The Voluntary Organization and the Business School: A Partnership Waiting to Happen

Mel S. Moyer, PhD

NEGLECTED OPPORTUNITY

In the nonprofit sector, effective managers get extra mileage out of limited means. To accomplish this, they practice a kind of creative parsimony. Equally important, they find resources where others do not. In these days of constraint, they are bringing this "loaves and fishes management" to a high art.

But while they are energetic and inventive in most directions, in one they are not. In particular, they ignore one important resource. Generally, it is sizeable, valuable, versatile, appropriate and free. It is the university school of business.

University business schools embody many assets which are of potential benefit to nonprofit organizations. These include computing power; experienced alumni; versatile facilities; useful corporate contacts; students with unusual amounts of talent, energy and idealism; faculty seeking educative course assignments and challenging research sites; and a body of knowledge about managing organizations. Nor are these resources unavailable to the voluntary sector. Indeed, there are not a few but several dozen ways in which business schools can be put to the service of nonprofit organizations. Almost two dozen of them are detailed in Appendix A.

By neglecting these possibilities, leaders from the third sector are, in effect, leaving money lying on the table. In these pinched times, such inaction lies somewhere between unimaginative and irresponsible.

To grasp this opportunity, managers in voluntary enterprises must see the business school as a customer, alternative users as potential competitors, themselves as marketers, and the challenge as one of developing and implementing a mutually-profitable marketing strategy.

If this construction of the task afflicts the reader with a sense of doubt, inadequacy, or distaste, that can be remedied. There are available several readable introductions to marketing in nonprofit organizations.[1] Beyond that, it is possible to sketch out a series of steps which, with modification to suit particular situations, can assist the nonprofit manager to take a marketing approach to the school of business. They follow.

APPRAISING THE BUSINESS SCHOOL

One should begin by attempting to "know the territory." In this case, the business school should be seen as an institution with its own features which, to be suitably used, must be carefully understood. The characteristics of this target enterprise which have the most import for the voluntary sector manager are as follows: it is male, corporate, analytic, quantitative and businesslike. Each of these features has implications for

Mel S. Moyer, Ph.D., is a Professor of Marketing at York University in Toronto. He is a director of the Family Services Association of Toronto, has been President of Big Brothers of Toronto, and was founding Director of the Voluntary Sector Program, through which York's Faculty of Administrative Studies offers a range of management education services to voluntary organizations.

the "outsider" who aims to connect and collaborate with the school of business. Consider how.

Within the past decade, the mix of BBA and MBA students has shifted sharply toward women. However, the mix of faculty has not. As a result, a sizeable fraction of the enrollment will be women, but almost all of the instructors will be men. Thus, despite ongoing liberating changes in the culture of the institution, the continuing and pervasive assumption is that, in the world at large, "management" is male. In the voluntary sector, of course, often it is not.

Similarly, there has been a shift in the management literature, and in the business school curriculum, to embrace public and nonprofit organization. Again, however, the change has been imperfect and incomplete. As a consequence, the orientation of the business school, like the destination of most of its graduates, is the corporation. Moreover, it is intellectually comfortable, pedagogically convenient, and therefore often assumed, that the companies in the textbooks are large manufacturers of branded products. This tends to screen from academic attention several characteristics of voluntary organizations which are different and material, such as that its workers are not all employees, its mission may be shaped by ideology as much as economics, its interorganizational relationships may not be essentially competitive, and its customers often do not cover the full cost of the service.

A further characteristic of the school of business is that it encourages its people to prefer what is analytic, cerebral and quantitative to that which is impressionistic, visceral and qualitative. The former are termed "hard," the latter are called "soft"--and, as the words suggest, the comparison is seen as invidious. Meanwhile, because their education is often in other fields, voluntary sector managers tend to feel less secure dealing with finances, accounting, and computers than, say, public policy, and interpersonal relationships--"soft" subjects.

Finally, the institution values behavior which it regards as businesslike, that is, results-oriented, organized, succinct, and punctual. This is not to suggest that management schools are well managed or that business school faculty are businesslike (often they are not), only that these behaviors are preached in the abstract and admired when encountered.

