

**Paper Number:** PN042044

**Paper Title:** Nonprofit and Nongovernmental Studies: Reflections on Institutional Placement, Structure and Sustainability

**Author(s):**

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**Description**

This panel examines the evolution of nonprofit and nongovernmental studies programs in a variety of settings to examine existing institutional arrangements and the sustainability of these programs given current settings. Two major studies of institutional placement, structure and sustainability are included, one focused on US-based programs and one focused on international NGO education programs. These studies examining larger institutional contexts are complemented by two case studies providing a more localized look at institutional placement, structure and sustainability.

**Paper Number:** PN042044.1

**Paper Title:** Engagement and the Test of Time: A Panel Study on the Nature and Sustainability of Nonprofit Management Outreach Centers

**Author(s):**

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Roseanne M. Mirabella, Seton Hall University, South Orange, NJ, USA

**Summary of Research**

This paper expands on the authors' earlier research on nonprofit management outreach centers to continue the examination of relationships among elements of center institutionalization, the larger institutional context within which they operate, and their longer-term sustainability. This paper reports on a panel study examining the same set of organizations as were studied in our earlier studies, adding data collected from a subsequent round of interviews conducted five years later.

**Description**

Nonprofit organizations (NPOs) continue to seek new and substantive knowledge and tools to enable them to address the diverse and challenging needs of a rapidly changing world. During the past ten years, often in response to such interest, there has been a dramatic increase in the number of NPO management outreach programs and centers operating on college and university campuses throughout the United States. As of 2002, at least 80 U.S. institutions offered nonprofit management outreach programs, including fifty with combinations of degree and outreach programs and thirty that have outreach programs with no linkage to any degree programs (data from Mirabella, 2003). More than 70 institutions of higher education have formalized their response to the degree that they have created nonprofit management outreach centers, fifty of which conduct significant programs of outreach to provide management development to NPOs in the communities they serve. The expansion and proliferation of these centers have been significant yet, apart from the reports of only a few researchers, relatively little has been written about these centers and how they are changing over time.

This paper expands on the authors' earlier research on nonprofit management outreach centers to continue the examination of relationships among elements of center institutionalization, the larger institutional context within which they operate, and their longer-term sustainability. This paper reports on a panel study examining the same set of organizations as were studied in our earlier studies, adding data collected from a subsequent round of interviews conducted five years later. As with the earlier cycle, the data for this paper are drawn from semi-structured telephone interviews, and the respondents are the directors of the U.S. university- and college-based nonprofit management outreach centers that were in operation in 1999. This cycle of analysis will build on the structural, leadership, and contextual characteristics of centers in a variety of college and university settings, and will compare directors' previous judgments of center sustainability, centrality, inclusion, and legitimacy, plus the degree of center engagement with the larger community, and the degree to which the center has been perceived to be at risk of elimination. In addition, this paper will incorporate recent financial performance data and assess the relationship between previous judgments of risk and current financial and political health. This will allow this paper to begin to examine certain dynamics associated with the degree of sustainability of these centers.

This paper will build on earlier work by examining the relevance of institutional linkage and placement to the success of these outreach centers, again considering whether certain forms of institutional structure, organization, and linkage are perceived to be more successful than others, and also exploring the linkage of these dimensions to financial performance. This examination also will explore variation influenced by institution type, center placement (e.g., business, public administration, liberal arts), center reporting and accountability structures, and the host institution's nature and scope of community engagement.

As noted above, the paper will include changes in center directors' judgments about multiple aspects of

center role and inclusion within their institutions, and examine relationships among (a) the degree to which a center is institutionalized or at risk within their institution; (b) the funding and financing arrangements for the outreach units and the relationship of such arrangements to institutional placement; (c) identification of critical factors identified by directors as critical to the long-term survival and sustainability of their outreach programs; and (d) the relationship, if any, that exists between these characteristics and the centers' financial performance over the past five years.

The content of this paper also is related to the small body of literature examining the "best place" for nonprofit management education and development centers and programs (e.g., Young, 1998; Mirabella, 2001; 2003), and links the study of these centers with the body of literature regarding the changing role of community outreach in higher education and the "scholarship of engagement" (much of it an outgrowth of the writing of Boyer, 1990) that is very much the subject of interest for metropolitan institutions of higher education (e.g., Holland, 1999). This paper also builds on and adds to the very small body of writing (primarily produced by nonprofit outreach program funders) on the nature and development of university-based nonprofit management outreach centers (e.g., recent self-published reports by the Kellogg Foundation, such as Larson and Barnes-Moorhead, 2001).

This paper continues the unique work of the authors' earlier research reports by continuing the exploration and examination of the practices and implications of nonprofit management outreach centers and programs for larger institutional innovation and change. There is essentially no other research underway that examines this particular intersection of issues, although the related papers proposed for this ARNOVA 2004 panel all have direct relevance to the topic. This paper will provide an important foundation for future research by the authors and others in the field of nonprofit management education.

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**Paper Number:** PN042044.2

**Paper Title:** The International Census of Nongovernmental Studies Project: An Analysis of Institutional Placement and Structure

**Author(s):**

Roseanne Mirabella, Seton Hall University, South Orange, NJ, USA

### **Summary of Research**

This paper presents an analysis of data collected through a major research project to develop a census of international university-based programs in nongovernmental studies, which includes the study of nonprofit management, nongovernmental organizations, and grassroots organizations. To assist in the analysis, a comparative model is being developed to explain variations in education and training programs throughout the world, thus increasing our understanding of the efficacy of these programs and their role in the strengthening of civil society. The comparative model developed will include a focus on institutional placement and structure of NGO studies programs in various regions of the world.

### **Description**

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Unlike previous research in this area, which has focused on individual countries or geographic regions, the project is developing a database reflecting the universe of practices in the international arena. To date, information has been collected from 51 university-based programs that deliver education programs within their national borders, from 4 university-based programs that deliver education programs in other nations, and from 93 education or training programs delivered through national organizations, including intermediary organizations, consultant services or national governments, local organizations, which includes community-based organizations or local governments, international NGOs, IGOs (regional or universal), or hybrid organizations. In the following sections, some of the initial findings are highlighted.

The research will address the following major questions regarding the programs and their distribution throughout the world: Where are nongovernmental organization education programs housed within the university? What degrees are currently being granted? What is the regional distribution of these programs?

Comparative analysis of the results will address the following major questions: How do programs in developed countries compare to those in developing countries? Are the international programs currently in place similar to or different from those in the United States? What knowledge and skills are currently taught within these programs? Are these similar to the skills and knowledge needs of managers and leaders of nonprofit and nongovernmental organizations? Of grassroots organizations?

Building on the expertise developed to date, the author hopes to further our understanding of the complexities and intricacies of existing NGO education and training programs by examining the curricula of existing programs, utilizing both a comparative approach as well as focusing on theoretical issues regarding civil society, social capital, the role of NGOs, particularly in developing countries and the significance of education and training efforts in capacity building. The long-term impact would be greater understanding of the role of these programs in strengthening civil society.

**Paper Number:** PN042044.3

**Paper Title:** From Voluntary Sector Studies To Social Enterprise Development And Management: Where Are We Going And Why Are We Going There?

**Author(s):**

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### **Summary of Research**

This paper takes the form of a review of 'progress' in a postgraduate university programme in the UK, an attempt to analyse both the forces acting on how the programme has evolved and the actions of the people involved in it, and a discussion of wider implications for non-profit organization education at university level.

### **Description**

This paper takes the form of a review of 'progress' in a postgraduate university programme in the UK, an attempt to analyse both the forces acting on how the programme has evolved and the actions of the people involved in it, and a discussion of wider implications for non-profit organization education at university level.

It explores the origins and antecedents of the programme, the context in which it was created, in the mid 1990s, and how far it represented a reaction against the perception of an ascendant 'managerialism' in the British voluntary, community and public sectors (Barnard and Walker, Butler and Wilson); it poses questions about the irresistibility of dominant ideas about management, and presents the case for the programme as an attempt to synthesise a 'third way' between these ideas and the longer-established interests of voluntary organisations in other goods like responsiveness, caring and openness (Batsleer et al, Billis, Fowler, Knight) ; and completes the account by tracing the sequence of events leading to the creation of the 'social enterprise pathway' in 2001.

In devising a module on "appropriate management", the programme team noted:

"the persistence of faith in established ideas about management, particularly 'scientific' approaches (Courtney), together with the emergence of new beliefs - for example, in a 'holistic' approach (Elsdon) the continuing debate about the adoption of management practices from the commercial sector (Drucker);

the rejection of hierarchy (and the simultaneous demise of the collective)(Landry et al);

the emergence of 'vision', 'values' and 'quality' as tools for managing dilemmas about direction, standards, and scarcity (Hudson).

and a "widespread uncertainty about behaviour, roles, planning, priorities, responsibility, decision-making, control, authority, accountability, and power; in other words, about what constitutes 'appropriate management'".

The paper shows that, while ways have been found by some organisations to overcome the uncertainty identified here (Paton), for others the uncertainty has grown (Taylor), and it argues that there is a continuing need for university programmes which help people think about their situations, as well as those that train people how to manage; the important question then raised for non-profit management education programmes generically is how to balance the sometimes competing demands of helping people to think and training them how to manage, and what sort of intellectual framework is adequate to the task?

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**Paper Number:** PN042044.4

**Paper Title:** Study Abroad for Sustainable Development: Building Networks between American Universities and Mexican NGOs

**Author(s):**

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### **Summary of Research**

The DePaul University's Public Services Graduate Program's (MPS) study abroad program in Chiapas, Mexico fosters communication, collaboration and sustainability among indigenous and non-governmental organizations. As one of MPS's several study abroad offerings, the Chiapas Program best exemplifies DePaul University's commitment to value-based and engaged education. In line with DePaul's leading example in community-based service education, MPS offers professional graduate studies that, by design, are value-based and locally/globally (glocally) engaged. The MPS Chiapas Program demonstrates how short term study abroad programs can become an instrument to foster sustainable development, global citizenship and international solidarity.

### **Description**

The DePaul University's Public Services Graduate Program's (MPS) study abroad program in Chiapas, Mexico fosters communication, collaboration and sustainability among indigenous and non-governmental organizations. As one of MPS's several study abroad offerings, the Chiapas Program best exemplifies DePaul University's commitment to value-based and engaged education. In line with DePaul's leading example in community-based service education, MPS offers professional graduate studies that, by design, are value-based and locally/globally (glocally) engaged. The MPS Chiapas program includes five Chicago-based preparatory classes and a week long immersion in Chiapas. The program has been created based on the instructor's professional experience as researcher on Chiapas-based organizations, as instructor of sustainable development, social movements and globalization, and as coordinator of various delegations and leadership development programs.

The MPS Chiapas Program is an educational experience involving universities and non-governmental organizations from the United States and Mexico. From this program, students become familiar with organizations and initiatives in relation to Chiapas, indigenous rights, fair trade, women development, land rights and global civil society. They become familiar with the local and global networks surrounding Chiapas, its resistance movements, its lessons on development and its alternatives for "a world of worlds" based on diversity, democracy, justice and dignity. They learn from researchers and professionals at American and Mexican higher education institutions such as DePaul University, Loyola University of Chicago and National Autonomous Universities in Mexico City (UNAM) and Chiapas (UNACH). They also learn and engage in a constructive dialogue with various international, Mexican and indigenous non-governmental organizations such as International Service for Peace (SIPAZ), Oxfam International, Amnesty International, the Zapatista Caracoles, and the Human Rights Center Fray Bartolome de Las Casas (CDHFBC).

The MPS Chiapas Program demonstrates how short term study abroad program can become an instrument to foster sustainable development, global citizenship and international solidarity. Similar to other successful study abroad programs, the MPS Chiapas program fosters diversity education, critical thinking and international solidarity. The uniqueness of this program is to advance understanding of globalization from-below, the power of participatory democracy, possible alternative development models, and networks of communication across sectors and organizations including. The secret of this success is based on the commitment, innovation, risk-taking and support of the institutions, organizations, students and leaders involved.

In *Securing America's Future: Global Education for a Global Age*, the Association of International Educators lists the barriers that need to be overcome in order for universities to have successful study abroad programs: (1) motivations for faculty; (2) curricular barriers; (3) financial disincentives; (4)

addressing needs of non traditional students and (5) diversifying participants, locales, and languages. DePaul University's Public Services Graduate Program overcomes these barriers by fully endorsing and promoting international initiatives. In addition to internationalizing the presence and competence of its faculty, MPS has study abroad programs in several countries to meet the diverse program needs of the students. The MPS Chiapas program is a core course for the International Public Services degree and students receive full credit for their active participation and fulfillment of requirements. The program meets non traditional students' needs by offering an intensive one week study abroad class and having scholarship money available.

The strength of MPS Chiapas Program is visible in the students' engagement upon their return. The intellectual, relational and emotional experience in Chiapas is transformed into concrete initiatives in Chicago and through cross-border initiatives. The key of successful study abroad programs are the integrated engagement of students when they return. Student's exposure to glocal pre-existing organizational networks is an essential component for transforming intense abroad experiences into professional and personal commitments. One way the Chiapas program addresses this post study abroad connection is by adopting the concept of global citizenship explained by Nigel Dower and applied by NGOs such as Oxfam International. In Chicago, with its diverse populations, universities and various non governmental organizations, and Internet technology, students have a real opportunity to continue their learning, discussion and commitment when they return home.

John Marcum and David Roochnik write about the idea of "first looking homeward" in their article, What Direction for Study Abroad? 2 Views. They bring up two very important points about study abroad programs. First, we actually have opportunities for international exchange right in our own neighborhoods. Second, we need to foster university to university collaborations and university to non governmental organization collaborations. This complements the idea of global citizenship. Study abroad programs need to go beyond the exchange of students to become a far greater resource and catalyst for strengthening institution-to-institution collaboration with overseas partners. Building upon study abroad ties to develop faculty exchange, collaborative research projects, joint colloquia, distance-learning relationships, and even joint summer schools and degrees can provide mutual benefits that will become increasingly obvious to both existing and potential foreign partners.

The successful experience of higher education institutions engaged in international collaborations with other universities, NGOs and civil society organizations rely on the creation of inter-personal and inter-organizational networks. In a speech entitled, "Creating Global Universities," Yale University President Richard Levin illustrates the collaboration between Yale and Chinese Universities, non governmental organizations and governmental organizations. These collaborations basically come down to personal relationships. These collaborations arise not from top-down directives of university administrators, but rather from longstanding personal relationships among peers. The success and uniqueness of MPS Chiapas Program was made possible by pre-existing interpersonal and inter-organizational relationship based on trust, collaboration and vision. Its methodology, based on collaboration, professional exchange and organizational panels, exemplifies how a study abroad program can become an opportunity to advance inter-organizational collaboration, inter-cultural communication, and dialogue among sectors.

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**Paper Number:** PA041022

**Paper Title:** Charitable Bingo: Policy and Practice

**Author(s):**

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**Summary of Research**

This paper explores how nonprofit organizations operating charitable bingo in Indiana are impacted by competition from commercial casinos. We compare differences in license procurement, revenue, profit and profit as a percent of revenue of charitable gaming organizations across Indiana counties with legalized commercial gaming from those without commercial gaming facilities. We then use interviews with managers in nonprofit organizations that are operating charitable gaming in counties that have been directly affected by the legalization of commercial casinos to improve our understanding of how nonprofit organizations are both influenced and responding to these policy changes.

**Description**

Bingo is big business. No longer just a small church hall social activity, in 2002 licensed charitable bingo events generated over \$495 million dollars in total receipts in the state of Indiana (National Association of Fundraising Ticket Manufactures, Charity Gaming in North America, 2002). With the rapid growth of high stakes bingo on Indiana reservation and in commercial casinos, bingo is a growing source of revenue for many states (Hersrud, 1996). Evidence suggests that the nature of charitable gaming is being strongly influenced by the growth of commercial gaming. Nonprofit organizations may be facing increased competition for gamers, challenging our perceptions of bingo as a non-deviant, socially beneficial past-time. At the same time, nonprofits may experience increasing pressure to upgrade and commercialize their operations, resulting in reduced profits as well. Both pressures challenge not only our perceptions of charitable gaming as a harmless social activity, but also the practice of managing gaming for charitable purposes in the face of commercial competition.

This paper uses both quantitative time series data and qualitative interviews with representatives from nonprofits operating charitable bingo to explore the impact of the rapid rise of commercial bingo on the revenues and profits of charitable bingo operations.

Drawing upon the Indiana Department of Gaming's statistics for charitable gaming activity between 1998 and 2001, we explore changes in charitable bingo activity across Indiana counties. We focus on how charitable gaming activities of nonprofit organizations operating in those counties that have riverboat gambling or are located in counties contiguous to such counties have changed over time. We then compare this to the activity of organizations located in counties that do not offer or are not near such legalized gambling activity. For the purposes of this paper, we use license procurement, revenue, profit and profit as a percent of revenue as dependent variables.

We then draw upon interviews with representatives from 12 nonprofit organizations that are located in or next to an Indiana County that has just been approved for the final riverboat gambling license. We use these interviews to explore perceptions of how commercial gambling operations will influence charitable gaming operations. These interviews allow us to better understand the strategies that nonprofits managers adopt when faced with potential competition from commercial activities.

**Paper Number:** PA041113

**Paper Title:** Trust, Influence, and Reputation in a Mixed Sector Health and Human Services Network

**Author(s):**

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**Summary of Research**

This paper offers an empirical examination of a health and human services network in one large U.S. city. While services are provided mostly by nonprofit agencies, the system is monitored and funded by a for-profit entity, operating under a managed care contract from the state. Thus, three different sectors are involved. Based on data collected from 35 agencies, we present findings on the relationship between agency embeddedness in the network (centrality, multiplexity, and clique membership) and three social outcomes; namely, agency influence, reputation, and trustworthiness. Implications for both theory and practice will be discussed.

**Description**

The role of government in the United States has changed over the past 10 to 15 years. Consistent with the "New Public Management" literature (Osborne & Gaebler, 1993; Hood, 1995), and research on the "hollow state" (Milward and Provan, 2003), many services that were formerly provided directly by government are now contracted out, ostensibly as a way of improving efficiency. While most of what government had been doing in the area of health and human services is typically contracted out to nonprofit agencies (Kettl, 1997; Salamon, 2002), for-profit organizations are also involved. Reliance on for-profit organizations has become especially prevalent in the delivery of health services, where managed care is seen as a way of reducing escalating costs.

