

Nonprofit and Philanthropic Studies Education

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Need for Leadership in the Nonprofit Sector

“We need to reject the naïve imposition of the ‘language of business’ on the social sectors, and instead jointly embrace a language of greatness.” (Collins, 2005, p. 2.)

The above quote from Jim Collins, author of *Good to Great*, recognizes that the push by many for nonprofits to become more business like is wrong headed. Instead, the critical difference is what makes a nonprofit great--or for that matter, a business great. In contrast to a business which uses financial returns as a measure of performance, nonprofits assess success relative to mission, and further, relative to the resources that they have to apply toward accomplishment of mission.

This complexity, both in turns of mission fulfillment, governance and power structures in nonprofits—perhaps confused with indecisiveness by business leaders—requires careful consideration as we develop educational programs. According to one author, there “is still the vexed question of whether the sector is sufficiently different from other sectors to warrant separate management education provision.”(Myers 2004, 650). In this article, I argue that this is the wrong question. The real question should be: What is needed in nonprofit education that equips the leaders of today and tomorrow with

the knowledge and skill that will allow them to lead a “great” organization to mission accomplishment?

Collins (2005) has noted there are two major types of leadership--legislative and executive. Executive leadership is based upon concentrated power to make decisions, whereas legislative leadership does not have such concentrated power to make decisions. “Legislative leadership relies more upon persuasion, political currency, and shared interests to create the conditions for the right decisions to happen” (p. 11). Certainly, this is the type of leadership that is appropriate for the third sector.

Recently, we have seen several articles in the nonprofit sector press, and have heard the speeches at conferences that we are facing a major “shortage of leaders” in the nonprofit sector with a definite emphasis on the need for “leadership.” In one of those articles in an early 2006 issue of *Minnesota Nonprofit News*, a major foundation executive was quoted as saying there are 2,700 different definitions of leadership. It is little wonder that we might find it difficult to articulate clearly what education is appropriate to provide for the next generation of leaders in the nonprofit sector. Such a wide variety of definitions and approaches to leadership training cause some to even question if leadership can be taught. Most agree it can be but the remaining questions are what should be taught, and how to do it effectively in our higher educational programs.

What knowledge and skills will these future leaders need and how should they be prepared? One of the sectors great leaders, John Gardner, commented that the work of leadership was envisioning goals, affirming values, motivating, managing, explaining, serving as a guide and representing the organization externally. This work requires integrity and character. Not surprisingly, an opinion poll conducted by Kellogg

Foundation on leadership identified honesty and integrity as the most important qualities in a leader (Foster, 2000). Business school education programs have, by most measures, failed in instilling good character. In fact, a study by the Aspen Institute revealed that business education not only “fails to improve moral character of students but actually weakens it.” (Crane, 2004). Future leaders, whether in the business, government, or nonprofit sector, will need to balance mission with sound economic growth and balanced environmental protection. They will need to engage the disenfranchised of society more effectively. They will need to address critical community issues. As Ronald Heifetz said so elegantly (quoted in Foster, 2000), “the ‘lone warrior’ leader is not a realistic model for our times. The new leaders must understand that the complex challenges of the future demand collaboration, shared leadership, and dynamic partnerships among the corporate, government, and civil society sectors.”(p. 89).

A cursory glance at much of the curriculum of nonprofit management programs today reveals that we focus most on the silo of managing as technical skill development. For those of us who have responsibility for educating leaders for the field, it behooves us to ask what our curriculum should be like in order to prepare our students for the potential to be great leaders, and not answer the call from the field with a curriculum that only provides technical preparation. This idea was captured well in the business model of management/leadership education taken from Mintzberg (2004) in Figure 1.