Another fact of life with which the potential partner must deal is that the target business school may be in a different demand situation than the university as a whole. While it can be shown that most universities must meet faltering demand for their services by reaching out to the community for students and support, business schools enjoy a strong demand from prospective recruits. Indeed the recession, the conservative climate of the times, and fewer job openings for young people have boosted the business schools' "sales." Therefore, while universities must reach out to the community to stimulate enrollments, business schools are able to ration their places and limit their outreach. This is not to say that they are not interested in attracting job offers for their graduates, research money for faculty, and approbation from their publics, but that one incentive for creative collaboration with the community--a scramble for students--is not a pressure they feel. The result is that, while universities tend to deal with the world from a position of diminishing strength, business schools do not.

Having examined the setting in general, the nonprofit manager will undertake some market research on his or her intended "buyer." This need not be costly, covert or conspiratorial. Business schools are public institutions sufficiently removed from competitive pressures that they are, compared to corporations, fairly transparent. With little effort or expense, one can assemble calendars, course outlines, faculty profiles, professors' publications, deans' speeches, alumni newsletters, submissions made to funding bodies, and any of many other paper outputs whereby a business school tells the world about itself. The gaps can be filled in through conversations with students, alumni, faculty, administrators, and outside friends with whom it has done business.

GAINING SUPPORT

From all of the above, it follows that the nonprofit manager should anticipate that the business school leaders to be approached will not have thought closely about connecting with the voluntary sector. Alternatively, they may have been deterred by the perception of the nonprofit field as a lean market. When business school heads consider underwriting an outreach toward the voluntary sector, through management seminars for example, they must confront some unattractive facts. Many voluntary organizations are small. Others are remote. Most have little bench strength to compensate for a manager's absence while on a course, and all are underfunded. Therefore, when first viewed from the dean's office, the voluntary sector may well be interpreted as a market, and one too thin to serve.

From this, it will be clear that before collaboration can happen one will have to demonstrate what's in it for the business school. This is simply a particular case of a general situation. For example, in the corporate sector no sale is made until it is evident that there is a benefit to the other party. Similarly, in the nonprofit sector, volunteers do not sign on unless there is an expectation of a rewarding relationship.[2] Thus neither repeat product purchasers nor solid working relationships can endure as acts of charity. Accordingly, the nonprofit manager approaching a business school faces a challenge which is neither unique nor unfamiliar. As always, the transaction must serve both parties.

Happily it can. A customer-oriented analysis will show that collaboration can carry several benefits for the business school. These include data for student exercises, instructive teaching materials, interesting class assignments, justification for research grants, raw material for publishable articles, sites for practicums, and opportunities for those public and professional service activities which strengthen an academic's case for promotion and tenure. Fortified by that knowledge, one should forge ahead.

Moreover, from the profile of the target business school now developed, the potential collaborator can now identify potential allies, inducements, adversaries and obstacles. For example, Professor X has served on the board of an organization not unlike your own; the Dean has emphasized that a productive private sector requires a healthy voluntary sector; the chairman of the curriculum committee is a proponent of cooperative education whereby students alternate between classroom and field assignments; and so on. This is the raw material of an emerging strategy.

APPRAISING THE VOLUNTARY ORGANIZATION

If an effective match-up requires an evaluation of the business school, it must also rest on an appraisal of the voluntary organization. In this, the nonprofit manager is conducting the equivalent of a corporate marketing audit. He/she is also honoring the philosopher's injunction, "Know thyself."

Here, as in assessing the business school, it is useful to begin with the culture of the organization. Often voluntary organizations are underpinned by a rationale which associates citizen participation with some of the finest features and loftiest aspirations of the community. These claims are couched in terms which are both eloquent and idealistic. Moreover, volunteerism is seen as having a distinguished history which is part of the special heritage of North Americans. Thus managers in the voluntary sector are fuelled by a rationale which is both grand and compelling.

This lofty ideology finds support in other ways. Those who work in social service agencies know that, unlike most consumers, their clients are often disadvantaged and desperate. This appears to invest their efforts with an urgency and worth beyond that of "business."

