

Paper Number: PA051112

Paper Title: Implementing Policy Goals or Sharing God's Love? Reconciling the Public Policy Agenda with the Faith Agenda

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Summary of Research

This paper builds on a recent research study to examine the interaction between the public policy agenda and non-profit practice. Specifically, the paper looks at the capacity of local churches to respond to the policy of the UK government to promote 'civil renewal' and community and neighbourhood 'cohesion'. Those who contributed to church projects were found to be more motivated by a desire to 'share God's love' than by a wish to be instruments of policy implementation. Church projects were better at building bonding than bridging social capital. The implications for both local churches and policy makers are discussed.

Description

The Link to the Conference Themes:

In line with the conference title 'Nonprofits, Philanthropy and the Public Agenda: Linking Research, Practice and Policy', this proposal builds on a recent research study to examine the interaction between the public policy agenda and non-profit practice. Specifically, the paper is concerned with nonprofits as developers of model programs; the role of nonprofits in addressing frontline public problems; and the way in which public policies affect the mission, operation and evaluation of nonprofits. These conference themes are addressed within the context of the religious sub-sector in the UK.

The UK Public Policy Agenda on Nonprofits:

Two major themes can be discerned in the current UK government's policy agenda in relation to the nonprofit ('voluntary' or 'third') sector. One theme is about the potential of the sector to expand its role in the delivery of public services such as personal and community care. A second theme is essentially about 'building social capital', although it is more usually referred to by UK policy makers as 'promoting civil renewal', developing communities and neighbourhoods, or 'building social cohesion' (HM Treasury, 2002; Social Exclusion Unit, 2001). Whereas the first theme is about effective and efficient provision of services to those in need, the second reflects more generalised concerns about social behaviour including participation in local and national political systems, street-level crime, anti-social public behaviour, and community development in diverse neighbourhoods.

The twin policy themes (public services and civil renewal) are driving change in all parts of the UK voluntary sector but the UK government is particularly interested at the moment in the potential role of the religious or faith sub-sector (Farnell et al, 2003; Furbey and Macey, 2005; Lukka and Locke, 2000). Faith groups (referred to in this abstract as 'fbos') have been described in recent UK governmental policy documents as "sources of values and commitment", with an important contribution to make to "building a sense of local community and renewing civil society" (LGA, 2002). The government wish to utilise the experience and diversity of fbos and engage with them in policy implementation has been reflected in the establishment of a Faith Communities Unit within the Home Office (Faith Communities Unit, 2004) and in a major pre-election speech by British Prime Minister (Blair, 2005) in which he said he wanted churches to make a 'visible, tangible difference' to society through their 'capacity not only to help, but to inspire and to enthuse ...'.

The Research and Policy Questions:

These trends raise questions about the ability and willingness of the faith sub-sector to respond to the pressures to participate in the implementation of the public policy agenda. To what extent, for example, are fbos able and willing to address frontline public problems? Do they have the capacity to

develop new programmes and promote the development of social capital? And what is the impact on them as organisations as they move into the role of governmental agent; in what ways, for example, are their mission and operation affected?

Previous Research:

There is a growing body of US and UK literature which explores the contribution which fbos can make to public policy implementation (eg Cnaan, 1999; Jackson and Kimberlee, 2004; Smith and Sosin, 2001). Data is starting to accumulate, too, about the implications of changing public policy goals for faith based organisations themselves (Campbell, 2002; Chaves and Tsitsos, 2001; Harris et al, 2003). But the focus of most authors writing about fbos and public policy has been on involvement in the provision of public services such as care and welfare. Few researchers have focused on the way in which fbos are responding to the second public policy theme; the 'civil renewal' or 'social capital building' agenda. (Schneider (1999) has applied the social capital concept to faith-based social services agencies but not in the specific context of public policy pressures.) Our paper, therefore, will explore the extent to which one kind of fbo (local churches) is able to contribute to implementing the UK civil renewal policy agenda and the implications for them of trying to do so.

Our Study and this Paper:

The paper will build on the findings of twelve case studies of local parish churches conducted in 2004 in the (Anglican) Diocese of Birmingham, England. The fieldwork for the diocesan study comprised 26 interviews with parish priests and lay people who took a leading role in church-organised or sponsored activities; 9 focus groups with church members who were active participants in church-organised activities or in community activities organised under the auspices of outside agencies; and 11 focus groups with users of church-organised activities.

The data revealed the many ways in which local churches can benefit local communities and neighbourhoods; through flexible responses to social needs within local communities; by active engagement with diverse groups; through the imaginative use of physical and human resources; and by breaking down barriers across different groupings. They can contribute to building both bonding and bridging social capital (Putnam, 2000). The case study churches were often providing services and facilitating social contacts for people who were not in touch with other agencies. In many of the parishes studied there were few other community resources. The local and personalised nature of the churches' activities were particularly noted, as was their ability to welcome people who felt excluded from other organisations.

Although the community-building activities of the churches were widely appreciated and were making a substantial contribution to the quality of life in their local areas, the study also showed that implementing the civil renewal policy agenda posed a number of challenges for both clergy and lay people in parish churches.

Those who contributed to local projects were generally motivated more by a Christian concept of 'service' and a desire to 'share God's love' than by a wish to be agents of government in building civil renewal or community cohesion. This had implications for volunteer recruitment, retention and management and also for the day to day work of clergy who were often called upon to learn new skills and work in new ways. In addition, joint work across denominational and community-group boundaries was particularly challenging for many of the churches studied.

The study also suggested that local church projects are often attractive to users and local people because of their informality and independence. And they can be effective in providing care to local people and helping them to develop links with others living nearby. However, they seem to be best at facilitating links within homogeneous groupings such as between older people or between those who volunteer for the church itself; that is they develop bonding social capital. Their capacity to develop bridging social capital, even within local areas, appears to be more limited.

The paper will build on the study findings to explore and discuss the implications not only for

governmental policy makers but also for those who guide the goals and activities of fbos. It will explore the capacity of local churches to respond to the civil renewal policy agenda; to address frontline public problems and to assist in building social capital in local communities and neighbourhoods.

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Paper Number: PA051114

Paper Title: Measuring Volunteering: A Behavioral Approach

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Summary of Research

This study examines the study of volunteering from two perspectives. One is the traditional perceptual approach in which respondents are asked if they volunteer. The other is a behavioral approach in which respondents are asked if they performed specific behaviors that are considered to be volunteering behaviors. The results suggest that there is a significant and substantial difference in classifying people as volunteers between these two approaches. This paper presents these methodologies, their differences, and suggestions for how future studies of volunteering should be conducted.

Description

In the late 1980s, Independent Sector (IS) began its ground-breaking studies of giving and volunteering using a national sample of adults (and teens in separate studies). The initial studies were conducted for using an in-home interview methodology, while the later studies changed to a phone interviews (Independent Sector, 1988, 1989, 1992, 1994, 1996, 1999, 2001). The change from in-house, personal interviews to phone interviews necessitated changes in the content of questions pertaining to volunteering.

In the early studies, the interviewer handed the respondent a card to read, asking him/her to indicate what things he/she had actually done, a behavioral approach to studying volunteering. When IS was forced, for financial reasons, to move to a phone-based interview methodology, the questions pertaining to volunteering were changed to a perceptual framework in which people were asked if they volunteered. This methodology, asking people if they volunteered, was mimicked by other researchers studying volunteering, continuing today.

The core problem in this methodology is that the answer to that question, do you volunteer, is totally dependent on each respondent's personal definition of what volunteering is. You might consider coaching on your child's team a volunteer activity while some other parent may not. We know this is true from the BLS Volunteering Supplement to the Current Population Survey. The author of this paper was the only non-government person to advise BLS on how to phrase questions on their study instrument. The author was only minimally successful in getting them to agree that there were shortcomings to asking this standard perceptual question, do you volunteer. BLS agreed, and hence added to their survey, a follow-on question to be asked of people who said they did not volunteer. In this follow-up question, "non-volunteering" respondents were prompted to recall certain behaviors such as coaching, tutoring, or mentoring as being included in volunteering behavior. When prompted, a significant number who said they did not volunteer were in fact volunteers, leading to an increase in the overall volunteering rate of about 8 percentage points.

The movement to using behavioral questions for studying perceptual concepts has recently been championed by CIRCLE at the University of Maryland in their Indicators of Civic Engagement (CIRCLE, 2002, 2004). In this data collection instrument, while they continue to ask about volunteering using the perceptual approach, they began asking about political engagement using a behavioral approach: Did you wear a political button? Did you have a sign in your yard?

The difference in this approach is critical. In the first, the perceptual approach, the researcher is dependent on each respondent's individual definition of volunteering in framing the response to the question. In the second, experts in the field have defined the behaviors that entail political engagement and classify respondents as being engaged if they perform those behaviors.

The author of this paper currently is leading a new study of volunteering and civic engagement of teenagers aged 12- 18. Using a survey instrument he designed, the author is asking about volunteering in two ways on the same survey instrument. The first way duplicates how BLS asks about volunteering with the same two questions, do you volunteer and if not, do you mentor, etc. The second, asked of all respondents, asks four behavioral questions: Did you tutor, mentor...; aid the clergy, participate in a choir...; helped people in places like hospitals, nursing homes, shelters...; work[ed] for a community improvement organization, environmental or animal welfare organization...

This is the first time the behavioral approach to studying volunteering has been studied head-to-head with the traditional perceptual approach. The preliminary results indicate that about 1/3 of the respondents could be classified as volunteers based on the standard perceptual questions, while about 2/3 actually performed behaviors that are considered volunteering. That is, there is a significant and substantial difference in the percentage of people who are classified as being volunteers when the approach to its study is changed from perceptual to behavioral. This paper will present the results of this study and make recommendations for how future studies of volunteering should be conducted.

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Independent Sector, Giving and Volunteering in the United States, various years, Washington, DC

CIRCLE, www.circle.org

Paper Number: PA051115

Paper Title: The Role of a Foundation in Urban District Reform

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Summary of Research

This paper reports on a two-year evaluation of the Stupski Foundation's efforts to strengthen eight urban districts, starting with the central office. Foundation support focuses on building leadership capacity, creating more efficient operations, strengthening data systems, and aligning resources to instructional needs. In addition, the Foundation assists with strengthening literacy instruction. Our evaluation suggests both the strengths of an outside organization in prompting change, and some district and foundation barriers to this strategy.

Description

In fall 2003, the Stupski Foundation began work with eight urban school districts: Cleveland, Clarksville-Montgomery, Cumberland, East Baton Rouge, Jackson, New Haven, Paterson, and U-46. The Foundation provides assistance in strengthening central offices through building leadership capacity, creating more efficient operations, strengthening data systems, and aligning resources to instructional needs. In some districts, the Foundation has also been involved in a public engagement strategy. In addition, the Foundation has a school-level intervention, focusing on low-performing schools and assisting with strengthening literacy instruction. Throughout, the Foundation's goal is to reduce the test score gap and make these districts work for all students.

New York University was hired to evaluate the Foundation's partnerships with these eight districts. Initially assumed to be three years long, partnerships with high-need districts may be increasing in duration. Our evaluation focuses on the impact of the Foundation on the district's culture, organizational systems, support to teachers, and student learning.

We are now at the end of our second evaluation year. Although it is too early to understand the impact of the Foundation's work on student achievement, our evaluation does suggest changes in district cultures, particularly in a greater focus on improving student achievement. Some district offices also appear more coherent and efficient, and student data somewhat more integrated into decision-making--in part, because of NCLB.

Our evaluation suggests both the strengths of an outside organization in prompting change, and some district and foundation barriers to this strategy. For example, while the Foundation has a strong accountability- and mission-driven culture influenced by the business world, internal difficulties may sometimes impede its work. At the same time, while districts are amenable to Foundation assistance and influence, obstacles include budget deficits, central office turnover, and strong cultures of resistance. It is also clear that the Foundation and the districts have quite different cultures, and that, although the Foundation seeks to change district culture to a more accountability- and mission-driven culture, there are strong forces opposing such change.

Paper Number: PA051116

Paper Title: Layered Interdependence and the Politics of Subcontracting

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Summary of Research

Scholars have made considerable theoretical headway in analyzing contracting and grant relationships between government and nonprofit organizations. Third-party government, the contracting regime, and cross-sector interdependence are constructs from studies published over the last twenty-five years. Less examined is the more recent institutional pattern of sub-contracting. Based on a case study of one sub-contracting system, we argue that the notion of interdependence between government and nonprofit actors should be reformulated as layered interdependence when the dynamics under study are between the legislative and executive branches of state government, an intermediary statewide nonprofit organization, and individual nonprofit service providers.

Description

2005 ARNOVA Annual Conference

Proposal to Present a Completed Paper

Layered Interdependence and the Politics of Subcontracting

Summary

Scholars have made considerable theoretical headway in characterizing the nature of contracting and grant relationships between government and nonprofit organizations. Third-party government, the contracting regime, and cross-sector interdependence are constructs from studies published over the last twenty-five years. Less examined is the more recent institutional pattern of sub-contracting. Based on a case study of one sub-contracting system in New York State, we argue that the notion of interdependence between government and nonprofit actors should be reformulated as layered interdependence when the dynamics under study are between the legislative and executive branches of state government, an intermediary statewide nonprofit organization, and individual nonprofit service providers.

□ Over the last twenty-five years, scholars have made considerable theoretical headway in characterizing the nature and extent of relationships between government and nonprofit organizations. Pioneering researchers such as Kramer (1981) and Salamon (1980, 1987) began in the early 1980s to lay the theoretical foundation on which both they and other scholars (for example, Gronbjerg 1993; Saidel 1991, 1994; Salamon, 2002; Smith and Lipsky 1993) subsequently built substantial new insights.

Third-party government (Salamon 1987), the contracting regime (Smith and Lipsky 1993), and cross-sector interdependence (Saidel 1991, 1994) are examples of constructs that emerged from or were applied in new ways by these studies. Other more recent works, such as Frumkin (2002), offer alternative frameworks, thereby demonstrating that some theoretical questions about the fundamental character of government-nonprofit relationships remain unresolved.

For the most part, researchers interested in cross-sector dynamics have focused primarily on direct contracting and grant relationships between government agencies and voluntary sector organizations. Much less examined in the research literature is a more recent institutional development that is now a recognized pattern in the delivery of public services, namely the phenomenon of sub-contracting. The set of processes under examination in this research includes government contracting with an

intermediary nonprofit organization that then sub-contracts with other nonprofit service providers. As a result, the number of relationships between government and nonprofit organizations is multiplied and the character of inter-sector and intra-sector relationships is significantly more complex.

In this paper, we propose that the nature of resource, political, and administrative relationships in a sub-contracting system can best be understood as one of layered interdependence. Based on a case study of one sub-contracting system in the New York State policy arena of nutrition outreach and education, we argue that the notion of interdependence between government and nonprofit actors should be reformulated as layered interdependence when the dynamics under study are between the legislative and executive branches of state government, an intermediary statewide nonprofit organization, and individual nonprofit service providers. If the policy funding stream originates at the federal level, another layer of interdependence must be considered part of the broad set of reciprocal relationships.

The study's research methodology includes archival research and semi-structured interviews with actors at all levels in the sub-contracting process. We will examine budget documents and organizational historical records to gather data on changes in subcontractor activities over time. Research interviews will be designed to surface variations in perceived dependence among the actors in the subcontracting system. In addition, we are particularly interested in the politics of interdependence in a layered policy system. Survey questions will, therefore, probe for variation in political strategies implemented to influence policy outcomes by players at different levels in the subcontracting process.

In conclusion, this paper directly addresses the 2005 ARNOVA Conference theme by examining the dynamics of interactions between public policy makers and nonprofit organizations. We intend to contribute to theory development by proposing that a new construct—layered interdependence—deepens understanding of the complex relationships that characterize subcontracting systems.

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Paper Number: PA051119

Paper Title: Collaboration in Community Mediation Networks: A National Study

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Summary of Research

This paper reports on a study of 350 public and nonprofit member agencies of the National Association for Community Mediation. The study examines the frequency and impact of collaborative activity within local communities in the area of dispute resolution, assesses their level of engagement in participatory decision-making and other forms of “democratic governance”, and measures the forms and quality of inter-organizational exchanges among partner organizations. This research supports the 2005 ARNOVA conference theme linking public policymaking and nonprofits, and will also be of interest to scholars and practitioners engaged in developing an understanding of inter-sectoral and networked organizational relationships.

Description

Community mediation, originating in the social and political movements of the 1960's, is viewed as an empowerment tool in which citizens are provided the means to resolve their own disputes (Hedeen & Coy, 2000). These programs are now widely accepted in the U.S. as mainstream alternatives to traditional, adversarial dispute resolution, but their relative youth means that efforts to document their activities are still underway and focused principally on structural issues (Mastrofski & Wald, 2001). The Indiana Conflict Resolution Institute (ICRI) has attempted to expand current research efforts to examine the role these programs play in fostering civic engagement and deliberative policy-making at the community level. These research questions are solidly aligned with the focus of the 2005 ARNOVA conference on the nonprofit influences on the public policymaking process, particularly because of the close cooperation of public and nonprofit agencies in managing dispute resolution programs at the local level.

This paper will present the results of a collaborative 2004-2005 study between the ICRI, the National Association for Community Mediation, and the Hewlett Foundation. This research takes an interdisciplinary approach by testing the contributions of network theories, management scholarship, political science, and the emerging field of collaboration theory on the decision-making and organizational processes within neighborhood-based community mediation programs (Gazley, 2004). Some scholars have noted the absence of an effort to cross-reference material from one discipline to another as a weakness of much of the current social science research (Huxham & Vangen, 2001). Yet, such efforts have become increasingly appropriate to attempts to understand the “new governance” – the non-hierarchical, complex and interdependent nature of present-day, third-party government – a governance system that is heavily dependent on private, voluntary organizations (Kettl, 1988; Rainey, 1997; Salamon, 2002).

The study is based on mail and internet surveys of the 350 members of the National Association for Community Mediation, a consortium of public and private agencies engaged in various forms of mediation and alternative dispute resolution efforts. This study addresses three principal areas of scholarly interest. First, it assesses the extent to which these programs make use of other nonprofit and public agencies to further the goals of community mediation education and advocacy. Both the extent of inter-organizational collaboration, and its perceived benefits, are examined.

Second, this study quantifies the forms of inter-organizational exchange (e.g., information sharing, joint planning), along with qualities such as level of trust in partners and extent of goal agreement, and tests their impact on program outcomes and perceived achievements (Bardach, 1998; O'Toole, 2003). In

network studies, these forms of exchange represent the “glue” binding autonomous organizations together. Third, in the first known attempt of its kind in this discipline, this study examines the quality and frequency of participatory decision-making within community mediation programs (e.g., participatory budgeting, consensus building efforts, study circles). This last effort will have particular value to nonprofit scholars interested in inter-sectoral relations and collaborative service delivery mechanisms. Although cross-sectional in nature, this study supports generalizability of its results by employing a representative, national sample of community mediation programs, and rigorous analytical techniques.

Key words (for panel placement): conflict resolution, collaboration, networks, civil society.

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Paper Number: PA051120

Paper Title: State Offices of Faith-Based and Community Initiatives

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Summary of Research

Currently, relatively little is known about the faith-based initiative at the state level. States are not required to implement any part of the initiative besides assuring non-discrimination in funding decisions; however, states are implementing the initiative in various ways. How are states implementing the faith-based initiative in ways that may potentially alter the social service and non-profit sector? The most common type of implementation is to appoint a faith-based liaison or create an office of faith-based and community initiatives. In this paper, I explore whether or not these liaisons and offices are altering the social service and non-profit sector.



Description

Advantages of Faith?: State Policy and the Attempted Incorporation of Faith-Based Organizations Into the Social Service Sector

"Government can write checks, but it can't put hope in people's hearts, or a sense of purpose in their lives. This is done by people who have heard a call and who act on faith."

President George Bush, April 11th 2002



Research Problem

□ Questions about the appropriate relationship between church and state arise perpetually in the United States. Recently, debate about what role religious organizations should play in public life has been spurred in general by a resurgent Protestant evangelicalism and in particular by a set of legal and administrative efforts known as the faith-based initiative. Originally enacted as part of the 1996 Welfare Reform Bill, the faith-based initiative only requires states to assure non-discrimination against religious groups in funding decisions. Yet many states are pursuing faith-based initiatives at levels that go far beyond what they are required to do. How and why are states implementing faith-based initiatives? Specifically, in this paper I focus on whether or not specific measures implemented at the state level are altering the non-profit and social service environment. I will use data collected from Westlaw and in-depth interviews with state faith-based liaisons to answer this question.

Previous Research

□ Previous research has focused on two main aspects of the faith-based initiative: federal implementation (Chaves 1999, Farris, Nathan and Wright 2004, Formicola and Segers 2003, Nesbitt 2001) and research on effectiveness of secular vs. religious non-profits (Bartkowski, Greggenberger, Hall and Smith 2003, Biefeld and Kennedy 2003, Bkankertz and Cnaan 1994, Chaves and Tsitsos 2001, Green and Sherman 2002, Jeavons 1994, Montiel 2003, Queen 2000, Scheinder 1999, Smith and Lipsky 1993, Sosin 1992, Wuthnow, Hackett, and Hsu 2004). However, little is known about state implementation, and whether or not state implementation has the potential to alter the social service sector. Will state implementation just "level the playing field", as supporters argue? Or are states actively encouraging and creating an advantage for faith-based groups? Through my data I begin to answer these questions.

Research Design

To study these issues, I am using a two-part research design. First, using Westlaw, I am collecting data on the legislative and administrative implementation of faith-based initiatives within all fifty states. Second, I am conducting interviews with state faith-based liaisons in every state that has one. Using both the interviews with the state faith-based liaisons and data from Westlaw, I am creating a complete historical record of legal and administrative changes connected to the faith-based initiative that have been made in all 50 states since 1996.

The most common type of implementation is to appoint a faith-based liaison (FBL) or create an Office of Faith-Based and Community Initiatives. Currently, thirty-four states have appointed FBLs, and fifteen plus the District of Columbia have official Offices of Faith-Based and Community Initiatives that were modeled after the federal Office of Faith-Based and Community Initiatives. The main task of these offices and liaisons is to reach out to small religious organizations that have not been part of the social service sector in any formal way. While some argue that these appointees and offices are purely symbolic, my research will tell us just how symbolic or efficacious they are. Specifically, I explore whether or not these liaisons are attempting to alter the social service and non-profit sector, and if so, are they potentially creating an advantage for religious organizations. In addition, I will also examine whether or not the legislative and executive orders that have been passed at the state level may be creating a situation in which faith-based organizations are privileged.



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Paper Number: PA051122

Paper Title: Assessing Conditions for Community Foundation Growth

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Summary of Research

Under what conditions is a community foundation expected to accumulate assets rapidly? Linking data on 630 community foundations in the US with detailed local Census data, we examine sharp regional variation in community foundation activity nationwide. Surprisingly, we do not find that local wealth and income is a particularly strong determinant of per-capita community foundation assets. Other factors, such as the regional number of community foundations, ethnicity, and stability of the population appear to play a more important role in community foundation development.

Description

Under what conditions is a community foundation expected to accumulate assets rapidly? Using a large database of community foundations in the US, we link local Census data with community foundation asset data to examine sharp regional variation in community foundation activity nationwide. The study starts by exploring existing theory in the economics of philanthropy and altruism. We select hypotheses relevant to the economics of donating to community foundations and outline several propositions:

- 1.□Mobility motive. Residents of a community may want to retain assets locally by establishing a community foundation.
- 2.□Financial capacity. Increasing income and wealth will positively affect community foundation asset accumulation.
- 3.□Transactions costs. More community foundations per region will stimulate more community foundation asset accumulation.

Statistical analysis of 630 community foundations in the US indicated that the economic motives hold only partial explanatory power for community foundation growth. The most important result related to the three propositions was transactions costs: More community foundations clustered in a given region lowered transactions costs for donors and resulted in greater asset accumulation. Although the residential stability of the population was also found to be positively linked to community foundation asset growth (that is, a more mobile population donated less), financial capacity as measured by income and wealth variables was not found to be a statistically significant determinant of community foundation asset size per capita. Other demographic variables such as population density, ethnicity, and the education level of the population held more explanatory power than financial variables (with the exception of “social capital”).

