

Paper Number: CO053007

Paper Title: Infrastructure Leaders: What We Want and Need from Researchers

Author(s):

Joanne Scanlan, Council on Foundations, Washington, DC, USA

Roni Posner, Alliance for Nonprofit Management, Washington, DC, USA

Claire Wellington, Independent Sector, Washington, DC, USA

Adam Hoffman, National Council of Nonprofit Associations, Washington, DC, USA

Mark Rosenman, Union Institute & University, Washington, DC, USA

Summary of Research

A discussion of what national nonprofit and foundation infrastructure leaders would like to see from academic researchers, how they think research might be more useful and timely on the issues that concern them, and how infrastructure groups and researchers might better collaborate in framing and implementing a consequential research agenda.

Description

As evinced by ARNOVA's choice of this annual conference's theme, the nonprofit sector faces a set of profound challenges in the realms of practice and policy arising from a shift in prevailing political ideology and in the economy. Research can help nonprofits and foundations better understand and manage their response to those changes both as individual entities and as a sector. Research also might have better helped charity leaders to anticipate, perhaps even moderate, the impact of these dynamics as they began to affect them.

This colloquy will explore ways leaders from the "nonprofit sector infrastructure organizations" believe that research and researchers might better have served, and might better serve, these groups in addressing the challenges they face. While no one would suggest that findings ought to be shaped to conform to and affirm organizational mission, there is among some a sense that research might hold greater value and import for the sector's leadership if had better reflected and addressed organizational priorities and agenda, and had it been framed in a way to hold greater implication for practice.

Individuals who serve in the leadership of the Alliance for Nonprofit Management, Council on Foundations, Independent Sector, and the National Council of Nonprofit Associations will participate in this session. They will help explore ways in which these groups might collaborate with the research community to identify areas of contemporary research interest and import, and to shape questions that might inform inquiry.

The colloquy, following brief presentations, will turn to a facilitated dialogue among the infrastructure leaders and conference participants.

Paper Number: CO053008

Paper Title: Civil Society and Social Change: Linking Practice, Research and Policy

Author(s):

L. David Brown, Harvard University, Cambridge, MA, USA

Frances Kunreuther, Building Movement, New York, NY, USA

Gabriele Bammer, Australian National University, Canberra, Australia

Srilatha Battilwala, Harvard University, Cambridge, MA, USA

Summary of Research

Research Summary: Research on social change initiatives has identified many ways that civil society actors contribute to identifying issues, mobilizing commitment, fostering innovation, and building advocacy momentum. As investigators increasingly recognize the importance of multi-sectoral engagement in promoting sustainable change, the ways in which civil society actors can link to researchers and to policy-makers has drawn increasing attention in a variety of field, from grassroots development to public health to human rights to environmental initiatives. These engagements in turn are altering the ways in which knowledge is produced and disseminated in many fields.

Description

Civil society actors have been major players in social change initiatives in a variety of contexts. This colloquy brings together four panelists who have worked on the links between practice, research and policy-making in a wide range of social change contexts, from grassroots mobilization in the US and India to intersectoral cooperation on national problems to advocacy in transnational arenas. The colloquy will explore links among practice, research and policy in social change initiatives at the local, national and transnational levels. While they bring very diverse experience to this panel, they also bring a shared interest in the potentials for mutual benefit in engagements among researchers, practitioners and policy-makers.

Panelist 1. "Integration and Implementation Sciences: Linking Practice, Research and Policy in Social Problem Solving."

The first panelist will provide an overview of the challenges and possibilities of linking practice, research and policy in the context of work on complex problems. Her focus is on change in universities to help researchers better meet social needs. She specifically proposes the development of a new specialization bringing together systems thinking and complexity science; participatory methods; and knowledge management, exchange and implementation.

Panelist 2. "Building Movement: Connecting Grassroots Practitioners with Policy and Research."

The second panelist will focus on an initiative to foster reflection and analysis of the challenges facing organizations committed to grassroots social change in the U.S. She will discuss the need for practitioners to engage in a process that gives language to the assumptions that support their work, and contrast her experiences working in academic and non-academic setting on issues facing grassroots social change groups in the U.S.

Panelist 3. "International Advocacy NGOs and Transnational Influence."

The third panelist will discuss challenges facing leaders of transnational advocacy organizations concerned with global policy and problem solving in arenas like human rights, environmental degradation, poverty alleviation, women's rights, and improving governance. He will discuss the possibilities of linking research, practice and policy at the global level for these kinds of networks, coalitions, and transnational organizations as they have emerged in an ongoing series of

interorganizational workshops.

Panelist 4. "Transnational Civil Society and the Human Project."

The last panelist will examine the connections between research, practice and policy in the context of transnational social change alliances and movements. She will examine how transnational campaigns have used knowledge-generation processes to inform their policy advocacy in key areas like the environment, human rights, and women's rights. The presentation will highlight the alliances between knowledge experts, activists, and policy makers in the long-term "human project" of building more democratic, inclusive, equitable and sustainable policy frameworks at the global level.

Paper Number: CO053012

Paper Title: Emerging Issues in Social Entrepreneurship Research

Author(s):

Jennifer Wade, University of Colorado at Denver, Denver, CO, USA

Rachel Mosher-Williams, The Aspen Institute, Washington, DC, USA

Janelle Kerlin, The Urban Institute, Washington, DC, USA

Leslie Crutchfield, Ashoka, Arlington, USA

Cynthia Massarsky, The Goldman Sachs Foundation Partnership on Nonprofit Ventures, New Jersey, USA

J. Gregory Dees, Center for the Advancement of Social Entrepreneurship, Durham, NC, USA

Paul Light, New York University, New York, NY, USA

Summary of Research

This volume on emerging issues in social entrepreneurship research will be the third in ARNOVA's series of Occasional Papers. The volume will include papers on the theoretical origins of social entrepreneurship; current models of social entrepreneurship; its prevalence in the United States and internationally; its observed and potential impact; and future research needs in this area.

Description

1. The Evolving Theory of Social Entrepreneurship:

This paper charts the origins and evolution of the social entrepreneurship construct. It describes two main schools of thought that have emerged. One is focused on innovative responses to social needs, and the other is concerned with the generation of earned income for social purposes. While this split reflects, in part, a pre-existing division in the literature on general entrepreneurship, it also is grounded in different assumptions about the requirements for organizational survival ("sustainability"), growth potential ("scalability"), and effectiveness ("impact"). These assumptions are open to dispute and seem to be driven in part by ideological commitments. Despite these differences, both of these schools have their origins in emerging fields of practice that blur old sector boundaries, and both encourage the creative use of business ideas, attitudes, and market mechanisms. For instance, social entrepreneurs view the choice of organizational form (nonprofit, for-profit, cooperative, etc.) as a strategic decision, not a core part of their identity. The latter part of this chapter will explore this shared drive to breakdown old sector boundaries in an effort to improve the effectiveness of organizations dedicated to serving or addressing social needs.

