USC Price

PPD 675: Nonprofit Management and Leadership

Fall 2014—Thursday—2PM to 5:20 PM

Location: RGL 219

Instructor: Nicolas Duquette

Office: 234 Lewis Hall

Office Hours: Thursday 10-12 a.m.,
or by appointment

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Course Description

This course explores issues in nonprofit management and leadership including: the role of boards; strategic planning; marketing and fund-raising; financial management; and volunteer and human resource management.

Learning Objectives

The emphasis of the course is on thinking through the sorts of managerial challenges that are a natural feature of the nonprofit sector, in particular the tensions between expenditures on mission and financial sustainability; increasing resources in the presence of altruistic behavior (*e.g.* donations and volunteering); and the roles of nonprofits as financial and information intermediaries.

Prerequisite

It is recommended that students take PPD 689 (The Nonprofit Sector and Philanthropy) before enrolling in this course.

Required Readings and Supplementary Materials

The primary textbook for this course is David O. Renz, editor, *The Jossey-Bass Handbook of Nonprofit Leadership and Management*, Third Edition, Jossey-Bass, San Francisco (2010) [ISBN 978-0-470-39250-8]. New copies can be acquired from Amazon. A copy is also on reserve at Leavey [Reserve item 110985].

In addition to the textbook, students will have to pay for a small coursepack of case studies. The coursepack is available for sale at this link: https://cb.hbsp.harvard.edu/cbmp/access/38307981. Note, other case studies are posted on Blackboard, when their copyright permissions permit.

Mandatory case studies will be assigned for most class meetings, sometimes with discussion prompt questions. Students are expected to have read the studies before the start of class and to come prepared for discussion.

Additional readings are assigned for each class session. These are listed on the course schedule below and will be posted digitally on the course web site. Note that the Renz book and the paid case studies are *not* posted online.

The following resources have been placed on reserve at Leavey Library for students who would prefer to read them on paper.

- David O. Renz, ed. *The Jossey-Bass Handbook of Nonprofit Leadership and Management*, Third Edition, Jossey-Bass, San Francisco (2010). Leavey Item ID 110985.
- Walter W. Powell and Richard Steinberg, editors. *The Nonprofit Sector: A Research Handbook*. Second Edition. Yale University Press, New Haven, Conn. 2007. Item ID 110987.
- Thomas Wolf. *Managing a Nonprofit Organization: Updated Twenty-First-Century Edition.* Free Press, New York. 2012. Item ID 110979.
- Burton Weisbrod. *The Nonprofit Economy*. Harvard University Press, Cambridge, Mass. 1988. Item ID 110986.
- Laura Fredricks. *The Ask: How to Ask Anyone for Any Amount for Any Purpose*. Jossey-Bass, San Francisco, 2006. Item ID 110984.
- Lee Bolman and Terrence Deal. *Reframing Organizations*. Jossey-Bass, 2013. Reserve Item 110982.
- Boris & Steurle, eds. *Nonprofits & Government*. Urban Institute, 2006. Reserve item 110980.

Description and Assessment of Assignments

1. *Short Responses* (20% of final grade). Three short responses will be assigned over the course of the semester, and will consist of a short comment of about 500 words, asking students to explain a real-world nonprofit management problem and propose a specific solution. The two short responses with the highest marks are worth 10% of the final grade each. The lowest short response grade will be dropped (including missing or late assignments, which receive a zero grade). Short responses will be primarily evaluated on the presentation of a thoughtful and well-integrated understanding of the readings and their related topics and successful application to a proposed course of action. Points may also be deducted for especially careless spelling, grammar, usage, punctuation, and formatting.
2. *Group Presentation* (40% of final grade). The class will be divided into approximately four groups. These groups will develop a supplementary topic or case study that will form the basis of a 45-minute presentation. The last two class sessions will be comprised of time to do final preparations and the presentations themselves, respectively. There will be 5 grade points for a short project proposal early on in the class, 10 points for a detailed outline of the presentation handed in at a middle point, and 25 points for the final presentation. See “Guide to Preparing the Group Project” for detailed instructions.
3. *Final Exam* (30% of final grade). The final exam will be a set of written questions similar to the short responses. This will be a take-home exam.
4. *Class Participation* (10% of final grade). The success of the course depends on everybody’s willingness to collaborate and forge an understanding of the readings and topics. Furthermore, the ability to articulate one’s viewpoint in a clear and respectful manner is a valuable leadership skill. Ten percent of the course grade will therefore be based on student willingness to speak in class, particularly to articulate understanding of the readings and to engage with others.