Results are of use internationally to governments and organizations that are seeking to stimulate growth of community foundation in new markets: First, the cluster analysis suggests that there are no negative “congestion effects” by having several community foundations in one region. Second, communities that have stable residential patterns, a higher level of education, and are more densely populated may be the best places to stimulate community foundation initiatives. Third, too much attention on assessing the financial capacity (income and wealth) of the target community might be counterproductive.

For existing community foundations, the lessons are similar: Growth might be enhanced by establishing semi-autonomous sub-foundations that focus on smaller geographic regions. In addition, existing community foundations should not be deterred from entering a new geographic region of activity – factors other than income and wealth of the population (such as education level) may still signal a strong propensity to donate.

Paper Number: PA051124

Paper Title: A Question of Risk: Performance Accountability and Nonprofit Relational Work

Author(s):

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Summary of Research

Managing risk is a primary rational for setting up accountability systems. Yet, risk has received less attention in the nonprofit literature. This paper presents findings from two case studies. Each case included a funder and its grantees implementing an outcome measurement model. Both models included three components: outcomes, capacity building and community organizing. Yet, the relationship between the three components was distinct, reflecting the funders' toleration for certain risks and not others. This paper concludes by exploring the implications of this difference for nonprofit organizations.

Description

We use accountability systems to determine who bears the risks for certain consequences. In fact, managing risk is one of the primary motivations for setting up accountability systems and employing accountability techniques (Jensen and Meckling 1975, Hendry 2002, Giddens 1999). While a growing body of work examines accountability in the nonprofit sector, this literature has given less attention to the concept of risk (Bogart 1995, Campbell 2002, Chisolm 1995, Ebrahim 2003, Edwards and Hulme 1996, Fry 1995, Goodin 2003, Hoefer 2000, Holland 2002, Kearns 1994, Lawry 1995, Najam 1996, Young 2002.). Drawing on findings from two case studies, where each case included a funder and a set of nonprofit grantees, this paper examines outcomes accountability through a risk management lens: Is there evidence to suggest that funders use outcomes accountability to manage risk and does this change what risks are considered acceptable or what practices are considered risky by funders or their nonprofit grantees? And what might be the implications of these changes for the nonprofit sector as outcomes accountability becomes more prevalent?

The concept of risk has received a lot of scholarly attention, particularly in the last fifteen years. Principal-agent theory, a theory that informs performance accountability models, examines how a principal, who has delegated a task to an agent, can reduce the risk that the agent will put in less effort than agreed toward achieving the principal's objects, a problem called Moral Hazard (Jensen and Meckling 1976, Miller 2002, Hendry 2002). In sociology, scholars have examined risk and accountability at a more macro level (Beck 1992, Giddens 1999, Power 1996). This work looks at a post-industrial world—characterized by uncontrollable global environmental and health threats, the fallibility of expert knowledge, and the dissolution of social insurance—as one where some of us have more choice, face greater uncertainty about the best course of action, and bear more responsibility for risks we face. Consequently, we turn more frequently to risk management strategies, including accountability and auditing.

But what does risk mean? Risk is defined as the probability of loss or gain (OED 1989). Managing risk by calculating the probability of different outcomes has preoccupied certain professions for some time (e.g., insurance, auditing, health care, environmental management). Yet, risk is also profoundly social, shaped by specific relationships and cultural perceptions, and is inextricably related to concepts of choice and trust (Douglas 1992, Chiles and McMackin 1996, Garland 2003, Giddens 1991). We can see these concerns play out in the nonprofit sector. Violations of the public trust have fueled calls for accountability. In essence, the less we trust, the more we feel at risk and the more we want to check up, verify, and monitor (Power 1997). At the same time, the growing number of nonprofits presents an overwhelming number of choices about where to donate one's resources and time. Various programs—BBB Wise Giving, charitable choice, state standards of excellence (e.g., Maryland and Minnesota), donor advised funds, Guidestar—have emerged to help ensure our resources are well spent, explaining the necessity of their services by referencing the need to ensure accountability in the sector.

Drawing primarily on organizational theory and sociology literature that examines the concept of risk,

this paper presents the findings from a two-phase qualitative study involving the review of hundreds of documents, observations and seventy interviews with funders and nonprofit practitioners. The bulk of the paper focuses on the outcome measurement models developed and negotiated by the funder and grantees in the two cases. Both models diverged from the United Way of America's prevalent outcome measurement model, to include the same three components: capacity building, organizing, and measurable outcomes. Yet the relationship between the three components was distinct in the two cases and seemed to reflect the funders' tolerance for certain risks and not others. After presenting the findings from the two cases, the paper explores the implications of these two models for the work of nonprofits, including the types of relationships they support, the kinds of action they take and even the role they play in society. The paper concludes by suggesting that the impact of outcomes accountability on nonprofit practice can be more fully understood if we consider how the use of such accountability techniques reshapes the perception and distribution of risks in a given set of relationships.

Paper Number: PA051125

Paper Title: Globalizing NGOs: A stage theory perspective on processes of international evolution

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Summary of Research

Non-governmental organisations (NGOs) are internationalising at an increasing pace. Yet little is known about what influences NGOs to operate in different regions and countries, and how they manage this process. Indeed, research on the internationalisation of NGOs has been neglected in comparison to the large and growing literature on companies. This paper considers how Ohmae's stage theory of company internationalisation can be usefully extended to help understand the internationalisation of NGOs. Drawing on a survey and cases study research it considers how NGOs internationalise, and in particular the stages they pass through in the process.

Description

Non-governmental organisations (NGOs) have been developing international operations at an increasing pace, although in comparison to businesses this growth had been relatively recent. Anheier (2002) points to a surge in growth of international (I) NGOs operating in many countries since the 1990s linked to a growth in information technology and funds available. There has been a significant shift in resources away from government programmes towards NGOs, which are increasingly seen as important agents in the process of development. In addition Teegan et al (2004: 473) note the role of INGOs in 'promoting interests of global concern' and acting as a counterweight to the drive for economic efficiency. Yet little is known about how 'northern' NGOs have managed this process of growth and internationalisation. Indeed, research on how NGOs internationalize has been very much neglected in comparison to the large and growing literature on the internationalisation of companies.

The aim of the research reported in this paper was to begin to fill this gap in knowledge. In last year's conference paper we reported on findings derived from that part of our data set which examined the factors that 'drive' NGOs to internationalise (Baguley et al, 2004). This paper draws on the same data set to examine what factors influence the decisions and processes by which NGOs internationalise. Given the paucity of existing theory on the internationalisation of NGOs the research drew upon Ohmae's (1994) stage theory, which sets out various stages companies go through as they internationalise. However, in doing so we were mindful of the fact that there are important differences as well as similarities between NGOs and companies, and that aspects of the theory would need to be adapted for NGOs (Lewis, 2002).

The research used a combination of survey research and cases studies. A postal survey was undertaken of international NGOs in Europe and the US, which gathered information on the drivers of internationalisation, the stages of internationalisation and how this process was financed. In addition four case studies of NGOs were undertaken in order to throw more light on the process and speed of internationalisation. Two relatively small NGOs, which had internationalised slowly, were compared with two larger NGOs that had internationalised more quickly.

The findings from the research provide qualified support for the proposition that international NGOs follow similar stages in their development to those proposed for companies by Ohmae (1994). It is usual, however, for NGOs to pass through only a few of the possible stages (nearly half had passed through only two of the proposed five stages). Occasionally stages are jumped and sometimes organisations revert to an earlier stage. NGOs however, in common with firms, rarely complete the full five stages. These and other qualifications to the theory largely mirror those suggested by empirical research on businesses (Reich, 1991; McKiernan, 1992 and Craig, 1996). Importantly the research also suggests that INGOs that are organised as federations follow a somewhat different path to internationalisation, which may be unique to NGOs.

The results indicate that there are both similarities and differences with companies, giving impetus to further research on the management of INGOs. They also help to develop a more sophisticated understanding of the internationalisation process of NGOs, and their status as global entities in their own right. The paper concludes that there is scope for a greater degree of learning between different sectors. For example, further research on NGO's that have successfully completed the transition to stage five, or perhaps arrived at it by another route, might give useful clues to managers in all sectors about the process, benefits and pitfalls of developing and implementing a global strategy.

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Paper Number: PA051128

Paper Title: Social Enterprise Development in the Nonprofit Sector: Exploring the phenomenon in Bay Area Nonprofits

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Summary of Research

Despite growing interest in nonprofit social enterprise activities, there is limited empirical knowledge of the planning strategies and techniques required to engage in enterprise activities. The majority of social enterprise planning information is derived from planning guides, empirical studies of business entrepreneurial start-ups and inter-firm entrepreneurial initiatives (intrapreneurship). This paper explores the development of social enterprise activities, activities generating social and economic value within nonprofit organizations. We review the recommended planning strategies and techniques and then present our findings from a study investigating San Francisco area nonprofit's utilization of the recommended planning techniques.

Description

The nonprofit sector has witnessed extensive growth in the interest of business-modeled activities operated by nonprofit organizations in the last ten years. These activities come in a variety of formats and are referred to by multiple terms, such as social purpose business or earned income. In this paper we use social enterprise to describe business-like activities or strategies undertaken by social service nonprofit organizations that support the organization's mission through the generation of social and economic value.

Growth of social enterprise is attributed to a variety of issues including, government spending cuts, rise of social entrepreneurship, rise in pro-market ideologies, social goals to reduce reliance on welfare programs and nonprofit efforts to reduce reliance on restricted and undependable government and philanthropic funds. For the aforementioned reasons and others, many in the sector claim that nonprofit social enterprise activity will continue to rise. As Estelle (2003) asserts, entering into commercial (for profit) activities "is a key fact of life for nonprofits, enabling them to grow, to become more diversified, less dependent on government grants and private donations, therefore less at risk and more sustainable"(p.429).

While business-modeled enterprises may become a "fact of life" for nonprofit organizations, the concept is not a panacea. The literature identifies that many organizations contemplating, launching or operating social enterprise activities have limited comprehension of the challenges, costs, necessary skills and/or risks associated with enterprise activities (Oster, Massarsky and Beinhacker, 2004; Dees, 1998). While there is no guarantee that social enterprise ventures will succeed, being aware of the needs and risks and planning appropriately can increase the probability for success. As the number of nonprofit organizations considering for-profit activities continues to rise, a greater understanding of the field of social enterprise is necessary to support successful endeavors.

In this paper, we explore the development of social enterprise activities within nonprofit organizations, particularly the planning techniques and resources involved in developing enterprise activities. To do so, this paper reviews the burgeoning literature on social enterprise, focusing on the numerous definitions of social enterprise and the roles that social enterprise play in organizations. To explore the management implications of social entrepreneurial activities in nonprofits, we draw upon popular social enterprise planning guides as well as empirical studies of business entrepreneurial start-ups and inter-firm entrepreneurial initiatives (intrapreneurship) to identify key resources and tools involved in start-ups. Our paper concludes by discussing the findings of an exploratory study of the planning techniques and strategies of San Francisco Bay Area nonprofits operating social enterprise. Our preliminary findings suggest that most Bay Area nonprofits engaging in social enterprise are well-established

organizations and many of the social enterprise activities are not new. In addition, our sample organizations engage in numerous planning activities prior to launching an enterprise and are able to draw upon multiple funding sources to help finance their start-up.

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Paper Number: PA051129

Paper Title: A Stakeholders' Approach to Design and Implementation of a Social Service, Evaluation System: The Next Phase

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Summary of Research

With the increasing demand for accountability, stakeholder designed and implemented assessment systems provide an alternative approach to hierarchically established systems. This paper reports on participants' understand of, reactions to and assessment of the effort expended in the design of an impact assessment system in a major, metropolitan United Way. The case study uses triangulated data collected from key informant interviews with United Way volunteers and United Way staff, and survey data collected from United Way funded agencies staff.

Description

1. the problem or issue to be addressed

Over the past decade, nonprofit organizational accountability has become increasingly emphasized and required by virtually every funder, grant-maker and/ or donor. Historically, an array of approaches has been used for designing and implementing assessment systems (Blasi and Wernet, 2004). These approaches have ranged from systems designed and implemented by third party evaluators to systems designed and implemented by consumers of services, i.e. empowerment evaluations.

During this same time period, awareness has grown that collaboration and partnership are necessary for the successful implementation of evaluation systems. However, these partnerships and collaborations have taken numerous forms and yielded an array of organizational and structural arrangements. Of particular interest, are participants' understand of, reactions to and assessment of the effort expended in these initiatives. How do participants understand these initiatives? How do participants understand the process of developing partnerships? How do participants' understand the evolution of the design process? How successful are these initiatives in building partnerships? Are the outcomes worth the time and effort?

The question that continues to face nonprofit professionals is how to design and implement an evaluation system that is respected and supported by all major players within the system?

2. the topic's relation to the state of knowledge in the field (including relevant literature)

Evaluation itself has numerous perspectives and approaches (Rossi, Lipsey and Freeman, 2004; Mark, Henry and Julnes, 2000). One of the key distinctions between evaluation philosophies is the meaning of participation. On the one hand, participation refers to involvement, i.e contribution to and legitimization of any number of phases of the evaluation (Reineke, 1991; Greene, 1988). On the other hand, participation refers to empowerment, i.e. a process through which people redress inequities and overcome oppressive social structures (Hick, 1997; Saari and Saari, 1992a; 1992b). The critical distinction is how involvement of different stakeholders benefits an evaluation's design and implementation.

One approach to assessment is the stakeholder approach (Rossi, Lipsey and Freeman, 2004). The intent is to increase the relevance of evaluation methods and outcomes for consumers of evaluation data (Lawrence, 1989). Participants are involved in all phases of the evaluation project from conceptualization through dissemination (Reineke, 1992; Balaswamy and Dabelko, 2002). This approach requires enormous commitment of time from involved individuals (Reineke, 1991). Consensus building is critical for success of the evaluation work (Sohng, 1992). Critics see legitimization

rather than critical analysis as the focus of this approach (Lackey, Moberg and Balistrieri, 1997). The critics of this cluster of evaluation philosophies are many. They depict evaluation as a politicized process. Users seek legitimization rather than useful, critical analysis of organizational program impacts. Results of the evaluative effort will be perceived as less credible and biased (Scriven 1997). The critical issue at hand is the importance of plurality in the evaluation process, i.e. will evaluation be benefited by involving an array of different stakeholders in the process (Goddard, and Powell, 1994).

Although there is some empirical literature on this subject, it is sparse. There is a need to expand our understanding of these stakeholder designed and implemented systems.

3. the approach you will take (including data sources)

Designed as a case study (Yin, 2003), this paper will report on the ongoing development of a federation-wide assessment system utilizing a stakeholder approach within a major, metropolitan United Way system. This work is a multi year project begun in 2003 and slated for completion no later than 2007. The system design and implementation consists of numerous phases with several steps. Approximately two-thirds of the evaluation system design and implementation is complete.

The case study will report triangulated data collected from key informant interviews with United Way volunteers and United Way staff, and survey data collected from United Way funded agencies staff. Data validation will be conducted using data checks with the key informants.

4. the contribution to the field your work will make

This work will help the field in several ways. It will help expand the field's understanding of the stakeholder approach to assessment and evaluation. The work will also expand our knowledge about phased approaches to designing evaluation systems.

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Paper Number: PA051130

Paper Title: The Pursuit of Similarity While Hoping for Tolerance: An Analysis of Diversity Paradigms Using the Israeli Perach Program

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Summary of Research

Nonprofit organization leaders and government policymakers responding to broad interests may create a set of objectives for programs that result in competing priorities for program implementers. Our paper examines one such situation, the Perach program in which college students mentor young children. Using case study data on Perach, we identify challenges and offer generalizable lessons for nonprofit organizations on how to “manage for diversity” when faced with competing demands. These challenges and lessons fit within a framework of theoretical paradigms for understanding diversity. Our paper adds needed theoretical and empirical depth to discussions of diversity in and for nonprofit organizations

Description

Nonprofit organization leaders and government policymakers responding to broad interests may create a set of objectives for programs that result in competing priorities for program implementers. Our paper examines one such situation, the Perach program in which college students mentor young children. The program is a nation-wide service program, administered through public and nonprofit private universities, and endorsed and financed by the Israeli government. The program has three major objectives with one being helping disadvantaged and underachieving children, and a second objective of promoting tolerance and understanding through joint activities among people of different origins. A third objective is to elevate the social awareness of university students and increase their commitment to close the social gap. The Perach program works within different theoretical paradigms for understanding diversity, and ends up prioritizing some of its objectives over others. We use the case study of the Perach program to identify challenges and offer generalizable lessons for nonprofit organizations on how to “manage for diversity” when faced with competing demands. These challenges and lessons fit within a framework of theoretical paradigms for understanding diversity.

Selden and Selden (2001) review three paradigms for understanding diversity in organizations in the United States and add a fourth paradigm that incorporates elements of the first three paradigms. Different foci, goals, and approaches are associated with the paradigms. The first paradigm is “Discrimination & Fairness” and focuses on organization inputs (hiring and recruitment). The standard approach within this paradigm is to attempt to blind employees to differences in order to reduce discrimination, or highlight differences in order to redress inequities, most popularly, through quotas or hiring goals. The second paradigm is “Access & Legitimacy” with a focus on organization outcomes such the improvement of quality and quantity of access and service to customers. In this paradigm, the approach is to identify differences in order to match staff to customers. The idea is that reducing dissimilarity between staff and customers will increase customer satisfaction and help ensure fair access to services. The third paradigm is “Learning & Effectiveness”. The focus with this paradigm is on organizational internal processes. The goal is to enhance creativity and innovation by taking advantage of differences. The fourth paradigm is the one that Selden and Selden argue best fits a multicultural environment. This paradigm is “Valuing and Integrating”. The focus includes the foci of the other paradigms and adds a focus on the individual employee. The goal is maximization of the benefits from the other paradigms and the development in individuals of tolerance and respect for diversity. The approach is to create a climate of trust and effective communication.

We look at the implementation of the Perach program and participants’ perceptions of program and personal diversity tolerance and understanding outcomes using data from face to face interviews with the national and four out of eight regional directors along with written surveys to program mentors and

their coordinators. Questionnaires were distributed to mentors in these two regions at the beginning of their service (before they were assigned a child) and at the end of their service, approximately nine months later.

The Perach program demonstrates differential application of philosophies and approaches from the theoretical paradigms outlined above. The first two paradigms are dominant. Our paper provides an explanation for this dominance and examines the challenges of organizational adoption of the fourth paradigm promoted by Selden and Selden. It calls into question the ability of organizational leaders and program implementers to draw the most functional and desired aspects from the first and second paradigms, once the paradigms are established, in order to create an organizational environment reflecting the fourth paradigm.

Our paper builds understanding of nonprofit organizations' potential effectiveness in implementing initiatives that include goals of increasing tolerance and understanding of diversity and increasing awareness of social gaps. While not all scholars may agree with Light's (1989) contention that maximizing diversity is necessary for nonprofit organizations to reach their potential, many nonprofit leaders see diversity as a factor that has the potential to both positively and negatively influence their organization's effectiveness. In addition, funders and policymakers can put objectives related to diversity into their program designs and funding criteria. Our paper adds needed depth to debates and discussion of diversity.

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Paper Number: PA051134

Paper Title: Development of Civil Society in Japan over a Decade: Role of Social Capital in Disaster Relief

Author(s):

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Summary of Research

This paper aims to grasp the development of civil society in Japan since the Kobe Earthquake in 1995 with a focus on the role of social capital in disaster relief. The author analyzes the evolution and interaction of nonprofits, volunteers, community, government and business in addressing natural disasters through the comparison of three cases to examine the development of civil society in the recent decade. The major findings are that how much and how social capital has been accumulated, utilized and newly developed in a community is a vital key to successful disaster relief and to sustainable civil society.

Description

This paper aims to grasp the development of civil society in Japan since the Kobe Earthquake in 1995 with a focus on the role of social capital in disaster relief. The year 1995 is called the "original year of volunteering" in Japan because hundreds of thousands of people volunteered in Kobe, and it was the motive for the development of civil society. Japan has experienced many natural disasters such as floods, typhoons and earthquakes over the last decade, and perceptions and approaches to tackle with disasters have changed through the evolution of disaster relief nonprofits and volunteers. How has civil society in Japan transformed through the process, and what are the key factors for its development and successful disaster management? The author hypothesizes that social capital such as trust, networks and norms of reciprocity plays a vital role.

Social capital is considered a key to manage community power, which consists of power of residents to get interested in community, power of accumulating community resources, and power of autonomy (Miyanishi 1986). Volunteering in Kobe raised public awareness of the importance of the citizen sector such as volunteers and nonprofits toward the realization of civil society (Honma and Deguchi 1996). Connections between people and mutual support are considered to be the most important lesson learned from the revival process of the Kobe Earthquake. Natural disasters and social big events affect social capital and civic engagement (Putnam 2000). At the same time, at natural disasters, social capital can take various forms and structure of core networks have effects on how informal and formal support are received (Hulbert, Beggs and Haines 2001).

The author analyzes the evolution and interaction of nonprofits, volunteers, community, government and business in addressing natural disasters through case studies. Interviews and participatory observation were conducted at the Fukui Flood Disaster in 2004. This case was compared to other previous disaster relief activities including the Russian Tanker Spillover accident in Fukui in 1997 as well as the Kobe Earthquake. Process of development and challenges of the disaster relief nonprofits and volunteers, and the role of social capital from each of the three elements of trust, networks and norms of reciprocity were examined. Moreover, analysis of the existing macro data on nonprofits, volunteering and giving has complemented the qualitative case studies in order to understand the quantitative size, scope and trend of the overall nonprofit sector and disaster relief nonprofits.

The major findings are that social capital plays a vital role in tackling with disasters and to the development of civil society: in a crisis like a natural disaster, the value of social capital is tested that has been accumulated within and outside community; in an emergency, producing synergy through various types of social capital--bonding, bridging and linking--is as effective as in ordinary time; and in the process of disaster relief and recovery, new social capital is produced within and outside community. Based on the findings, the author proposed to local government to adopt the importance of social capital such as trust and networks of civic engagement in formulating an ordinance on promoting

disaster relief activities in order to realize a sustainable development of civil society.

This study helps to grasp the development of civil society in Japan over the rapidly changing decade by highlighting significant activities of disaster relief through the application of the social capital concept. Moreover, participatory observation and advocacy through the study have led to link research, practice and policy formulation for disaster relief activities and civil society by utilizing social capital.

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Keywords: social capital, civil society, disaster relief, volunteering, Japan

Paper Number: PA051136

Paper Title: Geography and Generosity: Boston and Beyond -- Preliminary Findings

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Summary of Research

Research Objectives are (1) to evaluate the Generosity Index published by the Catalogue for Philanthropy, (2) to identify regional factors affecting regional giving, and (3) to develop new contexts and potentially new measures for understanding regional differences in giving. Our efforts are directed toward understanding the complexity that underlies regional differences in patterns and amounts of giving, with a special focus on Boston and Massachusetts.

Description

In September 2004 the Center on Wealth and Philanthropy began a two-year study of generosity by the residents of Census regions, states, and metropolitan areas. The study was motivated in part by the fact that the Generosity Index published by the Catalogue for Philanthropy has placed Massachusetts near the bottom of the ranking of all states since its inception in 1996. The study has three foci:

1. Examine and evaluate the Generosity Index;
2. Identify regional factors affecting the patterns of regional giving; and
3. Develop new contexts and potentially new measures for understanding regional differences in giving.

We have completed the first objective and are working on the second and third objectives. The work will be documented in an interim report and associated paper that will be completed by September.

Much of the work involves quantitative profiles and analysis. Basically we are using data from the IRS, the decennial Census, the Current Population Survey, the Consumer Expenditure Survey, and other quantitative data to identify the impact of social, economic, and demographic factors on patterns of giving by state and metropolitan areas. Among other factors, the project will examine the impacts of regional costs of living, costs of public and private education, state and local taxes, and religious affiliation in addition to demographic characteristics on giving behavior. The work will develop profiles of these factors and of giving behavior by state and metropolitan area. The presentation will give an overview of the preliminary findings of this work in progress with an emphasis on geographic variations in patterns of giving vis-à-vis geographic correlates of giving.