2. Social Enterprise Reaches the Tipping Point: Data and State of the Field

What does it take for an area of inquiry or practice to become a field or social movement? What are examples of this institutionalizing process from other disciplines?

What do we know about social enterprise organizations? How large is the social enterprise sector and what does it look like? In which subsectors is social enterprise densest and growing most quickly? What do the data tell us about sources of revenue/capital for these ventures?

3. Impact: How is the impact of social entrepreneurship being observed and measured? What has or can be learned about social ventures that fail? What are the policy implications of the growth in this "fourth sector" and what policy and regulatory issues will face social entrepreneurs over the next decade or two?

4. Case Study: The Visiting Nurses Health System, Inc.

This case study focuses on a single organization with a long record of engaging in social entrepreneurship and the utilization of social enterprise techniques. The paper provides an accurate narrative description of the Visiting Nurse's activities associated with social entrepreneurship and focuses on questions associated with the effective use of entrepreneurial activity. More specifically, the

case analysis describes the organization's context and strategy as it entered into a business venture and assesses the nature of benefits derived from this decision.

5. Counterpoint/Critique: How is the broader application of pressure to innovate affecting nonprofits (both positively and negatively)?

6. Social Enterprise in the United States and Abroad: Learning from Our Differences

This paper examines similarities and differences in the concept of social enterprise in the United States, Europe, Latin America, and Australasia. 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 vast 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. To date, little has been written comparing and contrasting American and international conceptions of social enterprise resulting in difficulty communicating on the topic and missed opportunities to learn from and build on one another's experience. To address this need, this paper examines social enterprise through an extensive review of literature from the various world regions. It outlines the differing definitions of social enterprise used by American, European, Latin American, and Australasian academics and practitioners and identifies broad areas of agreement and disagreement. It also identifies historical factors promoting and shaping the different conceptions of social enterprise and the differing institutional and legal environments in which they operate. It concludes by analyzing the problems and opportunities that result from different understanding and implementation of social in the four regions.

7. Conclusion: Issues for further research.

Paper Number: CO053014

Paper Title: U.S. – Japan Cross Cultural Examination on Development Strategies for Philanthropy and Fundraising in Japan

Author(s):

Lilya Wagner, Counterpart International, Washington, DC, USA

Tamaki Onishi, Center on Philanthropy at Indiana University, Indiana University, Indianapolis, IN, USA

Machiko Yamane, Non-Profit Organization Support Center for NPO Program Development, Ja, Tokyo, Japan

Kyoichi Tanaka, The Toyota Foundation, Tokyo, Japan

Summary of Research

The colloquy is to analyze the current conditions of the philanthropic and fundraising activities of nonprofit organizations (NPOs) and nongovernmental organizations (NGOs) in Japan. Second, the colloquy is to study fundraising in the United States, which provides a solid backdrop against that fundraising in Japan is compared, and its implemental strategies in Japan. As it is important to note that the nature of giving varies widely across social, cultural and legal contexts, these variations are addressed, too.

Description

This proposal is for a colloquy titled U.S. – JAPAN CROSS CULTURAL EXAMINATION ON DEVELOPMENT STRATEGIES FOR PHILANTHROPY AND FUNDRAISING IN JAPAN at the 2005 conference of the Association for Research on Nonprofit Organizations and Voluntary Action (ARNOVA).

□Based on the on-going research funded by Association for Fundraising Professionals, and the 2004 survey funded by Tokyo Foundation, Japan, and the Ruth Lilly Archives Research Grant of Center on Philanthropy, the colloquy is to analyze the current conditions of the philanthropic and fundraising activities of nonprofit organizations (NPOs) and nongovernmental organizations (NGOs) in Japan. Second, the colloquy is to study fundraising in the United States, which provides a solid backdrop against that fundraising in Japan is compared, and its implemental strategies in Japan. As it is important to note that the nature of giving varies widely across social, cultural and legal contexts, these variations are addressed, too.

Japanese philanthropic profile is rapidly changing. Many key practitioners in Japan like Mr. Yoichiro Abe, Deputy Director of Chuo Kyodo Bokin, the headquarters of Japan's Community Chest, notes that Japanese citizens are noticeably improving their support of charitable causes. This attitudinal shift comes only six years after the 1998 promulgation of the Law to Promote Specified Nonprofit Activities (NPO Law), created in response to the increase in social and natural disasters like the 1995 Hanshin Awaji earthquake and the resulting significance of activities by NPOs. The notion of corporate social responsibilities (CSR) is motivating or even forcing many Japanese corporations to look for new philanthropic strategies. Moreover, corporate foundations are changing their giving policies, seeking more efficient means to address today's social issues.

In order to reveal these up-to-date conditions of Japan's nonprofit sector and fundraising practices, the discussants use the quantitative data drawn from the survey, which was carried out, in conjunction with major institutes like the Rikkyo University and The Toyota Foundation, in November 2004 to two hundred NPOs and NGOs in all forty-seven prefectures of Japan. The discussants then examine the findings from interviews, which is to be conducted this summer with those who are associated with foundations, corporations, central and local governments, academic and research institutions, NPO service centers, and journalism in Japan. The research begins with literature reviews of history and principles of U.S. fundraising, such as Scott M. Cutlip's Fund Raising in the United States: its role in America's philanthropy, and various comparative studies for international nonprofit sectors, philanthropy and fundraising, such as Johns Hopkins University's comparative studies and Thomas Harris's International Fund Raising for Not-for-Profits: A Country-by-Country Profile. The literature review includes studies published in Japan, such as statistic data on Japanese charitable

giving, too.

Fundraising is now a global practice. As the second biggest economic force in the world after the United States, Japan is an obvious fundraising source for NGOs that work and raise funds across geopolitical borders. Western fundraisers need access to appropriate fundraising techniques that would resonate with Japanese donors, who maintain their unique philanthropic tradition.

Research by the Tokyo Volunteer Center, Japan (1998) reveals that as many as 65% of NPOs and NGOs, which now counts about 18,000 according to the Cabinet Office, see fundraising as their biggest challenge. A recent survey by the Research Institute of Economy, Trade and Industry in Japan (2003) shows the number of small-scale organizations with an annual budget of only \$9,100 to \$46,000 is increasing the most. This in turn points to and underscores the increasing need by Japanese NPOs and NGOs for fundraising, a discipline that has neither been widely nor actively practiced except by a handful of large-scale Japanese NGOs headquartered in Western countries.

Given these, the discussion, as providing a model for implementation of U.S. fundraising in another country, would benefit both American fundraisers seeking Japanese charitable sources, and Japanese fundraisers seeking more effective fundraising practices.

