Paper Title: Informatics in the Service of Nonprofit Scholarship

Author(s):

Dr. John McNutt, Boston College, Chestnut Hill, MA, USA

Description

Informatics in the Advancement of Nonprofit Scholarship

The tremendous growth in nonprofit scholarship has been due, in part, to the development of a wide range of technology-based tools that make scholarly resources more accessible and that facilitate the development of relationships among scholars. In addition to the use of technology in research, the growing use of technology in nonprofit education has created an almost seamless digital web that makes possible a number of new and possible scenarios for the nonprofit scholarly community. This panel will discuss some of these exciting possibilities in four interrelated papers that plumb this emerging digital web in non-profit scholarship.

The principle issue for nonprofit scholarship is brining all the relevant parties into the conversation-- practitioners, researchers, policy-makers and funders. It is particularly important to include international practitioners, often an unheard voice in the research discussion. That doesn't happen naturally--there are structural, temporal and geographic boundaries. The emerging technologies can overcome these barriers and enrich the conversation.

The first paper, Wearable ARNOVA: The Intersection of Ubiquitous Technology, Knowledge Management and Nonprofit Scholarship will discuss the use of ubiquitous technology, within the knowledge management framework proposed by Lohmann (2001) can create an ongoing nonprofit research conversation. The use of wireless communications technology, smart scholarly tools and artificial intelligence will create opportunities for scholars to expand the reach of their current activities and will provide the opportunities for others to enter the nonprofit scholarly conversation.

The second paper, Digital Library Adventures, will discuss the efforts of a well known philanthropic studies library to offer some of their extensive holdings in digital form. This Herculean effort will have major consequences for all types of nonprofit scholarship. The paper will offer insights into some of the challenges that are encountered in the creation of a digital archive.

The third paper Wiring a Global Partnership in NGO Professional Development discusses the efforts of a nonprofit management education institution to bring together an international set of practitioners within a technologically created venue.

The fourth and final paper Technology Needs of Boston Nonprofits: A Practitioner Academic Partnership discusses an innovate effort to join academic and practitioner expertise in an effort to provide a more empirically valid examination of the state of nonprofit technology in a large American City.

The four papers will create an interesting conversation on the future of the nonprofit scholarship enterprise.

Paper Summaries

Wearable ARNOVA: The Intersection of Ubiquitous Technology, Knowledge Management and Nonprofit Scholarship.

Technology has created wonderful possibilities to expand and enrich the scholar's work situation. The Internet, the creation of on-line databases, the development of collaborative technologies, such as Listserv/discussion groups and teleconferencing have made it possible for nonprofit scholars to collaborate and produce their work at unprecedented rates. Technology is one of the significant forces underpinning the growth on nonprofit scholarship.

A number of institutions, particularly ARNOVA, have made great strides in providing a research rich environment for nonprofit scholars. Beginning with ARNOVA-L, efforts to create an on-line community have been fruitful and rewarding. Nonprofit researchers can develop relationships and share ideas with others that are geographically distant. The development of significant on-line nonprofit materials has freed scholars from the necessity to visit inaccessible libraries and archives. These developments will experience significant improvements with XML-based document sharing systems (Lohmann, 2001).

Its time to take the next step. Ubiquitous Technology (technology that is available everywhere and relatively transparent or invisible), within the knowledge management framework proposed by Lohmann (2001) can create an ongoing nonprofit research conversation. Wireless technology and various types of smart resources can build on the progress already made and help create a scholarly community within virtual space (Dertouzos,, 1997; 2001).

This paper will contribute to nonprofit scholarship by examining the current supports for scholarship and proposing new and exciting possibilities. The technological, organizational and social impacts of this transition will be considered.

Dertouzos, M. (1997). What will be: How the new world of information will change our lives. New York: Harper-Collins.

Dertouzos, M. (2001). The Unfinished revoluntion. New York: Harper-Collins.

Lohmann, R. (2001). Knowledge Management Technology: Will There Be A Second Chance? Presentation at the 30th Annual meeting of the Association of Voluntary Action Scholars, November 29-December 2, Miami, FL.

Digital Library Adventures

The availability of readily accessible research documents is a serious need for nonprofit sector scholars (Lohmann, 2001). Technology can facilitate meeting this need for those without ready access to physical materials.

The Indiana University/IUPUI Philanthropic Studies Collection provides an articulated resource of primary and secondary materials to nonprofit students and scholars. The physical collections have grown significantly over the past years, but a growing number of potential users, students, scholars, researchers from other areas and so forth, cannot easily arrange for physical access to the collection. The experience of the staff suggested that there was a significant need for a stronger and more comprehensive digital knowledge base.

In 2001, the collection embarked on an effort to provide digital full-test access to significant but not widely available publications in the field. This will be a major resource for nonprofit scholars.

The paper has three parts. First, it will outline the overall concept of a virtual archive. Next the technology issues will be discussed and the challenges inherent in such an undertaking will be considered. Finally, a progress report on the project thus far will be provided.

References

Lohmann, R. (2001). Knowledge Management Technology: Will There Be A Second Chance?

Wiring a Global Partnership in NGO Professional Development

This paper describes a recent effort to enhance a global NGO management education program with Internet technologies. The program is a six-year-old joint initiative of the School for International Training (SIT) in the U.S. and BRAC, a large NGO in Bangladesh, with the centerpiece being an eight-month diploma in NGO Leadership and Management. Over one hundred experienced NGO managers have come from more than a dozen countries, including Pakistan, Nepal, Kenya, Sudan, Ethiopia, Thailand, and Peru, as well as from the partner countries. During its first five years, until 2001, the diploma program was conducted as a seven-course sequence delivered only in Bangladesh; in 2001, one of the courses took place in Nepal.

In January 2002, the first course in a newly-designed six-course program was delivered simultaneously in four locations: in Bangladesh, with BRAC; in the Philippines, with the International Institute for Rural Reconstruction (IIRR); in Peru, with the Escuela para el Desarrollo; and at SIT's campus in Vermont. Approximately 50 individuals participated in this course, called "NGO Leadership, Development and Social Change."

While each course was conducted in a face-to-face setting, with a team of instructors at each site, the Internet was used to link participants and faculty. The two major components used were: (1) e-mail for communication between pairs of assigned "global learning partners" among the four sites and (2) the web, using the Blackboard online course platform, to post readings and assignments and for sites to share their work. Assessments were done among both faculty and participants in face-to-face discussion, written questionnaires, and e-mail reports.

This paper will describe the details of the project, including the planning and design process, as well as the faculty and participant evaluation of their experience with the technologies used to support the course. Also discussed will be the plans to provide an online option for the entire diploma program.

Technology Needs of Boston Nonprofits: A Practitioner Academic Partnership

This paper will discuss a cooperative research project undertaken by a nonprofit technology assistance provider organization and university faculty. The goal was to create a knowledge base on nonprofit technology needs with small to medium size organizations that could be used for planning and benchmarking and that wold provide some comparison data for scholarly studies on nonprofit technology.

The research looked at the following research questions:

--Does the size of an organization's budget affect the degree to which they
(1) have access to technology and (2) use the technology that they have?
--Does the level of staff comfort with technology affect the use of various
software applications? If so, in what ways?
--Do organizations that have developed a technology plan use technology more
frequently? If so, for what purposes?
--Are the staffs of organizations that have developed a technology plan more
comfortable using technology?
--Do the kinds of barriers to technological change in an organization relate
to the organization's creation of a technology plan? If so, in what ways?

Subjects were selected using a systematic sample (n=204) of organizations from the IRS Business File. A mailed questionnaire was developed and pretested.

The paper will discuss the research findings and the development of the private-academic partnership.

This paper will add to the small number of studies available on nonprofit technology use (Burt & Taylor, 2000; Princeton Survey Research Associates, 2001) and will also discuss the development of academic-practitioner research.

References

Burt, E. & Taylor, J.A. (2000). Information and communication technologies: Reshaping voluntary organizations? Nonprofit management and leadership. 11 (2), 131-143.

Princeton Survey Research Associates (2001). Wired, willing and ready: Nonprofit Human Services Organizations' adoption of information technology. Washington DC: Independent Sector & Cisco Systems. Download from www.independentsector.org.

Paper Number: PN022147.1

Paper Title: Wearable ARNOVA: The Intersection of Ubiquitous Technology, Knowledge Management and Nonprofit Scholarship.

Author(s):

Dr. Roger Lohmann, West Virginia University, Morgantown, WV, USA

Dr. John McNutt, Boston College, Chestnut Hill, MA, USA

Summary of Research

This paper will examine the next step in technology in the support of nonprofit scholarship--the use of Ubiquitous Technology, within the knowledge management framework proposed by Lohmann (2001). This new thrustcan create an ongoing nonprofit research conversation.

Description

Wearable ARNOVA: The Intersection of Ubiquitous Technology, Knowledge Management and Nonprofit Scholarship.

Technology has created wonderful possibilities to expand and enrich the scholar's work situation. The Internet, the creation of on-line databases, the development of collaborative technologies, such as Listserv/discussion groups and teleconferencing have made it possible for nonprofit scholars to collaborate and produce their work at unprecedented rates. Technology is one of the significant forces underpinning the growth on nonprofit scholarship.

A number of institutions, particularly ARNOVA, have made great strides in providing a research rich environment for nonprofit scholars. Beginning with ARNOVA-L, efforts to create an on-line community have been fruitful and rewarding. Nonprofit researchers can develop relationships and share ideas with others that are geographically distant. The development of significant on-line nonprofit materials has freed scholars from the necessity to visit inaccessible libraries and archives. These developments will experience significant improvements with XML-based document sharing systems (Lohmann, 2001).

Its time to take the next step. Ubiquitous Technology (technology that is available everywhere and relatively transparent or invisible), within the knowledge management framework proposed by Lohmann (2001) can create an ongoing nonprofit research conversation. Wireless technology and various types of smart resources can build on the progress already made and help create a scholarly community within virtual space (Dertouzos,, 1997; 2001).

This paper will contribute to nonprofit scholarship by examining the current supports for scholarship and proposing new and exciting possibilities. The technological, organizational and social impacts of this transition will be considered.

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Lohmann, R. (2001). Knowledge Management Technology: Will There Be A Second Chance? Presentation at the 30th Annual meeting of the Association of Voluntary Action Scholars, November 29-December 2, Miami, FL.

Paper Number: PN022147.2

Paper Title: Digital Library Adventures

Author(s):

Dr. Frances Huehls, Indiana University-Purdue University at Indianapolis, Indianapolis, IN, USA

Ms. Brenda Burk, Indiana University - Purdue University at Indianapolis, Indianapolis, IN, USA

Summary of Research

This paper discusses the efforts of a major philanthrophic studies library to create a digital archive. The archive will provide scholars with access to materials that is not physcically accessable. The paper discusses the rationale, technology issues and progress of the effort.

Description

Digital Library Adventures

The availability of readily accessible research documents is a serious need for nonprofit sector scholars (Lohmann, 2001). Technology can facilitate meeting this need for those without ready access to physical materials.

The Indiana University/IUPUI Philanthropic Studies Collection provides an articulated resource of primary and secondary materials to nonprofit students and scholars. The physical collections have grown significantly over the past years, but a growing number of potential users, students, scholars, researchers from other areas and so forth, cannot easily arrange for physical access to the collection. The experience of the staff suggested that there was a significant need for a stronger and more comprehensive digital knowledge base.

In 2001, the collection embarked on an effort to provide digital full-test access to significant but not widely available publications in the field. This will be a major resource for nonprofit scholars.

The paper has three parts. First, it will outline the overall concept of a virtual archive. Next the technology issues will be discussed and the challenges inherent in such an undertaking will be considered. Finally, a progress report on the project thus far will be provided.

References

Lohmann, R. (2001). Knowledge Management Technology: Will There Be A Second Chance? Presentation at the 30th Annual meeting of the Association of Voluntary Action Scholars, November 29-December 2, Miami, FL.

Paper Number: PN022147.3

Paper Title: Wiring a Global Partnership in NGO Professional Development

Author(s):

Mr. Paul Ventura, School for International Training, Brattleboro, VT, USA

Summary of Research

This paper describes a recent effort to enhance a global NGO management education program with Internet technologies. The program is a six-year-old joint initiative of the School for International Training (SIT) in the U.S. and BRAC, a large NGO in Bangladesh, with the centerpiece being an eight-month diploma in NGO Leadership and Management.

Description

Wiring a Global Partnership in NGO Professional Development

This paper describes a recent effort to enhance a global NGO management education program with Internet technologies. The program is a six-year-old joint initiative of the School for International Training (SIT) in the U.S. and BRAC, a large NGO in Bangladesh, with the centerpiece being an eight-month diploma in NGO Leadership and Management. Over one hundred experienced NGO managers have come from more than a dozen countries, including Pakistan, Nepal, Kenya, Sudan, Ethiopia, Thailand, and Peru, as well as from the partner countries. During its first five years, until 2001, the diploma program was conducted as a seven-course sequence delivered only in Bangladesh; in 2001, one of the courses took place in Nepal.

In January 2002, the first course in a newly-designed six-course program was delivered simultaneously in four locations: in Bangladesh, with BRAC; in the Philippines, with the International Institute for Rural Reconstruction (IIRR); in Peru, with the Escuela para el Desarrollo; and at SIT's campus in Vermont. Approximately 50 individuals participated in this course, called "NGO Leadership, Development and Social Change."

While each course was conducted in a face-to-face setting, with a team of instructors at each site, the Internet was used to link participants and faculty. The two major components used were: (1) e-mail for communication between pairs of assigned "global learning partners" among the four sites and (2) the web, using the Blackboard online course platform, to post readings and assignments and for sites to share their work. Assessments were done among both faculty and participants in face-to-face discussion, written questionnaires, and e-mail reports.

This paper will describe the details of the project, including the planning and design process, as well as the faculty and participant evaluation of their experience with the technologies used to support the course. Also discussed will be the plans to provide an online option for the entire diploma program.

Paper Number: PN022147.4

Paper Title: Building Knowledge About Boston's Nonprofit Technology Needs: A Practitioner-Academic Partnership

Author(s):

Dr. Theresa Ellis, Harbinger Partners, Cambridge, MA, USA

Dr. John McNutt, Boston College, Chestnut Hill, MA, USA

Summary of Research

This paper presents the results of a paracititioner-academic partnership to survey small to medium nonprofits in Boston concerning their technology needs. The paper present baseline data and discusses the partnership as a means to share perspectives in nonprofit scholarship

Description

Technology Needs of Boston Nonprofits: A Practitioner Academic Partnership

This paper will discuss a cooperative research project undertaken by a nonprofit technology assistance provider organization and university faculty. The goal was to create a knowledge base on nonprofit technology needs with small to medium size organizations that could be used for planning and benchmarking and that wold provide some comparison data for scholarly studies on nonprofit technology.

The research looked at the following research questions:

--Does the size of an organization's budget affect the degree to which they
(1) have access to technology and (2) use the technology that they have?
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software applications? If so, in what ways?
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frequently? If so, for what purposes?
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comfortable using technology?
--Do the kinds of barriers to technological change in an organization relate
to the organization's creation of a technology plan? If so, in what ways?

Subjects were selected using a systematic sample (n=204) of organizations from the IRS Business File. A mailed questionnaire was developed and pretested.

The paper will discuss the research findings and the development of the private-academic partnership. This paper will add to the small number of studies available on nonprofit technology use (Burt & Taylor, 2000; Princeton Survey Research Associates, 2001) and will also discuss the development of academic-practitioner research.

References

Burt, E. & Taylor, J.A. (2000). Information and communication technologies: Reshaping voluntary organizations? Nonprofit management and leadership. 11 (2), 131-143.

Princeton Survey Research Associates (2001). Wired, willing and ready: Nonprofit Human Services Organizations' adoption of information technology. Washington DC: Independent Sector & Cisco Systems. Download from www.independentsector.org.

Paper Number: PN022154

Paper Title: Keeping the Faith in Faith Based Initiatives?: Negotiating Between Faith Based Community
and Government (continuation)

Author(s):

Jo Anne Schneider, Catholic University, Washington, DC, USA

Description

THIS IS THE SECOND HALF OF THE PAPERS FOR A DOUBLE SESSION. THE SESSION
SCHEDULE RESERVES ROOM FOR 2 DISCUSSANTS, ONE AT THE END OF EACH SESSION.
THERE IS ROOM IN THIS PANEL FOR ONE MORE PAPER.

SESSION SHOULD BE REVIEWED AS A CGAP SESSION, IT IS ALSO FAITH BASED, CHARITABLE
CHOICE

Recent interest in the involvement of churches and faith based non-profits in social service provision in
the United States raises a number of issues about the relationship between organizations acting as
agencies of government and grass roots communities. While policy scholars debate church/state
divisions, non-profit scholars and practitioners focus on issues related to the implementation of public
policy through faith related non-profits and churches. Do faith based agencies lose track of their
religious mission when they become arms of government? Do churches and small, religious based non-
profits have the organizational capacity to administer government programs? Can faith based
institutions maintain their obligations to their grass roots communities when implementing government
policy initiatives? How do churches and faith based non-profits address issues of social equity and
religious freedom when serving people outside of their faith tradition? What are the communication
disconnects between government, contracted faith based institution and their religious communities?
How can government and church develop a true partnership to better serve local communities?

The proposed session focuses on the ways that religious affiliated non-profits negotiate between the
expectations of government contractors and the faith communities that they are connected with. Issues
addressed in this session could include: 1)whether or not faith based/faith related non-profits lose track
of their religious based mission when they work with government; 2) the relationship between faith
based/faith related organizations and local congregations when the non-profits have government
contracts; 3) the experience of churches with government contracts; 4) comparisons between the
program content and administrative structures of faith based initiatives and secular non-profits.

Papers in this proposed double session explore a range of issues related to this topic. Papers from the
United States provide case studies of church congregations implementing government charitable choice
legislation; discussion of faith based coalitions with government contracts; the relationship between
large, faith related social service agencies, government and the grass roots; and the experience of local
government in developing faith based initiatives. International papers provide an important contrast to
the U.S. based research, showing ways that social service through churches operate in countries with a
history of state churches or active religious involvement in politics.

The first half of the double session focuses on key issues regarding faith based initiatives from a global,
systemic and historical perspective. As a whole, these papers look at the four dimensions of 1) national
church/state relationships, 2) local government/faith based provider relationships, 3) direct interactions
between churches and government, and 4) faith related/faith based incorporated non-profits relationship
with local congregations and faith communities.

The second half of the double session provides case examples of current faith based initiatives. These

papers look at faith based service provision on a variety of different social welfare needs as well as comparing coalition and individual provider activities.

PAPERS:

Please note, this session is proposed as a double session with discussion time between each set of papers.

SECTION ONE

1) Churches as Actors in Social Welfare - Trends in a Deregulated Sweden(Professor Eva Jeppsson Grassman, Stockholm University, Department of Social Work): Changes in the Swedish society - value changes, separation between the State and the Church of Sweden, growing emphasis on the role of civil society and deregulation of the Welfare State - urges churches to revise and partly redefine their role. One way of making itself useful is to focus more on social work and social service provision. The paper explores the local "imprints" of the described changes through a case study of all religious congregations in a middle-size town in Sweden.

2) Serving Many Masters: Lessons on Keeping the Faith in Faith Based Initiatives from the Refugee Resettlement Program (Jo Anne Schneider, Indiana University of Pennsylvania): The paper re-examines research on refugee resettlement in Philadelphia to address: 1) influence of religious structure and philosophy on program development and implementation, 2) dynamics between faith related social service agencies and grass roots congregations/communities, 3) dynamics between refugees from different religious and class backgrounds and the agencies that resettled them. In contrast to scholars that predict that government contracts alter organization mission, this research suggests that faith based institutions maintain unique, religious based models when implementing government programs.

3) Charitable Choice at the Made Local: The Case of Cookman United
Methodist (Jill W. Sinha and Ram A. Cnaan, University of Pennsylvania): A Pennsylvania-monitored program called "Community Solutions," used monies made possible through the Charitable Choice legislation. Cookman United Methodist Church began receiving funding from this program in 1998 to run a welfare to work program for some of the city's hardest-to-place TANFrecipients. The program was and still is a success, though with significant changes in clientele served and type of service provided. Some of the key issues that arose from the original partnership included lack of specificity about how the money could be spent on what kinds of materials (non-religious only), the length of the turn-around time from provision of service to payment for the service, and the amount and type of record-keeping required by the monitoring process that detracted from staff time. These and other issues will be discussed regarding this congregation's experience partnering with the government through Charitable Choice.

4) Please Save This Two Left Footed Dance For Us: A Public Department of Social Services Asks The Local Faith Community To The Prom. Bob Wineburg, UNC GREENSBORO:
This paper will report the findings of a comprehensive needs assessment conducted on
behalf of a local department of social services desiring to use the resources of the faith
community in the most effective manner. The paper will discuss both the findings of
the assessment, which centers on the faith community's willingness to work with the
public agency, and the pre-assessment expectations of the public agency's leadership.

DISCUSSANT: Thomas Jeavons

SECTION TWO:
1)The Check is in the Mail: Administrative and Organizational Sources of Mission Distortion (Ed Queen)
While many have discussed the risk of mission distortion in the contracting of faith-based institutions with

government agencies, most have focussed on alterations of mission in order to obtain or maintain government funding. Few have examined how government's administrative and organizational structures can lead to mission distortion simply by the nature of rules and requirements that do not touch at all on religious or legal elements.Based on the findings of a three state study on the implementation of Charitable Choice, this paper examines the role of governmental organizational and administrative demands in causing mission distortion or displacement

2) Mobilizing the Armies of Compassion: How AIDS Ministries Provide Services and Interact with Each Other, Nonprofit Organizations, and Public Organizations in Colorado (Michael McLeod and Ms. Angela Graham): Based on interviews, participant-observation, and an analysis of pertinent organization documents, this paper presents the findings of a study of AIDS ministries in Colorado. The research was designed to obtain empirical data about (1) the extent of coupling of AIDS ministries to resources, authorities, and cultures that represent relevant faiths; (2) how religious coupling affects the behavior of AIDS ministries; and (3) the purpose, scale, and effect of the AIDS ministries' interactions with each other, nonprofit organizations, and public organizations. This paper contributes to the ongoing consideration of whether government should encourage faith-related organizations to be partners in public service.

3) The Limits of the Expression of Faith in Faith-based Organizations (Wayne Antoine and Stephanie Boddie) While defining "faith" remains a thorny issue, this paper delineates how faith is practiced. The following questions are explored: What are the imposed limits of the expression of faith? Is it the boundaries of government policies and practices? the religious identity of the faith-based organization? or the inclusive nature of the collaboration? A case study of the African American Interdenominational Ministries' publicly funded community collaborative for adjudicated youth will provide the context to begin examine this issue.

4) "Faith and Capital: Church-based credit unions and global capital markets"
(Maryellen J. Lewis, Program Leader/Community Capital, Center for Community & Economic Development, Michigan State University)
    The "new" partnerships between churches and government have many precedents, one of which is the nonprofit, government-regulated Church-Based Credit Union. My research on nonprofit Community Development Credit Unions (CDCUs) based in 23 communities in 16 states -- CUs with a "second bottom line" to serve populations traditionally excluded from access to capital and financial services -- included several faith-based CDCUs, and I serve on a national advisory board of faith-based CDCUs which continues to advise my research. My paper will focus on the special circumstances of faith-based CDCUs, in contrast to secular CDCUs and for-profit financial institutions, and the special opportunities and challenges they represent. Using my own data, as well as the limited literature in this field, I will discuss issues of governance, accountability and capacity in these faith-based financial institutions and their ultimate goal of economic empowerment of low-income individuals, families and communities.

Discussant: To be added later

Paper Number: PN022154.1

Paper Title: The Check is in the Mail: Administrative and Organizational Sources of Mission Distortion

Author(s):

 Dr. Edward L. Queen, IUPUI, Indianapolis, IN, USA

Summary of Research

While many have discussed the risk of mission distortion in the contracting of faith-based institutions with government agencies, most have focussed on alterations of mission in order to obtain or maintain government funding. Few have examined how government's administrative and organizational structures can lead to mission distortion simply by the nature of rules and requirements that do not touch at all on religious or legal elements.

Based on the findings of a three state study on the implementation of Charitable Choice, this paper examines the role of governmental organizational and administrative demands in causing mission distortion or displacement.

Description

Throughout the nonprofit literature one of the largest monsters held up to frighten practitioners is that of mission distortion or displacement. Religious or faith-based nonprofits are considered to be particularly prone to this both because of the legal issues surrounding the First Amendment to the United States Constitution and what many regard as the distinctive source of their mission. While some of the discussion of mission displacement misses the point that the voluntary nature of the organizations implies the right to change or alter the mission, there is legitimacy in the concern if understood properly.

What much of the criticism leaves unstated is that mission distortion is bad when it happens in an unconsidered manner and occurs solely to guarantee institutional survival. That is to say, mission distortion becomes a problem when it happens not as a result of changing the mission, but when the mission is relegated to a level below that of institutional maintenance. Now while one may argue that an institution cannot realize its mission if it s does not exist, such an argument misses the point. Nonprofit organizations, and probably all organizations, have value only to the extent that they have a purpose, a telos. If they are not striving to realize this purpose, then they have no reason to exist and ought to pass from this earth. Organizational euthanasia has value in such instances.

This leaves the problem of organizations that have a mission and are committed to it, yet which find themselves in situations where the resources necessary to achieve that mission are inadequate or where new resources are necessary for them expand their work in some way. In such instances, the appeal of funding opportunities that allow the organization to do something 70% consonant with its mission and 30% something else may prove too enticing. Indeed one could argue that the intensity of the level of commitment to an organization's mission, to doing what it ought to do, can be just as much an incentive to mission distortion as institutional maintenance. People who truly believe in what they do, in their cause, readily can rationalize actions that help them realize their goals.

These situations and those individuals often are the targets of discussions of mission displacement, people who make conscious decisions to do something that is not necessarily consonant with the mission of the organization. Mission displacement need not, however, occur as a result of the decisions by individuals to do certain things. It can happen in more surreptitious, but no less damaging ways.

This paper, based on a study of the implementation of the Charitable Choice provision of the Welfare Reform bill in three states, looks at the way in which the administrative and organizational rules and practices of state governments can create mission distortion after the fact of contracting itself. This is to say that even where an organization does not have to alter any of its core values, mission components, or key beliefs the mere fact of how states conduct their business may result in such distortion.

This will paper examine how this happens and its extent by looking at three areas. These are:
1. Reporting and accounting requirements
2. Payment/reimbursement procedures
3. Educational and licensing requirements.
In examining these three areas, the research focuses on the extent to which government requirements or procedures:

· lead an organization to re-direct personnel and financial resources away from service delivery to administrative work
· force the organization to redirect its energies to finding bridge-funding when governmental payments are either delayed or inadequate
· alter the organization's self-definition and understanding.

