

**CLEVELAND STATE UNIVERSITY
MAXINE GOODMAN LEVIN COLLEGE OF URBAN AFFAIRS
FALL SESSION 2008**

Institutional Development of the Nonprofit Organization: NAL/PAD 550

Faculty: Dr. Stuart Mendel
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Class: Monday 6:00 p.m. - 9:50 p.m. Urban Building (UB)
Sweet Seminar Room,

Office/Hours: Weekdays 9:00 a.m. - 5:00 pm by appointment only
Drop ins - Mondays 5:00 p.m. - 6:00 p.m.

Course Objective:

This course will provide students with an understanding of the origins and nature of the nonprofit sector in the United States, the uses of nonprofit organizations in civil society particularly in their role as facilitating and intermediary organizations in public policy and decision-making, their use of social capital, and introduce class participants to a sampling of best practices in applied management of nonprofit organizations. The course will focus its examples and projects on smaller community-based and faith-based nonprofit organizations.

The course begins with an exploration of historical, descriptive and theoretical issues relevant to the sector. Special attention is directed to the relevance of public private partnerships and the relationships between public, for profit, and nonprofit organizations. The course engages students in critical thinking about managerial practices, including fund raising, strategic planning, capacity building, governance, entrepreneurship, and accountability. Students are encouraged to bring theoretical insights and their own experiences to bear on case materials and the management literature.

The course learning format includes in-class lectures and assignments, small group discussions, and seminars. Both individual and group work will be assigned along with two major projects and regular essay work. *In-class attendance, participation and small group work will comprise ten percent (10%) of the final grade.* **With the exception of the first reading assignment, students are expected to read assignments prior to class.** Although not required, students are encouraged to work together in reading groups to satisfy the reading requirements of the course.

Core Competencies:

To succeed in this class, students must be prepared to read weekly assignments which can be as much as 100 pages per week in various publications, write and convey their thoughts coherently, attend every class session and be present at the start of class through its completion, show courtesy and respect to their fellow classmates, ask questions and demonstrate in class that they have read and understand the materials, submit projects on assigned due dates, and be organized.

Written Assignments:

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Essays: Students are expected to write a brief essay not to exceed two (2) double-spaced type-written pages (size 12 font in Times New Roman or some other standard print) with 1 inch margins, based upon the study questions posed in the syllabus or during class for the appropriate readings (not all weekly reading assignments will have corresponding written assignments). These assignments are **due at the start** of class (6:00 p.m.) one week from the date they are assigned. **Note regarding paper submissions:** E-mail submissions are acceptable, however, ***they must be*** submitted ***by 5:00 p.m.*** which is prior to the start of class on the week they are due. Unless a student receives an e-mail acknowledgment from the instructor noting the receipt of the e-mailed paper, the student will not receive credit for having turned in the paper. Check the syllabus for the assigned readings and questions and note any adjustments to assignments at the conclusion of each weekly class meeting. *These assignments will cumulatively total thirty percent (30%) of the total course grade.*

Midterm Project: Students will draft a five - seven page doubled spaced paper (size 12 font in Times New Roman or other standard print, with right, left, top and bottom spaced margins of no more than 1.5 inches) **based upon a topic of interest of their choosing that considers in some manner material covered in class. Students are expected to refer to information provided in the lectures and readings to that point and should address in some manner, one or more of the main themes that is descriptive of the role or nature of nonprofit organizations in American civil society.** The paper should apply theoretical or historical concepts, individual research and personal experience or observation but must engage the appropriate literature covered or cite other relevant scholarship. Topics may use current social policy, a case history or well known events as points of departure. It is recommended that students use case examples for illustrative purposes (such as an employer or organization for which the student is a volunteer). *This assignment will comprise thirty (30%) of the total course grade.*

Group Project: A “final” group project *and* presentation will be due at the close of the semester in applied management and problem solving. This project is in lieu of a final exam. Each student will work in a small group of no more than four (4) people that investigates one organization in case study and focuses on 2-3 topics of the course (e.g., civic participation, social capital, strategy, quality, program development, performance assessment, human resources, board governance, government contracting, partnerships, commercialism, and funding). The groups will submit at minimum a five page (but no more than twelve page) final report no later than December 9, 2008 (Monday of finals week following classes) and give presentations in class during the last two classes and during finals week if needed. Papers turned in beyond this date will not be accepted.

