Leadership Perspectives in Nonprofit Management

KPPI 450-5
Winter Quarter 2020
Tuesday Nights, Second 5 Weeks

Professor Liz Livingston Howard
liz-howard@kellogg.northwestern.edu
Jacobs Center #4237
847-491-4505

This course highlights the critical leadership challenges facing the nonprofit sector. As senior professional staff members or board members, Kellogg graduates will find themselves engaged in important work addressing complex issues in society. Using social impact cases, guest speakers and engaging discussion, this course will address mission/strategy alignment, growth and innovation, funding and impact decisions that leaders will be making for their organizations.

COURSE OVERVIEW
The course will explore the impact leaders have on their organizations through the essential questions of mission alignment, funding, impact measurement, and growth, scaling and collaboration. Students will better understand the growth options for nonprofit enterprises. The course is designed for students with an interest in founding, working, volunteering, contributing or sitting on the board of directors in the nonprofit sector.

This course will rely on lecture, guest speakers, case studies, readings and exercises focused on the strategic management of nonprofit, mission-driven organizations. Students will be exposed to theory along with practical examples of leadership and strategy all designed to illustrate successful business practices contributing to growth and scaling in the nonprofit sector.

At the conclusion of the 5 week course, students have the opportunity to earn an additional five week credit through an independent study with Prof. Howard. Students can use the tools, concepts and ideas from the course to apply to a specific nonprofit challenge. Prof. Howard will provide potential project suggestions or students can identify their own project.

Grading

<table>
<thead>
<tr>
<th>Component</th>
<th>Weight</th>
<th>Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Class Attendance &amp; Participation</td>
<td>20%</td>
<td>Missing class can impact your grade</td>
</tr>
<tr>
<td>Mid-Term Individual Assignment</td>
<td>30%</td>
<td>Due by 5pm on March 4, 2019</td>
</tr>
<tr>
<td>Final Project</td>
<td>50%</td>
<td>Case for analysis posted March 4, Due by 5pm March 13</td>
</tr>
</tbody>
</table>

- If you choose to do the final as a group:
  - The final deliverable will be 40%
  - The peer evaluation will be 10%
Midterm Individual Assignment:
3-5 page analysis of The Seacoast Science Center: Saving the Seals? (NACRA NA0538) case. Questions to be posted on February 11.

Final Assignment: (can be individual or group project)
5-7 page analysis of The Burning Man – Moving from For Profit to Nonprofit, BerkleyHaas Case Series 2018. Questions to be posted on March 4.

Other
The Kellogg Honor Code will apply to this course as it does to all Kellogg academic coursework.

Students can find useful resources for safety and security, academic support, and mental and physical health and well-being on the NU help website and app.

February 11 -- Session 1
Aligning Mission & Strategy
Nonprofits. Mission Driven Enterprises. 501c3s. Social Enterprises. No matter how they are defined, mission driven enterprises need to align that mission with their strategy to create impact. Discussion will center on the need for connecting mission to an actionable plan and how to create strategy to maintain competitive advantage in a crowded marketplace and meet the mission.

Key Topics
- Course Expectations
- Overview of the mission driven sector
- Connecting mission and vision to a theory of change
- Strategy and competitive advantage for nonprofits

Readings:
America’s Nonprofit Sector – Revenues, Independent Sector, 2016
America’s Nonprofit Sector – Impact, Independent Sector, 2016
Mission Matters Most – Jonker & Meehan, SSIR 2014
Six Theory of Change Pitfalls to Avoid, SSIR, Matt Forti, 2012

Case Discussion:
Salvation Army’s New Grocery Stores – NPQ 3.9.18
DMG Foods website

For Love of Laundry: Comparing Organizational Forms to Scale a Social Enterprise (Ivey W18022)
February 18 -- Session 2

Critical Leadership Challenges
Nonprofit leadership is a shared partnership between staff and board that enables the nonprofit to meet its mission and create societal change. Ensuring organizational success means that board and staff collaborate to make effective decisions furthering services/activities and ensuring stability. Together they address the critical challenges that lead to mission success.

