

**Class Exercises for course on Nonprofits, States, and Markets/Sociology 184/UEP 273** – Taught at Tufts University by Professor Susan Ostrander, Department of Sociology ; cross-listed in Department of Urban and Environmental Policy (see accompanying syllabus)

**Strengthening, Governing, and Managing Nonprofits**

Read the mission statement of the nonprofit organization your professor has given you, and answer the following questions:

1. How clear is it from the mission statement about why the organization exists, and what its goals and purposes are?
2. What specific outcomes or results would you look for to see how well the mission is being accomplished?
3. Based on the mission statement, what activities or “programs” would you expect the organization to be doing?
4. What skills, abilities, qualifications, and interests should the staff of the organization have in order to accomplish this mission?
5. What constituencies are the targets of this organization’s work?
6. What kinds of resources are needed to accomplish this mission?
7. What else does the mission statement suggest to you?

**Relationships Between Nonprofits and Government**

1. A nonprofit child and family welfare agency has lost a major portion of its state contracts to serve low income children and families. The agency has decided to make up this funding by appealing to private individuals to increase their giving to the agency, and by increasing their use of volunteers to staff the programs. What do *each* of the following “failures” of voluntary service provision (see Salamon) suggest may happen to this agency and its clientele as a result of this strategy? (Be as specific as you can.)

- voluntary insufficiency
- voluntary particularism
- voluntary paternalism
- voluntary amateurism

What alternative strategies do you see open to this agency in terms of its posture toward and relationship with state government and the availability of government funds to support its programs?

2. A community youth empowerment program has been focusing on trying to reform the city's public high school guidance program to improve the opportunities for youth who live in public housing to gain admittance to college. The program is struggling financially and so has successfully obtained a city grant to support an after-school recreational program for youth. Given Dennis Young's discussion of the circumstances under which government support is both appropriate and likely (see supplementary and complementary nonprofit-government relations) and the circumstances under which such support is problematic (see adversarial relations), what do you think is likely to happen to this program's activities in relation to its reform efforts? Why?

### **Fundraising**

Kathleen Kelly has developed four different approaches to raising money for nonprofits. Based on different ways of appealing to donors, they are (rather awkwardly named):

-Press Agency Model: Appeal to donors *emotions*. "Touch their hearts" to get them to give. Emotionally moving photos, stories about clientele, etc.

- Public Information Model: Provide as many *facts* as possible about the "cause" and about the organization. Demonstrate that it is only *logical and rational* for donors to want to be involved once they are educated about how important the issues are that the organization addresses, and how well the organization operates. (The next most frequently used approach.)

-Two-Way Asymmetrical Model: Aims to *convince* and *persuade* donors to give because the organization *needs* the money and donors *should* want to help.

-Two-Way Symmetrical Model: Seek to build a long-term mutually satisfying partnership. Organization and the donor both get to know and understand one another's shared goals and interests. Collaborate together in shared projects.

Create a fundraising "pitch" for your nonprofit organization based on one of these models to present (in pairs) to a potential donor couple. (Two students will play this couple. After hearing the appeals, they will decide which of the four organizations will receive their hundred thousand dollar gift.)

Group One: Project Bread (*Two-way Asymmetrical*) – Makes food available to local soup kitchens and food pantries. Educates people about hunger through a Walk for Hunger and other methods.

Group Two: Greater Boston Food Bank (*Press Agency*) – Distributes food directly to hungry people, especially children. Educate about healthy nutrition and food budgeting.

Group Three: Action Against Hunger (*Two-Way Symmetrical*) – Seeks long-term solutions to hunger by addressing root causes. Educates and mobilizes people to advocate for equitable and healthful food distribution and production.

Group Four: Share Our Strength (*Public Information*) – Mobilizes people in the culinary industry to organize events, host dinners, and teach cooking to people so they can advocate against hunger. Creates partnerships with grocery stores and other retail stores to raise money to end hunger.

(Group Five will be the donors who will hear these appeals and decide which group will receive their gift.)

### **Nonprofit Commercialization**

As we have learned, commercialization is a controversial topic among nonprofit leaders. The readings for today reflect a range of views from those who oppose nonprofits becoming more businesslike, to those who recognize some of the potential dangers but would like to maximize commercialization, to those who advocate doing the hard empirical research to find out what is in fact the impact of commercialization.

This exercise provides you with information about two nonprofits which have become “commercialized” in different ways. We will divide the class into groups, each looking at one of these organizations.

Read the material provided and answer the following questions, keeping in mind what you have learned in our discussion of the day’s readings:

1. What specific commercialization or “social enterprise” *strategies* do you see (or can you infer from the descriptions) being used by this organization?
2. From what you can tell, what are some potential *positive effects* these strategies might have on this organization and its mission?
3. From what you can tell, what are some potential *negative effects*?
4. If you were the Executive Director of this organization, how would you *access the actual impact* – both positive and negative—of these strategies? Be specific!