This research has far more profound implications for fundraising and community philanthropic development than just clarifying statistical facts and trends. Identifying the factors that are associated with the presence or absence of generosity in a region, and identifying which groups are relatively more or less engaged than in other parts of the country, will suggest strategies for advancing what truly makes a difference in a community rather than simply chastising or lauding it for its statistical ranking. What a difference it would make for those seeking to encourage philanthropy in a state, a metropolitan area, and a region to find out what is valid or invalid about the current perceptions of charitable reluctance, to identify the factors that create the current patterns, and to introduce programs that work in and around a complex and segmented reality rather than in and around conjecture about a misleading state of affairs.

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Paper Number: PA051137

Paper Title: Determinants of Compensation for Fundraising Professionals

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Summary of Research

The proposed research study has been designed to address the research question: "What are the determinants of compensation for individuals who work in nonprofit organizations who serve in the role of fundraising professionals? This study uses a national sample of fundraising professionals to examine the determinants of compensation of fundraising professionals across several types of positions. Survey data were collected over a three year period of time and will be analyzed using regression models to determine the effects of performance, human capital, and organizationla variables on compensation.

Description

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Determinants of Compensation for Fundraising Professionals

ABSTRACT

Issues to be Addressed

In terms of compensation, nonprofits are different from for-profit firms (Steinberg, 1990; Weisbrod, 1983, 1986). Yet, there is a paucity of theoretical and empirical literature concerned with determinants of managerial compensation in this sector, even though hundreds of studies have been conducted examining determinants of managerial compensation in the for-profit sector. The proposed research study has been designed to address the research question: "What are the determinants of compensation for individuals who work in nonprofit organizations in the role of fundraising professionals? What are the key determinants of bonus and salary for these individuals? Does performance influence compensation? Are there gender and race effects for compensation?

Relation to State of Knowledge in the Field

Although there has been some theoretical work on compensation in nonprofits (e.g., Steinberg, 1990; Weisbrod, 1988), we know little about the impact of incentives of managers within nonprofits (Brickley & Van Horn, 2002) and have less understanding of the actual determinants of compensation in nonprofits from an empirical point of view. There are several reasons why the lack of empirical research, theory development, and validation of incentive compensation systems in the nonprofit sector is troubling. First, nonprofits play an important and growing role in the U.S. economy (Hallock, 2002). Nonprofits are growing at an average of 5.1 percent annually—nearly double that of the for profit sector (Salamon, 2002). Second, compensation packages have exploded for many chief executives in the nonprofit sector (Schwinn & Wilhelm, 2003). Salaries paid in 2003 to the top executives of the nation's largest nonprofits rose by twice the inflation rate and the CEOs' salaries of the largest charities and foundations more than doubled from 1997 to 2002--receiving higher percentage raises than their counterparts in the corporate world (Schwinn & Wilhelm, 2003). Third, although use of performance-based compensation plans is a relatively new practice in nonprofits, such practices are becoming more prevalent and expected to increase in the future (Alvarado, 1996; Deckop & Cirka, 2000). Recent studies have found that 25% of nonprofits offer managers the opportunity to earn cash compensation—usually tied to achievement of performance measures (Rocco, 1991, 1992). Fourth, CEO pay in the nonprofit world is becoming more highly scrutinized. New legislation requires nonprofits to document how much they pay their top management as well as require that boards justify and outline the compensation determination process (Preston, 2002). "If the salaries are found to be higher than expected and higher than those found in similar charities," fines could be levied and boards could be required to return the amount overpaid (Hallock, 2002: 378).

Lastly, a substantial literature has begun to accumulate underscoring the differences between the for-profit and nonprofit sector (e.g., Salamon, 2001, 2002; Van Til, 2000), particularly with regard to nonprofit/for-profit wage differential (e.g., Leete, 2001; Ruhm & Borkoski, 2003) as well as compensation and incentive systems (e.g., Ballou & Weisbrod, 2002; Roomkin & Weisbrod, 1999). The reading of this literature suggests that we cannot presume that the research on executive compensation

in for-profit firms will invariably generalize to nonprofits. Furthermore, because reviews of the literature on pay for performance systems often combine results from all three sectors, the current literature could be over-or under representing some of the different sectors (Alvarado, 1996). Without a body of research that specifically focuses on the nonprofit sector, it is difficult to determine whether or not incentive systems that have been successful in the private sector will have their intended effects in the nonprofit arena.

Approach

Sample. This is a national sample of 1860 fundraising professionals across all sub-sectors (e.g., education, religion, consulting, health nonprofit organizations, and other). These included professionals who were full-time (62%), more than half-time (32%), and less than half time (3%), in positions of Chief Development officer (CDO), Deputy Director, staff, and consultant. Mean age was 42; 67% of the sample was female; 94% white.

Data Collection. Three years of survey data were collected through the American Fundraising Professional compensation and benefits survey. Individuals were not matched across years. The following variables are included:

Performance. The main performance variable was contributions raised. The survey question asked “Approximately how much money did your organization raised in contributed fits from all sources in the fiscal year?”

Compensation Measures. (1) Base salary and (2) bonus (percentage of total compensation)

Human capital variables. (1) Age and age squared, (2) gender, (3) race, (4) education, (5) professional certification, (6) full-time equivalency of position, (7) experience.

Organizational Measures. (1) Organizational type, (2) geographic scope, (3) budget, (4) number of staff.

Other control variables. (1) Region of country, (2) position in organization, (3) under employment contract, (4) signing bonus on hiring, (5) used executive recruiter, (6) year completed survey

Data Analysis. Regression models (Pooled OLS) will be used to address the research question, “What are the determinants of compensation for fundraising professional?” We used log Salary and Bonus as dependent variables in regression models for (1) position-specific regressions and (2) as binary variables identifying the positions separately. The first model runs each regression separately for each position. The second model includes all positions relative to each other. Our main variables of interest are the performance variable (i.e., contributions raised), and race and gender. Additional analyses will test for differences in means for the (1) entire sample, (2) by gender, (3) by race—for each type of position (i.e., CDO, deputy director, staff, consultant).

Contribution to the Field

We predict that this research will make a strong contribution to the literature on determinants of pay for fundraising professionals. By using three years of data, we will be able to conduct analysis with a large sample size that will allow us to determine what—if any—actually contribute to explaining the variance in compensation across several types of positions. Furthermore, there is a paucity of research that has been conducted on pay in the nonprofit sector. Having access to this large data set will allow us to examine test our research questions—controlling for human capital as well as organizational variables. Additionally, this research will provide practical information in aiding nonprofits in making better compensation policy decisions.

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Paper Number: PA051139

Paper Title: Dear Friend of Freedom: An Examination of Fund Raising Practices for the Southern Christian Leadership Conference, 1957-1964.

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Summary of Research

The study documents the development of financial and in-kind support for the Southern Christian Leadership Conference (SCLC). Intrinsically linked to the ideals of social change, the African American minister-led, grassroots, southern protest organization cultivated diverse relationships among external contributors, while tapping into the resources of its own ethnic group. As a process of philanthropy, fund raising seeks to secure funds that are important to the donor's cultural, political, and economic value systems. Orchestrated as a spiritual act that focuses on reciprocity and voluntarism, the study examines how the SCLC designed its multitudinous giving campaigns to sustain its ambitious socio-political activities.

Description

At its inception in 1957, the SCLC advocated for African American enfranchisement and civil rights. Contending with Aldon Morris's "resource mobilization" approach, the organization's nonviolent direct action initiatives were supported by SCLC members from designated state affiliations, and through revenue and voluntary support generated at southern Black churches. Despite the practice of time, tithe, and treasure, the meager collection plate offerings and participatory demonstrations were not enough to satisfy the increasing demands of the Movement's rapidly changing environment. Avoiding competition with the National Association for the Advancement of Colored People (NAACP), the SCLC agreed not to cultivate its donor base through individual memberships. Instead the organization implemented an affiliate membership system from a wide range of Masonic, fraternal, civic, social, and professional organizations.

Manipulating emotionally charged public relations techniques based on Reverend Martin Luther King, Jr.'s charismatic speaking engagements, the organization was often accused of stimulating crises to generate donor sympathies. From 1960 to 1964, King's personal affronts and the SCLC's often-tumultuous direct action campaigns garnered sympathetic, compassionate, and/or guilt-ridden responses from contributors who were neither southern, nor African American, nor Christian. Constituents regardless of age, gender, religious beliefs, economic status, educational levels, and geographic region generated new interest in the Movement. The influx of new and often spontaneous "freedom dollars" amassed from celebrity benefits, trade unionists, and others allowed the SCLC to further professionalize its operations with the implementation of a newsletter, a direct mail system, and fund raising offices on both the East and West Coast.

While philanthropy has been an immutable part of the American experience since the seventeenth century, the study illustrates that financial support for the SCLC's protest campaigns did not happen in isolation, but was a significant process of the developmental success of the Movement. Mining newspaper articles, secondary sources, FBI wire transcripts, and ephemera from the President, the Treasurer, Public Relations and the Executive Director's offices, this perspective of the Movement offers a panoramic view of the public response to the SCLC's escalating calls for solicitations. Examining the depth of financial reports, field reports, and constituent letters, the study follows the SCLC's fundraising techniques from its grassroots origins into more elaborate donor campaigns. Securing patronage from those who actively maintained the front lines of a contentious battle, as well as from sideline supporters who simply wrote checks, the study sheds light on motivations' for giving and/or volunteering and postulates why donors gave, when, how much, and for what purposes.

Presenting an overview of the SCLC's fundraising activities, the study will be valuable for many readers who are interested in positioning prospect research so that it is relevant and conducive to the

development of the Movement, and for those who simply want to understand more about the Movement within the context of a philanthropic environment. As a timely treatment of the subject of organizational efficiency, the study illustrates that the SCLC did not raise funds for personal gain. With the business acumen of a Madison Avenue marketing agency, the organization spent hours in research developing proposals, cultivating one-on-one solicitations, planning special events, drafting correspondence, and managing volunteers. By providing a better understanding of why philanthropy is significant to the culture of United States, the study presents a broader view of how the informal practices of grassroots fundraising moved through periods of development, and finally settled on the formalization of a more professional solicitation process.

Paper Number: PA051140

Paper Title: Meeting or Beating Performance Benchmarks: Evidence from the Charities Market

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Summary of Research

Researchers provide evidence of earnings management by for-profit managers to meet forecasts and avoid losses and decreases in earnings. Recent nonprofit studies suggest charity managers are motivated to manage a common charitable performance measure – the program ratio. We investigate whether charities meet or beat performance thresholds set by watchdog agencies, regulators and donors. We examine distributional properties of program ratios around benchmarks and find a non-smooth distribution, similar to studies in the private sector. We also predict program ratios with an expectations model and use the residuals to investigate what characteristics influence the propensity to manage ratios.

Description

The Problems or Issues to be Addressed:

How much charities spend on program service activities as opposed to administrative and fundraising activities is important to charity oversight agencies, regulators, donors, and researchers. In fact, it is common practice for users of charity financial information to use the ratio of program spending to total spending - the program ratio – to evaluate charitable performance. The emphasis on financial ratios to evaluate charities, however, creates an incentive for managers to manipulate reported ratios.

This paper addresses two questions. The first question is whether charities manage program ratios to meet or beat performance benchmarks. Various thresholds are investigated including absolute measures set by government and industry watchdogs, as well as other benchmarks that may be relevant to charity managers such as avoiding decreases in the program ratio. The second question we address is what organizational characteristics influence spending and reporting decisions. In particular, we investigate whether prior performance, the extent of external monitoring, executive compensation, size, industry, the importance of fundraising, and whether potential donors are able to directly view the effectiveness of the charity (typically because it is a local charity) or must rely on the program ratio as an indirect measure of its effectiveness, help explain which charities manage the program ratio.

Relation to State of Knowledge in the Field:

Research in the private sector examine thresholds where earnings management is more likely and provide evidence that managers use accounting discretion to avoid losses and earnings declines and to meet analysts' expectations (Burgstahler and Dichev 1997; Degeorge et al. 1999). Industry-specific studies have also used the distribution of earnings and other earnings components to identify earnings management. For example, Beaver et al. (2003) examine the property-casualty insurance industry and find that both public and private firms avoid losses and that loss reserves are under-reported for firms with small positive earnings and overstated for firms with larger profits. Another industry-specific example is the Leone and Van Horn (2002) study which examines the earnings management patterns of not-for-profit hospitals. Their results indicate not-for-profit hospitals avoid losses, but do not necessarily avoid earnings declines.

Industry watchdog groups and the popular press suggest that donors use the program ratio to determine which charities are worthy of receiving donations. Furthermore, empirical research finds evidence that donations and executive compensation vary directly with program ratios (Weisbrod and Dominguez 1986; Harvey and McCrohan 1988; Posnett and Sandler 1989; Callen 1994; Khumawala

and Gordon 1997; Tinkelman 1999; Baber, Daniel and Roberts 2002). Thus, similar to for-profit firms, charities managers have an incentive to report favorable performance measures to influence donor giving decisions and potentially increase compensation. For example, Jones and Roberts (2005) find that charities use joint cost allocations to manage program ratios, and Roberts et al. (2005) provide evidence that charities maintain and do not improve reported program ratios.

This paper increases our understanding of management manipulation of performance measures in the context of the independent sector.

The Approach We Take:

GAAP and the IRS require nonprofits to classify expenses into three activity functions: program services (programs), fundraising, and administration. We presume that spending on each activity is fundamental to the charity's existence, but potential donors prefer spending on program activities because it advances the mission of the organization. As a result the share of spending devoted to programs influences donor giving decisions and executive compensation.

We use IRS Form 990 tax data from the National Center for Charitable Statistics (NCCS) for 1985 – 2002 and focus on nonprofits classified as charities. In this project, we examine the following questions:

1. Do charities manage the program ratio to meet or beat performance benchmarks set by oversight agencies and donors?
2. Do the characteristics of charities affect their incentive to manage their program ratio?

We examine the distribution of reported program ratios. By examining the distribution of program ratios, we can test whether the frequency of program ratios in narrow intervals around specific thresholds differ from what would occur randomly. The tests assume a smooth pattern of frequencies for program ratios in the absence of manipulation.

We examine whether a measure of ratio management based on the residual from a regression to explain the program ratio is associated with the organizational characteristics of charities. In particular, we investigate whether prior performance, the extent of external monitoring, executive compensation, size, industry, the importance of fundraising, and donor reliance on reported numbers influence the likelihood that a charity manages the program ratio.

Anticipated Contributions of the Study:

This research is important for a number of reasons. First, it is the first study to document the distributional properties of program ratios. Second, it provides evidence that charities may be motivated to meet or beat absolute benchmarks suggested by oversight agencies and relative thresholds such as avoiding declines in performance. Third, it provides evidence that charities with certain characteristics have different reporting incentives.

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Paper Number: PA051141

Paper Title: ACORN'S Accelerated Income Redistribution Project: A Case Study in Direct Action and Service Delivery

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Summary of Research

An evaluation of ACORN's efforts in 2004 to increase numbers of families claiming the Earned Income Tax Credit, challenge predatory lending practices of commercial tax preparation companies, and provide free tax services to working families. This case study evaluates the impact of a direct action campaign against "predatory" tax preparation practices. It also provides an excellent opportunity to consider the relationship between conflict and service strategies in a nonprofit advocating for policy action.

Description

Background & Problem

The Earned Income Tax Credit (EITC) is the country's single most effective poverty reduction program. Every year the EITC moves approximately five million families above the Federal poverty line. At the same time, low income working families are losing additional billions of potential tax credit dollars. In 2001 an estimated 3.5 million families qualified for the EITC but did not claim it. The IRS estimates approximately 20% of families eligible for the EITC do not claim it. Sixty-eight percent of EITC recipients pay someone to prepare their taxes. In 1999 EITC recipients spent two billion dollars on commercial preparation and refund loan fees (Berube, Kim, Forman, & Burns, 2002; Maag, 2005; Wu and Fox, 2004).

In response to the billions of dollars being lost to low income working families, the Association of Community Organizations for Reform Now (ACORN) launched a multi-faceted campaign in three pilot cities—San Antonio, New Orleans, and Miami—that involved the following: 1) extensive door-to-door canvassing (with crews of 10-20 canvassers) in targeted zip codes to inform families of free tax preparation sites, screen families for potential EITC eligibility, and warn families of the predatory loans offered by commercial preparers, and 2) management of free tax preparation sites to provide free tax services and EITC counseling for potentially eligible tax filers. Building on prior work around financial justice (Dreier, 2004; Hurd and Kest, 2003) ACORN also organized a national direct action campaign against the predatory lending practices of H&R Block and Jackson Hewitt, two of the largest commercial preparers, specifically around their Refund Anticipation Loans (RALs). While H&R Block had been the object for decades, especially since the mid-1990s, of class action suits and exposés by consumer advocacy groups, none had implemented a direct action campaign at Block (and Hewitt) office to encourage them to negotiate on the issue of RALs. This case study evaluates both ACORN's work in providing EITC services and conducting the direct action campaign around RALs.

Research Questions

This participatory program evaluation addresses numerous research questions. Was the canvass outreach successful in getting families to turn-out to free tax prep sites? How successful were the ACORN free tax sites at preparing taxes and helping families claim the EITC? Did ACORN's direct action campaign affect the predatory lending practices of H&R Block and Jackson Hewitt? How did ACORN's work around EITC affect their community organizing? What does this campaign say about the contemporary salience of direct action strategy and tactics in social change initiatives? Moreover, what is the relationship between direct action activism and service delivery, in this case between the anti-

RALs campaign and the service delivery around EITC.

Method

Methods included participant observation of the door-to-door canvass, the free tax prep sites, and direct actions on H&R Block. Individual and focus group interviews with tax preparers, canvassers, program administrators, clients of the free tax prep sites, IRS Territory Managers, ACORN members and staff, allied community stakeholders, and Directors of other free tax preparation centers. We utilized administrative data from the IRS, tax sites, and canvass statistics. We also contracted for an independent phone survey of "canvassed" and "non-canvassed" individuals in New Orleans and San Antonio in order to better evaluate the impact of canvassing and community outreach on increasing EITC filing and use of free tax preparation sites.

Results

During the most recent tax season ACORN prepared taxes at no charge for 3850 families who collected a total of \$5 million in EITC and other tax credits. IRS Territory Managers claimed ACORN tax sites were extremely successful, especially for first year tax sites. Error rates in two cities were below average, and in one city the error rate was above average. Other (non-ACORN) free tax sites in zip codes canvassed by ACORN experienced record numbers of clients at their sites. Analysis of intake forms from ACORN's tax prep sites suggested some 55% of clients found out about free tax prep from the door-to-door canvass. Clients of ACORN's free tax sites found the service to be professional, efficient, and friendly. December and January direct actions on over 60 H&R Block offices forced the company to address ACORN's goal of lowering fees and providing more upfront disclosure of the rates charged for rapid refunds. Within six months ACORN won a Memorandum of Understanding from H&R Block which addressed many of ACORN's concerns. Not insignificant, ACORN's efforts to reform predatory tax preparation practices attracted widespread local and national media coverage.

Importance of Findings for Non-Profit Practice

The authors will present a "best practices" model based on the findings of this study to inform further EITC outreach and tax preparation. But this case study expands that work by including the protest activity of the anti-RALs campaign. In that regard, our findings concur with recent studies on the importance of reintegrating social action models into the community organization equation (Fisher and Shragge, 2000). Moreover, in an era of more institutional and even electronic approaches to community organizing, this case study underscores the continued value of door-to-door strategies in poor communities. Lastly, it argues for the complementarity of direct action and service strategies. For organizations interested in both moving an issue and building community, the two approaches, oft deemed antagonistic, reveal a much more complex relationship (Fisher and Karger, 1997).

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Paper Number: PA051142

Paper Title: Civic Engagement Among American Youth: Research, Activism, and Democracy

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Summary of Research

This paper examines youth attitudes toward voting and volunteering: the measurable indicators of social capital. First, we review literature on the subject of social capital and civic engagement among youth. Then, we use quantitative techniques to analyze 2002 and 2004 surveys of youth by the Center for Information and Research on Civic Learning and Engagement (CIRCLE). Using this information, we draw implications for practitioners. We close by highlighting specific strategies for building social capital among youth — bridging institutional boundaries — and point to some examples of such strategies already implicitly informing some in the youth civic engagement field.

Description

□ Young Americans, the data claim, are apathetic. 18- to 24-year olds vote less than other age cohorts, listen to violent music with no social message, and are driven by instant-gratification consumerism. Yet simultaneously, today's youth seem to place a tremendous value on volunteering. They are protesting and demonstrating more than their baby boomer parents, who came of age during the 1960s and 70s. But historically high rates of youth volunteering dropped recently, and the 2004 election featured a spike in youth voter turnout. How do we explain these phenomena?

□ Benjamin Quinto, Executive Director of the Global Youth Action Network, claims youth are disengaged from the political process because they find it ineffectual. Since they want to make an immediate impact in their communities, they engage in service. This intuitive (and somewhat satisfactory) response raises new questions: what characteristics distinguish those who vote while others find it ineffective? What empirical findings explain the relative similarities and differences between those young people who vote, volunteer, do both, and do neither? Finally, can these findings bridge the gap between various social institutions (schools, churches, families) to address important community issues?

□ In this paper, we reject one answer to these questions: the cynical (or laissez-faire) response that it doesn't matter; that we should let things be. If young people want to vote or volunteer, they will. Why interfere in what amounts to a naturally-occurring supply and demand— a "market" for civic participation?

□ A strong case can be made that the health of our democracy is at stake. In a society valuing the participation of all its citizens, millions of voters are disengaged from politics and decreasingly likely to start voting as they get older. The fact that many young people volunteer is insufficient to spark engagement; even service-learning is most effective when community service and political service are integrated, combining theory and practice; service and politics.

□ In America, young people are conspicuously absent from a political system replete with special interests. This has spurred a growth in the number of youth-serving advocacy organizations. As these organizations coalesce around the poles of voting and volunteering, it becomes evermore important to analyze the characteristics of young people who engage in these activities and those who do not.

□ In this paper, we first conduct an extensive literature review of the extant research in the field. In doing so, we find a conspicuous gap: while social capital among our youth has been addressed in various ways, few people have empirically studied the characteristics of young people who vote, volunteer, those who do both, and those who do neither. We undertake such a comparative study,

using quantitative methods, in the second part of this paper.

- Using the findings from our empirical analysis, we explicate key findings and implications for practitioners. In this part, we endeavor to bridge the gap between researchers and practitioners. Indeed, one of us (Dr. Chris Toppe) is a professional researcher, while another of us (Goutam U. Jois) first got started in this field as a youth activist. In our paper, we combine theory and practice to inform our empirical analysis and our subsequent implications for practitioners.
- Finally, we use these implications as a lens through which we view youth social capital-building programs. In doing so, we demonstrate that there are organizations that are implicitly informed by our principles as they define issues, identify causes, and develop action options.
- Over the past several years, the vitality of America's civil society has been the subject of national debate. Here, we hope to highlight the interrelated approach necessary to effectively address this issue. Specifically, groups from families to schools; from advocacy organizations to churches and temples must do their part to rebuilding our social capital. Such contribution to the theory and practice of building social capital is the goal of this paper.

Paper Number: PA051144

Paper Title: Finding Homes for Their Dreams: Strategies Founders & Program Initiators Use to Position and Sustain Faith-Based Programs

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Summary of Research

This grounded theory study of 15 faith-based programs in four urban cities examines how initiators and founders find homes for their human service visions. Founders (including congregations, individuals, or groups) place their visions in contexts through developing new organizations in which to place their programs, temporarily incubating them until a new organization is formed, tethering them to congregations, or birthing them in well established faith-related agencies with deep roots in the community. Their visions have the potential to become programmatic legends, influencing the identity of their organizational homes and images held of those homes by the larger community.