In the area of mental health services, especially to individuals with serious mental illness (SMI), the involvement of for-profit entities is often seen as problematic, in part because clients are so vulnerable, but also, because the provision of mental health services requires the cooperation and integration of a broad range of agencies (Dill and Rochefort, 1989; Provan and Milward, 1995), most of which are nonprofit or public entities. Thus, there is the possibility that a community may have services to some of its most needy and vulnerable citizens being funded by government (primarily state and federal), monitored and controlled by a for-profit corporation, and delivered by nonprofits. In this situation, it is not simply that all three sectors participate in the process, but it is likely that the principal organizations involved in these three sectors will have different and sometimes conflicting goals and values. This situation means that the full and cooperative integration of services to clients may be difficult to achieve.

The study we will be presenting is an examination of such a multi-sector system. Specifically, we will be discussing the findings of a study of the mental health delivery system in Maricopa County (Phoenix), Arizona. In 2000, we collected data, using surveys, interviews, and secondary data, on the network of health and human service agencies that provided services to SMI adults. When data were collected, the system had recently changed. In mid-1999, the contract from the state to fund, monitor, and provide services in Maricopa County was awarded to ValueOptions, a for-profit firm headquartered in Norfolk, Virginia. While ValueOptions controlled its own case management agencies and determined which clients qualified as SMI, most key services (recreation, support, substance abuse, legal, housing, rehabilitation, etc.) were provided by nonprofit and public agencies through contract or informally. Many of these agencies were extremely concerned that the system would not work well and that clients would be poorly served.

It is in this climate that we wanted to examine the extent to which agencies were willing and able to work together, especially to share information about service provision and to refer clients to one another. We collected data from each of the 35 agencies in the county that were involved in the

provision of services and treatment of the adult SMI population. Our data analysis will focus first on describing the level of interorganizational cooperation (through shared information and referrals). Our main analysis will be an examination of the extent to which the network embeddedness of each agency (using measures of centrality, multiplexity, and clique membership) is related to three social outcomes; specifically, the reputation of the agency in the community, the level of trust attributed to the agency by its linkage partners, and the extent to which the agency is seen as influential within the network. In addition, we will also examine the relationship between an agency's network embeddedness and perceptual measures of service effectiveness under the new for-profit system.

Our findings will help us to shape conclusions concerning network theory, but also, the findings will help build a greater understanding of how nonprofit agencies work together when their activities are monitored and funded by a for-profit corporation. This cross-sector knowledge is becoming increasingly important as more and more nonprofit agencies must work closely with for-profit organizations, especially in health and human services. This is an area that has received considerable attention in recent years, but one that has not yet been the focus of much empirical research.

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**Paper Number:** PA041170

**Paper Title:** Meeting Community Needs: Comparing the Location of For-Profit and Non-Profit Affordable Housing Developments

**Author(s):**

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### **Summary of Research**

The dramatic growth in non-profit activity and creativity in the affordable housing market has been described as the emergence of a third housing sector and as a policy paradigm shift. As neighborhoods shape the opportunities facing residents, this project aims to compare the locations and the location characteristics of non-profit and for-profit affordable housing developments. This comparison would provide a springboard for examining whether increasing non-profit rather than for-profit affordable housing production and the preferential policy towards them are justified.

### **Description**

The U.S. federal housing policy has changed significantly in the past three decades and is characterized by decentralization, privatization and increased reliance on non-profit organizations (Goetz 1993, Keyes et al 1996, O'Regan and Quigley 2000, Vidal 2002). This dramatic growth in non-profit activity and creativity has been described as the emergence of a third housing sector (Davis 1994, Dreir 1997) and as a policy paradigm shift (Goetz 1993, Osborne and Gaebler 1992). This trend is not unique to the housing market. Non-profit organizations are increasingly active in the delivery of a wide range of social services (Weisbrod 1988).

Non-profit organizations are assumed to be a desirable mode of service delivery, and thus receive preferential government treatment (such as tax benefits). It has been argued that local non-profit organizations have knowledge advantage over both government and for-profit providers (Salamon 1992, Smith and Lipsky 1993). This knowledge advantage, resulting from the fact that these organizations are rooted in their communities, further motivates the assumption that local non-profit organizations are better able to "tailor" their services to variations in local demands and conditions than more uniform government provisions (Dreir 1997). Non-profit organizations are also assumed to be more willing than for-profit providers to take risky social ventures, thus allowing them to better serve hard-to-reach populations (Young 1999).

Despite the vast amount of non-profit research, comparative aspects of for-profit and non-profit housing production have been under-studied, and are the main focus of this paper. Not enough is known about the relative performance of non-profit developers (Rohe et al 2001) and whether the benefits of privatization would be best realized by increasing production by non-profit rather than for-profit developers (Schill 1994). Only a little is known about the location of assisted housing projects (Cummings and DiPasquale 1999, Rohe and Freeman 2001) but not much is known about differences (if any) in the location of for-profit and non-profit developments. Housing location is of a particular interest as neighborhoods shape the opportunities facing residents and the availability of public services (Smith 1993, Newman and Schnare 1997, Ellen and Tuner 1997, Green and Malpezzi 2002).

The goal of this study is to start bridging this gap in the academic literature by comparing the location and the location characteristics of for-profit and non-profit housing developments. More specifically, in this paper I will address three related empirical questions: (1) are non-profit developments located in different neighborhoods than for-profit developments? and if so (2) do the respective locations of non-profit and for-profit developments have different social and demographic characteristics? Finally, (3) do local non-profit developments have different location characteristics than local for-profit and other non-profit developments?

The study would utilize the U.S. Department of Housing and Urban Development data on developments funded by the Low Income Housing Tax Credit Program (LIHTC). The LIHTC has been the main federal

government housing production program since its creation in conjunction with the Tax Reform Act of 1986 (Wallace 1995, Guggenheim 2000, Orlebeke 2000, Vidal 2002). The tax credit units are allocated to the various states on per-capita basis, which in turn allocate the funds in a competitive process to both for-profit and non-profit developments. The program requires states to allocate at least ten percent of the funds to qualified non-profit developments (Abravanel and Johnson 1999, McClure 2000, Stegman 2002) and thus, provide an excellent opportunity to explore some of the differences between for-profit and non-profit affordable housing developments nation-wide that were supported by the same program. The LIHTC data would be supplemented by census tract-level data using the Urban Institute's Neighborhood Change Database. The database links variables and census tract boundaries from the different census periods, allowing comparison of variables and tracts across census years (The Urban Institute 2002).

A dissimilarity index, a segregation coefficient measure (Golant 2002), would be used to test the degree to which non-profit and for-profit developments are located in different neighborhoods. The proximity of the developer to the community would be used as a proxy to identifying community-based non-profits and local for-profit developers. Developers operating only within their zip code area would be considered local. Census tracts would be used to approximate neighborhoods (Ellen 1998). Matching the LIHTC development location with census tract-level data would allow comparing the "average" (or typical) for-profit and non-profit neighborhood characteristics. These characteristics would include: racial and ethnic composition, poverty rate, per-household rental housing units and vacancy rates.

Findings from this study would potentially contribute to our understanding of the role that non-profit organizations play in the production of affordable housing. This would provide a springboard for examining whether the reliance on non-profit developers and the preferential policy towards them are justified. The empirical results would also have relevance to other social services, in which for-profits and non-profits co-exist.

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**Paper Number:** PA041406

**Paper Title:** Determinants of the Nonprofit and For-Profit Organizational Mix: A Longitudinal Analysis of the Social Service Industries

**Author(s):**

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### **Summary of Research**

A number of industries, including social services, have become notably more “mixed”, with sizable proportions of both nonprofit and for-profit organizations, but little is known empirically about why such changes in industry composition occur. Adopting a sociological view of organizations, particularly the institutional and ecological perspectives, this research utilizes a recently developed national longitudinal database spanning the years from 1976 to 1999, to develop and test causal arguments concerning the role of social, economic, and political conditions on the dynamic nonprofit and for-profit composition of the social service industries over time.

### **Description**

Issue to be addressed and relation to state of knowledge

Over the past several decades a number of industries, including social services, have become notably more “mixed” in that organizations from both the nonprofit and for-profit sectors exist together and compete with one another (Salamon, 1999; Young & Salamon, 2002). Between 1977 and 1997 the absolute number of social service for-profit organizations and their relative share of the industry increased substantially. For example, by 1997, for-profit individual and family service organizations comprised almost 20% of all establishments, up from 13% in 1977 (U.S. Census Bureau, 1997). Recent revenue estimates indicate that this pattern favoring for-profit expansion continued into the twenty-first century (U.S. Census Bureau, 2003). The for-profit proportional gain is all the more impressive given the tremendous growth in the number of nonprofit organizations during this same period.

The implications of this shift towards greater for-profit activity in certain industries remains contested. Reviews of empirical investigations into quality and service differentiation by legal form have generally supported the expectation that nonprofit organizations will provide better services (Irvin, 2000), although, the differences are not always substantial and a variety of external dynamics may complicate any generic relationship between auspice and organizational behavior (Marsteller, Bovbjerg, & Nichols, 1998; Vaillancourt Rosenau & Linder, 2003; Schlesinger, 1998). Even less is known empirically about why the nonprofit and for-profit composition of these industries changes over time. Few empirical studies have examined the issues related to the determinants of mixed-sector industry composition (Bendick, 1977; Ben-Ner & Hoomissen, 1992; Hansmann, 1987; Sommerfeld & Tucker, 2003) and these studies have been cross-sectional in nature, so causal arguments remain only suggestive.

This paper focuses explicitly on the identification and testing of causal factors critical to the resulting nonprofit and for-profit organizational mix evident in social service industries. Adopting a sociological perspective, this project illustrates the importance of social, political, and economic conditions operating at both the local and more macro levels of analysis. Building from prior research, the models include aspects such as regional political culture, public funding, state-level institutional supports of the nonprofit sector, religiosity, and other demographic controls as important influences on the relative prevalence of for-profit and nonprofit social service providers. In addition, this paper highlights the role of period effects such as major changes in federal public policy like the early Reagan era reforms and the 1996 welfare reforms.

Approach (methods and data)

Consistent with the recommendation of DiMaggio and Anheier (1990), this research project adopts the

population ecology perspective on organizations as a useful theoretical and empirical mechanism for assessing the changing within industry “division of labor” between the nonprofit and for-profit sectors. The ecological approach is well suited for this type of inquiry by focusing on changes within organization populations rather than on individual organizations (Hannan & Carroll, 1992; Singh Jitendra V. & Lumsden, 1990). Ecological theory and research emphasize the role of shifting environmental conditions that favor one particular organizational form over another through a selection process, which gives the appearance of change as poorly-matched, older organizations die and the new and remaining organizations reflect the demands of the current environment (Aldrich, 1999). Therefore, a proper fit between the environment and the organization is crucial for organizational survival. In the context of researching mixed-sector industries, ecological theory focuses attention on how the prevailing external conditions may differentially affect nonprofit and for-profit organizations. To assess the effects of environmental characteristics on changes in organizational populations, ecological research specifically focuses on the birth and death rates of organizations over time (Carroll & Hannan, 2000). Therefore, event history models for organizational births and deaths will test the causal relationship between the various social, economic, and political factors and the creation and survival of nonprofit and for-profit organizations.

Examining these questions requires event history data, i.e., longitudinal establishment-level data for an entire organizational population that records when establishments form, change, and die (Tuma & Hannan, 1984). A recently developed U.S. Census Bureau, restricted-use database provides a new opportunity for engaging in such detailed longitudinal research. This database is constructed using data from a variety of sources, which spans the years from 1976 to 1999 and contains information on the characteristics of nearly all establishments in the U.S., including payroll, employment, location, along with various status codes that identify, among other things, industry, births, deaths, legal status, and ownership changes (Jarmin & Miranda, 2001). Access to this extensive, database was obtained following an adjudicated review process and work is proceeding with Census Bureau personnel through the Research Data Center (RDC) program to develop models amenable to addressing the research questions. The resulting database covers the universe of all social service organizations in the U.S. during a period of substantial growth and change in the private social service sector.

## Contributions

This project makes several substantial theoretical and practical contributions. First, this study provides one of the first longitudinal studies of the shifting nonprofit and for-profit organizational composition of the social service industries. In addition to the rich descriptive statistics documenting the changes over time and across geographic areas, this study allows for the development and testing of detailed causal arguments. From a policy-maker and practitioner perspective, understanding the factors that influence the structure of our private sector organizational “safety-net” are important to informed decision making concerning the desired future composition of the social services industries.

Additionally, this work contributes to the body of literature testing for “differences” between the sectors. This study takes a different approach to that line of inquiry, by examining whether the fundamental organizational processes, births and deaths, demonstrate that these two organizational populations are motivated by different logics and thus may respond differently to the same set of environmental conditions. In fact, preliminary work suggests that the pattern of organizational mortality may indeed reflect a real nonprofit/for-profit difference. For-profits appear to represent a more volatile population, coming into existence and dying more quickly than their nonprofit counterparts, which affects the stability and continuity of service delivery for vulnerable populations.

This research also provides theoretical benefits to organizational sociology by allowing for empirical testing of competing organizational populations that represent the “path dependent” versus “historical efficiency” debate (Carroll & Hannan, 2000; Carroll & Harrison, 1994) as well as further integrating the ecological and institutional perspectives on organizations (Baum & Oliver, 1996; Tucker, Baum, & Singh, 1992), by incorporating the concern with organizational legitimacy into the analyses in a substantial manner.

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**Paper Number:** PN042045

**Paper Title:** Giving and Volunteering: New Questions, New Data

**Author(s):**

Richard S Steinberg, Indiana University-Purdue University at Indianapolis, Indianapolis, IN, USA

**Description**

The papers in this session provide empirical evidence on important determinants of charitable activity that have not previously been studied owing to inadequate data. Three of papers in this session employ data from the Center on Philanthropy Panel Study of Giving and Volunteering (COPPS) to assess the impact of understudied factors on giving and volunteering. COPPS is a module appended to each wave of the Panel Study on Income Dynamics (PSID), beginning with the 2001 wave. Thus, data on giving and volunteering in 2001 are linked to 30 years of data gathered annually (for the most part) for the same roughly 7500 U.S. families. The fourth study uses three surveys of religious institutions.

The first paper, by Bandy and Wilhelm, tests for the effect of family instability during the formative years on adult giving. The second paper, by Osili and Okten, looks at the effects of immigrant communities on giving by immigrants and non-immigrants in that locale. The third paper, by Hungerman, looks at contributions by congregations without any Black members relative to those with Black members as a function of the share of Black residents in the community. The final paper, by Straub, examines whether gifts of time and money by individuals are consistent with the assumptions used to model the household joint decisionmaking process with respect to these gifts.

**Paper Number:** PN042045.1

**Paper Title:** Does Family Instability During Childhood Reduce Later Giving?

**Author(s):**

Mark Wilhelm, IUPUI, Indianapolis, IN, USA

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**Summary of Research**

□ This study estimates models of young adults' religious and secular giving as functions of parental absence during childhood. We use data from the 1968-2001 waves of the Panel Study of Income Dynamics (PSID) and the 2001 Center on Philanthropy Panel Study.

□ Half of all children are now predicted to spend some of their childhood years apart from their father (Bumpass and Raley 1995). The present study is important because it will address whether this tremendous demographic change is expected to affect future charitable giving.

**Description**

□ There is much evidence that parental absence is associated with a wide range of children's outcomes, including lower educational attainment and higher likelihood of out-of-wedlock childbirth (McLanahan and Sandefur 1994). This association is thought to arise through the stress that parental absence creates in the lives of children. There is stress on the custodial parent (usually the mother) because of the trauma of the disintegrated relationship and the need to shoulder all of the economic and parenting responsibility for the children. The need to take full economic responsibility for the children also implies less time available for investment in children's cognitive development. In addition to the effects children experience via these channels, they directly experience the trauma of parental absence through their own emotional upheaval. Stress and low investment in children's cognitive development are thought to weaken the development of children's helping behavior (Chase-Lansdale et al. 1995). If so, then parental absence during childhood would have a negative effect on children's charitable giving later in life.

□ This study looks for such effects using data from the 1968-2001 waves of the Panel Study of Income Dynamics (PSID) and one of its components: the 2001 Center on Philanthropy Panel Study (Wilhelm 2003). We estimate models of the charitable giving of young adults as functions of parental absence during stages of their childhood. The frameworks that leads to our stage-specific conceptualization of the relationship between parental absence and subsequent giving are stage theories of prosocial moral reasoning (e.g., Eisenberg 1982) and religious development (e.g., Spilka et al. 2003, Chapter 4).

□ We examine separate models of children's secular and religious giving. The prediction that parental absence lowers giving is best-suited for secular giving. For religious giving there is an additional complication, suggested by evidence on the effect of parental absence on the religious development of children. The evidence that exists (and there is not a lot) suggests that in some families parental absence might encourage the religious development of children. For example, Marquardt's (2004) survey evidence indicates that 20 percent of the children of divorced parents say they went to church less after the divorce, but 22 percent said they went more. Also, Stolzenberg, Blair-Roy and Waite (1995) find that after a divorce, women aged 32 have higher religious participation. Because of this evidence, we expect parental absence to have a weaker (perhaps even positive) effect on later religious giving,

□ Half of all children are now predicted to spend some of their childhood years apart from their father (Bumpass and Raley 1995). The present study is important because it will address whether this tremendous demographic change is expected to affect future charitable giving.

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**Paper Number:** PN042045.2

**Paper Title:** How Does Ethnic Diversity Affect Charitable Giving?

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**Summary of Research**

Immigration increases the ethnic, racial, and linguistic diversity of U.S. communities. This may affect charitable giving for three reasons. First, it affects the clarity of objectives with respect to local public goods. Second, it affects the transactions costs of private action for the public good. Third, it affects altruistic linkages within the community. We estimate the magnitude of these effects using data from the Center on Philanthropy Panel Study of Giving and Volunteering linked to Census statistics on the respondents' communities.

**Description**

One important consequence of the recent wave of immigration has been the growing ethnic, racial, and linguistic composition of U.S. neighborhoods and communities. Policymakers and researchers have debated the consequences of greater ethnic diversity for social cohesion and institutions in the U.S (fn 1). More than half of all Americans contribute to charitable organizations or volunteer time. For this reason, charitable giving is thought to be an intrinsic aspect of American social and economic life.

In this paper, we investigate the relationship between immigration within metropolitan area and charitable giving. Charitable giving and other forms of civic engagement can have significant implications for building norms of trust, connectedness, and local public good provision. Thus, by studying charitable giving we can shed light on the impact of immigration on social cohesion and aspects of social and economic life in the U.S. Our findings can also inform debates on the role that social identity and community characteristics play in shaping patterns of charitable giving.

