

Managing Non-Governmental Organizations

Professor Roy Sparrow

Module 1 Semester 2
2011

This course explores the evolving field of the management of non-governmental organizations (NGOs) and nonprofit organizations. The course aims, first, to equip students with a good understanding of what nonprofits and NGOs are, what they do, how they operate, and the special challenges they face. Second, it will focus on the knowledge, skills, values, and attitudes needed to manage these organizations successfully. Using concepts and frameworks from strategic management the course will draw on current research in nonprofit and NGO management and case studies of managers at work in this field.

Course requirements: 1) term paper 2) case analysis 3) participation in class

Grading: term paper 65%, case analysis 20%, participation 15%

Required books, articles and cases

Joseph Cordes and C. Eugene Steuerle, eds., *Nonprofits & Business* (The Urban Institute Press, 2009)

Peter Frumkin, *On Being Nonprofit: a Conceptual and Nonprofit Primer* (Harvard University Press, 2002)

James A. Phillips, Jr., *Integrating Mission and Strategy for Nonprofit Organizations* (Oxford University Press, 2005)

Course packet containing articles and cases

Course topics by session

INTRODUCTION AND CONTEXT

1. Introduction.

Course objectives and requirements
Overview of the course
NGOs and nonprofit organizations
Differentiation of sector from the private and governmental sectors
Useful models and concepts for understanding the NGO/nonprofit sector

Readings: Cordes, Ch. 1; Frumkin, Ch. 1

2. The NGO and nonprofit sector.

Development and evolution of nonprofits and NGOs
Types of nonprofits and NGOs
Structural forms of nonprofits and NGOs
Theories of the nonprofit sector
Social enterprise and social entrepreneurship
Importance and role of mission to nonprofits and NGOs

Readings: Cordes Chs. 2, 3 and appendix 3.1; Frumkin Chs. 2 and 4

3. Legal issues affecting nonprofits and NGOs.

Formation and dissolution
Governance and board member duties
Permitted and prohibited activities; sanctions and penalties
Liability concerns (insurance and indemnification)

Readings: Cordes, Ch. 4
IRS Life Cycle: Governance and Related Topics in 501(c)(3)
Organizations

Case: American National Red Cross (A & B)

MANAGING NONPROFITS AND NGOS

4. Developing Mission and Strategy.

Role of mission and strategy
Environmental assessment
Industry analysis for nonprofits
Resource dependency

Readings: Phills, Chs. Intro, 1, 2, 3
Michael Porter, "What is Strategy?" *Harvard Business Review*, Nov-Dec
1996

Cases: Oxfam in America

5. **Strategic management in nonprofits and NGOs.**

Assessment of organization and its service delivery system
Making strategy in nonprofit organizations
Application of strategic management approaches to nonprofit organizations
Varieties of strategy for nonprofit organizations

Readings: Clayton M. Christensen, et al, "Disruptive Innovation for Social Change,"
Harvard Business Review, Dec. 2006
Henry Mintzberg, "The Fall and Rise of Strategic Planning," *Harvard Business Review*, Jan-Feb 1994

Case: Repositioning Care USA

6. **Implementing strategy.**

Importance of strategy implementation
Understanding the common failure to implement
Designing and managing implementation
Engaging the workforce

Readings: Phillips, Chs. 4, 8
Michael Beer and Russell Eisenstat, "The Silent Killers of Strategy Implementation and Learning," *Sloan Management Review*, Summer 2000

Case: Strategic Planning at NFTE

7. **Generating revenue**

Key challenges in fundraising
Strategy and fundraising
Approaches to fundraising
Determinants of success in fundraising

Readings: Cordes Ch. 7; Frumkin Ch 5
William Landes Foster, et al., "Ten Nonprofit Funding Models," *Stanford Social Innovation Review* (Spring 2009)
Ann Goggins Gregory & Don Howard, "The Nonprofit Starvation Cycle" *Stanford Social Innovation Review* (Fall 2009)
William Foster and Jeffrey Bradach, "Should Nonprofits Seek Profits?" *Harvard Business Review* (Feb 2005)

Case: FUTUR – Working toward Social Inclusion

8. **Human resources. Ethical issues.**

Compensation and benefits
Recruiting, hiring, managing & firing
Volunteers and professionals
Ethical expectations, code of conduct, conflict of interest

Readings: Cordes Ch. 8; Lewis, Ch. 4

Deborah Rhode & Amanda Packel, "Ethics and Nonprofits" *Stanford Social Innovation Review* (Summer 2009)

Mary Gentile, "Managing Yourself: Keeping your Colleagues Honest" *Harvard Business Review* (March 2010)

Case: Intermon Oxfam: The Conflict between Efficiency and Values

9. Internal management and communications.

Analysis of competencies, costs, and information

Analyzing and improving communications

Accountability and performance measurement

Role of incentives and controls

Measuring the bottom line and performance

Readings: Cordes, Ch. 9; Frumkin Ch. 3

Case: Jumpstart

10. Leadership in nonprofits and NGOs.

The challenge of leadership in nonprofits

Analyzing failures in leadership

Improving leadership effectiveness in nonprofits

Readings: Phills, Ch 6, Daniel Goleman Richard Boyatzis and Annie McKee, *Primal Leadership: Realizing the Power of Emotional Intelligence* (Harvard Business School Press, 2002) Chs. 1, 10, 11

Case: Instituto Nacional de Biodeverisdad--INBio

COLLABORATION AND CHANGE

11. Collective action.

Collaborative strategies

Cross-sector alliances and corporate partnerships

Readings: Phills, Ch 5; Cordes, Ch 5, 6

Case: Making Partnership a Habit: Margie McHugh and the New York Immigration Coalition

12. Managing strategic change for sustainability

The nature of strategic change

Barriers to managing strategic change

Avoiding the pitfalls of leading change

Readings: Phills, Ch. 7, Frumkin, Ch. 6

Case: Strategic Activism – Rainforest Action Network

12/28/2010

NOTE ON COURSE REQUIREMENTS

1. **Choose a nonprofit or non-governmental organization that you find interesting.** During the course you are expected to do research and write a term paper on the strategic position of this organization and the main strategic issues that it faces. By week four of this course you should have examined various aspects of the organization such as purpose/mission, context, formal structure, clients/beneficiaries, and the outlines of its strategy. The reason for this exercise is to provide you with a way to ground your learning in some real-world application. For each course session, you should examine the aspect of the organization being covered. Much, perhaps most, of your research will be done on-line, but if you have access to an organization with offices in Israel, you will find it useful to examine documents and conduct a few interviews. You will have an opportunity during each class to discuss your findings and to learn about the research of fellow students. Further details on the research paper will be provided.
2. **Write a brief case analysis of two cases assigned in the course.** Each case analysis should be no more than two pages in length. An outline of the suggested topics to be covered will be provided.
3. **In-class participation is vital to learning.** Effective participation means being prepared to discuss issues from the readings and cases as well as bringing material from your research paper to bear in class discussion.