Gerald Bubis and the late **Jack Dauber** develop a model which emphasizes the need to maintain the human dimensions in service organizations. As a dated article it is not gender neutral. Its emphasis in the art of practice still demands attention.

David Teutsch examines the multiplicity of roles a congregational rabbi plays in performing his work. He identifies the conflicts which can arise in synagogues and points out their inevitability. Decision-making in a synagogue is identified as being different as a consequence. Teutsch discusses the ramifications of these realities.

Gerald Teller puts forth the proposal that the structure of Jewish life is changing rapidly toward a corporate model. He suggests this not be resisted but maximized so as to deliver services more efficiently and effectively. His article has discomfited some because it questions conventional wisdom as to how to best structure Jewish organizations.

Peter Drucker, who spent the first decades of his long and rich life advising Wall Street, turned to the non-profit sector relatively late in his life. His rich article includes suggestions vis-a-vis using board members in what many might consider "traditional" staff roles. His model, drawn from within the university, deserves serious attention.

Shifra Bronznick discusses the issues facing women in the non-profit sector, whether they are staff or board members. The field, which now has more women than men, still faces glass ceilings. Bronznick addresses the challenges and identifies the areas in need of more immediate action.

Arthur Gross Shaefer and **Eric Weiss** suggest in a rather provocative article that rabbis face some unique challenges born of the personal nature of the relationships which they must develop with their constituency. The conflictual complications grounded in expectations of rabbis and boards of directors of each other are identified.

Richard Chait and **Barbara Taylor** examine the phenomenon of micro management by board members. They identify the instances when it is justified and the consequences to the organization when it is not. They then outline their model for governance and delineate the kinds and levels of policies which should engage the board.

Miriam Wood charts the changes which occur within a board which was the founding board in the institutionalizing period. The article is of particular interest to those involved in "start-up" agencies and will help them understand the dynamics of change which await them and with which they will have to cope.

The Survival and Success of Jewish Institutions: Assessing Organizational and Management Patterns

Steven Windmueller

An Era of Institutional Transformation

Which Jewish institutions will be able to survive and succeed in the next century? What are the organizational and management patterns most likely to contribute to such success?

The literature on non-profit downsizing or mergers appears to be very limited. Models of collaboration and partnership, however, are frequently referenced as desirable options for agencies facing internal crisis or significant external problems. It would appear that while non-profit agencies face many of the same business challenges as their "for profit" counterpart entities, the research community has not addressed this phenomenon in any extensive manner.

These organizational changes appear to be significant, if not overarching, in the Jewish community, where agencies at all different levels are undergoing transformation. Mergers and other types of institutional redeployment are not new to Jewish life, and certainly not to the American Jewish experience, but the scope of these changes is today significantly greater than in any previous period.

A number of factors contribute to both the pace and scope of these management and organizational changes. First, American Jewish organ-

izational transitions impact institutions which were established in the late nineteenth and early twentieth centuries or whose ideological and social imperatives were shaped during that time frame. The major Zionist entities, the Jewish social service infrastructures, and the diverse religious and cultural enterprises of Jewish life were all created in this period. As Jewish affairs and American life have evolved over this one hundred year cycle, these institutions have faced and continue to face challenges to their *effectiveness* and *credibility*.

Secondly, demographic and life-style changes have contributed to a significant transition in organizational culture. Declining membership rosters and a smaller pool of potential supporters were significant factors in this transformation. Different life-style patterns have formed as a result of changing employment and professional opportunities for all potential income earners in a household, the increasing availability of competing Jewish and non-Jewish communal and social choices for individuals and families, and the increasing costs associated with living a Jewish experience of high quality. Of specific consideration will be the impact of life-style choices on the Jewish entrepreneurial class, as well as an analysis of the changes in size, wealth, and philanthropic focus of this element within the community.

Today there are approximately 300 national and independently operated local organizations, in addition to some 200 federated structures. These numbers do not account for the more than 2,500 synagogues operating in the U.S., or the 550 schools, both affiliated with and independent of the various religious movements.