Within heterogeneous societies, community characteristics including immigration and ethnic diversity can affect contributions to charitable organizations. We investigate three potential channels through which immigration and ethnic diversity can affect monetary and time contributions. The first channel can be summarized as the "diverse preferences" argument (Alesina et al, 1999). It may be difficult to define objectives towards the financing of local public goods where the community members have diverse preferences due to ethnic diversity, and other forms of heterogeneity. Second, ethnic diversity may increase the transaction costs of community-level production. If trust, social sanctions and reciprocity norms are cultivated at the group level, these are less likely to be effective in diverse environments (Miguel, 2001). Finally, ethnic diversity can affect contributions if households belonging to the same ethnic community are altruistically-linked (Becker, 1981; Grimard, 1997; Luttmer, 2001). It is important to recognize that ethnic diversity may also be positively associated with contributions. Within ethnically diverse settings, charitable organizations may provide local public goods when governments and markets fail to satisfy the heterogeneous needs of consumers (Weisbrod, 1988).

The empirical analysis in this paper is based on new data from the Center on Philanthropy Panel Study (COPPS), a module in the Panel Study of Income Dynamics (PSID). These data represent the largest one-time study of philanthropy in the United States, and provide a unique opportunity to study the impact of immigration inflows and ethnic diversity on charitable giving at the household-level. To obtain information on immigration inflows, ethnic and linguistic diversity and other community characteristics, we link U.S. 2000 census data to the PSID household-level data using geographic identifiers available from the PSID.

(fn1) A growing number of studies examine the link between economic and social and ethnic fractionalization and economic outcomes (Alesina, Baqir and Easterly, 1999; Alesina and LaFerrara;

2001; Collier, 2000; Easterly and Levine, 1997; Miguel, 2001).

**Paper Number:** PN042045.3

**Paper Title:** Race and Charitable Church Activity

**Author(s):**

Daniel Hungerman, Duke University, Boston, MA, USA

### **Summary of Research**

This paper investigates how race affects charitable church activity. We use three different datasets for this study: a cross section of a large protestant denomination, a panel dataset of a second large protestant denomination, and the National Congregations Survey dataset. In all three cases we find evidence that congregations without any Black members become less charitably active, either relative to other churches or in absolute terms, as the share of Black residents in the community grows.

### **Description**

Congregations are important social services providers in the United States. Biddle (1992) estimates that congregations spent \$20 billion on philanthropic activities in 1989. Faith-based organizations provide social services for over 70 million Americans annually (Johnson, Tompkins, and Webb, 2002).

Recent policies have increased the public funding available to congregations for the provision of social services. Starting with the "charitable choice" provision of the 1996 welfare reform law and continuing with the creation of Centers for Faith-Based and Community Initiatives located in seven different federal agencies, policy makers have instituted a "devolution" of federal funds intended to provide community services. While this welfare devolution has gained attention in the popular press (Dilulio, 2002), there is very little quantitative research on the implications of these recent policies, something the government itself has lamented (HUD, 2001).

Despite this absence of research it seems likely that these policies could affect social service provision. For example, research has documented that individuals often display "group preferences," whereby one's tastes for public goods, collective activities, and redistribution are sensitive to the local community's demographic composition. This research has postulated that churchgoers may warrant consideration as individuals likely to display group preferences (see Gruber, 2004; Alessina and La Ferrara, 2000; Luttmer, 2001; and Alesina, Baqir, and Hoxby, 2001). If churchgoers display group preferences when providing charitable services then welfare devolution, even if partial, could affect the levels and distribution of social services provided. Race may be an area where such group preferences among churchgoers are salient-as the old saying goes, "Sunday morning is most segregated time of the week." A study of race and charitable church activity could therefore have important implications for both economic research on group preferences and federal policies on faith-based organizations.

The goal of this paper is to see whether churchgoers take the racial composition of the community into account when providing charitable services. We analyze three different datasets to see if race affects charitable church activity. The first two datasets contain information on the churches belonging to two large, predominantly White denominations. One dataset is a cross section and the other a panel. Additionally, we use data from the National Congregations Survey (NCS). With multiple datasets we are able to approach our topic from many directions. We define communities using both census tracts and counties. We control for community fixed effects. We consider monetary and non-monetary measures of charitable church activity. We study multiple denominations and even multiple faiths.

In all cases we find evidence that congregations without any Black members become less charitably active, either relative to other churches or in absolute terms (usually both), as the share of Black residents in the community grows. This result is robust to a number of tests. Evidence from the NCS indicates that this result is not found among congregations favorably disposed towards receiving government funding for the provision of charitable services.

**Paper Number:** PN042045.4

**Paper Title:** Charitable Contributions of Time and Money:

**Author(s):**

John Straub, Texas A & M, College Station, TX, USA

### **Summary of Research**

In this paper, I determine whether donations of money and time are mathematically-separable arguments in individual donor utility functions. Whether volunteering and giving are substitutes, complements, or unrelated is intrinsically interesting and has implications for the interpretation of existing estimates of price, income, and crowding-out effects in public policy analysis. If these decisions are separable, we can estimate an interesting class of models of household charitable decisionmaking. I test for separability using several flexible functional forms using data from the Center on Philanthropy Panel Study of Giving and Volunteering.

### **Description**

□ Data collected in the Center on Philanthropy's Panel Study (COPPS) offer a number of advantages over previously available data on charitable contributions of time and money. Perhaps the most obvious advantage is that the COPPS data will be longitudinal, with repeated observations every two years. The second wave of COPPS data has yet to be released, but even the first wave offers a number of potential advantages over previous cross-sectional datasets. Because the COPPS data are collected as a module in the University of Michigan's Panel Study of Income Dynamics (PSID), for example, they can be linked to the PSID's detailed labor supply and earnings data for each member of every household in the sample. Otherwise comparable datasets like the Independent Sector's Gallup Surveys (fn 1) and the National Study of Philanthropy (fn 2) only provide covariates at the household level, or for a single member of each household. The richness of the PSID data raises the possibility of using models that recognize the decision making process within households. Such models have been very successful at reconciling longstanding disparities between consumer demand theory and empirical evidence on household labor supply (Browning and Chiappori, 1997; Fortin and Lacroix, 1997).

The model I would like to apply is Chiappori's (1988, 1992) collective model of household utility. Adapting the collective model to incorporate charitable gifts of time and money poses a number of challenging complications. One obvious complication arises from the fact that at least some portion of charitable giving is probably a public good within the household (fn 3). Chiappori, Blundell, and Meghir (2001) provide identification results for the collective model when public goods are present within the household. Unfortunately, the identifying assumption (weakly separable utility in the public good) imposes strong restrictions on the complementarity between the public good and all other goods. When combined with the usual assumption of diminishing marginal utility, for example, separability precludes the possibility that separable goods are complementary (Silberberg, 1972). The applicability of Chiappori, Blundell, and Meghir's (2001) identification results will depend critically on assumptions about which forms of giving are public and private within the household. Since these assumptions imply restrictions on the complementarity of goods in the utility function, I propose a research agenda that seeks first to establish complementarity or substitutability in a sample of single individuals, and to test for separability. If evidence from single-adult households implies that contributions of time and money are substitutes, and that individual utility functions are separable in monetary contributions to charity, then Chiappori, Blundell, and Meghir's results can be readily applied to models of charitable giving in 2-adult households.

The goal of establishing complementarity or substitutability is interesting in-and-of-itself, and has been considered in previous research (fn 4). If charitable contributions of time and money are complements, for example, then tax deductibility of monetary contributions should lead to an increase in both types of giving, and traditional elasticity estimates that ignore volunteer labor supply will understate the efficiency of the government's implicit subsidy. If charitable contributions of time and money are

substitutes, then tax deductibility increases monetary contributions at the expense of volunteer labor supply, and traditional elasticity estimates will overstate the efficiency of the implicit government subsidy.

There are alternative approaches for testing separability. The most familiar approach would be to specify a flexible direct or indirect utility function which is not separable, but which nests a separable form as a special case (e.g. Berndt and Wood, 1975). A well-known limitation of this approach is that flexible functional forms like the translog are only flexible (fn 5) in their unrestricted (i.e. non-separable) form (Blackorby, Primont, and Russell, 1978, Ch. 8). Diewert and Wales (1995) have proposed functional forms that remain flexible after separability is imposed. They used these functional forms to test for separability in a production theory context, and I will consider the applicability of their approach to my consumer theory application.

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## Footnotes

(fn 1) See Andreoni, Gale, Scholz, and Straub (2004).

(fn 2) See Duncan (1999).

(fn 3) If a husband and a wife both value the output of a charitable organization, they will both derive utility from contributions to that organization. In the case of monetary donations, each member will receive utility regardless of whether the donation comes out of the husband's wallet or the wife's purse.

Of course some donations may be private goods – the wife may derive no utility from donations to the husband’s college fraternity, for example. Similar considerations apply to each member’s volunteer labor supply.

(fn 4) Dye, 1980; Clotfelter, 1985; Menchik and Weisbrod, 1987; Brown and Lankford, 1992; Duncan (1999), Andreoni et al (2004).

(fn 5) A functional form is flexible if it can provide a second-order approximation to an arbitrary twice continuously differentiable function (Diewert, 1974).

**Paper Number:** PN042046

**Paper Title:** Advancing Nonprofit Informatics: Research on Technology in the Service of Nonprofit Scholarship

**Author(s):**

John McNutt, University of South Carolina, Columbia, SC, USA

### **Description**

Nonprofit scholarship is critical to the survival of the sector. The research results and theoretical formulations created by scholars and practitioners are used in policy-making, advocacy, management and a plethora of other tasks. Information technology can have a substantial role in the creation, collection and utilization of knowledge about nonprofit practice and the nonprofit sector.

This panel will present three interrelated papers that discuss the role of technology in the generation, organizing and dissemination of nonprofit scholarship. These three papers present a cook's tour of some of the exciting and transformative work that is occurring in the research community.

Unpacking the knowledge management toolbox: it's all about information lifecycle discusses the information technology applications that are facilitating the creation of a major information resource for nonprofit sector scholars: the Philanthropic Studies Collection at Indiana University. Besides the creation of a technology support system for this massive undertaking, the paper will discuss knowledge management and organizational issues.

Managing Electronic Documents and Work Flows: Enterprise Content Management at Work in Nonprofit Organizations picks up where the earlier paper leaves off and discusses the way that information is created, packaged, stored and disseminated within nonprofit organizations. The paper presents a well-organized and complete view of knowledge management in the nonprofit sector.

Taking the Pulse of the Sector: The Listening Post Project completes the cycle by examining a cutting edge knowledge development project aimed at providing a sector-wide examination of the state of nonprofit organizations using a large panel study. The role of technology will be explored in this presentation.

Together, these three papers raise exciting and provocative questions about the role of technology within the nonprofit scholarship enterprise. This will be an exciting session for scholars, manager, librarians and those interested in the future of nonprofit studies.

The panel includes a number of new voices to the ARNOVA family, in addition to well known faces. This includes academics and practitioners.

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**Paper Number:** PN042046.1

**Paper Title:** Unpacking the knowledge management toolbox: it's all about information lifecycle

**Author(s):**

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

**Summary of Research**

Unpacking the knowledge management toolbox: it's all about information lifecycle discusses the information technology applications that are facilitating the creation of a major information resource for nonprofit sector scholars: the Philanthropic Studies Collection at Indiana University. Besides the creation of a technology support system for this massive undertaking, the paper will discuss knowledge management and organizational issues.

**Description**

Unpacking the knowledge management toolbox: it's all about information lifecycle

For more than a decade, the philanthropic studies collections of Indiana University have worked toward an integrated and comprehensive information portal for scholars and students (Burke & Huehls, 2002, see also Lohmann, 2001). The key has proven to be finding the right tools to manage print and electronic documents at various stages in their lives. Our solutions include a locally developed data base, full text imaging, a digital repository, and federated searching. This paper will examine the challenges of and potential solutions for providing access and storage for various types of information sources, including journal articles, historical materials, organizational records and virtual conference papers at various points in their lives. The discussion will be of interest to practitioners struggling with knowledge management issues as well as those interested in academic applications.

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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:** PN042046.2

**Paper Title:** Managing Electronic Documents and Work Flows: Enterprise Content Management at Work in Nonprofit Organizations

**Author(s):**

Joel Iverson, Texas A & M, College Station, TX, USA

Patrick Burkhart, Texas A & M University, College Station, TX, USA

**Summary of Research**

Managing Electronic Documents and Work Flows: Enterprise Content Management at Work in Nonprofit Organizations picks up where the earlier paper leaves off and discusses the way that information is created, packaged, stored and disseminated within nonprofit organizations. The paper presents a well-organized and complete view of knowledge management in the nonprofit sector.

**Description**

Managing Electronic Documents and Work Flows: Enterprise Content Management at Work in Nonprofit Organizations

Knowledge management has become "an integral business function for many organizations as they realize that competitiveness hinges on effective management of intellectual resources" (Grover & Davenport, 2001, p. 5). Knowledge management has been explored in nonprofit organizations through information technology (IT) and information communication technology (ICT) as impacting workload, altering power relationships and increasing demand for government reporting (Burt & Taylor, 2003; Saide & Cour, 2003). Technology is not the only focus on knowledge management. Cook and Brown (1999) distinguish the "object view" of knowledge and the "process view" of knowledge as an epistemology of possession and of participation, respectively. Technology based KM solutions use an epistemology of possession, whereas the epistemology of participation has focused on the dynamic and complex social processes of knowing in social institutions. By evaluating both levels and the media that mediate them—electronic documents—this essay will help distinguish ICT effects on knowledge management including information (Grover & Davenport, 2001), reification of knowledge (McInerney, 2002), and the communicative element of knowledge (Iverson & McPhee, 2002; Jackson, Poole, & Kuhn, 2002; Orlikowski, 2003).

Contemporary nonprofit literature on ICTs (e.g., Te'eni & Young, 2003) uses an extremely broad and outdated definition of ICTs that includes telephony, fax machines and other first and second generation information technologies. We narrow the focus of ICTs to examine Web based systems that manage large volumes of electronic documents and other Web "assets" intended for publication to Web portals and other complex Web sites. Specifically we examine Enterprise Content Management (ECM) as a technological solution that functions to alter, reinforce and smooth the human knowledge functions in organizations (Kessler, 2003). ECM is of interest to nonprofit organizations because of its capabilities and increasing prevalence as it is "now a fundamental infrastructure component for many organizations" (Goodwin, 2004, p. 3). Major corporations as well as several nonprofit organizations including the Canadian Arts Council currently use ECM for intranets and extranets.

We provide exposure to and understanding of ECM for the nonprofit sector. Then, we analyze the impact of technology that considers how nonprofits sustain processes of knowledge management by integrating a knowledge community through a networked application.

We will consider the uses of ECM by a comparative analysis of two major ECM products. Specifically, we examine the Documentum and Interwoven platforms through a critical analysis of the main functional specifications of both systems, nonprofit and for-profit exemplar organizations with ECM installations, and examination of analyst reports of capabilities and limitations of ECM. The results of each case study will be critically analyzed for organizational implications in three levels of knowledge

management: content (such as documents, "web assets," and manipulated information), work flow (such as flexibility, work management, and distribution), and organizational (norms, culture, and organizational implications). We will argue that using these three levels of analysis will help us avoid reifying the processes and outcomes of knowledge management.

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**Paper Number:** PN042046.3

**Paper Title:** Taking the Pulse of the Sector: The Listening Post Project

**Author(s):**

Richard C O'Sullivan, Johns Hopkins University, Center for Civil Society, Baltimore, MD, USA

**Summary of Research**

Taking the Pulse of the Sector: The Listening Post Project completes the cycle by examining a cutting edge knowledge development project aimed at providing a sector-wide examination of the state of nonprofit organizations using a large panel study. The role of technology will be explored in this presentation.

**Description**

Taking the Pulse of the Sector: The Listening Post Project

The Listening Post Project at Johns Hopkins University's Center for Civil Society Studies is a major effort aimed at evaluating the condition of organizations in the sector. It will, through a maintain a panel of 1,000 civil society organizations in five different fields develop a baseline for better understanding of how nonprofit organizations shape and are shaped by the profound economic, social, political, and technological trends that are redefining our times and recasting their roles. This is a major effort at knowledge creation and management within the nonprofit sector.

The paper will discuss the nature of the project, preliminary findings about the role technology in the nonprofit sector and the role of technology in carrying out the project. It will also present some preliminary suggestions about the role of technology within the sector.

This paper should provide an exciting and stimulating discussion for scholars and practitioners, Further, it introduces a new research resource for the sector.

**Paper Number:** PN042047

**Paper Title:** Comparing Faith-Based and Secular Nonprofit Service Agencies

**Author(s):**

Steven Rathgeb Smith, University of Washington, Seattle, WA, USA

**Description**

Despite the broad attention to faith-based service organizations in recent years, surprisingly little research exists on the similarities and differences between faith-based and secular service organizations. This panel brings together researchers who have undertaken important new comparative research on faith-based and secular service agencies. Professors Grettenberger, Hall, and Smith used a similar research protocol because they were part of a larger national study funded by the Pew Charitable Trust. This protocol included a mail survey of faith-based and secular service agencies, in-depth qualitative interviews with executive directors, program staff and clients, and archival research. Professor Graddy's paper uses a different protocol but is an excellent fit with the comparative focus of the panel. As such, this panel should be of broad interest to the ARNOVA community.

Professor Susan Grettenberger's study, "Transitional Housing in a Midwest Community: A Comparative Case Study of Faith-Based and Secular Programs," is a multi-site comparative case study where she studied variation in transitional housing programs by levels of faith content. The level of faith-integration was assessed for five transitional housing programs in a Midwest city. Professor Hall's paper, "How Faith-Based and Secular Organizations Implement Job Training Programs," is a multi-site comparative study of job training programs in two different cities in Indiana. Professor Smith's paper, "Faith-Based and Secular Drug and Alcohol Treatment Programs in Washington and Oregon: A Comparative Case Study," is a multi-site study of 20 residential addiction programs in the greater Puget Sound and greater Portland area. In each of these three papers, data was collected from executive directors, service-providing staff, and clients. The relationship between the amount of faith content on program structure, program goals, and outcomes were analyzed. Findings based on staff and client perspectives about the operation, goals, and outcomes of the programs will be included. Implications for policy on faith-based initiatives and future research will be discussed.

Professor Graddy's paper, "Church and Community: The Role of Faith-Based Organizations in Service Delivery," (with Ke Ye) compares the social service delivery patterns of secular and faith-based nonprofit organizations in Los Angeles County. They find important differences. Faith-based organizations are found to play an important and unique role through their emphasis on transitional assistance and their multi-service orientation. Secular nonprofits, however, offer much greater breadth of service offerings, including a significantly greater emphasis on life-changing types of services. The results suggest that expectations about the impact of an enhanced role for faith-based organizations in social service delivery should be modest.

