-19*  
*Keeping the Trust: Confidence in Charitable Organizations in an Age of Scrutiny. Available at [www.independentsector.org](http://www.independentsector.org).*  
*Strom, S., "New Equation for Charities: More Money, Less Oversight"*

*Group Project Two due*

***May 1***

Measurement

*Required Reading*

Williamson, D., Sawhill J., (2001) "Measuring What Matters in Nonprofit Organizations," available at:  
[http://www.mckinseyquarterly.com/article\\_page.asp?tk=547053:33&ar=1053&L2=33&L3=95](http://www.mckinseyquarterly.com/article_page.asp?tk=547053:33&ar=1053&L2=33&L3=95)  
United Way of America "Agency Experiences with Outcome Measurement" (2001). Available at: <http://national.unitedway.org/outcomes/files/agencyom.pdf>  
Plantz, M., Greenway, M., Hendricks, M. "Outcome Measurement: Showing Results in the Nonprofit Sector" (1997). Available at:  
<http://national.unitedway.org/outcomes/library/ndpaper.cfm/>.

*Final Exam Due*