

# Non-profit firms as an alternative to government organizations



## Non-Profit Government Emersion

Non-profit organizations are created in order to solve a problem that exists due to either the default of the city, state or the federal government. This normally means that a cause could possibly be solved if the government decided to assist or create programs, directly. My doctoral focus is on nonprofit management and leadership and more directly programs and organizations that are created to solve the problem of homelessness. Some foreign countries use funding to directly take care of the homelessness epidemic that crowds their streets, however, the United States uses a different approach. Our nations program to handle homelessness is the Housing and Urban Development Program (HUD). This program offers many resources for individuals and families for different types of housing and opportunities to develop rural areas, low income areas and housing authorities.

The main article that I researched, " On the Emergence of Non-profit firms as alternative to the government", discusses how non-profit organizations should be created to co-exist with federal government funding in order to provide subsequent funding for industries. However, the difficulty I see in this article is that while there are many organizations several of them use federal funding to solve their causes which means both the federal government and non-profit organizations are potentially working to solve an issue using the same federal money instead of strategically coming together collectively to solve concerns. This report will first decompose the article, then improve on selected points in the article and lastly propose a more efficient way to answer the main question from the article.

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First, decomposing this article means that we first need to review the structure of the article. This article was created by a well-known and historic publisher Wiley- Blackwell established in 1925. This information is intricate and assist the researcher in knowing the quality of information that is being produced. The article first starts with an abstract giving an overview of the materials presented. The abstract shows the reader precisely what the research was discussing and for this article it is answering the questions: why do non-profits emerge and when can nonprofits effectively become alternatives to federal funds and assistance. The introduction of the article points out that failure in a democratic society initiates the emergence of non-profit organizations due to the majority rule on the decisions of public expenditures. It shows that residents' preference for the services are high when it is not the alternative to government services but when it is in conjunction with those services.

In the model, social efficiency and government sections of the article the author provides a formula for calculating when the government provides assistance verses when an organization alone provides assistances. The calculation proves that when the government provides assistance it can be given to more people and is considered available for all but when an organization provides assistance it could be limited, due to funds, to those who qualify (Mikami, 2016). The example given was public schools and private schools. Public schools are available for all people but private schools with private funding are able to be selective to students. The next section discusses the market demand for the good which brings about the need for the alternatives. If the government has residents vote to improve the local

education and the government disapproves the emergence of private education is possible and likely. This article represents 4 lemmas expressing the emergence of a non-profit organization. The first one is if it is voted and socially efficient. The second is if the residents pay for the existence of the organization (i. e. private education). The third is if the residents vote for its emergence it has to be unattainable to the regular public so the price would have to be extremely high to only allow a select few. The final is that residents want a service the government is not willing to provide but it would cost too much to create a private organization so nothing ever emerges. The article's research concludes with a proposition stating that most nonprofits emerge when a low amount of the majority votes the need for the good or service. This means to me that residents do not really have to vote on it but it is recommended for support that the community is involved.

Next, let's discuss some areas of improvement for this article. Areas where the information could have been clearer. The article provided 4 different points to its argument but depending on the audience it was written for it could be considered poorly written. The general terms were not consistent throughout the article. For instance at some points the author would say organization and at others non-profit. The words can be used interchangeably but could be confusing for some. Many research papers have formulas in them to give the audience a calculation of systems and possibilities. This research did not necessarily need as many formulas and calculations as was presented. The calculations made the research more difficult to understand. Reading the proof from the calculations was more understanding than the actual formulas.

Finally, a more proficient way for this author to answer the questions presented would have been to illustrate the need without the formulas and express in more detail the reasons why the emergence is necessary. The author decided to still with public and private education but there are other examples of federal funds for homelessness and private funding for homelessness and how their accessibility differ. Some of the arguing points for this article could have been condensed and joined with other points, mainly Lemma 2 and 3 (Mikami, 2016). They were so similar that their differences could not be shown in the formulas. Ensuring to revisit the main questions before venturing to a new subject would have assisted this paper with guaranteeing conciseness. The questions that were presented were: why do non-profits emerge and when can nonprofits effectively become alternatives to federal funds and assistance. The answer for these questions were jumbled together creating confusion instead of simply providing the research and formulas (if necessary) then providing an answer based on the research. The first question was clearly answered, non-profits emerge because of the lack of government support on an issue. However, the second question was not clearly answered and only provided the answer that non-profits can become alternatives at any time but more successfully when the community is in support of it.

In conclusion, my goal in this doctoral program is to research more information on non-profit leadership and management including programs to help solve homelessness. This research, however distorted, is a prime example of a great layout of research but there are parts that I would not follow just to ensure clarity. Although the abstract gave a clear and concise

summary of details that would be in the article, the actual article did not arranged the information in a way the reader could follow for comprehension. It had to be decomposed. The answer to the questions were developed but the sequence of the answers could have be organized better. The answers to the questions were also distorted in a way that made the argument look favorable for the author but did not provide enough examples to show a counterclaim and its effectiveness on the authors claim. In researching other articles that are similar to the research topic presented I found another article that shows a better informational sequence but still presents the argument and answers the questions with formulas, tables and graphs. The article is discussing the importance of good leadership in reference to stakeholders (Rhine, 2015). However, the answers are clear concise and understandable.

## References

- Mikami, K. (2016). On the emergence of Non-profit firms as Alternatives to the government. *Annals of Public and Cooperative Economics* , pp 203-215.
- Rhine, A. (2015). An Examination of the Perceptions of Stakeholderson Authentic Leadership in Strategic Planning in Nonprofit Arts Organizations. *The Journal of Arts Management, Law and Society* , 3-21.