

Amber French

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Non-Profit Management: Executive Summary

By utilizing a diverse set of skills nonprofit organizations can become very successful or quickly destroyed, depending on the agency's management system. Nonprofit management came about due to the pressure from donors to be held more accountable and effective toward social needs. History, culture, style and characteristics of nonprofit leaders, funding sources, and competition or duplication of services all affected the structure of a nonprofit and its success. In this paper I will be focusing on the management of a nonprofit and the specific roles and responsibilities required to being a successful nonprofit organization.

Nonprofit management can be thought of as a "profession and a field of study." (Worth, 2012, p.3) Types of managers can include the Executive Director, Board of Directors, development director, program manager, or a supervisor. I am going to be focusing mostly on the roles and responsibilities of the Executive Director and the Board of Directors in management because they tend to over-see all aspects of the nonprofit organization.

Nonprofit management can be seen as a system. Funding and strategic planning can be declared inputs whereas the provided services can be seen as outputs of the organization. It is up to the Executive Director and the Board of Directors to be ambassadors and advocates for the organization and ensure that what is being put into the agency is helping and advancing the services going out to the population being served. The need for management is based off this same principle, to provide guidance for the success of the organization in all aspects from finance to successfully serving a social purpose.

The Executive Director and Board of Directors are top managers of any nonprofit organization. Their roles and responsibilities encompass the agency's mission, values, and the ethics of human services professional practices. Serving the community by following the specific guidelines set by the human services professional ethics is an important part to maintaining the integrity and dignity of an organization. It is also important to keep in mind that "nonprofit management uniquely requires the ability to integrate mission, the acquisition of resources, and strategy," (Worth, 2012, p.5) as these are all key responsibilities required of an effective management team.

At the Bellingham Public Library, board meetings can help portray the distinct characteristics of each board member. The roles and responsibilities they individually take on are all different based on the particular set of skills each person can contribute. Together as an entire board, their responsibilities are very similar to those described by Worth; they are ambassadors and advocates for the organization, fulfill the primary legal duties (duty of care, duty of loyalty, and duty of obedience), oversee the finances (such as reviewing the annual 990 and 501(c)3 forms for the government), and miscellaneous tasks (hiring, firing, supervising, support and evaluate the executive director, and establish a clear mission and purpose for the organization). Not all of these topics are discussed at monthly meetings, but they are covered occasionally depending on the current pressing issues, as well as being listed in the By-Laws. (Worth, 2012, p. 79-85)

With all of these essential responsibilities to managing an organization, the Board of Directors plays a large part in the success or failure of the agency. It is clear that to be successful in managing a nonprofit organization the board must also be a reliable team of leaders. To do this and be an effective leader in a nonprofit organization the board must act with constructive

partnership, must be mission driven, have the ability to think strategically, independent mindedness, comply with integrity, be results oriented and be continually learning, all alongside the executive director. (Worth, 2012, p. 94-95)

Typically the role of the Executive Director is that of the over-seer, the professional who over-looks the Board of Directors and the face of the agency in the eyes of the public. Sometimes their specific responsibilities will include financial development (fundraising), creating press releases, supervising the Board of Directors, implementing goals, make operational decisions without the Board's consent, required to keep the Board of Directors fully informed on all community and agency updates or current news, capital campaign leadership, and occasionally client interaction.

Riannon Bardsley, executive director at Northwest Youth Services, runs her agency in a unique way. She has many of the same responsibilities as described above but how she works through each of them is as diverse as the population she serves. During my group's interview with her, she described her responsibilities as over-seeing the agency's day to day operations, collaborating with her Board of Directors, working with finance, direct services, and everything in between. Her position is diverse and covers a wide range of departments within the agency; but it is always a top priority to ensure that Northwest Youth Service's mission statement and values are incorporated and implemented in every way possible. This particular goal guides how she runs the organization and diversifies the outcomes of her actions as executive director, therefore affecting the success of the agency itself.

Fundraising is an incredibly important part of managing a nonprofit organization and includes the involvement of both the Board of Directors and often the Executive Director. The

majority, if not all, of the funds contributed to a nonprofit organization are made through the Board of Director's and the Executive Director's efforts in fundraising. Klein enhances this requirement by stating "the reason that board members must take a leadership role in fundraising is simple: they own the organization. They have to show that they think the group is worth supporting by setting an example. They are responsible for the well-being of the organization and for its success. Furthermore, the organization's supporters and potential supporters see board members as the people most committed and dedicated to the organization." (Klein, 2011, p.55)

Diversification of funds is also key to effective fundraising and is the responsibility of everyone involved. Having diverse sources of income protects you from going under if one sponsor backs out or stops donating. This term can also be used in regards to the board members; it is essential to creating a board that is well equipped with the skills needed to face any situation. If every person on your board has the same set of skills in effective leadership but nobody has experience in fundraising the Board of Directors is not going to be as effective in managing the agency.

It is important to understand the roles of the Board of Directors and the Executive Director as management in a nonprofit agency as they take majority of the responsibility for its productivity in the community. Nonprofit management can be defined as a process in which the creation and maintenance of a nonprofit agency is acknowledged, understood, and known as a profession and a field of study. This includes specific roles and responsibilities for a Board of Directors and an Executive Director. Through correct application of professional ethics, diversity, and effective leadership, these individuals can determine the success or failure of the organization's purpose in the community.

References

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