Professor Ram Cnaan of the University of Pennsylvania has agreed to be a discussant for this panel. He has written widely on faith-based organizations and has a keen interest in research on comparing faith-based and secular service agencies.

□

**Paper Number:** PN042047.1

**Paper Title:** Faith-Based and Secular Drug and Alcohol Treatment Programs : A Comparative Study

**Author(s):**

Steven Rathgeb Smith, University of Washington, Seattle, WA, USA

**Summary of Research**

This paper is based upon is a multi-site study of 20 residential addiction programs in the greater Puget Sound and greater Portland area. Data was collected from executive directors, service-providing staff, and clients. The relationship between the amount of faith content on program structure, program goals, and outcomes were analyzed. Findings based on staff and client perspectives about the operation, goals, and outcomes of the programs will be included. Implications for policy on faith-based initiatives and future research will be discussed.

**Description**

see summary of research

**Paper Number:** PN042047.2

**Paper Title:** Church and Community: The Role of Faith-Based Organizations in Service Delivery

**Author(s):**

Elizabeth Graddy, University of Southern California, Los Angeles, CA, USA

**Summary of Research**

This study compares the social service delivery patterns of secular and faith-based nonprofit organizations in Los Angeles County. We find important differences. Faith-based organizations are found to play an important and unique role through their emphasis on transitional assistance and their multi-service orientation. Secular nonprofits, however, offer much greater breadth of service offerings, including a significantly greater emphasis on life-changing types of services. The results suggest that expectations about the impact of an enhanced role for faith-based organizations in social service delivery should be modest.

**Description**

See above summary of research

**Paper Number:** PN042047.3

**Paper Title:** Transitional Housing in a Midwest Community: A Comparative Case Study of Faith-Based and Secular Programs

**Author(s):**

Susan Grettenberger, Central Michigan University, Lansing, MI, USA

**Summary of Research**

As part of a multi-site comparative case study, variation in transitional housing programs by levels of faith content was evaluated. The level of faith-integration was assessed for five transitional housing programs in a Midwest city. Data was collected from executive directors, service-providing staff, and clients. The relationship between the amount of faith content on program structure, program goals, and outcomes were analyzed. Findings based on staff and client perspectives about the operation, goals, and outcomes of the programs will be included. Implications for policy on faith-based initiatives and future research will be discussed.

**Description**

see summary of research

**Paper Number:** PN042047.4

**Paper Title:** How Faith-Based and Secular Organizations Implement Job Training

**Author(s):**

Leda Hall, IUSB-SPEA, South Bend, IN, USA

**Summary of Research**

In this project, we examine nine faith-based and secular organizations providing job training and placement services in Lake or Marion Counties in Indiana, and we report on the varied experiences of these agencies and their clients.

**Description**

see summary of research

**Paper Number:** PA041215

**Paper Title:** Community goal dynamics in response to diverse needs

**Author(s):**

Sungsook Cho, Washington University, St. Louis, MO, USA

David F. Gillespie, Washington University in St. Louis, St. Louis, MO, USA

**Summary of Research**

A community's diversity is represented in its goal structures. This study draws on conflict theory to understand how community goal dynamics works in response to the demands placed upon nonprofits from diverse community needs. This is accomplished by studying goal erosion over time. Using 15-year baseline data (1989-2003) from a statistically average sized Mid-western community, we developed a dynamic model that demonstrates how the desired and actual levels of the community goals are governed through available economic resources and the amount of time devoted by stakeholders. The model supports key principles for maintaining diversity.

**Description**

Since the 9/11 terrorist's attacks in 2001, citizen safety has become a major national concern in the United States. Although all communities espouse safety, the goal of community safety is not generally considered as a top priority (Rossi, Wright, & Weber-Burdin, 1982). Since communities have many goals, they tend to focus on those that are currently salient. Dahrendorf (1959) suggests that the amount of time spent by interest groups influences the direction of policies and practices. For instance, if stakeholder groups favoring safety spend more time to influence the goal than those for another goal, the government will be inclined to create policies facilitating that goal. This study uses conflict theory to show how community processes work in response to the demands placed upon community organizations from diverse community needs. To highlight the dynamics of diversity, we focus on two very different community goals: safety and economic development.

This study uses archival records over fifteen years (1989-2003) and interviews with key informants from a statistically average sized community in the Mid-west. Archival data include officially stated objectives, annual revenue data, and city council minutes. In-depth interviews were conducted with key decision-makers and stakeholders from city government, nonprofit organizations, and for-profits in the community. We developed a dynamic model that replicates the 15-year baseline data, and tests hypotheses implied by conflict theory by altering parameters and extrapolating into the future.

The historical development of safety and economic development reveal different behavior patterns over time. Economic development shows relatively steady increases since 1989, whereas safety remains flat with an almost constant behavior pattern. The model reveals how feedback loops operate to drive the interrelationships of stakeholder actions, resource allocation, and goal achievement around the goals of safety and economic development and how the two goals can be changed over time. Results indicate that the actual and the desired levels of the goals are closely interrelated with and influenced by the resources and stakeholders' time devoted to the goals. Results further indicate that nonprofit organizations served as major stakeholder groups in keeping the community goals either well sustained or changed.

The dynamics underlying goal change is a complex problem in which multiple factors are dynamically interrelated through feedback loops over time. Because of these feedback loops, efforts to maintain the level of community safety must be understood over a long period of time. Static research designs fail to capture the operation of feedback loops between actions taken and their consequences. A dynamic approach, however, explicitly includes time as an independent variable to test dynamic relationships, and therefore enables examination of the structure underlying the decision-making process of goal change over time. In addition, the results of simulation experiments with different policies governing the level of safety over varying periods of time give decision-makers useful inputs in deciding on the

strategic policies for their communities. This study shows how small changes at strategic leverage points can eventually tip the balance of interest toward increased community safety.

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**Paper Number:** PA041382

**Paper Title:** Some Issues which modify the way congregations approach their community involvement

**Author(s):**

Ian A. Bedford, La Trobe University - Albury-Wodonga Campus, Chiltern, Victoria, AUSTRALIA

**Summary of Research**

The involvement of religious congregations in the provision of community services has been a focus of interest, included in a limited way in Australia. The writer's PhD research used data from a small number of congregations to identify a framework for understanding how congregations develop, sustain, and alter that involvement. In particular, analysis identified 3 types of crucial decisions and 3 types of unexpected events which impact on congregational involvement. These 6 aspects are outlined in this paper and implications for how congregations respond to them, and their potential impact are then considered.

**Description**

The place of faith-based involvement, especially that of religious congregations, in the provision of services to the wider community has begun to be noticed again in a number of countries. Whilst the attention paid to it in the US has grown considerably under overt political influences, in Australia some recognition of it has been given through National Church Life Studies and the work of Peter Kaldor. This writer's PhD research sought to identify a framework for understanding how congregations became involved and what helped sustain and then potentially alter that involvement. Regarding the latter, the research analysis identified that 3 types of crucial decisions confronting congregations (concerning leadership appointments, funding sources, and spiritual orientation) and three types of unexpected events (concerning distraction to the vision of community engagement, congregational conflict, and professional misconduct within congregational life) had the potential to impact on how congregations approached their involvement. Drawing from the experience of the respondents in a small number of Australian Congregation, the ways in which these 6 aspects were experienced within the research congregations are outlined in this paper. Implications for how congregations respond to such matters, and their potential impact on the congregation's community engagement are then considered.

**Paper Number:** PA041391

**Paper Title:** The demographics and impact of vision in faith-based community development: an example in one (depleted) coal mine town

**Author(s):**

John G. Messer, Susquehanna Institute, Bloomsburg University, Lewisburg, PA, USA

### **Summary of Research**

This is a study of an on-going philanthropic community development initiative undertaken through the auspices of an Episcopal diocese in a coal mining village in northern Pennsylvania. This village is typical of hundreds of similar coal mining towns throughout the region, and share many of the same characteristics, histories and developmental trajectories of rural farm communities throughout the nations' heartland. This research contributes to the field of faith-based philanthropic efforts, and the emerging body of postagrarian community development by providing an example of philanthropic response to an increasingly important population - the rural underemployed and working poor.

### **Description**

The demographics and impact of vision in faith-based community development: an example in one (depleted) coal mine town.

This is a study of an on-going philanthropic community development initiative undertaken through the auspices of an Episcopal diocese in a coal mining village in northern Pennsylvania. The initiative utilizes the site of a parish church located in the village. Rather than close the church and sell the building, a needs assessment of the village and township was begun in late 2003 to determine what resources and services might continue to be provided to the area as part of the diocese' larger mission. A previous comprehensive needs assessment of the township executed in 1993 came to light just as the current effort began and used as an educational resource to brief new and long-term residents who were surveyed then but have remained ignorant of its findings.

The coal mine closed down in the mid 1970's. The population of the town had continued to diminish until the early 1990's when it, like many small towns throughout rural America, began to grow and transform. Newcomers who have arrived beginning around 1990 share a different set of demographics than the old-timers, and this, once observed by village leadership at the time, precipitated the 1993 comprehensive plan. What has happened as a consequence of that plan and since is the focus of this research. While the story of Antrim and its options are to a degree unique in some specific incidents, this village and township are typical of hundreds of similar coal mining towns throughout the region, and share many of the same characteristics, histories and developmental trajectories of rural farm communities throughout the nations' heartland.

The diocese sought outside technical support to guide the assessment of need, and preferred going to the residents themselves in order to give the village its 'voice', while providing a forum such that all could participate and/or take in other residents' perspectives. The initiative began with a door-to door polling of all residents. This was followed with a snow-ball sampling of respondent's who had indicated an interest in further participation. One-one-one interviews have been conducted and an increasing number of contacts have continued to produce lists of specific subpopulations who have been targeted specifically in relation to identified resources and services to date: youth, young and single parents, and seniors, especially those without medical insurance. Focus groups where appropriate, and one-on-one interviews continue.

Data will continue to be collected from current residents, and previous locals who return for special local events for several months. (And additional historical, economic, demographic, and related data assessed and analyzed as we uncover it). Nonetheless, enough information has come to light to identify the central role of 'vision' in this enterprise. In our use of it vision refers on the one hand to the expression of faith carried by the diocesan sponsor and parishioners, who look past the manifest

impetus of previous economic failure to envision a re-birth of the town. On the other hand, vision refers to the view of the village's youth and newcomers whose perspectives collectively sharply contradict those of the old-timers with regard to practical issues the village and township currently face: water, sewage, safety and civic culture. As is apply chronicled by Salamon (2002) and others (see bibliography attached) one challenge this village faces is re-establishing essential lines of communication, interconnections and cross-age relations.

This study is an important contribution to the field of faith-based philanthropic studies, and the emergent body of postagrarian community development. It illustrates an example of responsiveness of philanthropic behavior to an increasingly important population - the rural underemployed and working poor. And it incorporates a consideration of some of the challenges in measuring the responsiveness and impact of one philanthropic effort.

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**Paper Number:** PA041400

**Paper Title:** Constraints for the Non-profit sector in Empowerment of the Rural Women - A Case Study of BRAC (Bangladesh Rural Advance Commission) in Bangladesh

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**Summary of Research**

There are several structural and other constraints that prevent the effective empowerment of the rural women, one of the major roles played by non-profit organizations in Bangladesh. This paper critically examines the effective change in the status of the women in the society and the effective process adopted to bring these change. To identify the structural and other constraints in empowerment, different empowerment process of BRAC and the Government policy were analyzed. The study will provide a basic idea about the evaluation of the process of women empowerment of NPO and will identify the constraints of empowerment.

**Description**

The apparent inability of traditional private and public sectors to meet the social welfare needs led to increased role of nonprofit sectors in the developing economy of Bangladesh. To meet this challenge a large number of NPOs has emerged during the 1980's. One of the major roles of these non-profit organizations is social and economic empowerment of the rural poor, specially the women section of the community. However, there are several structural and other constraints that prevent the effective empowerment of the rural women. (Rahman, 2002).

BRAC is one of the largest NPOs in Bangladesh. The organization is working for poverty alleviation in rural area through its social and economic development programs. Social development programs include health program and informal education program. Under the economic development programs it initiates different income generating activities by providing micro credit to the rural poor. The women section of the community is the major target group for the empowerment program of BRAC. Although BRAC started this program during 1984, yet after long years of its plan implementation the status of the rural women remained by and large far from desired.

The past researches examined mainly the achievement of BRAC in women empowerment. There is no significant research conducted so far to examine the process of empowerment and to identify the structural and other constraints. This study is an attempt to explore these issues.

A case study approach was applied for this research. BRAC has 465 RDP (Rural Development Program) center all over Bangladesh. Data for the present study were collected by face-to-face interviews from the managers of 75 randomly selected RDPs. The work is based on both primary and secondary sources including publications of the concerned organizations, and field visits by, personal communications of the different stakeholders with, and direct observation of, the author.

This paper critically examines the effective change in the status of the women in the society and the effective process adopted to bring these change. Factors considered to evaluate the position of the women were education, health, employment, income level, women's position in the household, their participation in the community and local governance. To identify the structural and other constraints in empowerment, different empowerment process of BRAC and the Government policy were analyzed. The study will provide a basic idea about the evaluation of the process of women empowerment of NPO and will identify the constraints of empowerment. The findings will be useful for important policy implication.

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**Paper Number:** PA041104

**Paper Title:** Examining the Roles and Financing of U.S. Nonprofit International Organizations

**Author(s):**

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**Summary of Research**

While U.S. nonprofit organizations have long played important roles internationally, traditionally much of the international work performed by U.S. nonprofits is seen through the lens of international assistance programs. Yet the work of U.S. nonprofits internationally is diverse and changing. New data from the National Center for Charitable Statistics permit an assessment of the roles, programs, and finances of nonprofit organizations with international purposes. Using these data, this paper will shed light on the funding relationship between government and international organizations and address their capacity as global actors.

**Description**

Examining the Roles and Financing of U.S. Nonprofit International Organizations

Elizabeth J. Reid  
The Urban Institute, Washington, D.C.

While U.S. nonprofit organizations have long played important roles internationally, traditionally much of the international work performed by U.S. nonprofits is seen through the lens of international assistance programs.(1) While important, development and assistance is only a piece of the diverse work done internationally by U.S. nonprofits. Little is known about the overall scope and dimension of international work conducted by nonprofits in the United States, their financial capacity, or their evolving roles under the changing conditions of global civil society and economy.

However, a new window into the scope and dimension of U.S. based NGOs, as well as the financial relationship between government and these NGOs, is now possible by examining digitized data from the National Center for Charitable Statistics at the Urban Institute.(2) The author will use these data for the years 1998 through 2001 to create a baseline profile of the number of U.S. tax-exempt international organizations, their programs, and the diversity and concentration of their sources of revenue, their management and administrative expenses, operating margins, net income, and net assets.

These data should shed light on questions about the activities and capacities of these organizations to carry out their international missions. For example:

- What types of nonprofit organizations are classified by the Internal Revenue Service as international organizations, and what kinds of programs do they administer?
- What is financial health of these organizations, and how has it changed over the last several years?
- Is government funding more prevalent in certain international organizations?
- Are organizational priorities shifting resources into new areas or spawning new kinds of organizations?

The author will use the findings from these data to discuss the potential impact of funding trends on the long term viability of U.S. based international organizations as critical actors addressing humanitarian need, shaping responses to economic and political problems, and building social capital and civil society(3) through the promotion of international understanding.

(1) "International Assistance" by Shepard Foreman and Abby Stoddard in *The State of the Nonprofit Sector*, 2002, Lester Salamon, editor. Washington, DC: Brookings Press.

(2) Paper data derived from digitized data at the National Center for Charitable Statistics, National Taxonomy of Tax-Exempt Entities, Core Code Q: International, Foreign Affairs and National Security.

(3) Edwards, Michael. 2004. Civil Society. Cambridge, UK: Polity Press.

**Paper Number:** PA041124

**Paper Title:** Motivated by Faith: Faith-Based Organizations and Public Funding in International Development

**Author(s):**

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### **Summary of Research**

The paper examines issues of accountability as applied to faith-based organizations cooperating in international development efforts, with a specific focus on child welfare organizations in Romania. The theoretical discussion is based on scholars' examinations of non-governmental organizations (NGOs) as providers of public goods, church-state separation, freedom of expression rights of NGOs and freedom of association rights of clientele. Empirical evidence supporting the analysis is drawn from interview data gathered from NGO staff interviews for a study that sought to explore the role of Romanian NGOs as social service providers and policy advocates.

### **Description**

Numerous scholars have noted that faith-based non-governmental organizations (NGOs) may possess certain advantages as service providers, deriving from a greater level of independence, flexibility, and creativity (Monsma, 1996). Internationally, governments depend upon the services of both religious and secular private agencies in humanitarian assistance. Such agencies bring detailed and invaluable knowledge of local conditions and populations (Nichols, 1988), and are often seen as a means to avoid working with dysfunctional or authoritarian governments (Carothers, 1999). While Monsma (1996) and other scholars have explored a variety of complex questions raised by public funding of faith-based organizations in the United States, these questions undoubtedly become more complex when considering public funding of faith-based organizations providing social services in the context of international development. Lines of accountability are blurred as the rights and interests of foreign NGOs, foreign nationals receiving services, and taxpayers of the donor country clash. Is the U.S. government accountable for the rights of the organization they fund if the organization provides services in a foreign country, or if the organization itself is foreign? Is the government accountable for the rights of foreign citizens being provided services with U.S. government funding? What are the rights of these foreign organizations and citizens? Ultimately, is the government accountable only to the U.S. taxpayer, whose money is being spent?

The goal of the paper is to examine issues of accountability as they apply to faith-based organizations cooperating in international development efforts, with a specific focus on child welfare organizations in Romania. The discussion of Romanian organizations is based on data gathered in a qualitative study that sought to explore the role of NGOs as social service providers and policy advocates. The paper begins by discussing the role of NGOs as providers of public goods both domestically and in international development, and the evolution of the nonprofit sector in Romania. I then examine the debate surrounding public funding of religiously-based organizations as it applies to separation of church and state, and how this debate may be extended to an international context. I continue by considering the specific religious environment in which Romanian faith-based NGOs operate. Theoretical debates regarding freedom of expression rights of NGOs and freedom of association rights of clientele are discussed, with specific attention given to how these debates apply to Romanian child welfare NGOs. I conclude by discussing the special role that bureaucratic discretion and professionalization play in protecting the freedom of association rights of clientele in Romania.

