

U6414 Nonprofit Management and Finance
Spring 2005
Saturdays, 9:00-11:00

Instructor: David Campbell, Ph.D.
e-mail: dcampbell@cssny.org
phone: 212 614 5564 (office)

Required Course Texts

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

Herman, R. (2004). The Jossey Bass Handbook of Nonprofit Management and Leadership, 2nd Edition. San Francisco: Jossey Bass.

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

Salamon, L. (2003). The Resilient Sector: The State of Nonprofit America. Washington DC: The Brookings Institution Press.

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 six cases; you are responsible for four analyses. You may only do one of the first two scheduled case studies.*** 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 40% on the case studies, 20% on the group presentation, 30% on the final exam and 10% on attendance/participation in classroom discussion.

Course Schedule

January 22

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

Required Reading:

Salamon, pp. 1-87
Brinckerhoff Chapters 1,2
Herman, Chapter 1

Recommended Reading

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

January 29

The Legal Structure of Nonprofit Organizations
Introduction to Nonprofit Management: Mission, Vision and Strategic Planning

Required reading:

Herman, Chapters 3,
Stamler, B., "The Gray Area for Nonprofits: Where Legal is Questionable"
Drucker, pp. 3-8
Brinckerhoff, Chapter 3,4
Rangan, V. "Lofty Missions, Down-to-Earth Plans"

February 5

Mission and Strategic Planning II
The role of mission in nonprofit organizations
Creating, evaluating and using mission and statements.

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

Required Reading:

Herman, Chapter 8
Brinckerhoff, Chapter 11
LaPiana, "Strategy Formation: Beyond Strategic Planning"
McLaughlin, T. "Thinking Strategically: It really can be an art form"

Recommended Reading:

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

Krug, K. & Weinberg, C. "Mission, Money and Merit: Strategic Decision Making by Nonprofit Managers."

Case Study One is due.

February 12th

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:

Herman, Chapter 6

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"

Case Study Two due.

February 19th

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:

Brinckerhoff, Chapter 10

Herman, Chapter 19

Strachan, J. "Understanding Nonprofit Financial Management"

Miller, C. "Hidden in Plain Sight: Understanding Nonprofit Capital Structure"

*McCambridge, R. & Salamon, L. "In but **not** Of the Market"*

*Lammers, J. "Know Your Ratios: Everyone **Else** Does"*

February 26th

Financial Management II

Case Study Three due

March 5

Fund Raising Principles

Fund Raising Plans

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

Creating a constituency

Required Reading:

Herman, Chapter 17

Ho Vannoni, K., "Hungry Heart Association: A maverick reorganization by an American Heart Association paves the way for fundraising success.

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

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

Review Giving USA summary information available at www.givingusa.org.

Review Association of Fund Raising Professionals Code of Ethics at:

http://www.afpnet.org/tier3_cd.cfm?folder_id=897&content_item_id=1068.

Strom, S., "Big but not easy: As donors set terms, some charities resist"

Recommended Reading:

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

March 12

Social Entrepreneurship

Entrepreneurship and nonprofit organizations

Non-traditional sources of revenue

Required Reading:

Herman, Chapter 18

Brinckerhoff, Chapter 8

Dees, J.D. "Enterprising nonprofits"

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

Jain, V., "Not-So-Starving Artists: Artists for Humanity Students are also employees"

Eisenberg, P. "The Public Loses Out When Charities Become too Business-Like"

Recommended:

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

Entrepreneurship”

Case Study Four: City Year due

March 26

The role of foundations in nonprofit management

Project funding , venture philanthropy, sources of foundation money

Required Reading:

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., “Questioning, 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.

Click on Researching Philanthropy and Funding Trends.

Case Study Five Due

April 2

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:

Herman, Chapter 10

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”

Guinane, K. “The Perils of Speaking Out”

Group Project 1 due

April 9

Ethics and Accountability Issues in the Nonprofit Sector

Required Reading:

Herman, Chapter 9

Independent Sector “Obedience to the Unenforceable: Ethics and the Nations Voluntary and Philanthropic Community”

Carson, E., “Public Expectations and Nonprofit Sector Realities: A Growing Divide with Disastrous Consequences.”

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.

Aviv, D., “Earning the Public Trust”

Recommended Reading:

Jones, J., “Accountability Issues: Everyone is looking at NPOs”

Nonprofit Quarterly Editors, “Attorneys General and Nonprofits”

Strom, S., “New Equation for Charities: More Money, Less Oversight”

Stamler, B. “A Round-Table Discussion on Regulating Charities”

Group Project Two due

April 23

Measurement

Required Reading

Herman, Chapters 14, 16

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

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/>.

United Way of America, “Introduction to Outcome Measurement”

Case Study Six due

April 30

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"

Herman, pp. 731-736

Final Exam Due