The paper will be based on extensive interviews and observation of numerous faith-based organizations that have contracted with the states within the study. It will detail how they have altered their work and their self-understandings in light of governmental administrative requirements and will describe the extent to which the process has altered the organization's initial mission focus or its relationship (either mental or functional) to its religious tradition or specific religious institutions.

Paper Number: PN022154.2

Paper Title: Mobilizing the Armies of Compassion: How AIDS Ministries Provide Services and

Author(s):

 Professor Michael McLeod, University of Colorado at Colorado Springs, Colorado Springs, CO, USA

 Ms. Angela Graham, University of Colorado at Colorado Springs, Colorado Springs, CO, USA

Summary of Research

Based on interviews, participant-observation, and an analysis of pertinent organization documents, this paper presents the findings of a study of AIDS ministries in Colorado. The research was designed to obtain empirical data about (1) the extent of coupling of AIDS ministries to resources, authorities, and cultures that represent relevant faiths; (2) how religious coupling affects the behavior of AIDS ministries; and (3) the purpose, scale, and effect of the AIDS ministries' interactions with each other, nonprofit organizations, and public organizations. This paper contributes to the ongoing consideration of whether government should encourage faith-related organizations to be partners in public service.

Description

In the face of organizational resistance at the international, national, or local level, many churches and other faith-related organizations in the United States were slow to offer prevention or social services to people at risk of being infected by HIV (the human immunodeficiency virus) or affected by AIDS (acquired immune deficiency syndrome, which is the end stage of HIV infection). The persistence of the HIV/AIDS pandemic over a period of 20 years has encouraged some churches and other faith-related organizations to establish so-called AIDS ministries. Potentially, such ministries have a positive affect on the lives of many people who receive their services, including those who are otherwise marginalized due to prejudice or social and political indifference (Schmidt, 1996).

The behavior of an AIDS ministry may be influenced by religious coupling, which, consistent with Smith and Sosin (2001), is conceptualized as the extent to which an AIDS ministry is linked to three dimensions – resources, authorities, and cultures that represent relevant faiths. Hypothetically, the effect of faith on the structure of service delivery "should generally vary with the degree of coupling on each dimension." (Smith and Sosin, 2001, p. 656). While "keeping the faith" by adhering to religious tenets, some AIDS ministries have a public mission (i.e., to deliver services to some people who do not share their faith). It is useful to understand the type, purpose, and scale of AIDS ministries' relations with each other, nonprofit organizations, and public organizations. Per Smith and Sosin (2001, p. 657), "Agencies with such a service mission confront the crucial public policy issues about employing faith in a secular society."

This paper is relevant to the ongoing consideration of whether government should encourage faith-related organizations to be partners in public service (Dionne and Chen, 2001). Based on interviews, participant-observation, and an analysis of pertinent organization documents, this paper presents the findings of a study of AIDS ministries in Colorado. The research was designed to obtain empirical data about three things: (1) The extent of coupling of AIDS ministries to resources, authorities, and cultures that represent relevant faiths; (2) How religious coupling affects the organizational structure and programming of AIDS ministries; and (3) The purpose, type, and scale of the AIDS ministries' interactions with each other, nonprofit organizations, and public organizations. Thus, this paper complements a national study of government-funded faith-related organizations (Monsma, 1996) and recent research that was designed to gain insight into the varieties of faith-related agencies in the United States (Smith and Sosin, 2001).

Dionne, E.J., Jr., and Chen, Ming Hsu (Eds.) (2001). Sacred Places, Civic Purposes: Should Government Help Faith-Based Charity? (Washington, DC: Brookings Institution Press).

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Paper Number: PN022154.3

Paper Title: The Limits of the Expression of Faith in Faith-based Organizations

Author(s):

 Reverend Wayne Antoine, African American Interdenominatinal Ministries, Philadelphia, PA, USA
 Dr. Stephanie Boddie, University of Pennsylvania, Philadelphia, PA, USA

Summary of Research

While defining "faith" remains a thorny issue, this paper delineates how faith is practiced. The following questions are explored: What are the imposed limits of the expression of faith? Is it the boundaries of government policies and practices? the religious identity of the faith-based organization? or the inclusive nature of the collaboration? A case study of the African American Interdenominational Ministries' publicly funded community collaborative for adjudicated youth will provide the context to begin to answer these questions.

Description

PURPOSE: This paper examines how faith-based organizations work with the government and other secular partners. The following questions provide a starting point for defining what we mean by faith and how the expression of faith is limited when faith-based organizations partner with the government: How do we define the faith in faith-based initiatives? How does it spin out in practice? Is the expression of faith limited by 1) the boundaries of government policies and practices, 2) the religious identity of the faith-based organization, or 3) the inclusive nature of the collaboration?

METHOD: A case study of the African American Interdenominational Ministries' (AAIM) publicly funded community collaborative for adjudicated youth provides the context to begin to answer these questions.

RESULTS: Faith is outlined in the following ways: 1) it is the investment made in a life that gives those clients served hope, 2) it is the practice of the transcendent; and 3) it is the introduction of religious beliefs that leads to a conversion experience. As an ecumenical organization that represents 500 affiliate churches and collaborates with secular organizations, AAIM embraces people of all faith practices. It primarily expresses faith by offering services to those that are in need of hope and the kind of faith that can help clients turn his or/ her life around. For AAIM, the practice of the transcendent and proselytizing are limited by the nature of the collaborations and the conditions of government funding. However, the expectation of some affiliate congregations is an expression of faith that leads to conversion.

IMPLICATIONS: The challenge for AAIM and faith-based organizations like it is to balance the expectations of the constituent churches and with the expectation of funders and coalition partners. The study has implications for faith-based organizations that seek to resolve how they will express their religious identity and translate their faith into a deliverable service. This activity is important to undertake before negotiating the relationships between government funders and other secular partners. However, these questions remain: How does faith impact whether faith-based initiatives achieve their intended outcomes? Is this the faith that policy makers believe makes the difference?

Paper Number: PN022154.4

Paper Title: Faith and Capital: Church-based credit unions and global capital

Author(s):

 Dr. Maryellen J Lewis, Michigan State University, Lansing, MI, USA

Summary of Research
My paper is included in Jo Anne Schneider's proposed double panel session on "KEEPING THE FAITH IN FAITH-BASED INITIATIVES? NEGOTIATING BETWEEN FAITH-BASED COMMUNITY AND GOVERNMENT."   The second half of the double session will provide case examples of current faith-based initiatives, and my paper is designed for for this purpose.

Description

The "new" partnerships between churches and government have many precedents.   My research during the past 3 years has included one of those: The nonprofit but government-regulated Church-Based Credit Union. From their earliest history, these grassroots initiatives for economic self-help were required to operate in a government-regulated environment, including often strict federal or state oversight to enforce "safety and soundness" principles similar to those for banks and savings & loans.

My research focuses on nonprofit Community Development Credit Unions (CDCUs) -- CUs with a "second bottom line" to serve populations traditionally excluded from access to capital and financial services.   Church-based credit unions were only a small part of my sample of 23 credit unions in 16 states, but my ethnographic data will be supplemented by my continuing involvement with the national network of faith-based credit unions, launched 2-3 years ago within the National Federation of Community Development Credit Unions (NFCDCU) and chaired by a faith-based credit union founder and manager who is also the board president of NFCDCU: Ms Rita Haynes. I serve on her Faith-Based Advisory Board and have reviewed documents and learned from practitioners from many other faith-based credit unions not included in my original sample. Through NFCDCU, we have now conducted 2 national conferences on Faith-Based Credit Unions, and the papers and proceedings (including my own presentations) will supplement my original research. In addition, there is a small but important literature on church-based credit unions that serve low-income populations, which was included in my literature review.

My paper will focus on the special circumstances of faith-based CDCUs, in contrast to secular CDCUs and for-profit financial institutions, and the special opportunities and challenges they represent. Using my own data, as well as the limited literature in this field, I will discuss issues of governance, accountability and capacity in these faith-based financial institutions and their ultimate goal of economic empowerment of low-income individuals, families and communities.

The earliest known church-based CDCUs seem to have appeared in the 1920s within the African American communities in large urban centers such as Detroit and Cleveland. Most of the history is still oral but well-known within the CDCU network: In response to exclusion from mainstream financial institutions during a time when wealth began to accumulate in some African American urban centers -- particularly where booming industrial jobs opened up new opportunities for asset accumulation and entrepreneurship -- Black leaders and their churches began to promote thrift and investment through their own credit unions. This was a period of a burgeoning Black civil society in those same cities, where societies and clubs and recreational/educational programs of every sort emerged on the scene. Few of these earliest prototypes survived the economic deterioration that followed in the 1930s, 1940s and 1950s, but they continue to serve as inspiration for their progeny.

In the 1950s, a second period of start-ups began through the early Civil Rights Movement. Martin Luther King and others spread through the south preaching not only social justice but ECONOMIC JUSTICE, and the community-owned and -governed credit union was seen by many to be a key instrument in the struggle. Most of the resulting credit unions were started out by church leaders, most

often based within the church itself. Over the following decades even until now, the national and regional Baptist and Methodist conferences often included sessions on church-based credit unions as a tool for economic empowerment. (Ms. Rita Haynes has taught those sessions to church leaders during the past 15 years.)

In the 1990s, a third wave of CDCU start-ups began to gain momentum and continues today. Faith-based credit unions form only part of that growth, but the experiences of the past 10 years -- the growth of the national network of faith-based CDCUs, regular communications and technical assistance across sites, regional and national meetings -- have greatly increased awareness of special challenges and opportunities that this form of incorporation brings to the CDCU movement.

Unique strengths of faith-based credit unions seem to include aspect of Social Capital, such as trust and loyalty: Even when church members better their lives and choose to move to more prosperous settings, they often continue to attend church in the "old neighborhood" and keep their savings/loans with the church credit union, helping them to stabilize and meet regulatory requirements. Church culture and relationships also appear to hold down loan defaults and encourage a pattern of "saving every week."

However, church politics often seem to be the downfall of church credit unions, and my data include several examples of this: Where a pastor may consider the credit union funds to be available for other purposes, or where competition between strong pasters in different churches undercuts their credit unions' ability to collaborate and grow, leading to declining assets over time. In places where church members serve as credit union staff (the usual practice), the problem of gossip and "everyone knows my business!" sometimes emerges unless safeguards are put in place. And issues of governance often become challenging, for example when a strong Pastor ignores the governing board or overrides its policies. As experience with faith-based CDCUs has grown, these often delicate political or interpersonal problems have become part of the lexicon for helping start-ups and reorganizing church credit unions to get on a more stable footing.

Church credit unions, according to my interviews, are the "scourge" in a Regulator's life. The books are idiosyncratic, records piecemeal or nonexistent, and so on... Yet practitioners in the CDCU field see great strength in church credit unions, which often reach deeply into nontraditional populations and provide a real service through financial literacy education, even handholding to bring unbanked church members into the fold. One manager even told me that some of her members are illiterate, so they bring not only their small savings deposit to church but also their bills or creditor letters and get the help they need from credit union staffs. (This is probably not unique to church-based CDCUs, but my quotes are from those sites.)

My paper will include these kinds of examples as the basis for discussion of some of the shared strengths and problems in church-based credit unions, as compared to other CDCUs as well as to traditional financial institutions. I will also discuss implications that might be drawn about the economic empowerment of low-income populations. For this concluding part of my paper, I will also draw on my international work on access to financial services and markets, and to the growing movement to craft international structures to protect and enable excluded populations to access the financial tools necessary for resilient local economies and poverty alleviation.

Paper Number: PN022155

Paper Title: Subsector Studies in the Arts, Environment, and Community Development Corporations:
Application of IRS Form 990 Data

Author(s):

 Thomas H. Pollak, The Urban Institute, Washington, DC, USA

Description

This panel uses analyses of various IRS Form 990 data, as well as other sources, to investigate a range
of issues dealing with environmental organizations, community development corporations, and arts
organizations.

Paper Number: PN022155.1

Paper Title: Hidden Gems: The Arts Programs of Non-Arts Organizations

Author(s):

 Kendall Golladay, The Urban Institute, Washington, DC, USA
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Summary of Research

Despite the "major purpose" codes that locate individual nonprofit organizations within the taxonomy of the NTEE, many nonprofits have a variety of programs that transcend single purpose boundaries. In this paper, we focus on arts programs that are "embedded" in organizations coded in other parts of the NTEE, such as health, educational, and social service organizations. We find that these programs are widespread, and that they are an overlooked component of efforts to describe the extent and role of arts organizations in the development of social capital in local communities.

Description

The National Taxonomy of Exempt Entities (NTEE) has become the standard by which nonprofit researchers separate organizations into organizational subsectors. For example; when researchers look for "education" organizations, they look at organizations coded into the major B category; for "arts and cultural" organizations, they look within the major A category. Despite the utility of the NTEE, this categorization system overlooks the fact that organizational activities may span a wide variety of activities. Educational organizations may have substantial arts activities, and arts organizations may have a large educational component. However, use of the NTEE causes researchers to give short shrift to programs that are do not align with the major purpose of a nonprofit.

Many nonprofits not coded as "arts, culture, and humanities" organizations, such as community centers, health centers, and schools, often have arts programs. While the are programs may not reflect the major purpose of the organization, their nature and scope should be of interest to anyone studying arts in communities. In addition to offering arts and cultural activities to special and nontraditional populations, they also enhance social capital by encouraging the participation of a broad range of community members.

Our paper proceeds in two sections. First, we establish a baseline for the number and nature of arts programs embedded within non-arts based nonprofit organizations. This effort is based on new data available from Part of Form 990, wherein organizations report their major programs annually to the IRS. That is, we make use of the program classifications rather than the NTEE classifications that have become pervasive in the nonprofit research community.

The second part of the paper discusses the implications of embedded arts programs for policy makers and future researchers. This includes a discussion of arts in seemingly underserved communities and how a more thorough knowledge of embedded arts programs will change the picture of arts in these communities.   Also, we address how this type of program plays an important, but unheralded role in developing social capital.

Paper Number: PN022155.2

Paper Title: What Do Community Development Corporations Do? Lessons from IRS Form 990

Author(s):

Linda Lampkin, The Urban Institute, Washington, DC, USA

Kendall Golladay, The Urban Institute, Washington, DC, USA

Summary of Research

Previous studies of community development corporations have focused on their role as providers of affordable housing. Drawing on new data available from IRS Form 990 and new methods for classifying them based on program codes, we develop a broader understanding of the diverse roles that community development corporations play in community life.

Description

As noted in Coming of Age — Trends and Achievements of Community-Based Development Organizations, a publication of the National Congress for Community Economic Development based on a survey conducted by The Urban Institute, community development corporations (CDCs) have established a record of success in a number of areas, including commercial and industrial real estate development, small and micro-business lending, and affordable housing production. CDCs also play vital roles in communities, providing technical assistance to create community and corporate partnerships, counseling for home buyers, and training for employment. The scope of CDC programs is very broad, reflecting their comprehensive approach of combining housing production and economic development with an array of social supports and community building efforts. The most recent survey revealed a marked surge in economic development activities beyond the production of affordable housing. The number and range of social service organizations and youth agencies undertaking community development programs, including faith-based organizations, increased in the 1998 survey.

Reports have often focused on housing production by CDCs, but clearly their roles in the community are diverse. New data available from the IRS Forms 990 provide an opportunity to learn more about these wide ranging organizations and their many activities and programs. The digitized data from Form 990 created by GuideStar and the National Center for Charitable Statistics allows us to select a wider array of types of organizations that may be involved in community development activities, as we are able to analyze activities as well as the organization type. After identifying a more comprehensive list of organizations involved in community economic development activities, not just those involved in providing housing, we analyze their characteristics, including financial status, programs, geographic locations, executive compensation, and other issues of interest, using data reported on the Forms 990. We also examine the wide range of activities and services provided, using the Nonprofit Program Classification System created by the National Center for Charitable Statistics to classify them for the analysis. The portrait increases understanding of the crucial and changing role played by CDCs in communities.

Paper Number: PN022155.3

Paper Title: Environmental Organizations: A Portrait from IRS Forms 990

Author(s):

 Linda Lampkin, The Urban Institute, Washington, DC, USA

Summary of Research

Nonprofit organizations that focus on environment and animals have been overlooked by nonprofit sector researchers. This research paper explores the size and shape of environmental tax-exempt organizations, and details their financial workings, including expenditures for advocacy and executive compensation, based on information from the IRS Form 990.

Description

Organizations concerned with the environment and animals are a diverse and vibrant part of the nonprofit sector. Along with traditional environmental groups concerned with clean air and water are long established zoos, garden clubs, and even organizations set up by the oil and gas industry. Many organizations focus on the local environment where they are based, but most of the well known ones have a global agenda, as environmental problems affect ecosystems irrespective of political boundaries. Some have missions to preserve and protect the environment in general, while others exist to serve their members, clients, or even a specific river or animal.

These groups have played a major role in one of the largest social movements of our time, ecological awareness. Recycling, toxic waste, species extinction, global warming, and acid rain are just a few of the issues environmental nonprofits have put on the public policy agenda. With relatively few resources, the environmental movement has changed the way Americans buy products, drive their cars, and dispose of trash. Their efforts include conducting scientific research and making it accessible to laypersons, pursuing litigation, gaining access to regulatory processes, creating new technologies, and developing public service announcements to shape public opinions and start debate. While success in the environmental movement has certainly been incomplete, change is unmistakable and progress is remarkable.

While most environmental organizations apply for tax-exempt status under section 501(c)(3) of the Internal Revenue Code, which covers charitable and public benefit organizations and allows donors to make tax-free donations, some also are social welfare organizations exempt under 501(c)(4), a portion of the tax code that allows unlimited lobbying activity at the federal level, or have a structure that includes both types of organizations.

Many industry groups also organize themselves around section 501(c)(4). One large example is the Marine Spill Response Association, which is related to the oil industry and cleans up oil spills with its fleet of ships and personnel. This organization is very different from most other 501(c)(4) organizations; it does not focus on advocacy as the Sierra Club and many others do. There is at least as much organizational variety in social welfare organizations as public charities, but less is known about them because there are fewer required disclosure forms available to researchers.

This research paper explores the size and shape of environmental tax-exempt organizations, and details their financial workings, including expenditures for advocacy and executive compensation, based on information from the IRS Form 990. Preliminary analysis shows about 7,500 environmental organizations, approximately three percent of the 501(c)(3) public charity sector. Between 1992 and 1998, the number of reporting public charities grew an average of 5.7 percent per year while the environmental organizations recorded an 8.7 percent annual gain. This detailed portrait of this important and fast growing sector helps to increase our understanding of the sector and identify areas for further research.

Paper Number: PN022155.4

Paper Title: The Use of 990 Data for Understanding Nonprofit Subsectors: An Overview

Author(s):

Thomas H. Pollak, The Urban Institute, Washington, DC, USA

Summary of Research

The three other papers in this panel share a common data source, the IRS Form 990. This paper synthesizes lessons from these papers plus other research, published and unpublished, to provide an overview for researchers interested in quantitative analysis of nonprofit organizations.

Description

The three other papers in this panel share a common data source, the IRS Form 990. This paper synthesizes lessons from these papers plus other research, published and unpublished, to provide an overview for researchers interested in quantitative analysis of nonprofit organizations. The paper discusses a range of issues:

"Scope" issues. To what extent does IRS data capture all nonprofit organizations in a subsector? Are there particular segments that are typically lost? Are there ways to address these limitations? This section will draw from a variety of data sources in different subsectors to better understand what IRS data can and cannot provide.

Financial issues. Does Form 990 data adequately capture key revenue, expense, and balance sheet items? Does new Form 990 data collected by GuideStar and the National Center for Charitable Statistics adequately address weaknesses in earlier Form 990 data? Are there particular financial or operational items that subsector researchers need to interpret IRS data for particular subsectors? Are there other data sources that can be combined with IRS data?

Classification issues. How well does the National Taxonomy of Exempt Entities handle classification issues in different subsectors? Are there alternative classifications or other techniques available to address any weaknesses? To what extent can program classifications and descriptions from the Form 990 strengthen or substitute for organization/subsector-level classifications of nonprofit organizations?

Finally, the paper revisits the longstanding debate about whether one can meaningfully talk about a single "nonprofit sector" in light of what we know about the various subsectors.

Paper Number: PA021428

Paper Title: Reporting Does Not Equal Accountability!

Author(s):

Professor Elizabeth Troutt, University of Manitoba, Winnipeg, MB, CANADA

Professor Laura Brown, University of Manitoba, Winnipeg, MB, CANADA

Summary of Research

This paper examines how funding arrangements affect the viability and efficiency of mechanisms for public accountability. The characteristics of funding can either make reporting onerous and meaningless or can satisfy accountability through the organic development of a setting in which governments and organisations alike internalize accountability as a common objective. We argue that funding programs provided as knee-jerk reactions to problems, despite requiring extensive reporting, fail to meet accountability objectives because they are inherently unsustainable and ad hoc. Alternatively, programs designed to suit the nature, scope, and scale of targeted social problems fulfil accountability objectives without imposing onerous reporting requirements.

Description

The Problem to Be Addressed

The relationship between the government and the nonprofit sector is, by its nature, one of power inequality. Governments choose to fund nonprofit organisations in order to achieve specific social or political objectives. The decisions governments make about funding to organisations should correspond to the types of problems that are being addressed. In this paper we will argue that a mismatch between the characteristics of the funding relationship and the characteristics of the problem that those funds are meant to solve makes public accountability impossible even if reporting requirements are very restrictive. We will support our argument with case study evidence of 22 nonprofit organisations in Manitoba, supplemented by the experience of government funders and other key informants in the sector.

Relation to the State of Knowledge

The literature on the NPS indicates that there is a need to understand the complex interrelationship that exists between government and the NPS (Douglas 1987; Ross 1990; Statistics Canada 1994; Banting 2000). Discussions of the complex interrelationship focus on government as a significant financial contributor to the NPS. Recent empirical work (Reed and Howe 2000) reports on a shift in funding patterns from core funding to project funding and on how this shift has affected organisations within the study area.   Lipsky and Smith (1990), Smith and Lipsky (1992) and Young (2000) analyze the evolution of the relationship between government and the nonprofit sector and the way in which that evolution is manifest through funding patterns. Lipsky and Smith (1990) describe how government project funding is often renewed to ensure ongoing service provision. Lipsky and Smith (1990) and Smith and Lipsky (1992) analyze how the tension between government accountability and nonprofit responsiveness objectives are played out over time, and how government slowly becomes able to impose its objectives on most organisations.   Young examines the cyclical dynamic in which the government nonprofit sector relationship can be characterized alternatively as complementary and adversarial.

Our approach

Recognising the political as well as economic rationale for providing funding to the nonprofit sector, we will present evidence that there can be a mismatch between the problem to be dealt with and the type of funding designed. We will argue that public accountability cannot be equated with direct reporting to government, but must refer to the stated public purpose for which funding is provided. We assert that government's decisions about the type of funds to grant to the nonprofit sector, in terms of the funds'

duration, certainty of renewal, and restrictedness of use, will strongly influence how easily public accountability can be achieved, and can determine whether specific reporting requirements are effective or counterproductive. We draw on evidence from 22 case study organisations in Manitoba as well as the experience of sectoral key informants and government personnel to support our arguments. Our data includes examples of organisations whose funding characteristics suit their stated objectives very well and for whom accountability is an organic component of regular operations, as well as organisations whose funding characteristics do not match their stated objectives and that consequently find reporting to be onerous. (We have already completed the case studies and key informant interviews.)

Our contribution

The normal classification of types of government funding available to the non-profit sector includes three categories: (1) project grants; (2) service contracts; and, (3) core or operating funds. In our view, an important determinant of the relationship between government as a funder of the nonprofit sector, the stability of organizations in the sector, and the effectiveness with which accountability can be achieved is not into which of these categories a nonprofit organization's funds fall, but rather three key characteristics of the funds. The three key characteristics are:
· duration: how long the funds are granted for. This may range anywhere from only a few months to several years. Duration of the funds is important because it influences the long-term stability of a nonprofit organization.
· certainty of renewal: the nonprofit organization's perception of the likelihood that the funds will again be granted in the subsequent time period. This may range from perfect knowledge that the funds will not be granted again, to perfect confidence that they will be. Certainty of renewal is important because it influences the organization's ability to plan from one annual budget to the next; in other words, certainty of renewal influences the shorter-term stability of an organization.
· restrictions on use: how specifically targetted the funds are. At one extreme, funds may have many restrictions; they may be used in only certain services, to only certain clients, and/or to only certain personnel or types of expenses, and so forth. At the other extreme, funds may be completely unrestricted, enabling the organization to channel the funds where it considers best in terms of its mission. Restrictions on use of funds are important because they influence the flexibility that nonprofit organizations possess to fulfill their mandates.

Thus, in this paper, we will consider two extremes of funding - "terminal" and "core" - which we intend to represent end points on a spectrum of funding mechanisms that government can devise. "Terminal funding" is short-term, very restricted, and creates no expectation of renewal. "Core funding" is the opposite; it is long-term, fully flexible, and creates full expectation of renewal. We believe that all funds offered by government can be viewed as falling along the spectrum between terminal funding and core funding, depending on their duration, certainty of renewal, and restrictions on use.

We will then show how the choice of funding characteristics can serve the purpose of easing the burden of reporting while simultaneously increasing its effectiveness. We will provide examples where the most onerous reporting can lead to extreme inefficiency as organisations exert a great deal of their efforts to circumvent inappropriate restrictions (we could argue that this was the case in the aftermath of September 11th) and contrast these with examples where reporting has become such an organic part of the organisation's operations that it does not add to the administrative load. We will propose a method by which government can categorize a problem and determine whether the funding characteristics being applied are appropriate, and we will argue that each choice is appropriate under certain conditions. For needs that the government hopes will be short-term, terminal funding is most appropriate. For ongoing needs, stable funding arrangements are much more efficient than repeated rounds of terminal funding. To best deal with long-term problems, government can fund a program in a sustainable manner with stable commitments. By matching funding characteristics to social needs public accountability can be achieved with little social cost.

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Paper Number: PA021588

Paper Title: Developing a framework for performance assessment in the nonprofit sector - a stakeholder and information driven approach

Author(s):

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Summary of Research

The demand from key stakeholders for not-for-profit performance related data has increased dramatically over recent years but the existing information resources in the UK are inadequate to satisfy this demand. This paper presents the steps currently being undertaken in the UK towards developing a new performance assessment framework that seeks to match the demands of stakeholders with information that can be generated through an enhanced self-regulatory system. The research has a significant international comparative element including detailed analysis of and comparison with US information systems such as Form 990, Guidestar and Charities Review Council.

Description

1.0 INTRODUCTION

Attempts in the UK to use information derived from published accounts for assessing nonprofit organizations comparative performance stem back to the 1990s and are particularly prevalent today, with the main focus being on fundraising and administration costs (Passey & Hems, 1996, Breckell et al, 2002, Young et al., 2002, Directory of Social Change, 2002). Whilst these attempts have considerable merit the most important finding from all these studies is that the current accounting and reporting standards (Statement of Recommended Practice - SORP) of nonprofit organizations are inadequate for the task; they are interpreted differently from organization to organization (Williams et al., 1998), and do not generate the overall body of information required for the robust assessment of performance. The overall conclusion therefore is that such attempts at comparison are of limited utility and are open to misinterpretation – especially where crude league tables are generated. An alternative approach to performance assessment is therefore urgently required in the UK to satisfy the growing demand for performance related information from donors, funders and other stakeholders.