The conceptual portions of the paper draw on the work of both "Western" and Romanian scholars studying government, the non-profit sector, international development, law, and religion. The empirical portions of the paper draw on interview data from a study funded by the U.S.-Romanian Fulbright Commission of the U.S. Department of State. The study examined the strategies NGOs use when providing services to children, and the ways in which NGOs influence local and national social policy in Romania. Semi-structured interviews were conducted with thirty-four staff members from twenty NGOs

in fifteen communities in Romania. Persons interviewed were solicited using a purposive sample and included both Romanian citizens (twenty individuals) and foreign nationals (fourteen individuals) working and volunteering with both faith based (eighteen individuals) and secular (sixteen individuals) NGOs in Romania. The target populations of the NGOs included street-living and street-working children, children with HIV/AIDS, institutionalized children ("orphans"), handicapped children, low-income children, and minority children. Many NGOs served multiple target populations; some NGOs served a predominantly Roma (Gypsy) population (eight NGOs) or a predominantly ethnic Hungarian population (four NGOs). Interviews were conducted in English (twenty-five interviews), Romanian (five interviews), or both languages (four interviews) based on the preference of the person being interviewed.

The findings indicated that faith-based NGOs were more likely to have received funding from a foreign public entity than secular NGOs. While scholars suggest that faith-based NGOs often benefit from religious and ethnic solidarity with their clientele, in many cases the staff of Romanian NGOs did not share the same religion as the local population, and staff mentioned being perceived as outsiders. Similar to the assertions of many scholars, the findings indicate that staff members of faith-based NGOs in Romania see their faith as a primary motivation of their work and a source of strength when facing hardship, whereas staff of secular NGOs did not mention faith. While the types of services provided did not differ substantially between faith-based and secular NGOs, a large majority of faith-based NGOs included some religious component in their service provision, and included references to faith when describing their mission. This finding indicates that NGOs' freedom of expression rights are maintained. However, many of the religious components included in service provision violate the pervasively secular criterion that is required of U.S. faith-based organizations receiving public funding. This criterion exists to protect the freedom of association rights of clientele and to ensure separation of church and state. Romanian nationals and foreign nationals appeared to have different perceptions of the appropriateness of evangelizing clients, and these differences seemed related to professionalization. Thirty of the thirty-four staff interviewed stated that their NGO was the sole provider of certain social services in their community, indicating clients could not seek these services from a secular source were they to believe their freedom of association rights were violated.

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**Paper Number:** PA041295

**Paper Title:** The Arts, Cultural Diplomacy and NGOs

**Author(s):**

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### **Summary of Research**

This paper will examine the role of NGO's in the conduct of cultural diplomacy drawing on comparative case materials from nine countries. The discussion will explore the activities of third party agents and international cultural cooperation efforts. The paper is framed in the larger context of recently renewed interest in public diplomacy, in the relatively un-examined role of the arts and culture in this forum, and with reference to concepts like international social capital generation and global citizenship.

### **Description**

Historically, the broader category of public diplomacy has been seen as instrumental in fostering mutual understanding among peoples and in helping win the hearts and minds of the world. More recently, public diplomacy has been characterized as a form of "soft power" – an asset parallel to the more traditional military, economic and political power bases of diplomacy. Indeed, public diplomacy is becoming a bigger and more important component of the international relations of many countries as we enter the 21st century. Three factors seem to be driving this new attention, both in the US and in other countries.

First, the massive growth and globalization of communications channels has meant that broad audiences everywhere are aware of international events almost instantaneously and have easy access to information about international affairs 24 hours a day. As a result, the information advantage that has traditionally characterized the government-to-government communications of formal diplomacy has narrowed while public interest and opinion on international relations has broadened. Thus, global telecommunications have made information about international affairs more public. Second, this broadened public engagement in international relations has coincided with the wave of democratization that followed the collapse of the Soviet Union and the end of the Cold War. Consequently, governments have sought to communicate their policies, values, and ideas not only to the governments of other nations but increasingly and directly to foreign populations. Hence diplomacy has gone public. Third, and finally, the events of 9/11 and the subsequent war on terrorism has convinced many world leaders that the basic content of public diplomacy-- ideas, images, culture and information—is just as important as the strategies and tools of formal diplomacy. In other words, in the 21st century, the public dimension of diplomacy has acquired new significance even as the interplay of formal and public diplomacy has become more inseparable.

Although governments have engaged in public diplomacy activities for centuries, the term was apparently invented in the United States in the mid-1960s as broadcast media systems matured; international travel became faster, cheaper, and easier; and formal agreements for educational and cultural exchange expanded. Public diplomacy went beyond traditional diplomacy in that it sought to influence the perceptions and attitudes of the public in other countries and thus, indirectly exert a positive influence on the formation of foreign policy and the conduct of international relations at the government-to-government level. Even though the concept of public diplomacy may not be widely recognized by the American public, some U.S. public diplomacy programs are well-known. The Fulbright Program of educational exchanges is perhaps the most obvious example. Cultural exchanges are another activity that can be highly visible: it includes sending American artists, exhibitions and performances to tour abroad; sending artists to participate in international competitions and festivals; and managing an American presence at world fairs and international exhibitions. Information and news provision is another key component of public diplomacy. Certainly the activities of the Voice of America, Radio Liberty, and more recently Radio Marti (to Cuba) and Radio Sawa (to the Arab world) are well-known.

While much has been written about educational exchanges or about information and international broadcasting activities, relatively little analysis has focused on the cultural dimensions of public diplomacy. Yet it could be argued that the arts and culture can make unique contributions to public diplomacy. That contribution not only compliments educational exchanges and information diplomacy but also has distinctive and valuable effects in its own right.

The four components to this argument clearly indicate that cultural diplomacy has an important and under-recognized role to play in US public diplomacy and that a book like the volume proposed here would be a valuable contribution to the literature concerning both international relations and cultural policy. First, it has long been argued that the arts can be a universal language that transcends boundaries and linguistic differences. Certainly this can be said about the visual arts and most of the performing arts. Thus, unlike educational exchanges and information provision which require either translation or bi-lingualism, the arts can communicate ideas and ideals directly. Second, the arts have always sought to communicate to a public audience. Hence, while the concern for reaching foreign publics may be a new emphasis and necessity for diplomacy, it is a well-established component of cultural diplomacy. Third, persuasion and communication is not simply a matter of information and reasoned dialogue, but often involves an emotional and/or affective dimension. This sometimes forgotten truth is recognized in the public diplomacy slogan about winning the "hearts and minds" of foreign citizens. The arts and culture, alone among the main channels of public diplomacy, have the capacity to communicate at both a rational and an emotional level. Fourth, cultivating mutual respect and understanding of the cultures of nations and peoples can be seen as an antidote to fears of the homogenizing forces of globalization and the "hard power" of the US as the most powerful nation in today's world.

This paper will examine the role of NGO's in the conduct of cultural diplomacy drawing on comparative case materials from nine countries. The discussion will explore the activities of third party agents such as the British Council, the Goethe Institute, Austrian Cultural Centers, and Arts International. It will also look at international cultural cooperative efforts (often in preservation) such as those organized by UNESCO, ICOM, with participation of professional associations such as the American Association of Museums and of foundations such as the Getty trusts and the Rockefeller Foundation.

**Paper Number:** PA041393

**Paper Title:** Mapping Humanitarian Assistance Networks: How Much Coordination Actually Occurs and How Might We Model It?

**Author(s):**

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### **Summary of Research**

Non-governmental organizations engaged in the provision of humanitarian assistance to populations suffering from displacement, war or other natural catastrophe operate in environments characterized by a high degree of uncertainty, if not downright chaos. This paper explores the issue of how and whether these institutions can come to collaborate sufficiently to constitute learning action networks by examining the relevant literature concerning coordination among these entities generally and in two specific cases, Kosovo and Rwanda, in which the United Nations High Commissioner on Refugees sought to intervene to provide assistance by coordinating with nongovernmental organizations.

### **Description**

Almost by definition, non-governmental organizations engaged in the provision of humanitarian assistance to populations suffering from displacement, war or other natural catastrophe operate in environments characterized by a high degree of uncertainty, if not downright chaos (Twigg and Steiner in Roper, Pettit and Eade, 2003). And yet, these institutions must find ways to coordinate their actions and even to try to use their service efforts to empower those they serve. But little is in fact known about how these agencies coordinate their activities or whether, in fact, they come to constitute networks of cooperating actors as they intervene in situations iteratively together. (Seybolt, 1997, Sommers, 2000). This paper explores the issue of how and whether these institutions can come to collaborate sufficiently to constitute learning action networks by examining the relevant literature concerning coordination among these entities generally and in two specific cases, Kosovo and Rwanda, in which the United Nations High Commissioner on Refugees sought to intervene to provide assistance by coordinating with nongovernmental organizations. (Minear et al., 1999, Reindorp and Wiles, 2001, Kilduff and Tsai, 2003). In particular, the essay explores a) how the relevant NGO's and UNHCR sought to collaborate b) what other third sector organizations sought to provide aid in the same scenarios and whether they did so in concert with UNHCR or its partners and if so, what the nature of that cooperative relationship was c) whether existing analytic frameworks adequately describe the dynamics of the relations among these organizations and finally d) whether the learning action networks analytic frame might be employed to conceptualize more richly the relationships among humanitarian organizations in these scenarios. (Nigel and Clarke in DeBujin and Tukker, 2002). The paper concludes with reflections on the implications of this analysis for how to build social network capacity for the coordination of humanitarian aid interventions more effectively.

**Paper Number:** PA041198

**Paper Title:** The Roots of Public-Nonprofit Collaboration: Understanding Local Government-Nonprofit Service Delivery Partnerships in Georgia

**Author(s):**

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**Summary of Research**

This paper reports the results of a study of the institutional, individual and environmental factors that explain service delivery partnerships between city and county governments and nonprofit organizations in the State of Georgia. Using large samples and a variety of data sources, including original survey data, aggregate indicators, and census information, the research model tests the influence of civic engagement, fiscal health and stress, community demographics and related factors on the likelihood of government-nonprofit collaboration. This research contributes to theory-building in public management and inter-sectoral relations, and improves our understanding of the variables that may influence cooperation.

**Description**

Over the past generation, public needs have been addressed increasingly by a devolution or transfer of federal authority to state and local government, and through new, mainly privatized forms of service delivery (Kettl, 1998; Salamon, 2002). Scholars have coined a new term, "nonprofitization," to describe the profound change in public service delivery mechanisms emanating from government's increasing reliance on nonprofit organizations (Nathan, 1996). Despite this important trend, there is still much we do not understand about the context in which public-private partnerships occur, their characteristics and results, and how possible differences in the perceptions of major government and nonprofit actors regarding their advantages and disadvantages shape the likelihood of collaboration.

□ To address this research gap, in 2003 the authors surveyed city and county government and nonprofit leaders in Georgia regarding their involvement in public-private service partnerships. The surveys yielded large samples of respondents in each sector (n=315, 350), especially in comparison to other studies on collaboration, and extensive information about the form, scope, goals, outcomes, perceived advantages, disadvantages, and other characteristics of public-private partnerships and volunteerism in Georgia. The study addresses a number of questions of great interest to scholars and practitioners of public management and government-nonprofit relations. For example, which types of government agencies collaborate more often with nonprofit organizations, and with what results? In which policy areas (social services, economic development, etc.) are collaborations most common? How do the intended goals of partnership vary by sector? Do both parties to the relationship anticipate and receive the same (perceived) benefits?

□ The research proposed for the 2004 ARNOVA meeting develops and tests a multi-dimensional model of governmental, community and individual characteristics as predictors of local government involvement in partnerships with nonprofit organizations. Using the samples described above in combination with census data and community indicators, the model tests empirically the effects of institutional and environmental factors such as municipal budget and fiscal stress, ruralness, poverty, and community size on governmental interest and follow-through in collaborative relationships with nonprofit organizations. None of these factors has yet been tested in large-sample studies that apply specifically to governmental relationships with nonprofit organizations. However, in associated research, fiscal health constitutes an important predictor of a local government's use of alternative service delivery approaches such as contracting (Greene, 2002).

□ The model also tests whether volunteer involvement in local government services, along with nonprofit experience on the part of governmental leaders, is linked to a higher probability of government-

nonprofit collaboration. Propositions regarding the beneficial role of volunteers and volunteerism in linking the sectors have been made in related literature (e.g., literature addressing social capital and civic engagement) but are rarely put to the test in quantitative research. Moreover, the role of the individual in policy decisions tends to be overlooked in the scholarly literature, which emphasizes institutional- rather than individual-level factors and decision-making (Allen, 2001; Crawford, 1999; O'Toole, 1989).

□ This research contributes to existing knowledge regarding government-nonprofit relations at the community level by testing claims made by privatization scholars in a specific context, that of government-nonprofit partnerships, and by suggesting that intersectoral collaboration depends on a complex interaction of institutional, individual and environmental factors. By building a more comprehensive predictive model of local service delivery partnerships, this research improves our understanding of the variables that may influence cooperation. We expect the results will contribute to theory-building in public management and inter-sectoral relations, and will also be of interest to practitioners, including local government administrators and nonprofit officials and leaders.

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**Paper Number:** PA041202

**Paper Title:** Managing Interdependencies: The Changing Role of Nonprofits in Communities

**Author(s):**

Jessica Word, Florida State University, Tallahassee, FL, USA

**Summary of Research**

This paper explores the evolving relationship between nonprofits and government in the face of ever growing interdependencies between the sectors. It focuses on the implications of these relationships for both nonprofits and the communities that they serve through the lens of the roles outlined by Salamon (2002) of service, advocacy, expression, community-building, and value-guardian. It concludes by offering some suggestions to address the emerging needs within the nonprofit sector by incorporating new management techniques and methods.

**Description**

In recent years, the emphasis in governments has shifted from production of goods and services to greater levels of contracting with both private and nonprofit enterprises (Milward and Provan, 2000). This has led to an increasing number of nonprofits primarily dependent upon governments for financial support (Smith and Lipsky, 1993). However, the recent economic downturn has diminished government's resources for funding these activities while simultaneously constraining the other principal nonprofit revenue sources, philanthropic giving and user fees provided by nonprofit customers and clients

Meanwhile, the authority extended to some nonprofits in these new relationships with government breaks new ground, including increasing influence – for some nonprofits -- over the shape of public policy and the shape of government-nonprofit contracts. As these roles change and as resources become tighter, the competitive and political environment for service-providing nonprofits becomes more complex, inviting an array of new types of alliances between nonprofits and other organizations that they perceive as able to assist them in their strategic endeavors.

These changes undoubtedly have had some positive effects on the nonprofit community, and communities that nonprofits serve, such as increased funding and greater ability for government to deliver services more tailored to local needs. However, as the work of scholars in the field of nonprofit studies indicate, the true impact of these changes upon the nonprofit sector and communities remains largely unknown.

This paper articulates a model of the relationships between nonprofits and government in terms of five roles identified by Salamon (2002): service; advocacy; expressive; community-building; and value guardian. The paper also incorporates models of social capital and community building to examine the impact that these changes may have upon communities as a whole.

Each of Salamon's roles (2002) is shaped, and in turn shapes, the interactions of various nonprofits and other organizations in the communities in which they are embedded. It is for this reason that the changing shape of nonprofits has important implications, not just for managers and employees of nonprofits and those they serve, but also for communities themselves.

This paper incorporates interview data gathered from nonprofits in Florida about their experiences as government service providers. These interviews helped the researcher gain a more grounded picture of the impact that increased government involvement has had on nonprofits and especially in the strategic alliances that they form as they attempt to buffer the effect of economic uncertainties and political turbulence.

In conclusion, this paper explores possible remedies to some of the problems and ideas for enhancing

beneficial outcomes associated with the continued growth of ties between nonprofits and government. Possible applications include the introduction of new management techniques and methods currently being advanced in nonprofit management education programs. Such applications to the extent that they facilitate beneficial outcomes and restrain undesirable side effects, could ultimately help to better tie nonprofits to communities and their needs.

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**Paper Number:** PA041257

**Paper Title:** Crowding out of charitable giving by government funding: Conventional explanations, the promise of organizational theory alternatives, and management implications.

**Author(s):**

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**Summary of Research**

The purpose of this study is to empirically assess the validity of assumptions about government funding displacing private giving. Our findings suggest the need to explore explanations of this phenomenon beyond those assumed under the conventionally applied microeconomic theory. To that end, this study offers alternative explanations derived from resource dependence theory, transaction cost economics, and institutionalism. By presenting both empirical findings that cast doubt on the conventional explanations of crowding out as well as alternative routes to explore the crowding-out phenomenon, we hope to broaden the study of how government funding affects private philanthropy and nonprofit management.

**Description**

Many public managers, public policy makers, and nonprofit managers are familiar with the large body of research that has examined the effect of government subsidies to charitable nonprofit organizations on private philanthropy. The preponderance of this research suggests that government funding partially displaces—or “crowds out”—private giving. Common to these studies are the assumptions that private charitable donors are aware of the amount of government funding received by their beneficiary charitable organizations and that they act on this information when determining how much financial and volunteer support to donate. The purpose of this study is to assess the validity of these heretofore untested assumptions. After comparing the “best guesses” of respondents to a public opinion survey (N = 675) to the actual amount of government funding received by the charitable organizations to which they have donated money, the assumption of donors’ knowledge about government funding levels is found to be met only very weakly. Further, few respondents anticipate that they would change the level of their charitable giving in response to an increase in government subsidy.

These findings suggest the need to explore explanations of the crowding-out phenomenon beyond those assumed under the conventionally applied microeconomic theory. To that end, this study offers alternative explanations derived from resource dependence theory, transaction cost economics, and institutionalism. These organizational theories all suggest causal mechanisms to explain crowding out independent of donors’ knowledge, focusing instead on organizational decision-making, structure, and adaptation. And unlike the conventional crowding-out explanation, these organization-focused alternatives suggest factors within nonprofit and public managers’ control that may be leveraged to better achieve the goals of government-nonprofit partnerships.

By presenting both empirical findings that cast doubt on the conventional explanations of crowding out as well as alternative routes to explore the crowding-out phenomenon derived from widely applied organizational theories, this study’s authors hope to reinvigorate and broaden the study of how government funding affects private philanthropy and nonprofit management. In the spirit of the conference theme, “The Meaning and Motives of Philanthropy,” it is hoped that such research will prove more valuable to nonprofit and public managers alike in mitigating any ill effects and maximizing the benefits of government funding on the work of nonprofit organizations.