Description

The Problem or Issue to be Addressed

□ Founders play the initial role of communicating a vision around which an organizational or programmatic identity will emerge. That vision and how it is perceived by the larger community will be an image that may linger for many years. Founders have to convince others that their visions are worthy of becoming a program or an organization. Conceivably, founders put a spin on the developing identity of their organizations or programs, facilitating the creation of images in the minds of multiple constituents. Founders set the tone from which organizational identity and image emerge. This is a pivotal role to play and involves strategizing about the feasibility and fit of a vision with its potential for implementation. Without a home in which to implement the vision, the service idea remains illusive.

□ Names of founders riddle the literature, brochures, and oral traditions of organizations. Their influence is acknowledged. Few would doubt that founders influenced early operations and embedded cultural elements in the programs and organizations they pressed to create. Yet, the characteristics of founders and the strategies they use to position their visions within structures most likely to assure future success is less well known in the research literature. Knowing more about characteristics and strategies could be instructive in providing clues to an organization's identity and how its services are perceived by others. It appears from our research that the conceptualization of "founder" may be more complex than anticipated.

Topic's Relevant to the State of the Knowledge

□ Schein (1992) indicates that the mechanism that is "by far the most important for cultural beginnings is the impact of founders. Founders not only choose the basic mission and the environmental context in which the new group will operate, but they choose the group members and bias the original responses that the group makes in its efforts to succeed in its environment and to integrate itself" (pp. 211-212).

□ Block and Rosenberg (2002) indicate that no matter how much power and privilege a board member may hold, few will match the esteem held of an organization's founder. Founder's syndrome is "the influential powers and privileges that the founder exercises or that others attribute to the founder" (p. 354). They point out that although much is known about executive directors of organizations, there is little empirical work on founding executive directors or founding board chairs. The nonprofit literature has been "largely silent on issues surrounding founders of nonprofit organizations" and point out that the few studies that have touched upon founders have done so only as a secondary aspect of their work (p. 354).

□ Abzug and Galaskiewicz point out that boards often come “to symbolize or represent the organization to the broader community . . . The composition of boards, then is of central importance to nonprofits” (2001, p. 51). Interestingly, Block and Rosenberg’s founders’ study focuses on the roles they play, but there are no data on founder characteristics as individuals. If Abzug and Galaskiewicz are correct about the symbolic and critical role that board composition plays, then the personal characteristics of founders may be relevant as well. □

□ The literature on faith-based organizations recognizes that religious characteristics of founders, board members, and staff contribute to the development of an organizational culture and identity that is somehow different from those birthed in secular arenas. For example, in their volume on boards of religious organizations, Holland and Hester (2000) recognize that “ultimately trustees are the only group in an institution who have primary responsibility for seeing that the vision does not get lost in the details of daily life” (p. 6). Thus, the roles played by founders and board members of religious organizations are recognized.

The Approach Taken

□ The Pew Charitable Trusts funded Baylor University School of Social Work to study factors contributing to the provision of faith-based human service programs. A team of researchers from four universities (Baylor, University of Pittsburgh, Virginia Commonwealth University, and the Center for Religion and Civic Culture at the University of California) joined efforts in summer 2002 to begin their work.

□ Fifteen organizations having “promising programs” in four urban communities in the United States were selected as a purposive sample for the first phase of the research. A grounded theory approach was used to conduct in-depth, qualitative interviews with key informants in selected programs (Strauss & Corbin, 1998). Maximum variation was sought among all sites in the selection process along the dimensions of structure, funding source(s), and service population(s), and with special attention to racial diversity, intensity of collaboration, degree of professionalization, stage of organizational development, and religious/faith orientation. Sampling was undertaken in waves with an eye to this maximum variation. Direct human service programs since our focus was on organizations with human service identities.

□ Semi-structured interview guides were adjusted after each phase of data collection and analysis to reflect new understandings gained in the previous phase. The guides were used with an average of five stakeholders in each program: administrator, staff member or program coordinator, participant, board member, and collaborator. The team from the four universities interviewed 64 stakeholders from promising faith-based programs, completing data collection in summer 2003. Interviews lasted from forty-five minutes to two hours each, were taped, transcribed, and reviewed for accuracy. ATLAS.ti, a qualitative software package, designed to manage the constant comparison of a grounded theory data analysis process, was used to analyze the transcribed interviews (Glaser & Strauss, 1967; O'Connor, 2002; Weiss, 1994.)

Contribution to the Field

□ Of the 15 faith-based programs studied, 4 are located in congregations and 11 are housed in religiously-affiliated 501(c)(3) agencies. All are located in large urban areas and all serve persons with low incomes. Nine are related to Protestant denominations, whereas, 2 are Catholic, 2 are Muslim, 1 is Jewish, and 1 is Interfaith. Programs range in age from one to over 10 years, in organizations/congregations that range in age from one to over 100 years. Programs serve diverse groups and provide multiple types of services. Separating the four congregations from the remaining eleven nonprofits reveals a variety of stories. Three (3) programs begin within a congregation, but are subsequently spun off as a separate nonprofit; four (4) programs spawn their own organization, thus creating a new organization with a unitary program (at least in the beginning); and the four (4) remaining programs are securely placed within long-established religious affiliates in the community.

Thus, in four (4) of the 11 programs, the initiator of the program is also the founder of the organization. Identities of both organization and program fuse, the birthing legends are one and the same.

□ When we compare and contrast the quotations about "founder," types of founders can be categorized as congregations, individuals, or groups. Founders are diverse in their personal characteristics, even though they all are strongly committed in their passion to the cause – targeting unmet needs in specific target populations. From these stories and experiences, the participants describe the factors and the structures that helped promote their founders' visions. The code "facilitating factors" captures those elements used to make programs and/or organizations come alive. Here "timing" and "insight from other programs" are recurring themes. Typically the birthing process is facilitated by involving collaborative partnerships with others. Once the service idea is sanctioned, four types of strategies are used by program initiators to fit their visions into legitimate structures: 1) placing programs in congregations; 2) incubating programs in congregations, then spinning them off as nonprofits; 3) using programs to generate new nonprofits, and 4) nurturing programs in the protective arms of a long established religious affiliate. Metaphorically we consider placing programs in congregations as similar to "renting rooms" housing in which the maintenance of a program is assumed by a landlord. Incubating programs in congregations prior to spinning them off is similar to "temporary lodging" in which from the beginning the founder expects the program to move when the time is right. Generating new nonprofits is similar to "building a new home" in which ownership and control is so important to the founder that it is worth the risk. And last, placing programs in religious affiliates can be viewed as "permanent housing" in which a program is lodging under the secure rubric of an established organizational auspice.

□ Stories of how these organizations began appear as kernels of program identity, but the images these stories invoke may live on in the minds of various constituencies even after new identities have emerged. These stories appear to be pivotal events that ground program identity. They seem to have the power to exhort commitment to a cause, sometimes beyond the available resources. Thus, it seems important to understand the strategies used by founders to find homes for their dreams and how those dreams are embraced by, and continue to inspire, others who become part of their implementation.

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Paper Number: PA051148

Paper Title: Whose Agenda Is It Anyway? Capacity building for policy implementation or practice development

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Summary of Research

This paper builds on a recent research study to examine the interaction between the public policy agenda and nonprofit practice in the field of organisational 'capacity building'. The paper looks at the currency, value and complexity of 'capacity building' as the process which can enable nonprofits to contribute more effectively to the delivery of public services. Inconsistent use and application of the concept, as well as poor design of interventions restrict the potential of 'capacity building' to deliver benefits to nonprofits or to meet public policy objectives. The implications for both nonprofits and policy makers are discussed.

Description

Outline

This paper explores the theoretical and practical challenges of delivering a 'capacity building' programme for nonprofit organisations (commonly referred to in the UK as voluntary and community organisations or VCOs).

The Link to the Conference Themes

In line with the conference title 'Nonprofits, Philanthropy and the Public Agenda: Linking Research, Practice and Policy', this proposal builds on a recent research study to examine the interaction between the public policy agenda and non-profit practice in the field of organisational capacity building.

Existing Literature

There is an emerging body of academic research and practitioner literature on capacity building within nonprofit / third sector organisations. Several types of organisational capacity have been identified, including capacity for programme delivery, programme expansion and adaptive capacity (for example, Backer 2001). It is suggested that capacity building interventions may be targeted at different levels - for example, the community, the organisation or the institution - and that the focus of such interventions may vary - for example institutional networks, technical skills, strategic development processes and / or resources (Skinner 1997; Twigg 2001;). These diverse approaches to understanding 'capacity building' would imply that it is a contested term which is, in effect, conceptually homeless (Harrow 2001). Few researchers have focused on the actual practice of 'capacity building' within nonprofits; this is the focus of our paper.

The UK Public Policy Agenda on Capacity Building and Nonprofits

In spite of the conceptual confusion around 'capacity building', the term is increasingly used in the context of UK public policy initiatives: for example, three recent central government publications, (HM Treasury, 2002; HM Treasury, 2003; Active Communities Directorate, 2004) refer to the need to build the 'capacity' of VCOs, and indicate that major funding will be available for this. These publications highlight 'capacity building' as the process which can enable VCOs to contribute more effectively to the delivery of public services.

It can be argued that this instrumental approach is consistent with New Public Management Theory (Harrow 2001) in which capacity building is conceptualised as a tool to enhance the ongoing marketisation of public services by improving the performance, capability and infrastructure of VCOs as key agents in the delivery of public services (Harris, Rochester and Halfpenny, 2001).

The Research Questions

This agenda raises questions about both the concept of 'capacity building' itself, as well as its application in the voluntary/nonprofit sector. Is there a consistent understanding and use of the term across governmental and VCOs? What different delivery methods and delivery agents are used to apply the concept? What are the benefits and consequences for organisations engaged with capacity building activities? Is there evidence to support 'effective' practice?

Our Study and this Paper

The paper will build on the findings of an action research study of a large scale VCO led capacity building programme in Birmingham, England. The fieldwork for the study comprised 37 interviews with members of the programme's governing body, governmental funders of the programme, and recipients of programme grant aid and technical support; as well as five focus groups with project staff responsible for implementing a capacity building initiative in their organisation. Six case studies of organisations that participated in the capacity building programme were also carried out.

The data revealed the diverse ways in which VCOs are currently interpreting 'capacity building', ranging from those with no clear understanding of the concept at all, through to individuals able to distinguish between 'deficit' and 'empowerment' models of capacity building (Harrow, 2001). The case study organisations were all in receipt of governmental funding for their capacity building activities and were able to identify a range of benefits. These included: improved relationships with governmental agencies; more sustainable service provision; increased ability to make informed choices about organisational development.

Although the capacity building activities of the VCOs studied were widely appreciated by both participants and beneficiaries, the study also showed that implementing the governmental capacity building agenda posed a number of challenges. First, the study revealed that members of the programme's governing body and governmental funders of the programme had very different views about the purpose and process of capacity building, resulting in a delivery mechanism that often created confusion and competition amongst the target group of the programme. Second, the role of the intermediary VCO responsible for the implementation of the capacity building programme was highly complex, demanding the development of processes and structures for capacity building in a pioneering and experimental way without being given the time or resources by governmental funders to do so. Third, effective implementation of capacity building initiatives seemed less dependent upon technical support and guidance made available by the programme than on pre-existing organisational characteristics, for example 'adaptive' capacity (Letts, Ryan, and Grossman, 1999).

The paper will build on these study findings to explore and discuss their implications for governmental policy makers and VCOs themselves. It will consider current public policy objectives for 'capacity building' and what we can learn from the study about the currency and value of both the concept and the application of 'capacity building' for VCOs, as well as the difficulties, first identified by Lewin (in Eden & Huxham 1996), of trying to assess the impact of 'capacity building' activities (see also Connolly and York, 2002). In spite of these difficulties, the paper will move beyond recent empirical research in this field to present a tentative model for the design and delivery of capacity building that attempts to reconcile the tension between public policy and voluntary/nonprofit practice.

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Paper Number: PA051149

Paper Title: Speaking for those who can't speak for themselves: Environmental Protection as Philanthropy

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Summary of Research

Literary representations of how humans interact with insects and animals suggest that giving is a humanizing act. By examining the human-animal distinction in literature, I demonstrate that one quality that makes us human is the willingness to share what we have with others, even other species. I do this by examining Kafka's "The Metamorphosis," which establishes a dualism where humans are opposed to and terrified of the natural world, and Martel's Life of Pi, which imagines a generous disposition towards animals and reveals that generosity and receptivity to nature create the conditions necessary for our own physical and spiritual wellbeing.

Description

In this paper, I will explore the notion of giving as a humanizing act by exploring literary representations of how human beings interact with insects and animals. By examining the human-animal distinction in literature, I will demonstrate that one of the qualities that makes us human is our generosity and our willingness to share what we have with others, even if the others are not of the same species.

In Kafka's "The Metamorphosis," Gregor Samsa wakes up one day and discovers that over night he has been transformed into a beetle. Aside from this fantastic phenomenon, the remainder of the novella is a realistic depiction of the challenges and struggles Gregor faces as a result of this transformation. Since Kafka does not inform us as to why Gregor is so dramatically transformed, this is a topic of some debate among literary critics. I maintain that Gregor's transformation is a symbolic representation of his mundane existence, enslaved to his job as a salesman and to the obligation to pay back a debt his parents have accrued. Gregor's life is so full of obligations that he has little room for love or generosity. The one exception to this bleak existence is Gregor's relationship with his sister, particularly with her violin playing, which deeply moves him and convinces him of her talent. This love for his sister and the impulse of generosity it arouses in him have the potential of restoring Gregor's humanity but fail to do so.

I plan to contrast this text with Yann Martel's novel, Life of Pi, where an Indian boy named Pi, the son of a zookeeper, survives a shipwreck in a lifeboat in which there are several zoo animals, including a Bengal tiger. Pi's abundant zoological knowledge helps him to stay alive for seven months while sharing a small boat with this carnivorous wild animal. Like "The Metamorphosis," Life of Pi consists of realistic, even naturalistic, prose; the detailed descriptions of the animal world and of Pi's activities on the boat seduce the reader into suspending her disbelief and being amazed at the protagonist's ingenuity. Pi survives his ordeal both physically and spiritually by recognizing that he and the tiger are both literally and figuratively "in the same boat," which leads him to share his water and food with the beast. Yet he uses his generosity as a way to dominate the animal. Nevertheless, tiger and human forge a bond through their forced close encounter that gives Pi the motivation to survive.

Martel's more contemporary understanding of animals and of mankind's more generous disposition towards them points to an ecological view of the world, such as that of poet Mary Oliver, in which our generosity and receptivity to nature create the conditions necessary for our own physical and spiritual wellbeing.

Paper Number: PA051151

Paper Title: The Rise and Fall of Innovative Ideas: An Attention-Based View of Intrapreneurial Processes in Nonprofit Organizations

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Summary of Research

Despite the importance of innovation and intrapreneurship to nonprofit organizations in today's society, relatively little is known about the intrapreneurial process of these organizations. This study presents an attention-based view of intrapreneurial processes in nonprofit organizations and illustrates it with a case study. It explores how "innovative windows" (i.e., funding opportunities and "precipitating events") interact with organizational attention structures in determining the salience of different innovative ideas and hence the selective managerial responses to these ideas.

Description

The nonprofit and voluntary sector has become a powerful and increasingly popular vehicle for innovation and entrepreneurship (Frumkin, 2002). While traditional thinking about nonprofit entrepreneurship has focused on start-up activity and new-venture creation, there is a surging academic interest in the idea of "intrapreneurship." That is, the development and implementation of new ideas within an existing organization (Badelt, 1997; Drucker, 1985; Pinchot and Pellman, 1999).

Despite the importance of innovation and intrapreneurship to nonprofit organizations in today's society (Drucker, 1985; Frumkin, 2002), relatively little is known about the intrapreneurial process of these organizations (Bygrave and Hofer, 1991; Tropman, 1989). What are the mechanisms through which innovative ideas actually emerge and develop into new products, services, and programs? Why does a nonprofit organization pursue and implement some innovative ideas but ignore others? What are the factors that shape its selective response to innovative ideas and initiatives in and around its organizational boundary? These questions remain insufficiently addressed by the existing literature.

An increasingly number of scholars has called for the need to focus on the intrapreneurial process (e.g., Hornsby et al., 1993; Tropman, 1989) instead of psychological characteristics and personal attributes or the roles and functions of intrapreneurs (e.g., Pinchot, 1985). Moreover, several studies on the intrapreneurial process of nonprofit organizations suggest a context-dependent nature of the intrapreneurial process. Kimberly and associates, for example, posited that the ability of nonprofit organizations to remain open to innovation is significantly influenced by various environmental and contextual constraints (Kimberly et al., 1990). In similar vein, Tropman (1989) suggested that innovation in nonprofit organizations is influenced by environmental changes, organizational culture, and organizational structure, among others.

In light of the context-dependent nature of the intrapreneurial process of nonprofit organizations, this study draws upon the attention-based view of the firm (Ocasio, 1997) and the garbage can model of organizational decision making (Cohen, March, and Olsen, 1972; Kingdon, 1984) to introduce an attention-based view of nonprofit intrapreneurship. More specifically, it contends that two groups of contextual factors, namely, organizational attention structures (i.e., rules of the game, players, structural positions, and resources) and "innovative windows" (i.e., funding opportunities and "precipitating events") jointly determine the salience of different innovative ideas and initiatives in an organization, and thus influence how the organization respond to these ideas and initiatives.

An embedded case study (i.e., a case study with multiple units of analysis) is conducted to illustrate the theoretical framework. A nonprofit human service organization is selected for case study. Semi-structured, in-depth interviews are conducted with key individuals from the organization selected for case study. The selection of case study methodology reflects my intention to "expand and generalize

theories (analytical generalization)" instead of statistical generalization (Yin, 1994: 10).

This study will make several significant contributions to the existing literature of nonprofit intrapreneurship. First, in an effort to open up the "black box" of the process through which innovative ideas develop into products and services in a nonprofit organization, it reflects a useful response to the call for more focus on the intrapreneurial process by the emerging literature. Moreover, through the introduction of the concepts of "organizational attention structures" and "innovative windows," it improves our understanding of the effects of the structural contexts of an organization on its intrapreneurial activities.

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Paper Number: PA051153

Paper Title: Advocacy Activities in Nonprofit Human Service Organizations: Research Findings and Their Implications for Policy Action

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Summary of Research

The paper presents findings from a study on political activities in non-profit organizations that provide services to various clients. In those settings, we examined the following issues: the organizations' perceptions and definitions of their political activity; the extent of their political activity, as reflected in programs, budgets, personnel, etc.; the main strategies used by the organizations in their political activity; and the extent to which it contributes to protecting rights of disadvantaged and minority populations. The data collected in the study have significantly contributed to enhancing understanding of political behavior in welfare and human service organizations.

Description

The paper aims to present the findings of a study that examined the scope of political activity in nonprofit social and welfare service organizations in Israel. Specifically, we sought to examine how the organizations perceive and define their political activity, and how those perceptions are expressed in the field. The main objectives of the study were to identify areas of political activity in the organization, as well as the strategies and modes of operation used by the organization to promote its espoused ideology and goals. Despite increased research interest in issues related to third sector organizations, very few theoretical and empirical studies have examined political activity in those settings (Boris & Mosher-Williams, 1998; De-Vita, 1999). According to Boris and Mosher-Williams (1998), nonprofit organizations play a variety of roles in civil society, but their role as advocates for specific causes, for specific populations, or specific programs has, at best, been overlooked or misunderstood and, at worst, misrepresented or maligned (p. 490). Salamon (1995) also indicates that even though the importance of the political role of nonprofit organizations has been recognized, there is almost no empirical knowledge on the extent to which those organizations fulfill that role. McCarthy and Castelli (2002) further mention that the few studies dealing the political activity of nonprofit organizations have methodological shortcomings. One of the main problems relates to the attempt to identify and isolate organizations that focus on advocacy and political activity, and to define them as advocacy organizations. Based on their studies, it has been claimed that political activity in third sector organizations is limited in scope. For example, a study of third sector organizations that provide human, health, educational, religious, and adoption services revealed that 33% of them dealt with some type of political activity (Young, Ian, & Bailey, 1994). Another study conducted during the 1980s among 1,250 welfare organizations in the United States revealed that only 11% engaged in political activity (Sosin, 1986). Salamon's (1995) survey examined whether organizations engage in one or more types of political activities aimed at protecting specific client populations or at promoting political issues and lobbying for legislation. Of 3,400 organizations participating in the survey, 18% reported that they engage in one or more types of political activity. Only 16% of the organizations reported no expenditures related to political activity, and over 50% reported that their expenditures for political activity were lower than 10% of their total annual budget.

Additionally, only 16.7% of the social service organizations participating in the study engaged in political activity, compared with 17.2% of those defined as mental health services, and 13.7% that were defined as residential institutions. The findings on the limited extent of political activity in nonprofit organizations are consistent with the results of other studies (Gidron, Katz, & Bar, 2000; Knoke, 1990; Schmid, et al., 2000). Schmid et al. revealed that only 4% of all third sector organizations in Israel define their main activity as advocacy. A slightly higher percentage (9%) of advocacy activity was found among nonprofit organizations that provide human services.

□A review of the literature on political activity among third sector human service organizations reveals that in most cases, those organizations have been viewed as interest groups; (Berry, 1999; Hays, 2001; Whiteley & Winyard, 1987). Hoefer (2000a,b) also used the definition of

“interest groups” to examine third sector organizations, and found that their political activity was extremely limited. This trend was supported by Prof. W.R. Scott at the 2004 ARNOVA Conference in Los Angeles, who raised the issue of why so few organizations engage in so few advocacy activities. Essentially, Scott emphasized the need to encourage further exploration of the topic, which has received little theoretical and empirical attention.

□ Along those lines, the present study sought to assess and estimate the extent of political activity in nonprofit human service organizations.

□ Specifically, we examined the following questions:

1. □ How do the organizations perceive and define their political activity?
2. □ What is the extent of political activity in those organizations, as reflected in their programs, budgetary resources, personnel, and other resources?
3. □ What are the main areas of political activity?
4. □ What strategies and modes of operation do the organizations use in their political activity?
5. □ Who is the political activity aimed toward (the political system, the central government and local authorities, the business sector, public opinion, etc.)?

The research population consisted of about 1,250 welfare organizations in Israel that provide services to the following populations: youth and adolescents, elderly persons, persons with disabilities, and women. The sample was drawn from the “Third Sector Database”, which lists the names, addresses, and purposes of the organizations as well as the number of employees and other relevant information. One hundred of the organizations were drawn from a representative stratified sample, according to size and geographic location. The main research instrument was a questionnaire addressed to the directors of the organizations, which allowed for collection of essential data on the organization’s political activities through in-depth interviews.

□ On the whole, the study contributes empirical data on the political behavior and advocacy activities of nonprofit human service organizations. The data also shed light on their modes of operation, their effectiveness in achieving espoused goals, and the extent to which they promote the welfare and rights of their clients. In practical terms, the study adds new perspectives on the roles of third sector organizations and on their contribution to strengthening civil society. These organizations counterbalance the government and local authorities, and play a particularly important role today, as governments seek to reduce their participation in social and economic affairs, and absolve themselves of responsibility for the well-being of disadvantaged and minority populations.

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Paper Number: PA051156

Paper Title: Community Colleges and Baccalaureate Degrees: A Study of the Policy Framing Activities of Two Florida-Based Non-Profits

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Summary of Research

The presentation deals with nonprofits that framed policies permitting community colleges to grant baccalaureate degrees in Florida. The introductory section presents a conceptual framework for the role of nonprofits in organizational change in the institutions of American community college. The next section describes how elements of qualitative research such as frame analysis, grounded theory and case study are used, and how the data collection procedures and the analytical methods help generate grounded theories. The concluding section presents findings based on the analysis of verbatim transcripts of interviews of major stakeholders of the policy change under investigation.