1.1 Complexity of the problem

Part of the performance assessment problem relates to some of the fundamental features of the nonprofit sector:

· The nonprofit sector is immensely diverse and nonprofit organizations operate across many fields of activity or sub-sectors (e.g. health, social welfare, housing and environment).

Ø The missions of nonprofit organizations are complex and challenging ('reducing world poverty'); this contrasts sharply with the corporate sector where profit maximization is a universally shared mission.

Ø Nonprofit organizations perform a number of societal roles and use a range of methods of operation including: voice – advocacy and representation; resourcing – foundations and volunteer bureaux; production - service provision and service innovation (Kramer, 1981, Salamon et al, 2000).

· Nonprofit organizations have many stakeholders e.g. beneficiaries, clients, donors, funders, trustees, and the general public.

1.2 Defining performance

For the purposes of this research performance is defined as

'the level of satisfaction of stakeholders' expectations'

This definition – given the number of stakeholders - suggests that a complex multi-dimensional framework for performance assessment is required for the nonprofit sector.

1.3 Programme of research

The overall programme of research has three stages:

· The formulation of a framework for performance assessment based on the 'demand' for performance information as expressed by stakeholders' expectations.

· An assessment of the current 'supply' of information relevant to performance assessment – focusing specifically on information generated through the regulatory system.

· The development of the parameters for a new robust information system that would allow the stakeholders of nonprofit organisations to assess whether their expectations have been met

The research will have a strong international comparative element to it, primarily through the detailed consideration of US systems including: Guidestar, Form 990, accountability standards, and the developing 'market for not-for-profit performance data' (Froelich, 2000; Gordon et al., 1998).

This abstract covers the first two stages and the final version of this paper for the 20002 ARNOVA Conference will present a review of progress on all three stages.

2.0 FRAMEWORK FOR PERFORMANCE ASSESSMENT IN THE NONPROFIT SECTOR

At the preliminary stage of the research programme a number of basic constructs have been identified for an alternative framework for performance assessment in the nonprofit sector.

2.1 Classification of nonprofit organisations

The immense diversity of the nonprofit sector can be reduced to a manageable level through use of a multi-dimensional classification system comprising two main dimensions.

· Industry: distinguishes between the main fields of nonprofit activity e.g. health, social welfare, environment etc. These fields may also be described as sub-sectors or industries (Salamon et al, 199?).

· Societal roles: – distinguishes between the three main societal roles that nonprofit organizations perform – see table below (Kramer, 1981). Acknowledging that many nonprofits perform multiple roles: These three roles can also be linked to the three dominant legal forms utilized in the UK – each specifying a different key stakeholder.

ROLE	DESCRIPTION	LEGAL FORM	STAKEHOLDERS
Resourcing	Attraction, mobilization of philanthropic resources (financial donations and voluntarism)	Trust	Donors (intentions)Beneficiaries
Production	Service provision and service innovation	Company Limited by Guarantee (charitable or not)	Directors (shareholders)
Voice	Representation, advocacy, leadership development	Industrial and Provident Society	Members

There are other important organisational attributes that are relevant to performance assessment and may feature in the final framework:

· The size of the organization – in terms of income, expenditure and human resource.
· The type of beneficiary e.g. children, elderly, homeless etc.
· 'Age' / 'lifecycle' (newly established, growth, strategic change, re-structuring),
· Location (north / south - UK, north / south – international, urban/rural).

2.2. Categorisation of stakeholders and their expectations

The second step is to recognise the main stakeholder groups, the basis of their expectations and therefore the basis for performance assessment. The basic premise is that nonprofit organisations operating in different fields of activity and performing different roles will have a different set of stakeholders and a different set of expectations. An example of the developing framework is presented in the table below.

Stakeholder	Expectation	Domain for performance measurement
Donor· Mass donor· Strategic philanthropist – individual or foundation· Corporate	That the donation is used for the cause intended.That the maximum amount as possible of the donation is applied to the intended cause.That the donation has an impact.	GovernanceEfficiency – the Donations PipelineEffectiveness
Government (as regulator)	Compliance in relation to all relevant laws.Tax incentives / susbsidies are being applied for public benefit and not private benefit.	RegulationEffectiveness (Policy)
General public· As a whole /(Society(· Supporters· Minority groups	That charities are fulfilling their societal roles.	LegitimacyPublic trust
Clients / Beneficiary	That the services / benefits they receive are of the highest possible quality.Value for moneyEquitable access to services / benefits.	QualityEffectiveness
Funder / purchaser	That the services provided are of the highest quality possible and represent value for money.	QualityEffectiveness

The final framework will also include: Government (as funder), Government (as policymaker), trustees / governance structure, Management, Employees, - Paid and unpaid / volunteers, collaborators and partners, and suppliers.

2.2.1 Categorising stakeholder expectations

The expectations of the multiple stakeholders have been categorised and (crudely) linked to the management and governance processes of nonprofit organisations:

· Mission – strategy - governance
· Process – efficiency – day to day management

· Impact – effectiveness – medium term management

2.3 Characteristics of performance assessment

Two main characteristics of a performance assessment framework have also been identified:

· Transparency – 'visible' accountability to all stakeholders including the general public

· Standards – compliance with standards, measurement against standards

2.3.1 Transparency / Accountability

The comprises two main aspects. Firtsly, the compliance with laws and regulations. Secondly, the provision of information, which fall in to two main categories:

· Standardised: mission, who, strategy, activities, income and expenditure (including statements for each main programme of activity),

· Specific to each stakeholder: e.g. donors – fundraising costs, funders – annual report of activities related to funding or contract

2.3.2 Standards

Standards play a fundamental role in performance assessment – especially where the activities of organizations cannot be reduced to a single measure. Standards relate to each stakeholder and each expectation – two sets of examples are provided below

Fundraising

· Fundraising should be both ethical, efficient and effective.

· Money donated is applied to intended cause.

· Methods are not intrusive and do not undermine the general public's trust in charities.

· Maximum proportion is applied to the cause.

Financial activity

· Basic parameters of economy, efficiency and effectiveness.

· Programme expenditure (i.e. direct charitable expenditure) to total expenditure. Specifically identifying separately management and fundraising expenditures.

· Viability / sustainability, Reserves – enough to protect the activities of the organisation

· Risk assessment in relation to income and expenditures.

· Investment management – returns on investments and 'risk' associated with investment strategy.

3.0 THE ROLE FOR INFORMATION

The regulatory system in the UK generates considerable information but is highly fragmented with each piece satisfying a single purpose rather than being part of an integrated system, specifically:

· Registration procedures for registered charities, mutual organisations, and companies limited by guarantee (which overlap)

· Financial Reporting: published accounts based on the SORP (some charities have different requirements) and Annual Reports of activities

· Annual Returns of information for the Charity Commission, Companies House and other regulators including activity based regulators such as the Housing Corporation.

· Funding applications and contracts also generate considerable information especially for foundations and trusts, and government agencies.

These sources will be compared not only against themselves but also to US information systems.

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Paper Number: PA021590

Paper Title: Empowerment Evaluation As An Alternative Approach to Meeting National Volunteer
Organization Outcome Reporting Compliance Expectations: the Massachusetts Senior

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Summary of Research

The Corporation for National and Community Service (CNCS) promotes use of a 'bottom-up' approach to evaluation among locally sponsored programs. This approach has serious limitations, and inhibits the process of continuous improvement. The State CNCS office developed an alternative 'empowerment evaluation' process based on 'standards of measure' that has demonstrated considerable success and promise. Several other large national volunteer organizations are also currently engaged in impact assessment and outcome reporting activities, and appear to be utilizing a 'bottom-up' implementation design. This paper proposes to describe the benefits and applicability of the alternative Massachusetts methodology.

Description

The Problem

With increasing regularity, funding sources are requiring not-for-profits to report the impact of their programming. The Corporation for National and Community Service (CNCS), the Federal agency that sponsors the three programs of AmeriCorps, Learn and Serve America, and Senior Corps, is a national volunteer organization working to comply with outcome reporting requirements. Combined, the three CNCS programs engage over 540,000 elder and adult volunteers, and another 1.5 million students in community service programming. The Corporation's mission is to engage Americans of all ages in service to help strengthen communities (CNCS).

By Federal legislation, known as the Government Performance and Results Act of 1993 (GPRA), the Corporation is required to meet outcome reporting standards. At the national level, the Corporation has spent millions of dollars to assist their sponsored local programs in meeting the GPRA requirements.

Interestingly, the Corporation's approach to meeting GPRA compliance goals has been one, referred to by CNCS personnel as a 'bottom-up' approach. This method consists of the provision of training and technical assistance, generally at regional conferences, during which a selected national vendor (consultant) provides audiences with general evaluation terminology, and exposure to evaluation process and outcome measurement methodology. Local program personnel are then expected to use this information to develop appropriate evaluation activities and measures, specific to their operations, and designed to bring them into compliance with outcome reporting expectations. State Corporation staff are responsible for reviewing both the local program compliance activities and progress. In addition, they are responsible for the review and approval of the locally developed measures and outcome reporting formats and methods.

To-date, this approach has resulted in a lack of consistency, in terms of assessing program interventions, characterized by the use of a wide variety of measures applied to the same, or similar programming. The dissimilarities of identified measures acts to restrict the collection of impact data solely to the local program geographic area of responsibility. This results in difficulties in accumulating impact data across broader geographic regions that house multiple numbers of program sites. As a result, when the Corporation wishes to develop national outcome reports, they do not use locally developed outcome data, but instead engage professional evaluators to develop an evaluation design, identify national outcome measure objectives, and conduct an evaluation activity that is separate and distinct from the evaluation activities of local program personnel.

In many instances, local program personnel have not embraced the Corporation's outcome reporting challenge. A number of reasons have been cited by local Corporation sponsored organizations as to why

they do not always actively embrace evaluation activities. These include organizational culture, lack of experience and or interest, lack of motivation among program staff, and interestingly, a lack of negative consequences for non-compliance activity. Programs who have made no attempt to meet outcome reporting 'goals', as established by the Corporation, continue to receive full funding, and are subject to no negative consequence.

Despite some problems, many programs are complying with their GPRA reporting requirements. In fact, many have developed excellent outcome measures and reporting capacities. However, even among those who are attempting to comply, the lack of compliance and reporting standards has led to a disjointed array of reporting formats and measures that often-times are questionable in terms of their value as both accurate measures of impact, and as documentation in support of program improvements.

Despite the examples of success, many local program personnel still react to this so-called 'bottom-up' approach with frustration and non-compliance. Further, even among those who do comply, frustration exists, and is often attributed to an admitted lack of experience in the activities and knowledge required to design adequate evaluations of their programs. In addition, frustration is also voiced over the fact that the Corporation has not established any consistent and national standards for its GPRA compliance efforts, resulting in confusion among State personnel as to when locally developed outcome products do and do not in actuality 'comply' with Corporation expectations. Additional problems identified with the 'bottom up' approach include:

· Local program personnel express frustration over the fact that they lack sufficient models of acceptable compliance formats, instruments and measurement tools.
· They report that CNCS state personnel express compliance expectations that vary from state to state, resulting in a perception that the compliance task is a constantly moving target. This is attributed to the lack of compliance training for State personnel, and the lack of national compliance standards.
· Program personnel report they have received sufficient volumes of training in evaluation methods, but what they need is assistance in transferring skills learned into functional evaluation tools they can be reasonably assured will be acceptable to the Corporation.

The Topic's Relation to the State of Knowledge in the Field

Other national organizations, like the Corporation, including the United Way, Volunteers of America, and the Points of Light Foundation, are all separately engaged in efforts to improve upon sponsored program outcome reporting. All of these organizations appear to be using a similar 'bottom-up' approach to introduce local program personnel to the implementation of effective evaluation activities. Further, each of these organizations also appears to be experiencing similar difficulties to those expressed by Corporation personnel.

The development and introduction of alternative methods of bringing volunteer organizations into compliance with outcome reporting objectives might act to greatly improve their use of evaluation methods to result in improved outcome reporting capability, along with the development of a capacity to support continuous improvement activities to result in improved service delivery and program outcomes. One such alternative compliance method was developed in Massachusetts.

Modeled on the so-called 'empowerment evaluation' approach (Fettermen, 1996), the methodology utilized in Massachusetts has worked to place the tools and knowledge of evaluation into the hands of program personnel for the primary purpose of supporting program improvement. The approach utilizes the evaluator as teacher and guide rather than as auditor.

The shift in approach utilized in Massachusetts centers on the development of 'standards of measure' for local program interventions, whereby any program that offers the same, or similar intervention will measure and report its outcomes in the same manner, using the same measures of impact. In addition, the approach has developed standard measurement tools, methods, and reporting formats, and provided them to local program personnel as models on which they can base their local compliance efforts.

The Massachusetts compliance methodology appears to address each of the weaknesses of the 'bottom-up' approach promoted by the Corporation. Further, this approach is now moving Massachusetts CNCS programs to a process whereby their evaluation activities not only produce outcome reports that meet or exceed GPRA compliance objectives, but are being used to foster a process of self-examination and reflection to result in the continuous improvement of local programming.

As a result of the Massachusetts CNCS efforts, its Senior Corps programs, comprised of twenty-seven Foster Grandparent, Retired and Senior Volunteer, and Senior Companion programs, have almost all moved to GPRA compliance, and are collecting and analyzing impact data at local, regional and state-wide levels. In addition, where activities cross program lines, for example, where Foster Grandparents and RSVP volunteers deliver the same or similar interventions, impact data is collected cumulatively, resulting in a more accurate assessment of impact on local community needs.

The Proposed Approach

This paper proposes to describe the alternative method of meeting GPRA compliance objectives utilized by the Massachusetts CNCS office in its efforts to support its Senior Corps programs in meeting outcome reporting compliance objectives. This paper will explain the approach, called the 'success method', utilized by Massachusetts. It will discuss why and how the State moved to this approach, results obtained to-date, and progress being made in moving local program personnel to view evaluation as the basis of a process of continuous improvement.

The Contribution to the Field of this Work

The Massachusetts program evaluation method may, in terms of developing a more effective approach for monitoring, reporting, and improving upon program interventions, provide new knowledge and insight to volunteer organizations engaged in community service. It also demonstrates a capacity to support improved volunteer training curricula designed in response to evaluation results. We believe this evaluation method is readily adaptable to other national volunteer organizations attempting to develop and implement reliable evaluation methods among local programs, and those that wish to foster continuous improvement activities. The paper hopes to serve as a guide to organizations that wish to achieve similar results.

This 'success method' approach posits that national volunteer organizations should take a more aggressive leadership approach whereby they develop and implement standards of outcome measures, and work with local programs in the proper use of tools, methods, and activities designed to collect the necessary data to reflect their local contribution to them. National volunteer organizations could realize significant additional benefits from the development and implementation of this methodology, including:
· A capability to compare local and regional results among program sites, based on equivalent data.
· A strengthening of local program ties to the national organization, allowing local staff to view themselves as contributors to shared national initiatives.
· Improvements in volunteer recruitment, training and support that could be shared among all programs engaged in similar activities.
· Strengthening the organization's ability to compete with other initiatives for positive press coverage, and new funding and programming partners.

Key Words / Phrases

Empowerment evaluation, standards, measures, outcome reporting, not-for-profit, evaluation methods, continuous improvement process.

Paper Title: Transparency via Annual and Financial Reporting in Polish Nongovernmental
 Organizations: Comparing Data from Mandatory Governmental and Voluntary Reports

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Summary of Research

As NGOs in Poland respond to increasing accountability demands, evolving systems of governmental
regulation and NGO-related legislation, and maturing philanthropic institutions, Poland's non-
governmental support organizations (NSOs) are engaged in a sector-wide self-regulation initiative driven
to improve transparency through: 1) development of a formal set of accountability standards aimed at
improving quality and consistency of required governmental annual financial reporting and voluntary
annual reporting. This national study provides a description of current governmental financial and
voluntary annual reporting practices in the Polish context, and examines the adequacy, reliability, and
interpretation of Polish NGO reporting. Comparative research implications are discussed.

Description

As environments of nongovernmental organizations (NGOs) have become increasingly complex in
recent years, concern for accountability has increased. These trends are of particular importance to
NGO sectors in emerging democracies as NGOs respond to complex social needs, increasingly
formalized accountability demands, evolving systems of governmental regulation and NGO-related
legislation, and maturing nongovernmental and philanthropic institutions. To address questions of
accountability, Poland's non-governmental support organizations (NSOs) are engaged in a joint sector-
wide self-regulation initiative to respond to increased demands for accountability. This initiative is
oriented toward transparency and includes: 1) development of a formal set of accountability standards,
the Charter of Principles for Non-governmental Organization Activity; 2) the introduction of training to
promote the implementation of the Charter by individual NGOs; 3) improved quality and consistency of
governmental annual financial reporting; and 4) increased and enhanced voluntary annual financial and
programmatic reporting (Bies, 2001; WRZOS, 1999).

In addition, Poland's NGO sector provides an important model for comparative purposes. The issues
facing the NGO sectors of East Central Europe (ECE) are similar to those experienced in the West, but
are of a different degree of intensity. ECE institutions have simultaneously adopted Western
philanthropic, educational, and institutional models, adapted them for local contexts, and exported their
own innovations to the West (Council of Europe, Parliamentary Assembly, 1995, p. 95). The NGO
sector in Poland provides a valuable case to study because of its well-developed infrastructure,
development of internal organizational capacities, and adoption of accountability practices (Phare,
1998). And similar to prominent self-regulation approaches worldwide, transparency is an often-utilized
strategy to attempt to improve accountability (Edwards & Hulme, 1996a, 1996b; Bell & Brown, 1997;
Bothwell, 1999; Eisenberg, 1997; Independent Sector, 2000; Light, 2000). Finally, as Froelich, Knoepfle,
and Pollak (2000, 1996) indicate, in the U.S. context, governmental and audited financial reports are
often important sources of data not only in terms of transparency dimensions but also for their frequent,
yet problematical, use in large scale nonprofit studies, comparative or cross-sectional research, and
descriptive work on the nonprofit sector. This holds true in the Polish context, as well, where efforts are
underway to both improve financial and annual reporting and increase the availability of financial and
operational data on individual NGOs and the sector as a whole. Rigorous research is warranted to: 1)
provide a description of current governmental financial and voluntary annual reporting practices in the
Polish context, and 2) to examine the adequacy, reliability, and interpretation of Polish financial data.

This paper is drawn from a 2000-2001 national empirical study of the current Polish self-regulation
reform. The sampling frame comprises the 1982 Polish NGOs that registered in the year 2000 with the
KLON/JAWOR database. 998 NGOs, representing a response rate of 51%, responded to a written

questionnaire administered by post. In addition, fiscal year 1999 and 2000 governmental financial and voluntary annual reports were examined from a subset of 152 NGOs that participated in the Association for the Forum of NGO Initiative's "Be Transparent! Publish an Annual Report" campaign, which "urged organisations to comply with the standards of transparency" utilized in Poland's self-regulation reform (FIP, 2001, 1).

To the extent possible given varying US and Polish accounting and reporting practices, this study mirrored Froelich, Knoeplfe, and Pollak's (2000) approach to comparing US governmental financial reports (the IRS Form 990) and audited financial statements. Analysis was conducted utilizing similar comparisons based on Froelich, Knoeplfe, and Pollak's 11 corresponding categories: total revenue, total contributions, program service revenue, net rental income, gross profit from sales, total expenses, program service expenses, management expenses, fund-raising expenses, total assets, and total liabilities. As Froelich, Knoeplfe, and Pollak indicate (236), these 11 categories are frequently utilized in nonprofit performance ratios and in other descriptive depictions of nonprofit organizations and the nonprofit sector. This study also included the following categories useful to gaining further insight into the Polish context: salaries, employee benefits, membership revenue, and taxes and fees.

Error and omission patterns within and between governmental and financial are presented and descriptive overviews are presented by category. In addition, when possible with available data, the fundraising and program expense rations are presented; the "quick" ratio and comparisons of sources of revenue to overall revenue are analyzed in relationship to organizational size and age. Additional findings related to patterns of reporting financial information in the voluntary annual reports beyond the balance sheet and statement of activities are presented and include the following: listing of funders/sponsors and contribution levels; categories of funders without summary financial amounts; information on surplus and deficits; and information related to financial planning or resource development needs. Preliminary analysis indicates that both older and larger institutions report more consistently across the two reporting mechanisms.

The following financial data, based on self report data and drawn from the sample of 998 respondent organizations that completed the written questionnaire, are also summarized in this paper: program expense ratio (program expenses/total revenue); funding mix (percentage of total support from membership fees, Federal government, local government, donations from private foundations, business donations, donations from private individuals, public campaigns, and fees for service); and findings related to patterns of reporting financial information in the voluntary annual reports beyond the balance sheet and statement of activities as listed above. These patterns are examined by organizational sub-sector, age, and size. Preliminary analysis suggests that patterns may emerge related to more thorough and accurate reporting by educational, environmental, and social service organizations. These data will also be examined in light other factors such as age and size. Responses to an open-ended question related to how Polish NGOs define administrative costs are also summarized. Preliminary analysis suggests a pattern of under-reporting fundraising costs and confusion regarding how to allocate expenses related to personnel (e.g., salary and employee benefits).

This paper depicts a final area tantamount to the self-regulation initiative's transparency requirements: operational and programmatic aspects of voluntary annual reporting. Patterns related to voluntary reporting of the following elements are summarized: list of board members; list of funders/sponsors; goals of the organization; mission statement; address/contact for organization; report on programs; and evaluation information. These data are also considered by organizational size, age, and sub-sector. Patterns of availability of the financial and voluntary annual reports (by audience and distribution channels) are also summarized.

This study promises to add insight into comparative aspects of governmental and voluntary annual reporting, including insight into the degree to which the foundational work of Froelich, Knoepfle and Pollak (1996, 2000) can serve as a viable or appropriate framework for comparative research on financial reporting. This study also captures a current snapshot of governmental and voluntary annual reporting patterns by Polish NGOs. This snapshot has the potential to inform current knowledge about the adequacy, reliability and appropriateness of available governmental and voluntary annual reporting in

Poland. This, in turn, may shed light on proposed policy changes related to increasing and modifying governmental financial reporting requirements and accounting standards in Poland, educational needs related to financial accounting and transparency in Poland's NGO sector, insight into patterns of reporting unique to the Polish context, and potential pitfalls and opportunities for use of currently available financial and annual reports for research purposes. This study also provides an important baseline for future longitudinal study.

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Endnote: The KLON/JAWOR database, located in Warsaw, Poland, was created in 1991 by a group of University of Warsaw sociologists with funding from the European Union to serve as an independent, apolitical, nonprofit institution to provide free access to information about NGOs to citizens, funders, the media, potential clients, government, and others (Sokolowski, 1997; Phare, 1998). The KLON/JAWOR database has served as the basis for major domestic and international reports on the condition of the non-governmental sector in Poland in 1993, 1994, 1996, and 1998 and is an international partner to Johns Hopkins University's comparative NGO study. It is also a cooperating partner with the Polish NSOs involved with the self-regulation initiative described in this study. Because information is not, at present, systematically maintained at federal, voivodship (regional) or local levels, it serves as the single repository of current, public information on Polish NGOs (Phare, 1998). A limitation of utilizing a database of this type to define the sampling frame relates to the potential for a sample skewed toward fairly formalized organizations.

Paper Number: PA021216

Paper Title: The social divide: continuous and discontinuous membership in political parties

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Summary of Research

This paper uses theory and measurement frameworks from the fields of marketing and nonprofit organisation studies to conduct exploratory research into consumer behaviour amongst association members. It explores the differences between political party members who regularly renew their membership and those who do not. Socialisation into the party, and the density of party membership within a given geographical area were the only two variables to retain a significant relationship with continuity of membership. Party membership may initially arise from political support, but in practice, the benefit valued by members is a sense of belonging to their organisation.

Description

Research Issue

This paper uses theory and measurement frameworks from the fields of marketing and nonprofit organisation studies to conduct exploratory research into consumer behaviour amongst association members. It addresses an issue which affects all membership associations: is it possible to identify which members are "stable", renewing their membership year after year, and which members are not? The paper attempts to demonstrate how the results of applying theory and measurement frameworks from the field of marketing, combined with an analytical approach adapted from non-profit organisation studies, can be used towards resolving this question.

Nearly 50 years ago, the eminent political scientist, Maurice Duverger (Duverger 1954), identified that the ability to distinguish between which members were most likely to leave and those who were more stable would be most advantageous to political parties. But the frameworks used by political scientists researching individual political behaviour have mitigated against any examination of this issue because they do not take into account the fact that membership is volatile. Political marketers have found evidence of consumer-type behaviours amongst political party members when deciding whether to join or stay in a party.

The approach found in the non-profit management literature - whether there are any differences between those who stay in associations and those who leave - is more directly relevant in the analysis of membership turnover. However, much of this research is carried out amongst volunteers. Although much association membership is entirely voluntary, nonprofit studies have not yet explicitly or systematically researched the differences between continuous and discontinuous association members.
The Volunteer Functions Inventory (VFI) (Clary, Snyder and Ridge 1992) has been developed to measure the psychological needs of volunteers along the dimensions of values, understanding, career, social, protective and enhancement needs, but has not yet been used amongst association members. Whilst there is some evidence that the VFI as an instrument of analysis can predict intention to volunteer in the future, there has been no published evidence demonstrating a relationship between psychological needs and actual retention.

Methodology

The data on which this article is based was drawn from responses to an unsolicited questionnaire mailed to a random sample of one in eight members of a political party in a constituent part of the United Kingdom. The questionnaire achieved a response rate of 25.6% (n=472). A copy of the questionnaire will be made available by the author to conference participants on request.

Respondents were asked for information to establish baseline measures of motivation for joining, partisanship, and other affiliations. Perceived individual political efficacy and the perceived efficacy of the respondents' local branch were also measured. Measures of behavioural commitment to the party - in terms of both time and money – were also taken. Analytical frameworks from marketing literature were used to gather data about satisfaction with the experience of political party membership. Satisfaction was measured along a number of dimensions: overall feelings about membership, confirmation or disconfirmation of membership expectations, and whether respondents perceived that their membership had done anything for them in any way. The relationship between the individual respondents and their local branch was measured by an adapted version of the Organisational Socialisation Scale (OSS) devised by Kelley (1992). This scale measures the extent to which individuals feel they "belong" to the party as a whole.

Results

In order to identify which differences existed between continuous and discontinuous members two simple tests were carried out. Where individual independent variable was discontinuous, a chi-squared test was used to indicate whether or not there was a relationship with continuity of membership. Where independent variables had been measured by scale items, ANOVA analysis was used to calculate any differences in mean scores between groups of members.

