NON-PROFIT GOVERNANCE

This course is intended for graduate students interested in learning about the governance of non-profit organizations. The prerequisite for this course is P11.1020, Managing Public Service Organizations.

Note: Most of the professor’s direct experience and scholarship on boards has been in large hospitals.

Learning Objectives:
At the end of the course, learners will understand:

1. How and why boards perform as they do.
5. How to assess interventions to improve board performance.

Class and Reading Assignments:

Week 1 (9/13):
- Course Expectations and Governance Overview.
- Lens of Evidence-Based Management
- Focus on the Changing Board Performance
- Distinctiveness of Non-Profits
- Why Mission matters

Chait, Ryan and Taylor (CRT), pp 1-31
Bowen, Chapter 1, 19-44
Hsu et al, “Six Steps for Managers to Consider when making a well-informed decision 2009.(Blackboard)
Letter from CEO to shareholders, GE, 2009 (Blackboard)
Report from Director and President Metropolitan Museum (Blackboard)

Discussion Question: How to best keep non-profit boards mission-driven?

Week 2 (9/20):
- Fiduciary Model of Governance
- Legal Responsibilities.
- Board functions, structure and composition
- Case studies on Financial Reporting and Outgrowing the Board

CRT 33-49
Bowen, Chapter 2 and Chapter 7
Audit Committee Charter, American Cancer Society, 2009
(Blackboard)
Case Study: Financial Reporting to the Board, 2009 (Blackboard)
Outgrowing the Governing Board, 165-175 (Wood casebook, Blackboard).

DQ: How do boards add value for nonprofit organizations? What are the costs of the board to the organization?

Week 3 (9/27)
- Evaluating Organizational, Board and CEO Performance
- Board Information Systems
- Case on Conflicting Management Cultures

Bowen, Chapters 3 and 4.
Casebook: Conflicting Management Cultures in a Museum, pp. 113-138(Blackboard)

DQ: How can boards influence a culture of performance? How should the Dean of Wagner be evaluated by a governing board?

Assignment DUE: Part 1 of Assigned Paper
**Week 4:** Strategic Governing (10/4)
Board’s role in strategic planning
How does the board carry out the strategic role?
Case: Mission versus Revenue

CRT, 51-78
*Casebook: Mission Versus Revenue: The California Hospital Medical Center, pp.206-220.(Blackboard)*

DQ: How should the board organize for strategic planning?

**Week 5** Guest Speaker (10/18)


**Week 6:** Governance As Leadership (10/25)

Generative Mode Governing
Board Accountability and Transparency
CEO Responsibility for Board Contribution to Governance
Case on American Red Cross

CRT, 79-135.
Prybil et al, “Conclusions and Recommendations: Governance in Nonprofit Community Health Systems” Grant/Thornton 2008. (Blackboard)
Orlikoff and Totten, “Evaluating the Board Chair,” Healthcare Executive, Jan-Feb 2009. (Blackboard)
*Case: The American National Red Cross (A), Harvard Business School 2007.(Blackboard)*

DQ: How are non-profit boards accountable to whom? In what ways should they be transparent to stakeholders?
DUE: Part 2 of the written assignment.

Week 7: Improving Board Performance (11/1)

Lessons Learned
Where do we go from here?
What makes great boards great
How well-run boards make decisions
Case: Women’s Shelter

CRT 137-162
PO, 169-181
Casebook: The Evolving Board-Executive Relationship at a Women’s Shelter, 99-117. (Blackboard)

DQ: How get board members and the CEO to buy in for changes in governance?

REQUIRED READINGS:

Chait, Ryan and Taylor, Governance as Leadership, Wiley, 2005.
Hsu et al, “Methods for Developing Actionable Evidence for Consumers of Health Services Research,” (same source as “Six Steps…” previously listed in the syllabus) 2009 (Blackboard)
WRITTEN ASSIGNMENT:

Write a double spaced paper in two parts, addressed from a management consultant to the CEO of an NGO (copy to the board chair) on improving board performance (or for one of the organizations in the Wood casebook other than those discussed in class).

Part 1: Write a 3-4 page outline based on evidence to improve the governance of an NGO.
- Frame an answerable question, such as “how can the CEO empower the board to buy in to changed governance,” or “how can the NGO recruit and retain more effective board members?”
- Indicate how you will review the literature (indicate SEARCH words) which will support your discussion.
- List 4 main sources that will be used. This can include required readings from the syllabus.
- Assess the accuracy of source material.
- Discuss best practice as related to your question.

Part 2: (Be sure to hand in Part 1 with my comments). Write an 8 page paper. (Append a selected annotated bibliography. Limit the bib to no more than 8 sources.)
- Suggest up to three recommendations to improve NGO governance related to your research question in part 1.
- Assess the applicability of your recommendations to the NGO in question.
- Assess the actionability of the recommendations.
- Assess the adequacy of the information underlying your recommendations.
- Specify 2-3 research questions to investigate questions you cannot answer based on existing available evidence.

Part 1 is due Week 3, and Part 2 is due Week 6. Late papers will be subject to an automatic one step down in grade (e.g. from A to B).
GRADING:

Part 1  50%
Part 2  50%

You can improve your grade by excellent class participation. Your grade may be lowered if you miss more than one class.

SUPPLEMENTARY READINGS

Books:


Articles and Exhibits:

American Cancer Society: Code of Ethics and Conflict of interest Policy, 2009. (Blackboard)