Discussants are selected from various fields related to international fundraising and Japan's nonprofit and public sector. Dr. Lilya Wagner, former Associate Director of Public Service and Director of the Women's Philanthropy Institute at The Center on Philanthropy and now Vice President for Philanthropy at Counterpart International, is an advisor for the research project. She will address issues how to implement a U.S. fundraising model to a different country, in this case, Japan. Mr. Kyoichi Tanaka, Program Officer at The Toyota Foundation, will talk about their new giving policy to invigorate communities in Japan. Ms. Yamane Machiko, the Director of Board of the Non-Profit Organization Support Center for NPO Program Development, will profile Japanese nonprofit sector, and its challenges and opportunities from the standpoint of a practitioner. Tamaki Onishi, who plans and designs the research project, will organize the discussions and address the role of fundraising at the critical juncture in Japanese society whence the pursuit of a vibrant and healthy democracy through civil society organizations seems improbable. Other discussants are being arranged.

Paper Number: CO053018

Paper Title: Research on Alumni Employment Patterns

Author(s):

Naomi Wish, Seton Hall University, South Orange, NJ, USA

Naomi Wish, Seton Hall University, South Orange, NJ, USA

Paul Light, New York University, Bethesda, MD, USA

Mary Tschirhart, Maxwell School, Syracuse University, Syracuse, NY, USA

Summary of Research

Because of the rapid growth in the number of university graduate programs in philanthropy, nonprofit studies, and nonprofit management, there exists an untapped population of alumni in a unique position to affect the policy agenda. Studies by Light, Tschirhart, and Wish demonstrate that many of these alumni pursue multisector careers. Furthermore, these alumni practitioners completed academic programs where they learned about the changing relationships among the sectors. Are they interested in and prepared for affecting the policy agenda?

Description

Proposal for Colloquy

Title: Alumni Linking Research, Practice, and Policy

I. Description/Problem or Issue to be Addressed

For a variety of reasons, including the lack of time and the lack of knowledge, many managers and leaders of small community based organizations have a difficult time advocating for policies and programs that address problems they deal with on the front line.

Yet, because of the rapid growth in the number of university based graduate programs in philanthropy, nonprofit studies, and nonprofit management, there exists an untapped population of alumni currently holding management and leadership positions in our communities in a unique position to affect the policy agenda. Research by Tschirhart, as well as a 1999 study by Light, demonstrate that many of these alumni pursue multisector careers. Furthermore, these practitioners completed academic programs where they learned the research on the changing relationships among the public, private, and nonprofit sectors. Are they ready and interested to affect the policy agenda?

II. Topic's Relationship to the State of Knowledge in the field

In 1999, Paul Light analyzed alumni data from 13 of the top twenty graduate programs in public policy, public administration and public affairs. In *The New Public Service*, Light concluded that "an increasing number of graduates are choosing careers in the nonprofit rather than public sector" and that "...there is ample cause for pride in the graduates who occupy the new public service, and good reason to congratulate their schools for giving their students many of the skills needed to succeed in multisector careers."

Through a survey of alumni graduating from the Maxwell School public administration department during the 1993-2004 period, Mary Tschirhart found employment patterns of alumni for the government, nonprofit, and private business sectors, and patterns for sector-shifters. She also found that about a fourth of the graduates serve on a nonprofit board, an eighth serve on a board in the government sector, and a small number serve on corporate business boards. Many of the alumni feel competent to work effectively in any sector. Their knowledge, positions, networks, and experiences give them

opportunities to affect policy agendas and advocate for social change.

Wish is currently collecting alumni employment data from MBA, MPA, and MSW graduate programs across the country. She is gathering additional subsector employment data to determine if the mission of the university program is related to differences in subsector alumni employment

III. The Approach

First the results of the 3 studies, i.e. Light, Tschirhart, and Wish will be summarized. Based on the results, colloquy participants will focus on the following questions:

- What, if anything do these results demonstrate about our alumni's ability and interest in affecting the policy agenda?
- Does the typical graduate degree program with a nonprofit concentration or nonprofit-specific degree program enhance the ability and interest of our students in affecting public policy?
- What changes should we make to our curriculum so that our current students have greater skills, knowledge and interest in affecting public policy?

IV. Contribution to the field of knowledge

Almost 20 years have passed since some major foundations and individual philanthropists began to direct their funding to the building of university-based programs in nonprofit management. During the 1990s, researchers identified the universe of graduate programs in nonprofit studies and their typical curriculum. However, very few programs systematically collected attitudinal data to evaluate the curricula and/or employment data to assess the program's impact on the nonprofit sector as well as the public sector.

Recently scholars have begun to focus on these issues. Hopefully, by bringing these researchers together in a colloquy format, we can begin to form a consensus on the next step, i.e. the data that we should be collecting in order to more effectively evaluate these university based programs and the impact they have on the nonprofit and public sector as well as the policy agenda.

V. Participants' Contributions

Each of the three researchers will summarize the findings of their alumni research and answer the questions listed above. We will also encourage student participation in the discussion.

Paper Number: CO053019

Paper Title: Nonprofit Advocacy : Barriers & Indicators for Success

Author(s):

Erica Greeley, National Council of Nonprofit Associations, Washington, DC, USA

Deborah Auger, University of Delaware, Newark, DE, USA

Elizabeth M. Heagy, Center for Lobbying in the Public Interest, Washington, DC, USA

Summary of Research

This session will discuss research regarding barriers to nonprofit participation in the public policy process and creative ways to overcome those barriers. Indicators for success in building public policy capacity will also be addressed in detail. Finally, the colloquy will include an in-depth case study on a successful advocacy campaign.

Description

First, panelists will discuss the research findings from the 2001 study – Strengthening Nonprofit Advocacy Project (SNAP), a study by OMB Watch, Center for Lobbying in the Public Interest and Tufts University. Highlights of the research findings – particularly barriers to participation – will be shared. The top three barriers identified in the research were: limited financial resources; confusion over the law; limited staff or volunteer skills. This portion of the colloquy will primarily focus on creative ways to overcome those barriers.

Second, panelists will discuss the evaluation findings of NCNA and Independent Sector’s Building Capacity for Public Policy (BCAPP) project. In the course of the evaluation, eight indicators of capacity to effectively engage in public policy were identified. These indicators emerged as those factors most likely to have the greatest impact in improving organizational capacity to engage in public policy. The factors include:

- Decision-making structures
- Policy Agendas
- Organizational Resources to Engage in Public Policy
- Organizational Commitment to Public Policy
- Relationships with Nonprofits, Government Agencies, and Policymakers
- Communication Skills and Infrastructure
- Knowledge of State, Local and National Politics
- Technical Expertise Related to Public Policy

Finally, panelists will present an in-depth case study of the Think Twice Campaign in Minnesota, as written for the Center for Lobbying in the Public Interest. This case study highlights a successful advocacy campaign (to reinstate government agency contracts with Minnesota nonprofits after those contracts were frozen by the Governor in the midst of severe budget shortages) and the infrastructure that enabled that success. It addresses the importance of having all advocacy campaign elements in place: direct lobbying, grassroots organizing and media.

