

1991

# Foreword: Managing Contracted Services in the Nonprofit Agency, By Susan Bernstein

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## Digital Commons Citation

Lohmann, Roger A., "Foreword: Managing Contracted Services in the Nonprofit Agency, By Susan Bernstein" (1991). *Faculty Scholarship*. 785.

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# **FOREWORD: MANAGING CONTRACTED SERVICES IN THE NONPROFIT AGENCY, BY SUSAN BERNSTEIN (1991)<sup>1</sup>**

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There has been an upsurge of research and scholarly interest in social administration since the mid 1970's. The general outlines are plain to see: Course offerings expanded and enrollments increased in specialized concentrations in the traditional professional programs of social work, public health and public administration. Specialized journals devoted to social work administration, mental health administration, and human services administration made their appearance. Books on esoteric management topics like financial management, budgeting, personnel and cost studies appeared alongside those on the classic subjects of fund raising and accounting. More than a dozen general administration textbooks have been published in the last decade.

This upsurge of interest in social administration can be taken as a sign that there is a sense of trouble in and about agency executive suites. Initially, that sense may have been a byproduct of the chaos engendered by big infusions of cash into social services in the late 1960's and 1970's and the startup of the many new agencies created to receive that cash. A large cadre of instant administrators was cashiered in that period. Such opportunity crises were all too quickly replaced however, by a sense of perpetual crisis and "cutback management" as by-products of the conservative social revolution of the 1970's and 1980's. Entirely new service delivery systems were built on soft money in the form of grants. These same systems allegedly became "more businesslike" with the advent of performance contracting. This latter move institutionalized instability and uncertainty and contributed to an entirely new class of what Dennis Young has called "nonprofit entrepreneurs".

The general social work response to these developments has been only minimal interest. Financial and economic questions are conceded to be

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<sup>1</sup> Foreword. **Managing Contracted Services in a Nonprofit Agency: Administrative, Ethical and Political Issues.** by Susan Bernstein. Philadelphia: Temple University Press. 1991.

critically important, but the actual amount of day-to-day scholarly interest in this area remains quite limited. In part, this is because social workers and other human service professionals are not particularly interested in, or proficient at, the esoterica of human service finance. Most work done in this area fits comfortably within the long tradition of administrators reporting their own experiences or the quantitative research paradigms of accounting, economics or management theory. It has limited appeal to the general social work audience.

This book is different. Susan Bernstein brings a major new voice – and an entirely new and fresh research strategy – to the study of the financial management of human services. By talking with a large number of participants in the contracted services system, and letting them report their experiences in their own words rather than synthesizing them into survey statistics, she has assembled a unique and disturbing picture of an administrative system at war with itself.

Simply because this study was done in New York City, there may be those willing to discount the disturbing picture it paints. After all, that New York is un-managable is a foregone conclusion in many quarters today. Ignoring Bernstein's work on this or any other basis would be a big mistake. The very first thing that struck me about the accounts reported in this book is how they ring true to experience elsewhere. Like all good qualitative research, Bernstein's account has the universality and dramatic tension of a novel. The scale of operations reported in this study may be unique to New York City, but the underlying sense of tension of those working in this system will be all too familiar to practitioners working with contract services in the most remote rural settings: reasonable professionals (mostly women and MSW's) are pictured coping in the best ways they know how within what they suspect is an insane system. Lacking the financial and legal background to pinpoint specific ills and shortcomings or a specific mandate for reform and unwilling to sacrifice their clients' interests on the altar of administrative rationality, they make the best of things as they are.

In this work, Bernstein is consistently a dispassionate observer and reporter, the objective social scientist, scrupulously avoiding polemics and merely reporting and bring order to the comments of her interview subjects. She demonstrates a real command of her subject, and genuine mastery of a medium – the qualitative research study – which has proven to be a very difficult one for social work research.

Qualitative methods are intuitively appealing to person-oriented social workers turned researchers. And as Mary Jo Deegan has shown in her 1988 study of Jane Addams and the Men of the Chicago School of Sociology (Rutgers U.P.), there is a strong historical link between social workers

involved in the settlement movement and the founders of symbolic interaction, which may be the most consistent and deeply rooted theoretical position supporting qualitative methods in the social sciences. On the other hand, few in social work have been able to master the difficult and demanding tasks of qualitative research without letting their instincts to advise, moralize and recommend changes get in the way.

Because of the relative recency of interest in social administration, a large body of research findings has not been built up. Most of the textbooks, in fact, borrow heavily from research done in the sociology of organizations, business management or public administration. Susan Bernstein's study is equally significant on two counts: It joins the small, but growing body of professional literature on the implications of the contracted services system as it is evolving. It stands alone in that literature (and in the social administration literature generally) in its use of qualitative methodology.