UC Davis Graduate School of Management

Syllabus

Management 298  Winter 2005
Management of Nonprofit Organizations
Faculty - Jane Hagedorn
Tuesdays 6 pm to 9 pm OCM

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Course Description

This seminar course will focus on leadership issues unique to nonprofits from the perspectives of the volunteer Board of Directors and the staff chief executive officer.

Nonprofit organizations are growing rapidly but have only come under serious academic analysis in recent years. This trillion dollar nonprofit sector includes education, research, health care, art, culture, religion, communications, social welfare and services, advocacy, legal services, international assistance, foundations and mutual benefit professional and trade associations.

We will explore the unique leadership skills, organizational attributes, accountability and ethical demands of the nonprofit sector with primary emphasis on 501 c 3 nonprofits.

This seminar style class will be limited to 15 participants who will be required to engage in active discussion and debate based on full preparation for each class.
Class Objectives:

Through course lectures, active group discussion, nonprofit organizational analysis, outside lecturers, written resources and prepared material, you should by the end of this course be able to:

1. Understand the unique role, management techniques and attributes of the nonprofit sector.

2. Understand the relationships, mutual dependencies, and unique differences between the nonprofit sector and the for profit and government worlds.

3. Understand the unique governance and leadership issues of volunteer and executive leaders.

4. Understand the criticality of mission, vision and strategic planning in nonprofit sector.

5. Understand the role of public policy and advocacy in nonprofits.

6. Understand the unique and demanding ethical and accountability responsibilities of the nonprofit sector.

Course requirements

Class Participation (60% of course grade with 35% from class discussion and 25% based on written class preparations)

Active and full participation by each student will be required based on thorough knowledge of the case studies including both written summaries and engaged discussion. The required reading materials will be essential to the discussion as will the written analyses.

Field Case Study: (30% of course grade)

Case studies will be conducted by teams of two students. Each team is asked to select a 501 c 3 nonprofit organization with a minimum annual budget of $100,000 and with a substantial local presence. Please do not select your own nonprofit if employed in the field. Review selection by Jan. 18th with instructor. Through multiple interviews with its chief executive officer or senior staff, the Board Chair or officer and at least one other volunteer and by reviewing the organization’s annual report, 990 IRS form, budget, minutes, materials and program of work seek to understand the following:
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a. The internal and external environment of the nonprofit.

b. The degree to which those interviewed understand and are able to articulate the mission and financial base of the organization. Analyze the reality of mission and program integration from their viewpoints and from your own insights. Assess the leadership capabilities and attributes.

c. Understand the finances of the nonprofit with particular emphasis on analysis of the fiscal information and congruence with the 990 report and its actual work. Be able to comment on the long term trends and financial stability of the organization.

d. Report on the biggest challenges or key issues facing the organization and what the organization is doing to meet these challenges.

e. Define whether your nonprofit is a change agent and justify.

Prepare a 10 to 15 page summary of your experience with footnoted sources and submit by February 22th. Each team will conduct a 30 minutes class including presentation of findings and actively engaging the class in discussion. Presentations will be scheduled during the last three classes of the course.

Summary Report (10% of course grade)

Provide a maximum three page report no later than March 15th that addresses the following:

a. What are the most important learning experiences that resulted from the course?
b. What case study was of interest to you and why?
c. Describe the three most important qualities needed by a nonprofit CEO and a nonprofit Board President or Chair.
d. Describe your personal theory of volunteerism and describe how you envision yourself being involved in nonprofits in the coming years.
e. Do you agree with Dr. Herman’s conclusions?
Reading Sources

1. **Required:**
   

   (N&D) Burt Nanus and Stephan M. Dobbs, Leaders Who Make a Difference Essential Strategies for Meeting the Nonprofit Challenge

2. **Required:** (CP) Class packet of case studies to be used in the class.

3. **Recommended readings:**

   Robert Putnam, Bowling Alone The Collapse and Revival of American Community

   Michael O’Neill, Non Profit Nation A New Look at the Third America

   Miriam M. Wood, Editor, Nonprofit Boards and Leadership: Cases in Governance, Change and Board-Staff Dynamics

   Frances Hasselbein, et.al., Ed., The Leader of the Future

   Herrington J. Bryce, Financial and Strategic Management for Nonprofit Organizations

   Robert D. Herman and Richard D. Heimovics, Executive Leadership in Nonprofit Organizations: New Strategies for Shaping Executive-Board Dynamics

   Peter F. Drucker, Managing the Non-Profit Organization Practices and Principles

Jan. 11th, 2005  **Introduction to the Nonprofit Sector**  
(Class 1)  

*Guest speaker: Jan Stohr, Director of the Nonprofit Resource Center*  

Required prereading: H Jossey Bass Handbook Chapters 1 through 5  
N&D Leaders Who Make a Difference Chap. 1 and 2  