Paper Number: CO053021

Paper Title: Nonprofit Finance - Bridging Theory and Practice

Author(s):

Dennis R Young, Georgia State University, Atlanta, GA, USA

Elizabeth Keating, Harvard University, Cambridge, MA, USA

Kevin Kearns, University of Pittsburgh, Pittsburgh, PA, USA

Renee Irvin, University of Oregon, Eugene, OR, USA

H. Woods Bowman, De Paul University, Chicago, IL, USA

Patrick Rooney, The Center on Philanthropy at Indiana University, Indiana University, Indianapolis, IN, USA

Estelle James, World Bank, Washington, DC, USA

Summary of Research

Nonprofits vary widely in their mixes of income support. Thus, nonprofit finance theory must address two basic goals: (a) clarifying the rationales for engaging various types of income – fees, donations, investment income, government funding, gifts or services in-kind, etc.; and (b) providing a basis for choosing appropriate income portfolios. This colloquy will consider the theoretical underpinnings of alternative nonprofit income sources and mixes, and how an overall theory can guide nonprofit financial decisions. This session will build on the successful colloquies on this subject held at the 2003 and 2004 conferences.

Description

Nonprofit organizations are unusual in the manner in which they finance themselves. Unlike private, for-profit firms, they do not rely entirely on sales of goods and services, and unlike government they do not have powers of taxation through which they can command public support. And while nonprofits receive significantly more support from voluntary gifts and grants than other types of organizations, they are not, on average, primarily dependent on this source of funding either. Nonprofits are unique in the sense that they generally do not rely on a single type of income, and moreover, that they vary widely in the mix of income sources that they engage. As a result, a comprehensive theory of nonprofit finance must include two basic parts: First, a theory should explain the rationale and circumstances under which each type of income is appropriate. Second, a theory should explain what mixes of income sources are appropriate under different circumstances. That is, a full theory of nonprofit finance must address both the emphasis on particular streams of nonprofit income as well as the balance among those streams.

Nonprofit organizations draw on a wide spectrum of income sources, including fees, profits from commercial ventures, gifts and grants from individuals, foundations and corporations, government grants and contracts, investment income from financial assets including endowments, gifts-in-kind and bartering arrangements, borrowing, volunteering, and so on. The finance project of the National Center for Nonprofit Enterprise has included scholars who have examined theory underlying each of these components of nonprofit operating income. Other scholars have examined sources of capital for nonprofit organizations, including bartering and collaborative arrangements, gifts in kind, and borrowing and debt. A third group of scholars have examined overall portfolio and performance issues, including management of endowments and other assets, income portfolios and measures of nonprofit financial health and viability.

□ Several of the participating scholars will serve on the panel for this colloquy. However, in place of separate presentations, a synthesis of their work will be offered by the project leader, Dennis Young, while the panelists serve as commentators to add nuances and individual perspectives. Most of the time period allocated to the panel will be reserved for dialogue with session attendees, to secure their feedback and suggestions for completing and implementing this project and designing it for maximum practical impact.

□The synthesis will emphasize the principle that each source of nonprofit finance is best designed to address particular types of benefits and beneficiaries. For example, fee income is best used to capture private benefits to consumers while charitable funding may help support services of a more collective goods nature or where externalities accompany private benefits. Similar arguments apply to various types of government funding, while investment income may play a special role in providing flexibility to nonprofits to address their social missions by offsetting fixed costs, so that benefits and costs can be equated at the margin, or by providing a cushion against economic turbulence.

□The synthesis will address portfolio issues at two levels. First, the nature of benefits and beneficiaries often requires more than one source of income, e.g., fees to support private benefits and grants to account for externalities. Secondly, additional organizational issues must be addressed in the balancing of income portfolios, including risk management, and interactions among income streams (e.g., crowd-out).

□Finally, the presentation will include draft protocols developed by the project, in the form of diagnostic questions that can help nonprofit leaders determine what combinations of income best fit their particular circumstances.

CONFIRMED PANELISTS

Dennis R. Young, Professor
Case Western Reserve University
10900 Euclid Avenue
Cleveland, Ohio 44106-7164
dry2@cwru.edu

Prof. Patrick Rooney
The Center on Philanthropy at Indiana University
550 West North Street, Suite 301; Indianapolis, IN 46202-3272
rooney@iupui.edu

Prof. Kevin Kearns
Graduate School of Public and International Affairs
Wesley W. Posvar Hall
University of Pittsburgh
Pittsburgh, PA 15260
kkearns@birch.gspia.pitt.edu

Prof. H. Woods Bowman
De Paul University
25 E. Jackson Boulevard #1250
Chicago, IL 60601
wbowman@depaul.edu

Elizabeth K. Keating, CPA
Assistant Professor of Public Policy
Kennedy School of Government
79 JFK Street
Harvard University
Cambridge, MA 02138
elizabeth_keating@harvard.edu

Dr. Estelle James

Consultant and Emeritus Professor
1337 30th Street, N.W.
Washington, DC 20007
ejames@estellejames.com

Renee A. Irvin, Associate Professor
Department of Planning, Public Policy and Management
University of Oregon
Eugene, OR 97403-1209
rirvin@uoregon.edu

Paper Number: CO053022

Paper Title: Is the Image of Nonprofits in Pop Culture and the Arts Worth Studying?

Author(s):

Peter Hall, Harvard University, Cambridge, MA, USA

David Hammack, Case Western Reserve University, Cleveland, OH, USA

Robin Kroft, Alcoholic Beverage Medical Research Foundation, Baltimore, MD, USA

Mordecai Lee, University of Wisconsin-Milwaukee, Milwaukee, WI, USA

Summary of Research

In many professions, the study of its image in popular culture and the arts is accepted, even routine. But not so for the nonprofit sector. Published research or ARNOVA sessions on the stereotypes of nonprofit professionals have been very scarce. One rare source is a web site within the Evergreen State Society's Internet Nonprofit Center homepage. This colloquy seeks to explore if research about the images of nonprofit professionals in pop culture and art is worthy of study and, if yes, to promote a loosely organized research effort to begin inquiries into this topic for future publication and ARNOVA conferences.

Description

The arts are a prism through which artists express their vision of contemporary values, society and life. While it is common to accept art as an interpretation of the 'serious' side of the human condition (war, individuality, nationalism, etc.), it also provides insights into more prosaic aspects of life. For example, in a path-setting essay in 1948, Waldo legitimized the examination of literary fiction as part of the study of public administration(endnote 1). Since then, the image of public administration in the arts has become an accepted research stream in the literature(2). The American Society for Public Administration has a Section on Historical, Artistic and Reflective Expression that sponsors the peer-reviewed journal Public Voices. The most recent issue combined its dual interests in history and the arts into a symposium on historical fiction(3).