Description

Perhaps because their activities seemingly run counter to the core values of the nonprofit sector, nonprofits that focus largely on advocacy activities have received relatively less attention from scholars (the most recent studies include Boris, 1999; Boris & Krehely, 2002; Young, 1999; Reid, 1999) than others with ostensibly more “charitable” missions. In addition, even though nonprofits are permitted to engage in lobbying and other political activities more extensively than is commonly assumed (Grobman, 2002), these activities are relatively rarely studied, arguably because they constitute a sort of “dark side” of nonprofit sector activities. This study addresses this void by focusing on the advocacy activities of a small group of nonprofit organizations in Florida that became actively engaged in the public policy debate concerning a proposal to change the mission of the state’s community colleges to permit them to grant baccalaureate degrees.

This paper is based on my dissertation research, which is a broader examination of the policy debate aimed at realizing this change in the community college system as a sub-sector of the American post-secondary education. At the end of the 20th and the beginning of the 21st century, Florida became preoccupied with activities related to increasing baccalaureate access. Some policy makers suggested that access could be expanded through allowing community colleges to grant baccalaureate degrees. Community colleges offering baccalaureates constitutes a significant change in both the potential consequences and the implications of how it arose. The new policy augurs the possibility of conflict between these institutions and nearby public universities over access to students. In addition, it is unclear whether any membership-based accreditation agencies will be readily willing to accredit the new programs. These and other dynamics bode a rocky future for the initiative (Armstrong, 1999; Dougherty, 1991; O’Banion, 1997; Zwerling, 1976). On another, theoretical, front is the question of how such initiatives arise and succeed in the first place. Politics are clearly part of the answer, but this study is designed specifically to provide a more definitive and nuanced answer.

An important role in framing the debate was played by non-profits such as a Florida-based nonprofit association, Community College Baccalaureate Association (CCBA), which communicated “the advantages of offering certain baccalaureate degrees through community colleges” (Community College Baccalaureate Association, 2001) and the James Madison Institute (JMI), a Florida-based research and educational nonprofit organization. The latter acted as a mini-think tank of Florida Legislature’s Council for Education Policy, Research and Improvement (CEPRI) during the adoption and implementation of this policy change (James Madison Institute, 2002).

This paper explores the activities of CCBA and JMI as active participants in the policy debate. Although not directly opposed to the initiative, the JMI has taken a more cautious stance in the frame-construction process. The study also focuses on the decision-making process at CEPRI, which is in charge of authorizing community colleges to grant bachelor degrees, and the institutional dynamics in two Florida community colleges, of which one has applied for CEPRI’s permission and the other has not. The study applies verbatim transcripts of interviews of key stakeholders that function in formal leadership roles within the above groups.

The study integrates grounded theory as an approach applied to the microanalysis of data with frame analysis by selectively coding for policy frames and their related concepts that emerge in the course of analysis. The study also draws on case study methods to help access information and make theoretical comparisons. A frame analysis approach (e.g. Abolafia, 2004; Goffman, 1974; Rein & Schon, 1996; Yanow, 2001) in combination with grounded theory (Glaser & Strauss, 1967; Strauss & Corbin, 1998) was selected for this investigation because it promises to provide a sound theory that could offer a deeper look into underlying forces and processes that influence how decisions are made by legislators and other organizational leaders concerning organizational changes in higher education. To help access data and make theoretical comparisons in the process of theory construction, this investigation utilizes a case study method (e.g., Eisenhardt, 1989; Stake, 1995; Yin, 1994). Grounded theory is applied to the microanalysis of data by selectively coding for policy frames and their related concepts to be emerged in the course of analysis.

In particular, attention is centered on policy frames and the reframing, or re-interpreting, of policy by nonprofits as advocates for policy action. This interpretive politics approach is designed to add to our understanding of how meaning is constructed in the process of accomplishing policy change. This paper does not, however, intend to include all the instances of policy framing by nonprofit advocates – but only those that will be viewed as essential for realizing change. Such framing actions should induce strong feelings among the participants, change the direction of discourse, or redefine essential issues. In this project, the researcher is specifically focused on the political frames shaped by the non-profit organizations under investigation, which underlie the change in the mission of several community colleges in Florida. In conclusion, the paper fills in important background about the policy framing process and, more specifically, contributes to foundational understanding of the advocacy activities of ostensibly public-serving nonprofit organizations.

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Paper Number: PA051158

Paper Title: Nonprofit-public sector collaboration for local government strengthening: experience from Eastern Europe

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Summary of Research

Research highlights the collaboration between the public and nonprofit sectors in the policy process and service delivery. Worldwide trends toward decentralization, democratization, and urbanization have multiplied pressures on local governments (LGs) for which they are unprepared. Local government support organizations (LGSOs)—nonprofits that provide technical assistance, undertake policy advocacy, and encourage sharing experience and best practices—can partner with LGs to help meet their challenges. This comparative study of LGSO development in three countries (Bulgaria, Ukraine, and Romania) documents the enabling features for successful partnership.

Description

The public and nonprofit sectors are collaborating in various ways in the policy process and service delivery (Brinkerhoff and Brinkerhoff 2002, Powell and Clemens 1998). This paper analyzes public–nonprofit collaboration at the local-government level. Worldwide trends toward decentralization, democratization, and urbanization have increased the pressures on local governments (LGs).

Particularly in resource-poor countries that are moving from centralized and authoritarian political systems to decentralized democratic governance, LGs find themselves tested and pushed as never before.

LGs cannot overcome their weaknesses on their own. One approach is to develop local government support organizations, or LGSOs (Arnold and Plant 1994, Bingham et al. 1981). These are nonprofit institutions that promote efficiency for local governments, provide technical assistance, support lobbying for local interests at the national level, and encourage the sharing of domestic and international best practices. This paper presents a study on developing LGSOs as an integral component of LG reform and strengthening strategies in developing/transitions countries (see Maffin 1998). It draws on three country cases (Bulgaria, Romania, and Ukraine) prepared for the study, based on fieldwork. The topic of nonprofit support to LGs for policy advocacy and service delivery improvement is relatively under-researched, and lacks a robust body of literature. This study contributes to filling this research gap.

LGSOs fulfill several critical functions: knowledge generation, knowledge dissemination, relations with other levels of government (policy advocacy and monitoring), and individual member services. Nonprofit organizations that seek to fulfill these functions include: local government associations, organizations of public officials and municipal specialists, foundations and public policy research institutes, and citizens' groups.

LGSO capacity development calls for a strategic perspective on nonprofit-public sector cooperation (Brinkerhoff and Crosby 2002, Brinkerhoff and Brinkerhoff 2002). This includes an analysis of the enabling environment, including the policy and legal framework; institutional mapping of LGs and existing LGSOs; and stakeholder analysis. The paper proposes a set of assessment tools for operationalizing the strategy.

For LGSOs to fulfill their potential roles, they need to build core management capacities. These capacities consist of developing three types of skills and abilities: outward-looking functions, internal systems and procedures, and forward-looking functions that incorporate performance and sustainability (Brinkerhoff 1992, Brinkerhoff and Crosby 2002). The comparative case analysis confirms that high-performing LGSOs identify the critical issues facing LGs and set strategic goals that can mobilize their constituencies for collective action. They maintain a non-partisan and independent stance that helps

them to build consensus and support for change among municipal officials, citizens' groups, members of the legislative and executive branches of regional and central government, and the business community. Their internal management structures and procedures lead to efficient, transparent, and accountable operations; and their internal governance provides for close contact with members and responsiveness to their needs and concerns. They independently develop, or assure access to, relevant technical expertise for addressing the needs of municipalities and for policy advocacy. They have flexible, visionary, and forward-looking leadership that adjusts strategies to evolving conditions, seizes opportunities as they emerge, and develops political savvy. The findings yield a set of LGSO indicators, which can serve as the basis for an index for LGSO effectiveness.

Among the lessons learned, the experiences confirm that local government practitioners learn most effectively from their peers, as trusted sources of information and innovation. Capacity building also needs to be practical, targeting the day-to-day problems of local government decision-makers and managers, and allowing individual officials to observe new practices and engage in local trial-and-error. Establishing voluntary associations requires a core of catalytic individuals committed to change and a strategy of demand creation. However, association development involves constantly searching for new talent among the pool of local government practitioners, and melding them into the association's leadership cadre. Finally, association-building strategies need to evolve over time. An early emphasis on awareness building, founding organizations and building their capacity is appropriate, but it should give way to an emphasis on resolving tangible problems, such as a national legal environment that constrains LG financing. Such a web constitutes invaluable social capital (Grootaert and van Bastelaer 2001). It contributes to a pool of expertise on local government issues, working relationships across municipalities, and a shared vision for effectively meeting the needs of local government.

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Paper Number: PA051166

Paper Title: Service learning cross-sector partnerships: mutual versus productive

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Summary of Research

Research on cross-sector partnerships disregards differences between arrangements where cooperation derives from partners pooling resources together to accomplish a joint goal and those where cooperation derives from the mutual exchange of valuable resources. This paper suggests that whether partnerships build on mutual exchanges or the joint pooling of resources crucially affects the outcomes, conditions, and behaviors framing cross-sector partnerships. The study builds on a sample of partnerships between Institutions of Higher Education and community actors for the implementation of service learning projects.

Description

The last two decades have seen a multiplication of cross-sector partnerships (Crane, 2000; Parker & Selsky, 2004). This proliferation is highly desirable. These partnerships can marshal talent and resources to define and implement innovative solutions to complex social problems (Trist, 1983; Brown, 1991; Waddock & Post, 1995; Brown & Ashman, 1996; Westley & Vredenburg 1997; Parker & Selsky, 2001; Lawrence, Hardy, & Phillips, 2002). However, frequently these partnerships do not live up to their potential and disappear before bringing to fruition any relevant results (Westley & Vredenburg, 1991; Ashman, 2001; Martin, 2004; Parker & Selsky, 2004).

Traditionally, scholars have agreed that the most crucial element to the endurance and effectiveness of partnerships is that all the parties engaged derive the outcomes they expected from their participation (Brass, Galaskiewicz, Greve, & Tsai, 2004). More recently, researchers have turned attention to the conditions framing the relationships among the parties, e.g. differences in status and power (Brass et al., 2004; Ostrom, 1990; Ring & Van de Ven, 1992), or interpersonal trust among the individuals representing the organizations (Beckman, Haunschild, & Phillips, 2004). They have also considered the behavior dynamics framing how the parties develop shared understandings, e.g. their ability to communicate effectively (Gray, 1989; Ashman, 2001; Parker & Selsky, 2004). We propose another dimension: the type of social exchange defining the relationship. Social exchange describes a voluntary activity between two organizations which has consequences, actual or anticipated, for the realization of their respective goals or objectives (Levine & White, 1961, p. 583).

Conceptualizing interorganizational partnerships as patterned social exchanges is a well established perspective in sociology (Levine and White, 1961, Das & Teng, 2002, Biggart & Delbridge, 2004). Most of this research, however, has assumed that these exchanges are mutual, i.e. they engage two parties that reciprocally exchange resources. For example, A provides B a pool of volunteers, B provides A the opportunity to engage its students in applied learning. However, social exchange scholars have identified mutual as only one possible type of exchanges (Emerson, 1972, 1981, Molm, 1994, Molm & Cook, 1995, Lawler, Thye, & Yoon 2000). Interdependent exchanges those involving the joined pooling of resources to achieve a desirable goal is another type of exchange: A provides volunteers, B provides resources, by pooling their resources together, A and B develop a guide of services for a low income community.

Our study identifies and compares successful cross-sector partnerships that build on these two types of social exchanges (mutual and interdependent), and unveils relevant differences between them. This finding adds to current research on the impact of structural factors on cross-sector partnerships (Astley & Van de Ven, 1983; Ashman, 2001). Traditionally, cross-sector partnership research stressed the impact of behavioral dynamics on the success of partnerships. Incorporating structural differences,

such as type of exchange, as meaningful dimensions deemphasizes the role of these dynamics. We should not forget though that, as proposed in negotiated order (Strauss, 1978) scholarship, there is a mutually influencing connection between behavior dynamics and type of exchange. Type of exchange defines the behavioral dynamics of the partnership relationship, but, at the same time, behavioral dynamics define, and can even change, type of exchange.

The partnerships studied are formed by Institutions of Higher Education (IHEs) and community actors (private voluntary organizations, K-12 schools, government agencies, etc.) engaged in Service Learning projects. Service learning is a pedagogical tool in which the community work is intrinsic to the learning process (Edwards, Mooney, and Heald, 2001, p. 445; Marullo, 1996; Bringle, Games, Ludlum, Osgood, & Osborne, 2000; Hinck & Brandell, 2000; Mooney & Edwards, 2001, Marullo & Edwards, 2000). Service learning engagements between university and community are highly valued not only because of their potential for student learning but also because they are assumed to increase IHE's civic engagement by "bringing academics and practitioners into closer relationships" (Ostrander, 2004, p. 74; Maurrasse, 2001).

The study includes a sample of service learning partnerships in the New England Region. We studied these partnerships following two separate methodologies: (a) a survey instrument answered by instructors, service learning coordinators, and community representatives participating in 27 successful SL partnerships, and (b) 27 semi-structured interviews conducted with individuals engaged in 13 of the surveyed partnerships.

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Paper Number: PA051168

Paper Title: Donor Preferences and Charitable Giving

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Summary of Research

This study entailed the administration of a mail survey of 2,000 donors to determine if baby boomers (aged 40 to 58) would be more inclined than mature donors (aged 59 and older) to value organizational efficiency, outcomes, and information when making a charitable gift.

Statistically significant differences existed between the following age groups:

- Baby boomers and mature donors, where baby boomers valued information more than mature donors.
- Young donors and baby boomers, where young donors valued efficiency less.
- Young donors and mature donors, where young donors valued efficiency less and outcomes and information more than mature donors.

Description

This study entailed the administration of a mail survey of 2,000 donors to determine if baby boomers (aged 40 to 58) would be more inclined than mature donors (aged 59 and older) to value efficiency, organizational outcomes, and information when making a charitable gift. There were no statistically significant differences between donors of the baby boomer generation and mature donors concerning the variables efficiency and outcomes, but there were statistically significant differences between baby boomers and mature donors regarding the variable information: baby boomers valued information more than mature donors did.

Moreover, significant differences were found between young donors (aged 18-39), baby boomers, and mature donors regarding efficiency, where young donors valued efficiency the least and mature donors valued efficiency the most. Young donors were less demanding than baby boomers and mature donors regarding both the percentage charities should spend on overhead, and their desire to be informed of that percentage. Young donors were also more likely than baby boomers and mature donors to give to a charity that spent a high percentage on overhead.

The research also demonstrated that there were differences between young donors and mature donors regarding the value they accorded to organizational outcomes when making a decision to give, such that young donors valued organizational outcomes more than baby boomers and mature donors. Young donors read and desired information about an organization's accomplishments, such as program outcomes, more often than baby boomers and mature donors. Young donors were also more likely to give more money to a charity if they had more information regarding how their gift would be used.

Finally, young donors were more likely than baby boomers and mature donors, respectively, to use the Internet, a charity's web site, or friends or family, to search out information about a charity when making a decision to give. Young donors used a greater range of sources of information when making a decision to give than did baby boomers and mature donors, respectively.

Paper Number: PA051169

Paper Title: The New Reality of Nonprofit Competition: A Theory-Based Case Study

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Summary of Research

The “new reality” of nonprofit management is that nonprofit organizations face competition. Nonprofit organizations face competitive pressures from the private sector and from other nonprofit organizations. The sector’s response to this competition can be strategic and/or tactical. That this competition exists is no longer a moot point. However, theory-based explanations for the genesis of this competition are rare. In this paper we offer one possible theory-based explanation for the rise of competition among nonprofit organizations and present a dual case study that supports this explanation.

Description

The “new reality” of nonprofit management is that nonprofit organizations face competition. Nonprofit organizations face competitive pressures from the private sector (Hirth, 1999) and from other nonprofit organizations (Savas, 2002). This competition comes in health care (Hirth, 1999), education (Baer, 2000), social services (Savas, 2002), and, as always, for donors (Perry, 2003). The sector’s response to this competition can be strategic (Barman, 2002) and/or tactical (Porter, 2004, Naddaff, 2004). Some (Eikenberry & Kluver, 2004) worry that this competition is causing ‘Marketization’ of the sector that will result in a deterioration of the unique quality contributions of nonprofit organizations. That this competition exists is no longer a moot point. However, theory-based explanations for the genesis of this competition are rare. In this paper we offer one possible theory-based explanation for the rise of competition among nonprofit organizations and present a dual case study that supports this explanation.

Ever since Malcolm P. McNair developed his wheel of retailing theory over forty-five years ago, it has remained one of the most discussed topics in the field of marketing and especially retailing (Savitt 1989). McNair’s theory suggests that new forms of retail operations enter the marketplace as rather simple operations with a narrow focus. As the retailer evolves, management often tends to respond to both customer needs and competition by ‘trading up’ the operation. The trading-up phase continues to evolve until the retailer enters a ‘state of vulnerability’. The retailer has transformed itself into a top-heavy entity trying to serve too many market demands with a decreasing level of effectiveness. As consumers find an increasing lack of satisfaction with and trust for such retailers, opportunities can oftentimes open up for new and simpler retailing formats to evolve. In many respects these look and operate much like the firms which are presently in the vulnerability state did at their time of origin. (McNair 1958, Hollander 1960, Brown 1991).

Social service nonprofit organizations possess many similarities to their retailing counterparts (Govekar, Govekar, & Ewing, 2000). They provide a service which meets a target client or member group’s needs, promote these services, carefully distribute them to the need group and value (price) them in response to the need which is shown.

This similarity suggests that when a social service organization is founded it starts out as narrowly focused entity doing an excellent job of serving its need group. As the organization continues to evolve, there can often be a motivation to expand its services both vertically and horizontally. This is often in response not only to the target group’s needs but also to competing social service organizations that may have come onto the scene. An organization in this ‘trading up’ phase (McNair, 1958) may not only expand services but also physical facilities and increasingly use promotion. These changes have the potential to increase their operating costs per patron served and, more seriously, to destroy some of the original relationship of close contact with their communities.

If this growth pattern continues, the organization evolves into an entity that looks, operates and serves clients in a manner often very different from its original form. It is now vulnerable to competition from new entrant social organizations that operate much as it did at its founding. These are lower cost operations in close direct personal contact with local needs.

In this paper we present a case study of two nonprofit organizations in Rural County, Ohio, to demonstrate how the wheel of retailing concept might be applied to nonprofit organizations. Every organization experiences changes over time that can be described by life cycle theory. One challenge for researchers is to determine which life cycle theory best describes their particular organization. With these examples, we argue that there is a reasonable fit between McNair's (1958) Wheel of Retailing life cycle theory and the experience of these two nonprofit social service organizations. Suggestions that retailers draw from this model are potentially of good use to nonprofits for identifying and acting to mediate the adverse impact of these evolutionary changes. Unless they do so they will find that success is ephemeral, containing the seeds of eventual decline, unless management specifically plans for, acts, and markets its relationship with customers/clients, donors, volunteers and the wider community.

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Paper Number: PA051170

Paper Title: Nonprofit Networks and Collaborations: Incidence, Scope and Outcomes

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Summary of Research

Nonprofits form relationships with other organizations, because key funders strongly encourage it and to expand their service capacity, coordinate their programs with those of other organizations, gain access to needed resources, share costs, and/or enhance their visibility. These relationships range from formal headquarter-chapter affiliations to collaborations and informal networks, and often involve partnership with other sectors. We report results from a 2002 survey of 2,206 Indiana nonprofits on the extent to which they participate in various forms of formal and informal relationships and how they assess the impact of these on their abilities to secure key organizational capacities.

Description

Nonprofits face increasing demands for their programs and services, but encounter major challenges in securing adequate financial resources to meet these demands. Indeed, according to survey data, this is their single most pervasive major challenge. Even if that were not the case, nonprofits must necessarily focus their activities on a fairly narrow range of activities if they are to remain true to their mission. At the same time, changes in community conditions mean that needs are becoming more complex and often beyond the capacity of any single organization.

For these reasons – and also because key institutional funders, such as government agencies, foundations, and United Way organizations, strongly encourage (at times demand) it – nonprofits frequently form relationships with other organizations. They do so to expand their service capacity, coordinate their programs with those of other organizations, gain access to needed resources, share costs, and/or enhance their visibility.

These relationships may take a variety of forms, ranging from formal headquarter-chapter affiliations to collaborations and informal networks. Moreover, they often span sector boundaries, as nonprofits work in partnership with government agencies or for-profit organizations. As such, these networks and collaborative structures are an integral part of the “new public management” paradigm, in which government carries out public policy under a variety of cooperative structures with other organizational actors.

This paper is based on a large statewide survey of 2,206 Indiana nonprofits of all types - charities, congregations, advocacy and mutual benefit nonprofits - completed in 2002. Using resource dependency theory (to explore the role of funding relationships), institutional theory (to explore sources of isomorphism), we examine the extent to which Indiana nonprofits participate in various forms of formal and informal relationships with other organizations and how they assess the impact of these relationships on their abilities to secure key organizational capacities (e.g., reputation, services, funding, staff, volunteers, or board members). Using multivariate analysis and several different models, we explore how participation in various forms of collaboration relate to organizational characteristics, such as field of activity, size, funding mix, age, access to information technology, and other features.

Our analysis shows that more than half of Indiana nonprofits are affiliated in some way. This is especially the case for nonprofits in the public and societal benefit (e.g., advocacy, community development, philanthropy) and religion fields, older nonprofits, and medium-sized and large organizations. Besides religious bodies, with whom most religion nonprofits are affiliated, Indiana nonprofits in every field are most likely to be affiliated with various mutual benefit or membership associations (e.g., fraternal organizations, professional or trade associations and the like). In addition,

Some 14 percent of Indiana nonprofits received funds from federated funders during the most recently completed fiscal year. This is disproportionately so for nonprofits in the health and human services fields.

We also find that more than half (57 percent) of Indiana nonprofits participate in formal collaborations or informal networks with other entities, with informal networks are more common than formal collaborations. Overall, participation in collaborations or networks relates most significantly to the nonprofits' size and their access to technology: larger nonprofits and those with basic information technology components are most likely to indicate that they participate in such relationships.

The median number of organizations in Indiana nonprofits' most important network or collaboration is five, although the number is disproportionately higher for health nonprofits and for religion nonprofits that provide human services. Nonprofits that are small in size and lack technology are disproportionately likely to participate in small networks and collaborations. About half of the relationships are homogeneous in scope, involving only one or two different types of organizations. The variety of organizations involved is positively related to how many organizations are involved in the relationship. Generally, Indiana nonprofits are most likely to say that secular service organizations (42 percent) and religious bodies (41 percent) are involved in these relationships, although this varies according to the field of service in which they are active. Many nonprofits are also involved with governments (33 percent) or for-profit organizations (23 percent).

When asked whether involvement in networks and collaborations makes it easier, harder, or has no impact on maintaining key organizational capacities, Indiana nonprofits were most likely to say that such participation makes it easier for them to enhance their visibility or reputation, meet client or member needs, and obtain funding. Arts, culture and humanities nonprofits stand out as most likely to indicate that they benefit from involvement in networks and collaborations.

Our analysis also shows that two-fifths of Indiana nonprofits compete with other organizations (both in and outside of the nonprofit sector) for a variety of resources. They compete most extensively with secular nonprofits (29 percent), followed by religious nonprofits (22 percent), businesses (13 percent), and governments (10 percent). Generally, the prevalence of competition with other organizations increases with size and access to technology. Nonprofits that participate in formal or informal relationships are also more likely to compete than those that are not.

Our conclusion highlights five key findings. First, most Indiana nonprofits interact with other organizations: They do so collaboratively through vertical headquarter-subsidiary affiliations or horizontally through informal networks or formal collaborations. They also interact competitively with other organizations when they seek to secure funding or new staff and volunteers. While these interactions occur primarily within the nonprofit sector, they cut across sector boundaries. Indeed, many Indiana nonprofits collaborate and compete with organizations in the government and for-profit sectors.

Second, the impact of collaborations is mixed. For some nonprofits, involvement in networks and collaborations help them maintain certain organizational capacities. Yet many, and in some instances, a majority of Indiana nonprofits say that their participation in networks and collaborations has no such effect. Nearly 20 percent of the nonprofits in the state that are involved in these relationships say that their participation has no impact, makes it harder, or is not applicable to accomplishing any of the fundamental tasks about which we asked, such as obtaining funding, meeting client or member needs, or recruiting and retaining staff, volunteers, and board members.

