UC Davis Graduate School of Management

Course Outline

Management 298-3   Winter 2001
Management of Nonprofit Organizations
Faculty - Jane Hagedorn
Tuesdays 6 pm to 9 pm OCM

Office hours 9 am - 5 pm
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Course Description

This course will address special topics in the management of nonprofit organizations. The focus will be on management issues unique to nonprofits from the leadership perspectives of the volunteer Board of Directors and the staff chief executive officer.

Private nonprofit organizations are growing rapidly but have only come under serious academic analysis in recent years. The $500 billion 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 ability and accountability demands of the nonprofit sector. We will examine important differences in management of the nonprofit sector versus the business and public sectors.

Through active class participation we will analyze the leadership and management attributes of successful volunteer and CEO leaders. Special attention will be given to mission and vision, financial issues, ethics, relationships between volunteers and staff, crisis management, role of advocacy and volunteerism management.

Class Objectives:

Through course lectures and group discussion, nonprofit organizational analysis, outside lectures, 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 and mutual dependencies between the nonprofit sector, the for profit sector and government.

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 role of public policy and advocacy in nonprofits.

6. Understand nonprofit resource development including financial support and volunteer development.

Course requirements

Class Participation (30 % of course grade)

Field Experience: (30% of course grade)

Select a 501 c 3 nonprofit organization by Jan. 23rd and review with instructor. Through interviews with its chief Executive officer, the Board Chair or officer and at least one other volunteer and by reviewing the organization’s annual report, 990 IRS form, budget, and program of work seek to understand the following:

a. The degree to which those interviewed understand and are able to articulate the written mission of the organization.

b. Understand the sources of the finances which make up the annual budget. Be able to comment on the long term financial stability of the organization.

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

Prepare a 3 - 5 page summary of your experience and submit by February 20th. Each student will make a brief five minute presentation of his or her findings to the class during the period Feb. 27th to March 13th with class discussion to follow.
Written Paper (20% of course grade)

Select a topic from the lecture or discussion, or nonprofit issue or topic of interest to you, and prepare a paper with research from at least one new source and one recommended reading. This is not to be a case study but your analysis of a nonprofit management issue.

Please provide a short one paragraph description of your selected topic by January 16th. The paper (3 to 5 pages) should be submitted by January 30th with a brief presentation to be scheduled during the February classes.

Term Report (20% of course grade)

Provide a typed report no later than March 13th that addresses the following questions:

a. What are the most important learning experiences that resulted from our course?
b. What case study was of interest to you and why?
c. Describe the four 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.

Reading Sources

1. Required: (available in bookstore, UCD Library or dot.coms)

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

   (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 including class readings and case studies. Distributed through CEO Press and can be obtained through Custombookstore.com. You will be notified by class e-mail when packet is available.
3. Recommended readings (also available in UC Davis library and Nonprofit Resource Center)

(O) Michael O’Neill, The Third America The Emergence of the Nonprofit Sector in the United States

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

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

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

(JB) Robert D. Herman and Associates, Jossey Bass Handbook of Nonprofit Leadership and Management

(H&H) Robert D. Herman and Richard D. Heimovics, Executive Leadership in Nonprofit Organizations: New Strategies for Shaping Executive-Board Dynamics
Management of Nonprofit Organizations  Winter 2001  Course Outline (tentative)

Jan. 9th, 2001  Introduction to the Nonprofit Sector
(Class 1)  Profile, history, role of nonprofit sector major themes of leadership,
vision, mission, finances, volunteerism, accountability and relationship
to government and business

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

Readings:  D Managing the Non-Profit pp. 3 - 8
O Chap. 1 Class Packet (CP pp. 1 - 11)
N&D  Leaders Who Make a Difference Chap. 1 and 2

Case:  United Way of America (CP pp. 12 – 23)

Jan. 16th  Governance and Leadership: Role of Board of Directors
(2)  Governance issues, Board models, volunteer accountability and fiduciary
responsibilities, legal issues,  trustee role, stewardship, Board and
CEO relationships

N&D Chap. 3
B Chap. 5 (CP pp. 24 – 39)

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

Case:  Selection USF case studies one to be assigned (CP pp. 40-59)

One paragraph description of topic for written paper due.

Jan. 23th  The CEO in Executive and Management Leadership
(3)  Centrality theory, critical role of vision, internal and external political roles,
CEO and staff, management models

Readings:  D pp. 9-27,29-36,113-120,145-155
H & H Chapter 4 (CP pp. 59 a-j)
N&D Chapter 6

Case:  Girl Scouts of USA (CP pp. 60 – 79)

Please review selection of 501c3 for field experience.
Jan. 30th  **Critical Role of Mission and Vision**

(4) Focus on the uniqueness of the nonprofit mission, strategic planning and integration, maintaining the mission under impact of outside forces and government/earmarked funding

*Guest speaker: Ray Tretheway, Executive Director*
Sacramento Tree Foundation

**Readings:**
- O Chap. 11 (CP pp. 80 – 87)
- D pp.53-71, 99-103,107-112,139-142
- N&D Chapters 4, 5, and 10

**Cases:**
- W. University of Bridgeport (CP pp. 88 – 94)
- Tucson Discovery Museum (CP pp. 95 – 100)

**Written paper due.**

Start presentations on written papers.

Feb. 6th  **External Change and Impact of Crisis on Nonprofits : Symphonies**

(5)

*Guest Speaker: Ernie Lewis, MD. Associate Dean School of Medicine*
*UC Davis and Past President Sacramento Symphony*

**Cases:**
- Boston Symphony Orchestra (CP pp. 109 – 128)
- Vancouver Symphony Orchestra (CP pp. 129 – 155)
- The Sacramento Saga

**Readings:**
- O Chap. 5 (CP pp. 102 – 108)

Feb. 13th  **Ethical Issues in Nonprofits**

(6) There is increasing concern and oversite involving ethical issues in all sectors of society with particular focus in the nonprofit sector based on a premise that nonprofits should actively promote “moral management.” These and other complex and important ethical issues will be debated.
Cases: A selection of cases from *Ethics in Nonprofit Management* by USF’s Institute for Nonprofit Management (CP pp. 155 A – O)

Continue class presentations on written papers.

Feb. 20th **Role of Public Policy and Advocacy in Nonprofits**

(7) The unique role of advocacy and relation to mission, legal considerations/IRS, relationships to government, business and community

Readings: JB Handbook Chap. 10 (CP pp. 156 – 175)
N&D Chapter 8

Finish class presentations on written papers.

**Field experience class report due.**

Feb. 27th **Financial Management and Fiduciary Responsibility**

(8) Issues in nonprofit accounting, Board liability, conflicts of interest, tax issues, FAS regulations, importance of audits internally and externally
Please bring to class the audit from your field case.

*Guest speaker: Ken Dodge, CPA Managing Director J.W. and Company CPAs*

Readings: D Leader pp. 293-302
B Chapters 1 (CP pp. 176 – 192)

Begin field experience class reports.

March 6th **Resource Development: Fundraising and Volunteers**

(9) Fundraising essentials from points of view of Board and CEO, volunteer development and management

*Guest speaker: Tom Donnelly, MD, Assistant Physician in Chief, Kaiser; Recipient American Lung Association National Volunteer Excellence in Resource Development 1997; Past*


March 13th  Complete reports back from field experience
(10)

Guest speaker:  Kori Stephens, UCDGSM MBA June 1999
Project Director,  STARS

Readings:
D Leader pp. 303 – 309
N&D  Chapter 11

Term reports due.