Grading Breakdown

Assignment	% of Grade
Short Responses	20 (total)
Highest S.R. Grade	*10*
Middle S.R. Grade	*10*
Lowest S.R. Grade	*0 (dropped)*
Group Presentation	40 (total)
Proposal	*5*
Outline	*10*
Final Project	*25*
Final Exam	30
Class Participation	10
TOTAL	100

Assignment Submission Policy

All written assignments other than the take-home final exam are due at the start of class on the due date, printed on paper. Alternatively, students may submit assignments electronically, by emailing them to the instructor in PDF format only, no later than the start of class (2 p.m.).

The take-home final exam may be turned in electronically by email in PDF format, or on paper at the instructor's office, no later than 2 p.m. on December 10.

Submissions should follow common-sense formatting, including a header at the top of the first page with the title of the assignment, the student's name, and the date; reasonable margins (1 to 1.25 inches on a side); and double-spaced text set in a sober and legible 12-point typeface. Garamond, Times, and Georgia are examples of widely distributed fonts that read well on paper, though there are certainly many other options.

Submissions not following common-sense formatting will not be penalized, exactly, but they will annoy or amuse instructor who is, after all, trying to give you a grade for these things. Restraint is recommended.

Additional Policies

Late submissions of short responses are not accepted for any reason and receive no credit. Note that since the lowest grade on the three short responses is dropped, only two of the three must be handed in at all to avoid a zero.

Late submission of the take-home final exam is only possible with thorough and prompt documentation of extenuating circumstances and allowed on a case-by-case basis at the sole discretion of the instructor.

Attendance is not taken, but class participation is 10% of the final grade, and it is difficult to participate without being in the room. Punctuality also helps.

Course Schedule: A Weekly Breakdown

The course schedule below lists readings, assigned case studies, and notes. Any revisions to this syllabus will be posted on Blackboard and announced via class emails.

Core, mandatory readings are indicated with a leading asterisk (*). The additional readings suggested are also useful for class discussion, short responses, and for final exam questions. Readings not in the Renz textbook will be posted to Blackboard in PDF format.

Case studies included in the restricted coursepack (that is, not on Blackboard) are marked with a dagger (†).

I. Overview of the Nonprofit Sector and Its Management Challenges

August 27 — *What are nonprofit organizations? What do they do? Why do we need them?*

(*) Peter Dobkin Hall. "Historical Perspectives on Nonprofit Organizations in the United States." In Renz, ch. 1, pp. 3–41.

(*) Bruce R. Hopkins and Virginia C. Gross. "The Legal Framework of the Nonprofit Sector In the United States." In Renz, ch. 2, pp. 42–76.

Richard Steinberg. "Economic Theories of Nonprofit Organizations." In Powell and Steinberg, eds. *the Nonprofit Sector: A Research Handbook*, second edition, chapter 5. Yale, 2006.

Burton A. Weisbrod. *The Nonprofit Economy.* Harvard University Press, Cambridge, 1988. Chapter 2, "Options among Institutional Forms," pp. 16—43.

September 3 — *The Structure of a Nonprofit Organization*

(*) Lester M. Salamon. "The Changing Context of Nonprofit Leadership and Management." In Renz, ch. 3, pp. 77—100.

David O. Renz. "Leadership, Governance, and the Work of the Board." In Renz, ch. 5. pp. 125—156.

(*) Wolf, ch. 2. "The Board." 33—69

Regina E. Herzlinger, "Effective Oversight: A Guide for Nonprofit Directors." In *Harvard Business Review on Nonprofits*, 1999 pp. 29—52.

Kim Jonker and William F. Meehan III. "A Better Board Will Make You Better." *Stanford Social Innovation Review*, March 5 2014.

(*) <u>Case Study</u>. "East Coast Orchestra's Board of Trustees." *Electronic Hallway*, 2000.

September 10 *Accounting and Finance for Nonprofits*

GROUP PRESENTATION PROPOSAL DUE

David W. Young. “Financial Management and Accounting.” In Renz, chapter 22. pp. 580—641.

(*) Thomas Wolf. *Managing a Nonprofit Organization*. Free Press, 2012. Chapter 7, “Financial Statements and Fiscal Procedures,” pp. 209—233.