Third, at nearly every point in our analysis, access to basic information technology plays an important role. Nonprofits with basic technological components in place, such as computers, access to the Internet, e-mail, and a web-site are significantly more likely than those without these resources to receive certain types of federated funding, participate in collaborations or networks, be involved in disproportionately large networks and collaborations, benefit from these relationships, and compete with other organizations.

Fourth, organizational size is central to understanding interorganizational relations: Large nonprofits are disproportionately more likely to receive federated funding, participate in both formal collaborations and informal networks, be involved in large networks and collaborations, and compete with other organizations for various reasons.

Finally, in most instances, certain nonprofit fields stand out in the way that nonprofits interact with other organizations even after controlling for various organizational characteristics, such as size, age, primary funding source, and access to technology. For example, a significantly high percentage of religion nonprofits are affiliated with other organizations, health nonprofits are disproportionately likely to participate in informal relationships, while nonprofits in the arts field are the most likely to participate in formal ones. Moreover health nonprofits are the most likely to participate in large networks and collaborations, while human services nonprofits indicate their most important relationships are large in scope (i.e. include many different types of organizations). Arts, culture and humanities nonprofits are disproportionately likely to benefit from their participation in these relationships and nonprofits in the religion and public benefit fields are the least likely to compete with other organizations.

Paper Number: PA051171

Paper Title: When is administrative efficiency associated with charitable donations?

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Summary of Research

We empirically test the relation of administrative efficiency (measured as the ratio of administrative to total expenses) to donations, using regression analysis on three large samples of nonprofit organizations: NCCS “digitized data” for 2000-2001; SOI data from 1982-94, and 1992-94 state regulatory data. We find that the divergent results in prior research are due to differences in sample composition.

Description

We empirically test the relation of administrative efficiency (measured as the ratio of administrative to total expenses) to donations, using regression analysis on three large samples of nonprofit organizations: NCCS “digitized data” for 2000-2001; SOI data from 1982-94, and 1992-94 state regulatory data.

It is widely believed that donors disfavor organizations that spend “too much” on non-program costs. The idea that such costs increase the “price” of obtaining charitable output was first set forth by Weisbrod and Dominguez (1986). While the reaction of donations to “price” has been extensively studied (see Weisbrod and Dominguez (1986), Posnett and Sandler (1989), Parsons (2003), Tinkelman (1999, 2004), Okten and Weisbrod (2000)), there has been little research focusing specifically on the impact of the administrative cost ratio.

The three recent papers on the issue have reached divergent results. Frumkin and Kim (2001) use IRS Statistics of Income (“SOI”) data, and found no significant association between donations and a fundraising ratio. Frumkin and Kim regressed donations on an administrative cost ratio, program expenses, fundraising expenses, total revenues, and government grants. Marudas and Jacobs (2004) replicated their work, using a somewhat different empirical specification, and found generally similar results. Greenlee and Brown (1999) studied Pennsylvania regulatory data, using a different regression model, and found a significant negative relation. Greenlee and Brown regressed contributions on a differently defined administrative cost ratio, a fund-raising ratio, and lagged total contributions. Because the studies used different samples and non-nested models, it is difficult to reconcile their results.

We try to unify the research by first replicating prior work on the same samples, and then testing both prior models, and a model based on Posnett and Sandler’s, to explore the factors accounting for the divergence in results. Following Tinkelman (1999), we posit that certain organizational characteristics affect the relevance and reliability of administrative ratios, and therefore affect donor’s sensitivity to them.

We find that prior divergent empirical conclusions regarding the sensitivity of donations to administrative ratios are primarily due to sample differences. When samples are restricted to those nonprofit organizations which are reliant on donations for a major portion of revenues, and which also report non-trivial amounts of administrative and fundraising expenses, donations are negatively associated with high administrative cost ratios. When these restrictions are not used, the association between donations and administrative ratios is often either positive or not significant. The findings have implications for both researchers and nonprofit managers.

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Paper Number: PA051173

Paper Title: Collaborative Efforts in the Nonprofit Sector: A Coorientation Model Study

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Summary of Research

Using the coorientation model of public relations as a theoretical framework, this study measures the levels of agreement between nonprofit managers and foundations on variables pertaining to nonprofit collaborations. Four large national foundations and their grantees have agreed to participate in the project, which is being conducted in May, 2005. Analysis of the findings will allow for better communication between nonprofit organizations and their funders and will lead to a better understanding of both support for and concerns about collaborations in the nonprofit sector.

Description

The foundation-nonprofit organization relationship is built upon mutual dependency. By law, foundations must give away five percent of their endowments each year, and many nonprofit organizations rely on grant support from foundations to provide their services.

In recent years, many scholars have argued that nonprofits need to collaborate in order to reduce duplicative services and to avoid competition for money (La Piana, 1998). Others have studied the effectiveness of collaborative efforts within the sector (Young, 2001; Schuman, 2000) yet none have examined how these two sides view collaborative efforts.

Scholars have found that loss of autonomy, ego-involvement, concern for the organizations' clients, and different organizational cultures have been the reasons for avoidance of nonprofit collaborations (Sheridan, 1998; Salamon, 2002; Stone, 2000; Mulroy & Tamburo, 2004). Recent ARNOVA conference papers have also addressed the external factors pushing nonprofits toward collaboration (Murray, 1994) and components of solid collaborative partnerships (Snavely & Tracy, 2002). However, the major limitation of these studies is that they focus mainly on one side of the collaboration. None have examined the views of nonprofit collaborations and compared the points-of-view of the funder and the funding recipient.

Public relations theory offers a useful model of communication that would help scholars better understand the current assessment of nonprofit collaborations. The coorientation model traces its beginnings to psychological studies about the mutual orientation of two individuals to some object. McLeod and Chaffee (1973) adapted the model to address mass communication, specifically that people's behavior results from more than their internal thinking—it also is affected by their orientation to other people and perceptions of the views others hold. Broom and Dozier (1990) adapted the theory to corporations and publics, resulting in a model that represents the two sides of an organization-public relationship. Kelly (1998) revised that model to develop one that depicts a nonprofit organization's relationship with an enabling public—specifically, a charitable organization's orientation to donors.

For this study, the coorientation model consists of four elements: (a) the nonprofit management's views on collaborative efforts, represented by the beliefs of individuals who participate in decision making; (b) the foundation leaders' views on the issue; (c) the nonprofit management's estimate of the foundation perspective (i.e., perception); and (d) the foundation leaders' estimate of the nonprofit management's views. The following four research questions guide this study:

RQ1: To what extent do foundation leaders and nonprofit managers agree/disagree on collaborative efforts within the sector?

RQ2: To what extent do foundation leaders and nonprofit managers perceive agreement/disagreement

between themselves and the other side on variables associated with the nonprofit sector's collaborative efforts?

RQ3: To what extent do foundation leaders and nonprofit managers accurate/ inaccurate in predicting the other side's views on variables associated with nonprofit collaborations?

RQ4: What coorientation state exists between foundation leaders and nonprofit managers on variables associated with nonprofit collaborations?

The coorientation model is a powerful but underutilized approach to public relations research (Cutlip et al., 2000). Few practitioners apply it to problems in the field. Yet organizations' communication and action may be completely inappropriate and ineffective if inaccurate perceptions exist on either side. As Dozier and Ehling (1992) warned, "Misperceptions can lead to catastrophic actions whenever the dominant coalition sees agreement or disagreement when none actually exists" (p. 181). Because of the dependent relationship between foundations and nonprofit organizations, it is vital to understand and address inaccurate perceptions of collaborative efforts.

This study is being conducted in May, 2005. Four large national foundations have agreed to participate in the study, and their grantees are also being encouraged to participate in the survey. Nonprofit organizations who were not funded by these foundations are not being included in the survey to eliminate any biased answers based on funding decisions. Independent and paired sample t-tests will be used to analyze the data.

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Paper Number: PA051174

Paper Title: Convergence & Competition: United Ways & Community Foundations

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Summary of Research

This is a national study on the status of relations between Community Foundations and United Ways in rural communities, mid-size cities and large urban metropolitan areas. Based on surveys of 200 Community Foundation and United Way chapter executives as well as key informant interviews, the research will establish a baseline on the degree of competition and cooperation among the two types of organizations. The research will surface which efforts—from the minimal (coexistence) to the maximum (collaboration)—are and are not working around the country.

Description

Leaders in the Community Foundation and United Way fields, as well as the broader community of philanthropy, are familiar with anecdotal stories of indifference, collaboration, and even all out war used to characterize the relations between Community Foundations and United Ways at the local and regional levels. While Community Foundations have been relatively untouched by national media stories focusing on excess compensation and self-dealing in the nonprofit sector, the United Way has been affected especially by the stories from Washington, D.C. and Lansing, Michigan.

Coupled with a decline in workplace giving, the United Way of America and many of its members are now involved in a re-branding process. Discussions about endowment building, growing donor-advised funds, and serving as community convenors, point to potential mission overlap and donor confusion and the opportunity for growing competition not collaboration with Community Foundations. Leaders of both types of organizations are asking tough questions about what relationship they should have with each other. Thus there is a immediate need for this national research and report.

A national survey asks questions of Community Foundation and United Way chapter executives about similarities and differences—as well as collaboration and competition—in the following areas:

- *Mission/community purpose
- *Governance
- *Finance
- *Community needs assessment
- *Donor services
- *Fundraising strategy
- *Marketing strategy

The research design includes:

- *A web-based survey of 200 executives
- *In-depth interviews with 20 pairs of community foundation and United Way executives in diverse communities across the country

The research is being conducted by Nancy Ragey, Senior Consultant at CompassPoint Nonprofit Services (www.compasspoint.org)—a leading provider of training, consulting, and research on the nonprofit sector with offices in San Francisco and San Jose, California. We last presented to ARNOVA findings from a national study of nonprofit executives CompassPoint completed in 2001.

Paper Number: PA051181

Paper Title: NGO Practices and Social Change in East Timor

Author(s):

Naoki Suzuki, Seisen University, Ibaraki, JAPAN

Summary of Research

This paper describes how daily practices of an NGO have made differences in constructing progressive working relationships among stakeholders. Through Health Education Project in East Timor, the NGO has helped the local community address their health problems that have been caused by long struggles of the independent movement. The activities encouraged the communication between the community and the local government, strengthened the link between the headquarters of the Ministry of Health (MOH) and local health centers, and developed a reliable NGO-MOH partnership, which, in turn, made the NGO staff gain confident about their work.

Description

Attempting to address urgent needs derived from the mass destruction in East Timor, a Japanese NGO, called Services for the Health in Asia & African Regions (SHARE) launched its operation three months after the calamity. After the emergency situation abated in a few months, SHARE made a decision to continuously serve for the country. SHARE not only tried to address identified health problems in the community but also, and more importantly, struggled to construct favorable working relationships with MOH staff and local health workers in the community in hopes of positively influencing their policies and practices. In addition, SHARE had to recruit and train local staff that actually did not have much knowledge about health.

This paper depicts events and happenings that relate to activities of SHARE. The first part starts with explaining how SHARE initiated its operation. Once SHARE was in the country, it inevitably became part of the dynamic transitional processes of the health sector and faced a challenging policy change of the Division of Health Services (DHS) in its relationship with NGOs. After explaining changes in political environments of SHARE, the paper, then, describes a strategy that SHARE took to cope with this challenge.

The second half of the paper is devoted to narrating activities that SHARE staff went through after their project, Health Education/Promotion Project, was approved by MOH. While this project is still on-going, major activities so far include community research, presentation of the results of the research, preparation of teaching materials, and practices of TOT. These activities not only serve to their own ends but also, and remarkably, contribute to generate positive by-products such as capacity building of SHARE local staff, developing a close and collaborative working relationship with MOH, and gaining appreciation from practitioners of other organizations in the health sector. Although they are by-products, they are precious capital of the NGO, without which SHARE East Timor would be much less effective. The impact of the by-products can explain the present performance of SHARE to a great extent.

It is, of course, too early to evaluate this on-going project and activities. But, analyses of how the by-products were generated can provide relevant lessons for NGO practitioners. The paper, thus, analyzes the activities and identifies practical strategies that are more likely to generate the capital.

As a board member of SHARE, I conducted participatory observation. Although I did not get involved in daily activities in the field, I interacted with SHARE staff both in Tokyo and in East Timor via e-mail and face-to-face conversations. Information and data that I present mostly came from them.

Paper Number: PA051182

Paper Title: Governance of Nonprofit Organizations – The Need for a Synthesis of Strategy and Economics

Author(s):

Johanna Maria Wolfbauer, Vienna University of Economics and Business Administration, Vienna, Austria

Summary of Research

The term governance is currently being discussed in a multitude of academic disciplines, including micro and organizational economics, corporate finance, accounting, law, but also psychology, political science and nonprofit research. This paper, using the theoretical background of NIE, corporate governance, stakeholder approach and resource-based view, aims to work out a model combining all perspectives and coming up with a synthesis, the governance triangle for nonprofit organizations. On the basis of the governance triangle provided by the author it is possible to analyze governance mechanisms and to derive needs for an effective governance system from above-named perspectives.

Description

There are a lot of different perspectives looking at the topic of governance of NPOs. But what exactly is governance when it comes to nonprofit organizations? Is there only just one way of effective governance? Is it possible to come to a synthesis of different theories and perspectives according to the target function of a NPO? This paper, using the theoretical background of NIE (Williamson 1985), corporate governance (Monks/Minow 2000; Rajan/Zingales 2000; Shleifer/Vishny 1997; Tirole 2001; Zingales 1998), stakeholder approach (Charreaux/Desbordes 2001; Freeman 1984; Jones 1995), and resource-based view (Amit/Shoemaker 1993; Barney 1986; Grant 1991; Madhok 2002; Teece/Pisano/Shuen 1997), aims to work out a model combining all perspectives and coming up with a synthesis, the governance triangle.

Corporate governance, in comparison to governance of NPOs, based on the concept of shareholder value, focuses on the relationship between the providers of funds and the management and formulates solutions based on the findings of principal-agent theory in order to harmonise conflicting sets of interests under asymmetric information and differing risk propensity. Shleifer and Vishny therefore see in corporate governance "the fundamental question [...] how to assure financiers that they get a return on their financial investment". They are so entitled to the residual derived from the value creation process, which establishes their exceptional need for protection.

In recent years a reorientation and an increasing trend to move away from a monistic representation of interests when describing management processes has been noticeable; taking into account stakeholders (staff, customers, suppliers etc.) is becoming an important element in management of NPOs and, thus, implies broad consequences for governance. It includes the whole distribution process of the surplus generated to all stakeholders in the analysis. Here, too, the theory of the firm plays an important role, as the object of interpretation of a nexus of complete contracts is extended by incomplete contracts in the works of the newer property rights theory. Incomplete contracts expose those actors that have invested specifically within a transaction to - opportunistically motivated - renegotiations (which results in an asymmetric distribution of power). As at least parts of an investment are sunk costs, this leads to a significant loss of value if the transaction fails. This loss of value (quasi-rent) results from the difference between the value of a successful transaction and the value of the second-best use. The organization can here be interpreted as a network of specific investments. Specific investments, however, are not exclusively made by the owners, but by almost all of the actors involved in the value creation process (staff, customers etc.) and provide the basis for creating tangible and intangible resources. With incomplete contracts, their claims are jeopardised every time there are (ex post) opportunistically motivated renegotiations and a redistribution of the quasi-rent. Hence governance, from the point of view of the stakeholder approach, includes all institutions that restrict or redirect human actions in the value creation process and thus form, by means of the quasi-rent, the negotiation process taking place ex post. This way, governance significantly influences the performance

of the organization, as well as the wealth of the stakeholders. It is a legal (de jure) and factual (de facto) framework for controlling and supervising a NPO, with both internal and external exchange relations being regulated through the value creation process. The stakeholder-oriented mechanisms of governance aim at the management encouraging stakeholders to make specific investments as well as in its decisions taking into consideration the interests of all groups involved. The cornerstones of stakeholder-oriented governance are trust, information, reputation, workers' participation and corporate culture. Due to the fact that many claims of the individual stakeholder groups are implicit, they have to trust the organization to act in their interest.

As specific investments made by stakeholders entail imperfect markets and, thus, as a further consequence form the basis for creating competitive advantages and value, it is a pivotal task of modern governance to further and safeguard them. Value creation and distribution are highly interdependent in this context, also for nonprofit organizations. If stakeholders anticipate an impending renegotiation, they sometimes refrain from making specific investments, resulting in underinvestment problems (the efficient investment level is not reached as value-creating investments are not made). In this context, the following questions seem to be of particular relevance: (i) Which factors influence the renegotiation of quasi-rents decisively? (ii) Which stakeholders can claim a higher share in the quasi-rents?

Rajan and Zingales take valuable resources to be the main determiner of the renegotiation of quasi-rents. Those stakeholders who own valuable resources are also able to claim a higher share in the quasi-rent generated. Thus it is essential to analyse resources and their properties in more detail. In the following section resources will be analysed from the point of view of the resource-based view (RBV) and the existing structure of disposition rights will be scrutinized from a stakeholder approach perspective.

The resource-based view (RBV) in strategic management in (i) valuable, (ii) rare, (iii) inimitable, (iv) nonsubstitutable and (v) non-transferable resources as the basis for competitive advantages. In contrast to the market-based view (MBV) it is assumed that enterprises have a heterogeneous set of resources. A superior resource position translates into a more favourable cost structure compared to those enterprises that have to make use of inferior resources due to resource scarcity. Because of isolation mechanisms (specific investment and lack of marketability, causal ambiguity, path dependency, legal barriers etc.) competitive advantages can be defended also in the long run. In this paper, we try to reverse the RBV to nonprofit organizations.

Resources alone, however, are worthless. Organizations only create value when they combine resources, resulting in co-ordinated (specialised) resource bundles. Simple basic resources are combined into complex resources, which are no longer marketable and whose interplay is difficult to comprehend (sometimes even for the management). For this reason, specific investments made by stakeholders are a prerequisite for the creation of complex resources and, consequently, competitive advantages.

Both the RBV and the management literature see intangible resources (know-how, customer and supplier relations, reputation, brands, patents etc.) as crucial resources to remain competitive.

However, the RBV mostly follows a simple logic regarding the right of disposition, where tying resources (at least temporarily) to the NPO does not cause any problems. Such a simplistic view of the right of disposition regarding intangible resources seems to be insufficient from a governance point of view.

Many intangible resources are brought into the NPO by stakeholders, who also can quit the co-operation agreement and thus withdraw resources again. As regards freelancers, it is only possible to a limited degree to tie them to the enterprise on a long-term basis or to bring in their human capital. As in the case of human capital, it is almost exclusively residual rights that apply, the rights effective de jure are very limited. In reality, there are additional options to protect intangible resources and so between the two extremes, right of disposition through property rights (patents, licences, trademarks, copyright etc.) and a complete lack of property rights (staff know-how), there are further options (e.g. codification in data bases etc.) to protect intangible resources and so create (albeit limited) control structures.

RBV and the stakeholder approach extend the perspective of the respective other point of view: (i) If co-operation agreements with stakeholders are entered into, this corresponds to the decision on acquiring resources. The criterion for making the decision should here be the potential added value when combined with the existing pool of resources. (ii) Acquisitions of resources have to be effected in line with the existing structure of the right of disposition and the control structures derived from it. Only the

stakeholders' continuing willingness to co-operate sometimes ensures that crucial resources remain within the enterprise. If stakeholders' objectives are not sufficiently taken into consideration, there is the danger they resort to external options and use their resources in a different co-operation agreement. Thus, effective governance of nonprofit organizations has to make use of both points of view. On the one hand, RBV provides guidance on which stakeholder objectives are to be included to what extent in the organization's set of objectives. The more valuable the resources provided and the better the stakeholders' external options, the more important it is to include his objectives and to satisfy his requirements. The stakeholder approach, on the other hand, points out how resources can be controlled by the NPO, but also which actors have to be tied to the organization on a long-term basis in order to keep up the resource level. Combining all perspectives, we come to the synthesis of New Institutional Economics, stakeholder approach and resource-based view, all determining governance mechanisms and crucial for the efficiency and effectiveness of governance of nonprofit organizations.

Paper Number: PA051183

Paper Title: Conceptual and methodological issues for the study of nonprofit organisations in the European Union

Author(s):

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Summary of Research

This paper is based on doctoral research analysing the impact of European funding on nonprofit organisations in a number of European member states. The paper discusses alternative conceptualisations of the nonprofit sector within the context of the European Union and argues that conceptual reductions of the nonprofit sector to that of market based paradigms of nonprofit organisations need to be avoided. The importance of informing European policy through comparative organisational research is discussed and the utility of Billis' (1993) theory of the nonprofit sector for the development of conceptual frameworks for comparative nonprofit research in the European Union is explored.

Description

The current debate on the nonprofit sector in the European Union

The recent extension of the membership of the European Union raises important questions about how new member states, many with emerging nonprofit sectors and little history of supporting a pluralistic civil society, will be influenced by funding and policy guidance from the European Commission. The significance of European Commission funding for third sector organisations cannot be underestimated. According to Greenwood (2003) third sector organisations receive approximately \$1.3 billion (1billion Euro) each year from the European Commission to represent interests and lobby on European policy issues as well as a range of other aimed at social and economic cohesion. There is no data available to show how much of the \$274 billion (213 billion Euro) from the European Structural Funds reach third sector organisations in European member states, but it can be safely assumed that the sums going to nonprofit organisations are likely to be substantial.

Some scholars suggest that the European Commission's desire to develop stronger and deeper partnership approaches in European Union policy is a clear indication that in future Third Sector organisations will play a greater role in the delivery of European Union programmes (De Rynck and McAleavy, 2001; Geddes and Benington, 2001). What is not explored in the European nonprofit literature is how such funding and policies affect nonprofit organisations.

A review of the relevant literature reveals that there is little knowledge on how European policy and funding affects nonprofit organisations and where there is research, this tends to be financed by the European Commission and is concerned with nonprofit organisations that are conceptualised as social enterprises (Campbell, 1999). The literature suggests that there is a significant gap of understanding and knowledge about the ways in which European funding supports or hinders nonprofit organisations in contributing towards core European policy goals expressed as 'active participation', 'social capital', 'challenge' and 'local ownership' – aspects of nonprofit organisations that are rooted in a paradigm of civil society, rather than that of the market economy.

Contribution of this paper to the current debate

There are important arguments for the conceptualisation of the European nonprofit sector as a social economy. Not only is there a long tradition in European policy to support the 'economie solidaire' (Borzaga and Defourny, 2001; Evers and Laville, 2004). The market as a model and key mechanism for the management of social needs does also lend a high degree of legitimacy to concepts of social enterprises, particularly as such concepts are easily applied in different institutional contexts of the

European member states. However, some authors anticipate a loss of the defining features of social enterprises, namely their prosocial/societal function and orientation, as a result of institutional forces (Dart, 2004, p.420) and others have explored the organisational problems that result from public policies which prioritise the service providing functions of non-profit organisations (Harris and Rochester, 2001; Salamon, 2001).

If the prevailing European perspective of the nonprofit sector as some kind of social enterprise is deemed too narrow for the study of European nonprofit organisations what alternative approaches to European third sector research need to be developed and promoted? Given that findings from third sector research are likely to and should be used in the European policy process, how should nonprofit scholars approach the development of conceptual frameworks in organisational nonprofit research?

The paper explores these issues by analysing the utility of Billis' theory of the voluntary sector (Billis, 1993) for the development of conceptual frameworks and the design of comparative organisational research in different nation states of the European Union. The challenges of designing comparative cross-national research (Hantrais and Mangen, 1996) are discussed with a particular focus on issues concerned with the transfer of empirical knowledge between European member states.

