

Nonprofit sector: written assignment 3



**ASSIGN
BUSTER**

Introduction The non-profit sector is an essential constituent in the political and economic environment of all developed countries. No State is linked to any non-profit sector and its aim is to cover various human needs. It is driven by the desire to help others and its activities are not profit oriented.

However, any profit realized is ploughed back into the organization. Various boards of the non-profit sectors are governed by rules that stipulate how they ought to be run as will be discussed herein.

Appointed boards are common in organizations such as universities, colleges, municipal hospitals and religious agencies. Appointment is done through public officials since it is based on the government funding. Its interest is centered on the primary funder and not non-profit's constituencies.

Hybrid boards include individuals, affiliate bodies, states, or umbrella organizations. Lead organization gets support from the board. Its board comprises; internally elected and appointed members. Various interests are taken into consideration in this kind of board but consensus might be elusive. Progress is hindered but strong leadership is key.

Elected boards include American Medical Association or the American Bar Association. Elections take place in a simple way and are done through membership by board approval. For instance, elected board members tend to constitute the majority but with limited service terms. Its response to external issues is very fast because no one is bound by tradition.

Self-perpetuating boards are whereby current members elect future members through a set procedure. In most cases, they are either friends or people with common interest. They tend to reach agreements in most issues. This type of boards is found on medical, cultural and educational bodies.

Continuity and stability is guaranteed through the efficiency of such boards. Members are prone to lose focus on external changes and response is slow. Legal duties of boards have been arranged by courts mainly at the state level. Non-profit bodies are exempted from tax in most cases but are required to file state and federal tax returns which depict their annual financial activities. When conflict of interest arises, the board must handle it with utmost caution, the same applies to financial matters and management policies. In some instances, board members have to secure finances for the operation of the organization. Mission's protection, values' preservation, implementation of policy performance, transparency maintenance and accountability are also added responsibilities for the board members. In addition, recruitment and selection of CEO is also their responsibilities.

Conclusion

The various board structures are suitable for different non-profit organization based on the nature of their operations. The Board members have a wide array of responsibilities vested on them, ranging from financial, managerial and legal obligations depending on the type of the organization.

.

References:

Blake, R. R., & Mouton, J. S. (1964). *The managerial grid: Key orientations for achieving production through people*. Houston: Gulf Publishing Co.

Blake, R. R., & Mouton, J. S. (1985). *The Managerial Grid III: The Key to Leadership Excellence*. Houston: Gulf Publishing Co.

Burns, J. M. (1978). *Leadership*. New York: HarperCollins.

Carver, J. (2006). *Boards that make a difference: A new design for leadership in nonprofit and public organizations*. (3rd ed.). San Francisco, Jossey-Bass.

<https://assignbuster.com/nonprofit-sector-written-assignment-3/>

Chait, R. P., Ryan, W. R., & Taylor, B. E. (2005). *Governance as leadership: Reframing the work of nonprofit boards*. Hoboken, N. J., Wiley.