**Paper Number:** PA041404

**Paper Title:** Startup.org: Nonprofit Technology Organizations and the Negotiation of Multiple Institutional Logics

**Author(s):**

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### **Summary of Research**

The boundary between the for-profit and nonprofit sectors is blurring. With this trend comes a blending of the institutional logics associated with each. How does a nonprofit organization navigate and negotiate the various institutional logics it faces? What happens when these logics contradict one another? What are the implications for nonprofits that adopt and adapt the structures and practices of corporate partners while attempting also to follow a nonprofit ethos? In this presentation, I will explain how nonprofit organizations navigate and negotiate multiple institutional logics while forging and maintaining an organization identity.

### **Description**

Procyon NY is a nonprofit technology assistance provider (NTAP), an organization that helps other nonprofits take advantage of information and communications technologies. In less than three years and at a time when most nonprofits were scrambling for resources, Procyon NY grew from being a business plan to employing over 20 staff people and having close to a \$3 million budget. This was accomplished by combining the strategies of for-profit activities and leveraging corporate partnerships within the nonprofit organizational form. Procyon NY was the first nonprofit affiliate in the Procyon National expansion, and quickly became the fulfillment of the Procyon Model, which is grounded in the logics of social venture and nonprofit entrepreneurialism. Procyon's board and founding members predicated its development on a "startup model of development," complete with corporate and nonprofit partnerships, venture-like funding and management practices, as well as actual venture capitalists as board members. In a short period, Procyon NY became one of the most successful NTAPs in the US. To what can we attribute this success? Organizations are the manifestations of social institutions and thus reflect their logics (Haveman and Rao 1997; Scott 1995). Procyon NY operated at the interstices of several institutional domains. By playing sets of institutional logics off one another, the organization was able to leverage its position among the domains, taking advantage of what each has to offer, an entrepreneurial strategy elsewhere called heterarchy (Bach and Stark 2002; Girard and Stark 2002; Stark 1999; Stark 2000; Stark 2001).

Such a strategy is not without costs (Boltanski and Thevenot 1999; Gomez and Jones 2000; Thevenot 2001). Procyon NY, existing at the interstices of several institutional domains had to monitor which institutional logic it should apply in any given circumstance. When working with nonprofit clients, Procyon NY had to behave like a nonprofit. When meeting with board members or corporate partners, Procyon NY had to behave like a corporation. Juggling these multiple personalities and identities allowed Procyon NY to take advantage of its unique position. At the same time, when actors demand stable institutional grounds, Procyon is challenged to figure out which is the most appropriate realm in which to claim existence. For example, the Internal Revenue Service pays close attention to Procyon NY's commercial and donative revenue mix. Other NTAPs challenge Procyon NY on their commitment to the nonprofit sector. Procyon NY's success means they have to pay attention to nonprofit norms and values, even while adopting the practices and norms of their for-profit partners and board members.

This presentation is drawn from two and a half years of organizational ethnography conducted at a burgeoning nonprofit technology assistance provider in New York City. The approach used combines multi-sited ethnography (Marcus 1995) with an extended case method (Burawoy 1998) to give a holistic perspective on the organization and the institutions with which it interacts. In the paper, I address the following questions: how does an organization navigate and negotiate the various institutional logics it faces? What happens when these logics contradict one another? More concretely, how does Procyon NY court corporate partners and sponsors while remaining true to its nonprofit legal form? Further, how

does Procyon NY adopt and adapt the practices of its corporate partners, board members, and sponsors, while attempting also to follow a nonprofit ethos (Clohesy 2000)? In the presentation, I will explain how organizations navigate and negotiate multiple institutional logics while forging and trying to maintain an organization identity. This topic is particularly salient as corporatist models of organizing are adopted in the nonprofit sector and as the boundaries between the private and nonprofit sectors are blurring.

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**Paper Number:** PA041325

**Paper Title:** Diversity and Involvement in Civic Engagement: Access and Obstacles to Volunteering

**Author(s):**

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**Summary of Research**

This paper reports the findings of a study that examines the relationships between individuals' ethnicity, social class, or gender and how they are brought into their volunteer experience or are prevented from volunteering. Also, comparisons are made between volunteers involved various volunteer areas and how they become involved. Data from a 2001-02 national survey (N=70,000) conducted by the Bureau of Labor Statistics are analyzed using multiple regression techniques. The paper discusses the theoretical implications of the findings, e.g., do indicators of social power affect access to volunteer opportunities, as well as practical implications concerning recruitment of volunteers.

**Description**

The Problem to Be Addressed

While we increasingly know who volunteers and the motivations for volunteering (Smith, 1994; Sundeen, Raskoff, and Garcia, 2003), how a potential volunteer is linked to a volunteer opportunity has not been adequately explored. Given the importance of volunteer labor to many nonprofit organizations (and some public agencies), as well as an increasingly diverse population of the US, it is important (1) to know how volunteers become involved in their volunteer activities and (2) to compare the differences and similarities among various social groups in the extent to which they have access to volunteer activities. However, little research has focused on the (1) differences among different status groups in terms of their receiving information regarding volunteer opportunities or (2) variations among the groups in being connected to specific types of volunteer areas. One exception is a study of teenagers by Sundeen and Raskoff (2000) whose findings, using the 1999 Independent Sector data set, suggest that nonwhite young persons were not as likely as whites to have "ports of entry" into volunteer activities connected to organizational ties.

Specifically, the paper examines how volunteers become involved in their volunteer activity. That is, does the person take initiative and approach the organization or is the person asked? Secondly, if the person is asked, who asks – a friend, relative, co-worker, someone in the organization, or one's boss/employer? Third, how does the person become involved with the organization, e.g., is it required (court-ordered, public housing, or school), or through a family member's, a friend's, a co-worker's involvement in the organization, or one's own involvement, in response to a public appeal in the media, or through a referral by a volunteer organization? Fourth, what prevents individuals from volunteering?

Further, we will explore the relationships between these various ways of involvement and socio demographic roles and statuses related to ethnicity, length of time since immigration to the US, socio economic status, and gender, while controlling for the respondents' age, family status, marital status, and residential context. For example, does dominant status – a typical explanation of who volunteers in general – also predict the likelihood of certain types of entry into a volunteer opportunity? Or what are the differences and similarities between whites, African Americans, Latinos, and/or Asians in the ways they are brought into volunteering? A third issue is immigration status and length of time the respondent has resided in the US.

Furthermore, because the associations between socio demographic roles and statuses and volunteer activity (health, education, religion, youth serving, etc.) differ, we also expect that differences exist in

the ways potential volunteers are attracted to specific types of volunteer areas.

The second part of the study is to examine the obstacles to volunteering as perceived by those who do not volunteer. Possible explanations include: not being asked, lack of child care, health problems, and lack of time, reimbursement, transportation, and interest. Again we will examine the impact of the socio demographic roles and statuses mentioned above on these reasons why people do not volunteer.

#### Research Methodology

□The study will utilize a national data set based on a survey of adult volunteers in approximately 70,000 households in the U.S. between September 2001 and 2002 (US Bureau of Labor Statistics' supplement to the September 2002 Current Population Survey (CPS), 2003). The data set contains (1) socio-demographic variables related to social power including gender, age, race and Hispanic origin, income level, educational attainment, marital status, presence of children in the home of children under 18 years, and employment status, date of immigration to the US, and size and region of residence, (2) indicators of how volunteers became involved in their volunteer activity and organization, and (3) indicators of nonvolunteers' perceptions of what prevents them from volunteering.

□Logistic regression analysis (with a bi nominal dependent variable) will be used in the statistical analysis. We utilize the independent and control variables in the model (the socio demographic items described above) to predict each of ways by which individuals learn of volunteer opportunities (described above). For example, in predicting whether or not one is asked to volunteer or approaches the organization to volunteer, logistic regression would be appropriate (among only volunteers in the sample). Finally, in examining the relationships between the socio demographic items and each of the perceived obstacles to volunteering, logistic analysis will also be used (while limiting the sample to nonvolunteers).

#### Contribution to the Field

Findings from this study have both theoretical and practical implications for the volunteer literature. Theoretically, it will shed light on whether or not dominant status predicts how people become involved in volunteer activities. In applied terms, it will suggest factors that should be taken into consideration when recruiting volunteers generally and volunteers to specific types of activities.

**Paper Number:** PA041326

**Paper Title:** Asset Ownership among Low-Income Individuals: Test of a Stakeholder Theory of Civic Engagement

**Author(s):**

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### **Summary of Research**

This study assesses the effects of asset ownership on civic engagement. A stakeholder theory of civic engagement is tested: if those of low-income have the opportunity to increase their asset ownership and they do, then does their civic engagement increase? Opportunity to accumulate assets and stakeholding through asset ownership (e.g., financial savings, homeownership, and small business ownership) are conceived as influencing civic motives and information. Data are from a randomized experiment, including in-depth interviews and a repeated measures survey. Findings indicate that particular assets are connected to particular civic behaviors. Implications for research, policy, and practice are discussed.

### **Description**

Predictors of Civic Engagement: What of assets?

Democracy is realized through an active, engaged citizenry. In the United States, democracy has long been predicated on citizens who have an economic, social, and political stake in their country. Voting rights were first accorded based on the ownership of land (Foner, 1998). Asset ownership made one a stakeholder, a vested participant in societal governance. Today you no longer need to own land for the right to vote. But the statistics on who participates politically reveal that governance is by those who are vested (U.S. Bureau of the Census, 2002).

Those who have more income, education, and own a home are more likely to be politically engaged (Verba, Scholzman, & Brady, 1995). Social engagement via volunteering, associational participation, and group membership reveals a similar demographic (Crawford and Levitt, 1999; Independent Sector, 1999; Perkins, Brown, and Taylor, 1996; Rohe & Stegman, 1994; Rohe & Basolo, 1997; Thompson, 1993). What role do assets play in civic engagement?

Democracy is compromised when the full spectrum of the populus is not included in civic activities. Increasing civic engagement among those who are of low-income and low-wealth is a matter of equity and inclusion, and increasing their asset ownership may be an effective approach. Assets, such as savings and a home, represent a stake in America, connecting individuals to economic, social, and political systems.

This study assesses the effects of asset ownership on civic engagement. A stakeholder theory of civic engagement is tested: if those of low-income have the opportunity to increase their asset ownership and they do, then their civic engagement may increase (Mettler, 2002, 2003; Sherraden, 1991). Opportunity and stakeholding through asset ownership (e.g., financial savings, homeownership, and small business ownership) are conceived as influencing incentives and information for social and political engagement.

### **Data Source and Methods**

The intervention tested is Individual Development Accounts (IDA), a matched savings program for the poor. It is hypothesized that opportunity or IDA participation and increased asset ownership have direct effects on civic engagement, and that opportunity to accumulate assets moderates the effects of asset ownership.

Data are from an IDA randomized experiment. Research methods are a repeated measures survey (18

month interval) with 933 respondents and in-depth interviews with 59 IDA participants and 25 controls.

## Findings

In-depth interview findings operationalize the concept of opportunity, with IDA participants attributing the IDA to a chance to increase their capabilities and improve their well-being and construing it as an investment in them. Respondents describe a range of civic behaviors through church and community organizations primarily, and they identify lack of time and family demands as mediators of engagement. Some respondents attribute asset ownership with their civic attitude.

Using survey data, logistic regression assesses the effects of opportunity and asset ownership on 11 civic behaviors, controlling for age, race/ethnicity, monthly income, receipt of means-tested income, and the given civic behavior at time 1. There are no statistically significant moderating effects. However, increased asset ownership is a statistically significant predictor of social engagement through children, including attending school events (those whose total asset value increased are more likely), helping with a school fundraiser (new homeowners are more likely), and attending a PTA/PTO meeting (new business owners are more likely).

## Implications

While tentative, these findings indicate that increased asset ownership may be associated with civic engagement, suggesting implications for civic research, asset-based policy, and social work practice in particular. There are a number of limitations in this study, some based on the nature of the experimental design and others attributable to the self-report measures. Another potential limitation of this asset-based, stakeholder theory of civic engagement is that time may be needed to develop assets, perceive one's self as a stakeholder, and act on that stake.

Additional research is needed regarding the measurement and effects of asset ownership, in general, and as a variable of concern in the study of civic engagement. Do civic behaviors "kick in" or diminish at different asset levels? Are there thresholds in the sense that a certain type, amount, or level of asset ownership is needed before civic engagement kicks in and is sustained? Or is the reverse possible too?

A major conclusion of this paper is that there may be differential effects of certain assets on certain civic behaviors. It may be that because certain assets are connected to different economic, social, and political systems, they provide incentives and information for different civic behaviors. This study raises more questions than it answers, highlighting the need for scholarship in this area.

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**Paper Number:** PA041349

**Paper Title:** Why is Volunteering Declining in Canada? An Age-specific and Cohort-specific Analysis of Volunteering Rates, 1987-2000

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**Summary of Research**

A national survey of volunteering in Canada in 1997 showed that the rate of volunteering had risen to 31.4%, from 27.6% ten years earlier. The most recent figures, for 2000, however, show that the rate had fallen back to the 1987 level. This paper examines the age-specific and cohort-specific rates of volunteering between 1987 and 2000 to ascertain the sources of these changes. The results reveal a clear decline in participation rates for all age cohorts, but are highest among women age 55 and older. The implications for volunteering and the voluntary sector of these changes, if sustained, are discussed.

**Description**

When the numbers came in from Canada's second national survey of volunteering done in 1997, they showed a significant rise in the volunteering rate from 26.7% in 1987 to 31.4%. It occasioned extensive rejoicing in the voluntary sector, particularly because the largest increase occurred among young people aged 15-24 --- a very good omen. The rejoicing turned to silence three years later, though, when the subsequent national survey in 2000 revealed that the volunteering rate had fallen back to its 1987 level. These changes raised questions that beg for answers: why did the rates rise over the first period? Why the subsequent decline? What dynamics underlie these changes and what do they suggest might be the long-term trend? Surprisingly, there have been no serious initiatives to date by the sector's organizations in Canada to probe these questions, particularly given the serious implications for the sector. This paper addresses these questions by examining the pattern of changes for age groups and for age cohorts at the three points in time between 1987 to 2000.

The study uses data from three national surveys of volunteering conducted in 1987, 1997 and 2000 to track the trends in volunteering, both in the participation rates and the amount of time volunteered. The first part of the analysis examines the question of whether or not the patterns of volunteer participation associated with stages of the life cycle have changed over time. This is accomplished by comparing the patterns of volunteer participation and hours volunteered for equivalent age categories in all three surveys. The results show that the 1987-1997 period was characterized by very little change in the levels of participation for individuals over age 25. In fact, as others have noted (Jones, 2000:36), almost all the rise in volunteer participation between 1987 and 1997 was due to a very dramatic increase in the participation of young people, aged 15 to 24. In contrast, between 1997 and 2000 there was a marked decline in participation for all age categories, suggesting that the population's interest in participating as volunteers in nonprofit organizations may have waned. The nature of this change is different for men and women. For both groups, the large increase in participation among those under age 25 was sustained. Among men, there was a significant decline in participation for those between ages 25 and 44. In comparison, for women the largest declines occurred among those 35 to 44, and 65 and older. For men, the decline in participation for those ages 25 to 44 was accompanied by a decline in the average hours they devoted to volunteering. For women, hours volunteered declined only for those in the mid-life age category, age 35 to 44. The stability in participation rates for both men and women in most age groups over age 25, and the decline in the mid-life years, age groups that traditionally have the highest rates of participation, does not support a contention that there has been an expansion of involvement in volunteering.

The second part of the analysis examines how volunteer participation has changed among particular subpopulations defined as age cohorts. The data enable tracking the participation of men and women across the three points in time as they age. In this way, changes in participation levels, other than the general decline in participation that occurs after about age 35, can be examined. The results reveal that the volunteering rate of women aged 55 and older declined more than for any other age cohort, and

was greater than would be expected on the basis of the normal decline associated with growing older. This has important implications because women at these ages have traditionally had the highest rates of volunteering. The paper concludes by discussing the implications of the findings for the future of volunteering and volunteer organizations in Canada.

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**Paper Number:** PA041130

**Paper Title:** Strategic Planning: A Framework for Nonprofit Organizations

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**Summary of Research**

The framework for strategic planning presented in this paper has been developed and field tested with over 60 nonprofit organizations of varying sizes and complexity over a ten year period. This framework contributes knowledge and skills to build capacity in nonprofit organizations.

**Description**

Problem or issue to be addressed: Nonprofit organizations are under increasing pressure to strengthen the level of professional management. Reduced government funding, increasing number of service providers and growing societal demand for responsible and accountable programs and services are causing nonprofit organizations to seek ways to enhance organizational effectiveness and service delivery. In particular, there is a need to strengthen strategic management knowledge and use of appropriate planning tools to succeed in an increasingly competitive and under-funded market.

State of knowledge in the field: While many professional management practices and techniques have been developed for and implemented in the corporate sector, few of these have been adequately adapted to the specific circumstances of the nonprofit sector. There is a growing proliferation of 'how to' books on strategic planning in the nonprofit sector but there is little evidence of the impact or efficacy of the various approaches being offered. (See for example: Allison & Kaye, 2004; Bryson, 2004; Burkhart & Reuss, 1993; Kaufman, 1992.) This paper presents an evidence-based approach for undertaking effective strategic planning in nonprofit organizations. Practical, field-tested methods for improving an organization's strategic focus are introduced.

The approach presented in this paper is distinguished from other approaches by its focus on a market-based framework to strategic planning. A market-based approach encourages an organization to examine the current and evolving needs of key stakeholders and differentiate, or segment them, based on these needs (Rogers, Finley & Galloway, 2001). From an understanding of the environment and the organization's capabilities and desired strategic direction, the organization is able to identify which segments it can best serve given its limited resources. The organization's effectiveness and impact is greatly enhanced by aligning the organization's processes, practices and delivery mechanisms to priority segments.

This paper contributes:

- An understanding of the relevance and benefits of strategic planning in nonprofit organizations.
- An overview of the strategic planning process, expected outcomes and what is involved in undertaking a strategic planning initiative.
- An introduction to a process and model for undertaking strategic planning including real life examples from nonprofit organizations.

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**Paper Number:** PA041294

**Paper Title:** How Community-Based Social Change Organizations Use Dialogue and Other Relational Practices to Respond to Leadership Challenges: Findings from Narrative Inquiry

**Author(s):**

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**Summary of Research**

This paper presents preliminary findings from the first cycle of a qualitative, multi-year, multi-methods, research project examining the question: In what ways do communities trying to make social change engage in the work of leadership? In answering this question, we invited individuals of 20 different community-based, non-profit organizations around the United States as “co-researchers,” to study the work of leadership in their community. We explore how participants make sense of the work they do and what that tells us about leadership. This paper focuses specifically on how these organizations use relational practices to respond to critical leadership challenges.

