

NONPROFIT MANAGEMENT

Syllabus

assoc. prof. **Denitsa Gorchilova, PhD**

part-time lecturer **Violeta Toncheva-Zlatkova, PhD**

PART 1: GETTING STARTED

1. **Nonprofit organizations – an introduction.** Major institutional forms. Main functions. **Theoretical explanations of the existence and functions of NPOs (the failure theories, market and government failure, NPOs as gap fillers, supply-side theories, theories of altruism and giving, theory of the commons).** NPOs vs. for-profit and public organizations.
2. **The Bulgarian nonprofit sector.** Types of organizations. Size, functions, trends. Legislation – Constitution of the Republic of Bulgaria, Nonprofit Legal Entities Act (NPLEA). Other laws.
3. **Deciding to start a NPO.** Weighting the pros and cons. Mission, vision and goals. *INTERNET SEARCH – MISSIONS AND VISIONS. CREATE YOUR OWN MISSION AND VISION.*
4. **Structural analysis of nonprofit subsectors.** Competitive analysis. The demand side – beneficiaries, customers, communities. Cooperation and networks in the sector. *PERFORMING A STRUCTURAL ANALYSIS.*
5. **Incorporating the NPO.** Choosing the type of nonprofit. Name and trademark. Articles of incorporation – statute, founding act (act of incorporation), other documents. Establishing public benefit status. Algorithm of the registration. *OUTLINING A STATUTE AND A FOUNDING ACT.*
6. **Developing bylaws.** Bylaws concerning the main activity, paid staff, volunteers, board of directors, commissions, etc. *OUTLINING AN OUTLAW BY CHOICE.*

PART 2: MANAGING THE NPO

7. **Lifecycle of the NPO.** Life stages of NPOs. Forms of reorganization – transformation, mergers, acquisitions, separation. Registering the change. Termination and liquidation of NPOs.
8. **Planning for NPOs.** Strategic planning, external and internal environment. Generic strategies. Portfolio analysis. Tactical and operational planning by schedules, key events, Gantt charts, the critical path (PERT) techniques. *CASE STUDIES.*
9. **Nonprofit governing bodies.** General assembly – responsibilities, structure, functions. The managing board – responsibilities, size and structure. Board committees. The Bulgarian practice of building a managerial structure. *COMPOSING A MANAGING STRUCTURE AND A BOARD.*
10. **Executive leadership.** The CEO. Roles, responsibilities and characteristics of nonprofit leadership. Servant, transformational and transactional leadership. Conflict management. *CASES.*
11. **Working with paid staff.** Deciding when to hire. Personnel policies, payroll and

benefits. Job descriptions. Interviewing and hiring, new employees' manual. Day-to-day management. Working with consultants.

PART 3: WORKING WITH VOLUNTEERS

12. **Understanding volunteer motivation.** Characteristics of volunteerism. Typical motivators. Volunteering and stages of the personal life-cycle. Youth volunteering. Volunteering in Bulgaria.
13. **Developing a volunteer program.** Assessment of the organization's needs of volunteers. Job description for volunteers. Where and how to find volunteers. *DEVELOPING A VOLUNTEER PROGRAM.*
14. **Managing volunteers.** Job interview and screening. Providing adequate orientation and training. Test period. Day-to-day management. Conflict potential. *CASE STUDIES.*
15. **Evaluating volunteers.** Keeping the level of motivation. Bad volunteers. Who and when says Thank you? Building volunteer networks. *CASES.*

PART 4: FUNDRAISING

16. **Sources of financing.** Internal and external financing. Domestic and foreign financing. Typical financial sources for the Bulgarian NPOs.
17. **Fundraising.** Fundraising as a managerial process – analysis of potential sources, setting goals, building a strategy. Fundraising plan. Fundraising as a managerial function - who is responsible for what? Evaluating the fundraising effectiveness. Fundraising campaigns. *DEVELOPING A FUNDRAISING PROGRAM.*
18. **Individual donors.** Motivation of individual donors. The pyramid of giving. Strategies and tactics of individual fundraising.
19. **The state as a financial source.** State subsidies and grants. Tax exempt status and other indirect forms of financing. Sources at the local level.
20. **The business as a financial source.** Corporate giving. Managing sponsor relations. Cause related marketing and other complex forms of cooperation.
21. **The nonprofit sector as a financial source.** Charitable foundations. International sources. Operative programs. Writing a grant proposal.
22. **Self-financing.** Assets management. Nonprofit business ventures. Social entrepreneurship. Crowd-funding.
23. **Fundraising by special events.** Planning a special event. Outlining a schedule. Generating media coverage. *ORGANIZING A SPECIAL EVENT.*

PART 5: SUSTAINABLE IMAGE

24. **Marketing for NPOs.** Defining the market. Current and potential customers. Customers and clients vs. beneficiaries. Developing a marketing plan.
25. **Transparency and reporting.** Mechanisms for accountability (law requirement, self-regulation, transparency). Transparency. Issuing reports.
26. **Public communication for NPOs.** Crafting effective messages. Media policy and strategy for NPOs. Online media and e-Philanthropy. Crisis communication. Public relations. *CREATING A MEDIA MESSAGE.*

MAIN READINGS

1. Worth, M.J., *Nonprofit Management. Principles and Practices*, "SAGE Publications", 2016
2. *Take Root: Volunteer Management Handbook*, Hands On Training, www.handsonnetwork.org
3. Горчилова, Д., *Управление на нестопански организации*, „Авангард Прима“, С., 2010

