

# The Hebrew University of Jerusalem

Syllabus

## *Economic Aspects Regarding Activities of Third-Sector Organizations - 3200*

*Last update 07-10-2017* 

HU Credits: 2

Degree/Cycle: 2nd degree (Master)

<u>Responsible Department:</u> management of ngo"s and social organizations

<u>Academic year:</u> 0

Semester: 2nd Semester

Teaching Languages: Hebrew

<u>Campus:</u> Mt. Scopus

<u>Course/Module Coordinator:</u> Dr. Aviad Tur-Sinai

Coordinator Email: aviad.tursinai@mail.huji.ac.il

Coordinator Office Hours: By appointment

#### <u>Teaching Staff:</u> Dr. Aviad Tur Sinai

### Course/Module description:

Two immensely important processes have been unfolding in tandem in recent decades: privatization and the ascendancy of third-sector organizations. Not-forprofit institutions play two principal roles: the delivery of services, usually social services, and the development of civil society, which is mainly based on a wide range of social initiatives. Accordingly, the nature and extent of the economic activity that takes place under the aegis of third-sector organizations demonstrate the centrality and importance of this sector for the economy generally and for the delivery of social services particularly. This is reflected in the large number of programs that are run in this manner, as well as those to be developed. The first part of the course focuses on examining the matrix of economic relations between third-sector organizations and state authorities, probing the nature of the relationship between direct government funding and private funding of third-sector organizations, and understanding the economic factors that brought this relationship into being. The second part of the course will be devoted to discussion of economic policy guiding the social entrepreneur, started the journal in which he examines the options for establishing social enterprises, to the time in which they are established and active. This section will focus among other things on how to assess the economic viability of existing activity programs, when you should open a new program, and what social and economic criteria should be used to achieve the organization's objectives. The course will be accompanied by a wide variety of examples and empirical data on the subject.

### Course/Module aims:

a. Discussion of the reasons for the existence of a not-for-profit sector and of market and government failures in the delivery of social services.
b. Understanding the matrix of economic relations between third-sector organizations and state authorities and the nature of the relationship between direct government funding and private funding of the third sector.
c. To provide students with tools to identify issues and economic considerations faced by social entrepreneur.

d. To examine how the social entrepreneur is required to deal with economic issues.

e. Understanding the set of economic considerations that should be used in assessing the viability of third-sector organizations' programs.

f. Imparting economic tools and skills that will allow students to determine when it is worthwhile for the third sector to develop new programs and what criteria should be used in making these decisions.

*g.* Presenting the principles of economic thinking, with thorough attention to the interface among the individual, his or her social circle, and government decision-

makers.

*h.* Imparting important practical microeconomic tools for assessment of the mindset and decision-making of social policymakers.

Learning outcomes - On successful completion of this module, students should be able to:

To evaluate the main economic considerations behind the activities of third-sector organizations.

b. To understand the system and ways of dealing with the issues facing economic social entrepreneurs.

*c.* To understand the set of economic considerations that should be used in assessing the viability of third-sector organizations' programs.

d. To demonstrate familiarity with economic tools and skills for use in determining when third-sector organizations should develop new programs and the criteria by which such decisions should be made.

*e.* To describe the market and government failures that power the development of third-sector organizations.

f. To understand the economic interrelations between state authorities and thirdsector organizations and their short- and long-term meanings for the organizations' conduct.

<u>Attendance requirements(%):</u> 80% full attendance

*Teaching arrangement and method of instruction: Lectures, class discussions, assignments, project work* 

Course/Module Content:

a. Assessment of the economic considerations that inform the activities of thirdsector organizations.

b. Economic relations between third-sector organizations and state authorities.

*c.* The nature of the relationship between direct and private funding of third-sector organizations and understanding the economic factors that brought this relationship into being.

d. Integration of economic considerations in social enterprises.

e. The economic policy of the nonprofit institution as derived from the matrix of economic relations with state authorities: assessing the economic viability of existing programs and considerations and criteria for the creation of new programs. Required Reading:

a. נ, לימור, 3. (2010). סוציאלי ביטחון ,קצרה היסטורית סקירה :עסקים של חברתית אחריות, 19-80. 19-80.

b. א, כהן-ורודיך ה, שמיד, 2010). סוציאלי ביטחון בישראל פילנתרופיה, 83: 5-18. c. Borgonovi, F. (2006). Do public grants to American theatres crowd-out private donations? Public Choice 126, 429–451.

*d.* Keohane, G.L. (2013). Social Entrepreneurship for the 21st Century: Innovation Across the Nonprofit, Private, and Public Sectors, McGraw-Hill Education. *e.* Malki, E. (2010). Guidelines for the preparation of budgets in not-for-profit

organizations. Available at

http://papers.ssrn.com/sol3/papers.cfm?abstract\_id&eq;1667575 f. Smith, T.M., (2007). The impact of government founding on private contributions to nonprofit performing arts organizations. Annals of Public and Cooperative Economics, 78, 137-160.

#### Additional Reading Material:

a. קו ,אזרחית לחברה רווחה מדינת בין – בישראל השלישי המגזר . (2003). ח ,וכץ .מ ,בר ,.ב ,גדרון אדום, הוצאת הקיבוץ המאוחד, תל-אביב.

b. והערכת אזרחים עמדות ניתוח :בישראל הציבורי המגזר ביצועי .(2012) .ש ,ומזרחי .ע ,גדות-ויגודה מצבת לאומית (2012), נייר עבודה מספר 12, המרכז לניהול ומדיניות ציבורית, אוניברסיטת חיפה. c. לחקר המרכז .השלישי המגזר מימון של פרטי למימון ממשלתי מימון בין הקשר .(2009) .א ,חזן

הפילנתרופיה בישראל, האוניברסיטה העברית בירושלים והלשכה המרכזית לסטטיסטיקה. d. כלכלית מדיניות להתוויית קיסריה פורום ,בישראל שלישי ומגזר אזרחית חברה (2010) .נ ,לימור לאומית, המכון הישראלי לדמוקרטיה.

e. שעברו עובדים של העצמי והמיון והפרטי הציבורי במגזר השכר מבנה בחינת .(2009) .י ,מזר ביניהם בשנים 1995 עד 2005, נייר עבודה 2009.09, חטיבת המחקר, בנק ישראל.

f. נקודת :בישראל וממשלה חדשה פילנתרופיה – "?מעצמה מצפה המדינה מה .(2010). ב ,שמעוני המבט של תורמים גדולים מהמגזר העסקי, ביטחון סוציאלי, 83: 137-160.

g. Foster, W., & Bradach, J. (2005). Should nonprofit seek profits. Harvard business review, 83(2), 92-100.

*h. Mazar, Y. (2008). Testing Self-Selection in Transition between the Public Sector and the Business Sector. Discussion Paper No. 2008.07, Research Department, Bank of Israel.* 

<u>Course/Module evaluation:</u> End of year written/oral examination 0 % Presentation 0 % Participation in Tutorials 10 % Project work 90 % Assignments 0 % Reports 0 % Research project 0 % Quizzes 0 % Other 0 %

## Additional information:

Required reading materials assignments and relevant links can be found in the course web site.