Periods of Institutional Development

Prior to examining the ingredients of change and assessing the survivability and success of Jewish organizations, it is important to assess the evolution of the current communal structure. There are five distinct periods of institutional development in American Jewish life:

1. In the *Age of Jewish Innocence* (1654–1870), the birth of primary local community- and religious-based institutions was offset by the first tentative efforts to create national structures, or at least extra-local.
2. The 1890s–1920s was the *Primary Age of Jewish Organizational Creation*. The bulk of America's traditional national institutions and many of its local agencies were established during this fifty-year time frame.

3. From the 1930s to 1948 was the *Period of International Jewish Crisis*. Primary consideration during this time was directed toward the Nazi threat and other matters of European concern and the Zionist agenda.
4. The period 1948-1981 was the *Golden Age of the American Jewish Establishment*. With the onset of the postwar years, there emerged a conscious effort to develop a national system of organizing and programming.
5. Since 1981 we are in the *Age of Information*. With the onset of changes within Jewish life, including demographic, ideological and technological factors, Jewish institutions have initiated a process of reorganizing. During this period as well, a set of "challengers" — organizations that have been created to appeal to new changing constituencies — entered the American scene.

We may see that special interest groups are formed in clusters around specific events or issues. For example, the Russian Jewish advocacy groups were all created in a very specific time frame (1963-1970), including Student Struggle for Soviet Jewry (1963), National Conference for Soviet Jewry (1964), and Union of Councils of Soviet Jews (1970).

Measuring the Health of Jewish Communal Institutions

Six basic measures can be used as the basis for evaluating the "health" of Jewish communal institutions:

Core Numbers: Organizations require a certain mass-base of members in order to maintain their status.

Cause(s): Institutions require a clear mandate. Should that imperative either no longer be a high profile objective within Jewish life or appear to be unfocused, the agency will cease to be effective.

Credibility: The historic record of an organization's performance and achievement can serve as a key ingredient to its effectiveness and standing with supporters.

Competition Factor: Organizations can be measured in part by how well they compete or integrate with other communal activities dedicated to similar purposes.

Capability: An essential measure is the ability of an agency to effectively attract and involve adequate leadership. The quality of leadership performance represents a significant factor in measuring an institution's ability to perform.

Cash Capacity: The capacity of an organization to adequately sustain its programs, operational and promotional expenses, and membership sources.

The basis of organizational "health" can be understood at any given time by using several assessment tools:

1. *Demographic and Generational Appeal.* Certain institutions were created and designed to appeal to a particular generation or style of organizational behavior. As the advocates of this particular approach or philosophy pass from the scene, these groups tend to lose their standing and effectiveness.
2. *Ideological Issues.* Similarly, organizations born out of a specific purpose or built around a particular ideological focus tend to be seen as marginal once these objectives are achieved, repudiated, or are no longer regarded as relevant.
3. *Economic Priorities.* Groups established to achieve designated projects likewise report diminished financial success when their primary purposes have been fulfilled.

Strategies of Survivability

Certain organizations in Jewish life continue to "survive" beyond their expected life. There is certainly a degree of luck involved in the survival of some of these entities. Both national and local structures face the challenges of "making it" and have employed various strategies in order to preserve their status:

1. *"Emperor has no clothes" Syndrome.* Institutions using the genius of public relations techniques, press releases, and occasional high profile events give an illusion of their viability. Frequently, for this declining membership these symbolic steps are adequate "proof" of survivorship. "So, we still are in business."
2. *"Macharniks."* Organizations creative enough to put forth leader-types who serve as national or even local "spokespersons" can frequently garner adequate credibility and recognition as a justification for the institution's role and mandate.
3. *"The Announcement" Tactic.* A new fund, a different project, and a new structure, etc., represent tools designed to transform and re-energize an entity that may otherwise be in greater or lesser financial, ideological, or leadership crisis.