For their part, those who work in arts and cultural organizations see themselves as serving a Muse who is larger than the sum of their customers. Again the value of the enterprise is thought to go beyond its balance sheet.

By contrast, business finds fewer gifted spokespeople to articulate its high calling. The after dinner speech by an outstanding company president on "The Mission of Business" is likely to be a leaden presentation.

These factors can cause representatives of business schools and voluntary organizations to perceive one another in unfortunate ways. The business school faculty member acclimatizing himself to the meetings of AVAS and AVA, but accustomed to the ethos of the American Marketing Association and the Academy of Management may be struck by the relative lack of structure, the unaccustomed dedication to networking, and the tireless celebration of volunteerism.

Conversely, these factors can lead managers in the voluntary sector to conclude that the business of business schools is, relatively speaking, narrow and unworthy. Accordingly, workers in welfare organizations sometimes describe themselves as members of "the helping profession," one implication being that there are others, presumably business-people, who are not.

How wide these differences are in the situation at hand will help answer how promising is a prospective partnership. In the extreme, the business representative may refuse to suffer the pretensions of "the world-savers," while the social worker or artist may reject as tainted "the tools of business."

Early in the getting-to-know-you stage which is to come, the voluntary sector manager will be asked to describe his or her organization's mission. This should include a specification of the key functions performed, the priority clienteles served, the geographic area spanned, and the niche the enterprise fills relative to other organizations in its relevant environment. New academic friends will also be interested in determining whether that mission is real, that is, whether it is written, updated, realistic, measurable, shared, and accepted.

In preparing this "balance sheet," one will also need to have arrived at a summary evaluation of the effectiveness of the board, the professional staff, and the volunteer workforce. Appraising the board will be relatively easy, there being an abundant literature on this. An accurate evaluation of the output of the staff and volunteers may require a stern exercise in objectivity, especially if the manager/evaluator shares the educational background and entrenched work standards of the professional staff, and is in the habit of lionizing the volunteer.

Establishing the financial health of the organization will be comparatively straightforward.

Perhaps the most difficult judgement will be that which answers: "How good or bad is our service?" Voluntary organizations usually lack the corporation's regular feedback on sales and profits which helps management know how well they are delivering to those they seek to serve. Often, nonprofit managers further blind themselves by failing to put in place simple surveys of client satisfaction. In a marketing audit, this self-serving practice will not suffice.

Management should also note

their organization's character. Some operations tend to be quite uniform and standardized while others are by nature disparate and balkanized; some leaderships are daring while others are risk-averse; some organizations centralize authority while others push it down to the grassroots; some agencies use volunteers in mainline activities while others limit them to peripheral tasks; some management groups see strength in their colleagiality while others take pride in their "hardball" style; and so on. Every enterprise has its own character, and the strategy to follow should build on it.

A final part of appraising the voluntary organization is to size up its environment--economic, social, and legislative--classifying each key fact as favorable or unfavorable in its likely impact on the enterprise.

Taking all of these things together, it should then be possible to conclude what is the basic state of health of the voluntary enterprise. This diagnosis can be helped by Appendix B, which is a modification of a matrix used by companies in their marketing planning. It underlines that where an organization's environment is generally threatening, and where the enterprise itself is essentially weak, then the organization may be dying. Conversely, where externally the picture is beckoning, and internally the situation is strong, the enterprise is probably healthy.

This classification is more than an exercise in taxonomy. Experience in York's Voluntary Sector Program suggests that it is easiest to assist an enterprise which is healthy, and hardest to help one that is dying. This is, of course, an ironic finding, and one might wish it were not so. However, the practitioner can verify it out of his/her own experience by observing that, in ongoing operations, success breeds success while an organization which has weakened beyond a point is very difficult to turn around.

It follows that this organizational diagnosis has a bearing on the next step, which is to decide what collaborative actions to propose to the university. In Appendix A, the options are arrayed in ascending order of the demands that they make on both institutions. For example, to commission a computer-based literature search on a subject of current importance to management drains few of an organization's resources, whereas to help build a degree course in the management of voluntary organizations will make sizeable demands on any agency, and its payoff will be distant. Organizations which are healthy can shop among all the possibilities outlined; an enterprise which is very sick should begin near the top of the list and move to more demanding options as returning vigor allows.