In that vein, the penetration, omnipresence and globalization of popular culture in the late 20th and early 21st centuries has led to extensive and serious academic studies of the images of a multitude of professions and disciplines in pop culture. For example, recently there have been studies of the film images of such diverse subjects as politicians(4), Jews(5), journalists(6), philosophy(7) and gays(8). Relying often on movies and television, these cultural studies also at times include the supposedly more 'serious' arts such as novels, theatre and the visual arts.

The study of the images projected by pop culture and the arts is valuable not only for the insights they provide about any particular profession, its standing in society and the values it projects. The arts are also a pedagogic tool that educators can use to add to the traditional teaching techniques inside and outside the classroom. In higher education, for example, film is used in management training(9).

However, in the field of nonprofit studies, only a minor degree of interest has been expressed about its image in art and pop culture up to now. One example was a panel on professional stereotypes at a Union Institute conference in the late 1990s triggered an interesting and extensive discussion on the ARNOVA Listserve regarding the depictions of nonprofit professionals in the arts. That, in turn, prompted the creation of a webpage on "Stereotypes of Philanthropy in Popular (?) Culture" maintained by Putnam Barber (<http://www.nonprofits.org/npofaq/16/54.html>) as part of the homepage of the Evergreen State Society's Internet Nonprofit Center. One of the books in the philanthropy series published by the University of Indiana Press was a compilation of fiction that depicted nonprofits and charity. A last example is that the proposer of this colloquy presented a paper at the 2002 ARNOVA conference on the image of nonprofit CEOs in US films that was subsequently published(10).

The proposed colloquy would have two purposes, substantive and agenda-building. First, the substantive element of the session will entail panelists presenting their observations about the images of the nonprofit sector in the arts and in popular culture. Some of their comments are expected to focus on the 'serious' arts while others may have a more lighthearted tone with a focus including pop culture. Audience shout-outs will be encouraged! The second purpose of the session is to draw together a self-selected audience with an interest in the subject. As such, the agenda-building goal of the colloquy is to explore if there is enough interest by other researchers in the room to pursue the general theme of the session in the future. Some possibilities might include (a) creating a database of artistic and pop culture images based on various specific subcategories; (b) creating a loosely organized network of researchers interested in the subject; (c) outlining a more comprehensive research plan to explore the topic; and (d) planning a more formal panel for the next ARNOVA conference. If there is substantial interest, this session might even eventually lead to the establishment of a new ARNOVA Section.

A more methodical approach to the image of nonprofits in the arts could be subdivided by (a) professions (such as top management, fundraising, budgeting, public relations and volunteer management); (b) category of personal activity (such as board members, employees, staff and donors); (c) subcategories of the sector (such as health, advocacy, social services and education); (d) medium (such as movies, novels or television); and (e) cultural groupings (such as depictions in developed countries vs. the third world or English vs. other languages).

The colloquy will have four members: one practitioner and three academics; one female and three males. First, the practitioner will discuss her experiences as a panelist at a Union Institute conference on the stereotypes of nonprofit professionals. It had been her posting on the ARNOVA Listserve that triggered extensive discussion of the topic. Her presentation will cover this series of events. In a sense, she is the perfect person who can present the 'at square one' status of this subject matter that she confronted.

Second, two senior academicians will participate. One was a contributor of an extensive entry in the previously mentioned website on "Stereotypes of Philanthropy in Popular (?) Culture." In his posting, he listed and discussed more than a dozen valuable depictions of nonprofits in 19th and 20th century fiction. He has given extensive thought to the subject and, as demonstrated by his entry, concluded it has some relevance to nonprofit studies. Besides discussing his substantive list of the literature, he can also discuss the rationale he has developed for considering this to be a worthy subject for attention.

The other senior academician was the co-editor of a book series that published a 2003 volume of edited readings containing short selections from fictional descriptions of philanthropy and charity. As such he has a very helpful perspective about the kinds of publishing and editorial considerations, even arguments, that can occur when deciding if fiction is appropriate for a 'serious' series of books on philanthropy. This academic also contributed to the Evergreen Society's website a citation of a novel by Anthony Trollope as capturing many of the essential quality of nonprofits of that era, by the author's use of a realistic, tough, humane and readable approach.

The fourth presenter at the colloquy will be the organizer of the session. He will discuss his published research on film images in public administration and the possibility of modeling a similar initiative in nonprofit studies that is comparable to the one that has gradually emerged in the American Society for Public Administration.

Endnotes:

1. Dwight Waldo, *The Novelist on Organization and Administration: An Inquiry into the Relationship between Two Worlds* (Berkeley, CA: Institute of Governmental Studies, University of California, 1968).
2. Charles T Goodsell and Nancy Murray, *Public Administration Illuminated and Inspired by the Arts* (Westport, CT: Praeger, 1995).

3. Mordecai Lee, Symposium Editor, "Rewriting the History of Public Administration: What If...?" *Public Voices* 8:1 (2005) 3-60.
4. Phillip L. Gianos, *Politics and Politicians in American Film* (Westport, CT: Praeger, 1998).
5. Lester D. Friedman, *The Jewish Image in American Film* (Secaucus, NJ: Citadel, 1987).
6. Larry Langman, *The Media in the Movies: A Catalog of American Journalism Films, 1900-1996* (Jefferson, NC: McFarland, 1997) and Richard R. Ness, *From Headline Hunter to Superman: A Journalism Filmography* (Lanham, MD: Scarecrow, 1997).
7. Richard A. Gilmore, *Doing Philosophy at the Movies* (Albany: State University of New York Press, 2005).
8. Vito Russo, *The Celluloid Closet: Homosexuality in the Movies*, rev. ed. (New York: Harper & Row, 1987).
9. Joseph E. Champoux, *Management: Using Film to Visualize Principles and Practices* (Cincinnati, OH: South-Western College Publishing, 2001).
10. Mordecai Lee, "What Does Hollywood Think Nonprofit CEOs Do All Day? Screen Depictions of NGO Management," *Public Organization Review* 4:2 (June 2004) 157-76.

Paper Number: CO053023

Paper Title: Altruism, Ethics and Communal Orientations: Who is Passing the Torch?

Author(s):

Timothy Peterson, Messiah College, Philadelphia, PA, USA

Felice Davidson Perlmutter, Temple University, Narberth, PA, USA

Susan Ostrander, Tufts University, Medford, MA, USA

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

Summary of Research

There has been a major shift in the culture of our society. Whereas communal orientations were a major part of the ethos of philanthropy in the past, the new generation has a self-oriented point of view, a "me" orientation. Consequently there is a loss of interest not only for developing a broader vision about the future of the nonprofit sector but also in readiness to assume an array of roles required in the process.