At the end of the semester, each student will complete peer evaluation forms assessing the contributions of the different members of his/her group on the final project. The evaluation forms will be designed by each group, for use by that group. *The group project, including the peer evaluations will comprise thirty percent (30%) of the total course grade.*

Course Evaluation Criteria:

Class Attendance, Small Group Work and Participation	10%
Assigned Readings and Essays	30%
Midterm Project	30%
Group Project	30%

Elements of this course will use Cleveland State University's "Black Board" applications. Students are required to have access to a computer with internet and world wide web capability either privately or through the Maxine Goodman Levin College of Urban Affairs computer lab.

Required Books:

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Hammack, David C. ed., 1998. *Making the Nonprofit Sector in the United States: A Reader*. Bloomington: Indiana University Press.

Letts, Christine, William Ryan and Allen Grossman. 1999. *High Performance Nonprofit Organizations: Managing Upstream for Greater Impact*. New York: John Wiley and Sons, Inc.

Chapters, articles, and cases as assigned will be made available on-line or provided as handouts when necessary. Students are expected to obtain readings in advance of the class time in which they are discussed. See each class lecture date listed below and within for topics and articles.

Class Schedule

I. The Independent Sector: History, Theoretical Perspectives and Basic Characteristics

Aug 25th: Course Introduction

Lecture Topics: class introductions, course administration, goals of course and review of syllabus, definitions of the nonprofit sector (legal, economic, political, social), civil society, social capital, trust, trustworthiness, partnerships and facilitating organizations; general comments on the scholarly literature and examples of successful writing.

Reading assignment:

Hammack, David C., ed, 1998. *Making the Nonprofit Sector in the U.S.*

1. "Introduction" (pages xv - xix)
2. "Colonial Theory" (pages 3 - 36).

Written Assignment: Describe the Statute of Charitable Uses and the Elizabethan Poor Laws, then explain the reasons for the prominent role of the Church in colonial America. What, if any, parallels exist between these early aspects of American History and your own present day notions of Civil Society." **Due via e-mail submission on Tuesday September 2.**

Sept 1st: Labor Day Holiday - No Class

(Tip: read the September 8th material this week and be prepared to discuss it in class).

Sept 8th: History and Overview

Lecture Topics: review written assignment from week one; origins in English Law and custom; church and state, social development of the colonies, the contradiction of religious pluralism and the challenges of a single vision of a "city upon a hill," the American political tradition, implications of associations for politics, economics, social welfare, social capital and civil society.

Reading Assignment:

Hammack, David C., ed, 1998. *Making the Nonprofit Sector in the U.S.*

1. "Ben Franklin Autobiography" (pages 70 -84)
2. "CATO" (pages 87-96)

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3. Issac Backus and Thomas Jefferson (pages 97-102)
3. "James Madison, The Federalist 10: (pages 103-110)
4. "Constitution Excerpts" (pages 111-113)
5. de Tocqueville, Alexis. 1998 [1835] "Political Associations in the United States," and "On the Use Which American's Make of Associations in Civil Life" (pages 142-153)

Written Assignment: How do these readings inform our understanding of the American political tradition and what does this have to do with the role of nonprofit organizations today? Due at the beginning of next class.

Sept 15th: Role in Society I

Lecture Topics: Contemporary nonprofit organizations arise for specific and deliberate reasons. Some scholars point to nonprofits as contributing to American civil society.

Reading Assignment:

Salamon, Lester M. 1987. "Of Market Failure, Voluntary Failure, and Third Party Government: Toward a Theory of Government-Nonprofit Relations in the Modern Welfare State." Journal of Voluntary Action Research, 16,(1-2), pp. 29-49.

O'Connell, Brian. **The Underpinnings of American Democracy.** Chapter 2 and 3, pages 10 - 38.

Putnam, Robert D. 1995. "Bowling Alone: America's Declining Social Capital." Journal of Democracy, 6(1), pp. 65-78.

Foley, Michael W., and Edwards, Bob. 1996. "The Paradox of Civil Society." Journal of Democracy 7.3 pp. 38-52.

Written Assignment: Draw upon the readings to explain your understanding of the reasons nonprofit organizations form and their contribution to civil society.

Sept 22th Role in Society II

Lecture Topics: Nonprofits in networks as an ecology of games, as part of civil society and its meaning, parallels to social capital and as facilitating and bridging organizations, vis a vis government. The notion of "trust" is introduced. Define and describe "social network mapping" as a medium for strengthening civil society and the role nonprofits play in this process.