From this it can be seen that the arrangement of Appendix A is suggestive of a developmental strategy, with a nonprofit organization moving down the list as part of a larger process whereby it builds its strength.

SHAPING THE OFFER

The nonprofit manager-cum-marketeter is now in a position to consider a short list of possible collaborations. This corresponds to the marketing executive's development of an "offer" which he/she will bring to market.

To further narrow the choices, it may be useful to screen them through a set of strategic criteria relevant to the nonprofit organization. Here it will be helpful to refer again to management's reading of the character of their operation. A risk-averse leadership may want to rule out any option which has a high potential payoff at the cost of a high risk of failure; a management team which is recovering from internal strife may want to avoid a project which could be divisive; an agency which has just reorganized may wish to rule out any project which would challenge existing jurisdictions, and so on.

Concurrently, the offer will be

shaped by what is now known about the business school's likely preferences. One promising proposal may have to be deferred because an essential faculty member is departing on sabbatical, while another may be advanced because it fits the terms of a recently-received endowment, and so on.

What remains should be a limited set of possible match-ups which fit the needs and abilities of the nonprofit organization and of the university--in short, collaborations that can work.

The same spadework that has guided the design of the proposal (product) will suggest how it should be packaged, priced, and delivered. For example, what faculty member should be approached, by what agency representatives, and in what setting, should now yield to common sense. However, in all cases the proposal should be informed, as detailed as possible, and in a well-organized format. Certainly, one should avoid the errors of which corporate donations managers so often complain, namely that the people requesting the grant are almost willfully ignorant of essential facts about the intended donor, that the intended purposes for the gift are vague, and that the presentation is sloppy.

PERSEVERING

There are some final suggestions that fit no single step in a marketing plan but should guide the entire process.

First, one should be prepared to tolerate intolerable delays. Every manager has experienced the law that says everything takes longer than you expect. Universities move with glacial speed; expect the law to hold.

Second, expect some culture shock. For the nonprofit manager, the culture of the business school sketched in the second section may be unaccustomed and unattractive. It can only be said that, in matters like this, one should not rush to judgement; cultural exchanges are usually mutually useful.

Third, get it on paper. This may seem punctilious. However, as good fences make good neighbors, clear understandings make effective partners. Especially if the parties are new to one another, if the "deal" involves several faculty members or departments, or if implementation requires the support of the volunteer organization's board, the undertaking should be underpinned by correspondence that specifies what is to be done, by whom, and when.

Fourth, insist on pushing beyond analysis to action. In an academic setting, it is difficult for teachers of administration to expose students to the full reality of managing. In particular, exercises in planning are easy to provide in assignments whereas experiences in implementation are difficult to replicate in the classroom. Over time, then, faculty and students can slip into the habit of equating elegant analysis with effective action. But what is a regrettable necessity in the university classroom should not be an acceptable outcome in the voluntary organization. Therefore, academic partners/consultants should not be allowed to settle for excellent recommendations when only actual enactment will aid the agency.

Fifth, expect that familiarity will breed commitment. While some business school professors, students and graduates will have deep experience with nonprofit organizations, many will not. Beyond that, as indicated before, the mind-set of the business school tends to screen out the voluntary organization. This myopia in academia means that the voluntary sector manager has an opportunity to become an educator of educators. In fact he/she should expect that that will happen. Commonly, the business educators (or business students or business people) who lend their services to a nonprofit organization find it a liberating and enriching experience. That often leads on to a growing involvement in the enterprise and a deepening dedication to its mission.

This commitment is crucial: sensitive marketing will start partnerships between business schools and voluntary organizations, but personal dedication will make them flourish.

CONCLUSION

In not using the university business school, hard-pressed voluntary sector managers are squandering a valuable resource. However, like the grant that will not fly in over the transom and the volunteer that will not walk in the door, the business school will not apply to be used. Therefore, just as professional volunteer administrators learn grantsmanship and recruiting, they must learn marketing--marketing their organizations to universities. It is hoped that this article will help that happen.