Different roles and challenges will be explored in this colloquy whose goal is to stimulate the audience to explore strategies in addressing this dilemma.

Description

ALTRUISM, ETHICS AND COMMUNAL ORIENTATIONS:
WHO IS PASSING THE TORCH?

There has been a dramatic shift in the culture of our society. Whereas communal orientations and communal planning have been a major part of the ethos of philanthropy in the past, the new generation has a self-oriented point of view, a "me" orientation. This is compounded by the fact that in today's world, work is all absorbing and puts enormous demands both in terms of time and energy on this generation. With these orientations comes little sense of communal responsibility and the loss of interest not only for developing a broader vision about the future of the nonprofit sector and the community but also a loss of readiness to assume an array of roles required in the process.

One panel member will address the impact of me-ism, in the sense of a relatively excessive preoccupation with self and the relative lack of concern for others, and the important consequences for philanthropy. This discussant will focus on the context of a consumer-driven, market oriented society and explore the roles that the nonprofit sector can play in offering diverse counter-cultural, non-commercial, alternative opportunities to the upcoming generation.

Donor-directed philanthropy is now a dominant form of philanthropy and donors expect to carry a great deal of influence on what grantees do with the money provided to them. The second discussant will focus on "the new philanthropists" and what it means to be a responsible and effective giver. The underlying concern is how to build a just and equitable society.

Universities and colleges are a critical site for passing the torch. The third speaker will discuss the value of the development and implementation of a civically engaged critical pedagogy rooted in community-based teaching and research through our colleges and universities which can aim to shape attitudes and actions among students.

The final participant will identify critical issues and questions to be raised for our discussion: How do we counter these trends? What other philanthropic forms and orientations should we be considering? What can be done to assure that the torch of altruism and community orientations is being passed?

The panel's four participants represent different roles in the world of nonprofits. While they will share

their perceptions on this topic, the purpose of the colloquy is to stimulate the audience to explore next steps and strategies in addressing this dilemma.

Roger A. Lohmann, Professor, West Virginia University, a conceptual analysis

Susan Ostrander, Professor, Tufts University, donors who pass the torch

Timothy Peterson, Professor of Urban Studies, Messiah College, Philadelphia – fostering communal orientations in undergraduate students

Felice Davidson Perlmutter, Professor Emeritus, Temple University, identifying issues and questions (Chair and Discussant).

This is a TIBs-related session and the 4 participants are TIBs members.

Paper Number: CO053027

Paper Title: The Nonprofit-Government Relationship: A Joint Discussion of Research Agendas

Author(s):

Gordon Whitaker, University of North Carolina at Chapel Hill, Chapel Hill, NC, USA

David M. Van Slyke, The Maxwell School at Syracuse University, Syracuse, NY, USA

Beth Gazley, Indiana University, Bloomington, IN, USA

Barbara S. Romzek, University of Kansas, Lawrence, KS, USA

Trevor Brown, The Ohio State University, Columbus, OH, USA

Matthew Potoski, Iowa State University, Ames, IA, USA

Jocelyn M. Johnston, American University, Washington, DC, USA

Summary of Research

Within intersectoral relationships, what dimensions and theoretical frameworks have been most useful over time in understanding the experiences and perspectives of government and nonprofit actors? How have these frameworks been applied and tested in practice? What dimensions or perspectives are missing? This colloquy will bring together several scholars and practitioners currently engaged in independent but related research on government-nonprofit relations to explore, jointly, the significant findings, ramifications and future direction of their work. The colloquy will be framed as a practitioner-scholar exchange representing several research collaborations, and designed to encourage the broadest possible discussion between audience members and panelists.

Description

Colloquy presentations:

The four presentations described below are all based on empirical research but are intended to move beyond individual research agendas to explore significant findings and commonalities among research projects. Each participant in the ARNOVA colloquy on intersectoral relations will make a brief (10 minute) presentation on the status of and next steps in his or her research. Most of these presentations will report on projects involving several scholars or scholar-practitioner research partnerships. The colloquy's overall focus is on the joint interest of these research agendas in the quality of contractual and noncontractual relationships between government agencies and nonprofit organizations. Specifically, these agendas all explore, both qualitatively and quantitatively, the forms of interaction between government and nonprofit organizations operating as partners in service delivery, and make conclusions within a variety of theoretical frameworks about the impact certain relational forms will have on partner outcomes.

“Mutual Accountability” in Nonprofit-Government Relationships

Relationships between nonprofits and government have been viewed in terms of various models of decision-making: politics, bureaucracy, markets, and service. Each model used to characterize the relationship carries a set of expectations about participants, their motives, and their modes of interaction. These relationships can also be studied as networks: fragmented, radial, or integrated. Each of these types of network also involves a set of expectations about how participants interact, given the structure of their relationship. This element of the colloquy will compare and contrast these alternative frames for viewing nonprofit-government relationships, and how these frames affect organizations' ability to be accountable to their partners in mutually satisfying ways. This presentation will:

- Compare, contrast and expand various models of nonprofit-government relationships.
- Assess the usefulness and appropriateness of various models both for understanding and for

achieving diverse public service purposes.

- Explore ways in which complex, integrated networks focused on service to the public are built and sustained.

“Changes and Challenges in Relationships between State Government and Nonprofit Agencies under Contracting”

□ We propose to discuss research findings that shed light on the changing relationships between state agencies and the nonprofit organizations with which they contract to provide social services to vulnerable populations. These contracting endeavors, best characterized as “relational contracting,” involve extensive interaction and negotiations between state administrators and contracting nonprofit organizations. The contracts present nonprofit agencies with administrative and financial challenges, alter the responsibilities and relationships in the network of nonprofit entities, and change the nature of the relationship between the state, nonprofit agencies, and the nonprofit sector. The research, based on case studies of state social service contracts, relies on data derived from over 130 intensive, semi-structured interviews with state administrators, legislators, judges, social service advocates, and nonprofit contract administrators, service providers, and subcontractors.

“Managing the Government-Nonprofit Contracting Relationship for Social and Mental Health Services”

The goal of this presentation is to provide prescriptions based on previous research for identifying conditions for risky service contracting and what government managers can do to harness the benefits of intersectoral contracting while avoiding its pitfalls. Transaction cost and agency theory highlight the importance of service characteristics, market conditions and vendor-government preferences in contracting to help guide public managers through the contract process from assessing the feasibility of contracting, to structuring the contract process, to managing service provision under contract. While agency and transaction cost theories carry value as analytic decision heuristics, in this paper, we integrate them with insights from relational contracting in which service implementation networks bundle contracts and integrate services, especially in non-competitive markets. Relational contracting is an attractive option in cases where public officials are compelled to contract for risky, high transaction cost services. Nonprofits, the institutions most frequently cited as possessing extensive service expertise and capacity, and whose core missions may be in better alignment with governments’ objectives, are prime candidates for relational contracting. In this context, nonprofits may work in close collaboration with government managers to develop contract networks that focus on the co-occurring nature of client problems, thereby integrating services to both promote accountability while compensating for fragmented and uncompetitive service markets. We complement our inquiry by drawing on extensive analyses of ICMA survey data on municipal service delivery practices, semi-structured interviews with government and nonprofit managers, and extensive analyses of important cases.