Reading Assignment:

Hammack, David C., ed, 1998. **Making the Nonprofit Sector in the U.S.**

1. "Organized Activity among Slaves.." (pages 159 -162)
2. "Robert Baird, The Voluntary Principle.." (pages 163 - 174)
3. Hall, Peter Dobkin, "Institutions, Autonomy and National..." (page 174 -

187)

Harden, Russell. 2002. **Trust and Trustworthiness.** New York: Russell Sage

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Foundation
Chapter 1.

Long, Norton, November 1958. "The Local Community as an Ecology of Games." American Journal of Sociology, Vol 64., pages 251-261

Young, Dennis R. 1999. "Complementary, Supplementary, or Adversarial? A Theoretical and Historical Examination of Nonprofit-Government Relations in the United States" in Elizabeth Boris and C. Eugene Steuerle, eds., ***Nonprofits and Government: Collaboration and Conflict***. Washington D.C.: Urban Institute, pages 31 - 67.

In-class assignment: Using a nonprofit organization with which you are familiar as either an employee, volunteer or through other experience, sketch an ecology of games diagram with appropriate descriptive information. Also draft a social network diagram. Compare your diagram to others in the class. Consider issues or nodes of overlap in organizational or constituent interactions. Turn this in as an attachment to written assignment 1 on October 1.

Written Assignment 1: Using the diagram you drafted in class, describe the context and interaction of your case study "ecology of games" organization with other organizations listed in your diagram. Refer to the readings from Hammack and Young where appropriate. Due in my office on October 2.

Written Assignment 2: One page prospectus of Midterm project topic accompanied by one page annotated description of sources or explanatory terminology. Must be submitted either via e-mail or as hard copy no later than Wednesday, October 8th.

Sept 29th: **No Class**
but written assignment 1 (accompanied by in-class assignment) from September 23rd is due in my office by 6 p.m.

Oct 6th: **Role in Society III**

Lecture Topics: The context in which nonprofits operate and develop pragmatic strategies for achieving their missions; the importance of multiple constituencies in accomplishing mission; implications of race, gender, culture; the city in decision making and community power.

Reading Assignment:

Berger, Peter L. and Neuhaus, Richard John, 1977. "To Empower People" in Michael Novak, ed., ***To Empower People: From State to Civil Society***, Washington, D.C.: Enterprise Institute, 1998, pages 157 - 208.

Conley, Dalton. The Racial Wealth Gap: Origins and Implications for Philanthropy in the African American Community." Nonprofit and Voluntary Sector Quarterly, vol. 29, no 4, December 2000 pp. 530-540.

The Cleveland Papers (1970), pages 1 - 90.

Tiehen, Laura. "Has Working More Caused Married Women to Volunteer Less? Evidence from Time Diary Data, 1965 to 1993." Nonprofit and Voluntary Sector Quarterly, vol. 29, no 4, December 2000 pp. 505-529

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In-class discussion: In groups of three or four draft a “talking points document” which you should consider will be used to brief the leadership of a nonprofit, expressing the relevance of these readings to their decision-making. Frame your talking points so that the issues can be pragmatically applied to the policy, management and program of the organization. Be prepared to report out for a class discussion.

Written Assignment: **Midterm project due at the start of next week’s class**

Oct 13th: **No Class - Columbus Day**
but feedback will be provided upon e-mail request from individual students of the one page prospectus of the midterm project that had been turned in Oct 8.

II. Topics in Nonprofit Management

Oct 20th: **Start-Ups, Program Development and Benchmarking**

Lecture Topics: the development of resources (financial and human) and the notion of trustworthiness.

Reading Assignment:

Hammack, David C., ed, 1998. ***Making the Nonprofit Sector in the U.S.***

1. Smith, Steven Rathgeb and Lipsky, Michael. “The Political Economy and Nonprofit Revenues, 1993.” pp. 455 - 473.

Hardin, Russell. 2002. Trust and Trustworthiness. New York: Russell Sage Foundation. Chapter 2 (pp. 29 - 53)

Letts, et al. 1999. Chapter 5 “Benchmarking: An Organizational Process that Links Learning and Results,” pp 85 - 106. in ***High Performance Nonprofit Organizations: Managing Upstream for Greater Impact.*** New York: John Wiley and Son, Inc.

Markham, William, and Johnson, Margaret A., and Bonjean, Charles M. “Nonprofit Decision Making and Resource Allocation: The importance of Membership Preferences, Community Needs and Inter-organizational Ties.” Nonprofit and Voluntary Sector Quarterly, vol 28, no. 2, June 1999, pp. 152 - 184.

