Avoiding Common Nonprofit Problems

Here’s a model to follow when you face a formidable problem.

By Terrence Fernsler

Why Nonprofits Fail: Overcoming Founder’s Syndrome, Fundphobia, and Other Obstacles to Success


This may be the first book about nonprofit management that demonstrates how to apply problem-solving theory to practical situations. Stephen Block explains several behavior theories and how to use them to solve common nonprofit problems. Although he takes an intellectual approach, he does it in a way that’s useful to practitioners.

First, Block acknowledges the vital role nonprofit managers play in fulfilling missions, dreams, and people’s hopes. Because this responsibility is so great, nonprofit managers need to challenge their own beliefs and improve their abilities. They must be open to change and innovative problem-solving approaches.

Next, Block presents a basic framework to assess problems, devise strategies to remedy them, and promote change. He classifies problem-solving into two categories:

• First-order problem-solving involves routine, usually straightforward approaches.

• Second-order problem-solving is more creative. The more challenging the problem, the more likely a second-order approach will be needed to solve it.

Block explores seven typical problems: recruitment disorientation; a culture of depression; political games; role confusion; poor financial health; fear of fundraising; and founder’s syndrome. He provides examples of how to approach each of these problems. Most useful of all is the list of steps to take when a problem seems insurmountable:

• Gather the facts about the problem.

• Ferret out the beliefs behind the failed interventions.

• Select one or more theories to examine the issues.

• Develop a hypothesis to guide you through the planned change.

• Devise an alternative intervention based on the hypothesis.

• Implement the new strategy.

• Evaluate the results.

• If the problem is still unsolved, repeat the process.

This book helps nonprofit managers develop a method, based in theory, to solve problems and manage their organizations. They have a responsibility to see that the work of their organizations is effective, and knowing how to solve problems can certainly help them to do that. Why Nonprofits Fail is a valuable book for meeting nonprofit problem-solving needs.

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