ADDITIONAL READINGS

1. Agard, K. (ed.), *Leadership of Nonprofit Organizations*, "SAGE Publications", 2011
2. Drucker, P., *Managing the Nonprofit Organization: Principles and Practices*, "Harper Collins", 1990
3. Hutton, S., F. Phillips, *Nonprofit Kit for Dummies*, "Wiley Publishing", 2006
4. Oster, S., *Strategic Management for Nonprofit Organizations*, "Oxford University Press", 1995
5. Pynes, J., *Effective Nonprofit Management: Context and Environment*, "Routledge", 2014
6. Renz, D.O. (ed.), *The Jossey-Bass Handbook of Nonprofit Leadership and Management*, "Jossey-Bass Publishers", San Francisco, 2016
7. Young, D. and associates, *Governing, Leading and Managing Nonprofit Organizations*, "Jossey-Bass Publishers", San Francisco, 1993
8. Bulgarian Center for Not-for-Profit Law: www.bcnl.org
9. Bulgarian Donors Forum: www.dfbulgaria.org
10. BCause: www.bcaf.bg
11. European Foundation Center: www.efc.be
12. Internet Nonprofits Center: www.idealists.org
13. The Johns Hopkins Center for Civil Society Studies: www.jhu.edu/~ccss
14. Trust for Civil Society in Central and Eastern Europe: www.ceetrust.org
15. United Nations Volunteers: www.unv.org

LEGISLATION

1. *Constitution of the Republic of Bulgaria*, Prom. SG. 56/13 Jul 1991
2. *Law for the Non-Profit Corporate Bodies* (legal entities), Prom. SG. 81/6 Oct 2000
3. *Law for the Measures Against Money Laundering*, Prom. SG. 85/24 Jul 1998
4. *Law for the Popular Community Centers*, Prom. SG. 89/ 22 Oct 1996
5. *Law for the Denominations*, Prom. SG. 120/ 29 Dec 2002
6. *Law for the Political Parties*, Prom. SG. 30/ 28 March 2001

ASSIGNMENT

You will have one full-semester assignment, called "**My Non-profit's Portfolio**". It will make you cover at least 80% of the topics in the syllabus and will show you how theoretic concepts work in almost real-life conditions. The assignment mixes textbook knowledge, practical experience and a lot of creativity.

My Non-profit's Portfolio

Your task is to establish a new nonprofit organization. You have to follow the Bulgarian legislation and register the NPO in Sofia. There are no limits concerning the type of activity, the form of organization, the financing sources, etc. Use your imagination, build on causes that matter to you, and incorporate everything you have learned and will learn during the semester.

There are obligatory and optional segments. The final portfolio should cover 100 points.

Please, do not copy existing ideas and already available material. The copy-paste approach won't be tolerated!

Task	Points	Details	Volume
1. Choose a name and type of NPO	5	Association / Foundation / Community center / Sports club / other	2 lines
2. Write down your mission	5	Be creative!	No more than 3 sentences.
3. Analyse the competition	20	Describe the existing NPOs operating in Sofia or the near areas. Don't forget the international NPOs. Consider any governmental, municipal or business ventures that can also compete with you for financial support, media attention, beneficiaries and clients. <i>Search online for real organizations.</i>	1-2 pages
4. Write down articles of incorporation	20	Outline the major topics of a statute or a founding act. Follow the prerequisites enforced by the NPLEA.	1-2 pages; bullets or lists
4. Write down bylaws	20	You can choose one type of document – code of ethics, rules for working with volunteers, rules for a board committee, rules for avoiding conflict of interest, etc.	1-2 pages; bullets or lists
5. Compose your board	5	Decide on the size, structure and ideal members of your board.	1 page; figure

6. Prepare the NPO to choose the right volunteers	10	Write down a job description for a volunteer position and prepare the outline for a job interview.	2 pages
6. Prepare the NPO to say Thank you to the volunteers	10	Work on ideas to say Thank you in a memorable and unique way.	2 pages

For **segment 7** at first you will have to find a cause for which you will raise the money! Regardless which of the variations of the segment you will choose, start with *describing the case – what are you going to do, how much money do you already have, how much you will seek.*

7. Fundraising 1 – Individuals	20	Develop a plan to raise 10 000 leva for 2 weeks from individual persons. Find the exact technique, target group and appeal. Write down the fundraising plan.	3-4 pages
7. Fundraising 2 – Business	20	Develop a plan to raise 50 000 leva for 2 weeks from corporations or firms. Search for potential donors or sponsors. Find the exact technique and appeal. Write down the fundraising plan.	3-4 pages
7. Fundraising 3 – Mix of sources	20	Develop a plan to raise 50 000 leva for 2 weeks from various sources – state grants, municipal programs, EU programs. Write down the fundraising plan.	3-4 pages

8. Plan a special event	15	Choose an occasion, prepare a plan – what, when, where, guests, point of attraction, media coverage, etc. Set a clear goal and find ways to measure its fulfilment. The occasion can be the same as the cause in segment 7.	2-3 pages
8. Create a media strategy	15	Develop a media strategy for the NPO or for a fundraising campaign or for a special event. Create a communication mix; come up with the main message. Plan as close to reality as possible, try to calculate some of the costs.	2-3 pages

GRADING

The final grade can be reached following two different paths:

1. **Working continuously through the semester** on the “My Non-profit’s Portfolio”. Each week, after discussing in small groups, with the entire class and with the lecturer, you will add to the portfolio one or more of its segments. This path can be followed *individually* or *in couples*.
2. Presenting the full portfolio and defending it **at the regular exam**. This path can be followed only *individually*.

By covering all the obligatory and choosing from the optional part of the portfolio you can get maximum 100 points.

The final results are translated in grades as follows:

Points	Final grade
0 – 44	Poor (2)
45 – 58	Average (3)
59 – 72	Good (4)
73 – 86	Very good (5)
87 – 100	Excellent (6)

Sofia,
February 2017