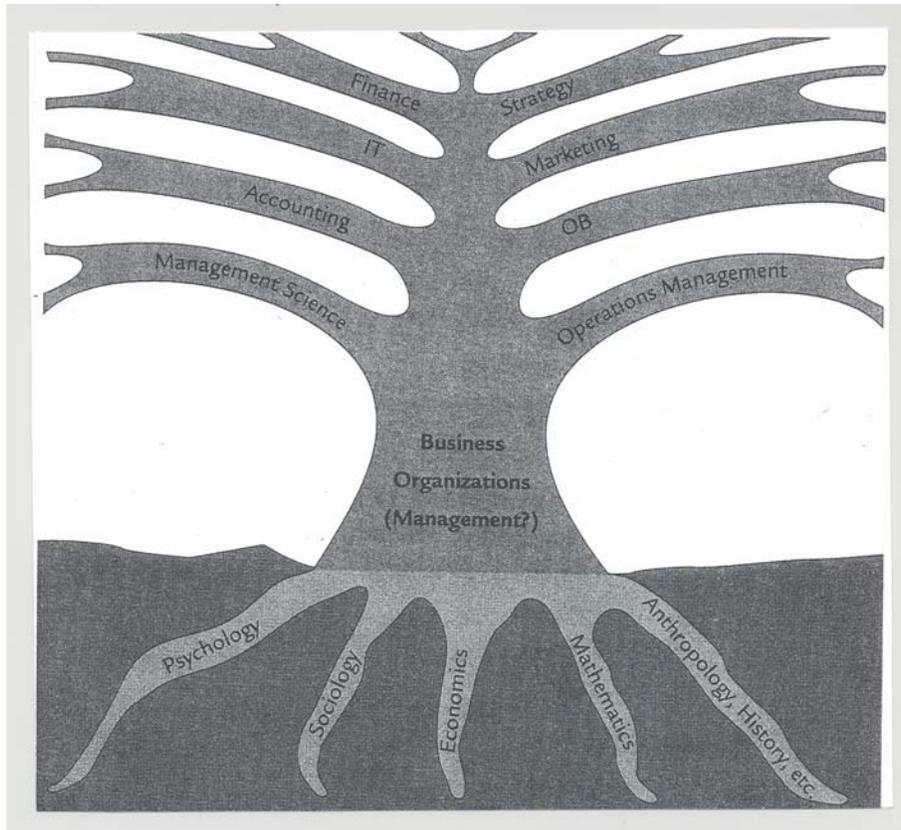


Figure 1. Mintzberg’s business model of management and leadership education

Having a curriculum that provides the knowledge of philanthropy and the nonprofit sector and the tools that lead the student to an appreciation of the role in society of the organization in which she works; how the organizational mission is carried out effectively; and how resources—human and financial—are gained and applied to actualize the mission of the nonprofit, are all important. What philosophy and values are we seeking to impart through our curricula offerings? These questions should guide our assessment of our educational curriculum as we prepare today’s and tomorrow’s leaders.

Contemporary History

Contemporary history of general education and liberal arts education has been one of a changing face of general education from comprehensive and balanced education in

science, literature, philosophy, history, math to education that is “distributed.” By the last quarter of the 20th century undergraduate education had become what some labeled as “vocational training”. Or as Robert Payton wrote so elegantly: “The capture of the intellectual life of the campus by marketplace values is complete. As a voice for the liberal arts I feel like a quixotic subversive—subversive because I criticize the dominant culture as shallow and exploitative, and quixotic because not many people care about it” (Payton, 2000). One might characterize the blight of general education in higher education in the last 30 years as a loss of vision or leadership and the dominance of “managers.”

Although formal graduate educational programs in nonprofit management began in the 1980s and proliferated rapidly in the 1990s, we tend to forget the history of educating for the professions in the West. The University of Bologna (where Indiana University’s Center on Philanthropy has a collaborative masters degree program is a current example of organizing advanced education around a field of study by utilizing the liberal arts disciplines. Similarly medieval universities organized around the professions and were made up of professional faculties (Brubacher, 1962). I see what you mean-- perhaps it would be best to delete—I am simply saying in professional schools we have historically developed the study of a field —whether it be medicine or law , minister, etc. — by using professionals who practice a “profession” rather than using the liberal arts disciplinary approach to study the profession.

In the United States professional education was also the focus of leading private and public colleges and universities. During the latter part of the 18th Century and early 19th century, American higher education was patterned after the English tradition of a

liberal arts education (Powell, 1983). With the shift to major capital investments of buildings, libraries and laboratories, a focus on research and the development of graduate education focused on formalization of professional education (the German model) (Wegener 1978). Within this shift we see the tension between theory and practice often articulated in the language of disciplinary vs. professional education. Whether it is the philosophical faculty of the late 1800s, or the liberal arts of the 21st century, the concern is still the same: Will the focus of the professional school engage in replicating professionals rather than redefining the profession? The former is concerned with training and transferring techniques. The latter is committed to providing a place where the “profession itself is critically examined and intellectually restructured” (Wegener, 1978, p.40).