Only two variables, the extent to which individuals considered themselves socialised into the party, and the density of party membership within a given region retained a significant relationship with continuity of membership. This finding implies that the differences between continuous and discontinuous political party members may have very little to do with ideological belief or political opinion. Political party membership may be purchased ostensibly for reasons of political support, but in practice, the benefit sought by those who are making the purchase is a sense of belonging to the association which they are joining. Those who do not experience this sense of belonging are those "unstable" members who are most likely not to re-purchase membership once the decision time fall due.

Contribution to the field

These findings imply that, in the context of the renewal decision, not all benefits of political party membership are equally valued by members when they consider whether or not to renew their subscriptions. For example, this study indicates that psychological need fulfilment is not significant in retaining members when socialisation is taken into account. Not only does this insight shed more light on the various motivations of association members, it also allows scholars to hypothesise about what members are "buying" when they enter into an explicitly financial relationship with an organisation. In this study, there is evidence that a crucial benefit sought by members is a sense of belonging to the association which they are joining. Those who do not experience this sense of belonging are those "unstable" members who may decide not to renew their membership when decision times fall due. No systematic study of the solidary benefits of grassroots association membership to individual members has been published; this has the potential to form another area for fruitful further research.

There is also evidence in this study that local strength also encourages continuity of membership. retention of members. Geographical strongholds mean more loyal members. It is the members based in the more peripheral areas of the organisation who show the greater rates of discontinuity. In the context of a political party, if local organisation is perceived to be successful, more members are willing to be associated with it more often. More research is necessary to establish whether this link with membership stability exists in other types of association.

The findings of the paper also give rise to a debate about the use of induction programmes for new members of associations. Studies from trade unions have found a relationship between such programmes and membership retention; however programmes could lead to a substantial burden on resources in grassroots membership associations. The advantages and disadvantages of induction schemes in a membership association environment, and the most appropriate form of induction programme are discussed.

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Paper Number: PA021353

Paper Title: Giving Time and/or Money: Trade-off or Spill-over?

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Summary of Research

The relation of giving money to charitable causes and volunteering is examined in a sample of 612 respondents living in The Netherlands. Volunteers were more likely to give to charitable causes than non-volunteers were. Volunteers also donated more money than non-volunteers did. Volunteers contributed mainly to charities in the sector in which they volunteered, but also some spill over - effects were found. However, multivariate analyses, controlling for the main determinants of volunteering and giving to charitable causes, did not reveal any effects of volunteering on charitable donations.

Description

Research problem
Are volunteers in the Netherlands more likely to donate to philanthropic organizations? If so, why? Are the determinants of volunteering and philanthropic behavior the same, or is there something in the volunteering experience that makes volunteers more likely to give? Or is volunteering negatively related to giving, as suggested by a rational choice theory of solidarity?

Theory and background
Research in the USA and Canada has shown that volunteers are much more likely to donate to philanthropic organizations than non-volunteers (Freeman, 1997; Putnam, 2000). Why would this be so? A rational choice theory of solidarity suggests that people choose the most efficient option to fulfill their duties as a citizen. For citizens with a high value of time (those with a higher education who have higher hourly wages and for persons who work more hours), charitable donations may be a cheaper way to display solidary behavior than volunteering, which is more time consuming. For those with a low value of time, the converse holds. This theory is in line with popular culture-pessimism, which argues that charitable donations are a cheap way to clean one's conscience. However, this line of reasoning does not hold up in the US. The paper investigates whether there is a trade-off between giving time and money in the Netherlands. The alternative option investigated in the paper is that volunteering and philanthropic donations are determined by the same set of social or psychological factors, such as religious involvement, level of education or altruistic values and personality.
In contrast to the expectation that check writing activism is used as a compensation for a lack of active involvement in civil society, volunteers were more likely to give to charitable causes than non-volunteers were. Volunteers also donated more money than non-volunteers did. Volunteers contributed mainly to charities in the sector in which they volunteered, but also some spill over - effects were found: volunteers in the health sector, in religious organisations and in sports clubs were more likely to donate to charities outside their 'own' sector. However, multivariate analyses, controlling for the main determinants of volunteering and giving to charitable causes, did not reveal any effects of volunteering on charitable donations. Volunteers gave to a higher number of philanthropic organizations, but not more money. The results therefore indicate that there is no trade-off between giving and volunteering, but that there is little spill-over either. In the Netherlands, volunteering and giving are determined by the same set of social backgrounds (mainly religious involvement and level of education, but not altruistic values and personality). In general, the results of this article support the view that giving and volunteering are two complementary forms of prosocial behavior, but not substitutes.

Data and Methods
The study uses data from the third edition of the 'Giving in the Netherlands'-survey (GIN1997) among a large national sample of donors as well as non-donors of the Dutch population.

Key words: philanthropy, volunteering, civil society, giving to charitable causes

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Paper Number: PA021517

Paper Title: Contributor Differentiation: A Values-Based Approach

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Summary of Research

The collective goods model assumes that volunteering and donating are substitutes. It is, therefore, reasonable to assume that individuals who donate the most money would volunteer the least time and vice versa. Available data do not support this assumption. The data show that individuals who do both are more generous in both time and money than others. A model by Govekar (2000) provides evidence that an individual's values offer at least a partial answer to this inconsistency. This paper explores which RVS terminal values distinguish those who only volunteer from those who only donate from those who do both.

Description

Contributor Differentiation: A Values-Based Approach

  In the study of contributions to nonprofit organizations, it is useful to have a framework or model to help define the sector. The goals of interest groups typically take the form of collective goods (Moe, 1980). Under the collective goods model, charitable contributions result from the demand for charitable output. The collective goods model assumes that charitable contributions of either time (volunteering) or money (donations) result from a common demand for charitable output by the community as a whole. It is further assumed that charitable output is an ordinary good, in the economic sense. Under this model, donations of time (volunteering) and donations of money become perfect substitutes for each other (Schiff, 1990).

  If volunteering and donating are substitutes, then they can be viewed as subgroups of some larger activity that can be referred to as contributing. Further, it is reasonable to assume that individuals who make the largest donations would volunteer the least amount of time or not at all. Similarly, those who volunteer the greatest amount of time should make the smallest donations, or not make any monetary contribution to nonprofit organizations.

  Available data do not support these assumptions. The data show that individuals who both volunteer time and donate money to nonprofit organizations are more generous in both dollars and time than individuals who only donate money or only volunteer time (Hodgkinson and Weitzman, 1988a, 1992, 1996). Since demographics do not explain the inconsistency between the expectations of the collective goods model and the data, something else must be present. A model presented by Govekar (2000) provides some evidence that an individual's values may provide at least a partial answer to this inconsistency. In this paper we will explore which terminal values from the Rokeach Value Survey (1973) (RVS) are able to distinguish those who only volunteer from those who only donate money from those who do both.

Contributors and Values

  Researchers have used the value concept in a variety of ways. When researchers measure values, the most frequently used instrument is the Rokeach Value Survey (RVS) (Kamakura and Mazzon, 1991; Kamakura and Novak, 1992). Ball-Rokeach and Loges (1994) determined that values are superior to attitudes and beliefs when determining an individual's stance on race and equality. Hougland and Christianson (1982) found that an individual's values are likely to affect their willingness to participate in various kinds of organizations. Jackson, Bachmeier, Wood, and Craft (1995) tied giving, volunteering, and values together in a single study. They called the combination of giving and volunteering "helping behavior." Others have used "altruism" to look at the same behavior. In a study of "hotline" volunteers, Mahoney and Pechura (1989) found that values discriminate between volunteers and a control group.

They also determined that value differences appear to be critical when selecting volunteers for specific positions. Values measurement has been much more prevalent in research on volunteering than in research on giving. Much of the giving research has been conducted by economists primarily interested in the income and price effects of the tax laws.

  More recently, economists have also allowed for the possibility that giving does not make the donor better off in any useful sense, but rather proceeds out of a higher-order set of beliefs or morality (Clotfelter, 1997). Williams (1986) found that volunteers differed significantly from members of the general public in their value systems. In a later study, he also determined that the importance that students placed on certain values in their personal lives was the best predictor of their volunteer interest (Williams, 1987). Finally, Wymer (1999) and Wymer and Starnes (1999) used values as part of a model of volunteering that successfully differentiated volunteers in different types of organizations, and volunteers serving in different roles.

Methodology

  This study uses a survey of 289 individuals who identified themselves as persons who voluntarily make a gift of money to a formal, voluntary organization on an active, regular basis (donors) or who voluntarily donate time, labor, and/or skills to a formal voluntary organization for no monetary compensation on an active, regular basis (volunteers), or who do both. As part of a larger survey, these individuals completed the Terminal Values portion of the Rokeach Value Survey. Their responses are compared using nonparametric statistical methods (the results of the RVS are ordinal data and, therefore parametric methods are not appropriate). Conclusions are then drawn from the results of the statistical comparison and implications for researchers and practitioners are developed. Finally, we propose some areas of further research.

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Paper Number: PA021547

Paper Title: What Can Be Learned About Episodic Volunteers from a National Survey of Giving and
 Volunteering?

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Summary of Research

Anecdotal evidence from the volunteer management field indicates that the number of Americans who
volunteer on a short-term basis is ever-increasing, while long-term volunteers are becoming harder to
find. Using data from INDEPENDENT SECTOR 's 2001 Survey of Giving and Volunteering in the United
States, this paper will investigate whether individuals who are episodic volunteers -- those who contribute
their time sporadically, only during special times of the year, or at one-time events -- differ in significant
ways from periodic volunteers -- those who volunteer at a scheduled time that recurs at regular intervals
(e.g., daily, weekly, monthly).

Description

In 2000, 44% of Americans gave their time as volunteers.* This percentage is likely to increase, over
time, as a result of President George W. Bush's national call to service and the formation of the USA
Freedom Corps. President Bush is encouraging each citizen to make an individual commitment of 2
years (or 4,000 hours) to community service. In order to accommodate the influx of volunteers the
realization of this commitment would cause, it is imperative to understand the different ways in which
Americans give their time.

Anecdotal evidence from the volunteer management field indicates that the number of Americans who
volunteer during one-time events or on a short-term basis is ever-increasing, while long-term volunteers
are becoming harder to find. In 1998, nearly 40% of volunteers were "periodic volunteers," meaning they
volunteered at a scheduled time that recurred at regular intervals (e.g., daily, weekly, monthly).
Conversely, 50% were "episodic volunteers" -- they contributed their time sporadically, only during
special times of the year, or considered it a one-time event.*

Using data from INDEPENDENT SECTOR's 2001 Survey of Giving and Volunteering in the United
States, this paper will investigate whether individuals who are episodic volunteers differ in significant
ways from periodic volunteers. It will explore individual characteristics of these two types of volunteers,
including motivations for volunteer engagement, patterns of giving, and volunteer experiences as a
youth. For example, is there a generational trend towards one type of volunteering over another? What
about a life-cycle trend? Is frequency of volunteer commitment positively correlated with giving and other
forms of civic participation?

Currently, very few articles approach episodic volunteering through empirical research. Most of the
existing literature is written by and for practitioners, focusing on how to integrate short-term volunteers
into an organization's established volunteer management program. This study will deepen the
understanding of practitioners and researchers about these two groups of volunteers. Knowing how
periodic and episodic volunteers differ will help practitioners in their recruitment and retention efforts. For
researchers, the results of this study will add a new dimension to the exploration of volunteer motivation
and participation. In addition to reporting the study findings, this report will discuss important implications
for managers of volunteer programs as well as suggest areas for further research.

* Source: INDEPENDENT SECTOR

INDEPENDENT SECTOR's Giving and Volunteering in the United States 2001 survey (the seventh in a
series of biennial national surveys that reported trends in charitable behavior) was a telephone survey of
4,216 adult Americans 21 years of age or older conducted in the months of May through July of 2001 by
Westat, Inc., for INDEPENDENT SECTOR. The interviews asked about individual volunteering habits in
the 12 months prior to the survey and about household giving during the year 2000. The data collection

and sampling methodology for this survey represent a significant change from those used in prior Giving and Volunteering surveys.

Paper Number: PA021151

Paper Title: Assessing Potential Accounting Manipulation: The Financial Characteristics of Charitable Organizations with Higher than Expected Program Spending Ratios

Author(s):

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Summary of Research

Fraudulent financial reporting is defined as a case in which the managers of a charity intentionally misstate their financial information to favorably represent the organization's financial performance or condition. In this study, I develop and test a model of the likelihood of fraudulent financial reporting using seven financial indicators. The resultant model is able to predict with reasonable accuracy whether or not a charity is a fraudulent financial reporter.

Description

The Problem Addressed

Since the passage of the Taxpayers' Bill of Rights 2 in 1996 and subsequent interpretations passed in 1999, most charitable and other nonprofit organizations are required to make their informational tax returns (Form 990) widely available to the general public (Luecke et al., 1999). This increased availability highlights the need for better tools to evaluate the financial information of charities and other nonprofit organizations. One area of concern is the extent to which a charity misrepresents its financial condition in the annual returns. The purpose of this study is to determine the likelihood that a charitable nonprofit organization ("charity") manipulates its financial information reported to the public. Those interested in determining this likelihood include nonprofit managers, board members, auditors, potential creditors, and prospective donors. In fact, auditors are required by Statement on Auditing Standards No. 82 to assess the likelihood of fraudulent financial reporting when auditing financial statements (AICPA, 1997).

For purposes of this study, fraudulent financial reporting is defined as a case in which the managers of a charity intentionally misstate their financial information to favorably represent the charity's financial performance or condition. I adapt a model for proprietary organizations to determine the likelihood of fraudulent financial reporting by charities. The model uses data from the informational (Form 990) returns to compute financial indicators intended to capture the financial environment that may lead a charity to engage in fraudulent financial reporting.

Relation to the State of Knowledge in the Field

Fraudulent financial reporting typically involves an incentive to commit fraud and a perceived opportunity to do so (AICPA, 1997). The annual financial statements and informational tax returns send signals about the charity's future prospects, and management may be evaluated, in part, based on financial performance and condition. Thus, there may be incentive to manipulate the accounting records to send positive signals about the future prospects or to meet certain financial goals. The management of an organization can manipulate the accounting records in several ways. For example, they may overstate revenues by recording fictitious revenues or recording revenues in an improper period. Also, they may understate expenses by improperly classifying an expense as an asset or extending the depreciable lives of fixed assets beyond a reasonable number of years. According to the American Institute of Certified Public Accountants (AICPA), fraudulent financial reporting may involve acts such as the following:
-Manipulation, falsification, or alteration of accounting records or supporting documents from which the financial statements are prepared.
-Misrepresentation in, or intentional omission from, the financial statements of events, transactions, or other significant information.
-Intentional misapplication of accounting principles relating to amounts, classification, manner of presentation, or disclosures (AICPA, 1997).

Beneish (1997) and Dechow et al. (1995) suggest that fraudulent financial reporting is related to financial

condition. Both studies found a correlation between financial condition and fraudulent financial reporting. That is, those in relatively poor financial condition are more likely to manipulate their accounting records. Summers and Sweeney (1998) and Beneish (1997, 1999) developed models for detecting fraudulent financial reporting in proprietary organizations. Their models are based on the supposition that fraudulent financial reporting is more likely when the organization's future prospects are bleak. They suggest that the financial condition of an organization is reflected in particular financial variables, and that these variables are associated with the probability of fraudulent financial reporting. These financial indicators are intended to capture the financial environment that may lead a charity to engage in fraudulent financial reporting. I adapt seven financial indicators from these studies, modifying the variables for nonprofit organizations.

Methodology

I empirically test the model using a sample of charities from the Statistics of Income database developed by the National Center of Charitable Statistics (NCCS). This database includes relatively large entities filing with the Internal Revenue Service under Section 501(c)(3) of the Internal Revenue Code. Thus, this study is limited to relatively large charitable nonprofit organizations. I estimate a logistic regression model using seven financial indicators of fraudulent financial reporting. Organizations that make extensive use of discretionary accounting accruals are potentially fraudulent reporters. The resultant model is used to predict the likelihood of fraudulent financial reporting.

The methodology uses three steps: First, use half of the charities in the sample to estimate a logit model of the likelihood of fraudulent financial reporting. The dependent variable is dichotomous, fraudulent financial reporter or not, and the independent variables are the seven indicators of financial reporting discussed above. The indicators include the collection period for receivable balances, the surplus margin, revenue growth, change in working capital, depreciation rate on fixed assets, spending on non-program costs, and a measure of the quality of assets.

Second, I use the results of the logit model to predict each charity's status as either a fraudulent financial reporter or not. Finally, I test the results on a holdout sample of charities (i.e., the remaining half of the sample that was not used to estimate the logit model). When predicting the classification of each charity, I determine the relative costs of misclassification against a naïve strategy of classifying each charity as not a fraudulent financial reporter.

The study will begin with a discussion of the model and the seven indicators of fraudulent financial reporting. The data and method utilized to test the model will follow. Next, the results of the empirical testing will be discussed. A summary of the model and the testing will conclude the paper.

Contributions

The findings of this study will have implications for both theory and practice. First, I expand the methodology of the fraudulent financial reporting prediction literature to charitable organizations. The accounting literature has focused exclusively on for-profit organizations. Second, this study develops a model to predict the likelihood that a charity prepares fraudulent financial reports. This model may be used by managers, board members, auditors, potential creditors, and prospective donors in determining the likelihood that the charity manipulates its accounting records.

Keywords: Fraud, Accounting Manipulation, Financial Reporting, Accountability

Paper Number: PA021283

Paper Title: What Does Operating Income Really Mean? An Analysis of the Financial Statements of Private Colleges and Universities

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Summary of Research

As current events have highlighted, companies play by accounting rules and yet produce misleading financial statements. This study looks at the discretion allowed nonprofit organizations to display operating results. This study has two immediate objectives. First, determine preparer and user opinions regarding the need for reporting a consistent operating measure and what should such a measure include. Second, determine the extent of the problem, with respect to both the frequency with which an operating measure are reported and the extent of variations in its computation. The information gathered may help determine whether new guidance is warranted

Description

PROBLEM STATEMENT

The Financial Accounting Standards Board (FASB) "neither requires nor precludes a nonprofit organization from classifying its revenues, expenses, gains and losses as operating or nonoperating within its statement of activities" (FASB 1993, 163). The only exceptions relate to the separate reporting of income from discontinued operations, extraordinary gains and losses, and the cumulative effect of a change in accounting principle. The lack of guidance has led to inconsistencies in reporting of key summary numbers, such as an operating measure. One reason for the lack of guidance was the FASB's belief that the required reporting of the change in unrestricted net assets would be a measure of current operating performance (FASB 1993b, 112). In this study, we focus on a single nonprofit industry: colleges and universities. The reporting requirements for private and public institutions of higher education are not identical. Public institutions are subject to the reporting standards of the Government Accounting Standards Board (GASB), and GASB's guidance for the operating income measure focuses upon cash flow activities. The difference in guidance between the two standard setters exacerbates the difficulties in comparing private and public institutions of higher education. The current lack of guidance makes inter-institutional comparisons difficult – a concern of industry groups such as the National Association of College and University Business Officers (NACUBO) and the American Council on Education (ACE). The U.S. Department of Education has also expressed interest in having a standardized operating measure. . This study will help NACUBO decide on a "best practices" recommendation to its members even if accounting standard-setters fail to act.

RELATION TO THE STATE OF KNOWLEDGE IN THE FIELD

Recent research has examined whether FASB Statement 117, which redesigned non-profit financial statements, has increased users understanding of non-profit finances. One finding is that the understanding has been limited by the diversity of allowable practice. For example, the majority (69 percent) of 61 private institutions in a study of fiscal year 1997 annual reports chose to make a voluntarily distinction between operating and nonoperating income in the statement of activities (Fischer et al., 2002). Some institutions reported all investment income as operating revenue, while others displayed investment income in accordance with their endowment income spending policy. That is, reinvested investment income was displayed as nonoperating revenue while the income authorized by the endowment spending policy to support programmatic activities was reported as operating revenue. The latitude in FASB Statement No. 117 was intended to let not-for-profit organizations make distinctions that they believe will provide more meaningful information for the users of their financial statements (FASB 1993b, 66-68). However, the diversity in practice makes inter-institutional comparisons problematic. Fischer et al. (2002) also found that, unlike net revenues over expenses, the change in unrestricted net

assets (the measure FASB believed would serve the purpose of an operating measure) was not correlated with cash provided by operating activities reported in the statement of cash flows. The only other academic study that examines private college and university financial statement presentation after the issuance of FASB Statement No. 117 is Weis (1999). However, this study examined operating measures for only a select group of small liberal arts colleges. Bond rating agencies use the new financial format   to conduct "practice-based research." In a special report issued in February 1999, Moody's Investors Service declared that capital market participants are frustrated with higher education's inconsistent and inadequate classification of non-operating revenues and expenses.

Potential Impact on Decision Makers

    Individual donors are not a significant user group because they rarely request or receive financial statements (Engstrom, 1988) and rarely base their decision to give on financial information (Gordon and Khumwala, 1999). Consequently, we believe that there are two major user groups for private college and university financial statements. The first group would be the institutions themselves and their associations (American Council on Education, NACUBO, accreditation agencies, etc.). These users are interested in making peer group and other inter-institutional comparisons. The second major user group is comprised of entities that base lending and resource decisions on financial condition. This group includes, in particular, the DOE, bond rating agencies, and possibly foundations or other major donors.

    Both major user groups extensively employ ratio analysis of colleges and universities. Little research has been done on this topic since the major changes in nonprofit financial reporting, including FASB Statement 116 on reporting of contributions, FASB Statement 117 and Statement 124 on accounting for investments (e.g., Dickmeyer & Hughes, 1980; Peat, Marwick, Mitchell & Co., 1982; Minter et al.; 1982; Lane et al., 1987, DiSalvio, 1989). The most comprehensive study directed toward institutional self-evaluation is the latest edition of the KPMG accounting firm's series on Ratio Analysis in Higher Education (KPMG. 1999). According to the accounting firm, understanding whether an institution is financially healthy requires that operating and nonoperating activities be separated into distinct components (KPMG, 1999, p. 86). However, the study make only two specific recommendations for items to be excluded from operations: investment gains or income in excess of the institution's spending policy and gifts to be used for capital purposes.

    A preliminary analysis of decision tools used by bond rating agencies and the U. S. Department of Education suggest that several key ratios may be impacted by the choices institutions make as to what should be included or excluded from operating revenues and operating expenses. Our preliminary analysis of the ratios being used has revealed apparent dissatisfaction on the part of the rating agencies with the change in unrestricted net assets as an operating measure. The adjustments that they make to the numbers reported under generally accepted accounting principles (GAAP) might provide "user group" evidence as to how an "operating income" measure should be calculated. There is considerable variation in both the ratios considered important by each rating agency and the specifics of how they compute ratios that seem to be the same. This is not unexpected since the same phenomena have been long reported with respect to business-sector ratio analysis (Gibson 1982a, 1982b).

PURPOSE AND OBJECTIVES

    This study has two immediate objectives: (1) Determine preparer and user opinions with respect to the need for an operating measure and what should be included in such a measure. (2) Determine the extent of the problem, with respect to both the frequency with which an operating measure is displayed and the extent of variations in its computation. The information gathered in this study will help FASB determine whether additional guidance is warranted. It will also help NACUBO and accreditation bodies decide on a "best practices" recommendation for colleges and universities even if FASB fails to act. The DOE has also expressed interest in having a standardized measure of operations to use in its evaluation of financial responsibility.

RESEARCH DESIGN AND METHODOLOGY

    Data for the study will be gathered primarily by means of a mail survey to all four-year, degree-granting private colleges and universities in the United States. The questionnaire builds on an earlier study of liberal arts colleges by Weis (1999) and includes questions on how the institution handles such things as gifts to acquire long-lived assets, gifts and bequests, investment management expenses. Respondents will also be asked to provide a copy of their institution's most recent financial statements.

User views will also be ascertained through study of the analysis tools used by bond rating agencies and possibly through interviews with analysts. Financial statement amounts from the annual reports will be coded for further analysis. This analysis will also verify the responses to the survey as to the frequency with which operating income is reported and what items are excluded from the operating measure.

The two research objectives will be addressed with primarily descriptive statistics from the analysis of the survey responses, the annual reports, and the rating agency adjustments to financial statements prepared under GAAP. This will permit a comparison of what users want, what institutions say they want, and what institutions actually provide users. A long-term objective of this study will be to determine the significance of the problem by examining its potential impact on ratios used by decision makers including bond rating agencies and the U. S. Department of Education. This third objective will require computation of various ratios in both GAAP and operating versions and statistical tests to see if the various operating measures make a significant difference. However, we do not expect to have the third objective portion of the study completed in time for the ARNOVA meeting.

LIKELY CONTRIBUTION TO THE FIELD

Standard setters and regulators have frequently called for academic research that would help them determine when and how changes in accounting rules should be made (e.g., Beresford, 1994; Jonas & Young, 1998). This paper addresses a topic of concern to users of higher education financial statements that is not currently on the FASB agenda. With the evidence gathered in the proposed study, FASB may be able to ascertain whether their attention is warranted or whether the topic is one that can and should be left to industry groups to resolve.

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Paper Number: PA021326

Paper Title: Are Donations Affected by the Financial Stability of Not-for-Profit Organizations?

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Summary of Research

By examining the association between stability measures and total donations, this study bridges the gap between prior accounting studies that focus on efficiency measures and those that focus on stability measures. Using data from the Internal Revenue Service Statistics of Income, this study examines four indicators of financial stability to ascertain whether donors consider the stability of a not-for-profit firm when making a charitable donation decision. The evidence suggests that more financially stable organizations generate greater total contributions, and that stability measures provide donors with information above that contained in the efficiency ratios.

Description

It is important to financial statement users and accounting regulators that accounting reports provide information that is useful for decision making. In the for-profit sector, much has been done to determine how accounting information is used in credit and investment decisions. However, less empirical evidence has been studied to determine whether and how donors used accounting information when making a contribution decision.

In order to examine the importance of accounting information to charitable contributions, previous research has primarily examined the relationship of efficiency measures and contributions (Weisbrod and Dominguez 1986; Posnett and Sandler 1989; Callen 1994; Tinkelman 1999; Greenlee and Brown 1999). These studies have determined that, on average, more efficient charitable organizations produce greater total contributions. Other studies (Greenlee and Trussel 2000; Trussel and Greenlee 2002; Trussel 2002) have demonstrated that financial stability measures developed by Tuckman and Chang (1991) are useful in predicting financial vulnerability. This paper closes the gap between the prior studies of efficiency and financial stability measures and is the first to examine the link between financial stability measures and donations.

The study uses data from the Internal Revenue Service Statistics of Income database developed by the National Center for Charitable Statistics. This database includes information for all 501(c)3 charitable organizations with at least $10 million in assets, and a random sample of approximately 4,000 smaller charitable organizations that are required to file a Form 990 with the IRS. Organizations that are not required to file IRS Form 990, such as religious organizations or those with gross receipts less than $25,000, are not included. The data are obtained from the 990s for tax years 1997 and 1998.

