

Module II: Accountability

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Bielefeld & Tschirhart, 2012

Non-profit management derives much of its strategic thinking from the for-profit sector and scientific management theory. Planning is distinct from strategy; one without the other will not succeed at realising the goals of an organisation or enterprise. There are two opposing camps within the debate: one that emphasises rational planning in advance, and another that emphasises social and organisational factors in emergent strategy.

The ends and needs of NFP work requires translating the priorities and methods of strategic thinking into useful terms. Some organisations are more similar to a traditional business and require little reworking; others are substantially different animals from businesses, with distinct advantages and disadvantages. The authors provide examples of NFPs exemplifying Porter's three strategic positions (cost-leadership, differentiation, and focus), then they describe Miles and Snow's four generic strategic positions (defensive, prospective, analytic, and reactive).

Ian MacMillan's framework, rather than translate for-profit archetypes to NFP work, begins with assumptions about NFPs reasons for existing and operating (as distinct from for-profit entities). Along three axes – program-attractiveness, competitive-position, and alternative-coverage – organisations weigh their strategic options, leading to eight different strategies, listed on pp. 92-3. Depending on which position an NFP finds itself in, Macmillan counsels either expanding operations, divesting, or collaborating with others – strategies which would not be evident within a for-profit model.