4. *"The Name Change" Game.* Organizations in crisis frequently convince themselves that their image would be better served if they would only introduce a new name for the group; giving the community yet another organizational label to try to understand!
5. *"The Strategic Plan" Flam.* Somehow believing that "the plan" will make the difference, institutions have rallied around the process of conducting self-studies. While many times useful in helping to sort out an institution's mission, its strengths and weaknesses, the plan itself becomes both the symbol and substance of the effort to confront fundamental change.
6. *The "Hostile" Take-Over.* There is some evidence that as a group weakens, this affords one or more elements within its membership to seek institutional control. At times the focus of such a "take-over" is achieved in the name of "saving" the agency, but there is evidence in at least several instances of a power group or of individuals using an organization for their own ideological or ego purposes.

The Non-Profit Life-Cycle

Thomas McLaughlin suggests that non-profits go through a life-cycle consisting of six phases: forming, growing, coalescing, maturing, peaking, and refocusing. Institutions, according to McLaughlin, may "leapfrog" certain stages and at any given point may be able to reinvent themselves.[1] There is significant evidence that healthier institutions (especially growth and maturing entities) tend to be smaller and more independent. These organizations are also least likely to seek out alliances to affiliate or become active with umbrella structures.

The "life expectancy" of ideologically liberal institutions, especially liberal-oriented religious and political bodies, would appear to have shorter time windows of survivability, as some elements within the Jewish population base appear to be reorienting their social priorities and political beliefs. Ideologically traditional institutions seem to be strengthening their influence as demonstrated by the growth of Jewish fundamentalist-type organizations and ideologically right of center Zionist entities. This pattern seems to be reflected in the general society as well and specifically within the religious arena. Just as there is the possibility of merger and/or consolidation among social service entities, due to financial constraints the ability of once ideologically competitive groups to achieve agreement on consolidation would appear to be in-

creasing. This pattern may be particularly relevant to umbrella systems even more so than for their affiliates. Correspondingly, organizations built around a consensus apparatus where various political and ideological interests intersect have experienced serious erosion and even "death." The case of the Synagogue Council of America reflects this latter example, while many a local Board of Rabbis appears to be weakened by the loss of traditional religious constituencies as part of its membership base.

There is, of course, a great deal of evidence that organizational mergers that "ought" to occur based on common interests, shared concerns regarding external competition or challenges, and operated by interlocking directorates, in fact do not take place. In part, this appears to be driven by the market forces of professionals fearful of their own employment options and by inadequate political strategizing that has failed to take into account key players, the equitable balance of power, or the failure to effectively include key elements in the negotiations process.

There appears to be some striking evidence that core institutions, critical to the community's stability, may be experiencing significantly greater difficulty holding their centrist positions of authority and credibility. This is due to challenges from other fund-raising and program entities, the loss of these agencies primary status, and the weakening of their core agenda. The decline of these elements, politically and financially, has profound implications for the community's general wellbeing and may portend longer-term institutional destabilization. Sensing this trend, some groups have sought to take advantage of the changing balance of power to assist or even supplant these major core organizations.

"Challenger" Organizations

Increasingly, the Jewish community has seen over the past twenty years a set of new institutional organizational patterns from "challengers." Competing with the traditionalist structures, they exhibit a certain set of behaviors that tend to define their style and substance. They have a highly directed and focused agenda. They offer a specific service or set of functions generally targeted to particular audiences or a defined segment of society. If those entities tend to be either political and religious in character, they exhibit a strong ideological focus. In many instances these groups have been established by leaders previously identified as mainstream activists or professionals in the "traditionalist" circle of institutional Jewish life.

These groups are appearing in every facet of Jewish communal and intellectual life — *Museums:* United States Holocaust Museum, the Skirball Cultural Center, the Museum of Tolerance; *Communal affairs institutions:* Simon Wiesenthal Center; *Generational-focused organizations:* Second Generation: The Children of Holocaust Survivors; *Politically-based structures:* Toward Tradition, National Jewish Coalition, National Jewish Democratic Council; *Specialized funding and service groups:* Jewish Fund for Justice, Jewish World Service, Mazon; *New-funding-stream structures:* Jewish family-based foundations and Jewish Funders Network; *Alternative outreach and experiential religious groups:* Havurot, Aish HaTorah, Humanistic Judaism, Clal; *Associational and research-focused bodies:* Wilstein Institute, Jerusalem Center for Public Affairs.

