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OVERVIEW

Abstract

This case examines differences in the purpose and business approach of the private, public, and nonprofit sectors. These differing viewpoints and practices clash as one employee attempts to bring about change at a nonprofit organization. Sue Thompson is the new assistant director at a nonprofit grassroots organization with the purpose of protecting the public interest through collective student and community action. Sue's commitment quickly wanes as she uncovers a number of problems, including high turnover, inefficient and ineffective practices, and poor financial management. Sue suggests conducting an evaluation and tries to make small improvements, but ultimately she experiences strong philosophical differences with the executive director and office manager.

Main Topics

Decision making, Implementation/evaluation

Secondary Topics

Democracy, Privatization

Teaching Purpose

To discuss nonprofit administration and debate business practices in private, public, and nonprofit organizations in the context of a grassroots advocacy organization

The Organization

The case examines a nonprofit, grassroots organization whose mission is to protect the public interest.

Main Characters

- Sue Thompson, Assistant Director
- Jackson Tyler, Executive Director
- Emily Lambeth, Office Manager

BACKGROUND

The Grassroots Change Initiative (GCI) is an advocacy group that is a local chapter of the umbrella group the United States Grassroots Change Initiatives (USGCI). USGCI was created in the 1980s to act as a watchdog for the public interest in our nation's capital, just as the state offices have worked to safeguard the public interest in state capitals since the early 1970s. USGCI's mission is to advocate for consumers' rights, the natural environment, and other progressive causes. This mission includes delivering persistent, results-oriented, public-interest activism that protects our environment; encourages a fair, sustainable economy; and fosters a responsive democratic government. Some of USGCI's most recent campaigns have included stopping Congress from opening the Arctic National Wildlife Refuge to drilling and playing a pivotal role in convincing congressional representatives to vote down an environmentally harmful energy bill despite the powerful utility and energy industries backing the proposal.

MISSION AND STRUCTURE OF GCI

GCI is a student-run organization that is affiliated with local colleges and universities. Specifically, its mission statement is

The Grassroots Change Initiative (GCI) is created to empower students to take charge in local communities to work on behalf of citizens' interest.

GCI has two offices within the state; however, this case study will focus on the original office site, which has been in existence for more than twenty-five years. This office is located in the heart of an eclectic area known for a young, trendy, educated crowd that likes to spend its weekends in coffee shops during the day and sushi or wine bars during the night. GCI chose this location in order to appeal to the local clientele, a group of people who believe that nonprofits can make a difference in our world and who are well educated with high disposable incomes.

The office is located next to a flower shop and a vodka/sushi bar. Upon entering, there is a tall staircase lined with old political posters and fact sheets about various current events, mostly about global warming and corporate giants. There are two rooms in the office: an "office" and a main room. The office is essentially made up of file cabinets overflowing with past campaign materials, stickers, binders, fact sheets, an old fax machine, an old black-and-white copier, and a desk. Clearly, this is not a room to be seen by the public. The main room is also lined with various political posters and fact sheets. There is a large paper thermometer on one wall, on which the staff members mark their monetary goals each day, adorned with the names of the people who made the most money the previous afternoon. There are also tons of campaign materials strewn about the room, stuck in book shelves, and spewing out of file cabinets or boxes. Random instructions and directions are posted above the three desks sitting in the corner of the main room, reserved for campaign managers and directors.

The office experiences a great deal of turnover at the management level. It has new campaign managers every few weeks, a new office director approximately every year, and a new campaign approximately every four months. Some of its most recent campaigns have included the "Campaign to Save the Environment," in which it sought to inform people and raise money for global warming research, student aid, consumer debt, and harmful toys campaigns. Although USGCI and state GCIs support various political issues, there is no specific endorsement of political candidates.

GCI employs individuals who go door-to-door and talk to citizens about important current events and ask them to get involved financially. Literally, each employee spends about five hours each afternoon walking up and down streets in various neighborhoods, knocking on every door, presenting a three-minute speech about the issue of the day, and asking for money. This is done during the hours of 4 p.m. to 9 p.m., but a vast portion of the target population is not home when the canvasser arrives. Hence, GCI requires each canvasser to double back through his or her assigned neighborhood and re-approach every door at which there was no answer. Frankly, these canvassers behave the same as solicitors who call during dinner time. GCI, however, makes it very clear that they are not solicitors because they are not selling anything. If there is a "no soliciting" sign on someone's door, then canvassers are recommended to try away.