**Description**

Our theoretical framework assumes that leadership is a social construction that is built over time in a community. This perspective lets us see that leadership fulfills a social function and suggests that leadership happens when people construct meaning in action in order to fulfill the tasks of direction, commitment and adaptation (Drath, 2001). A social construction lens leads us to pay attention to the collective work of leadership in context, more than to the behaviors of people we call leaders. By highlighting these dimensions, we hope to contribute to the development of the body of literature that views leadership as a collective achievement, or the property of a group, rather than something that belongs to an individual (Drath, 2001; Eisold, 1995; Feyerherm, 1994; Luke, 1998; Murrell, 1997; Fletcher, 2002). Because we focus on the experiences of the work of leadership, we have invited the people engaged in the work to join us as “co-researchers,” thus studying the work of leadership from the inside out.

This paper presents preliminary findings from narrative inquiry, our core method. (We have two other parallel streams: cooperative inquiry and ethnography). We chose narrative as our core method because it is the means through which people make sense of and understand their experience. Narrative inquiry, as a process, has much in common with the way in which we understand leadership. We view leadership to be socially constructed and begin with the understanding that the narratives do not “objectively” mirror reality; “they are constructed, creatively authored, rhetorical, replete with assumptions, and interpretive” (Riessman 1993: 5). We are interested precisely in seeing how participants interpret the work they do and how those interpretations tell us something about leadership. This analysis looks across twenty organizations whose members have won leadership awards. We conducted two in-depth, group interviews with the award recipients, their close colleagues and community members.

In particular, this paper will focus on how these non-profit social change organizations use dialogue and other relational practices to address what Drath calls the three tasks of leadership: setting organizational direction, creating and maintaining commitment, and responding to adaptive challenges. Given that these organizations are tackling intractable social issues, relational practices with constituents, organizational allies, and even opponents have emerged as fundamental approaches to addressing these three critical tasks.

As an example, dialogue has emerged as a key communicative strategy. It involves asking oneself and others tough questions for which there may not be apparent answers, relaxing one’s grip on certainty

and being open to new possibilities suggested by others' perspectives (Yanow 2002, Isaacs 1999). Many organizations that engage in dialogue come from the position that constituents' experiences are a source of expertise, so a key focus becomes tapping into that experience and learning from it. For this reason, dialogue often results in new frameworks for understanding issues that are deeply rooted in experience and that challenge the dominant discourse about how to deal with tough social issues. Sharing personal stories of experience become central to this approach, as a source of knowledge about the work, and as the foundation for crafting highly relevant responses.

In addition to dialogue, this paper will also examine two additional communicative strategies that these organizations use to respond to the critical leadership tasks: active listening, and thinking together. Like dialogue, these practices help organizations set direction and respond to adaptive challenges by surfacing new solutions to intractable issues. They help organizations create and maintain commitment because people become motivated to get involved in the work beyond their own issue areas in collaborative ways. These communicative approaches represent creative strategies for tackling today's tough social issues.

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**Paper Number:** PA041430

**Paper Title:** The Management of Strategic Alliances in the Nonprofit Sector

**Author(s):**

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**Summary of Research**

This project identifies the partnership characteristics identified with success and failure in 72 nonprofit alliances in the Philadelphia Arts and Education Partnership. The results of this project indicate that venture success is determined by the nature of the contracting relationship between partners, the degree of reciprocity in the division of work and institutional investment in the partnership, institutional goal congruence, and degree of institutional support of the partnership. Implications of these findings for the design and management of nonprofit alliances are presented.

**Description**

In recent years, there has been a proliferation of strategic alliance formation in the nonprofit sector. In most cases, agencies form these alliances in an attempt to capitalize on core competencies, share infrastructures, balance financial resources, maintain growth, and reduce risk (Wheland, 2002). Research exploring these alliances have generally focused on identifying the characteristics associated with alliance success. In most cases, treatments of this topic have relied on anecdotal (Benjamin, 1996) or single case study approaches which produce models with questionable external validity (Arsenault, 1998). This project identifies the partnership characteristics identified with success and failure in 72 nonprofit alliances in the Philadelphia Arts and Education Partnership. The results of this project indicate that venture success is determined by the nature of the contracting relationship between partners, the degree of reciprocity in the division of work and institutional investment in the partnership, institutional goal congruence, and degree of institutional support of the partnership. Implications of these findings for the design and management of nonprofit alliances are presented.

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**Keywords:** Strategic Alliances, Nonprofit Management, Arts and Culture, Strategy

**Paper Number:** PA041018

**Paper Title:** Executive Compensation and Gender: A Longitudinal Study of a National Nonprofit Organization

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**Summary of Research**

A previous study examining factors related to CEO pay in a national nonprofit organization found female CEOs earned significantly less (\$12,000) than their male counterparts. This study seeks to conduct further analyses on this data set, in order to examine possible reasons as to why this occurred. We use a longitudinal research design to examine the relationship between gender and CEO pay across 123 different agency sites across the U.S.—controlling for the human capital and performance variables often associated with compensation as well as testing for possible nonlinear interaction effects.

**Description**

Executive Compensation and Gender:  
A Longitudinal Study of a National Nonprofit Organization

**ABSTRACT**

**Issues to be Addressed**

We were provided with an excellent opportunity to conduct an in-depth, longitudinal study on the relationship between CEO pay and organizational performance in a large, well-known nonprofit organization. Five years of compensation and performance data, as well as human capital and organizational variables, were examined across 123 agencies. An interesting finding from this study was that female CEOs earned significantly less than their male counterparts (Mesch & Rooney, 2003). While we found no relationship between gender and bonuses, women CEOs were paid over \$12,000 less in salary than male CEOs—even after controlling for differences in several measures of human capital, organizational differences, and differences in organizational performance.

The purpose of the proposed research is to conduct further analyses on this data set, in order to examine possible reasons as to why this robust and significant finding occurred. These data and subsequent analysis will allow us to examine the relationship between pay and gender more in-depth—controlling for the human capital variables often associated with compensation as well as testing for possible nonlinear interaction effects. Although we found gender to have a marginal impact, few studies have looked at this relationship in a non-linear model.

**Relation to State of Knowledge in the Field**

Reports in the popular press give an account of surveys that indicate senior female executives as well as other top positions of our nation's nonprofits are routinely paid less than men in similar jobs—as high as a 50% gender differential exists for CEOs (Lewin, 2001; Lipman, 2002). Similar findings have been found in the public sector (e.g., Lewis, 1998) and private sector; even when controlling for firm size, performance, pay philosophy, and other company and individual attributes—top paid women executives have been found to receive lower pay than men (e.g., Renner, Rives, & Bowlin, 2002). Although Oster (1998) found the gender of the CEO was not significantly related to compensation across a wide range of nonprofits, several studies have found just the opposite (e.g., Hallock, 2002; Gibelman, 2000; Gray & Benson, 2003; Lette, 2001; Werner, Konopaske, & Gemeinhardt, 2000).

Most recently, Gray and Benson (2003) found that males on average earned \$4874 more than their female counterparts, and Werner, Konopaske and Gemeinhardt (2000) found women to earn \$1,707 less than their male counterparts—after controlling for education, tenure, demographic, and organizational characteristics. Gibelman's (2000) findings substantiate the existence of the glass

ceiling phenomenon among nonprofit human service agencies where men were disproportionately represented in upper-level management positions as well as earning higher salaries. Hallock (2002) found that women who led nonprofits earn about 20% less than men in comparable positions. Our results are consistent with the accumulating body of literature indicating such pay differentials in nonprofits—even though the nonprofit labor force is dominated by women.

#### Approach

**Sample.** The data set consists of 123 community-based, autonomous member organizations that serve individuals with workplace disadvantages and disabilities by providing job training and employment services, as well as job placement opportunities and post-employment support. 22% of the CEOs are female.

**Data Collection.** Archival data already have been collected on the following variables—these variables will be used in the analysis:

**Performance Indicators.** The organization has provided us with multiple, objective performance indicators that directly relate to the mission of the organization, such as, (1) number of clients served, (2) number of clients in paid training, (3) number of client job placements, and (4) financial strength as measured by net worth. These performance data are matched to individual, local sites and their respective individual CEO's.

**Compensation Measures.** (1) Base salary and (2) bonuses.

**Human capital variables.** (1) CEO experience, (2) organizational affiliation, (3) training, (4) gender, (5) tenure, (6) education, and (7) age.

**Organizational Measures.** (1) Organizational size, (2) existence of an employment contract, and (3) city size.

**Data Analysis.** To answer the research question of the relationship between CEO pay and gender, we use multivariate techniques to more carefully isolate the variables of interest. Specifically, we will be examining city size (effect of local wages), training, and the interactions of gender X age, gender X training, gender X city size, and gender X tenure in position.

#### Contribution to the Field

Although there is a paucity of research conducted on gender differentials of executive pay in nonprofits, “gender differences in compensation are sufficiently documented” in the recent literature to suggest that there is a significant difference between executive pay for men and women. However, little of this research has examined factors that may explain this phenomenon. We predict that the proposed research will make a strong contribution to the literature on issues of compensation and gender by further addressing the factors that may account for this finding.

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**Paper Number:** PA041149

**Paper Title:** Performance Appraisals in Human Service Organizations: Exploring the Match Between Management and Staff Perceptions

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**Summary of Research**

Employees, particularly in human service organizations, are often the most important, frequently constituting the core of the organizations' service technologies. Performance appraisals are an important tool to motivate individual performance in non-profit organizations, particularly because compensation is typically limited. In this paper, using data from 22 human service organizations, we will examine the types of performance appraisal systems used, the degree of alignment between managers' and employees' perceptions of the implementation and effectiveness of those systems, and identify possible areas for benchmarking and improvement in human service organizations.

**Description**

As a part of a larger movement in the nonprofit sector to ensure accountability, funders are calling upon nonprofit organizations to demonstrate continuous performance assessment and improvement. A crucial part of this performance assessment process is the evaluation of employees. Employees, particularly in human service organizations, are often the most important, frequently constituting the core of the organizations' service technologies. Performance appraisals are an important tool to motivate individual performance in non-profit organizations, particularly because compensation is typically limited. Formal performance evaluations give feedback and directions to employees and provide managers with information that can help them to make decisions.

Previous research generally focuses either on the employees' perceptions of the effectiveness of the performance evaluation process or on describing the processes in place. In this paper, we will develop a more complete picture that examines these two dimensions, but also includes the managers' perspective on the performance appraisal process. Specifically, we are interested in the degree of alignment between employees and managers as to the processes, goals, and outcomes of the performance appraisal process. The data used in this paper were gathered from 22 human service organizations providing early care and education services to low-income children in New York State and the Commonwealth of Virginia. Gathered between June 2000 and June 2003 as part of a large multiple case study design, this data includes surveys of managers and employees, document analysis, and coded interview data. We received a 100 percent response rate on surveys collected from managers and employees.

In this paper, we will examine the types of performance appraisal systems used, the degree of alignment between managers' and employees' perceptions of the implementation and effectiveness of those systems, and identify possible areas for benchmarking and improvement in human service organizations.

**Paper Number:** PA041262

**Paper Title:** Gender Compensation Disparity Among Nonprofit CEOs: California Experience

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**Summary of Research**

A gap between compensation for male and female nonprofit CEOs has been widely observed, yet studies are mixed, and unclear as to whether this results from bias or neutral factors. Using multiple regression analysis of 2002 data from 351 nonprofit organizations in Southern California, this paper finds that, after controlling important organization, job and worker-related factors, women executives are still paid significantly less than similarly situated men. Further, while the pools of female and male CEOs are similar in prior experience, work year and education, women are much less likely to lead large organizations. Policy implications are also discussed.

**Description**

Equal pay is an important issue. According to a recent survey conducted by the AFL-CIO's Working women's department, 87 percent of woman surveyed identified equal pay as one of the most important legislative issues. Equal pay ranked higher than health care, family and medical leave pensions and social security (Selby, 2000).

Gender inequities in CEO compensation have been well observed under different settings (Williams, 2003; Thomas, 2001; Murphy, 1999). According to the Monthly Labor Review (2000), the weekly earnings of women were lower than that of men for full-time employees across all broad occupation categories. Even in occupations that are mostly female dominated, such as nursing, men make nearly \$3800 more (Altman, 1998).

There are strong indications that such an earnings gap is also exists in nonprofit sector. According to a study based on the fiscal 1998 and 1999 tax forms of 75000 public charities, women earn significantly less than their male counterparts in the non profit sector. Women were also found to earn less than men in top positions in every job category at the nonprofit sector including development, administration, education, program, marketing, business, operations, public relations, technology, finance and law (Lewin, 2001; Hessaramiri & Kleiner, 2001). In contrast, a study based on 95 data observations from a 1995 Chronicle of Philanthropy survey, suggested that gender is not significantly related to compensation in the nonprofit sector (Oster, 1998, Gibelman, 2000). Similarly, in one of the few studies that attempted to control for factors such as service field of the employing organizations, however, found that while on average women who lead nonprofits earn roughly twenty percent less than men who lead nonprofits, when simple characteristics of the nonprofits are controlled for, the male -female salary gap in this sample of nonprofits is not significantly different from zero (Hallock, 2002, Gibelman, 2000).

Although there has been a great deal of attention has been given to the issue of equal pay in the nonprofit sector, the academic research on this topic is still limited. Further, many of the available reports on the topic focus only on pay, organization budget and gender, to the exclusion of other possible factors, such as the service field, number of employees supervised or prior experience of executives (Lewin, 2001; Hessaramiri & Kleiner, 2001), or focus on fairly small sample sizes (Oster, 1998). Thus, while apparently identifying a significant disparity in chief executive pay between men and women, the available literature still leaves unclear the role various organizational and personal factors may play in producing that disparity, and in fact the magnitude of the difference. What are the factors affecting CEO's paid in nonprofit organizations? Are female CEOs paid adequately? Is there any gap between female and male CEOs? Are the wage differentials by gender smaller in the nonprofit sector (Preston, 1989)? Does gender discrimination exist among CEOs in nonprofit sector? The

answers to such questions have important policy implications. This research will focus on answering these questions.

#### Literature and model development

The existing literature indicates that determinants of chief executive compensation can include a broad range of social, political, and economic factors (Mallette, et al, 1995). However, in empirical organizational studies, most factors can be summarized in the following model.

CEO pay = F (Organizational characteristics + Job characteristics + Worker characteristics)

Most studies addressing gender and pay of nonprofit executives focus primarily on organizational characteristics, rather than job and worker characteristics.

**Worker Characteristics:** In studies of the broader labor market, it is unclear whether working experiences and years in service affect CEO compensation. Some studies (Blau, et al, 1998; Rajagopalan and Rescott, 1990; Reskin and Ross, 1992; Harris et al, 2002; Stone, 2000; Jackson, 2001) indicate these are significant factors, while other research concludes the opposite (Odgen, 2002; Helfat, 1997; Gibelman, 2000). Similarly, studies are mixed regarding the impact of education: Research on human capital, for example, assumes that employees bring differing amount of inputs, such as education to the job (Harris et al, 2002; Stroh, et al, 1992). Gibelman (2000) found that having less than a master's degree had a negative impact on salary and having a doctorate had a positive impact, while Odgen (2003) didn't support the effect of education on CEO compensation.

**Organization and Job Characteristics:** In the private sector, Blau et al (1998), for example, concluded that even when controlling for such variables as industry, unionization and occupation, women's wage are only 88% of men's wages. Odgen et al (2002), however, in their study of compensation of 156 chief purchasing officers in Fortune 500 companies found that gender didn't have a significant effect. This finding was supported by Bowlin et al. (2003), in their comparison of the annual and long-term compensation for senior executive women and men in companies in the Standard and Poor's 500 for 1997, in which the authors found that the compensation paid to women executives is equitable to the compensation paid to executive men, after controlling for other job-related and personal characteristics. In contrast, a study of 40+ female CEOs for publicly traded companies and matched pairs of comparable male CEOs, the results suggested that there is a statistical difference between male and female potential compensation. Ruggiero (2003).

In the nonprofit setting, Preston (1989) argued that wage differentials by gender are small in the nonprofit sector. Oster (1998) in her study of 95 data observations from 1995 the Chronicle of Philanthropy, suggested that gender is not significantly related to compensation in the nonprofit sector. Gray and Benson (2003), however, developed and tested a model of nonprofit executive compensation with a sample of 114 directors of small business development centers in the US, and found that after controlling important factors, female executives are compensated significantly less than male executives.

Gibelman (2000), after examining 74 nonprofit organization located throughout the US, concluded that gender was the third strongest predictor of salary. Females are likely to earn \$4492 less than their male counterparts when education, age and type of degree are controlled. Women were not only less likely to occupy management positions but they also earned less money than men for the work they did at almost any level of the organizational hierarchy.

Hallock (2002) used newly collected detailed data from Annual Charity Index (1993, 1994, 1995, and 1996) published by the Philanthropic Advisory Service (PAS) of the Council of Better Business Bureaus (CBBB), Inc., on compensation of managers and accounting characteristics of nonprofits in the U.S. He found that on average women who lead nonprofits earn roughly twenty percent less than men who lead

nonprofits. However, when simple characteristics of the nonprofits are controlled for, the male -female salary gap in this sample of nonprofits is not significantly different from zero.

Given the above literature, it is unclear whether the difference in pay to male and female nonprofit executives arises from organization, job and neutral worker characteristics, or whether there is gender discrimination. As Hessaramiri (2001) pointed out, controlling for such factors as education, experience and seniority within an organization, if a pattern of disparity exists, the disparity may be designated as discrimination. This study investigates CEO compensation in nonprofit organizations in California and attempts to identify the size, prevalence and contributing factors, if any, in the apparent gap in compensation paid of male and female nonprofit chief executives.

#### Methodology:

This paper will analyze data drawn from the 2002 Compensation & Benefit Survey for the Southern and Central California Nonprofit Community, produced by the Center for Nonprofit Management. This survey reports on the employment practices as of January 1, 2002 of 359 nonprofit organizations employing over 63,000 individuals. The survey was distributed by mail to more than 10,000 nonprofits throughout Southern California. The questionnaire was widely distributed across all service fields and budget sizes, but the responses are not a random and stratified sample because it is composed only of those organizations that chose to participate. Such a method of data collection is common in benchmarking efforts in both the private and voluntary sector (Hallock, 2002), with self-selection problem being assessed. In addition to salary data, the report summarized information about other benefit practices such as health coverage, vacation and sick leave, brief job descriptions, incentive pay, retirement plans, and employment contracts. The Center for Nonprofit Management has conducted such surveys annually since 1995.

