

October 27, 2006

NPO Management Workshop <Budget and People>

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Date: October 27, 2006 (10:00 – 17:00)

Venue: JICA Tokyo

Workshop Objective:

By the end of the workshop, the participants will have acquired basic knowledge for budgetary control and managing people in order to get your organization's mission into shape.

Time	Contents
10:00	Workshop Introduction and Participants' Self-introduction
10:20	Case Study: Management Failure of a Non-Profit Organization A 25 year-old non-profit organization suddenly collapsed in July 2001. What were the factors that led to this organization's collapse? Let's learn managerial lessons from this case. Group discussion
11:10	A short break
11:20	Class discussion
12:00	Lunch Break
13:00	Presentation of your own Project Design
13:30	Budget What is budget Developing a budget Financial Report
15:20	A short break
15:30	Staff and human resources Selection and recruitment Performance management Staff development
17:00	Closing

* This schedule is subject to change.



Nonprofit Management

(Budget and People)

October 27th, 2006

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Center for Public Resources Development



Today's Agenda

- Case study:
 - ”Management failure of an nonprofit organization”
- Nonprofit Management
 - Budget and People



The importance of Management

- What is Management?

“It's the difference between doing well and doing good.”

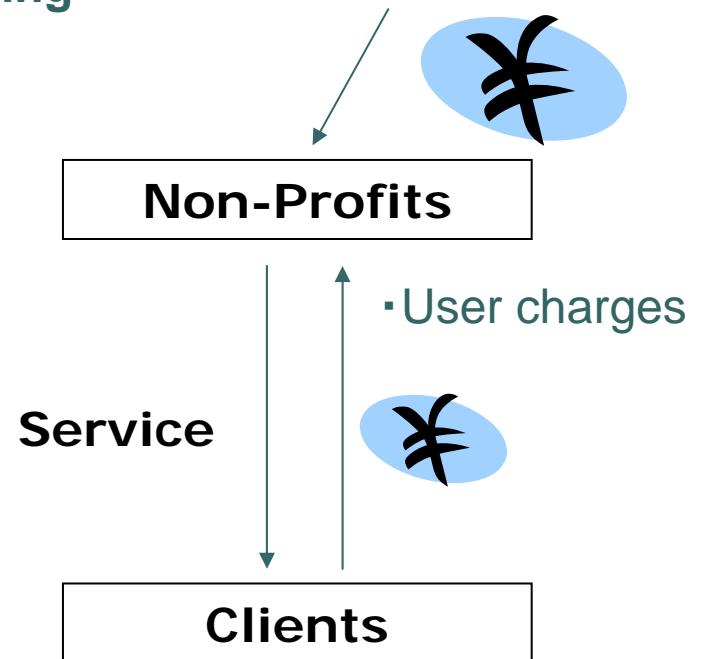
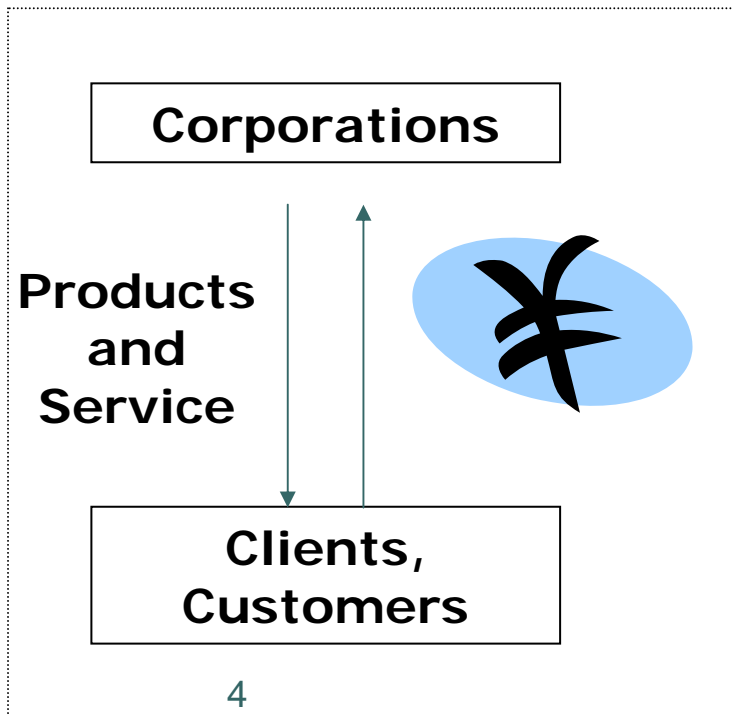
- Marketing, PR
- Human Resource Management
- Financial Management
- Information Management
- Strategic Planning
- Fundraising
- Volunteer Management etc.