Most of the employees are students looking for a socially rewarding part-time job, but there are occasionally employees who come to GCI with the false impression that the organization can offer them a stable income and employment. This is one of the primary problems with GCI: it advertises itself as a group that can help save the environment and offers its workers a set sum of money each week, but what it does not advertise is its paychecks are commission based and overtime is required.

Some GCI employees are responsible for organizing press conferences or heading up letter writing campaigns for publication in local newspapers. Unfortunately, there is a massive breakdown of communication permeating the organization, from both the top down and across the span of control of campaign managers or canvass directors. As a result of this lack of organization and refusal to implement any standard operating procedures, the local GCI falls incredibly short of its potential and rarely meets campaign goals.

NEW ASSISTANT DIRECTOR

Sue had been working in finance in the private sector for the past four years since graduating from college. Although she enjoyed her job, she was looking for a change and for a place where she could "make a difference." When she saw the job ad for an assistant director of GCI, she was excited and thought that she had found the answer.

When Sue showed up for her initial interview at GCI, she assumed the experience would parallel her previous job interviews, so she was dressed in business-casual attire and arrived with a few copies of her résumé in hand. Upon walking into the office, Sue realized this interview was nothing like what

she was expecting. There were four metal folding chairs arranged in a semicircle around a television, and she was clearly overdressed for the occasion. Emily, the office manager, explained to Sue that they were running behind schedule so Sue was welcome to take a seat and wait, or she could come back in an hour. Not quite sure of the proper protocol in this organization, Sue assumed it would be best not to leave. As she waited for her interview to begin, Sue tried not to eavesdrop while Emily answered phones and argued about the GCI budget.

The interview began with a short fifteen-minute introduction video, explaining what it means to work for Grassroots Change Initiative. Then, Emily had Sue and three other applicants fill out some basic paperwork and then called each person into the "office" separately. Emily looked at Sue's résumé and paperwork and immediately offered Sue the position as assistant director. They discussed pay and hours, and Sue eagerly accepted the job. What Emily failed to mention was that pay is essentially commission based, and the hours of 2 p.m. to 10 p.m. are a minimum requirement, because most managers had to be at the office around 11 a.m. each day for preparations and other administrative tasks. It was also assumed that everyone would go out for a social activity afterward, at least until midnight. On Wednesday nights, GCI sponsored "pizza nights" and the money came out of the campaign funds.

Sue began work the following week. Emily set her up at her desk with little direction. In fact, it was a couple of days before Sue met with her boss, Jackson, the executive director. The two of them really hit it off at their first meeting. Jackson was very laid back and wore casual clothes and sandals to the office. He made Sue feel right at home and got her excited about the mission of GCI—a mission about which Jackson clearly felt passionate.

PROBLEMS AT GCI

After six months in her position, Sue realized that there were many problems with GCI that had to be solved before any sort of productive and positive political action could be taken and before any public policies could be impacted. There was a complete breakdown in the efficiency and effectiveness among GCI students and staff in accomplishing goals. This was a common occurrence in most state GCI offices because, in part, few people stayed with the organization very long. The bulk of "employees" were volunteers or low-paid student workers. The turnover rate was so high that staff of GCI became more consumed with attracting and maintaining employees than with its mission work. As the focus of the entire organization turned to how much money could be raised through door-to-door canvassing, other means of advocacy fell by the wayside. Responsibilities such as holding press conferences and writing letters to the editor were essentially ignored because there was not enough time.

Also, the means of fund-raising were incredibly archaic and ineffective. Canvassers were asked to spend five hours each day walking door-to-door and asking citizens to provide monthly financial donations for various causes, ranging from the Campaign to Save the Environment to the Human Rights Campaign. Prior to heading out to neighborhoods, canvassers had to spend at least two

hours practicing role-plays and attempting to attract future employees and another hour having lunch as a "team." These three hours were not paid, but employees were still held to many of the GCI rules during them, including no smoking while wearing GCI attire, staying with the group, and focusing on how to talk to people at their door. Despite the obvious inefficiencies of going door-to-door at 4 p.m. when no one is home or during the dinner hour, such practices were not changed because "that was the way things had always been done."

Sue was concerned that GCI was not fulfilling its mission and the original intent of USGCIs and to make matters worse, an evaluation had never been conducted at GCI. Nonetheless, she attempted to make incremental changes throughout the GCI office but faced one obstacle after another. Many of Sue's modifications included simply trying to properly train canvassers. She worked with them to improve communication and "sales" skills with potential givers. She tried to run the daily schedule in a more effective manner so that time was not wasted. Sue believed that simple organizational improvements and clearer communication would save much time and confusion. Unfortunately, the idealism Sue initially had upon beginning her employment at GCI quickly wore off as she observed the necessity for, and continued avoidance of, more business-like management within GCI's office.