Conference themes to which this paper is related

- The role of scholars of nonprofit organizations in identifying problems and challenges unique to the sector and developing ideas for how to respond
- The ways in which recent or pending public policies affect the mission, operations and evaluation of nonprofits and the independent sector

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Paper Number: PA051185

Paper Title: Managing Cause Marketing Relationships: Insights from a Review of the Literature

Author(s):

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Summary of Research

This proposed presentation will be a literature review on cause marketing over the past 20 years. Like many fields of academic research, cause marketing research has been fragmented and piecemeal, without a consistent stream or unifying conceptual framework. This presentation describes what is known and needs to be known on cause marketing within a conceptual framework derived from prior academic work in the field.

While this work benefits researchers, it also benefits practitioners. Managerial implications will be drawn from the review to provide insights on how nonprofit managers can effectively manage their cause marketing relationships.

Description

Introduction and Description of Problem to be Addressed

The business sector has embraced cause marketing. Corporations spend millions of dollars supporting favored causes and charities and they spend millions more advertising their charitable support. Corporate managers are quickly learning how to get the most from their good works. Executives examine the type of nonprofit to support, the type of marketing relationship with the target cause, the duration of the relationship, and so on.

The proliferation of cause marketing activities in industry has been appreciated by the nonprofit sector, especially given declining government support and the sharp rise in the number of charities competing for individual contributions. Although examples like Coke's \$50 million contribution to the Boys and Girls Clubs of America make headlines, more typical are examples like Chick-Fil-A or Barnes and Noble which give small percentages of sales to various causes.

Nonprofit managers need to know more about how to manage these marketing alliances. Questions regarding what characteristics to look for in a potential business supporter to how to successfully terminate the relationship once the promotion has ended are largely unanswered by the research community.

The purpose of this investigation is to analyze the extent academic literature on cause marketing, synthesizing disparate works into a holistic framework that can inform the practitioner and research communities. One objective is to help nonprofit managers better manage their relationships with the business sector. Another objective is to provide for academic researchers a review of cause marketing research and a meaningful framework with which to guide future work.

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

Two books provided insights into the management of cause marketing relationships from the perspectives of nonprofit managers. They are Austin (2000) and Sagawa and Segal (2000). Sagawa and Segal's work was based on their professional experiences working with cause marketing partnerships. The basis for Austin's book was a series of practitioner interviews by his graduate students.

The value of the work referred to in this proposal and its relation to prior work is that it is derived from academic research and it is comprehensive. A literature review on cause marketing that has breadth and depth would complement prior work in this area. Whereas books on cause marketing based on

professional experience and interviews are valuable because of their richness, and academic work on various cause marketing topics is valuable because of its rigor and focus, this literature review is valuable and complementary because it provides a bridge between the two methodologies.

The Approach of this Investigation

The genesis of cause marketing as an organized business activity began in the early 1980's with American Express's support of the Statue of Liberty restoration, which was highly successful. Articles in the trade press about cause marketing followed soon afterwards. Articles in academia lagged a bit behind, with the first articles appearing in the mid-1980's.

This literature review will cover the period from 1985 to the present. Journals which will be included in the search for cause marketing work will include American Business Review, Health Marketing Quarterly, International Journal of Nonprofit & Voluntary Sector Marketing, Journal of the Academy of Marketing Science, Journal of Applied Business Research, Journal of Business Research, Journal of Consumer Marketing, Journal of Consumer Psychology, Journal of Consumer Research, Journal of Marketing, Journal of Nonprofit & Public Sector Marketing, Journal of Public Policy & Marketing, Journal of Retailing, Nonprofit & Voluntary Sector Quarterly, and Social Marketing Quarterly. An attempt will also be made to identify related dissertations and other scholarly works that have undergone academic review.

Contribution to the Field this Work Will Make

Identifying what is known is valuable to practitioners who need the knowledge to make better informed decisions. It is also valuable to voluntary sector researchers who want to contribute to existent streams of work. Identifying what is unknown tells us what we've yet to learn and points to directions for future research. A theme of ARNOVA 2005 is bringing practitioners and academics together. This work addresses this need.

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Paper Number: PA051186

Paper Title: Media Discourse Surrounding Volunteerism -- How media frames (mis)represented volunteerism in a selection of Canadian local and national print media

Author(s):

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Summary of Research

The way media discourse represents volunteerism can influence how societies and individuals understand volunteerism. This paper reports on a study that identified how a selection of local and national print media articles represented volunteerism and voluntary organizations. The study found that there was an overall lack of coverage and anodyne treatment of volunteerism and that the media frame consistently promoted a hierarchy in the voluntary sector that over-valued service volunteerism and downplayed advocacy volunteerism. This pattern of discourse has the potential to impact the effectiveness of voluntary organizations in their efforts to solicit resources and influence publics and policy makers.

Description

This paper reports on a study conducted to seek insight into how media discourse defined or socially constructed volunteerism. Discourse is “an ideological practice [that] constitutes, naturalizes, sustains, and changes significations of the world from diverse positions in power relations” (Fairclough, 1992, p. 67). Media discourse, due to its reach and ability to influence large numbers of individuals is one of the more powerful discourses in society. As Todd Gitlin (1980) asserts, the media have the power to “name the world’s parts” and “to certify reality as reality” (p.6). Therefore, the manner in which the media presents, or frames, volunteerism has implications for the effectiveness and sustainability of the voluntary sector as it is partially from these discourses that individuals and policy makers create personal and cultural understandings -- or their “reality” -- about volunteerism.

The study analyzed, through content and discourse analysis, how volunteerism was represented in Calgary newspapers and in a sample of Canadian national print media over a period of 20 years. Specifically the research evaluated all print stories from two local newspapers and two national newspapers that included the term “volunteer*” or “voluntary” during Volunteer Week for the years 1983, 1993 and 2003. The study explored the following characteristics of the media coverage: the extent and depth of coverage related to volunteerism; the type of volunteerism and volunteers that received coverage; differences in coverage between service and advocacy volunteerism; and changes in coverage over time and across news organizations. The study found that there was an overall lack of coverage and anodyne treatment of volunteerism that was not representative of the role of volunteerism in society and the contribution that it makes. Further, it found that service volunteerism was over-represented in media coverage and advocacy volunteerism downplayed which instituted a hierarchy within the sector that did not reflect the valued role that both types of volunteerism make. These findings extended previous scholarship that argues that service volunteerism dominates cultural understandings of volunteerism (Smith, 1997) suggesting one point of influence, the mass media, where this understanding may be promoted and perpetuated.

Exploring volunteerism from a discourse perspective is an exciting and new direction in voluntary and not for profit studies research. Deacon (1999) and Jacob & Glass (2002), studying the UK and US contexts respectively, undertook seminal studies to identify the voluntary organizations that regularly received preferential media coverage. Greenberg & Walters (2004) recently explored the same question in the Canadian context. These ground breaking studies identified key organizational characteristics common to the volunteer organizations that receive preferred media coverage, providing a theoretical foundation to explain why some organizations may be more prominent in media discourse than others. Despite these important findings, to date, there has been little academic work exploring the meanings inherent to media coverage surrounding volunteerism. This study was one of the first in the North American context to critically analyze the media discourse and explore its implications to public

understandings of volunteerism and voluntary organizations.

This paper directly addresses the conference theme “methods for communicating with policymakers and assessments of the effectiveness of philanthropy and nonprofits in influencing policy activity”. Identifying possible biases inherent to newspaper representations of volunteerism and volunteers can allow philanthropy and non profit organizations to better develop volunteer management, lobby and communication programs, making them more effective with publics and policy makers.

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Paper Number: PA051187

Paper Title: Devolution and nonprofit accountability – lessons from Québec and Nova Scotia

Author(s):

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Summary of Research

Empirical evidence regarding the impact on public accountability of the downloading to the nonprofit sector of a key regulatory function is provided through looking at professional self-regulation in Canada. The study provides a best-case analysis, showing that Canadian professional associations enjoy enormous accountability advantages matched by few third sector groups. Despite this, serious concerns have been raised regarding their performance of the downloaded function of protection of the public interest. This suggests that accountability will be even more problematic in organizations that lack the accountability advantages of Canadian professions.

Description

'Devolution', and the various associated mechanisms whereby services or functions once provided by government are provided with some form of private sector involvement, has been one of the most remarked upon, and undoubtedly most significant trends in public management over the past couple of decades. In addition to the outright privatization of functions to private for-profit firms, private non-profit organizations have also been prominent in this process. This paper provides empirical evidence regarding the impact on public accountability of the devolution to the nonprofit sector of a key regulatory function, through looking at professional self-regulation in five professional associations in Canada. The study provides a best-case analysis, showing that Canadian professional associations enjoy enormous accountability advantages matched by few third sector groups. Despite this, serious concerns have been raised regarding their performance of the function of protection of the public interest. This suggests that accountability will be even more problematic in organizations that lack the accountability advantages of Canadian professions.

The Canadian context provides a number of advantages for this study. Canada has a very long tradition with nonprofit organizations, as "the work of the voluntary sector in Canada began before the country was even formed, producing all the humane influences necessary to transform colonies of explorers and traders into communities and a country we are proud to call home" (Broadbent, 1999). With the development of professionalism in the country, Canada early opted to allow these groups to regulate themselves. As a result, the country has had over a century of experience with nonprofit sector regulation of this important social function, as government left this function in private hands. Critical for the 'best case' logic of this study, these groups feature accountability advantages that few nonprofits enjoy. As Greenwood, Suddaby and Hinings put it:

"Professional communities... are highly organized as communities – association membership may be mandatory, association participation is extensive, and formal interaction and communication are highly developed. Associations use committees and task forces that host intraprofessional discourses; official publications easily and comprehensively transmit ideas and scripts; and celebratory and developmental programs gather professionals and provide for interaction and discussion" (2002, p. 74).

The paper continues with a discussion of the relationship between devolution and accountability, and a brief introduction to both professional self-regulation in Canada, and to the cases studied. This is followed by evidence of accountability criticisms of these groups, and then a description of the enormous accountability advantages that Canadian professional associations enjoy.

Paper Number: PA051188

Paper Title: Publicly Subsidized Real Estate Development: Measuring Direct and Spillover Effects on Neighborhood Impact Indicators

Author(s):

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Summary of Research

Public policy focuses significant resources on subsidized real estate development for urban revitalization. Nonprofit developers must now rigorously demonstrate the neighborhood impact of policy implementation. Recent econometric studies are limited in several ways. This paper reports first on a new econometric approach to modeling neighborhood housing appreciation, focusing on overall market movements rather than sale prices of individual homes near subsidized development projects. It then shares a deterministic model for calculating prospectively the direct impact of housing development on a broader set of neighborhood indicators. Finally, it estimates the multiplier effect of development activity on the same set of indicators.

Description

Public policy has focused significant public sector resources over the years on the revitalization of urban neighborhoods through subsidized real estate development. In addition to direct subsidies, such as the Community Development Block Grant and HOME programs, tax expenditures are widely used, such as the Low Income Housing Tax Credit and municipal property tax abatements for new housing. Much of this revitalization work has been carried out by nonprofit community development corporations (CDCs). In recent years, similar to other parts of the nonprofit sector, the community development field has been called upon to demonstrate the positive neighborhood impact of its use of public and philanthropic resources in rigorous quantitative terms (see, e.g., Zielenbach, 2004, Higgins, 2001).

Recent econometric studies have generally shown a positive relationship between housing investment and house prices "nearby" (Galster, et.al. 2004; Smith, 2003; Ding and Knaap, 2003; Simons, et. al., 1998). Reflecting the relative newness of this type of investigation, these studies are limited in several ways. First, no single methodology has emerged as the preferred, accepted method. The interrupted time series approach of Galster et. al. (2004) is quite different from the cross-sectional, hedonic models used in the other works cited. The time series approach lacks the structural explanatory variables of the hedonic models, while the hedonic models have generally focused on a brief slice of time, making it impossible to capture a long-term revitalization dynamic. Assumptions about what would have happened in the absence of the intervention differ, leading to differing estimates of the impact of the work. Finally, while useful for policy evaluation, econometric models are of limited usefulness as management tools for the people and nonprofit organizations carrying out urban revitalization work on the ground.

This paper reports on three phases of modeling work that has informed the urban revitalization work of Neighborhood Progress, Inc. (NPI) in Cleveland. NPI is a nonprofit intermediary organization providing grant and loan funding, and real estate development and other services to CDCs throughout the city.

The first part of the paper contributes a new econometric approach to modeling neighborhood housing appreciation that focuses on overall market movements rather than sales prices of individual homes near subsidized development projects. This macroeconomic approach contrasts with the microeconomic approach of both methods cited above. It melds the longer time frame of interrupted time series with the structural modeling of the hedonic models. The empirical work is based on complete records of home sales in the City of Cleveland from 1990 to 2002 from the County Auditor, 1990 Census data (for measures of baseline conditions), and a database containing all CDC revitalization projects in Cleveland from 1990 to 1999 developed by the Enterprise Foundation. Originally estimated in 2000, the model was re-estimated in 2003 to test its robustness to the period

under study. This portion of the paper will be a condensed version of an existing working paper.

As with the models developed by others, this model was useful for evaluation purposes, but had limited managerial value. Thus, in a second phase of the work, we sought to forecast prospectively the impact that a given real estate development agenda would have on a set of broad neighborhood indicators. To simplify the problem, we focused initially on measuring the direct impacts, leaving the estimation of multiplier or spillover effects to a third phase. Neighborhood indicators were drawn from the 2000 Census, Zip Code Business Patterns and the Consumer Expenditure Survey. Proposed real estate development projects were taken from CDC funding proposals. Target areas were developed in part on the basis of the analysis to be presented. A deterministic model was then developed for calculating the direct impact of housing development on the set of neighborhood impact indicators chosen. This model represents a significant advance for the field in several ways. First, it extends the field beyond the current focus on housing appreciation to include indicators of population, households, homeownership, income and consumer expenditure. Second, it creates a tool that can be used prospectively as well as retrospectively. Finally, the tool takes us beyond policy analysis to managerial decision support. This portion of the paper will also draw heavily on an existing working paper.

The third phase of the work requires estimating the spillover or multiplier effects of the real estate development activity on our set of neighborhood indicators. In general, this requires subtracting the deterministic model's measurements of direct effects from measures of overall effect, leaving the spillover or multiplier effect as a residual. This disaggregation permits us to calculate the size of the multiplier for public and philanthropic investment, a significant first, and to do so with a broader set of impact indicators than has been used in past research. Current work focuses on a retrospective analysis, but the aim is to use the resulting multiplier to estimate spillover effects prospectively. Empirical work on the disaggregation into direct and spillover effects is in progress, but will be complete in time for the October 1 deadline for paper completion. The primary question is what portion of the total change in the neighborhood indicators to take as the effect of the neighborhood development work? The answer depends on the "counterfactual" assumption (Hollister and Hill, 1995; Galster, et. al., 2004) built into our measurement method, returning us to one of the core methodological questions of the first phase of work.

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Paper Number: PA051189

Paper Title: Religious Private and Voluntary Organizations in International Relief and Development:
1939 - 2003

Author(s):

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Summary of Research

Since the end of World War II, the secularization of American society has had a diluting effect on giving to religious private and voluntary organizations (PVOs) in international relief and development. Starting in 1975, secular and evangelical PVOs increased not only in number but also in total real revenue. By contrast, among the historically dominant PVOs, Roman Catholic and Jewish PVO are declining. A big part of the story are the new evangelical PVOs. The shift from religious to secular; from Jewish to evangelical signals a change not only in federal allocation of funds but in US private charitable giving.

Description

In 2001, the George W. Bush administration introduced the Faith-based and Community Initiatives (FBCI) to provide religious nonprofit groups with equal access to government assistance (Federal Register 66 FR 84991; White House 2001). Evangelical groups interpret the initiative as a corrective measure to an historical bias in favor of the “three great faiths”—mainline Protestant, Roman Catholic, and Jewish (Reiss 1985: I, 89; Nichols 1988: 61-63). Although the legislation initially applied to domestic faith-based organizations, the Bush administration extended the rule to cover US-based private and voluntary organizations registered with the U.S. Agency for International Development and the Department of Agriculture (Federal Register 66 FR 77145).

During the first three years of the FBCI, the number of Evangelical PVOs registered with USAID went from 70 (2001) to 89 (2003). Unlike other Christian PVO groups, Evangelicals experienced a significant increase in registration with the federal government. However, the data show that the FBCI did not instigate the rise in registered Evangelical PVOs. This trend actually began decades prior to the Bush administration’s attempt to ease federal restrictions on religious agencies.

This paper examines the rise of Evangelical PVOs and the presence of religious PVOs in the field of international relief and development. PVOs play a unique role in American foreign policy—they introduce compassion into the conduct of U.S. international affairs. Religious PVOs bring certain values to humanitarian work such as human dignity and concepts of self-help. American participation in overseas programs through their religious humanitarian organizations creates compassion overseas and an informed citizenry at home. Federal agencies, particularly USAID, seek out PVOs because of their staff, experience, technical expertise, and most importantly their embodiment of American concern for people in need. PVOs seek to develop people and communities.

My comparative, longitudinal study uses the data to assess institutional change and religion-state relations in international relief and development from 1939 to 2003. The analysis looks at all secular, faith-founded, and faith-based PVOs registered with the US federal government from 1939 to 2003 that engage in overseas activities. A particular focus will be on the relationship between PVOs and the state. One objective is to determine whether and how PVOs compromise normative objectives to attract federal assistance. That is, compromises may occur because the rendering of humanitarian services (medical, food, and relief) may sometimes be as important as the religious/moral principles held by the organization. A second objective is to assess the extent of PVO influence on U.S. foreign policy and on U.S. government approaches to international relief and development. The third objective is to evaluate the extent to which PVOs exert pressure upon each other in their operations and methods of delivering humanitarian assistance.

Paper Number: PA051194

Paper Title: Strategy Typology of Nonprofit Organizations

Author(s):

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Summary of Research

This study develops a Nonprofit Strategic Framework, which takes into consideration the uniqueness of nonprofits. The framework comprises two elements: a) a model of the operating environment of nonprofits, conceptualized as levels of problems nonprofits must solve to achieve strategic adaptation; and b) a strategic typology of nonprofit organizations. In other words, the environment constitutes the problems management or volunteer executives in nonprofits must solve to achieve effective strategic adaptation while the strategic typology explains the different types of adaptive behaviour nonprofits employ to address challenges in their environment. Five strategic types are presented: Preserver; Diversifier; Advocator; Mixer; and Abider.

Description

The study develops a strategic framework that takes into consideration the uniqueness of nonprofits. The framework comprises two elements: a) a model of the operating environment of nonprofits and b) a strategic typology of nonprofit organizations.

The study sets out to examine the strategic adaptive behavior of nonprofits to changes in their operating environment. Specifically, the research draws on the Miles and Snow (1978) typology of generic strategies to explore the strategy of nonprofit organizations, their human resource management practices, and the impact of changes in the operating environment including government funding. Miles and Snow classified organizations into four types, based on their adaptive behaviour to changes in the environment – Prospectors; Analyzers; Defenders and Reactors. Miles & Snow (1978) suggested that three of these strategic types – Defenders, Prospectors, and Analyzers – are viable in the long run.

However, in my study, the Miles and Snow framework was found wanting in its application to nonprofits. Although one of the studies used to validate Miles and Snow's strategic typology included 19 nonprofits, the assumptions underlying their adaptive cycle framework and strategic typology did not highlight the distinct context of nonprofit organizations. Factors specific to nonprofit organizations – such as: a) services are defined by community needs and problems; b) services are more social than entrepreneurial; c) importance of values; d) government both as a funder and an enactor of public policy; e) multiple stakeholders; f) absence of generally accepted measure of organizational performance; g) non-market exchange of services; h) volunteer executives and informal structure – were not considered. These factors constitute the limitations of the application of Miles and Snow strategic framework to nonprofits. Moreover, the empirical findings of the study necessitated my development of the Nonprofit Strategic Framework.

The factors above, research on nonprofit strategy (Alexander, 2000; Barry, 1986; Durst & Newell, 2001), and the findings of this study culminated in the development of the Nonprofit Strategic Framework, which takes into consideration the uniqueness of nonprofits. The framework comprises two elements: a) a model of the operating environment of nonprofits, conceptualized as levels of problems nonprofits must solve to achieve strategic adaptation; and b) a strategic typology of nonprofit organizations. In other words, the environment constitutes the problems the dominant coalition (management or volunteer executives) in nonprofits must solve to achieve effective strategic adaptation while the strategic typology explains the different types of adaptive behaviour nonprofits employ to address challenges in their environment.

The first element of the framework — the nonprofit operating environment — or the problems management or volunteer executives must solve to achieve effective adaptation, consist of: 1) Life Problems; 2) Pertinent Problems; and 3) Reach Problems; and these are ordered such to signify

importance. In other words, an organization must solve its life problems in order to be effective with its Pertinent Problems. Moreover, there are components to each of these problems that must be addressed by organizations.

The Nonprofit Strategic Typology explains how nonprofits adapt to challenges in their operating environment; it codifies the pattern of strategic adaptive behaviour into specific types. For nonprofits, five strategic types are presented: Preserver; Diversifier; Advocator; Mixer; and Abider.

Paper Number: PA051195

Paper Title: Theorising about board governance of nonprofit organisations: surveying the landscape

Author(s):

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Summary of Research

Leading scholars on nonprofit governance have urged that future research be better informed by theory in order to promote more rigorous analysis. This paper catalogues the diversity of major theories and perspectives on governance. In particular, it examines the relevance of these theories to a critical set of board behaviours, i.e. how boards monitor, judge and influence organisational performance. The paper also identifies gaps in the theoretical literature. Further, the paper argues that a multi-theory and multi-disciplinary perspective is needed if research on the governance of nonprofit organisations is to be complete in scope, rich in content, and relevant.

Description

Leading scholars on board governance in the nonprofit sector (see, for example, Ostrower and Stone 2003) have called for future research on nonprofit boards to be better informed by theory. What are the relevant theories and perspectives, their strengths and limitations, and what are their implications? Expanding on the authors' earlier work, the paper will catalogue theories and perspectives about board governance, examine critiques of these, and consider some of the empirical evidence.

Theories of nonprofit board governance might be catalogued in the following way:

- from Economics: agency, transaction cost economics, and team production theories
- from Management: stewardship, stakeholder, paradox, and managerial hegemony theories
- from Sociology: institutional isomorphism, strategic choice, resource dependency, class hegemony, social embeddedness, contingency, Marxist, feminist and normative arenas theories
- from Psychology: small group effectiveness and psychoanalytic theories, and
- from other disciplines: political, historical and theological perspectives.

The paper is not only motivated by the desire to document in one place the major theories and perspectives on board governance, but is also motivated by frustration with the state of existing analysis and debate.

First, much of the general discussion about governance is based in agency theory and the agency problem. The question must be asked whether a theory founded in self-interest is the best place to start analysing governance in a sector in which other-regarding behaviour is common.

Second, while agency theory and economics has been the subject of extensive research, the contributions of some other disciplines are clearly underdeveloped. The paper will identify these areas, in particular calling for more work by those with training in psychology.

Third, we believe it is a fiction to conceive of the nonprofit sector as a uniform mass. As Ostrower and Stone (2003) have noted, the analysis of nonprofit governance needs to be more context-specific.

Fourth, most researchers have made limited use of the diversity of the relevant theories and the connections between the theories. For example, many authors fail to recognise the positivist agency theory/stewardship theory dichotomy and the fact that negative evidence for one theory is normally positive evidence for the other. Also, the debate on team production theory has made little or no reference to the debate on stewardship theory, despite the central role of trust in both theories.

Finally, it is argued that the pursuit of a single comprehensive theory of governance of nonprofit organisations is a folly. There is much to be said for Bainbridge's (2002, 55) argument that situation-specific mini-theories may be more useful than attempts to build a single unified theory of board governance.

While other authors have catalogued theories of governance (Cornforth (2003), Hung (1998), Stiles and Taylor (2001) and Turnbull (1997)), the paper differs from earlier works in three ways. First, it includes many important theories not mentioned in these works and thus provides a more comprehensive account of relevant theory. The scope of prior work is expanded, and comparisons and links between theories developed. Second, the paper will include discussion of governance in both the for-profit and nonprofit sectors. Although the focus of the paper is nonprofit governance, much of the relevant theory is derived from the for-profit sector. Hence an understanding of the theory and evidence in that sector can suggest insights for better understanding theory and evidence in the nonprofit sector. Third, the paper focuses on board governance in particular, rather than corporate governance in general.