The results of this study imply that donors do care about a charitable organization's ability to continue to operate. Also, stability measures appear to provide information beyond that supplied by efficiency measures. The incorporation of certain stability measures in a regression model that also includes an efficiency indicator shows that financial stability measures are significantly related to contributions.

One measure of financial stability, revenue concentration, is an index that indicates whether an NFP's revenue comes from few or many sources. A greater number of revenue sources will leave a not-for-profit firm less susceptible to fail in the event of a decline in contributions. The results from this research demonstrate that contributions are negatively associated with an organization's concentration of revenue sources.

Further, operating margin, which is analogous to gross profit in the for-profit arena, is positively related to contributions for most NFP sectors. This implies that donors give more to organizations with higher operating margins. Higher operating margins give an NFP the ability to devote a greater portion of each contributed dollar to surplus, which protects the organization in the event of a decline in contributions.

An accumulation of surplus can protect an organization in the event of a revenue decline, but donors do not appear to reward NFPs that save contributed funds. The measure of adequacy of equity, which calculates net assets as a multiple of annual revenues, is negatively and significantly related to

contributions. Larger net asset balances do protect NFPs in the event of a decline in contributions, but can communicate to donors that additional contributions are not necessary. Further, in light of recent news stories about charities that have not quickly dispensed donated funds to victims of the September 11, 2001 terrorist attacks, it seems that donors actually punish charitable organizations that save contributed funds for future periods with fewer donations.

Finally, this paper finds that Tuckman and Chang's (1991) ratio of administrative costs is a measure of efficiency. Tuckman and Chang are correct when they argue that inefficient NFPs can increase efficiency instead of cutting program services in the face of financially difficult times. This claim is supported by evidence provided by Greenlee and Trussel (2000) and Trussel and Greenlee (2002) that shows higher administrative expense ratios are negatively related to the probability of financial vulnerability. However, this study indicates that while less efficient companies may have greater ability to stay afloat in troubled economic times, donors do not reward inefficiency with increased donations.

Paper Number: PA021363

Paper Title: Adverse Audit Findings for Nonprofit Organizations Under the Single Audit Act: Risk, Industry Sector, and Auditor Effects

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Summary of Research

Nonprofit organizations (NPOs) that expend more than a designated amount of federal funds in any one year are subject to a stringent form of nonprofit accountability: the A-133 audit. First, we examine whether NPOs select audit firms based on auditor-specific factors, such as reputation, size, or experience with A-133 audits or by auditee characteristics. Second, we study whether auditor type influences the likelihood of receiving adverse audit findings. Preliminary results suggest: (1) NPO size and subsector are the key determinants of auditor selection, and (2) NPOs using Big-5 or regional firms were less likely to receive adverse audit findings.

Description

Problem Or Issues To Be Addressed:

According to the American Heritage Dictionary, to be accountable is "to be answerable for." Thus, an organization is accountable when it is answerable to some other party for accomplishing some definite goal(s). Recent events have highlighted the importance of financial accountability in both the business and nonprofit sectors. In the business sector, the bankruptcy of Enron and the loss of millions of dollars in pension funds have been widely publicized and have resulted in calls for the institution of measures to increase confidence in audited financial statements by the investing public. In the nonprofit sector, lapses in financial accountability have affected organizations as varied as the American Red Cross and Hale House. Donations have declined and the public has responded with calls for increased financial accountability in this sector as well.

Although studies have examined the use of the audit as an accountability tool in business sectors, little research has focused on the nonprofit (NPO) sector. Since the lack of profits in this sector makes any efficiency or effectiveness measurement difficult, a financial audit may be a primary tool used by resource providers (donors, grantors, and others) to assure that resources are spent as agreed. Our proposal is an extension of Keating et al.'s (2001) paper that described the attributes of nonprofit organizations receiving federal government grants and contracts, the auditors that performed these audits, and the audit findings. In this paper, we examine the determinants used by nonprofits in auditor selection and the impact of that choice on the audit findings.

Background. Congress enacted the Single Audit Act in 1984 to improve the financial management of federal grant recipients and provide a uniform set of auditing requirements for federal grants. Effective January 1, 1990, nonprofit organizations receiving government funding became subject to the Act and the associated regulations outlined in OMB Circular A-133: Audit of Institutions of Higher Education and Other Nonprofit Organizations. The A-133 circular outlines audit procedures and guidelines for allowable costs (that can be charged to federal grants). It also designates a "cognizant" federal agency to which the auditor's compliance reports are to be sent. Since 1996, every nonprofit entity receiving at least $300,000 in any one year must undergo an annual "A-133 Audit." Each A-133 audit consists of two sets of procedures: The general requirements for all A-133 auditees include a CPA audit, assessment of the internal control structure, and analysis of the use of the Federal funds. The specific requirements vary based on the cognizant agency and the specific federal grants received. Since an A-133 audit demands audit skills beyond those necessary for a standard CPA audit, auditors are required to obtain additional certification. Overall, A-133 audits are a highly rigorous form of nonprofit oversight and is expensive and

challenging for both the auditor and the auditee.

Topic Relationship to the State of Knowledge in the Field

Although a great deal of theoretical and empirical research has examined factors impacting the selection of auditors and the outcome of these audits in the business and government sectors (see, for example, DeAngelo 1981, Palmrose 1988, Rubin 1992, Lawrence 1999) little comparable research has been conducted in the nonprofit arena. One reason may be a lack of data. In the business sector, audited financial statements are required by the SEC to be made available to interested parties (and are often posted on the Internet). The same is not true in the nonprofit sector, where audited financial statements are not public information and are not typically posted on the Internet. However, nonprofits that receive more than $300,000 annually from the federal government are required to undergo a comprehensive audit, the results of which are publicly available.

Approach We Take (including data sources)

We combined a database of A-133 audit information with Form 990 tax data from the National Center for Charitable Statistics NCCS). The A-133 database provides information on Single Audits conducted from 1997 through 2000, including the auditee, auditor, audit findings, and federal grant types and amounts. The NCCS database contains a portion of financial and non-financial information reported on IRS Form 990s.

We examine the following questions:
1. What are the determinants of auditor selection? Does a nonprofit select its auditor on the basis of reputation, level of experience, or some other reason?
2. Do financially healthy nonprofits select auditors differently than less financially healthy organizations?
3. Does the auditor selected appear to impact the type of audit finding?

Contribution to the Field

Little is known about how and why nonprofit organizations choose their auditors and what the impact is of their choice. Our paper will provide further insight into the value of one type of existing nonprofit oversight: the Single Audit. We examine the reasons that a nonprofit organization selects one audit firm over another and then study whether the type of auditor selected impacts the audit report. Our findings should be useful to a wide range of users: the federal government in public policy decisions, nonprofit organizations receiving government funding, donors interested in the internal controls and financial viability of tax-exempt organizations, and taxpayers.

We report on 11,841 nonprofit entities that underwent such audits, and the 3,592 audit firms that conducted them, from 1997 to 1999. We found, after controlling for other characteristics, that (1) NPOs are less likely to select a Big-5 accounting firm if they operating in the health, human service, or public/societal benefit subsectors, (2) Large regional audit firms are more likely to be selected by educational institutions and/or those NPOs with a high proportion of debt, (3) NPOs using Big-5 or large, regional firms were less likely to receive adverse audit findings, (4) Educational audit reports were more likely to disclose adverse findings relating to their financial statements or compliance, while public or societal benefit NPO audit reports were more likely to disclose material internal control problems, (5) Health care NPO audit reports were more likely to reveal "going concern" problems, and (6) Human service NPOs were less likely to report adverse findings.

Paper Number: PA021208

Paper Title: Housing and Neighborhood Participation: A Comparison between the For-profit and the Non-profit Sector in Baltimore

Author(s):

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Summary of Research

The existing literature on housing in the United States lacks a rigorous study of the neighborhood participation strategies pursued by the non-profit sector and the for-profit sector. Moreover, there is hardly any thorough comparative study of the strategies pursued by both these sectors. The current study seeks to fill these gaps by examining neighborhood participation not only within the respective non-profit and the for-profit sector, but also by comparing the strategies of these two sectors. It adopts the case study approach, and focuses on four organizations, two non-profit and two for-profit organizations engaged in housing in Baltimore.

Description

In the wake of reduced federal funding in the United States for low-income housing in the 1980s, there has been an increased involvement of the non-profit sector in this field (Goetz 1993: 2; Suchman et al. 1990: 1). Studies have expected the non-profit sector organizations involved in housing, particularly those engaged in affordable housing to involve neighborhood residents in their housing programs (Goetz 1993 : 2). How far is this expectation close to reality? Do non-profit organizations really involve neighborhood residents in their housing programs? What is the manner in which neighborhood residents are involved, and what are the factors that influence neighborhood participation in the housing programs run by non–profit organizations? What are the ways in which for-profit developers involve neighborhood residents, and what factors influence their neighborhood participation? What leads to differences in the neighborhood participation strategies pursued by the non-profit sector organizations and the for-profit sector organizations?

Current Study

The study examines the above questions by using evidence from the city of Baltimore, Maryland. It adopts the case study approach, and focuses on four organizations, two non-profit (Sandtown Habitat for Humanity, St Ambrose Housing Aid Center) and two for-profit (Streuver Rouse Homes, and Landex Corporation) organizations. All these four organizations are involved in homes for sale and are active in Baltimore. Moreover, these four cases provide the opportunity to study organizations developing affordable housing and non-affordable housing in the non-profit and in the for-profit sector. While the study focuses on affordable housing in the case of Sandtown Habitat for Humanity (non-profit) and Strueuver Rouse Homes (for-profit), it concentrates on non-affordable housing while studying St Ambrose Housing Aid Center (non-profit) and Landex Corporation (for-profit).

The paper uses data from documents and studies, websites, newspaper articles, newsletters, videotapes, in-depth semi-structured interviews, and observation. A total of 30 informants were interviewed in Baltimore and Washington DC between October 2001 and March 2002. These included staff of the four organizations along with those from the Belair-Edison Neighborhoods, residents from local neighborhoods, officials from the Housing and Community Development Department, and experts in the field of housing. An analytical framework was developed to examine the nature of neighborhood participation existing in the housing programs run by the four organizations and factors influencing this participation.

The existing literature lacks a rigorous study of the neighborhood participation strategies pursued by the non-profit sector and the for-profit sector. Moreover, there is hardly any thorough comparative study of the strategies pursued by both these sectors. The current study seeks to fill these gaps by examining neighborhood participation not only within the respective non-profit and the for-profit sector, but also by comparing the strategies of these two sectors. This will lead to a better understanding of the linkages between housing and neighborhood participation, and may inspire ways of strengthening the relationship

between the two.

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Paper Number: PA021330

Paper Title: Community Organizing for Development: Evaluating a Transformative CDC Initiative

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Summary of Research

This paper reports on the final evaluation of a three-year demonstration project to test the proposition that community organizing can be infused as a core component of nonprofit community development corporations (CDCs). The authors have documented and assessed the effectiveness of this initiative as evidenced by four central aspects of its implementation: membership and participation, leadership development, integration of organizing and development, and the CDCs' ability to develop and wield political power and influence in the larger community. Findings and conclusions are detailed in this paper along with recommendations for future efforts.

Description

Building Power for Community Residents: Grassroots Organizing in CDCs

   This paper reports on the final evaluation of a three-year demonstration project to test the proposition that community organizing can be infused as a core component of nonprofit community development corporations (CDCs). The initiative was co-sponsored by a statewide association of CDCs and an organization that provides these nonprofits with training, technical assistance, and linkage to funding sources. Funding was secured to provide direct financial assistance for twelve CDCs and consultation for five other groups. A selection process was put in place to insure that the twelve funded groups represented the full range of CDCs - large and small, experienced and new, narrow and broad in program focus, and with track records reflecting different levels of organiza- tional maturity. The authors have documented and assessed the effectiveness of this initiative as evidenced by four central aspects of its implementation: membership and participation, leadership development, integration of organizing and development, and the CDCs' ability to develop and wield political power and influence in the larger community.

   Since the mid - 1990s, there has been a growing appreciation of the benefits of grassroots organizing among funders and community development professionals. Nevertheless, there is disagreement and debate about whether and how organizing can be
integrated substantially into CDC economic development work - primarily creating new or rehabilitating existing affordable housing. There are two major approaches to community organizing. Social action (Alinsky, 1971; Rothman, 1979; Staples, 1984; Kahn, 1991; Bobo et al, 2000) entails collective action to persuade or coerce external institutional decision-makers to alter or cease what they are doing or to act to do something entirely different. The development approach (Rothman 1979; Khinduka, 1987; Rubin & Rubin, 1992; Brueggemann, 2002) involves community members in internally focused self-help activities to produce improvements, opportunities, structures, goods and services that increase the quality of life and build member capacities. While both approaches emphasize community participation, the development of indigenous leadership, and collective action to achieve shared goals of community members, there are clear differences in strategies, with social action typically employing persuasive campaigns or adversarial contests, while developmental models tend to utilize collaborative methods and tactics (Warren, 1975). Many scholars and practitioners have raised serious questions about whether CDCs are willing or able to incorporate social action approaches that may target, and perhaps alienate, public and private institutions which will need to be collaborators and partners for community development projects (Beckwith & Lopez, 1997; Ganz, 1998; Hess, 1999; Fisher & Shragge, 2000). Others have raised questions about whether CDCs are willing to be "community-driven," even if a more collaborative developmental approach is undertaken (Miller, 1996; Lenz, 1998; Traynor, 1995).

This initiative tested whether both development and social action organizing approaches could be assimilated into the mission, goals, programs, projects, and activities of selected diverse CDCs engaged in economic development. Four primary questions guided the authors' research:

1) What did the initiative demonstrate with respect to membership development and resident participation in the life and activities of participating CDCs?
2) What contribution did the initiative make to leadership development in participating CDCs?
3) Did the initiative advance the goal of integrating community organizing and economic development? Did the initiative show the mutual benefit each provided the other?
4) Did the initiative promote the ability of CDCs to develop and wield political power and influence in the larger community?

Observations and findings also were made about other related organizational issues, including staffing, the role of governance boards, financial and organizational sustainability of organizing after the conclusion of the demonstration project, and the role of training and technical assistance in the implementation of the initiative.

The authors employed the same case analysis methodology as was utilized for the interim, half-way evaluation, which was reported at the Annual ARNOVA Conference in New Orleans, Louisiana in November, 2000. Six CDCs were selected, two each from three categories, based on their levels of prior engagement with, and commitment to grassroots community organizing. Group One consisted of CDCs that formerly had shown evidence of understanding community organizing, engaged in it extensively, and demonstrated staff and governance board commitment to it, espousing a mission that included organizing. Group Two included organizations that never had undertaken community organizing in any form nor had made any commitment to it. The CDCs in Group Three had mixed histories, either having originated from an organizing effort or having had a prior commitment to it, but having recently faced internal conflict over what defined organizing and its role in their present mission. A participatory evaluation process, including a survey, telephone interviews, and a focus group was used to develop the final assessment tool that provided the data for this evaluation.

The authors have concluded that the initiative was able to demonstrate that community organizing successfully can be made a part of the core mission of CDCs. These nonprofit organizations can build a base, make expanded resident leadership central to organizational development, mount campaigns and other efforts to increase their power and influence in the larger community, and successfully integrate organizing into the development process. This conclusion has profound implications for both CDCs and community organizing theory and practice. It holds the promise that economic development can move beyond "bricks and mortar" to become more community-driven and accountable to neighborhood residents. The findings which lead us to this conclusion are detailed in this paper. Lessons learned from this initiative also are specified, and recommendations are made for future efforts to incorporate grassroots organizing into the fabric of CDCs.

Paper Number: PA021437

Paper Title: East New York Farms: Youth Participation in Community Development

Author(s):

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Summary of Research

In this paper, I will describe the joint efforts of several community-based agencies to involve youth interns in an effort to promote urban agriculture and a farmers' market as a component of community development in a poor neighborhood in Brooklyn, New York called East New York. I argue that to understand the perspectives of and the impacts on the youth interns will serve a purpose in the development and realization of future projects, as well as to stress the integral role that community-based agencies can play in building sustainable communities.

Description

1. The problem or issue to be addressed
In this paper, I will call attention to the role of the community-based agency in integrating economic goals with social and environmental issues that are important in the community. I will describe the joint efforts of one community-based agency working in collaboration with several others, and assess the impact of involving youth in an effort to promote urban agriculture as a component of community development in a poor neighborhood in Brooklyn, New York called East New York. I think my emphasis on the role of youth in community development has not been given sufficient attention in the existing literature.

East New York (ENY) is located in the easternmost part of the borough of Brooklyn. Its population consists primarily of poor African-Americans and a growing cohort of immigrants from the Caribbean. The area was plagued in the 1980's and 1990s by gang violence, drug problems and other criminal activity. Large housing projects, vacant lots and abandoned buildings dotted much of the landscape. Despite these assaults on the urban landscape, ENY is also home to the largest number of community gardens of any other neighborhood in New York City. The community gardens supported by community members offer respite for residents and serve to turn some of these unusable vacant lots into flourishing places for plants and community life.

In 1995, United Community Centers embarked on a collaborative project with Genesis Homes, the Local Development Corporation of East New York, Cornell Cooperative Extension, and Pratt Institute to form ENY Farms. Their goals were to establish a community garden, promote small scale farming in the neighborhood gardens, and use the harvests to supply a farmers market. The urban agriculture movement has brought attention to the potential that urban areas (in particular, poorer communities and developing countries) have to grow fresh nutritious food. ENY Farms was designed to: 1) augment community economic development; 2) establish more green spaces and safe open public spaces for residents to enjoy; 3) provide a means for local and nearby small farmers to sustain their own economic development; 4) create youth intern positions that would invite young members of the community to participate in this effort. It is this last point that I will explore in greater detail.

Several agencies involved realized that the inclusion of youth and the educational and environmental component needed to be an integral part of the project. The youth interns hired in the 2001 farmers' market season were paid to work in the community garden in the afternoons, harvest on Friday, and staff tables at the farmers' market on Saturday.   The goal is to provide younger members of the community with a means to learn more about ecology, the environment and growing, along with fostering job/life skills such as teamwork, handling money, and balancing their responsibilities.

The issues I wish to address concern our current understanding of the role that young people can play in supporting community improvement and the impact that has on their sense of self, their perceptions of their environment and what it can provide them in terms of opportunities to learn and grow. Moreover, I will highlight the role that an agency can offer to community development efforts by joining social and

environmental goals with economic development.

2. Topic's relation to the state of knowledge

In assessing the significance of urban agriculture, it is imperative that the issue of food security be considered. Food security is defined as access to all the food required for a healthy life (Hall, 2000). Factors that influence health and well being in individuals include dietary intake, air quality, and other aspects of the environment. Farmers' markets in urban areas can provide consumers access to fruits and vegetables that don't suffer loss of nutritional value in transit and storage. This is particularly significant in poor urban areas that are characterized by a dearth of supermarkets and other sources for fresh local produce.

A second consideration is the economic benefits of urban agriculture and farmers' markets. According to the US Department of Agriculture, between 1994 and 2000, the number of farmers' markets in the US grew 63% with sales now exceeding $1billion a year. According to former Agriculture Secretary Dan Glickman, "Farmers markets are critical to the success of American agriculture, allowing small farmers to...keep a larger share of the consumer dollar," (USDA, Jan/Feb 2001). The broader economic benefits include bringing other businesses to the area, more jobs, and gradually raising the property value of real estate.

An important aspect of East New York Farms worth highlighting was the collective process that led to its development. The input of the residents contributed to a feedback loop that was built into the design of the project. The benefits of community participation and engagement are well documented in the literature. For example, the researchers of the Sense of Community Project at the University of Michigan found that neighboring behavior promotes participation in block associations (Kim & Schweitzer, 1996; Crew et al, 1996). The informal and formal mechanisms of social interaction among this sample of Lansing residents have been shown to contribute significantly to social capital as defined by civic engagement and social connectedness. In a survey of residents of low-income tenant-owned housing cooperatives in New York City, Saegert & Winkel (1996) concluded that the personal experience of participation and the environmental aspects of the community (e.g., living in an environment of collective decision making) positively influenced empowerment at the political level (beliefs about political efficacy).

More specifically, the literature also suggests that there are many benefits to community participation in the design and maintenance of neighborhood open spaces. Francis et al (1984) indicated that among the benefits are: preserving open/green space, helping residents cope with city life, engaging with neighbors, shaping the places in which they live, gaining a sense of self-reliance, improving the image of the neighborhood and encouraging other neighborhood improvement efforts.

Another relevant study by Halpern et al (2000) evaluated the network of neighborhood youth programs in a low-income Latino area of Chicago. The authors discovered that the settlement houses served a variety of important functions related to community and safety. The youth reported that the space offered them a chance to interact with other young people in a semi-structured and consistent environment that was a safe haven from the other alternatives in their neighborhood.

3. Approach I will take

Open-ended qualitative interviews were conducted with 20 of the 27 former youth interns as well as representatives from the ENY Farms planning group (which includes members of the community and all the agencies involved). The main topics of the youth intern interview consisted of learning about their experience with the community garden and the farmers' markets, understanding their perceptions of their neighborhood and what it has to offer young people, and how the farmers' market and community garden experience impacted their feelings about themselves, their neighborhood and the environment. The interviews with the representatives of the ENY Farms covered historical information about the development of the project and other aspects of the working relationship.

In my thematic analysis of my interviews and through the use of participant observation, I will identify major themes in the evolution of ENY Farms and closely explore the youth interns' experiences. Some

of the motifs that have arisen among the youth interns are related to how they increased their role in the community and helped to transform their environment, along with learning skills and interacting with other young people in a safe environment.

4. The contribution to the field I will make.
Community-based agencies possess great power to effectively identify the needs of the community through their ties to individuals, collaborate with other agencies with similar interests, and act as a platform from which positive social change can occur. In ENY, the introduction of urban agriculture and the farmers' market possesses many interesting dimensions including augmenting local economic development, promoting the use and utility of community gardens and vacant lots, and emphasizing community participation.

The ENY Farms project is unique in the sense that its structure includes a place for youth interns to participate in a project that bears a certain resemblance to other after-school activities (i.e., structure, team work, etc.) but has some distinctive qualities. First it enables the youth to contribute to developments that have a noticeable impact on the landscape of East New York: community gardens and farmers' markets. Second it offers excellent opportunities for youth to take on responsibilities. Third it results in the learning of some valuable new knowledge and skills (e.g., horticulture, urban farming, salesmanship).

I maintain that to understand the perspectives of and the impacts on the youth interns will serve a purpose in the development and realization of future projects as well as to stress the integral role that community-based agencies can play in building sustainable communities.

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Paper Number: PA021477

Paper Title: Citizen Participation at an African-American and a Hispanic Grassroots Association: Historical Lessons from Milwaukee during the 1960s and 1970s.

Author(s):

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Summary of Research

Small, under-funded, and overlooked community based organizations (CBOs) frequently do not get the attention from academics, policymakers, or funding executives as do large nonprofit organizations. This presentation will address that problem by illuminating the historical impact of two small grassroots organizations within Milwaukee: one in the African-American community and the other in the Hispanic community. The research paper will consist of three parts: a historical background of Milwaukee, followed by a discussion of two CBOs, namely, the Organization of Organizations (Triple O) and the Spanish Center.

Description

Title: "Citizen Participation at an African-American and a Hispanic Grassroots Association: Historical Lessons from Milwaukee during the 1960s and 1970s."

Key words: community organizing, participatory democracy, grassroots advocacy, social change, economic development, and political mobilization.

Small, under-funded, and overlooked community based organizations (CBOs) frequently do not get the attention from academics, policymakers, or funding executives as do large nonprofit organizations. This presentation will address that problem by illuminating the historical impact of two small grassroots organizations within Milwaukee: one in the African-American community and the other in the Hispanic community. The research paper will consist of three parts: a historical background of Milwaukee, followed by a discussion of two CBOs, namely, the Organization of Organizations (Triple O) and the Spanish Center.

Too often small CBOs have made numerous positive accomplishments but have been under-represented in the review of the literature. This work provides encouragement for those working in small nonprofits to continue to look for ways to solve the pervasive social problems found in many of America's urban environments. Furthermore, it debunks some of the myths expounded by authors such as Daniel Patrick Moynihan in his 1969 polemic, Maximum Feasible Misunderstanding (New York: Free Press) who argued that by providing small CBOs with federal funds it circumvented the control local political officials had over which CBO should (or should not) be supported.

In contrast to Moynihan, the findings of this historical work buttress the perspective that Triple O and the Spanish Center empowered low-income citizens. These CBOs made public officials and institutions less able to ignore the needs of the poor, expanded the amount of social services to people of color, provided leadership opportunities, and contributed to neighborhood revitalization and economic development. In many ways this research dovetails with a more recent book dealing with this subject in New York City. Nancy Naples in her opus, Grassroots Warriors: Activist Mothering, Community Work, and the War on Poverty (New York: Routledge, 1998), demonstrates many of the achievements made by female staff members at small CBOs during the 1960s and 1970s.

  This qualitative research relies upon primary manuscripts. Much of the material came from collections of political leaders, local activists, and federal officials. These sources include census data, maps, funding proposals, television editorials, and newsletters. In addition, information was obtained by interviewing people from four groups: the CBO's board of directors, the CBO's staff, community organizers, and local low-income residents. Finally, mainstream daily newspapers as well as weekly African-American and Hispanic newspapers were culled for data.

During the 1960s and 1970s thousands of low-income African Americans and Hispanics in Milwaukee were directly or indirectly empowered because of Triple O and the Spanish Center. Both CBOs played a critical role in improving the rights of citizens facing public institutions that were entrenched in the status quo. Employees helped those who often "fell through the cracks" and some low-income residents obtained jobs in the CBO which enabled them to acquire better jobs in the 1980s and 1990s. Moreover, these two CBOs were pivotal in the creation of spin-off organizations that gave power to a network of social movements. Because of the activities of Triple O and the Spanish Center, elite personnel at public institutions became more attentive to the needs of the truly disadvantaged. Community organizers used their leadership talents to provide social capital to distressed neighborhoods, to provide hard-to-find services, and to attack social inequities.

Paper Number: PA021290

Paper Title: Emotional Intelligence and Effective Nonprofit Organizations

Author(s):

 Dr. Russell A. Cargo, Nonprofit Enterprise Institute, Virginia Commonwealth University, Richmond, VA, U

Summary of Research
Emotional Intelligence is a predictor of success for individuals according to research presented by Daniel Goleman. If so, can Emotional Intelligence be a predictor of successful nonprofit organizations? This paper proposes to determine whether Emotional Intelligence can be measured for Boards of Directors and what the correlations are between Boards, Executive Directors, and organizational success. For example, do Boards with strong Emotional Intelligence select Executive Directors with strong Emotional Intelligence? This paper attempts to determine whether Emotional Intelligence can be used as a tool to help strengthen nonprofit performace.

