Urs Bumbacher Markus Gmiir Hans Lichtsteiner

NPO Management – A European Approach The Fribourg Management Model for Nonprofit Organizations

1st English edition (based on the 7th, completely revised German edition)

In cooperation with:

Peter Schwarz Robert Purtschert Charles Giroud Reinbert Schauer Andreas Kattnigg Guido Kaufmann Claus Philippi

Haupt Verlag

Contents

1	Fun	damentals on the Management of NPOs	17
	1.1	Definition and Characteristics of Private Sector NPOs	17
	1.1.1	l Definition of NPOs	19
	1.1.2	2 Typologies of NPOs	25
	1.2	On the Business Administration Theory of NPOs	31
	1.3	Development Directions in NPO Management	35
2	The	e Fribourg Management Model for NPOs	37
	2.1	Purpose and Importance of the Model	37
	2.2	Basic Views of the NPO as a Starting Point for the Model Design	38
	2.2.	1 The NPO as a System	38
	2.2.2	2 The NPO as an Object of Diverse Interests	43
	2.2.3	3 The NPO as a Micro-Political Arena	46
	2.2.4	4 The NPO as a Service Operation	50
	2.2.	5 The NPO as a Value- and Culture-Driven Community	53
	2.2.	6 The NPO as a Strategic Project	55
	2.2.2	7 The NPO as a Learning Organism	57
	2.3	The Design Logic of the Management Model	62
	2.4	Structure of the Model	65
3	Sys 3.1	tem Management Fundamentals	71 71
	3.1.	1 The Concept of General Management	71
	3.1.	2 Total Quality Management (TQM) as Management Philosophy Aiming at "Management Excellence"	77
	3.1.	3 Design Criteria in System Management	81
	3.1.	4 The Governance Model for System Management: Management by Objectiv and Exception (MBO + MBE)	es 92

Contents

3	.2	Consensus-Backed Decision-Making and Implementation	97
	3.2.1	Structural and Process-Related Aspects ;	97
	3.2.2	Methods and Procedures in Consensus-Backed Decision-Making	101
	3.2.3	Control (Monitoring) in Consensus-Backed Decision Making	103
3	.3	Steering 1: Planning	104
	3.3.1	The Terms "Steering" and "Planning"	104
	3.3.2	Design of the Formal Planning System as a Component	
		of the Steering Tools	106
	3.3.3	Management Tools on the Three Planning Levels	107
	3.3.4	Market and State Control as a Complement to NPO Autonomy	114
	3.3.5	Tools, Methods of Steering (Planning, Controlling, Quality Management)	116
3	.4	Steering 2: Controlling	123
	3.4.1	Concept and Content of Controlling	123
	3.4.2	Controlling Tools	124
	3.4.3	Accounting as an Information and Steering Tool	126
	3.4.4	Organizational Integration of the Controlling Function	137
	3.4.5	Organizational Requirements for an Effective Use of Controlling in NPOs	138
3	.5	Steering 3: Quality Management (QM) as a Building Block of	
		Management Excellence	139
	3.5.1	Terminology, Overview	139
	3.5.2	Quality Steering (Q Planning and Q Control)	141
	3.5.3	Operational, Quality-Driven Process Management	143
	3.5.4	QM Organizational Design	145
3	.6	Leadership and Motivation	148
	3.6.1	Leadership and Power	149
	3.6.2	2 The Followers and Their Motivation	154
	3.6.3	Leadership Behavior and Success	158
3	.7	Organization Design and Development	166

	3.7.1	The Term "Organization"	166
	3.7.2	Types of NPO Organization Structures	172
	3.7.3	Implementation Units, Namely NPO Institutions or Operations	178
	3.8 I	nnovation	185
	3.8.1	Adaptation, Change and Innovation Processes	185
	3.8.2	Change Management: Designing Innovation Processes	187
	3.8.3	Conference Work with Large Groups	191
	3.8.4	Project Management	192
4	Mark	eting Management	195
	4.1 F	undamentals of Marketing Management	195
	4.1.1	Fundamental Principles of For-Profit Marketing	195
	4.1.2	Exchange Relationships of NPOs	197
	4.2 T	The Fribourg Marketing Approach for NPOs	204
	4.2.1	Transferring and Broadening the For-Profit Marketing Approach	204
	4.2.2	The Market Adaptation Aspect of NPO Marketing (Marketing Maxim)	204
	4.2.3	The Market Influencing and Creation Aspect of NPO Communication	206
	4.3 T	The Marketing Concept	208
	4.3.1	Structure and Content of the Concept	208
	4.3.2	Overall Positioning of the NPO: CI and COOPI	211
	4.3.3	Areas of Marketing Application	214
	4.4 0	Operational Marketing Planning	223
	4.4.1	From the Marketing Concept to the Operational Planning Sequence	223
	4.4.2	The Sequence of the Operational Marketing Planning	223
	4.4.3	The NPO Marketing Mix: The Marketing Toolkit	226
5	Resou	irce Management	231
	5.1 H	Foundations	231
	5.2 N	Aembers	232
	5.2.1	Member Roles	233

Contents

	5.2.2	Motivating Members to Assume Their Roles	236
5	.3	Voluntary Executives :	239
	5.3.1	Characteristic Features of the Voluntary Governance Function	239
	5.3.2	How to Design Efficient and Attractive Voluntary Governance Work	240
	5.3.3	Deviations from the Ideal Type of Voluntary Government Function	241
	5.3.4	Professionalizing the Voluntary Governance Work	242
5	.4	Paid Managers	246
5	.5	Paid Staff	247
5	.6	Voluntary Staff	253
5	.7	Financial Resources	254
	5.7.1	Overview	254
	5.7.2	Types of Goods	254
	5.7.3	Types of Financing	256
	5.7.4	Providers of Financial Resources	257
	5.7.5	Sources of Financing	258
	5.7.6	Decision Criteria for the Financing Mix	263
5	.8	Equipment and Administrative Tools	266
5	.9	Cooperations	267
	5.9.1	Umbrella Associations	268
	5.9.2	Working Groups	269
	5.9.3	Co-operative Enterprises	269
6	Dire	ctory of Quoted and Further Reference Literature	271
7	Ind		275
8	Authors		293