The move of professional education to universities and graduate education in particular has been a 20th century invention and has been limited according to O’Neill (in Burlingame & Hammack, 2005) by universities to those occupations that require lengthy preparation based upon extensive knowledge.

Management Education

Management education at the collegiate level in America is usually traced to business education, which started in the US in a series of failures in the mid-1800s at the University of Wisconsin, the University of Louisiana, and Washington and Lee University (Van Fleet, 2005). The first success story is usually traced to 1881 when Joseph Wharton provided the funds to the University of Pennsylvania to found the Wharton School of Finance and Economy. Most agree that Wharton took the ideas from

his travels to Prussia and reinvented much of the “Prussian school of bureaucratic statecraft” into his proposal to Penn (Mintzberg, 2004). The faculty were first drawn from the liberal arts faculty who were focused on a classical, rather than practical, education and tension developed which led to the replacement of many liberal arts faculty with other instructors versed in the subjects of business. It took some 17 years before the Univ. of Chicago and the Univ. of California started business schools in 1898.

The first school to offer a masters degree in business was Dartmouth College in 1900. It should not go unnoticed to historians in our field that this is the same institution that some 80 years earlier was the subject of the case in which the US Supreme Court confirmed the right of the trustees of Dartmouth College the right to say no to the state of New Hampshire’s demand that the college offer “practical” education in the applied arts.

It was not until the 1950s that business schools developed a new found focus on the academic disciplines, mainly mathematics, economics, and psychology. In many places this created what many felt was the ideal of the discipline scholar focusing on broad issues of organizations and business and creating an environment of ideas. Unfortunately in the minds of some scholars, particularly Mintzberg and his followers—Economics has become dominant in business schools and the scholarship has minimized psychology and has continued to exclude for the most part history, geography, anthropology and philosophy in the mix. Traditional business education is focused on theoretical preparation of students with an analytical approach. Knowledge development is around practical applications of accounting, finance, marketing, human resources and the like, instead of providing a cross-disciplinary approach which integrates the learning

within a cultural and moral context (Doh, 2003; Nirenberg, 2003). Is graduate nonprofit management education making the same mistake?

Most of the graduate nonprofit management programs in the U. S. are housed in schools of public affairs or administration. As a field, public administration traces much of its intellectual beginnings to the work captured by Woodrow Wilson (1887) in his paper on “The Study of Administration.” Formal Public Management education began at Syracuse University in 1924. More than 100 graduate public administration programs existed by 1953 (Mosher, 1975). Other management programs than the MBA and MPA in which nonprofit management is taught are found mainly in social work, arts administration, health, and education. Certainly education for work in a particular nonprofit field—e.g. religious organizations—address issues of management and leadership, but they are not generally approached from the “Management Science” perspective.

Nonprofit and philanthropic studies education

Contemporary history within the development of the three sector idea came in part from the Filer Commission’s work in the early 1970’s. The most important cause for the growth in nonprofit management education is the last part of the 20th century has been the growth in the Sector itself. In the United States, this sector growth was fueled by increased wealth, the historical role of religion, increased third-party government, and social activism which helped produce positive legal frameworks, leading to an exponential growth of nonprofit organizations

According to most scholars, the first organized nonprofit management program was created at the University of Missouri at Kansas City, in 1981. The University of San Francisco followed in 1983 with only a handful of schools at the time of the first conference on nonprofit management education in 1986. The Center on Philanthropy at Indiana University started in 1987. Nonprofit and philanthropic studies education has had a rapid growth in the last 30 years in the United States. According to Mirabella (2006) there were 161 universities offering graduate programs in nonprofit management or philanthropic studies in 2006, compared to 128 in 1996. 117 universities offered undergraduate courses (compared to 66 in 1996). In addition, there were 131 universities offering continuing education or noncredit courses in 2006 (compared with 70 such programs in 1996). After allowing for multiple programs in various universities, there are about 240 nonprofit or philanthropic educational programs across the U. S. In the International Census of Third Sector Studies Project, Mirabella (2006) has identified 181 university-based programs and 138 continuing education or training programs outside the US. Within these university-based programs approximately one-third are offered through a school of social science, 29% in a school of business or management, 11% in social work, and only 10% in a school of public affairs or administration. This varies from the US trend where the predominance of the programs is located in schools of public affairs. This may be in part a result of the early warning of placing such programs in schools of business (Cyert, 1988) or by the very fact that schools of business have not historically had an interest in nonprofits.