### **Nonprofit Advocacy and Lobbying**

Use the list of 8 activities that nonprofits are permitted to engage in *without limit* from your reading “Charity Lobbying in the Public Interest” to develop an advocacy plan for a nonprofit organization. Your instructor will provide you with the mission statements of Boston-based nonprofits to use for this exercise. Be as specific as you can, and keep a list of the questions that come up for you as you do this exercise in small groups

**Community Building and Community Organizing by Nonprofits** - This is a debate about different approaches to organizing by a local neighborhood association. Students will be randomly assigned to the five different points of view, which represent the five

models of organizing discussed in reading. (Based on a real issue and real responses to the issue!)

The members of your neighborhood association agree that an extension of the subway line into an urban center near your neighborhood would be a good thing. The extension was promised by state government over a decade ago when another part of the city was disrupted for several years by the construction of new lines and subway stops. Now the Governor has reneged on the agreement and says there is no money for further subway extensions.

While you and most of your neighbors agree about wanting a new subway stop, you do not agree about how to go about getting it. Some think that because the make up of the neighborhood has changed over the past decade from being white and middle class to having a number of Haitians, Latinos, and white working class people that the state thinks they can get away with reneging on a previous agreement. They take the view that the neighborhood association needs to build a stronger power base to pressure the state to accede to their demands. They want to convene a large mass meeting at the statehouse where people will testify as to the importance of the new subway stop, and demand that the Governor keep the original agreement.

Others think this is too confrontational, and want instead to concentrate on bringing the whole community together to develop a comprehensive city plan which would include the subway stop. They favor enlisting the help of the local university (who would also benefit from the new subway stop) to help design the plan.

A group who are not members of the neighborhood association opposes the new subway stop altogether. They see a declining neighborhood and fear that the subway will bring people in from outside who will threaten the safety of the community. Since they can see that they are in the minority in opposing the subway, they say that if there is going to be a new subway stop, they will set up citizen street patrols to keep the neighborhood safe. They want the neighborhood association to work with them in doing this. If the association agrees, they will not speak out against the subway.

A fourth group is neighborhood women. Their main concern is that the new subway stop will be safe for their children to ride to and from school, and that it will be accessible to and safe for mothers with baby strollers. They have recently been working with the Women's Commission to require local buses to allow baby strollers in response to a community survey which showed the women wheeling strollers were often passed by buses refusing to stop for them.

Finally, a fifth group sees this as an opportunity to raise awareness about how little voice local people have in state politics, with the subway stop being only one example. They want the neighborhood association to offer community workshops to educate people about how state government works and how the state budget is formed. This would be part of a larger project of working toward a whole new way for the state to establish funding priorities based on polling of local needs done by neighborhood associations, with the final decision resting with a democratically run statewide congress of neighborhood associations.

## **Nonprofit Capacity, Governance, and Management**

Imagine that you are the recently hired Executive Director of a nonprofit organization. (If you wish, choose a particular kind of nonprofit or even a specific organization with which you are familiar). The board of directors of this organization, in your view, needs to have more people of color, women, and individuals who can represent your constituency. Using each of the 4 “frames” for executive leadership defined by Herman and Heimovics in the chapter we read today, develop a plan for working with your board to become more inclusive (see Brown for the difference between “inclusive” and “diverse.”)

The four leadership frames can be summarized as:

- The structural frame emphasizes organizational goals with clearly defined policies and procedures for reaching them.
- The symbolic frame emphasizes creating a unified vision for the organization, evoking emotional responses to enhance organizational identity and improve performance.
- The political frame emphasizes bargaining, negotiation, compromise, conflict resolution, and coalition-building.
- The human resources frame emphasizes opportunities for personal growth; attending to personal feelings, hopes, and preferences; and valuing and appreciating relationships.

Which of these frames seems to you most appropriate to this situation and why?

## **Nonprofit Capacity, Management, Governance**

Our reading today argued that nonprofit effectiveness is improved when resources are put into building nonprofit capacity and good management and governance. One reading (Brown) argues that a requirement of good management and governance is an inclusive (not the same as “diverse”!) board of directors

Building on research (Herman and Heimovics 1994)) which shows that the most effective nonprofit executive directors provide leadership to their boards, students assigned to teams 1, 2, and 3 will have 10 minutes each (in the role of an executive) to develop their “case” to persuade the mostly white upper middle class professional board of an urban community health center to put resources into: (a) board recruitment and training needed to identify and integrate new board members who represent the organization’s constituency, and (b) training for current board members to work with a more inclusive board. Students in team 4 will (in the role of board members) have 10 minutes to develop their set of concerns about the board becoming more diverse, with questions and issues they will raise.

One more challenge: while some of the arguments for a more inclusive board will likely span all of the different “frames” for executive leadership (Herman and Heimovics, p. 148-9), different executive teams should try to apply different frames, i.e.:

- Team 1 of executives should emphasize the “structural” frame of executive leadership, emphasizing the importance of organizational goals with clear policies and procedures for reaching them.
- Team 2 should emphasize the “human resource” frame, attending to the personal hopes, feelings, and preferences of board members; valuing relationships and empowering board members and providing opportunities for their personal growth and development.
- Team 3 should emphasize the “political” frame, emphasizing bargaining and negotiation, compromise, conflict resolution skills, and coalition-building,