Description

Emotional Intelligence and the Nonprofit Board

   Management theory has evolved rapidly in the last century. Through research, we have made continual progress in our understanding of how organizations work and how people in them behave. One of the most recent contributions in this field has been Daniel Goleman's work on Emotional Intelligence (EI) as described in two books, Emotional Intelligence, 1997, and Primal Leadership, 2002.
   Emotional Intelligence elaborates on the work of Howard Gardner in which Gardner posits that intelligence is multi-faceted. Our abilities to function in the world are determined by factors beyond intellectual intelligence. Intelligence as typically measured by one's Intelligence Quotient (IQ), is only one of several means of describing a person's ability – and possible not the most important. Emotional Intelligence, according to Goleman, refers to a person's ability to regulate emotional responses to life's events. His research has shown that people with high levels of EI are successful and that strong EI scores are better predictors of success than are high IQ scores.
   The question this proposed paper will begin to address is how the knowledge of EI relates to nonprofit organizations? How might the understanding of Emotional Intelligence add to our ability to guide nonprofit boards and executives for the purpose of better serving their clients?
   Specifically, the research questions are:
· Can emotional intelligence be measured for groups such as   nonprofit Boards of Directors?
· Does a high EI score for an Executive Director correlate with a successful nonprofit organization?
· If we can determine an Emotional Intelligence score for Boards of Directors, how does that correlate with:
1. The EI of the Executive Director, and
2. The success of the nonprofit organization?
The research on this topic will attempt to determine whether EI is only applicable to individuals or whether it can be applied to boards. Then a determination will be made as to whether scores in EI are related to the performance of nonprofit organizations.
   The significance of this project will be to discover whether EI can be a useful tool in assisting nonprofit executives and boards to move their organizations toward greater effectiveness and mission satisfaction.
   The plan for this research is to assess the EI for members of the Boards of four organizations and to do the same for the four Executive Directors. Two organizations are currently part of a strategic planning process and are generally weak organizationally. The other two nonprofits are similar sized organizations that have been effective in program delivery and in fundraising.
   For the purposes of this paper, this project will be a pilot project to work out the survey work, to explore the issues surrounding the assignment of EI values to a group, and to form an understanding of the

relationships between EI scores and the governance, management, and operations of nonprofit organizations.

Paper Title: Formal Consensus Decision-Making (A Tool for Collaboration)

Author(s):

 Ms. Janice W. Maatman, Western Michigan University, Kalamazoo, MI, USA

Summary of Research

My hypothesis is that formal consensus decision-making increases decision quality, satisfaction with meeting process and decisions, implementation, and the trust necessary for successful collaborations. I will interview people in Kalamazoo and Traverse City Michigan who are using formal consensus decision-making. People will be asked to compare consensus meetings with majority-rule meetings. They will be asked to compare decision quality, satisfaction with decisions, perceived level of follow-through on decisions, and levels of trust between group members. These qualitative measures will be tested against more quantitative measures such as observation, decision quality, and organizational records.

Description

Time and trust are squandered in meetings. Many meetings end with dissatisfaction, poor decisions and little or no follow through. Parking lot conversations that criticize the meeting's process and conclusions undermine participant's trust in each other and willingness to work together. It is time to explore alternatives to Robert's Rules. We need meetings where a common purpose is the focus, disagreement is expressed, proposals are rewritten, and trust is built.

I would like to explore a meeting process labeled Formal Consensus Decision-Making. This process is based on a small book called On Conflict & Consensus by C.T. Lawrence Butler and Amy Rothstein. Consensus in this model is not voting, agreement, or unanimity. It is giving consent or permission. People may disagree but consent to a decision that they see is in the group's best interest. A group can reach consensus on a proposal and still hold a wide range of opinions.

The process outlined by Butler and Rothstein depends on a skilled neutral facilitator. Depending on the size and complexity of the meeting other roles may include timekeeper, public scribe, note taker, doorkeeper, peacekeeper, and advocate. A prerequisite to formal consensus decision-making is a shared purpose or mission. This purpose forms the hub of the discussion with people either supporting the proposal by explaining why this proposal furthers the purpose/mission of the group or having concerns about the proposal and whether it will further the group's purpose/mission. Proposals and agendas are drafted at an agenda-planning meeting where attention is paid to the process of the upcoming meeting. At the actual meeting participants volunteer for roles and someone presents the proposal with its history and rationale. Then there is an opportunity for clarifying questions. Level I begins the discussion. The hub of the wheel centers the comments, "How does this proposal support or detract from our purpose/mission?" Following a broad philosophical discussion the facilitator asks, "Are there any unresolved concerns that need to be resolved at this time?" If there are none, consensus is declared. If there are concerns, Level II calls for and lists individual concerns. Sometimes it is enough to state a concern and consensus follows. Other times an individual concern becomes a group concern and the group moves to Level III. Concerns are grouped and people begin to offer alternatives to the proposal that will address the group's unresolved concerns. The discussion is limited to resolving one concern at a time. Sometimes the group needs to return to Level II or I and identify concerns about the revised proposal. Sometimes a new proposal achieves consensus instantly. A participant who does not agree with the proposal can stand aside. A group that is getting nowhere can send the proposal back to a committee or can declare a block and table the proposal indefinitely. This usually does not happen. Informal evaluation of the process (a question is posed at the end of each meeting) has produced the following comments, "I feel included for the first time," "I don't think I have ever been heard before in this group," "our decision was so creative, no one person could have ever have thought of this."

There are many books and articles about how to make your meetings more effective but little research has been published. James L. Creighton and James W. R. Adams in their book, Cybermeeting, cite

Charles Pavitt's review of group process research literature. Creighton and Adams (1998) cite Pavitt's key findings as:

·Nine of ten studies showed that when groups used a formal procedure rather than free discussion, and there was an objectively verifiable correct answer, the groups using the structured process were far more likely to come up with an accurate answer.

·Decisions made using a formal discussion method result in higher decision quality-although the time spent making the decision may be longer.

·Groups that use procedures are more satisfied with their decisions and more committed to their implementation.

·The order of the steps does matter, particularly when seeking creative ideas. When evaluation and discussion of alternatives are mixed, for example, there are fewer total proposals and fewer good proposals. (pps. 81-83).

In Pavitt's 1993 article "WHAT (LITTLE) WE KNOW ABOUT FORMAL GROUP DISCUSSION PROCEDURES" we find out that the formal procedures he cites are input-process-output (I-P-O), brainstorming, and nominal group technique (NGT). Pavitt describes Nominal Group Technique as a "highly structure method for making proposals." (p. 227) Pavitt concludes that, "To begin, although it is highly likely that the use of formal procedures does improve group decision-making performance, the manner in which procedures have this impact is unclear. Although advocates of formal procedures have presumed that their use leads to improvement in the structure and content of group discussion, all relevant studies…have failed to examine whether discussion itself mediates the procedure/performance relationship. This failure leaves as a viable alternative the possibility that formal procedures improve individual decision-making performance and, in turn, group decisions independently of discussion content." (p. 229) I believe that fcd-m will show that it is indeed the discussion that increases decision quality, satisfaction with the meeting process and its decisions, implementation, and the trust necessary for successful collaborations.

My hypothesis is that formal consensus decision-making increases decision quality, satisfaction with meeting process and decisions, implementation, the trust necessary for successful collaborations, and that these outcomes are directly related to the discussion. I will interview people in Kalamazoo and Traverse City Michigan who are regularly using formal consensus decision-making. These groups are the Strong Families/Safe Children collaboratives in Kalamazoo and Traverse City, the multi-purpose collaborative body in Traverse City (all three of these groups are made up of many nonprofit and government human service organizations), and the Greater Kalamazoo United Way's Community Planning and Fund Distribution Cabinet. People will be asked to compare formal consensus decision-making to more traditional meeting structures such as Robert's Rules of Order. They will be asked to compare decision quality, satisfaction with decisions, perceived level of follow-through on decisions, and levels of trust between group members. These qualitative measures will be tested against more quantitative measures such as observation, decision quality, and organizational records.

I will systematically research the effectiveness of formal consensus decision-making and present preliminary findings to ARNOVA in November of 2002.

Paper Number: PA021408

Paper Title: The Impact of Nonprofit Collaboration in Early Childhood Education on Management and Program Outcomes

Author(s):

Dr. Sally Selden, Lynchburg College, Lynchburg, VA, USA

Jessica Sowa, Alan Campbell Public Affairs Institute, Syracuse University, Syracuse, NY, USA

Jodi Sandfort, McKnight Foundation, Minneapolis, MN, USA

Summary of Research

The prevalence of inter-organizational structures or collaborative efforts in the provision of human services is increasing. Most authors agree that there is a continuum of relationships that bind organizations to each other. This study examines the nature of inter-organizational structures or collaborations across different funding streams in 20 nonprofit organizations providing early childhood education programs. It describes the nature of collaboration in early childhood education, develops a typology that explicates the nature of the partnerships, and examines the linkages between the different approaches to collaboration and management and program impacts.

Description

The Impact of Nonprofit Collaboration in Early Childhood Education on Management and Program Outcomes
Issue
In the last forty years, many forces have converged to increase the importance of non-profit organizations in the provision of human services. Although voluntary organizations have long provided health and human services, many scholars have explored the changing relationship between the public and non-profit sectors (Donahue 1989; Smith and Lipsky 1993; Salamon 1995). As more private non-profit organizations have been hired actually to deliver public programs, the state has actually been "hollowed out" (Milward 1996). The dependence upon the state for steady revenue also has altered the orientation and management of non-profits agencies (Smith and Lipsky 1993; Stone 1996; Light 2000).

By definition, the increased reliance upon private organizations creates a more decentralized and – as a result – fragmented service system. Each private contractor develops unique programs to respond to the state's requests, with their own application forms, service approaches, and techniques for tracking client progress. Additionally, the public policy process itself lends to fragmented service provision. Legislative leaders – at the federal, state, county, and city levels – have incentives to develop new social and health programs in order to demonstrate their responsiveness to their constituencies. Over time, this practice creates a mass of "categorical" programs that often mandate contradictory regulations. This increases the complexity of service delivery for private non-profits. Often, rather than forming a "safety net" for vulnerable individuals and families, these agencies must struggle with contradictory eligibility rules, complex program guidelines, and inconsistent funding requirements.

In response, there are have been multiple attempts to deal with the structural forces that fragment the provision of health and human services. In the late 1960s, for example, the federal government engaged in an attempt at "service integration" within federal agencies and local initiatives (Gans and Horton 1975; Agranoff 1991; Kahn and Kamerman 1992). Since the 1980s, social service professionals have embarked upon various attempts to "coordinate" services and "collaborate" across organizational boundaries (GAO 1992; Kahn and Kamerman 1992; Mattessich and Monsey 1992; Crowson and Boyd 1993; Meyers 1993). Educators are exploring "21st Century" and other "school-community" initiatives (U.S. GAO 2000).

Although different labels are applied to these structures and arrangements, the prevalence of inter-organizational structures is increasing. As Agranoff and Pattackos (1979) discuss, these structures are being formed at every level of service delivery, in various "domains." Changes are occurring in the organization of governmental administrative entities; inter-departmental task forces and teams regularly

meet for planning and program development at the state and federal levels. At the community-level, organizations come together to link discrete services into multi-faceted delivery systems which, hopefully, will decrease fragmentation and redundancy. Finally, organizations work together at the level of actual service delivery. Case management, for example, is a tool that facilitates inter-organizational communication and service packaging for clients so that their individual needs can be addressed.

This study examines collaboration across different policy areas and different levels of government in nonprofit organizations providing early childhood education programs.

Literature Review
The descriptive literature tries to classify the varying intensity of inter-organizational relationships. Most authors agree that there is a continuum of relationships that bind organizations to each other (Mattessich and Monsey 1992). While there is some variation in terminology, this intensity varies from informal to various types of formalized relations. Figure One illustrates a continuum described by Kagan (1991). On the one end is inter-organizational cooperation supported by informal and personal relationships between management and staff. On the other is formalized service integration in which two organizations work together to provide a new package of services to their mutual clients. Between these two extremes are coordination, in which both organizations make an effort to calibrate their actions, although the organizations themselves remain independent, and collaboration in which organizations share existing resources, authority, and rewards. Collaboration can occur through multiple mechanisms, such as integrating staff, joint planning or joint budgeting. Although these terms -- cooperation, coordination, collaboration, and service integration -- are often used inter-changeably, the research argues for the important to distinguish among them according to the intensity of the relationship.

Figure One: Continuum of collaborative service arrangements
<--->
Cooperation...Coordination..Collaboration..Service   Integration

When thinking about collaboration, it is important to think about the level at which the initiative is being carried out. Policy-centered efforts, for example, have little potential in directly altering client outcomes. Client-centered initiatives have little likelihood of influencing the systems within which programs are being delivered. In contrast, organizationally-centered efforts would reasonably be expected to improve system efficiency.

Although a lot of attention has been paid to describing the array of collaborative service models and categorizing the diversity found in the professional fields, this literature is has not congealed around one approach. Those writing for more applied audiences, stop at describing what they see. Their frameworks, while sound, are not used to support a larger research effort that looks at the effect of particular types of collaborative strategies. While those writing for more scholarly audiences may have investigated the effect of different types of linkages or network structures, they do so in relation to particular theories that decrease the practical relevance of their analysis. A gap exists for research-based conclusions about the effectiveness of various collaborative service delivery models falls somewhere between the divide that separates these two approaches.

Study's Approach
We examine collaboration in a setting where nonprofit organizations collaborate across Head start, state preschool, and Department of Social Services to provide full-day, full-year care to low-income children. In these collaborations, managers often struggle with contradictory eligibility rules, complex program guidelines, and inconsistent funding requirements.
Investigating Partnerships in Early Childhood Education (I-PIECE) utilizes a structured, comparative case study design and multiple data collection methods. The study includes 20 sites that are collaborating across at least two of the aforementioned areas in early childhood education. As there exists little understanding in the early childhood education and care literature or the policy literature as to the nature of the population undertaking these collaborations, this precluded the possibility of random sampling to select these organizations. Therefore, we selected the sites using both purposeful theoretical and snowball sampling. The sites were selected to represent a range of collaboration types and

organizational sizes.

Study's Contribution
The purpose of our paper is three-fold. First, we will describe the nature of collaboration in early childhood education and develop a typology that explicates the nature of the partnerships. Second, we will examine the linkages between the approaches to collaboration and their impact on management and program implementation and outcomes. Third, we will propose a set of hypotheses to guide future research.

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Paper Number: PA021421

Paper Title: Managing Stakeholder Relationships and Nonprofit Organization Effectiveness

Author(s):

 Professor Deborah Balser, University of Missouri-St. Louis, St. Louis, MO, USA

 Dr. John McClusky, University of Missouri at St. Louis, St. Louis, MO, USA

Summary of Research

Drawing from the literature on nonprofit and organization studies, this paper examines how NPOs manage their relationships with stakeholders and the association between stakeholder management and evaluations of NPO effectiveness. We conducted semi-structured interviews with executive directors of 25 social service organizations and classified their practices according to Oliver's (1991) typology of strategic action. A panel of local NPO experts evaluated the effectiveness of each organization. Findings show NPOs actively manage stakeholder relations using a variety of practices which contributes to evaluations of organizational effectiveness.

Description

    Nonprofit organizations typically operate in complex environments with multiple stakeholders. Consequently, NPOs encounter multiple pressures and face assessments of effectiveness from multiple stakeholders (Alexander, 1996; Bigelow & Stone, 1995; Herman & Renz, 1997). Effectiveness of nonprofits has been linked to the adoption of organizational inputs and processes (e.g. having such things as a mission statement and a calendar for board development activities), rather than outputs or outcomes (Herman & Renz, 1997). These types of procedures, which Galaskiewicz and Bielefeld (1998) labeled managerial tactics, have an internal focus intended to facilitate task accomplishment.

    In addition to the internally-focused managerial practices, organizations engage in activities that target the institutional environment, which Galaskiewicz and Bielefeld (1998) referred to as political tactics. However, little is known about how practices that are aimed at managing external stakeholders contribute to organizational effectiveness. Drawing on the literature from nonprofit and organization studies, this paper examines how NPOs manage their relationships with stakeholders and the association between stakeholder management and evaluations of NPO effectiveness.

    Although both resource dependence and neoinstitutional theories explain how organizations respond to their environments, they incorporate very different assumptions about the ability of organizations to act strategically (Oliver, 1991). Resource dependence theory assumes organizations can actively adapt to and attempt to control environmental uncertainty (Pfeffer & Salancik, 1978). In contrast, according to neoinstitutional theory, organizations are relatively powerless to environmental expectations; organizations conform to institutional expectations to gain legitimacy and survival (DiMaggio & Powell, 1983; Meyer & Rowan, 1977). Borrowing from resource dependence, Oliver has suggested that organizations may not be limited to conformity to institutional expectations. Instead, organizations may act strategically in order to maintain organizational autonomy and legitimacy while simultaneously securing necessary resources from the environment (Alexander, 1998; Oliver, 1991; Tschirhart, 1996).

    According to Oliver's typology of strategic actions (1991), organizations may select from a range of alternatives in dealing with environmental expectations, including acquiescence, compromise, avoidance, defiance, and manipulation. Conceptually, these responses vary in the type of agency the organization adopts. Moving from acquiescence to manipulation, an organization goes from relative passivity to increasing resistance or even active shaping of environmental expectations.

    Empirical work has begun to examine how NPOs deal with institutional expectations (e.g. Alexander, 1996; Bigelow & Stone, 1995; D'Aunno, Sutton, & Price, 1991; Tschirhart, 1996). Despite the range of tactics organizations may deploy, this body of work has tended toward examining a limited range of organizational tactics (compromise and avoidance) or has examined organizations' responses to a particular type of environmental threat (e.g. funding cutbacks) (Alexander, 1996; D'Aunno et al., 1991; Edelman, 1992.)

    There is little information about the effectiveness of externally directed practices or how these practices contribute to organizational effectiveness overall. One prevailing view within the growing body

of effectiveness literature is the "multiple constituency" theory, which states that effectiveness is defined by the divergent perspectives of different constituencies, using differing criteria (Connolly, Conlon, & Deutsch, 1980; Herman & Renz, 1997; Ott, 1992; Quinn & Rohrbaugh, 1981). Measuring NPO effectiveness is complicated by the difficulty and complexity of measuring some of the most important intended outcomes of NPOs (Ott and Dicke, 2000) and related issues of accountability (Kearns, 1988). This complexity and difficulty of assessing NPO effectiveness and the vital role of external stakeholders in contributing to that assessment highlight the significance of our focus on the association between an NPO's effectiveness and its management of key stakeholders.

In this paper, we take an interpretive approach to examine how NPOs interpret their environments - who they see as their stakeholders, the types of pressures they attribute to stakeholders and the practices they use in relating to stakeholders. The nonprofits in the sample are drawn from social service organizations located in the metropolitan area of a Midwest US city, with budgets of at least $500,000/year. We are conducting semi-structured, open-ended interviews with executive directors of approximately 25 NPOs. Interviews are tape- recorded and transcribed and then content coded.

Five individuals with extensive experience in the local nonprofit community (funders and consultants) are serving as our panel of external evaluators of the nonprofit organizations. Each evaluator is completing questionnaires that ask the evaluator to rate each nonprofit in terms of the organization's overall effectiveness. Subsequent questions ask the evaluators to rate the organization's effectiveness on specific dimensions of nonprofit performance, such as relating to funders and clients, financial resource development, and program/service provision. The open-ended question asks the evaluator to write an explanation for the global effectiveness rating she/he gave. Content coding of the answers to the open-ended question and descriptive statistics highlight the relationship between NPO practices and evaluations of NPO effectiveness.

Results of a pilot study show that NPOs rely on a variety of tactics to actively manage their relationships with stakeholders. Furthermore, results tentatively suggest that active management of external expectations coincides with evaluations of organizational effectiveness.

This work has theoretical implications for the development of organizational theory and nonprofit scholarship. It adds to our understanding of strategic action aimed at institutional expectations and it contributes to our work that looks at the social construction of organizational effectiveness. In addition, this work contributes to practice by demonstrating the importance of external relations in evaluations of nonprofit organization effectiveness.

Paper Number: PN022180

Paper Title: Non-profits' contribution to democracy in the Americas: the cases of Mexico, Canada, Colombia and Central America

Author(s):

Dr. Cristina Rojas, Carleton University, Ottawa, Ontario, CAN

Description

Alexis de Tocqueville's commentary about the vitality of all kind of associations as an important component of democracy has fuelled an important debate about the relationship between participation in associations and democracy. This panel will address in a comparative way the role that voluntary associations have played in the consolidation of democratic or authoritarian practices. It is our hope that a comparative look will allow isolating the different factors strengthening or weakening democratic processes. One of the main issues to be addressed refers to states' practices of contracting out social services to non-profit organisations. The panelists will look whether contracting out contributes to the democratisation of the decision making process and the strengthening of the legitimacy of the state. A second theme is the accountability of non-profits to the citizens and to the state, as reflected in practices such as disclosure of financial statements, participation in governmental committees and practices in grant allocation and follow up.

The panellists will look how these practices differ across countries and welfare regimes.

Paper Number: PN022180.1

Paper Title: Colombia

Author(s):

Dr. Cristina Rojas, Carleton University, Ottawa, Ontario, CAN

Summary of Research

Cristina Rojas will look at the case of private foundations in Colombia. She will concentrate on private responses to social change in Colombia. Specifically, she will look at private sector foundations and its relationship with the state in the period 1960-1997. The paper looks at the transformations of state-foundations relationship and the implications for democracy.

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Paper Number: PN022180.2

Paper Title: Central America

Author(s):

Dr. Laura Macdonald, Carleton University, Ottawa, Ontario, CAN

Summary of Research

Laura Macdonald will provide a retrospective overview of the contribution of non-governmental organizations to the process of democratization in Central America. This will involve a comparative analysis of the different models of incorporation of non-profit associations into the broader processes of decision-making in the post-conflict era in different countries of the region.

Description

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Paper Number: PN022180.3

Paper Title: Canada

Author(s):

Dr. Frances Woolley, Carleton University, Ottawa, Ontario, CAN

Summary of Research

Frances Woolley - will examine, in the Canadian context, the strengths and weaknesses of providing goods and services through the voluntary sector. She argues that voluntary organizations are most successful in providing services to those with whom they share bonds of community, ethnicity, or other types, hence voluntarism potentially conflicts with universality.

Description

Frances Woolley - will examine, in the Canadian context, the strengths and weaknesses of providing goods and services through the voluntary sector. She argues that voluntary organizations are most successful in providing services to those with whom they share bonds of community, ethnicity, or other types, hence voluntarism potentially conflicts with universality.

Paper Number: PN022180.4

Paper Title: Mexico

Author(s):

Dr. John Foster, North South Institute, Ottawa, Ontario, CAN

Summary of Research

John Foster –will examine developments since the late 1990s in civil society/government relations in Mexico and the interrelationship between civil society developments and the democratic transition in that country.

Description

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Paper Number: PN022167

Paper Title: Do Funders Subvert Social Movements?

Author(s):

 Dr. Carl Milofsky, Bucknell University, Lewisburg, PA, USA

Description

This is a panel of the Community Section

The panel considers the distinctive commitments, cultures, and governing styles of social movements and local communities and examines the impact upon them resulting from relationships with foundations and government funding programs. One theme is that through cooptation, or involvement in elite policy planning and governance, leaders of grass roots movements abandon original goals and help those in power to subvert critical movements from whence local leaders came. A second theme is that the cultural gap between foundation, business, and government leaders and social movement and grass roots leaders is so great that funders cannot address the real desires and needs of local programs. A third theme is that the indigenous impetus for groups and communities to organize to express local practices and goals is fundamentally discontinuous with the macro-social objectives of government programs and foundations.

Lisa Durán's paper is "Foundation Funding, Social Movement Organizations, and Race: Effects and Implications." She asks whether left-leaning social movement organizations (SMO's) are pressured by foundations to moderate the politics, philosophies, and activities. If it is the case that funding dependency relationships create pressure on social movements to moderate their politics, is this effect less pronounced or influential if they seek multiple sources of funding? She also explores whether this effect is more or less pronounced for racial and ethnic minority movements as compared to movements with an Anglo social base. The paper compares the experiences of a variety of social movement organizations and offers specific, practical recommendations about how to manage and improve the complex and sometimes problematic relationships between funders and SMOs that receive funding.

Ira Silver's paper is "Poor Communities, Power Brokers, and Comprehensive Community Initiative Funding." He examines a group of "comprehensive community initiatives" funded by foundations and local governments to promote community development in low income communities. The focus of these programs has been to move beyond the limitations of the 1960s Community Action Program. However, Silver's study finds that there is a huge social and cultural gap between local culture that exists in poor communities and the ideas, attitudes, and program goals of "power brokers" who serve as gatekeepers providing access to funding from the comprehensive community initiatives. This is a significant finding given the broad-gauged move in government towards privatizing social services, guided by the objective of drawing on local community governance and input to make social interventions more responsive and effective. Silver's findings suggest this hope guiding privatization is not being achieved.

Nicholas Acheson's paper is "Local Community Governance, Government Funding, and Social Movements in Northern Ireland." In recent years privatization of government services has been an important initiative in the United Kingdom and the European Union. The policy initiative has been driven in part by a conviction that programs could be made less bureaucratic, more sensitive to community needs and desires, and more congruent with the cultures of local communities and special interest groups if nonprofit organizations are made the vehicles by which policies and services are implemented. This paper is based on an in-depth study of the disability movement in Northern Ireland and it anticipates further data collection studying the women's movement, the youth movement, and the local economic development movement in that province. Government programs seem to undermine the local governance and belief systems of indigenous movements. The paper analyzes three reasons this happens. First, governments apply a universal "problem diagnosis framework" to a social issue, like a medical model for understanding disability.   This denies the validity of indigenous definitions of the

problem and by so doing undermines the rationale of privatization. Second, governments tend to demand specific administrative and accountability structures that undermine the democratic processes and anti-bureaucratic governance arrangements that often enliven local movements. Third, local movements become influential when via the formation of alliances with like organizations they develop intermediate organizations that in terms of levels of aggregation lie between local movements and whole-society levels of government. In Northern Ireland a combination of monolithic styles of government and sectarian conflict have made it difficult for effective mediating structures to emerge.

Paper Number: PN022167.1

Paper Title: Foundation Funding, Social Movement Organizations, and Race: Effects and Implications.

Author(s):

 Lisa Duran, University of Colorado at Denver, Denver, CO, USA

Summary of Research

Lisa Durán's paper is "Foundation Funding, Social Movement Organizations, and Race: Effects and Implications." She asks whether left-leaning social movement organizations (SMO's) are pressured by foundations to moderate the politics, philosophies, and activities.

Description

Lisa Durán's paper is "Foundation Funding, Social Movement Organizations, and Race: Effects and Implications." She asks whether left-leaning social movement organizations (SMO's) are pressured by foundations to moderate the politics, philosophies, and activities. If it is the case that funding dependency relationships create pressure on social movements to moderate their politics, is this effect less pronounced or influential if they seek multiple sources of funding? She also explores whether this effect is more or less pronounced for racial and ethnic minority movements as compared to movements with an Anglo social base. The paper compares the experiences of a variety of social movement organizations and offers specific, practical recommendations about how to manage and improve the complex and sometimes problematic relationships between funders and SMOs that receive funding.