“Partner Expectations in Government-Nonprofit Relationships”

This contribution to the colloquy discusses the commonalities and differences in the motivations of government and nonprofit partners who engage in service delivery partnerships. The research is built on two separate quantitative studies utilizing similar measurement instruments (one state-wide, one national) and a series of interviews with government and nonprofit executives who collaborate in local service delivery. This research agenda has also examined the relative impact of structural factors such as partnership formality and size, and relational factors such as shared goals, shared professional experience and trust, in mitigating those factors that might prevent partnerships from forming. This presentation concludes with a discussion of how partner motivations built on resource dependence and exchange theories can manifest themselves in an intersectoral setting.

Paper Number: CO053028

Paper Title: New “Old-Boy” Networks and Community Uplift: The philanthropy of Wall Street employee affinity groups—Asian-American, Black, and Latino

Author(s):

Felinda Mottino, Donor Research Project, CUNY Graduate Center, New York, NY, USA

Eugene Miller, Center on Philanthropy and Civil Society, C.U.N.Y., New York, NY, USA

Jason McGill, Member Services, New York Regional Association of Grantmakers, New York, NY, USA

Summary of Research

Colloquy explores Phase II of the Donor Research Project in New York City, a study of Asian-American, Black, Latino employee networks in Wall Street companies. Formed around diversity, groups focus on professional support; many are also active in philanthropy. Session presents historical and sociological frameworks plus practitioner experience with young professional affinity group giving, including philanthropic activities and purposes. Young professionals believe in upliftment through the economic sector and create pathways for other people of color to enter financial service professions. They see economic empowerment as the best way to impact U.S. economic, social, and political policies.

Description

The session will explore Asian-American, Black, and Latino employee networks in Wall Street companies. These networks (also referred to as affinity, support, or resource groups) are formed around characteristics of diversity. They focus on professional support and career advancement, and many are also active in philanthropy.

This exploration is related to Phase II of the Donor Research Project in New York City. Research will use a historical and sociological framework as well as in-person interviews to learn about networks and their current philanthropic activity, including ways in which local community based organizations can work with these employee groups.

These groups, sometimes initiated by employees and other times by the companies, help both individuals and companies. For individuals they provide support for job security and career advancement. For companies they serve as channels for recruitment, employee development, and retention of a diverse workforce, and they enable companies to connect with and compete in diverse U.S. communities and global markets. Affinity groups also provide an avenue for corporate philanthropy and community outreach projects. For example the African American, Hispanic, Native American and other employee networking groups at Microsoft have outreach programs to minority communities, particularly schools; and the Lockheed Martin Latino Mentoring Network has raised thousands of dollars for the National Hispanic Scholarship Fund.

Phase I of the Donor Research Project, which was based on interviews with 166 African American, Asian American and Latino donors, found a growing number of young donors of color working in Wall Street financial service companies. These young professionals (born before the mid 1960s) have had many advantages made possible by the Civil Rights movement and ensuing legislation and programs leading to increased educational and career opportunities. Affirmative action and diversity efforts by financial service firms have been aided by organizations promoting diversity, such as Sponsors for Educational Opportunity, City Fellowship Program, and Capital Chances.

In terms of their philanthropy, young professionals focus on education, giving primarily to educational enrichment and internship programs such as the ones in which they have participated. They have a strong belief in upliftment through the economic sector and plan to create pathways for other people of color to enter financial services professions. Many expressed the view that education leading to high income careers was the most effective way to advance social change. They see economic empowerment and participation in the marketplace as the best way to impact the nation’s economic, social, and political policies.

In her 2004 book, *Black Power Inc*, Cora Daniels writes that “whereas previous generations might have gone into government or the church to make a difference, this generation is pouring through freshly opened doors in the corporate world.” (p.xv) And that “these executives are building funds and controlling assets, using the dollar to improve education and wield influence, political and otherwise.” (p.xvii)

Latino and Asian American as well as African American young professional are giving money, time, and talent, and finding ways to leverage money through corporate giving programs to benefit their ethnic communities and other communities in need. Young professionals we interviewed as part of Phase I spoke of their philanthropic activities within Wall Street firms. For example, one such young Asian American donor told us that he became a board member for an elementary school in the Bronx where he volunteers time teaching business classes and bringing students to visit his Wall Street company. He makes monetary donations and organizes fund-raising events, and for both he obtains matching funds from the firm.

Colloquy person #1, a sociologist, will present a theoretical framework for the current research, building on social network analysis developed by Mark Granovetter and others. For example the mixing of economic activity and non-economic activity creates “social embeddedness” and possibilities for economic benefit through career advancement. □

Moreover, members of ethnic network groups see their endeavors to organize and succeed in the corporate environment as a new form of social movement. Social movement theory often presents groups from outside in confrontation with corporate activity (regarding environmental issues, anti-globalization, etc.), but can it also provide a framework for studying progressive groups working from within the corporation to create a more just society? One possible source is Equal Justice Society work analyzing links between new corporate developments and progressive social movements. Empirical data gathered from current Donor Research Project fieldwork will be offered for discussion.

Colloquy person #2, a historian, will discuss the current research within a historical perspective on “old-boy” networks and will indicate similarities and differences between old and new networks. In particular this historical perspective will focus on the role networks play in career advancement, communal defense and advocacy, and the role philanthropy plays in these processes. It will look at the past creation of new firms (that are racially/ethnically defined) and, to the extent relevant, how cultures of existing firms have changed with the incorporation of racially, ethnically, or religiously defined networks. Changing legal and economic frameworks related to both educational and employment practices will also be examined.

The historical framework will also point to traditional networks within communities of color, such as African American, Asian American, and Latino mutual aid societies, in order to see how these sets of relationship change in a contemporary, professional workplace environment.

Colloquy person #3, a practitioner (formerly with an organization promoting diversity) has been involved with philanthropic projects developed and carried out by Wall Street employees of color. This person will speak of experiences and insights gained and will give an overview of typical philanthropic interests, activities and goals of network groups.

