Nonprofits as Policy Solutions to the Burden of Government by Herrington J. Bryce

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Nonprofit organizations play an important role in the provision of public goods and services. The need for nonprofits to support public efforts is shaped by two competing trends. On the one hand, there is an increasing need for public goods and services. On the other hand, there is increasing resistance to public interventions. These trends present a significant obstacle for public organizations. Thus, assuming the absence of a market-based solution, many public goods and services must be provided through publically motivated nonprofits.

In Nonprofits as Policy Solutions to the Burden of Governments, Herrington J. Bryce provides a detailed guide for those who wish to establish a nonprofit organization that addresses public needs. Specifically, his book provides guidance to stakeholders who wish to initiate, or support, the development of nonprofit organizations that are focused on “lessening the burden of government.” Bryce’s effort is grounded in the real-world legal context in which American nonprofits operate. Thus, while Bryce offers a brief theoretical justification for his work, the book is aimed primarily at practitioners. It provides nonprofit administrators and other stakeholders with a clear set of guiding principles and tools. The book is comprised of 13 chapters, which, not including the introductory and concluding chapter, can be thought of as five distinct sections.

In the first “section,” (Chapters 2 & 3) Bryce offers the reader a set of organizational and conceptual tools for structuring a nonprofit whose goal is to “lessen the burden of government.” Chapter 2 outlines 10 “planks” that – while not enumerated in any legal code – should be reflected in the governing documents of a nonprofit. These planks include money, marketing, membership, management, mission, collaboration and cooperation, tax exemption, powers to transact, accountability, and legitimacy. Bryce illustrates the importance of these planks through an examination of the charter for the National Park Service. Chapter 3 extends this discussion...
by focusing on the legal structure of nonprofits. This chapter offers insights into the role of charters and bylaws in designating the appropriate powers for a nonprofit. By the end of the two chapters, Bryce has provided the readers with a strong conceptual and organizational foundation by which to understand the components parts of nonprofit organizations, in general.

Chapters 4, 5, and 6 reflect, what I consider to be, the next substantive section of this book. In these chapters, Bryce disentangles and demarcates various types of nonprofits that are designed to lessen the burden of government. In particular, he distinguishes between “doers” and “facilitators” as well as those that are “created by government” and those that “could also be created by citizens.” These distinctions are important to Bryce, in that they imply different legal forms and functions. For example, the doer is a nonprofit that is “most likely to assume and to carry out a burden of government” (pg. 69). In contrast, there are facilitator nonprofits whose principal goal is either to “principally raise and finance activities” or to serve as “a catalyst or a coordinator so that others might directly and effectively lessen the burden of government” (pg. 69). Given this distinction, Bryce is able to describe key substantive differences in the actions of nonprofits (doers versus facilitators) as well as operational differences. For example, Bryce contrasts the differing nature of collaboration in doing, and facilitating nonprofit doers requires internal networks of facilitators, while facilitators are more likely shaped by their external network partners. Thus, these chapters move the text from the structure or organizational components of a nonprofit toward issues of management.

Although only a single chapter, I consider Chapter 7 to be a substantive section in itself. In this chapter, Bryce focuses on the governance structure of a nonprofit as a key component that supports or inhibits the organizations’ ability to lessen the burden of government. In particular, he describes the specific responsibilities and expectations of board members. The central issue in this chapter, however, is its focus on areas of potential conflict and challenges for board members. Bryce considers how boards of these types of nonprofits are particularly vulnerable to a host of charges of bias and conflict of interest. He emphasizes three points: 1) nonprofit boards are likely to be comprised of individuals who face these risks; 2) a key duty of the organization is keep trustees from committing these offenses; and 3) shielding trustees is less about writing effective management policies as much as recognizing the individuals involved with the board.

Chapters 8 through 11 describe the financial components of nonprofit organizations. Each chapter offers specific insights into how a particular financing mechanism is employed to support the long-term sustainability of a nonprofit. In particular, these chapters focus on contributions, business earnings, debt, and then the related issue of ensuring cash flows for long-term sustainability, respectively. The chapters provide an overview of the legal context that governs and shapes these revenue generating vehicles for the nonprofits. These chapters, then, represent the central “management” topics covered in the book.

Finally, in Chapter 12, Bryce walks the reader through the potential for corruption in nonprofits. Corruption can, of course, take many forms both within the organization or, as Bryce notes, as a tool for corruptive acts. This chapter then identifies a series of controls that a nonprofit organization should have in place to limit or prevent corruption.

In general, there is much to like about this book. First, while the reader may get bogged down in the legal and conceptual jargon, Bryce has done a good job of simplifying the language without making it so simple as to omit the nuances and complexity of the issues at hand. In particular, his use of case studies to highlight key points and “ground” each chapter in the real world is extremely useful. Second, Bryce makes clear at the outset of the book that his target audience is made up of practitioners. As a guidebook for practitioners, it is thorough and engaging. It offers
important insights into developing and effectively managing nonprofits, so that they can remain sustainable while supporting the provision of public goods. That said, I think Bryce “undersells” the book in this regard. While it does not – by design – offer a unique theoretical contribution, scholars will, I am sure, benefit from this detailed examination of the component parts of a nonprofit. In short, this is a well-crafted and timely book that should, I hope, become part of the key texts adopted by students of nonprofits and nonprofit management.

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References


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