Paper Number: PN022167.2

Paper Title: Poor Communities, Power Brokers, and Comprehensive Community Initiative Funding.

Author(s):

Professor Ira Silver, Wellesley College, Wellesley, MA, USA

Summary of Research

He examines a group of "comprehensive community initiatives" funded by foundations and local governments to promote community development in low income communities.

Description

Ira Silver's paper is "Poor Communities, Power Brokers, and Comprehensive Community Initiative Funding." He examines a group of "comprehensive community initiatives" funded by foundations and local governments to promote community development in low income communities. The focus of these programs has been to move beyond the limitations of the 1960s Community Action Program. However, Silver's study finds that there is a huge social and cultural gap between local culture that exists in poor communities and the ideas, attitudes, and program goals of "power brokers" who serve as gatekeepers providing access to funding from the comprehensive community initiatives. This is a significant finding given the broad-gauged move in government towards privatizing social services, guided by the objective of drawing on local community governance and input to make social interventions more responsive and effective. Silver's findings suggest this hope guiding privatization is not being achieved

Paper Number: PN022167.3

Paper Title: Local Community Governance, Government Funding, and Social Movements in Northern Ireland.

Author(s):

Professor Nicholas Acheson, University of Ulster, Coleraine, North, UK

Summary of Research

In recent years privatization of government services has been an important initiative in the United Kingdom and the European Union.This paper is based on an in-depth study of the disability movement in Northern Ireland and it anticipates further data collection studying the women's movement, the youth movement, and the local economic development movement in that province.

Description

Nicholas Acheson's paper is "Local Community Governance, Government Funding, and Social Movements in Northern Ireland." In recent years privatization of government services has been an important initiative in the United Kingdom and the European Union. The policy initiative has been driven in part by a conviction that programs could be made less bureaucratic, more sensitive to community needs and desires, and more congruent with the cultures of local communities and special interest groups if nonprofit organizations are made the vehicles by which policies and services are implemented. This paper is based on an in-depth study of the disability movement in Northern Ireland and it anticipates further data collection studying the women's movement, the youth movement, and the local economic development movement in that province. Government programs seem to undermine the local governance and belief systems of indigenous movements. The paper analyzes three reasons this happens. First, governments apply a universal "problem diagnosis framework" to a social issue, like a medical model for understanding disability. This denies the validity of indigenous definitions of the problem and by so doing undermines the rationale of privatization. Second, governments tend to demand specific administrative and accountability structures that undermine the democratic processes and anti-bureaucratic governance arrangements that often enliven local movements. Third, local movements become influential when via the formation of alliances with like organizations they develop intermediate organizations that in terms of levels of aggregation lie between local movements and whole-society levels of government. In Northern Ireland a combination of monolithic styles of government and sectarian conflict have made it difficult for effective mediating structures to emerge.

Paper Number: PA021288

Paper Title: Organizational strategy and substance abuse treatment

Author(s):

 Melissa Walker, University of Chicago, Evanston, IL, USA

Summary of Research

The performance of nonprofit organizations has increasingly become a matter of both practical and theoretical concern. The proposed paper will investigate this theme in the context of substance abuse treatment. The majority of substance abuse service providers are nonprofit organizations. Positive treatment outcomes are more likely to be associated with longer periods in treatment, more treatment sessions and delivery of a range of services. The paper will explore the relationship between funding and delivery of these services. When there are changes in the funding environment, how does that affect the delivery of service?

Description

The performance of nonprofit organizations has increasingly become a matter of both practical and theoretical concern. The proposed paper will investigate this theme in the context of substance abuse treatment.

The majority of substance abuse service providers are nonprofit organizations. Drug treatment units (DTUs) may be freestanding, self-contained programs or they may be part of hospitals or community mental health centers (CMHCs). Since chronic drug use often involves many serious problems, a variety of medical and social services are needed. Positive treatment outcomes are more likely to be associated with longer periods in treatment, more treatment sessions and delivery of a range of services (Lemak 1998, Price 1997, Price and D'Aunno 1992).

Substance abuse treatment programs, like other human service organizations (HSOs), operate in a complex and turbulent environment. There is uncertainty about funding, about services to be delivered and about client groups to be served. Agencies must balance the demands of donors, clients' needs and professional norms. It is difficult to specify HSOs' technology or best practice (Hasenfeld, 1992). It is even more difficult to measure HSOs' performance. Where there are multiple stakeholders, indeterminable technology and the connection between activities and outcomes is unclear, how do nonprofit organizations respond? When their environment changes, some agencies may succumb to the ultimate performance indicator: they may die (Hannan and Freeman 1989). There is also evidence organizations adapt (Minkoff 1999, Galaskiewicz and Bielefeld, 1998, Baum and Singh 1996 and 1994, Grønbjerg 1990, Liebschutz 1992, McMurtry, Netting and Kettner 1991, Tucker, Singh, Meinhard 1990, Singh, House, Tucker 1984).

The paper will use data from a longitudinal study of drug treatment units. The Drug Abuse Treatment System Survey (NDATSS) is a national survey of outpatient DTUs. The Survey Research Center at the Institute for Social Research of the University of Michigan has collected data from a random sample of DTUs in 1988 (n=575), 1990 (n=575), 1995 (n=618) and 2000 (n=745). Two different surveys have been administered in each wave. In addition to allowing for reliability checks, administration of two surveys has generated two different perspectives on each DTU. Program directors have been asked about funding and other relationships with external actors while program supervisors have been queried about treatment. Supervisors have reported the number of clients served, client characteristics and details about services delivered. The sample contains DTUs that responded to one wave as well as DTUs that responded to more than one wave. This allows for both cross sectional and longitudinal analysis.

The proposed paper will explore the relationship between environmental context and the content of organizational strategy (Stone, Bigelow, Crittenden 1999). Strategy is a central concern in Galaskiewicz and Bielefeld's (1998) longitudinal study of over 200 nonprofit organizations operating in Minneapolis and St. Paul. These researchers examined what they called retrenchment, political and managerial tactics. A

decline in revenue, for example, might prompt an organization to reduce services and/or staff; i.e. to retrench. Some organizations might respond to a reduction in funding with managerial tactics; e.g. increase efficiency, increase the workload of staff, tighten eligibility criteria for clients or perhaps institute or increase fees for service. Still other agencies may use what the authors refer to as political tactics, looking for new sources of funding or seeking endorsements from community leaders. Environmental context may be related to the tactics substance abuse treatment organizations use. Taken together, these tactics may amount to a strategy that enables units to function in their environment.

The proposed paper will present a detailed analysis of the characteristics of substance abuse treatment units and their environment in an attempt to understand service delivery. Since the need for treatment is greater than its availability, the number of clients served will be a dependent variable of particular interest. Because longer periods in treatment are usually associated with better outcomes, the number of individual and group counseling sessions each client receives will also be important dependent variables. Predictors will include funding received, addictions treated, services delivered and DTU's perception of competition. The researcher will control for location - i.e. methadone or no methadone hospital-based, CMHC-based or freestanding units as well as for the age, size and profit status of each DTU.

Pfeffer and Salancik (1978) describe a unilateral relationship in which one exchange partner is dependent on another. From this perspective, dependence is a matter of how much discretion an exchange partner has over the allocation and use of a resource. Researchers have often portrayed nonprofit HSOs as dependent on government support (Salamon 1995, Grønbjerg 1993, 1990). It may also be true that government depends on HSOs to deliver services (Young 1999, Smith and Lipsky 1993).

Since most substance abuse treatment programs depend on government or fee for service revenue, NDATSS affords a unique opportunity to compare and contrast the service consequences of dependence on these two very different sources of revenue. State support for substance abuse treatment generally takes the form of a lump sum grant. Fee for service revenue is typically paid by clients and/or by their insurer. Often payment for fee-based care is tied to the number of visits or counseling sessions a client receives. Lump sum state grants do not usually use this basis for payment.

There are several ways to examine dependence in this context. The proportion of total revenue derived from each source - public (state, federal and local) and private (client fees, insurance and donations) - can be calculated for each unit.
For each DTU the relative concentration or dispersion of revenue can be calculated. This involves summing the squared proportion of total revenue derived from each source for each unit (Tuckman and Chang 1991). The result is a number ranging from zero to one. The closer to one, the more dependent a DTU is on a single source. Another indicator of dependence is the sum of the number of funding sources each DTU reports. The paper will explore the relationship of each of these independent variables to the outcomes of primary interest: amount and length of treatment.

NDATSS includes measures of competition, services delivered and addictions treated for each unit. Since these predictors may mediate the effects of dependence on state or fee for service support with respect to service delivery, they will be included in the analysis.

Funding is a central resource every HSO must derive from its environment. An organization's performance may depend on its funding. This dependence may be mediated by an organization's capabilities and by its perception of competition in its environment. Hopefully the proposed paper will contribute to a more precise conceptualization of resource dependence in the HSO context that will facilitate an understanding of how this vital resource may relate to service delivery.

Paper Number: PA021349

Paper Title: The island-within-a-lake model of self-help groups: The paradox of personal fellowship and organizational membership

Author(s):

 Mr. Tomofumi Oka, Sophia University, Tokyo, Japan

Summary of Research

My purpose in writing this paper is to explore the possibility of solving problems of apathy among members of self-help groups for parents of ill children. These groups can be likened to an island within a lake, in that they consist of a large following of passive members, at the center of which is a small subgroup of active leaders. By analyzing data from my qualitative interviews with group leaders, and by applying the concepts of organizational socialization to the groups, it is clear that the paradox of personal fellowship and organizational membership is at the heart of the problem.

Description

The island-within-a-lake model of self-help groups: The paradox of personal fellowship and organizational membership

Tomofumi Oka, Sophia University, Japan

Key words: self-help groups, parent groups, patient groups, organizational socialization, membership apathy.

The problem to be addressed

Membership apathy has long been identified as a serious organizational problem for self-help groups (Maton, 1988; Medvene & Teal, 1997; Medvene, Volk & Meissen, 1997; Meissen, Gleason & Embree, 1991; Meissen & Volk, 1994; Oka, 2000; Revenson & Cassel, 1991). Although membership apathy has been documented as an issue for voluntary organizations and mutual-benefit associations from as early as half of a century ago (Barber, 1950; Blau & Scott, 1962; Hudson, 1978; Pearce, 1980), the problem is more serious for self-help groups because, not only are the majority of their members apathetic and passive, but also they appear to be quite happy to avail themselves of the services provided by a small group of more active members (Matzat, 1993). Hence finding a solution to this problem should be considered vital to the development of self-help groups. My purpose, therefore, in presenting this paper is to explore the possibility of finding this solution by applying concepts used in organizational studies and through my experiences in undertaking qualitative interviews with leaders of self-help groups for parents of ill children in Japan.

The approach and data sources I have used

Since 1993, I have been involved with an association of self-help groups for parents of ill children, which has operated in the Tokyo area. The diseases that the groups have dealt with are both rare and serious; many of them are also progressive and fatal. During my ten or so years of fieldwork with the association, I have established a trusting relationship with the leaders of the groups involved, and have conducted three sorts of qualitative interviews. These include 13 informal conversational interviews, 4 focus groups, and 14 guided interviews (Krueger, 1994; Patton, 1990). These interviews involved 41 members in 21 parent groups.

My contribution to the field

(1) Investiture and divestiture socialization processes

Although the concept of organizational socialization has seldom been used to examine the organizational problems of self-help groups, my study has shown that this concept is very useful. Van Maanen (1988)

and Van Maanen and Schein (1989) have identified six or seven dimensions on which the tactics of organizational socialization are located. One of these dimensions involves investiture and divestiture socialization processes, and has proven to be particularly important to understand the organizational problems of self-help groups.

While investiture socialization processes confirm gthe viability and usefulness of those personal characteristics [that the newcomers] bring with them to the organization, h divestiture socialization processes gin contrast, seek to deny and strip away certain personal characteristics of h the newcomers (Van Maanen & Schein, 1989, p. 250). In the self-help groups I researched, both processes were seen to occur. During the organizational entry, investiture socialization processes occurred, and typically newcomers were told that they had gained full membership simply by having children with a particular disease. On the other hand, when they were required to take a leadership role, some parents experienced divestiture socialization processes, and were told that their duty as leaders should take priority over their duty as parents. My study therefore suggests that this combination of investiture and divestiture socialization processes, as well as a complete absence of any selection process for joining the groups, has fostered the tendency for the majority of members of these parent groups to become apathetic and inactive.

(2) The island-within-a-lake model

Schein (1971) has presented a three-dimensional model of an organization that uses three types of boundaries to characterize its internal structure. These include hierarchical boundaries, inclusion boundaries and functional or departmental boundaries. Because the parent groups I researched have a strong ideology of egalitarianism and limited role differentiation, they have not developed any hierarchical and functional boundaries. Hence, these self-help groups are characterized by inclusion boundaries, gwhich separate individuals or groups who differ in the degree of their centrality (Schein, 1971, p. 405). If the inclusion boundary model is applied to the self-help groups, the groups can be described as an island within a lake. This island-within-a-lake model means that the groups consist of a large following of passive members, at the center of which is a small subgroup of active leaders. Movement between the active leaders and the passive members is strictly limited, hence the group is like an island within a lake in a Japanese garden. Many people enjoy seeing the island, but few dare cross over to it.

(3) Personal fellowship and organizational membership

A factor that has maintained the island-within-a-lake model is the paradoxical relationship between gpersonal fellowship h and gorganizational membership. h Personal fellowship refers to the resonance of people who have the same experiences, which has been considered the basis of every self-help group (e.g., Katz & Bender, 1976). The leaders of the parent groups regard any parents who have children with the same diseases as their personal fellows. This personal fellowship might lead to the illusion that the newcomers need no elaborate nor formal processes of organizational socialization. On the contrary, in order to prevent the majority of members from becoming passive and apathetic, organizational membership should be given to all newcomers through an elaborate process of organizational socialization, which would include imparting sufficient knowledge to them of the true nature of their particular self-help group. Indeed, any confusion between personal fellowship and organizational membership should be resolved in order to reduce member inactivity and to strengthen the organization of the group.

Conclusion

Although having a vast majority of inactive members is common among voluntary groups, amongst self-help groups the problem is more serious because often the inactive majority consumes the products and services of a limited number of active members. Nevertheless, by using a theoretical framework of organizational socialization we can clarify the structure of the problem: first, a combination of investiture and divestiture socialization might be a primary cause behind the absence of a medial subgroups between active leaders and passive members; second, the resonance of people with the same experiences might mislead group leaders into thinking that newcomers to their group are in no great need of organizational socialization. Consequently, an elaborate organizational socialization process is

recommended for all newcomers to self-help groups.

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Paper Number: PA021657

Paper Title: "Patients or Inmates?" The life of the hospitalized in pre-modern Poland (12th - 18th centuries). Issues of Governanace, Discipline, and Religion in the premier charitable

Author(s):

Mr. Wladyslaw Roczniak, CUNY, Long Island City, NY, USA

Summary of Research

Based on extensive historical research of extant source materials, including hospital foundation documents, charters, constitutions, visitation records,and first hand patient accounts, this analysis of the role governance, discipline, and religion played in pre-modern (12th - 18th century) Polish hospitals serves to illuminate the traditional charitable practices in the premier social care institution of the time in an Eastern European setting. The conclusions clearly delineate the level of health care offered by the pre-modern hospital institutions, and the social and spiritual conditions the recipients had to meet in order to partake of the help offered.

Description

"Patients or Inmates?" The life of the hospitalized in pre-modern Poland (12th-18th centuries). Issues of governance, discipline, and religion in the premier charitable institution of the time.

By W³adys³aw Roczniak
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Today's Eastern Europe has received a lot of attention from third sector practitioners and researchers of charity and philanthropy. The great societal and cultural changes accompanying the collapse of Communism and the arduous democratization of the region have added stimulus to such studies, as well as opened new and exciting vistas for the developing not-for-profits. Whereas many research associations have approached Eastern European nonprofits from both a local and a global perspective, studies have largely concentrated on modern Western-oriented methodology and ignored the traditional approaches to charity present in that society. The proponents of 'pooled sovereignty' notions of NGO governance so vocal today, for instance, are quick to point to a global common policy as a 'brave new world' where centrally controlled NGO institutions will be able to transcend purely local or even national self-interests and concerns and promote what could only be described as meta-interests. Besides the standard issues and questions such an approach raises, it also tends to marginalize the local historical and cultural conceptions of charitable endeavors that might have survived for centuries, and which might still carry considerable weight with Eastern European communities.

This paper will analyze the issues of governance, religion, and discipline as they pertained to social care provision given to hospital patients in pre-modern Poland. Present in both cities and in the countryside, funded and supported by both the aristocracy and the ecclesiastical establishment, hospitals became Poland's pre-eminent charitable institution from the very moment of their creation as monastery infirmaries in the middle ages. Reflecting the most common and traditional approaches to charity, the history of Polish hospitals could serve as a model for research into the development of standardized practices relating to the interaction between civic and religious conceptions of social action, and especially of the consequences such actions had on the subjects they were designed to help, namely the hospital patients. Pre-modern Polish hospitals, one must add, differ considerably from our modern understanding of the social purpose and function of hospitals. In a manner similar to Western European institutions of the time, notions imported from Christianity governed care offered in Polish hospitals. To understand this concept, one must understand the totality of the medieval Christian idea of charity. Providing help to one's fellow man became an all-inclusive model of behavior. Charity, health-care provision, giving shelter to those poor and needy, caring for orphans and for expectant mothers, and providing education were parts of a single package and were never really seen as separate issues. A place for healing the sick became just one of many functions of pre-modern Polish hospitals. The

Roman Catholic Church, chiefly responsible for the erection of new hospitals in Europe, did not view healing the sick as an end in itself which would necessitate the creation of houses responsible only for health care. That development, meaning the change of hospital function from a general shelter to a specifically health-care oriented institution, occurred only relatively recently.

Also important to note in pre-modern Polish hospitals was the lack of separation between this- and other-worldly matters. Charity, after all, did not exist in a spiritual vacuum, but rather had a lofty purpose as a vessel from which the souls of those who gave floated towards their heavenly rewards. The medieval concept of Christian charity stemmed thus from two sources, a genuine compassion for the welfare of another human being, and a calculated endeavor to provide for the salvation of one's own soul. The public's relations with the recipients of hospital care were governed by these Christian doctrines of poverty and charity. It is no wonder then that a seventeenth century Polish bishop wrote that a cleric, rather than a physician, should be the first to attend to a sick patient, and that no medical doctor should be called in without a prior confession of the patient.

What this meant for the recipients of institutionalized health-care and charity was staggering and cannot be overstated. The religious aspects of hospital initiatives both regimented and burdened those partaking of help to such an extent that many observers rightly pointed out that life within the hospital reminded one of the tightly structured experience of the monastery. The patients, held in perpetual bondage to the spiritual expectations of the institutions, had to fully commit themselves to uphold the often-stringent rules and regulations found within. By becoming the wards of the hospital, the patients assumed a number of legal consequences that considerably limited their freedom of action in return for the transfer of responsibility over their well being to the institution. By placing great stress on the moral and spiritual upbringing of the patients, as well as by ordering their daily routine and behavior, the hospital statutes and constitutions attempted to mold their charges into thankful, meek, and humble paradigms of the receivers of Christian charity. For that reason, any attempt on the part of the patients to regain their independence, or to not follow to the full extent the rules and regulations presented them, led to swift punishment and retribution.

The experiences of the people these institutions were meant to help thus serve to illuminate the various aspects of pre-modern hospital governance and also shine light on the human face of such help. The questions of how one entered the hospital, what one did once inside, how was one fed, how did one behave, how was one punished for transgressions, and finally, how and under what circumstances one left the hospital institution, will all be mentioned in this presentation.

This study arises out of an ongoing bibliographical research on Eastern European charities. It builds on the pioneering work of a strong cadre of Polish historians of hospitals and hospitalization writing during both the Communist and Post-Communist era, and is based on extensive historical and sociological analysis of extant source materials, including hospital foundation documents, charters, constitutions, visitation records, and patient first hand accounts. This examination of the place and role of traditional hospitals in pre-modern Polish society will afford the Western scholar a fuller picture of the Eastern European charitable environment. The modern not-for-profit practitioner wishing to do work in the countries of Eastern Europe must keep it in mind that today's practices reflect the historical complexity of the region; what we learn about the past of Eastern European charities teaches us about their present. The study and analysis of the history of these charitable practices is thus an indispensable tool in the arsenal of third sector pioneers in Eastern Europe and would add greatly to our understanding of social and religious forces behind our cultures of sharing and giving.

Paper Number: PA021427

Paper Title: Immigrant Nonprofits in U.S. Metropolitan Areas

Author(s):

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Summary of Research

The growth and the variety of Hispanic-Latino and Asian-American nonprofits in these two primarily immigrant population is an important development in contemporary civil society ? from providing culturally appropriate human services to cultivating community capacity and leadership. The proposed paper will provide an overview of these nonprofits in the 10 largest US metropolitan areas. Based on internet access to publicly available census data as well as Internal Revenue Service data for most nonprofits, the proposed paper will examine several aspects of these immigrant nonprofits, including their size, growth pattern, types of programs or services, and financial performance.

Description

Introduction to the issue of minority/immigrant nonprofits

Over the years, different immigrant communities in the US are known to have strong internal social ties. Either because of the lack of political influence, unfamiliarity with the mainstream society, or some other reasons, these informal networks are often called upon to help those in need. In the last few decades, more open immigration legislation has resulted in tremendous increase in foreign-born population, especially those of Hispanic or Asian origin ? as widely reported from the 2000 federal census.

The more liberal government policies beginning with the 1960s have made social services more readily available to all citizens, including those living in immigrant communities. Increasingly, more established immigrant leaders begin to organize to access resources from various sources in order to improve the well being of their communities. This transition from informal self-help to the more formal and organized assistance through nonprofit organizations reflects the increasing civic participation and empowerment of these ethnic communities. With the current population trend continuing and emphasis on culturally sensitive human services programs, these ethnic nonprofits will grow in number and significance.

Literature Review

In spite of the emerging importance of ethnic nonprofits, research on these organizations has only begun recently. Michael Cortes (1998) explores various data sources for research on Hispanic nonprofits in the U.S. He makes use of the application for tax-exempt status and nonprofit tax returns, both are filed with the Internal Revenue Service.   The profile of Hispanic nonprofits shows that they are concentrated in southwestern U.S. and half of them are less than 10 years old.   The data used in Cortes (1998) is available at the IRS when requested. Recent advances in the internet have render similar information accessible and search-able on a few websites. The proposed project will make use of these free and electronically accessible data sources (e.g. website of National Center for Charitable Statistics, and guidestar.com) to provide an overview of Hispanic/Latino and Asian American nonprofit organizations in the U.S.

Since Form 990, the tax return filed by nonprofits receiving annual revenue of $25,000 or more, is filed on a voluntary basis, compliance and data quality may be problematic. However, Froelich, Knoepfle, and Pollak (2000) and Bielefeld (2000) have demonstrated the research utility of these completed tax returns. After comparing the information in Form 990 with audited financial statements of selected nonprofits, Froelich, Knoepfle and Pollak conclude that the financial information (especially balance sheet and income statement information) contained in Form 990 is reliable. Bielefeld (2000) also makes use of Form 990 information, together with census and other data, to explore the pattern of nonprofit organizations in nine US metropolitan areas. He found that the pattern is related to political culture,

generosity, wealth, poverty, and heterogeneity. The result for racial and ethnic heterogeneity is more uncertain, according to Bielefeld. The proposed project?s focus on Hispanic/Latino and Asian American nonprofits will contribute to a better understanding of the role of immigrant nonprofit organizations in the U.S.

Approach and Methodology

The proposed project will examine Hispanic/Latino and Asian-American nonprofit organizations in U.S. metropolitan areas. These nonprofits refer to nonprofits that are run by Hispanic/Latinos or Asian Americans, either as executive directors or as board members of the organization. Metropolitan areas are used because minority and immigrant population are likely to be concentrated in these areas. More specifically, the concept of Consolidated Metropolitan Statistical Area (CMSA) is used as the definition for metropolitan areas. The proposed project will collect information from the 10 largest CMSAs. CMSA demographic data is readily available from the 2000 census. Data base of nonprofits also allow searches for these organizations within the same approximate coverage of CMSAs. A challenge in methodology is to identify these Hispanic/Latino and Asian American nonprofits individually. As a first approximation, these organizations will be identified by their names bearing such classification or sub-groups like Asian, Asian American, Hispanic, Latino, Latina, Mexican, Cuban, Puerto Rican, Chinese, Japanese, Korean, Vietnamese, etc.

The examination of these completed Form 990 and other information available on the websites will provide useful information on the following aspects of Hispanic/Latino and Asian American nonprofits in US metropolitan areas:

(1) The size of these nonprofits relative to the Hispanic/Latino and Asian American population.
(2) The growth pattern over time.
(3) The type of programs provided.
(4) Various financial measures of performance.
(5) Differences and Similarities among sub-groups of these immigrant nonprofits regarding (1) to (4).

A preliminary examination of Hispanic/Latino and Asian American nonprofits in the New York, Chicago, and Dallas CMSA?s has yielded some interesting observations. A few hypotheses may be evaluated with a more complete examination of these nonprofits in major CMSAs.

(1) The growth of Hispanic/Latino and Asian American nonprofits follows the growth and size of the respective immigrant population in these CMSAs.
(2) Both Hispanic/Latino and Asian American nonprofits serve the dual functions of cultural preservation and economic assimilation.
(3) Financial disparities among these nonprofits, if any, reflect functional differences rather than geographic or other differences.

Contribution to the field

Hispanic/Latino and Asian Americans are the fastest growing population in the United States in the last few decades -- due largely to recent immigration. The growth and the variety of nonprofits run by the leaders in these two primarily immigrant population is an important development in contemporary civil society ? from providing culturally appropriate human services to cultivating community capacity and leadership. Prior to the internet age, any study of a large number of these nonprofits is expensive and time consuming. This may partly explain the lack of research in this area. Recent advances in the internet have made IRS data on these nonprofits easily accessible, however incomplete the data might be. The proposed paper will be among the first to provide an overview of these nonprofits based on publicly available data, and lay the foundation for future research in this area.

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Paper Number: PA021534

Paper Title: Contribution of Nonprofit Sector Towards Life Quality in Slums

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Summary of Research

Life quality improvement has become one of the goals for nonprofit sector agency, especially among community associations. With this assumption, a comparative study was undertaken on life quality among two slums of São Paulo, named Monte Azul and Jardim Fim de Semana. Life quality indicators were grouped into nine clusters to portray quality of life in both slums: education, public health, security, employment and income, environment, housing, leisure and culture, citizenship and demography. The comparative analysis of these indicators shows that the presence of a well-established communitarian association at Monte Azul slums affects positively life quality within the community.