Internal Revenue Service. *Publication 557: Tax-Exempt Status for Your Organization*. October 2013.

(*†) Case Study: “Merger Talks: The Story of Three Community Development Corporations in Boston.”

II. The Search For Success: Managerial Objectives of Nonprofit Organizations

September 17 *Strategic Planning*

FIRST SHORT RESPONSE DUE

(*) John M. Bryson. “Strategic Planning and the Strategy Change Cycle.” In Renz, ch. 9, pp. 230—261.

(*) William A. Brown. “Strategic Management.” In Renz, ch. 8, pp. 206—229.

Dana O’Donovan and Noah Rimland Flower. “The Strategic Plan is Dead. Long Live Strategy.” *Stanford Social Innovation Review.* January 10, 2013.

September 24 *Financial Sustainability and the Social Mission*

Burton Weisbrod *et al*., *Mission and Money: Understanding the University*. Chapter 4, “The Two-Good Framework.” pp. 58—76.

(*) Melanie Lockwood Herman. “Risk Management.” In Renz, chapter 23, pp. 642—666.

(*) Howard P. Tuckman and Cyril F. Chang. “Commercial Activity, Technological Change, and Nonprofit Mission.” In Powell and Steinberg, chapter 27, pp. 629—644.

(*†) Case study: “The Backyard Harvest: Outgrowing Hunger One Community at a Time”

October 1 *Measurement and Accountability — How Do we Know if a Nonprofit Is Succeeding?*

(*) Alnoor Ebrahim. “The Many Faces of Nonprofit Accountability.” In Renz, chapter 4. pp. 101—122.

John Clayton Thomas. “Outcome Assessment and Program Evaluation.” In Renz, chapter 15, pp. 401—430.

(*) Vic Murray. “Evaluating the Effectiveness of Nonprofit Organizations.” In Renz, ch. 16, pp. 431—458.

Mary Kay Gugerty and Dean Karlan, “Measuring Impact Isn’t For Everyone.” *Stanford Social Innovation Review (Blog)*. April 2, 2014.

David E.K. Hunter. (2014) “Evaluating Organizational Impact and Outcome Measurement.” in Hansen-Turton and Torres, *Social Innovation and Impact in Nonprofit Leadership.* Chapter 3, pp. 25—50.

Weisbrod, *The Nonprofit Economy*. Chapter 3, “Incentives and Performance,” pp. 43—58.

III. Nonprofits and Leadership

October 8 *Human Resources in the Nonprofit Sector*

SECOND SHORT RESPONSE DUE

USC FOOTBALL PLAYS WASHINGTON AT HOME (MAY MOVE CLASS DATE AND TIME)

(*) Mary R. Watson and Rikki Abzug. “Effective Human Resource Practices: Recruitment and Retention in Nonprofit Organizations.” In Renz, ch. 24, pp. 669—708.

(*) Lee G. Bolman and Terrence E. Deal. *Reframing Organizations*. Jossey-Bass, San Francisgo, 2012. Chapter 6, “People and Organizations,” pp. 115—136, and Chapter 8, “Interpersonal and Group Dynamics,” pp. 161—182.

(*) <u>Case Study</u>: Katie Rispoli, “We Are the Next: Internship Program,” 2015.

October 15 *Donations and Philanthropy: What Motivates Giving?*

(*) Lise Vesterlund. “Why Do People Give?” In Powell and Steinberg, chapter 24, pp. 568—587.

Andreoni, J. and Rao, J. M. (2011). The power of asking: How communication affects selfishness, empathy, and altruism. *Journal of Public Economics*, 95(7–8):513 – 520.

Stefano DellaVigna *et al*. (2012) “Testing for Altruism and Social Pressure in Charitable Giving.” *Quarterly Journal of Economics* 127(1):1—56.

Internal Revenue Service (2014). *Publication 526: Charitable Contributions*.

(*†) Case Study: “The San Francisco Foundation: The Dilemma of the Buck Trust (A)”

October 22 *The Art of Successful Fundraising*

PROJECT OUTLINE DUE

(*) Robert E. Fogal. “Designing and Managing the Fundraising Program.” In Renz, ch. 19, pp. 505—523.

Rachel Croson *et al*. (2009). “Keeping Up with the Joneses: The relationship of perceived descriptive social norms, social information, and charitable giving.” *Nonprofit Management and Leadership* 19(4): 467—489.