We first provide general descriptive statistics on dependent and independent variables of our sample data. To determine the effect of gender, we then use multiple regression analysis to control for the impact of organizational, job-related and other personal characteristics of CEOs. We also use chi-square analysis to explore the relationship between gender and other variables, which enables us to make observations about the role of the various factors and the likelihood that gender discrimination is a significant factor in the pay differential.

#### Contribution:

This study adds to the limited pool of research on nonprofit CEO compensation. The research employed a relatively larger sample size, including tracking of different organization size, service fields and number of employees supervised, as well as a richer data set on job and worker characteristics, than many of the available studies of nonprofit CEO compensation. The research therefore controls a wider range of factors that make the conclusion of the effect of gender on compensation under nonprofit setting more accurate than most existing studies. As a result, it is expected to provide a relatively good representation of California nonprofit organizations, with implications for the sector on a national level.

Our analysis suggests that there is a significant difference in compensation of male and female chief executives across all budget size and service fields, and that this difference is not closely correlated with reasonable job or worker-related factors such as number of employees supervised, job experience, education and ethnicity group. This suggests that female CEOs suffer two types of potential bias – the first is the compensation gap between similarly situated females and males, and the second is that, for reasons beyond the scope of the study, larger nonprofits are far more likely to be led by male CEOs.

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**Paper Number:** PA041365

**Paper Title:** Human Resource Management (HRM) Performance Measurement in the Nonprofit Sector: Toward a Theoretical and Practical Understanding

**Author(s):**

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### **Summary of Research**

Extant research focusing upon the legitimacy, efficiency and effectiveness of the non-profit sector neglects the central role of human resource management (HRM) and the measurement of HRM performance in explaining the distinctive value of the sector to society. The strategic significance of HRM performance measurement to non-profit mission achievement is identified together with a theoretical model locating HRM performance measurement at the heart of accountability for non-profit activity.

### **Description**

Human Resource Management (HRM) Performance Measurement in the Nonprofit Sector: Toward a Theoretical and Practical Understanding.

There is evidence to suggest that non-profit organisations play an increasingly important role in both developed and developing economies. In the last two decades the impact of the sector has grown significantly, both in the provision of a diverse range of services to end users and in raising the resources necessary to support that service delivery.

Additionally, the willingness of NGO's and non-profit organisations to engage in public policy advocacy campaigns at both the national and the supra-national level has clearly had a direct impact on both government and business practice and (through the media) on general public attitudes (Salamon et al, 1999).

It is not surprising therefore that the enhanced engagement with the non-profit sector experienced across contemporary society has given rise to valid questions regarding the legitimacy, performance and accountability of the sector itself, and of the increasingly large and complex organisations that comprise it (Herzlinger, 1996).

In response, a rash of studies are witnessed across the globe (academic, government, and practitioner sourced), seeking to identify and explain the distinctive nature of non-profit governance and the management of voluntary organisations, coupled with prescription as to their duty(s) of accountability achieved through transparent performance measurement.

In the academic context, significant contributions to knowledge have emerged from discussion of the economic value of non-profits, their distinctive moral and legal underpinning, the particular sociological and psychological opportunities and constraints impacting on their culture and from the distinctive marketing paradigm within which they operate. The on-going debates associated with this body of work contributes to both theoretical and practical understanding of the sector (Forbes, 1998, Rojas, 2000, Kaplan, 2001,).

Whilst studies of legitimacy, governance, organisational management, marketing and fundraising performance pepper the current horizon, only scant attention has been directed specifically toward human resource management (HRM) performance and the measurement of that performance as a strategic factor in ascertaining or justifying the distinctive value of the contribution of the sector ( Barragato, 2002, Speckbacher, 2003,)

This is at least surprising, since it has been demonstrated that non-profits rely more heavily upon the efficient, effective and appropriate performance of staff and volunteers in the achievement of mission, than their commercial counterparts. Human costs (payroll, benefits, training and performance) can account for over 75% of overall costs in the non-profit context and directly impact upon all facets of performance. (Machpherson 2001)

This paper seeks to begin to bridge the gap in current understanding, both theoretical and practical, of HRM performance measurement as it can be applied to the non-profit context.

Following detailed review of the relevant research contained in extant studies of non-profit performance measurement (economic, legal, sociological and management studies literatures), the research proceeds to identify and (where necessary) adapt existing HRM Performance Measurement Models developed in the commercial context to the non-profit sector (Berman 1999, Hagood & Fiedman 2002).

Through semi-structured focus group activity undertaken with senior HR Directors drawn from large international NGO's, initial theoretical hypotheses as to the structure and content of a model of HRM performance measurement applicable to the non-profit context are tested. Additional, relevant hypotheses deemed applicable by participants in the focus group are also developed for possible inclusion.

Hypotheses developed from literature review and focus group activity are then tested by the implementation of a written questionnaire distributed to a convenient sample of HR Directors in a wide range of international emergency relief NGO's. Data is captured and analysed utilising proprietary specialist software and the results are reported in the paper.

This process is facilitated through partnership in the research programme between the authors and 'People In Aid' - an international network of development and humanitarian assistance agencies whose membership comprises HRM Directors of international emergency relief NGO's.

A model of HRM performance measurement applicable to international emergency relief NGO's is developed and its broader utility to non-profit organisations generally is discussed. Managerial implications for practitioners in HR management functions in NGO's are developed as are the limitations associated with the research. Finally, opportunities for further research are presented.

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**Paper Number:** PA041251

**Paper Title:** Assessing Social Enterprise: Stateholders' Perspectives

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**Summary of Research**

This paper examines the questions about evaluation of social enterprise from an accounting and stakeholder perspective. We review extant accounting and nonprofit management literature regarding social enterprise and performance measurement. We use data from an exploratory survey of the practice of social enterprise in a Midwestern city and take a qualitative case approach to examining the development of social enterprise programs in four Midwestern nonprofit organizations and the impact of market-based enterprises on performance measurement systems and stakeholder relationships. Results of our cross-case analysis will contribute to the growing literature on the impact of marketization of the nonprofit sector.

**Description**

**ASSESSING SOCIAL ENTERPRISE: STAKEHOLDERS' PERSPECTIVES**

Once a nonprofit organization commences a social enterprise strategy, it becomes necessary to evaluate the performance of the enterprise. What is an adequate measure of the success or failure of a social enterprise revenue strategy in a nonprofit organization? The unique features of nonprofit organizations introduce a great deal of complexity into this question. Ordinary accounting measures and financial ratios are necessary but not sufficient when profit is not the motive for the enterprise. Measuring revenues may be complicated by joint cost allocations between taxable and nontaxable activities (Nielson, 1986; Tinkelman, 1998; Yetman, 2001 & 2003), but these are not the most difficult questions to answer. Scholars have long recognized the need to respond to multiple and potentially conflicting nonprofit constituents in performance evaluation (Kanter & Summers, 1987; Kaplan & Norton, 2001a; Oster, 1995; Poister, 2003; Speckbacher, 2003; United Way of America, 1996). How nonprofits measure outcomes (financial and nonfinancial) and whether they can do so reliably is of concern to researchers, policy makers, and key stakeholders.

The central purpose of a nonprofit organization is to accomplish its mission. However, the direct relationship between the social enterprise and the effectiveness of the mission is only part of the total equation. Two other indirect paths from the enterprise to mission effectiveness are: (1) the net effect on revenues to fund program activities; and (2) the indirect effects that occur relative to nonprofit stakeholders. Stakeholder theory provides a framework for analyzing this latter path (Freeman, 1984; Mitchell, Agle & Wood, 1997). In nonprofit organizations there are no owners, so no ultimate stakeholder interest takes precedence. Instead, there are multiple stakeholders with potentially conflicting perspectives on the value or effectiveness of a social enterprise. The nonprofit literature has begun to recognize the potential consequences of commercial activities by nonprofits (Cordes & Weisbrod, 1998; Eikenberry & Kluver, 2004; Frumkin, 2002; Weisbrod, 1998; Young, 1998 & 1999), but little has been published in the way of empirical research.

Our review of the accounting and the nonprofit literatures reveals a gap in social enterprise performance assessment. This paper examines the following questions: How are social enterprises evaluated by internal stakeholders of nonprofits, i.e., their boards of directors and staff, and external stakeholders, i.e., donors, clients, other resource providers, and the public? How do they communicate with stakeholders about the social enterprise? Who is included in the decision process relative to social enterprise? Do communications and/or inclusion in the decision process affect: (1) stakeholder perceptions of the social enterprise strategy; (2) trust; and (3) stakeholder responses to the social enterprise strategy? Does engaging in social enterprise alter the finances, programs, advocacy, or

beneficiaries of nonprofits? Are there organizational attributes that affect the measures used by the Board of Directors and other stakeholders in assessing a social enterprise (e.g., size, leverage, liquidity, complexity of services, profitability, industry group, internal financial professional, and executive compensation). We use data from an exploratory survey of the practice of enterprise in a Midwestern city and take a qualitative case approach to examining the development of social enterprise programs in four Midwestern nonprofit organizations and the impact of market-based enterprises on performance measurement systems and stakeholder relationships. Results of our cross-case analysis will contribute to the growing literature on the impact of marketization of the nonprofit sector. Our research will also provide the theoretical framework for a future empirical study of a large sample of social enterprising nonprofits.

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**Paper Number:** PA041296

**Paper Title:** Conflict in Developing Charity Brands

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**Summary of Research**

The objective of this paper is to investigate the debate surrounding the application in philanthropic organisations of commercial management practices that have been developed in an economic landscape underpinned by a different value system. The focus of the discussion will be the practice of brand management. Exploratory, qualitative research will aim to uncover some of the underlying issues relating to this apparent conflict of values. The paper will review the implications of the findings for the theory and practice of branding in the charity sector.

**Description**

Conflict in Developing Charity Brands

The voluntary sector in England and Wales is growing at a rate of 10,000 new organisations each year (Hankinson 2000). Charities are responding to this increase in competition by adopting branding techniques developed in the corporate context (Tapp 1996; Ritchie, Swami et al. 1998).

Whilst it is argued that brand orientation helps voluntary organisations develop trust across key stakeholder communities (Ritchie, Swami et al. 1998), strengthen awareness amongst target audiences (Hankinson 2000) and build loyalty within donor and supporter groups (Ritchie, Swami et al. 1998), other academics and practitioners have expressed concern that the unquestioned adoption of techniques developed in the for-profit context has contributed to the charity sector becoming over-commercialised (Ritchie, Swami et al. 1998; Sternberg 1998; Salamon 1999). Sternberg (1998) argues that the commercialisation of the sector may have resulted in charities losing something of their unique nature, having failed to develop their own identity as values-based organisations.

The objective of this paper is to investigate the debate surrounding the application in philanthropic organisations of commercial management practices that have been developed in an economic landscape underpinned by a different value system. Field research will aim to uncover some of the underlying issues relating to this apparent conflict of values.

**Research Design**

To investigate this an exploratory, qualitative research project is being conducted to examine the experiences of directors responsible for developing brand strategy in leading UK charities. The aim of the research is to gain an understanding of the conceptualisation of branding in the charity context. It will also explore how branding is implemented, the role values play in this process and areas of conflict.

Preliminary findings confirm the importance attached to brand development by senior communications executives in the charities interviewed. Whilst there is little evidence at this stage that brand management has achieved the same levels of sophistication as in the corporate environment, it would appear corporate brand models are being used to develop brand strategies.

Findings also suggest that there is often resistance to the brand concept. One senior executive explained that brand was considered initially to be a 'dirty word' that would in 'some way commercialise and undermine the integrity of the mission'. Resistance to the practice appears to come from staff as senior as the Chief Executive.

Whilst interviewees in most cases claimed that initial resistance to the adoption of a commercial

branding technique is overcome, preliminary findings confirm the centrality of values in the charity context that are intuitively humanitarian in nature. A Director of a leading UK charity explained that 'it is our values on which we base our work'. The research also suggests that the concept of shared values is highly prevalent, with charities attracting staff whose beliefs reflect those of the organisation.

The findings confirm that the core values of charity brands underpin the process of brand implementation. In most cases, considerable importance is attached to the adoption of a participative, consultative and empowering approach in developing the organisation's brand.

Whilst resistance to the concept of branding may diminish, the conflict between the values implicit in a corporate marketing technique and the apparently non-negotiable nature of charity values continues to manifest itself during brand implementation. Findings suggest that fundraising and marketing departments have different objectives to the operations and campaigning teams when it comes to brand utilisation. The importance of consistency in brand development, and the tight management controls required to achieve this, also appear to challenge the value system upon which many charities are based.

Following the completion of the data collection and comprehensive analysis, using computer-assisted qualitative data analysis software, the paper will review the implications of the findings for the theory and practice of branding in the charity sector. Particular attention will be paid to the branding theories of de Chernatony (1999), Aaker (1991) and Keller (1993).

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**Paper Number:** PA041317

**Paper Title:** Social Enterprise in the United States and Europe: Learning from Our Differences

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**Summary of Research**

This paper examines similarities and differences in the concept of social enterprise in the United States and Europe. Social enterprise, the use of non-governmental, market-based approaches to address social issues, is an increasingly popular means of funding social services on both sides of the Atlantic. Yet there are important, unaddressed differences in the conceptualization of social enterprise impeding common dialogue and research. Through an extensive literature review and dialogue with researchers, this paper compares definitions, historical factors, theoretical approaches and systemic and legal contexts. It concludes by identifying what Americans and Europeans can learn from each others' social enterprise experience.

**Description**

This paper examines similarities and differences in the concept of social enterprise in the United States and Europe. Social enterprise, broadly defined as the use of non-governmental, market-based approaches to address social issues, has become an increasingly popular means of funding and supplying social services on both sides of the Atlantic. Yet while the trend and its ultimate objectives are similar in both regions, there remain important differences in the conceptualization of social enterprise including emphases and discreet outcomes. These differences stem from contrasting forces shaping and reinforcing the movement in each region.

In the United States, federal government cutbacks in the 1980's led many social service nonprofits that had been reliant on government funding to develop separate social enterprise activities to fund existing services (Young 2003; Eikenberry and Kluver 2004). In Europe, welfare state retrenchment in the 1980's led to the development of entirely new social enterprises whose programming, unlike in the U.S., was in itself a revenue generating activity. In contrast to the United States, these services filled a particular niche the welfare state had retreated from or had not been able to meet demand for (Borzaga and Defourney 2001).

Academic and more common definitions of social enterprise in the United States and Europe reflect these different historic forces. In the United States the definition of social enterprise has focused on and evolved in the direction of commercial activity that supports social goals though that activity is often separate from actual social programming (i.e. product sales, publications, fees for services) (Dees 1996). In Europe, the emphasis is more closely tied to the social benefits that commercial activity can produce as beneficiaries participate in the revenue generating activity itself (i.e. sheltered workshops, work cooperatives) (Defourney 2001). This seemingly slight difference has great significance for outcomes for participants, benefits and disadvantages of social enterprise in each region, and unified research and theory development on the topic. To date, little has been written comparing and contrasting European and American conceptions of social enterprise resulting in the lack of a unified base of constructs and missed opportunities to learn from and build on one another's research.

This paper examines American and European social enterprise through an extensive review of literature related to the topic in the two regions and dialogue with social enterprise researchers on both sides of the ocean. It outlines the differing definitions of social enterprise used by American and European academics and practitioners and identifies broad areas of agreement and disagreement. It goes on to identify historical factors promoting and shaping their different conceptions of social enterprise and the differing systemic and legal contexts in which they currently operate. An overview of theoretical approaches to the topic is also reviewed. The paper concludes by broadly identifying what Americans and Europeans can learn from each others' experience with social enterprise.

This paper provides a comparative basis on which researchers and practitioners in the United States and Europe can begin to undertake meaningful dialogue and research on social enterprise. Ultimately, it can provide a foundation for developing a more unified and systematic approach to the long-term study of social enterprise on both sides of the Atlantic.

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**Paper Number:** PA041388

**Paper Title:** Charity for Profit: Exploring Factors Associated with the Venturing Behavior of Human Service Nonprofits

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### **Summary of Research**

Built upon existing literature on the nonprofit sector and human services, this paper aims to develop an understanding of the venturing behavior of human service nonprofits. This study utilizes the survey data from a study conducted by the Yale School of Management (Massarsky & Beinhacker, 2000). Results of path analysis indicate that organization's age and percentages of revenues from public funding and private contribution are significantly related to the extent to which a nonprofit is commercialized. Further, commercialization is significantly related to a nonprofit's ability to attract donors, volunteers and employees.

### **Description**

Since the end of the 1970s, there has been a "creeping revolution" (Grøbjerg, 2001, p.276) in human services, represented by the trend that human service nonprofits become increasingly involved in selling services and other commercial activities (Cordes & Weisbrod, 1998; Salamon, 1999). According to Salamon's (1999) estimation, fees and charges accounted for about 50% of the total spending in social services in 1994.

Built upon existing literature on the nonprofit sector, this paper aims to develop an understanding of the venturing behavior of human service nonprofits. In a time characterized by an emphasis on personal responsibility on the one hand and the "marketization of welfare" (Salamon, 1993, 1999) on the other hand, it is important to understand profit-making behaviors of human service nonprofits, which may directly and indirectly influence service recipients. This study will make an effort to fill gaps in our knowledge about human service nonprofits by providing specific information at the organizational level.

Three major theories about the nonprofits sector, including the Market/Government Failure Theory, Contract Failure Theory, and Voluntary Failure Theory are reviewed. In the framework of "market failure," explicit or implicit in all the above three theories, it is reasonable to make an inference that a nonprofit is likely to lose its unique characteristics as a nonprofit, such as its ability to attract donors and volunteers and its adherence to the service mission when increasingly being involved in for-profit activities. In other words, when for-profit behaviors are present in a human service nonprofit, the nonprofit's social function in supplying public goods/services will fade.

This paper utilizes survey data from a study conducted by the Yale School of Management and the Goldman Sachs Foundation to explore the landscape of nonprofit business ventures (Massarsky & Beinhacker, 2000). The 155 human service nonprofits form a sample for statistical analysis. A path analysis is conducted to examine causes and effects of commercialization of human service nonprofits. Results of the path analysis show that organization's age and percentage of revenues from public funding and private contribution are significantly related to the extent to which a nonprofit is commercialized while commercialization is negatively related to a nonprofit's ability to attract its donors, volunteers and employees. Further, as they become less attractable to donors and volunteers, nonprofits then pursue financial compensation by increasingly involved in commercial activities.

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