Key Topics:
- Nonprofit CEO and Board responsibilities
- Leadership succession for boards and CEO
- The Future of Nonprofit Leadership

Readings:
The Source: Twelve Principles of Governance That Power Exceptional Boards, BoardSource (Summary by Piper Trust)
Nonprofit Board Responsibilities: The Basics, Nonprofit Quarterly 2017
Top Ten Trends in the Nonprofit Industry
Top 10 Nonprofit Board Worst Practices

Discussion:
SKIM: Leading with Intent
SKIM: Stanford Survey on Leadership and Management
- What are the key issues nonprofit leaders are concerned about? Why? Are there solutions?
One Acre Fund: Outgrowing the Board, Kellogg Case Collection

February 25 -- Session 3
Where Does the Money Come From?
Nonprofits and NGOs have always relied on diverse revenue streams including earned income, government grants/contracts and private philanthropy. Increasingly, national and global organizations are seeking alternative sources from a wider marketplace. This session will address benefits and risks of various funding sources and explore the resources available for expanding social markets open to the nonprofit sector.

Key Topics
- Financing options for nonprofit organizations
- The role of the private philanthropy
- New channels and fundraising tools
- Expanding social markets

Readings
Resource Sustainability: Identifying the Right Resource Mix for Growth, NPQ, Bowman, 2017
Where Do Nonprofits Get Their Revenue, Joanne Fritts, The Balance, July 2017
The Rise of Social Capital Intermediaries, Meehan & Jonker, SSIR, Winter 2012

Discussion:
10 Nonprofit Funding Models, Bridgespan/SSIR, 2009
- Which model do you think is the most effective?

Keeping Up: Philanthropy in an Era of Sweeping Social Movements, Tate Williams, Chronicle of Philanthropy, October 2017
Could Impact Investing Replace Charitable Giving, Think Advisor

March 3 – Session 4
Creating Social Impact
How does the nonprofit sector measure success? What are the metrics that indicate progress toward the solution of complex social problems? These are questions that leaders grapple with as they create and grow their programs and services. In this class, we will how to determine “what matters” and discuss the relevance of chosen metrics.

Key Topics:
- Metrics that matter
- Determining effective measurement strategy
- Creating buy in for effective measurement

Readings:
Measuring Nonprofit Social Impact: A Crash Course, Ibrisevic, Donor Box 2018
Ten Reasons Not to Measure Impact -- and What To Do Instead, Karlan, SSIR

Discussion:
Bucks and Acres (from Sawhill article)

Impact Speaker Panel
March 10 -- Session 5  

*Growth and Scaling*  

Jeff Bradach, managing partner and co-founder of Bridgespan, has said, “The question now is ‘How can we get 100x the impact with only a 2x change in the size of the organization?’” This question is the crux of many nonprofit’s efforts to expand their impact. Growth and/or scale can be achieved in a number of different ways, however, which is the best option to extend the impact in a financially sustainable way is the challenge today’s nonprofits face. This session will illustrate the key paths to growth and how new forms of social organizations are enabling mission growth.

**Key Topics**  
- Strategies for growth and impact  
- New forms of social organizations  
- Case examples of successful growth in the sector

**Readings**  
*From Scaling Impact to Impact at Scale*, Bradach & Grindle, SSIR April 2017  
[https://ssir.org/articles/entry/from_scaling_impact_to_impact_at_scale](https://ssir.org/articles/entry/from_scaling_impact_to_impact_at_scale)  
*Why More Nonprofits Are Getting Bigger*, Bradach & Kim, 2012  
*Nonprofit Mergers that Work*, Don Haider, SSIR March 2017  
**SKIM**: *Mergers As Strategies for Success*, Chicago Study, 2016

**Discussion:**  
Speaker: Brooke Wiseman, CEO, Blessings in a Backpack  
- Please explore their website and identify 2 questions for Brooke related to topics we have addressed in class.