Poderis, Tony. 1996. ***It’s A Great Day to Fundraise!*** Cleveland: FundAmerica Press. pp. 3 - 20.

In-Class Assignment: Working in small groups use a case that I will provide to you from the “Brody Reader” in which benchmarks are listed, defined, measured, and assessed over one annual cycle. You will have to depend upon your own creativity to fill in case study gaps.

Written Assignment: What in your opinion, is the value of utilizing and encouraging the use of evaluation benchmarks by nonprofits? (Benchmark in this usage = establishing measures for the effective running and production of outputs by nonprofit organizations)

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and their programs); What are the possibilities and pitfalls of evaluation benchmarks? Be sure to refer to the appropriate readings to substantiate your views on these two questions.

Oct 27th: Quality Processes and Evaluating Effectiveness

Lecture Topics: **Midterm project due at the start of class.**

Understanding the community foundation, philanthropy and the uses of benchmarks, progress indicators, evaluations and TQM; creating a learning organization.

Reading Assignment:

Hammack, David C., ed, 1998. ***Making the Nonprofit Sector in the U.S.***

1. Hammack, David C. "Community Foundations: The Delicate Question of Purpose, 1989," pp. 330 - 353.

Herman, Robert D. and Renz, David O. Advancing Nonprofit Organizational Effectiveness Research and Theory: Nine Theses. *Nonprofit Management & Leadership*, vol 18 no. 4 Summer 2008 pp. 399 - 415

Values." Whitman, John R. "Evaluating Philanthropic Foundations According to their Social *Nonprofit Management & Leadership*, vol 18 no. 4 Summer 2008 pp. 417 - 434.

Letts, et al. 1999. Chapter 3 "Quality Processes: Advancing Mission by Meeting Client Needs," in ***High Performance Nonprofit Organizations: Managing Upstream for Greater Impact***. New York: John Wiley and Sons, Inc, pp. 39 - 57.

In-Class Assignment: work through case studies distributed in class work.

Nov. 3rd: Human Resources and Volunteers

Lecture Topics: Issues related to compensation, work environment, best management practices and the relationship of budget to staffing, work load, contractual arrangements and strategic matters related to the building and retention of a labor force.

Reading Assignment:

Letts, et al. 1999. Chapter 6 "Human Resources: Developing Employees to Advance Organizational Goals," in ***High Performance Nonprofit Organizations: Managing Upstream for Greater Impact***. New York: John Wiley and Son, Inc., pp. 107 - 128.

Brudney, Jeffrey L. "Designing and Managing Volunteer Programs," in Robert D. Herman and Assoc., (eds.), ***The Jossey-Bass Handbook of Nonprofit Leadership and Management***. San Francisco, CA: Jossey-Bass.

Mesch, Debra J., and Rooney Patrick. "Determinants of Compensation: A Study of Pay, Performance and Gender Differences for Fundraising Professionals. *Nonprofit Management & Leadership*, vol 18 no. 4 Summer 2008 pp. 435 - 463.

Wollebaek, Dag and Selle, Per. "Does Participation in Voluntary Associations Contribute to Social Capital? The Impact of Intensity, Scope and Type." *Nonprofit and Voluntary Sector Quarterly*, vol 31, no. 1, March 2002, pp. 32 - 61.

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In-Class Assignment: small group discussions based upon the provided case studies where students are asked to describe the nature of the human resources issue, suggest a framework for resolution or creating a process to work through the scenario.

Written Assignment: Describe an experience you have had, either as a staff person, volunteer worker or board member, in which some aspects of human resources stood out as an indicator of the health and well-being of the organization. Due at the start of class on November 10.

Nov 10th: Board Governance

Lecture Topics: Principle functions of a board of directors/trustees; characteristic differences between public boards, corporate boards and nonprofit boards; division between board and management; leadership; how boards establish, build and sustain the capacity of an organization. Use case history organizations.

Reading Assignment:

Abzug, Rikki and Galaskiewicz, Joseph. "Nonprofit Boards: Crucibles of Expertise or Symbols of Local Identities?" Nonprofit and Voluntary Sector Quarterly, vol 30, no. 1, March 2001, pp. 51 - 73.

Bowen, William G. 1994. Chapter 2 and Appendix A in ***Inside the Boardroom: Governance by Directors and Trustees***. New York: John Wiley and Sons, Inc.

Business *Bowen, William G. "When a Business Leader Joins a Nonprofit Board." ***Harvard Review on Nonprofits***, Cambridge: Harvard University Press, 1999) pp. 77 - 89.