Case: United Way of America (Class Packet)  
Individual assignment: *Please bring to class a one page typed summary of the case study’s major issues and identify the significance of the issue as defined in the required reading.*

Jan. 18th  **Governance and Leadership: Role of Board of Directors**  
(2)  

Required prereadings: H Jossey Bass Handbook Chap. 6  
N&D Leaders Chap. 3  

Individual assignment: *Please bring to class a one page analysis of which Board responsibility you consider to be most important for effective leadership and justify, citing references from the readings.*

*Guest speaker: Anne Ferguson, Attorney*  
Hunter Richey DiBenedetto and Eisenbeis, LLP  

Case: United Way of America case continued  

*Team select nonprofit for field case study and review with professor.*
Executive and Management Leadership: Role of CEO

Jan. 25th
(3)

Required prereadings: H Jossey Bass Handbook Chapters 7 and 11
N&D Leaders Chapter 6

Individual and team assignment: Please bring a one page
description of what attributes you need to identify in your nonprofit case study to determine if its ceo is a change agent citing references to the reading..

Case: Girl Scouts of USA (Class Packet) Individual assignment: Be prepared to present the internal and the external environment of this nonprofit at time of case study.

Critical Role of Mission and Vision in the Nonprofit Sector

Feb. 1st
(4)

Guest speaker: Ray Tretheway, Executive Director
Sacramento Tree Foundation and
Sacramento City Council Member

Required prereadings: H Jossey Bass Handbook Chapters 8 and 14
N&D Leaders Chapters 4, 5, and 10

Cases: W. University of Bridgeport (Class Packet)
Tucson Discovery Museum (Class Packet) Individual assignment: Select one of these case studies and bring to the class a one page summary of the key issues.
Feb. 8th  **Financial Management and Fiduciary Responsibility**  

(5)  

**Guest speaker: Ken Dodge, CPA Managing Director**  

*John Waddell and Co. CPAs*

Required prereadings: *H Jossey Bass Handbook* Chapters 15 and 19

**Team assignment:** Please bring to class the most recent audit and 990 of your selected nonprofit field case study with your team’s two page written analysis of the nonprofit’s 4 year financial trends and the functionalization of expenses presented in the 990 along with any substantive notes in the audit.

Feb. 15th  **Ethical Issues in Nonprofits**  

(6)  

There is increasing concern and oversight involving ethical issues in all sectors of society including nonprofits. The premise that nonprofits should actively promote “moral management” will be explored.

**Cases:** A selection from *Ethics in Nonprofit Management* by USF’s Institute for Nonprofit Management (Class Packet)  

**Individual assignment:** Please bring to class a two page analysis of an ethical issue faced in one of the case studies and how you would have resolved it from point of view of CEO or the Board leader.

Required prereading: *H Jossey Bass Handbook* Chapter 9
Feb. 22th  **Impact of Change and Crisis on Nonprofits: Focus on Symphonies**

*Guest Speaker: Ernie Lewis, MD, Retired Associate Dean School of Medicine UC Davis, Past President Sacramento Symphony, Fundraising Leadership for the Mondavai Center*

**Cases:** The Sacramento Symphony Case, Dr. Lewis
The Boston Symphony Orchestra case (Class Packet) Individual assignment: *Please bring to class a one page analysis of the financial situation of the Boston Symphony in this case. You will also have a section of the Oakland Symphony case study to analyze which will be distributed a week ahead.*

- Required prereading: O’Neill’s *Non Profit Nation* Chap. 8 (Class Packet)

Field case study reports due.

March 1**nd**  **Role of Public Policy and Advocacy in Nonprofits**

- Required prereadings: H Jossey Bass Handbook Chap. 10  
  N&D Leaders Chapter 8

Team assignment: *Please bring to class a two page essay on whether you think a nonprofit should be engaged in advocacy, cite the views in the literature, and compare with the experience of the nonprofit you are studying. Explain if team has diverging viewpoints.*

Begin field case study presentations.
March 8th  **Resource Development Both Financial and Volunteer**

*(9)*

Required prereadings: H Jossey Bass Handbook Chapters 13,17,18
N&D Leaders Chapter 9

*Please bring a one page summary of a nonprofit fundraiser that you have been involved with or have knowledge of and compare to guidelines for effective fundraising in the readings.*

*Continue field case study presentations.*

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March 15th  **Finish field case study presentations.**

*(10)*

*Guest speaker:  Kori Stephens, UCDGSM MBA June 1999*  
*Director of Policy and Communications*  
*American Lung Association of Sacramento Emigrant Trails*

*Required prereadings: Leader to Leader “Invisible Side of Leadership” (Class Packet)*  
*N&D Leaders Chapter 11*

*Summary reports due.*