The Business of Not-for-Profit Management  
Fall 2012; Wednesdays 4:55 - 7:25pm  
Location: GCASL 383  
Professor: Aria Finger  
Office Hours: Mondays from 5-6pm, Wednesdays at 7:30pm, and by appointment  

This course is a general introduction to not-for-profit management, with heavy emphasis on practical application. How do not-for-profit organizations actually function? How do they attract “customers?” How do these companies grow when there are no owners with financial incentives to expand the business? What are the core elements of a successful not-for-profit company? What are the metrics for determining the health of a company without profit? And, why would anybody want to work in such a crazy place?

The assumption of this course is that students are interested in careers, internships, and/or board positions at not-for-profit companies. Students will be exposed to theory and criticism of the sector as well as real world application via case studies.

This course will meet weekly for 2.5 hours. The course materials will be a combination of case studies, books, actual organizational materials, and IRS filings. While several readings are listed for each session, most are relatively short: you are expected to come to class fully prepared to discuss the week’s readings. Expect several guest speakers. I will, at times, send out links to current articles that are not reflected below to supplement class discussion. I will note if they are required or not when I send them out.

Course Grading:
- Class Participation: 15%
- First Writing Assignment: 10%
- Midterm Exam: 20%
- Final Exam: 25%
- Final Presentation: 30%

September 5th: Introduction to the Course
- Expectations for the semester
- What is a 501(c)3
- Restrictions, requirements, fiscal sponsors, Etc.
- Legal requirements of not-for-profits
- Board of Directors
- Explanation of 1st writing assignment
- Readings:
- IRS section 501(c)3
- Gibson, Dunn, & Crutcher Memo on duty of care
- Do Something Board of Directors Responsibilities and Expectations Policy
- Due Today: Determine your “favorite” not-for-profit, write it down on an index card, and be prepared to discuss it in class

September 12th: Finance Day (your favorite!)
- How to read a Form 990
- Not-for-profit income and expense reports
- How to read cash flow statements
- Theory and practice of restricted funding
- Readings:
  - Care for the Homeless 990 2010
  - Do Something Fiscal Policy Document

September 19th: Communications and Marketing part I - How to do more with less
- Finish up Finance Topics
- Brand development
- Brand execution
- Brand assessment
- Readings:
  - John Quelch, “Habitat for Humanity International Brand Valuation”, HBS Case Study
  - Do Something Communications Guide
Seth Godin, *Purple Cow: Transform Your Business by Becoming Remarkable*

- **Due Today: First writing assignment**

**September 26th: Communications and Marketing part II**

- Marketing in the world of facebook, twitter, and klout
- Social media tools and how to employ them most effectively
- Crisis communications
- Readings:
  - Jon Krakuer, *Three Cups of Deceit: How Greg Mortenson, Humanitarian Hero, Lost His Way*

**October 3rd: Fundraising part I (the past)**

- Individuals
- Foundations
- Events
- Government
- Measurement
- Readings:
  - Robin Hood Foundation, 2010 Form 990
  - Robin Hood Foundation, Quarterly Update: Q1, 2011
  - Rosaline Juan, “Pyrrhic Fundraising”, Stanford Social Innovation Review

**October 10th: Fundraising part II (the present)**

- Cause marketing
- Measurement
- Readings:
  - Aneel Karnani, “The Case Against Corporate Social Responsibility”, WSJ 8/2010
  - Dan Pallotta, “We Need to Rethink Fundraising,” HBR, 8/9/2010
  - Ron Nixon, “Bottom Line for (RED)”, NY Times

- Due Today: Bring in evidence of a cause marketing campaign from the past 2 years. Write down the name of the campaign, the NGO, and the company on an index card.

October 17th: In-class midterm
- First half-hour of class time we’ll discuss final presentations

October 24th: Fundraising part III (the future)
- Earned income
- New ways to fundraise
- Readings:
  - William Foster, “Money to Grow On”, SSRI
  - William Foster, “Should Nonprofits Seek Profits”, HBR
  - James Phills, Brian Tayan, “AARP and AARP Services, A Multi-Sector Approach to Social Change”

October 31st: Human Resources, Operations & Halloween!
- Staffing a not-for-profit company
- Recruiting and managing volunteers
- Data & Measurement
- Readings:
  - Amy Gallo, “How to Prevent Hiring Disasters”, HBR, 5/2010

- Due Today: The Not-for-Profit your group is going to focus on for the Final Project

November 7th: Scaling Up
- Owned & operated
- Franchised
- Web-based
- Readings:
  - HBS Case Study on Dunkin Donuts
  - Do Something International Application
  - HBR Case Study on Mercy Corps

November 14th: International Organizations
- Managing from afar
- Understanding local customs
- Legal requirements
- More measurement & failure
- Readings:
  - Additional Case Studies on International NGOs Forthcoming (required)

November 21st: Thanksgiving. No Class

November 28th: Measuring Success, Failure & New Models of Giving Back
- For-profits v not-for-profits
- B-Corps
- Cross-sector collaboration
- Measurement
- **Public speaking tips**
- Readings:
  
  
  
  - Heerad Sabeti. To Reform Capitalism, CEOs Should Champion Structural Reforms.  
    http://blogs.hbr.org/cs/2011/10/to_reform_capitalism_ceos_shou.html#.TqaWfYGjuLs.email
  
  - Stanford Social Innovation Review, “Petition Power Change.org, a five-year-old San Francisco-based startup, has emerged as one of the leading platforms for online activism.  
    Spring 2012.  
    http://www.ssireview.org/articles/entry/petition_power?utm_source=Enews12_03_08&utm_medium=email&utm_content=3&utm_campaign=petition_power
  
    http://www.ssireview.org/blog/entry/is_business_the_new_charity?utm_source=Enews12_06_28&utm_medium=email&utm_content=3&utm_campaign=hurst

December 5th: **Organization Presentations**
- Groups of 4 or 5 present their assigned organization to the class

December 12th: **No Class (I believe)**

Week of December 17th: **Final Exam.**