Management Drucker, Peter F. "Lessons for Successful Nonprofit Governance." Nonprofit & Leadership, vol 1, no. 1, Fall 1990, pp. 7 -14.

Taylor, Barbara E., Richard Chait and Thomas Holland. "The New Work of the Nonprofit Board." ***Harvard Business Review on Nonprofits***, Cambridge: Harvard University Press, 1999) pp. 53 - 75.

Trussel, John M. "Revisiting the Prediction of Financial Vulnerability." Nonprofit Management & Leadership, vol. 13, no. 1 Fall 2002, pp. 17-31.

In-class assignment: Small groups will be asked to draft an annotated bullet sheet of considerations board members must use in trying to improve the performance of a nonprofit organization and "adaptive capacity." This list should then be used to draft a class wide annotated bullet list of "best practices" that board members should comprise for their organizations and their own governance.

Written Assignment: Use readings from the course to support the annotated lists your group developed in class. Due at the start of class on November 20.

III. Nonprofit Organizations, Markets and the Welfare State

Nov 17th: Nonprofit Organizations and the Welfare State

Lecture Topics: Great Society social and economic programs intended to alleviate poverty. The government and its support of nonprofit organizations engaged in service

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provision. Strategies for sustaining nonprofit organizations in a market economy that favors small government and individual effort. Pragmatic strategies for nonprofit decision-makers engaged in government funding and incentive programs.

Reading Assignment:

Rangan, Kasturi, Soheli Karim and Sheryl Sandberg. "Do Better at Doing Good." *Harvard Business Review on Nonprofits*, Cambridge: Harvard University Press, 1999) pp. 167 - 190.

Seltzer, Michael. 1987. **Securing Your Organization's Future: A Complete Guide to Fundraising Strategies**. New York: Foundation Center, pages 399 - 410.

Smith, Steven Rathgeb. 1999. "Government Financing of Nonprofit Activity" in Elizabeth T. Boris and C. Eugene Steuerle, eds., *Nonprofits and Government: Collaboration and Conflict*. Washington D.C.: Urban Institute, pp. 176 - 210.

In-Class Assignment: Formally begin final exam "Group Project" through either voluntary choice or lottery system. Class time will be used to develop topic with one paragraph prospectus due before dismissal, including the group member names. Each group will report out to the class the topic with as much detail as possible prior to the break.

Written Assignment: None.

Nov 24th

Public-Nonprofit Partnerships and Collaborative Ventures

Lecture Topics: *Diss* case studies. Differentiate between operational relationships, strategic partnerships and collaborative ventures.

Bremner, Robert H. 1988 (1960). *American Philanthropy*. Chicago: University of Chicago Press, pp. 201 - 216.

Dees, J. Gregory. "Enterprising Nonprofits." *Harvard Business Review on Nonprofits*, Cambridge: Harvard University Press, 1999) pp. 135 - 166.

Harlan, Sharon L. and Saidel, Judith R. "Board Members's Influence on the Government-Nonprofit Relationship." *Nonprofit Management & Leadership*, vol. 5, no. 2 Winter 1994, pp. 173 - 196.

Rifkin, Jeremy. 1995. "Empowering the Third Sector: Looking Beyond Government for Solutions," in *Perspectives from a Conference Convened by the Nonprofit Sector Research Fund*, Washington D.C.: The Aspen Institute, pp. 101 - 107.

Snavey, Keith and Tracy, Martin B. "Development of Trust in Rural Nonprofit Collaborations." *Nonprofit and Voluntary Sector Quarterly*, vol 31, no. 1, March 2002, pp. 62 - 83.

In-Class Assignment: * Student Presentations.

Written Assignments: none

Dec 1st:

Nonprofit Organizations and Markets

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Alexander, J., Camilla Stivers and Renee Nank. 1999 "Implications of Welfare Reform: Do **Nonprofit Survival Strategies Threaten Civil Society?**" Nonprofit and Voluntary Sector Quarterly, vol. 28 no. 4, pp. 452-475 .

Andreason, Alan R. 1996. "Profits for Nonprofits: Find a Corporate Partner," *Harvard Business Review*, November-December, pp 47-59.

Salamon, Lester M. 1999. Chapters 12 and 13 in *America's Nonprofit Sector: A Primer*. Baltimore: The Foundation Center.

In-Class Assignment: *Student Presentations

Written Assignments: none

Dec 8th: **** Final Examination (papers due, final presentations, assessment of readings)****

In-Class Assignment: *Student Presentations

Written Assignments: all papers and projects due