REFERENCES

[1]*Philip Kotler, Marketing For Nonprofit Organizations (Englewood Cliffs, N.J.: Prentice-Hall, Inc., 1982); David L. Rados, Marketing For Non-Profit Organizations (Boston: Auburn House Publishing Company, 1981); Ralph M. Gaedeke, (ed.), Marketing in Public Nonprofit Organizations (Santa Monica, Cal.: Goodyear Publishing Company, Inc., 1977); Philip Kotler, O.C. Ferrell and Charles Lamb (eds.), Readings For Marketing For Nonprofit Organizations (Englewood Cliffs, N.J.: Prentice-Hall, Inc., 1983); and Christopher H. Lovelock and Charles B. Weinberg (eds.), Readings in Public and Nonprofit Marketing (New York: Scientific Press, 1978).*

[2]*James I. Grieshop, "Volunteers Don't Live By Altruism Alone," a paper presented at the 1983 conference of the Association of Voluntary Action Scholars.*

APPENDIX A

POSSIBLE MATCH-UPS BETWEEN A VOLUNTARY ORGANIZATION AND A BUSINESS SCHOOL

1. Students do a literature search and prepare a bibliography on a subject of importance to your organization.
2. Faculty or alumni serve on a panel, chair a session, or give an address at one of your organization's or association's events.
3. Students serve as unskilled volunteers on a short-term project of your organization.
4. Students prepare a paper on a narrowly-defined organization problem as a class project.
5. With participation from you, the business school runs a career day to encourage its graduating students to take jobs or volunteer assignments with your kind of organization.
6. A faculty member, alumnus, or part-time MBA student applies professional expertise to a specific organizational problem, e.g., new data processing system, union negotiations, or executive search for senior personnel.
7. Faculty or alumni serve on your board or committees.
8. Your organization and the business school co-sponsor a forum on a major issue of interest in your field, e.g., proposed legislation.
9. A student does a masters thesis, under faculty supervision, on your organization, your association, or your field.
10. Business school faculty alumni or selected students carry out a consulting assignment for your organization or association, e.g., on an improved inventory control system for a volunteer-run store.
11. As designed and specified by you, business school faculty run a brief in-house seminar, e.g., on board management, for your organization.
12. A task force of graduating business school students does an overall policy study of your organization as part of the requirements of a business school course.
13. With guidance from you, the business school mounts a short, in-town, non-live-in, seminar aimed at improving the level of professional management in your organization or field, e.g., in recruiting volunteers or fundraising, this funded by a third party.
14. With guidance from you, the business school mounts a longer, live-in, retreat aimed at improving the level of professional management in your organization or field, e.g., developing strategic plans, this funded by a third party.
15. With inputs from you and your association, the business school mounts a course, e.g., in managing volunteers, with certain minimum requirements in terms of attendance.
16. With inputs from you and your association, the business school mounts a longer certificate program, e.g., in the management of voluntary organizations, with certain minimum requirements in terms of academic attainment.

17. Your organization or association co-sponsors, with the business school, a major conference oriented to your field.

18. With inputs from your organization and your association, the business school establishes and administers a degree course in the management of voluntary organizations in which students obtain experience in voluntary organizations as part of their graduation requirements.

19. The business school assigns selected MBA alumni to serve as advisors to you as you develop a strategic plan for your organization.

20. With a major gift from an outside donor, and with your organization acting as a promoter and advisor, the business school establishes an endowed chair, a program of scholarly research, and a concentration, within a degree program, oriented to the administration of voluntary organizations.

21. Perhaps in collaboration with other facilities, and with your organization acting as a promoter and advisor, the business school provides a degree course on the administration of voluntary organization.

APPENDIX B

SUMMARY EVALUATION OF YOUR ORGANIZATION'S HEALTH

		Internally, Your Organization Is:	
		STRONG	WEAK
Externally, Your Organization's Environment Is:	BECKONING	HEALTHY	COMATOSE
	THREATENING	FIGHTING	DYING