



ZIMBABWE EZEKIEL GUTI UNIVERSITY

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FACULTY OF BUSINESS, ECONOMICS AND ACCOUNTING

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DEPARTMENT OF BUSINESS ADMINISTRATION AND MANAGEMENT

EXAMINATION PAPER

COURSE CODE : CBM403

COURSE TITLE : MANAGEMENT OF NON-PROFIT ORGANISATIONS

SPECIAL REQUIREMENTS : NONE

DURATION : 3 Hours

LEVEL : 4.1

DATE : 27 JUN 2022

**INSTRUCTIONS TO CANDIDATES:**

1. No cell phones are allowed in the examination venue.
2. Answer question number **one (1)** in Section A (Compulsory) and any other **three (3)** questions in Section B.
3. Begin each question on a new page.
4. The number of marks for each question or part question is shown in brackets [ ]

**SECTION A (This section is compulsory)**

**QUESTION ONE**

**Read the case study below and answer the following questions**

**Board disfunction**

“Alex, can I talk to you privately?”

Naturally, I agreed.

Tom Jones, a kindly benefactor and inspiration of mine for much of my career, led me over to a small table on the outskirts of a cocktail reception that was a prelude to what I expected to be a festive meal. The dinner was the formal opening of the first board of directors’ retreat ever held by Anonymous Nonprofit (ANP), which at the time was a nearly ten-year-old organization.

As we settled into our chairs, I wondered what Tom wanted to talk to me about. Perhaps congratulate me for being the first to suggest that ANP have a board retreat? Or maybe admonish me gently for ruffling a few feathers on the board of directors with my occasional blunt observations and suggestions?

He had scheduled, and then cancelled, two meetings with our board co-chairs and me since arriving in Washington two days earlier. It was not his usual style, but he was nearing 80 years old, so I didn’t make much of that.

Tom got right to the point. “Alex, we are trying to create a certain culture at ANP. And you don’t fit in. So I would like you to resign from the board or you make sure all of the resources needed for ANP you buy from my company.” I took that to mean that I would leave walk out the hotel, skipping the welcome dinner and board retreat that I had set in motion.

“Tom, I will not do that,” I replied firmly after I had processed what he had said. “I was elected for a one-year term to serve this organization with due diligence, and I intend to serve out my term as best I can to help the organization grow.”

Tom sat back in his chair. "So, you are not going to resign from the board or buy from my company?" He seemed stunned by my decision.

I shook my head. "If I choose not to stand for another term, or if my candidacy is voted down, that is one thing. But I will not be forced out now."

He then flatly said, "This meeting is over." He stood up and returned to the reception. As it turned out, I would never have another conversation with Tom.

All I could think at that moment was, it wasn't supposed to end like this.

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### **Answer all questions**

- a) Identify and explain 5 duties of board members in Non-Profit Organizations. [5 marks]
- b) What could be the tension between Mr Alex and Mr Tom and what are the possible solutions to the tension? [5 marks]
- c) 'Conflict of interest situations arise whenever the personal or professional interests of a board member or a group of members are actually or potentially in contradiction to the best interests of the organization'. Comment on this assertion in relation to Tom and Alex s story. [15 marks]

## **SECTION B**

**(Answer any 3 questions)**

### **QUESTION TWO**

Critically evaluate any five (5) characteristics of non-profit organisations. [25marks]

### **QUESTION THREE**

'Non-profit theories are complementary rather than rival'. Discuss.  
marks]

[25

#### QUESTION FOUR

In managing non-profit organisations, what is the relationship between governance, accountability and transparency? [25 marks]

#### QUESTION FIVE

Explain why Non-Profit Organizations engage in the following in their operations

a) Human resource management

[13marks]

b) Strategic planning

[12 marks]