The Leadership Factor

A major consideration is the emergence of the "Jewish entrepreneurial leader," as represented by Michael Milken, Leslie Wexner, and Edgar Bronfman. In the latter case, Bronfman's leadership with Hillel has helped to give needed recognition and resources to that agency, while Milken and Wexner through the use of their own wealth have had a profound impact on the communal infrastructure and on the training and education of a future generation of lay and professional leaders. While prominent Jewish business and industrial leaders have held organizational roles for over a century, only recently have we addressed the leveraging of resources by an individual leader designed to capture and shape a portion of the Jewish agenda.

A second type of new leader has emerged primarily from within the ranks of the rabbinate. These "leader-makers" have created or molded institutions. Examples include: Rabbi Marvin Hier, Simon Wiesenthal Center; Rabbi Uri Herscher, Skirball Cultural Center; Rabbi Shlomo Cunin, Chabad of Southern California; Rabbi Isaiah Zeldin, Stephen Wise Congregation; Rabbi Harvey Fields, Wilshire Boulevard Temple; and Rabbi David Gordis, Boston Hebrew College.

There is significant evidence that there exists a third style of leader both at the community level and on the national stage. This involves a set of leaders who steadfastly move from one presidency or chairmanship to another. This set of "perpetual *machers*" have successfully positioned themselves to move from one leadership position to the next over the course of a lifetime of organizational involvement. The literature speaks of "interlocking directorates," implying that a core set of indi-

viduals is always found occupying institutional positions of power. The larger group, while clearly present, is not nearly as dominant as this unique but smaller entity of organizational power-brokers. These are the recycled Jewish organizational players who, like CEOs of major corporate groups, *rotate in and out of these megastructures.*

While there are a number of factors that contribute to organizational "success," five principles seem to dominate: the *Charismatic Leader* (the dominant personality); the *Great Edifice* (the "largest" synagogue); the *Central Cause* (the "fight" against anti-Semitism); the *Major Campaign* (Operation Exodus); the *Primary Connections* (relationships and credibility with congressional representatives).

Many institutions require more than one of these factors, but *all will need at least one* to be able 'to effectively function. In addition, the twenty-first century will place new demands on institutions if they are to compete in the Jewish non-profit world.

Looking Ahead Toward Success

Here are ten leadership concepts for organizational success:

Creative Budgeting: To be effective, organizations need to have the capacity to rapidly redeploy elements of their resources: staff, program services, and cash to meet changing priorities and community crises.

Research and Development: No institution that plans to be a part of the twenty-first century can operate without an R&D function. Organizations must assess their future opportunities and potential threats. They must exploit or combat them by decisions taken in the present. The capacity to conduct research, market studies, and attitudinal sampling has become a prerequisite for doing business. Similarly, the ability to retrain staff and upgrade the leadership skills and information resources of lay leaders has become an organizational imperative.

Economic Initiative: Twenty-first century non-profits will be required to engage in "business," providing services and/or selling products with a competitive fee structure. One need only to look at the number of hospitals, museums, environmental organizations, and other agencies that are today engaged in "for-profit" activities in order to supplement their income and to help underwrite their charitable and educational services.

Business Planning: There are numerous planning initiatives available to a non-profit institution. Minimally, every organization ought at least to have initiated a plan of business. The management components of any type of corporate entity must be spelled out, so that both donors and the organizational leadership understand "how" the institution is being operated on a day-to-day basis with regard to revenues, resources and reserves, etc. Strategic planning in terms of an agency's mission, quantifiable objectives, goals, strategies, and tactics represents another level of organizational planning that may be ultimately essential for each Jewish institution to consider, as it goes about the task of repositioning itself.

Leadership Preparation: Too often institutions fail to adequately recruit, train, and nurture leadership for the next decade. The secret of organizational success is directly proportionate to the quantity and quality of an organization's present and future leadership. Both a focus on Jewish content and on management skills are key ingredients for preserving institutional continuity and advancing creative change.