Paper Number: CO053030

Paper Title: Revisiting Nonprofits and Government: Conflict and Collaboration

Author(s):

Steven Smith, University of Washington, Seattle, WA, USA
Evelyn Brody, Chicago-Kent College of Law, Chicago, IL, USA
Elizabeth Boris, The Urban Institute, Washington, DC, USA
Carol De Vita, The Urban Institute, Washington, DC, USA
Joseph Cordes, The Urban Institute, Washington, DC, USA
Betsy Reid, The Urban Institute, Washington, DC, USA

Summary of Research

The new edition of *Nonprofits and Government: Conflict and Collaboration*, edited by Elizabeth Boris and Eugene Steuerle, will be published in Spring 2006. This edition will largely follow its original structure, with updates on policy and organizational changes since 1999 and additions of several new chapters. The colloquy will include an overview of the themes visited in this new volume, focusing on tax and budget policy issues and their impact on the sector and on organizations. Presenters will identify and summarize key points of their chapters; additional authors will be present to participate in the discussion.

Description

The colloquy will consist of four presentations:

1. "Nonprofit Organizations in a Democracy: Varied Roles and Responsibilities": The relationship between the nonprofit sector and government is constantly changing. In the last five years, changes to the nature of the nonprofit sector, its activities and its interactions with other players in our civil society have impacted national public policies and have played significant roles in local and foreign policy initiatives. This presentation will focus on an overview of the book, with particular attention to themes that are not represented by the other panelists. These will include federal budget issues, the clash of values surrounding religion and the arts, the role of nonprofits in international development and assistance, nonprofit advocacy and political participation, and other broad themes in the changing environment of nonprofit-government relations.
2. "Tax Treatment of Nonprofit Organizations: A Two-Edged Sword?": Congress, whether intentionally or incidentally, has been honing the sword of tax preferences for nonprofits, and might sharpen it even further. The Bush income-tax cuts have increased the tax "price" of making charitable contributions, and reduced the relative preference for exempt organizations as investors (notably through the 15% rate on dividend income and capital gains) and as issuers of tax-exempt bonds. The repeal of the estate tax, should it take effect, presents an additional threat. The Senate Finance Committee is considering extending Sarbanes-Oxley-type governance reforms to nonprofits as a condition of federal tax exemption. The Ways & Means Committee is considering the repeal of exemption for nonprofit hospitals. The Joint Committee on Taxation has proposed tightening up the rules on self-dealing by insiders of section 501(c)(3) organizations, and limiting the deductible amount of in-kind charitable gifts to the donor's basis in the property. Meanwhile, IRS audits are focusing on exempt organizations that accommodate tax shelters, engage in joint ventures with commercial enterprises, pay high compensation, or conduct impermissible political campaign activity.
3. "Government Financing of Nonprofit Activity": In recent years, government financial support of nonprofit organizations has become more diverse and complicated, reflecting in part important changes in the role of government and nonprofit organizations. The varied tools of government financial support of nonprofits can include grants, contracts, vouchers, subsidized loans, tax credits and deductions, and tax-exempt bonds. The increased diversity of government financing has helped fuel the growth of

nonprofit organizations including some of the newer types of nonprofits such as community development organizations, charter schools, and low income housing agencies. Trends in government financing have also led to important changes in the way in which nonprofit organizations are managed. Pending changes in government policy including the proposed changes by the Bush administration in Medicare, Medicaid and many domestic discretionary programs as well as the CARE Act could potentially have far-reaching effects on government financing of nonprofits.

4. "Nonprofits and Devolution: What Do We Know?": The passage of welfare reform in 1996 was viewed as a landmark legislation that recast the relationship between government and nonprofit human service providers. For many providers, it reframed the government contracting system by simultaneously introducing greater accountability and more flexibility in achieving performance goals. In the revised chapter, the authors explore the aftermath of welfare reform and its effects on the nonprofit human service sector. Has the number of human service providers increased or decreased since 1996? Have their revenues, expenses, and assets grown? Are they financially more stable? Is there evidence of greater participation of faith-based providers or for-profit firms? More broadly, the authors discuss trends in accountability, competition, and the role of advocacy within the human service sector.

Paper Number: CO053035

Paper Title: The Performance Challenge in Nonprofit Organizations

Author(s):

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

Paul C. Light, New York University & Sr. Fellow, The Brookings Institution, New York, NY, USA

Sally Coleman Selden, Lynchburg College, Lynchburg, VA, USA

William P. Ryan, Hauser Center for Nonprofit Organizations, Harvard University, Cambridge, MA, USA

Summary of Research

A rapidly-growing nonprofit sector, especially those charitable organizations eligible for 501(c) (3) status, is facing intense competition for sustaining resources. As a result, management has become a central challenge for the officers, staff and volunteers of these organizations. Effective nonprofit management is also a special concern for public managers who have come to depend upon nonprofit organizations for many valued public services.

Description

A rapidly-growing nonprofit sector, especially those charitable organizations eligible for 501(c) (3) status, is facing intense competition for sustaining resources. As a result, management has become a central challenge for the officers, staff and volunteers of these organizations. Effective nonprofit management is also a special concern for public managers who have come to depend upon nonprofit organizations for many valued public services.

A voluminous and growing literature attempts to provide specific advice for managing nonprofit organizations and improving their effectiveness. Yet policymakers, resource providers and nonprofit staff continue to struggle with crafting appropriate policies to ensure the viability of the sector and management practices to implement those policies. The basic assumption of this colloquy is the view that an important reason for the frustration of many scholars, practitioners and policymakers regarding nonprofit management practices pertains to the lack of an adequate or compelling theoretical framework. The goal of this colloquy is to present and discuss fresh perspectives to understanding nonprofit organizations. Toward this end, the colloquy organizer will distribute a paper by him and Professor Laurence E. Lynn, Jr. of Texas A & M University prior to the conference entitled, "The Performance Challenge in Nonprofit Organizations." Each participant will then present their responses to the paper as well as their own views on "the performance challenge" in nonprofit organizations. The principal conceptual framework in the paper recognizes the central importance of the nature of ownership, or, rather, the lack of well-specified ownership interests, in the nonprofit sector. Indeed, the legal structure of nonprofit organizations is such that they are, as Henry Hansmann has argued, essentially "unowned" organizations, chosen from among alternative ways to organize production precisely because specific stakeholders are neither forced to bear the risks of failure nor allowed to share in the rewards of success. The result is a profound indeterminacy of organizational behavior and management practice and, therefore, wide variance in nonprofit performance and frequent "nonprofit failure", especially among mission-driven 501(c)(3) organizations. With rare exceptions, existing theories fail to address this fundamental indeterminacy because they are rooted in conceptual frameworks, such as market- and contract-failure, that tend to ignore or minimize the ownership or property-rights problem.

Each of the colloquy participants has written widely about nonprofit management, governance and accountability. Thus, each participant is well positioned to provide useful, insightful commentary and offer their own fresh perspectives on "the performance challenge" in nonprofit organizations.