I believe that the study of philanthropy and nonprofits in higher education is largely dominated by “training” in nonprofit management, tilted toward the approaches of

public administration or business education. Why should we include more history, philosophy, and other liberal arts approaches to understanding and knowledge creation to education for leadership in the nonprofit sector? This is a particularly relevant question when we consider that History and Theory were the two lowest elements desired by students in the evaluation done by Wilson and Larson(2002) on nonprofit management education.

I am not suggesting that nonprofit management education is in crisis, but there are signs that suggest we need to reevaluate our approaches. For many graduate students in nonprofit studies, the curriculum feels like a hodgepodge of skill courses with a lot of things to do but lacking a theoretical integration which I am arguing can be provided in part by a more concentrated and interdisciplinary liberal arts underpinning. At Indiana University in the Masters Program in Philanthropic Studies we have set this as a goal. We have taken a leadership role in basing the study of philanthropy and nonprofit leadership on a multidisciplinary approach with a strong focus on ethics within a global context.

The growth and visibility of philanthropy and civil society organizations across the globe specifically in the last two decades has raised serious questions about the role of “voluntary/private action intended for the public good.” Disciplinary scholarship in philanthropic studies has much to contribute to understanding what society expects from philanthropic action and what such actions can realistically be expected to be accomplished in the larger societal commons. Understanding both formal and informal philanthropy requires an education that is both theoretical and applied.

Most nonprofit programs still have not progressed as far as we would like beyond multiple professors in different disciplines teaching self-contained segments of their disciplinary view of how philanthropy and nonprofits work. But some are making some progress toward a goal of a truly interdisciplinary approach which will better prepare tomorrow's leaders for a civil society. Bringing traditional disciplines and professional education together to provide a "liberal education" is still the way to proceed from where I sit.

Focusing on leadership in the field argues for a stronger commitment to base our educational program in what some have identified as the "social history of the moral imagination." Being stewards (both as teacher and student) of knowledge in philanthropic and nonprofit studies demands that we lead the way for the general public, practitioners, and public policy leaders to engage our research agendas in areas that will address societal problems and issues. We must ask and seek answers to tough questions such as:

What is the "public good"?

- How do we make philanthropic action more rational, more democratic, and yes more creative?
- How do we save ourselves from the "tyranny of the majority" or the tyranny of the few?
- What is the role of philanthropy and nonprofits in achieving broad public access to needed services?
- What is the role of the market?
- How are governmental and philanthropic initiatives balanced?

- What is the role of philanthropic and nonprofit studies research and scholarship in shaping the debates on the thousands of issues that face our contemporary societies?

The greatest challenge for leadership in philanthropy and the nonprofit sector today may be creating the vision at the same time that we maintain trust in what we do. Likewise, the challenge for education in this field is to be able to provide the education that assumes leaders and managers in nonprofits are not just users of knowledge, but generators of knowledge.

The metaphor of building bridges between theory and practice seems most apt for us today as we reflect on where we are in our educational curriculum, and where we hope to go in advancing the field tomorrow. Feeney (2000) and others highlighted the need to include the practitioner as a partner in research in the field. Van Til (2000) argued for taking advantage of the “Pracademics” and their unique position as boundary spanners between practice and scholarship to influence the framing of research in the field as well as education in the field. Salipante and Aram (2003) provide a framework of the process of scholar-practitioner research which has been applied in the E.D.M. program at the Weatherhead School of Management at Case Western Reserve University.

Van Til (2004) has gone even further by asserting, that we have moved from “voluntary action” to “nonprofit organization,” and from philanthropic studies to nonprofit studies, and that this has been a mistake. “It may be time to consign the ‘nonprofit’ metaphor and its related definitions to the dustbin of history, or at least to rename and redefine what most of us study” (Van Til 2004).

The nonprofit scholar John Palmer Smith predicted in 1999 that, by 2016, we would still have a vital nonprofit sector in the U.S. and there would be a global expansion of the sector as well. This will continue the need for nonprofit management education to prepare the leaders of the sector and that education would be institutionalized (Smith, 2000). I am not overly optimistic that we will see a major change in the approaches and curriculum that are now being offered in nonprofit education programs. I do hope, however, that the debate will be pushed toward providing greater insight into preparing the future leaders of civil society. Perhaps leaders as stewards of greatness, rather than leaders as amassers of wealth, will be the next generation's call.

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