A Focused Agenda: The organization that fails to establish a clear, concise agenda will ultimately falter. Only Jewish institutions that abide by this principle will be a part of the twenty-first century story.

Creative Fund-Raising Strategies: Traditional fundraising efforts serve only one generation of donors. Alternative models of giving must appeal to the lifestyles and interests of the emerging groups of potential supporters. An institution without an endowment program or a planned giving approach will miss a significant opportunity to capture revenues from its older generational base of contributors and to offer creative donor choices for its next generation of leaders.

New Market Opportunities: The effectiveness of targeted and segmented marketing allows the non-profit institution to direct its appeal, information, and program services to individualized audiences uniquely and especially connected to the organization's priorities. The introduction of direct mail, ad campaigns, and email options provide tools that can place particular selective data in the hands of a specialized "new" or potential prospects group.

The Credibility Factor: Without a base of *supporters* (members), a track record of *success,* and a *substantive* agenda, institutions will have no credibility with their prospect base. People join to be with people. Individuals want to be with winners; an institution with a demonstrated pattern of achievement will attract new support. Jews care about issues that impact them as a part of their community and where that community effectively intersects with the larger American society. Issues that neither appeal to them as Jews or as Americans will not capture their interest. They rightly will ask: "What is Jewish about this" and "How does this impact on me as an American Jew?"

Filling Voids: The groups that succeed will also have understood the "needs" of their constituencies through providing unmet services, offering new information, and presenting a challenging opportunity to make a

difference. Knowing what people want becomes a key to being a part of the challenge of transforming institutions for tomorrow's generations. In the end, the Jewish community of the twenty-first century will be a composite of five principal elements:

1. Core numbers of Jews, necessary to form and sustain Jewish life, supplemented by a national *tracking* system designed to identify how we live and what we require as Jews, and what we can offer our community.
2. A re-engineered communal structure with a renewed emphasis on *community*. Such a system must contain these additional elements: an *R&D function* (research and development components), a *business plan* (how the community will undertake its mandate), and a national *marketing program* in order to "sell" its twenty-first century agenda.
3. A particular emphasis must be placed on recruiting key leadership from three core segments of the economy: the business and entrepreneurial class, the management sector, and the academic arena.
4. The community requires an *ideology* composed of ingredients from its rich past, reflecting its religious values, primary historic experiences, and current and future priorities; but without *myth-making,* a community can generate little passion or activism.
5. Jewish life cannot survive, however, without a primary emphasis being placed on the centrality and quality of *Jewish education.*

The focus of this review has been to examine the factors involved in creating and sustaining Jewish organizational life. The challenges faced by agencies in the Jewish community today present unique opportunities for the Jewish future. The ingenuity of leaders, the social environment in which these institutions operate, and their creative resilience and responsiveness, represent the framework for organizational transformation in the twenty-first century.

Note

1. Thomas McLaughlin, "Where Is Your Agency," *The Non-Profit Times,* September 1996, p. 27.

American Jewish Leaders View Board-Staff Relations

Gerald B. Bubis and Steven M. Cohen

The Study and Its Background

The Jewish community's history of governance can be traced back to biblical times. Whatever the vicissitudes and geopolitical realities, Jews constantly re-invented themselves through their community structures (Elazar 1995). In the United States and Canada, models of governance have been influenced both by Jewish models as they evolved through the millennia and by the North American models of modern management and governance within voluntary organizations.

The institutional system of Jewish organization is now responsible for monitoring an enormous amount of money. About $4 billion a year is raised voluntarily, or paid in fees for Jewish community and other government-funded services, exclusive of hospitals under Jewish community auspices (Wertheimer 1997).

By law, a not-for-profit organization is required to have a voluntary board of directors to oversee and maintain the use of these funds. At the same time, all agencies and organizations in the "Federation family" are run on a day-to-day basis by staff who are paid for their services.

Over the decades, a body of literature devoted to the general nonprofit sector (NPS) has emerged. Countless evaluations and studies have been conducted examining the relationships between staff and volunteers in the board-staff context, yet no such study had ever taken place