Christopher J. Einolf *et al*. (2013). “National Giving Campaigns.” *Nonprofit and Voluntary Sector Quarterly* 42(2):241—261.

James T. Edwards and John List. (2014). "Toward an understanding of why suggestions work in charitable fundraising: Theory and evidence from a natural field experiment." *Journal of Public Economics*.

October 29 — Volunteering: Human Resources meets Donations (Of Time)

THIRD SHORT RESPONSE DUE

(*) Jeffrey L. Brudney. "Designing and Managing Volunteer Programs." In Renz, chapter 26. pp. 753–793.

Thomos Rotolo, *et al*. (2014) "Volunteering in the United States in the Aftermath of the Foreclosure Crisis." *Nonprofit and Voluntary Sector Quarterly*.

Naomi E. Feldman. (2010). "Time is Money: Choosing between Charitable Activities." *American Economic Journal: Economic Policy*. 2(1):103—130.

Jeffrey Carpenter and Caitlin Knowles Myers. (2010). "Why volunteer? Evidence on the role of altruism, image, and incentives." *Journal of Public Economics*. 94:911—920.

(*†) Case Study: "Mozilla: Scaling Through a Community of Volunteers."

IV. Nonprofit Leadership at Intersections with For-Profit and Government Sectors

November 5 — Nonprofits and the Public Sector

Marcia Avner. "Advocacy, Lobbying, and Social Change." In Renz, chapter 13, pp. 347—374.

Dennis R. Young. "Complementary, Supplementary, or Adversarial? Nonprofit-Government Relations." In Elizabeth Boris and Eugene Steurle, eds., *Nonprofits & Government*. Urban Institute, Washington, D.C. 2006.

Steven Rathgeb Smith. "Managing the Challenges of Government Contracts." in Renz, chapter 21. pp. 553—579.

James Andreoni and Abigail Payne. (2003). "Do Government Grants to Private Charities Crowd out Giving or Fund-Raising?" *American Economic Review* 93(3):792—812.

(*) Case Study: The Seattle Commons

November 12 — Social Enterprise In the Non- and For-Profit Sectors

Matthew T. A. Nash, "Social Entrepreneurship and Social Enterprise." In Renz, chapter 10. pp. 262—298.

Scott T. Helm. "Social Enterprise and Nonprofit Ventures." In Renz, chapter 20. pp. 524—552.

Nicole Esparza. "Diffusion of Corporate Philanthropy: Economic and Institutional Effects on the Establishment of Company-Sponsored Foundations." *Social Forces*.

Jill Lepore. "The Disruption Machine." *The New Yorker*, June 23, 2014.

V. Class Presentations

November 19	*Presentation Planning Time*
November 26	*THANKSGIVING RECESS – NO CLASS*
December 3	*Class Presentations*
December 10	***TAKE-HOME FINAL EXAM DUE AT 2 P.M.***

Statement for Students with Disabilities

Any student requesting academic accommodations based on a disability is required to register with Disability Services and Programs (DSP) each semester. A letter of verification for approved accommodations can be obtained from DSP. Please be sure the letter is delivered to me as early in the semester as possible. DSP is located in STU 301 and is open 8:30 a.m.–5:00 p.m., Monday through Friday. Website and contact information for DSP: http://sait.usc.edu/academicsupport/centerprograms/dsp/home_index.html, (213) 740-0776 (Phone), (213) 740-6948 (TDD only), (213) 740-8216 (FAX) ability@usc.edu.

Statement on Academic Integrity

USC seeks to maintain an optimal learning environment. General principles of academic honesty include the concept of respect for the intellectual property of others, the expectation that individual work will be submitted unless otherwise allowed by an instructor, and the obligations both to protect one's own academic work from misuse by others as well as to avoid using another's work as one's own. All students are expected to understand and abide by these principles. SCampus, the Student Guidebook, (www.usc.edu/scampus or http://scampus.usc.edu) contains the University Student Conduct Code (see University Governance, Section 11.00), while the recommended sanctions are located in Appendix A.

Emergency Preparedness/Course Continuity in a Crisis

In case of a declared emergency if travel to campus is not feasible, USC executive leadership will announce an electronic way for instructors to teach students in their residence halls or homes using a combination of Blackboard, teleconferencing, and other technologies.