Description

The task of communitarian associations is to improve quality of life of the population that benefits from their agency. However, it can be seen that these experiences of communitarian associations are not yet systematized, and therefore, the results reached on life quality are not yet known. This research studies some life quality indicators in two slums situated in the south region of the city of São Paulo aiming at assessing the impact of communitarian associations located there.

Communitarian organizations have been created in our history since the emergence of early modern industrial cities. These institutions experienced a great variety of strategies in their effort to impart new strength towards democratic participation and citizenship, construction of community awareness and solution of community problems. According to PUTNAM (1995), local civilian organizations constitute a vital element to a health democracy.

In his study on American society, Alexis de TOCQUEVILLE (1962) also emphasized the importance of local voluntary associations as mediators between citizens and government. He stressed that the participation of people in associations contributes to the promotion of engagement towards community and public life. These organizations are fundamental to the development of solidarity practices, negotiation with public authorities, public recognition, accountability and active citizenship.

This research compares life quality indicators in two slums, namely Monte Azul and Jardim Fim de Semana. The first, Monte Azul, was chosen because it has been acknowledged that its association is a successful example in community development. MEREGE (2000) performed a survey of life quality indicators in this slum, where the Associação Comunitária Monte Azul – ACOMA has been active for 22 years.

The methodological basis for this study is the experience carried out in the city of Jacksonville, Florida (USA), which shows more than 20 years of work with city life quality indicators follow up (JACKSONVILLE, 1999).

Adapting those indicators to Brazilian reality, MEREGE's research portrayed the quality of life within the Monte Azul slum focusing on: education, public health, security, employment and income, environment, housing, leisure and culture, citizenship and demography.

Using the same methodology, the Jardim Fim de Semana slum was analyzed. This slum, although experiencing the same social, economic, cultural and geographic conditions of the other slum, Monte Azul, studied by Merege, did not develop a well-established communitarian association, that is, it does not possess the range of services and social insertion of ACOMA.

To assess life qualify is a complex and delicate task. When indicators are surveyed, catalogued and multiplied, in many instances it is possible to compare and always set up a ranking. Ranking, however, sometimes does not exhibit only positive aspects but instigates dispute and can lead to evaluation errors. In social issues, it is not a question of being the best, but rather what translates in more satisfactory terms for the individual and the community he belongs to. Nevertheless, indicators are still the most efficient way of portraying a population in order to measure its growth, its transformation and other socio-economic and historic-cultural movements.

The comparison of life quality indicators in the above mentioned slums tries to identify if a community,

which has a well-established communitarian association, clusters elements with better indicators than another that lacks such characteristics, not without showing the complexity and harm of such task.

To characterize the communitarian association present at Monte Azul slum it was necessary to find characteristics that were not those of religious, pedagogical or other mechanism of agency, since they can mean success in one community but not be efficient in the other. The specificity of each locality must be respected, by avoiding the reproduction of models.

The process developed in the research enabled community involvement from the choice of indicators, data collection by community volunteers up to the visualization of results.

Among the results achieved we can outline a great homicide rate in the Fim de Semana slum, in what refers to public security, what reflects more favorable life quality conditions at the Monte Azul slum. When asked about fear of walking at night in the slum and neighborhood, there was a significant difference between the two slums. The items culture and leisure, also scored more favorably at the Monte Azul slum, shows a higher adherence to voluntary services if compared to the Fim de Semana slum. In the item housing, the Monte Azul grass-root mutual building movement [mutirão] generated brick houses and slope containment walls enabling safer accesses to dwellers.

Data related to citizen's adherence to communitarian programs in general, showed that citizens in Monte Azul slum participated more actively in local programs, in ACOMA's programs and well as in other programs.

Based upon three criteria defined by Kristina SMOCK (1999): social capital, active citizenship and community leadership, it was possible to characterize the community present in the slums and given the relevance of the theme, to point if somehow the importance of communitarian association towards life quality of slum dwellers is effective.

The indicators surveyed in this research compose a set of characteristics that refer to the criteria of the model defining the agency of a communitarian association: social capital, active citizenship and community leadership as follow.

Social capital is well represented by communitarian agency developed in the mutirão movement. In the Monte Azul slum, this movement was responsible by its urbanization, thanks to brick houses, the construction of walls to prevent landslides, enabling better housing conditions. These dwellers acted with a higher intensity reaching results that differentiate them positively from the Fim de Semana slum.

In active citizenship analysis, the research indicators demonstrate that in the Monte Azul slum, the majority of the population disposes of rubbish into municipal containers, thus preserving the environment, but, more importantly, perceiving their duties as citizens. Another citizenship indicator is the percentage of people who have already done some volunteer work. In the Monte Azul slum this percentage is greater than in the Fim de Semana slum.

A community leader is someone who is trained in a philosophy by which he is able, even outside his community, to be a transforming agent of various realities of development of other communities. In the Monte Azul slum, the Dwellers Commission was responsible for the improvement in housing conditions, by means of mutirão. In this process, several dwellers started acting in the community and giving opinion, thus acknowledging their role as part of the community. The own participation of slum youngsters in the discussion of indicators revealed in the research demonstrates the potentiality of community leaders.

Despite the existence of organization within the Fim de Semana slum, the characteristics that demonstrate the existence of indicators as those produced by the ACOMA within the Monte Azul slum, were not identified. The comparative analysis among the two slums allowed to identify that the presence of an association with characteristics of ACOMA affects positively the construction of a community, resulting in better life quality.

We need to explain that by identifying life quality obtained by the Monte Azul slum as better than the Fim de Semana slum, we may be wrong. Knowing that Monte Azul slum is better may incite those interested to copy ACOMA and apply the same model at the Fim de Semana slum in order to reach the same scores as the Monte Azul slum. The analyses studied up to now show that, each community must find its own model, respecting thus their own specificities and social, economical and cultural characteristics.

This research aims to be a reference to other projects of communitarian development in slums and also inspire new social project in poorer neighborhoods in urban areas in Brazil.

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KEY WORDS: Nonprofit Sector; Community Associations; Slums; Quality of Life – Indicators.

Paper Number: PA021654

Paper Title: Is Funding Keeping Pace with the Growth in Immigrant and Refugee Population?: An Analysis of Immigrant and Refugee Population Growth and Nonprofit Funding

Author(s):

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Summary of Research

The research examines the impact of immigrant and refugee population growth in the United States on the funding levels of nonprofit organizations that serve immigrant and refugee communities between the years 1995-2000. Are funding levels of immigrant community-based agencies increasing with the rate of growth in immigrant and refugee populations in their respective urban areas? What are the sources of funding for immigrant and refugee community-based agencies? Is there a geographic mismatch between rate of growth and rate of funding?

Description

ARNOVA: The 31st Annual Conference

Proposed Paper: Is Funding Keeping Pace with the Growth in Immigrant and Refugee Population?: An Analysis of Immigrant and Refugee Population Growth and Nonprofit Funding

Author: Channapha Khamvongsa, Georgetown University

I.   Problem or Issue to be Addressed

Nonprofits and community-based organizations are often viewed as a catalyst for promoting the economic and social well-being of the communities they serve. For immigrant and refugee communities, the role of community-based organizations are essential. Nonprofits with immigrant and refugee staffs serve as an avenue of assistance to other immigrant and refugees. Community-based organizations that serve newcomers to America provide social services, advocate for community needs and cultivate social capital. They serve to cultivate immigrants' cultural heritage and transition immigrants into the social, political and economic structure of the United States.

With the greatest growth of foreign-born U.S. residents in the past decade, currently comprising ten percent of the population, are nonprofits serving immigrants and refugees, in the areas with the greatest increase in population, receiving funding to keep up with the pace of growth?

The paper will examine the impact of immigrant and refugee population growth in the United States on the funding levels of nonprofit organizations that serve immigrant and refugee communities between the years 1995-2000.

Three key questions to guide this research:

·   Are funding levels of immigrant community-based agencies increasing with the rate of growth in immigrant and refugee populations in their respective urban areas?

·   What are the sources of funding for immigrant and refugee community-based agencies?

·   Is there a geographic mismatch between rate of growth and rate of funding?

II.   Relation to the State of Knowledge in the Field
Theoretical Framework

Community-based organizations and nonprofits are often viewed as institutional strengths in promoting

the social and economic well-being of the community. Several researchers utilize the asset-building theory approach to studying the relationship between nonprofits and community needs. Numerous studies focused on mapping nonprofits in specific cities. Carol J. De Vita and Eric C. Twombly analyzed the size, scope and spatial dimensions of the nonprofit sector in Philadelphia (Twombly, DeVita 2000). The District of Columbia was examined using the relationship between poverty and locations of nonprofit services (Twombly 2000). The James L. Knight Foundation has commissioned several mapping studies of nonprofits in Summit County, Ohio, Lake County, Indiana, and Philadelphia, PA. Numerous studies have examined the geographic disparity between community resources and growing needs." (Wolpert 1993, 2001).

III. Approach

The study strives to conduct a simple spatial analysis by looking at the impact of a specific demographic change in funding trends. Data limitations does not allow for analyzing factors that contribute to the direct relationship between need and adequate funding. What the research will provide is a broad scan of funding levels of nonprofits that serve immigrant and refugee populations. No research exists to provide a broad scan of this particular population with regard to levels of resources that are provided to community groups that serve immigrant and refugee populations.

The paper will explore the relevance of the average growth rates of ten Consolidated Metropolitan Areas (with the largest growth in immigrant and refugee populations) in predicting funding levels.If warranted and if qualitative data is made available, the basis underlying the decrease in funding will be explored in some selected cities.

Sources of Data

This analysis will rely on several data sources, including the 2000 U.S. Census, the U.S. IRS 990-PF forms, the United Way's list of nonprofits and annual reports of selected nonprofits from 1995-1996. The 2000 Census will provide the list of the Consolidated Metropolitan Areas (CMA) with the immigrant populations. The 2000 U.S. Census will also provide data on the increase in number of immigrants by state and CMA, the percentage of population made up of immigrants, and selected demographic characteristics of the sample CMAs in the data.

The United Way's list of nonprofits serving immigrants and refugees will provide the population sample of nonprofit organizations to be analyzed. The IRS 990-PF forms and agency budget documents (1995-2000) will give fiscal data on the nonprofit organizations. The new data set should yield a sample size of 150-200 organizations.

Methodology

An OLS econometric regression model will be constructed to estimate the impact of immigrant and refugee population growth on funding levels of immigrant nonprofit agencies. The model will control for demographic factors of selected cities and organizations. The results of the study will be generalizable to other consolidated metropolitan areas.

Key Words: Immigrant and Refugees, Grantmaking, Funding, Nonprofits, Community-Based Organizations, Demographic Change, Spatial Analysis, Population Growth, Philanthropy, Foundation

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Paper Number: PA021159

Paper Title: Doing Needle Exchange: Organizational Transformation and Volunteer Commitment

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Summary of Research

The San Francisco-based syringe exchange program, Prevention Point, underwent a significant organizational transition from its founding as an illegal service in the late 1980s through its reorganization into a legitimate socially sanctioned organization. In this paper, we examine the role of volunteers in the organization in relation to this transition. Because the changes in the organization's legal status coincided with our data collection (1993-1995), we were able to study the beginnings of Prevention Point's transformation into a publicly supported agency, with particular attention to the shifting relationship between staff and volunteers, and the reconceptualization of leadership functions.

Description

   Studies of the transition of illegal service providers into "legal agencies" (abortion services, aid to illegal aliens, etc.) have found that as the services emerge to meet client needs, structural changes and conflicts arise around the participation of volunteers and the internal organization of labor. Underground organizations that have demonstrated their effectiveness and won public support often tend to formalize their core functions, seek public funding and the stabilization of space, followed by the hiring of staff and eventually, the transition to professional management. While such changes provide greater legitimacy in state domains, routine access to outside resources, and the administrative infrastructure necessary to managing and accounting for those resources, they also significantly alter both the culture and the operating procedures of the nonprofit organizations in question. Illegal, underground and/or highly stigmatized services rely on the emotional commitment of volunteers to high risk, low reward work on behalf of an isolated community of need. professionalization requires, above all, that exactly these forms of work be minimized, hidden or eliminated. What, then, becomes of the role of the volunteers and founders?

   Within the domain of HIV/AIDS services and advocacy, the combined influence of pre-existing structures of the public health field and the political needs of government agencies have led many community-based organizations to emphasize service provision at the expense of political participation, although several other patterns of organizational transition have also been identified. The San Francisco-based syringe exchange program, Prevention Point, ran a similar course from its founding in the late 1980s through its reorganization into a legitimate socially sanctioned organization. In this paper, we examine the role of volunteers in the organization in relation to this transition. Because the changes in the organization's legal status coincided with our data collection (1993-1995), we were able to study the beginnings of Prevention Point's transformation from an illegal underground operation to a publicly supported agency, with particular attention to the shifting relationship between staff and volunteers, and the reconceptualization of leadership functions during the years in which Prevention Point moved from its underground existence to quasi-legal status. In addition, we sought providers' evaluations of the program and the transition from an underground community-based organization into a publicly-funded social service agency.

   We conducted a three-year process evaluation of Prevention Point beginning at the time of its transition from underground to quasi-legal operations. Data collection included participant observation, in-depth life-history interviews and a closed-ended quantitative instrument. We completed data collection in September of 1995 with a total of 244 study participants recruited from eight needle exchange sites, including 56 providers. This represented the total population of providers involved at the eight data collection sites during the time of our study. In addition, several of the original founders of Prevention Point were contacted during the writing of this paper, 2001-2002, to revisit historical issues and to compare the operations of Prevention Point before and after its transition.

BACKGROUND

It has been nearly eighty five years since Max Weber identified the hazards of "routinization" faced by ideologically-minded organizations as they seek to supplant the vision of charismatic leaders with enduring structures and procedures. With a few modifications, Weber's general schema has continued to inform the analysis of voluntary service organizations in transition (Torres et al. 1991). In particular, numerous studies of political and social organizations in the public health field, such as feminist health clinics, have found organizers struggling with the conflict between organizational imperatives and cultural values (Lebon 1996; Morgen 1986; Thomas 1999). For scholars of social movements, the transition of many activist organizations into "professional" social agencies has been hypothesized to follow a path roughly along the lines of Roberto Michels' (1968 [1935]) "iron law of oligarchy" (c.f., Staggenborg 1988; Zald and McCarthy 1987). Implicit in the process of organizational routinization, with or without oligarchy, are the related issues of the formalization of organizational structure, the professionalization of organizational processes, and the increasing complexity of the internal division of labor (Rucht 1999). Without deliberate efforts to the contrary (Rothschild-Whitt 1979), structures tend to become more rigid, and member relations more formal as groups reorganize for long-term stability. To Michels' analysis of internal power struggles and the desire for success, organizational theorists have added institutional, economic and cultural constraints and incentives that reshape organizations during periods of transition (DiMaggio and Powell 1983; Jenkins 1998; Jepperson 1991).

This study does not seek to determine whether professionalization is good or bad, for organizations, volunteers, or clients. We examine the experiences of volunteers as they attempt to negotiate the new stresses and procedures of organizational transformation with the value commitments that caused them to join, or even found, the original underground group. Our goal is to determine whether, and how, volunteers can incorporate the ideological goals of an outlaw group into the formal processes of a legitimate social service agency.

FINDINGS

Many of the volunteer providers were conscious of the tension between maintaining their grassroots connections and seeking to expand and improve services. Providers hoped that funding would offer legitimacy to the program. The changing nature of the organization offered the potential for better planning and improved communication. Despite the personal excitement of underground work, volunteer providers also saw the legal restrictions as impediments to their larger goals. Yet, they also raised concerns that "outside" managers were making decisions without the participation of the injecting drug user community, whose presence they wished to institutionalize. Anger at the growing bureaucracy came mostly from the long-term providers who continued to adhere to the original goals of Prevention Point, which were centered on a non-hierarchical model of leadership. A related fear was that new restrictions would become attached to the provision of clean needles, adding accounting and regulation tasks to what had been a social function.

Too much of the literature on organizational transformation exaggerates the barrier between the benefits and the costs of formal organizational structures. Work often falls into one of two camps: the imperative of organizational growth and the celebration of community connectedness. We document that volunteer service providers had a sophisticated understanding of the double-edged sword that the "opportunity" to receive public support represented. In their experiences, many of the worst fears of institutionalization, impersonality, and loss of control occurred within their organization, and many of them chose to quit. Yet, they viewed this process as a set of decisions to which they had input, rather than an inevitable course.

Paper Number: PA021245

Paper Title: Perceptions of Organizational Effectiveness in Utilizing Episodic Volunteers

Author(s):

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Summary of Research

Preparing for and reacting to trends that impact volunteers is increasingly important to maintin strong volunteer programs. Utilizing the "Changing the Paradigm" report from the Points of Light Foundation to define the characteristics of effective organizations, this study focuses on the perceived effectiveness of the North Carolina 4-H Youth Development program in utlizing volunteers and the impacts that episodic volunteers are having on current volunteer program designs.

Description

The Cooperative Extension System has been charged from its legislative beginning in 1914 to share among the people of the United States information of a practical and useful nature related to agriculture and home economics (Rasmussen, 1989). The organization's continued success is linked to the staff's proficiency in structuring appropriate learning experiences and in partnering with other groups in a society which is constantly shifting from its agrarian roots (Miller, 1973). As the world has evolved, so have Cooperative Extension and 4-H Youth Development programs.

Volunteers have been a critical component since the earliest days of Cooperative Extension. Initially, Extension lay leaders were community leaders who volunteered plots of land for use as demonstration sites for research. As Extension programming added components, home economists became more active participants in educational programs. Service as volunteer leaders for corn and tomato clubs (precursors to 4-H clubs) was seen as interesting and important work. Today in North Carolina, more than 25,000 adult volunteers participate in 4-H program delivery to more than 180,000 yount people aged 5 to 19.

As a means of recognizing nationally the value of volunteers in America, the Points of Light Foundation was created in 1990. This organization's mission is to engage more people more effectively in volunteer community service to help solve serious social problems. in 1991, the "Changing the Paradigm" project was created to respond to the recommendations of th ePoints of Light Foundaiton Board of Directors what there should be research to understand not only the individuals who are volunteering and the kinds of work being conducted, but also the perceived barriers to service (Allen, 1992). This study resulte din the identification of 11 characteristics of high effectiveness that are consistently present in organizations utilizing volunteers.

As a result of identifying these characteristics of high effectiveness, the researchers created a model of volunteering within organizations. This model provides a means of diagramming the relationship between volunteering and those organization and community systems that are compenents of the volunteer environment. In the model, the environment, which includes the community within which both the organization and its volunteers operate, includes public expectations regarding volunteering and changing demographic factors. These are indicative of understanding trends in volunteerism, as well as in society in general, in assessing organizational effectiveness in the utilization of volunteers.

Of specific interest for this research is the trend toward episodic volunteering. This trend has been identified in several trend studies related to volunteers, volunteering and volunteer administration (Safrit & Merrill, 2000; Ellis, 1999; Macduff, 1991; McCurley & Lynch, 1996; Glasrud, 1999; Brinkerhoff, 2001; Culp, 2001). Episodic volunteering is defined as volunteer opportunities or jobs that allow for short durations of service, usually three to four months or less (Macduff, 1991). These may be one time jobs or porjects, or they may be recurring or sequential jobs. These opportunities may include annual events for which additional volunteers are called in or special events such as days of service or newsletter mailing days. In 1980, Scheier described occasional volunteers in the same manner, indicating that

these individuals were equally as important as continuous service volunteers.

Purpose and Methodology

Realizing that a model exists to describe the characteristics of high effectiveness in organizations dealing with volunteers, there is an opportunity to better gauge perceptions among youth development professionals within this organization regarding their utilization of volunteers in program delivery. With the overlapping environmental issues related to community and social systems affecting volunteer models and understanding the trend toward episodic volunteering, this provides a unique opportunity to create an instrument that may be utilized by this and other organizations to assess current practice and analyze episodic volunteer involvement. This could be an important deliverable in considering the lack of current research available related to episodic volunteer program involvement.

North Carolina 4-H Youth Development professionals will complete the 135 item instrument, either on-line or responding to a written questionnaire, to provide data regarding the organization's effectiveness in utilizing volunteers and the involvement of episodic volunteers in local programs. The researcher's data will be analyzed using SPSS and will be used to create a descriptive narrative of the relationship among the 11 characteristics of high effectiveness, the concept of episodic volunteering, and a variety of personal and professional demographic characteristics of youth development professionals. This research is being conducted to satisfy requirements for a dissertation and in the interest of creating an instrument to assist in the assessment of organizational effectiveness in utilizing continuous service and episodic volunteers.

Paper Number: PA021307

Paper Title: Two Models for the future - on the sustainability of voluntarism in a Nordic Welfare State-
setting

Author(s):

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Summary of Research

This paper discusses the themes of voluntary organisations´ relationships with their volunteers on the
one hand and the state on the other. The subject affects the way voluntarism will manifest itself in the
future. The recurring question that must be asked is what happens to individual commitment, when the
state tries to integrate the voluntary sector through legislation. The voluntary organisations can be seen
as bridgebuilders between the state, local communities and the individual? I present two models for the
future based on Hirst´s theory on "associational democracy" and Castells theory on the "network society".

Description

In the Nordic countries political interest in the voluntary sector has grown dramatically during the last ten
years. The recurring question that still needs to be asked is: What will happen to individual, voluntary
commitment when the state tries to integrate the voluntary sector through legislation? From Toqueville to
the contemporary communitarians, the though process has been clear - the state´s interference in
citizens´ affairs restricts individual commitment. That this contention has been rejected empirically - e.g.
by the hight levels of volunteering and associational membership and by the close financial ties between
the non-profit and the public sector in the Nordic Welfare States (Selle et.al. 2000) - does not contradict
the autonomy theses as far as the individual volunteers´image of the organisation is concerned.
The volunteers feel that the organisation gives them a cause worht committing themselves, and this
feeling is connected to the specific objectives of the organisation - not to a joint porject wiht the Welfare
State. In this respect voluntary organisations can be seen as bridgebuilders between the state, local
communities and the individual. The organisations can provide spheres that people need to create
identity and meaning in their lives. and the sustainability of voluntarism depends on the ability of the
organisations to create such spheres for commitment.
The backgound for the discussion is my dissertation on Motives for Volunteering - comparing voluntary
social-work organisations, patients organisations and sports associations. The methods used were
questionaire surveys (3716 responces) discourse analysis (300 letters from volunteers) and litteratyr
studies. This combination of different data sources and methodological approaches meant to ensure a
method-triangulation. The questionaires were drawn up with the objective of assessing volunteers´
motives. The design relies upon the so called volunteers Funtions Inventory developed by Clary, Snyder
and Ridge (1992) and adopted for use in the Scandinavian countries.
The results show differences in the profiles of volunteers, but also a clear concensus in the commitment.
Although the motives are mixed, volunteers seem to have a common base in their values concerning
volunteering. Normative values are weighted highly by the volunteers when they explain their motives to
take part i voluntary work: equality of man, helping those in need, fighting for things you believe. But
volunteering can also be seen as part of a life strategy - a way to give meaning, identity and learning to
daily life and a feeling of being an active and useful citizen.
The discussion of this paper is centered on the theme of voluntary organisations´ relationship with their
volunteers on the one hand and the state on the other. The subject affects the way voluntarism will
manifest itself in the future, and how "sustainability" can be approached.
I present two possible models by Paul Hirst (1994) and Manuel Castells (1997). Hirst´s theory on
"Associative Democracy" advocates a form of local democracy in which decisions about welfare
generation are decentralised to (local) voluntary organisations. The advantage of this model is a greater
degree of real free choise for the individual user of welfare services - the disadvantage is that
voluntarism almost becomes surplus to requirements because welfare provision becomes almost totally
professional.
Castells´ theory of the "Identity-generating Network Society" does not suggest a structural solution. He
believes that the answer will be found in strenghtened identities, which will give people a tool with which
to defend their beliefs and commitments. The advantage is that Castells´model cannot be implemented

without voluntarism - the disadvantage is that identity can also provide sustenance to fruitless fundamentalism.

What kind of model will the voluntary organisations choose? It is not a straightforward matter to find a "third way" between the two models. The guess is that some voluntary welfare organisations will choose Hirst´s contractor model. And as a result many volunteers will instead join other - in the best scenario - innovative organisations, which will continue to provide an identity and meaning for life strategies and dreams of a better world.

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Paper Number: PA021380

Paper Title: Work in Voluntary Welfare Organizations: Sociological Study of Voluntary Welfare
Organizations in Sweden

Author(s):

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Summary of Research

This paper deals with characteristics, organization and attitudes towards work in Swedish voluntary welfare organizations by contrasting the work situation of paid staff (permanent and temporary employees) with the situation of volunteers ("daily helpers" and board members).   This improves our understanding of the differences between the status and roles of both paid and unpaid workers. Moreover, volunteering is assessed in terms of its meaning for gainful employment. I draw my results from some 38 semi-directed interviews.

Description

 In the context of the continuous European debate on the future of labor, its alleged depletion, its alternatives, I propose to address the characteristics, organization and attitudes towards work in Swedish voluntary welfare organizations. Especially relevant for this purpose is to contrast the situation of paid staff (permanent and temporary employees) with the situation of volunteers ("daily helpers" and board members).

More concretely, the questions arising from this issue are:

a- How is the internal dynamic between contract workers (employees) and non-contract workers (volunteers)?

b- What value and meaning do volunteers and employees attach to their work?

c- How is volunteering related to gainful employment?

These questions relate to a series of more or less recent findings. First, the third sector is an economic force to be taken into consideration in many countries, including Sweden (Salamon and Anheier 1999; Lundström and Wijkström 1997).

Second, the significant presence of volunteers side by side with employees in welfare nonprofit organizations yields a unique workplace, compared to public and for-profit organizations, yet affected by uncertain workers' roles (Pearce 1993).

Third, interfaces exist between gainful employment and volunteering (Schumacher 2001) and the nonprofit sector is suggested as "transitional labor market" for workers going through certain life cycles (Schmid and Gazier 2002).

For this paper I completed 38 semi-directed interviews during the years 2000-01 with four Swedish voluntary welfare organizations: 1) children's rights organization, 2) volunteer center, 3) women shelter and 4) humanitarian organization.

My paper represents a contribution to the field of nonprofit research because of two reasons.

First, Sweden represents a nonprofit sector different greatly from the Anglo-Saxon model with its popular mass movements' tradition and social democracy. Furthermore, no study has been made concerning work in Swedish voluntary organizations so far.

Second, it proposes a needed sociological and qualitative enquiry linking voluntary sector and the debate on the future of work. A certain amount of research has been made on the motivations of volunteers and altruism (Wuthnow 1994), but there is lacking comprehensive research on how volunteering is connected and is meaningful for the professional life of volunteers, especially in a social democratic model. Consequently, my paper contributes to the demonstration that voluntary welfare organizations propose an alternative form of work organization beneficial for the civil society.

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