Characteristic of NPOs

- Grants/Project funds
- Income generation
- Private, individual donations
- Corporate giving

- Volunteers
- Network

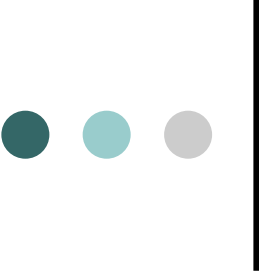
Funding Sources





Characteristic of NPOs

- “Any strategy requires a compromise between the choice of goals and the resources available. To this extent every institution or organization is profit-making. It must attract resources at least equal to the requirements of its goals. “



Planning (Goals, Objectives, and Programs)

- Goals:
 - Objective:
 - Programs
 - Objective:
 - Programs
- Goals:
 - Objective:
 - Programs
 - Objective:
 - Programs



Planned outputs

- Process measures

- workload measure

(ex. The number of staff members per a group home.)

- Results measures

- measure of objectives

(ex. The number of Mentally Disordered Persons who can make cookies without help at the cookie shop.)



Budget

- What is budget?
 - A plan for the coming year
 - A financial statement showing the organization's activities
 - A forecast for the year showing areas of under-funding or weakness
 - A management tool for monitoring income and expenditure
 - A tool to aid fundraising



Revenues

- Hard money
 - User charges, membership fee, income from endowment
- Soft money
 - Revenue from annual gifts, short-lived grants for a projects



Line item-budget

- Focuses on expense elements

Wages and salaries, Overtime, Fringe benefits, Retirement plan, Operating supplies, Fuel, Uniforms, Repairs and maintenance, Professional services, Communications, Vehicles, Printing and publications, Building rental, Other



Program budget

- Focuses on programs and program elements that represent the activities for which the funds are to be spent.
 - Ex.
 - Cookie shop (wages, raw material, packing and transfer, equipment, rent, etc.)
 - Group home (wages, food, electricity, rent, etc.)



Planning a project

- Why
- What
- Where, Whom
- How to
- When
- Who



Developing a Budget for a Program

- Description of the items needed, their unit cost, quantity and total cost
- The budget must include everything that the organization wants the funding agency to fund



Expenses and expenditures

- Personnel expenses
- Materials, supplies
- Administration (percentage of the material and labor costs. No more than 15%)
- Equipment
- Transport
- Community workshops/consultations
- Printing & copying
- Telephone
- Postage & delivery
- Rent & utilities
- Contingency(usually 5-10 per cent)



Staff and human resources

- Volunteer
 - “Why do we want volunteers?”
- Staff
 - Analyze organizational needs
 - Draw up a job description
 - Advertise the vacancy
 - Interviewing
 - Selection → informing candidates, employment offer, contract of employment



Volunteer Management

1. Planning and resource allocation
 - Why volunteers are wanted
 - Exactly what volunteers are expected to do
 - What resources will be necessary to support the work of volunteers
 - Who will be designated to lead the volunteer effort
 - Who will provide training and ongoing supervision of volunteers
 - What preparation these key people will need



Volunteer Management

2. Encourage people to give their time and energy to your organization
3. Target to the audiences most likely to have the skills and interests to match the available volunteer job descriptions



Volunteer Management

4. Screening and selection
5. Orientation
6. Volunteer training



Volunteer Management

7. Supervision of volunteers

8. Recognition

9. Coordination

- Scheduling and assigning

10. Record keeping and reporting

11. Evaluation

- Maintain motivation, troubleshoot potential problem areas, and allow for personal growth