Jackson recognized Sue's frustration and attempted to improve her morale by setting up standing meetings with her. The objective was to work together to write letters to the editor, build media packets about local issues, and so on. Sue would arrive at the office early, eager to actually put her college degree to use, but Jackson rarely followed through. He would be late or distracted or would cancel meetings. Rather than getting angrier, Sue decided to write letters herself. But Jackson never read them, and eventually Sue stopped writing them.

In an attempt to keep Sue around longer, Emily gave Sue more responsibilities, including reviewing some of GCI's budget. After hours of examining the spreadsheets, Sue saw that GCI was operating with only \$60 over expenses. Furthermore, less than 40 percent of all funds raised actually went toward lobbying efforts, programs, and political information, a very low number for an advocacy group. Sue was infuriated that all of the canvassers' hard work was resulting in so little going to the "cause." She had signed on for this cause in order to make a difference, not help pay the rent of a run-down building and help recruit more part-time workers. She no longer felt invested in the mission statement of GCI because she was struggling to see it put into action.

PHILOSOPHICAL DIFFERENCES

The budget problem was the final straw for Sue. She decided to call a meeting with Emily and Jackson to air her frustrations in hopes of agreeing on a plan of action to improve GCI. At the meeting, Sue explained that she did not feel as if GCI had made a solid impact around the area. She spent more of her time training people, many of whom rarely stayed through the week, and answering phones than writing press releases or organizing campaigns. Furthermore,

GCI was barely making enough money to survive, let alone achieve its goals and make a difference.

Emily and Jackson, however, did not agree with Sue's perspective. Jackson firmly believed that GCI was serving a lofty purpose that went beyond just making money. "Isn't that why we are a nonprofit?" he gently asked. He went on to say that GCI exists to protect the public interest and that there are many citizens who want to volunteer and be a part of organizations such as theirs. Although Emily agreed with Jackson's views regarding a mission-driven organization that was integral to civil society, she had a different philosophy on how it should operate. Not only did she think that it did not need to run like a business, but also she thought that the government should supplement GCI's operating revenue. She stated, "After all, we are working for public interest and supporting students to be publicly minded citizens."

Sue believed, on the other hand, that the GCI idea of a nonprofessional management style was not conducive to an efficiently and effectively run organization. As more and more people began to realize this, they walked away from this organization in hopes of seeking more effective and efficient means of attaining political change. Sue's intent was not to discredit the use of grassroots campaigning, but to highlight the need for effective management of such campaigns. Sue argued, "Idealism and wanting to make a difference are great in nonprofit organizations, but they must be balanced with some proper business and management administration." Sue suggested that the first step was to design and implement a program evaluation that included process and impact assessments. From there, a plan for change could be developed.

Emily and Jackson become defensive at the suggestion of an evaluation. A heated debate ensued.

Discussion Questions

1. How would you characterize the philosophical differences among Sue, Jackson, and Emily? What do you see as the strengths and weaknesses of their varying viewpoints?
2. How can Sue bring about positive change at GCI? What suggestions would you make to enhance GCI?
3. What steps should be taken in the design and implementation of a program evaluation at GCI? What research methods and assessments would you suggest for assessing efficiency and effectiveness?
4. How do the values and missions of nonprofit organizations differ from other organizations and/or agencies in the private and public sectors?
5. How can a balance be achieved between running an organization through the lens of business administration compared to running it through the lens of public administration?
6. Can a more business-like approach contribute to the GCI's grassroots' effectiveness? Explain.

13

COMMUNITY HEALTH CENTER CASE

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OVERVIEW

Abstract

This case demonstrates the importance of aligning strategic and operational environmental needs. It examines For the People (FTP), a community health center, which is part of a larger health provider, DUNN Community Care. FTP faces a challenging environment and needs to adapt quickly to remain viable. However, the parent organization, DUNN, is obstructing some much-needed changes such as proposed by the Governor's Change Initiative. The FTP director, Miranda Jackson, knows she needs to innovate to survive but lacks the financial and human resources to get the support to enact new strategies.

Main Topics

Planning, Strategic management

Secondary Topics

Reform, Organizational culture

Teaching Purpose

To encourage students to think at a macro level by discussing strategic planning, implementation, and communication of a strategic plan in an organization.

The Organization

The case examines a community health center that is part of a large health care organization.

Main Characters

- Miranda Jackson, Director of FTP
- DUNN Board of Directors