In order to investigate the explanatory powers of the various theories, the paper examines what insights the theories offer into one critical set of board behaviours, namely how boards monitor, judge and influence organisational performance.

In discussing each theory of governance the following structure will be used:

- a brief description of the theory, with an emphasis on foundational works
- the role suggested by the theory for the board in monitoring, judging and influencing organisational performance
- critiques of the theory
- the empirical evidence in relation to the theory, in both the for-profit and nonprofit sectors but with an emphasis on the latter; and
- conclusions in relation to the utility of the theory.

The paper will be of special interest to beginning researchers in helping to appreciate the range and relevance of existing theory.

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Paper Number: PA051196

Paper Title: Unionization and Nonprofit Organizations

Author(s):

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Summary of Research

This study examines the effects of unionization for nonprofits. Specifically, it explores the relationship between mission, new services, government funding and unionization in nonprofit organizations in Canada. The findings indicate that unionization was not associated with the importance of mission in the decision to develop new services and that unionized nonprofits are not different from their non-union counterparts in terms of development new services and importance of values in decision-making. Unionized nonprofits were found to be more likely to depend on government funding. However, the findings suggest that unions could assist nonprofits in advocacy and in enhancing the egalitarian values.

Description

Adding to the already overwhelming challenges of their operating environment, nonprofit organizations have overtaken the for-profit sector in unionization (Statistics Canada's Workplace and Employment Survey, 1999). Although the nonprofit literature is gradually directing attention to factors that bring about unionization in the sector, the implication for nonprofit organizations is yet to be addressed. This study combines quantitative and qualitative methods to examine the effects of unionization on nonprofit organizations. Specifically, it explores the impact for the mission, funding, new services, and values in decision-making in nonprofit organizations in Canada.

The two contrasting theoretical perspectives used to examine the effects of unionization in the for-profit sector have generally discussed the subject-matter in terms of the profitability, productivity, investment and to some extent, employment growth (Hirsch, 1997; Gittell, et al, 2003). An extension of the neoclassical perspective to the social economy framework and the market importance of the nonprofit organizations would indicate that union status is likely to affect the economic and market value of nonprofit organizations. From the institutional perspective, the effects of unionization would benefit nonprofit organizations. However, this bottom line focus of the two perspectives does not capture the primary goal of nonprofit organizations- mission and social goals. The mission is the dollars and cents of nonprofit organizations and thus should therefore the basis for analyzing the effects of union status in the sector.

Based on survey data from 51 nonprofit organizations across Canada and 12 in-depth interviews, the study examines the following research questions: a) Are unionized and non-unionized nonprofits different in rating the importance of mission in the development of new service: b) Are unionized and non-unionized nonprofits different in terms of development of new services; c) Are unionized and non-unionized nonprofits different in rating the importance of values in the decision-making process; d) Is government funding related to union status in nonprofits.

The findings of the study indicate that union status is not associated with the importance of mission in the decision to develop new services. The study also finds that unionized nonprofits are not different from their non-union counterparts in terms of development new services and importance of values in decision-making. Unionized nonprofits were found to be more likely to depend on government funding than non-unionized nonprofits. However, the qualitative findings suggest that unions could assist nonprofit in their advocacy activities to government and in enhancing the egalitarian values of nonprofit workplace.

The findings suggest that unionization impacts nonprofit organizations in a unique way, combining both negative and positive effects. The study highlights the need to explore labour relations in nonprofit organizations within the unique characteristics of nonprofit organizations.

Paper Number: PA051197

Paper Title: Testing the Roles of Fund Raising: A Q-Methodological Approach

Author(s):

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Summary of Research

At the 1998 ARNOVA conference, Kelly proposed four roles of fund raising, which were adapted from Broom's (1979, 1982) roles of fund raising. These roles are the technician, the expert prescriber, the liaison, and the problem-solving process facilitator. This study quantifies Kelly's qualitative data by using information collected from AFP members in Florida. The study is being conducted in May, 2005; however, AFP chapters and individual members have already agreed to participate in the research.

Description

In the past 15 years, scholars have explored several public relations' concepts in the context of fund raising, including Grunig's four models of public relations (Kelly, 1995), the public relations campaign process (Worley & Little, 2002; Hall, 2002), and Grunig's situational theory (Kelly, 1998). However, despite the popularity of inquiry into the roles and activities of public relations practitioners, very little investigation has been made as to how these public relations roles represent fund raisers.

Currently, there are more than 1.6 million nonprofits in the United States. More than half of these organizations are charitable organizations that are eligible to receive tax deductible donations according to IRS guidelines. In 2003, Americans donated \$240 billion to charitable organizations. Over the past 50 years, Americans have consistently given donations to the charitable sector that is equivalent to two percent of the nation's gross domestic product (Salamon, 2002). Fund raisers play a large role in ensuring that nonprofit organizations receive their share of these contributions.

As practiced in the United States, fund raising is carried out by fulltime and parttime professional fund raisers (Hager, Rooney & Pollak, 2002), volunteers (Lysakowski, 2002), and outside parties, such as consultants and solicitation firms (Hooper & Stobart, 2002). Kelly (1998) states that there are approximately 95,000 fulltime fund raising practitioners in the United States; Hager, Rooney, and Pollak (2002) estimate that there are as many as 296,000 fulltime fund raisers in the United States. The precise number of fund raisers is difficult to assess because of the numerous fund-raising associations and the lack of a formal training program.

Drawing on anecdotal evidence from in-depth interviews with fund-raising practitioners, Kelly (1998b) found evidence that these four public relations roles were present in the fund-raising profession. For fund raisers, the expert prescriber is perceived to be responsible for the organization's fund-raising activities, and the management is rarely involved. The problem-solving process facilitator consults and collaborates with others in the organization to carry out the fund-raising activities. Following Dozier (1984), Kelly (1998) renames the communication facilitator role as the liaison, who do not solicit gifts but advise senior managers and volunteers on how to carry out the fund-raising activities. The technician is primarily responsible for helping carry out the fund-raising activities and has no role in setting fund-raising goals or objectives.

While the results of the interviews were not generalizable to the membership of the National Society of Fund Raising Executives, they did appear to identify the roles from Broom's taxonomy. Kelly's (1998b) proposal of the four roles calls for empirical research to verify these roles. This study answers that call.

The study will be conducted in May, 2005. Three Florida chapters of the Association for Fundraising Professionals have agreed to become involved and promote participation in the study to their membership; individual fund raisers from those chapters have also already agreed to participate. The study will use Q-methodology and ask fund raisers to evaluate 24 typical fund-raising activities using

the criteria of how often they perform the activities in an “average week.”

Data will be analyzed using the PQMethod software program, and the full paper will be available in June. Drawing on role theory, the results of this paper will explore how fund raisers carry out their jobs and will seek to confirm the qualitative results of Kelly's (1998b) ARNOVA conference paper.

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Paper Number: PA051200

Paper Title: Where does social capital come from? An empirical comparison of socialization and institutional approaches

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Summary of Research

The present study reexamines the face to face hypothesis by comparing Putnam's socialization perspective with institutionally oriented perspectives in a cross-national context. While the results confirm that the emphasis on face to face interaction and socialization is indeed misplaced, they do not support dismissing or even downplaying the role of voluntary organizations. Rather, it will be argued, in line with an institutional perspective, that voluntary organizations are crucial to the sustenance of social capital – not as agents of socialization, but as institutions within which social capital is embedded.

Description

Where does social capital come from? An empirical comparison of socialization and institutionalization approaches

Dag Wollebæk and Per Selle

Abstract

According to Robert Putnam (1993; 1995a; 2000a), social capital is generated through repeated face to face interaction in 'horizontal' networks. Voluntary organizations are seen as the most pervasive type of such networks, and as such a productive source of social capital. In Putnam's recent work (2000a), even more informal types of interactions (e.g. card games, picnics and dinner parties) are emphasized alongside organizational involvement, thus reaffirming the prominence of direct social interaction as the main process through which social capital is generated.

However, empirical support for such claims is scanty. Stolle's (2001) longitudinal study concluded that active organizational involvement does not increase trust over time, but that observed differences between joiners and non-joiners are entirely accounted for by self-selection effects. Wollebæk and Selle (2002b) found no relationship between the extent of face to face interaction in organizations and social capital, a finding recently vindicated by a French study (Mayer 2003). The tenuous relationship between active participation in organizations and social capital has led some to conclude that the importance of associations in generating trust is exaggerated (Stolle 2003). Instead, we should divert our attention towards the role of public policy and how institutions function (Rothstein 2002; Rothstein 2004; Rothstein and Stolle 2003a; Rothstein and Stolle 2003b).

The present study reexamines the face to face hypothesis by comparing Putnam's socialization perspective with institutionally oriented perspectives in a cross-national context.

The main differences between the perspectives, spelled out as conflicting, testable hypotheses are laid out in Table 1. Both perspectives agree that organizational affiliation does have an impact on individual levels of social capital. In a socialization perspective, only active members and volunteers develop social capital through organizational activity, as only they experience face to face interaction. On aggregate, members should therefore display higher levels of social capital than non-members, but active members and volunteers should score even higher on such measures ((2) in Table 1). There should however be no difference between passive members and non-members. In an institutional perspective, members will tend to have somewhat higher levels of social capital than non-members as their linkages to organizations provide them with direct representation by the organization, loyalty to a

system of collective action and more direct knowledge about what the organization does by means of newsletters or e-mails. Social interaction with other members is not crucial in this perspective. In contrast to the socialization perspective, therefore, there is no hypothesized effect of active over passive affiliations (research question (2) in the table).

Table 1: A socialization and an institutional approach to the association-social capital relationship:

Hypotheses for empirical examination

Socialization perspective Institutional perspective

Research question

(1) Effect of organizational affiliation? Yes Yes

(2) Intensity: Active members higher levels of social capital than passive? Yes No

(3) Intensity vs. scope: High intensity more important than broad scope of participation? Yes No

(4) Type: Nonpolitical, horizontal groups more valuable than conflict-oriented, "vertical" groups? Yes No

(5) Does trust in public sector institutions matter? No Yes

(6) Stronger effects at micro- or macro level? Equal Macro level

(7) Perception of value of organizations or participation in organizations? Participation Both

(interplay): The fewer the personal links to organizations, the more important perception becomes

Rather than the intensity of the involvement, an institutional perspective stresses its scope ((3) in Table 1): The more linkages, the better. Thus, a passive member of two associations should have higher social capital than an active member of one. More important than the individual effects, however, is the impact overlapping memberships has for society. The number of memberships held in a population should be a stronger predictor of social capital than the proportion of the population which is active. By contrast, Putnam (2000a, 58) asserts that the number of passive memberships does not compensate for the lack of direct involvement. Thus, intensity is more important than scope, and active members of one association should have higher social capital than passive members of several. Furthermore, societies characterised by numerous passive members should display lower levels of social capital than societies with fewer, more active members.

We will test the above propositions using data from the European Social Survey, which was undertaken in 2002/2003 (Jowell 2003). The 19 countries (the former EU-15 plus Norway, Poland, Slovenia and Hungary) which included reliable questions about associational activity and qualify as democracies were selected for the analysis. In all countries, face to face interviews were the main mode of data collection. Response rates varied from 43.7 (Italy) to 80.0 per cent (Greece), with an average of 62.4 per cent (NSD 2003). For the aggregate analyses, the 19 countries were divided into 141 regions, following the regional classifications made by ESS local associates.

While the results confirm that the emphasis on face to face interaction and socialization is indeed misplaced, they do not support dismissing or even downplaying the role of voluntary organizations. Rather, in line with an institutional perspective, voluntary organizations are crucial to the sustenance of social capital – not as agents of socialization, but as institutions within which social capital is embedded.

The findings suggest that fair and impartial public institutions are highly consequential, but so is clearly also the prominence of visible institutions in civil society. There is nothing in the data to suggest that a revival of locally oriented, social clubs offering plenty of face to face interaction and social contact, will help. To the contrary, the results indicate that if generalized trust is to be sustained, what a society needs is extrovert, visible organizations that act as real intermediary institutions between citizen and polity, and individual and society. In order to fulfill this function, associations need to provide translocal links reaching beyond local communities and into the political system (Skocpol 1996; 2003; Wollebæk and Selle 2002a).

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Paper Number: PA051202

Paper Title: "All grown up now ?": policy maturity or infancy in UK fundraising self-regulation

Author(s):

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Summary of Research

The public policy implications of new proposals for self-regulation of UK charity fundraising are explored, in the context of literatures on professionalism, self-regulation and public policy consultation. Documentary analysis of proposals is accompanied by a purposive survey among fundraising practitioners on the organisational versus individual issues raised. Elite interviewing within the sector on government plans to "assess the success" of the scheme is reported. The paper reflects on the relative policy maturity of the sector in this instance, and on its ability to convince stakeholders that the scheme is not primarily promoting the interests of the fundraising sector.

Description

In January 2005 proposals for a new self-regulatory scheme for charitable fundraising were published in the UK by a steering group of senior charity leaders. These proposals for a 'Regulation of Fundraising Scheme' (RFS,2005), built on prior work by the Institute of Fundraising, and its "Buse Commission" (2003,2004) . They stem in turn from recommendations for a fundraising self –regulation system made by a senior government committee in 2002. (Strategy Unit, 2002).. For the moment, this represents a culmination in an apparently shared government-voluntary sector policy agenda in the UK to combat negative perceptions of charity fundraising. Charities should gain from increased public confidence, even more critical as giving money overtakes giving time. Government programme alliances and partnerships with the sector should be further endorsed. Thus the former becomes more evidently trustworthy; and the latter trustworthy by implication, as governmental joint working with charities embeds and expands. Self-regulation is invariably cited as efficient and effective and a sign of industry maturity, in this case, apparently, the ideal 'win: win' policy situation for sector and government.

This mutuality of interest has now reached a new point of opportunities for public scrutiny; with the government publication in March 2005 of a consultation document on the principles which should be used for " assessing the success of self-regulation of fundraising"; with responses sought by June. (House of Commons,2005). Questions therefore arise at two levels. Empirically and firstly, in relation to the proposed scheme itself, how do existing fundraising postholders view the scheme and what effects do they expect it to have in improving or impeding their work performance and public standing? What roles may formal management education of charity fundraisers play in supporting a self-regulation ethos? Secondly, how important is this second tier consultation on 'how to gauge success' likely to be? What kinds of responses may be expected from within and beyond the sector, notably in relation to the key issue –"how can the scheme best demonstrate that it is not primarily promoting the interests of the fundraising sector"? From the perspective of public policy theory, to what extent do these proposals and the structures for their review represent negotiated dialogue in a relatively closed and 'decided' policy environment; or in an open policy environment, where external regulation is not yet ruled out? Over the longer term, how useful will be this development – or experiment – in privatising charity fundraising regulation?

This paper will begin to explore these questions, against the background of continuing debate regarding self- regulation in charity fundraising in the UK. Thus Lee (2003) has raised concerns of "vested interest" rather than "public good" outcomes of fundraising regulation. Nichols (2004) argues that the changing economic, societal and technological environment in which fundraising occurs combines to ensure that pro-active self –regulation within the charity fundraising industry must become the norm. Such an approach may however be of limited value, given Saxton's contention that "the gap between

public understanding and nonprofit reality is not sustainable". (Saxton,2004). The paper will draw where appropriate on comparative literatures, notwithstanding cross-national variations in charity fundraising's status and accreditation, and varying fiscal, social and political environments. For example, In a 'preliminary literature review' of self regulation in the voluntary sector generally, in a Canadian context , Echenberg (1996) emphasises that "there is simply no 'one size fits all' solution' but that "the articulation of goals, ethics and even practices will be insufficient to satisfy those who seek reassurance". Bekkers (2003),analyses the voluntary charitable fundraising accreditation system in the Netherlands, (with some parallels to the proposed UK scheme) and stresses that "..what happens from the public good perspective of nonprofits is that the public good nature of the public 's trust in charitable causes is partly privatised. Fundraisers can 'buy legitimacy by conforming to the rules...".(op.cit.,601). In the US context, recent evidence from the Association of Fundraising Professionals to the Senate Committee on Finance (AFP, 2004), noted that part of its work is "to identify wrongdoers who hurt the charitable sector" – with the implication that self –regulation schemes have an inbuilt incentive to respond harshly to rule-breakers, notwithstanding a tendency to regard them as a soft and easy option for leave-alone governments.

Within the UK public policy arena, self –regulation as a hallmark of trusted professionals more generally is under increased scrutiny and critique. This is so notably in the medical profession, where leading doctors are confirming that self-regulation "cannot be taken for granted" and describing it as a "dynamic continuum", in which the leadership role of teachers is central.(Irvine, 1997). The public policy literatures that offer relevance include the work of Chandler on "therapeutic politics" and that of Casey (2004),exploring factors affecting third sector organisations' access to decisionmaking domains and their ability to influence political outcomes.

A multi-method approach will be taken . Documentary analysis of the RFS proposals (IoF,2005) and of the consultative document (Home Office, 2005) will take place, to explore themes of sector professionalism, maturity and organisation-versus-individual fundraising regulation. A purposive small-scale survey of charity fundraisers currently completing postgraduate education in charity fundraising and marketing will follow,. This will focus on the RFS proposals and their implications for individuals as well as organisations working in the sector; and on the 'success assessment principles' in the government consultation document. Finally, given the internal sectoral endorsement which is being sought for the RFS, a series of elite interviews within the sector will be undertaken, with a maximum of ten under negotiation. These will examine the 'leading question' from the consultation document, the ability of the scheme to demonstrate that it is "not primarily promoting the interests of the fundraising sector". Appendices will summarise the RFS details and the consultation questions.

The paper is offered as a contribution to the academic and practitioner perspectives on regulatory policy for the sector generally, It is propelled by the limited policy consultation 'window' offered . Also by awareness that the government fall-back of a formal review of the RFS after five years is part of the Charities Bill, currently before Parliament. This itself may fail to complete before the impending General Election. In these circumstances, re-evaluation of the 'win:win' scenario for both parties must occur.

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Paper Number: PA051203

Paper Title: Porter's generic strategies in social service nonprofit organizations

Author(s):

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Summary of Research

Building on previous research on strategic management in nonprofit organizations, this research helps both practitioners and researchers understand how organizations adapt to less favorable economic conditions and how each of Porter's generic strategies (low cost, differentiations and focus) is understood and applied by nonprofit organizations.

Description

A number of typologies have been developed in the strategic management literature to categorize strategies that an organization can pursue at the business level. Among them Porter's generic strategies of overall cost leadership, differentiation, and focus has been identified as the dominant paradigm in the literature. With the quest for improving management practices in the nonprofit sector, business strategies have been applied to various degrees by nonprofit organizations. While some strategies have been studied more intensively, the application of Porter's generic strategies is still the beginning.

This research builds on previous studies (Kumar et al. 1997, Hlavacka et al. 2001, Petrescu, 2002) to explore the extent to which Porter's generic strategies apply to social service nonprofit organizations. A questionnaire sent to 350 social service organizations from Washtenaw County, MI collected information about these organizations managerial practices. Using factor analysis the research has identified how Porter's generic strategies pertain to nonprofit organizations.

Building on previous research on strategic management in nonprofit organizations, this research helps both practitioners and researchers understand how organizations adapt to less favorable economic conditions and how each of Porter's generic strategies is understood and applied by nonprofit organizations.

Paper Number: PA051205

Paper Title: Organizational Ecology: A Theoretical Perspective to Examine

Author(s):

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Summary of Research

This paper will report the results of a study of Tri-Cities Partnership (TCP), a collaborative partnership of homeless service providers in a mid-Atlantic city. The tiered partnership strategy used by TCP will be examined within the context of organizational ecology. Organizational ecology will be presented as a theoretical perspective that can be used to better understand the ever-changing dynamics of partnerships and develop diverse models of collaboration. Implications for practice, research, and policy will be examined in the process of reporting what was learned through survey and focus group methods.

Description

In an effort to expand local resources and improve social service delivery efficiency, social policies may mandate collaboration as a requirement for funding (Snavely & Tracy, 2000). Yet, these policies often do not provide specific guidelines on how to implement the collaboration component at the local level. This can pose a challenge for the non-profit sector if communities do not have a history of collaboration or the knowledge and skills necessary to initiate and sustain relationships between organizations. Often, the guidelines for implementing social policies do not take into account the varying degrees to which the service providers are connected to one another and how those relationships may impact their ability to collaborate (Chaskin, 2001; Chaskin, Brown, Venkatesh, & Vidal, 2001; Foster & Meinhard, 2002; Mulroy, 2003)

Organizational ecology is a theoretical perspective that examines the interrelatedness of organizations within a population. Populations are formed when a set of organizations who are engaged in similar activities and resource utilization coexist in the same environment. As these organizations become integrated into a population, the environmental opportunities and challenges that affect a single organization have an impact on other organizations within a population (Baum, 1996). Organizational ecology theory posits that organizations within a population vary in their connection with one another. Organizations that are weakly connected to one another are considered to be loosely coupled.

Although loosely coupled organizations may interact within the larger community, they are not likely to exhibit a high level of collaboration and integration. These organizations maintain their independence and are linked through a limited number of direct connections. In contrast, tightly coupled organizational systems have a greater degree of interaction and are more heavily influenced by the activities of the other organizations within the system (Aldrich, 1979).

This paper will discuss the findings from a research project that examined the planning process of Tri-Cities Partnership (TCP), a partnership of homeless service providers in a mid-Atlantic city that work together to develop the annual community plan for U.S. Department of Housing and Urban Development (HUD) Continuum of Care funding. As part of its overall effort to develop local, coordinated, systems of care to address homelessness, HUD has required that communities develop collaborative partnerships to address the problem. As a result, TCP facilitates the planning process is undertaken to prepare the grant application by its partners. The findings revealed that TCP's collaborative process appears to have both tightly and loosely coupled systems under the auspices of a single planning body. A core group of organizations that have been involved with TCP since its inception are active participants while at the periphery of the structure are the remaining organizations that provide services to segments of the homeless population but that do not consider working with homeless persons as their primary service domain. Cooperation, coordination, and collaboration are terms used to describe the process of organizations working together to achieve a certain goal (Abramson & Rosenthal, 1995; Bailey & Koney, 2000). Over time, TCP's planning process has emerged as a partnership that simultaneously exhibits characteristics of all three.

This paper will discuss the use of a cross-sectional survey and focus group methodology to evaluate

the planning process and the primary findings that relate to the tiered partnership structure. Collaborative partnerships rarely exist as the pure forms found in the literature. The paper will contribute to the collaboration literature by focusing on a model of collaboration that reflects varying degrees of organizational connectedness within a single collaborative process.

Paper Number: PA051207

Paper Title: The Impact of Fundraising, Price and Government Grants On Religious Nonprofits

Author(s):

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Summary of Research

This research examines the impact of fundraising, price and government grants on private donations to religious affiliated nonprofit organizations. This research tests the crowding-out hypothesis for a balanced panel of religious nonprofits. This research finds that there is some slight crowding-in to religious nonprofits. However, there are significant differences by religious affiliation.

Description

This research uses a balanced panel of religious affiliated nonprofit organizations to test the crowding-out hypothesis. As is discussed in Andreoni (2004), there are multiple hypotheses regarding the impact of government grants on private donations to nonprofit organizations: a) individuals can view government dollars as perfect substitutes, completely crowding-out private donations, b) individuals can view government dollars as imperfect substitutes for private dollars, partially crowding-out private dollars, or c) individuals can view government grants as a 'signal' of where private dollars should be sent, crowding-in private dollars. Using a balanced panel of Christian, Jewish, and Muslim affiliated nonprofit organizations, this research examines the impact of government grants on private donations. In addition, this research also addresses the impact of fundraising and the price of donations on the level of private donations. The research reveals that government grants crowd-in donations to religious nonprofits in the range of 0.35. This crowding-in estimate differs by religious affiliation.

This research also tests specifications for the price variable by including state level marginal tax rates. The results indicate that price specifications of this type are preferred over the specification as defined in Okten and Weisbrod (2000) or Tinkleman (2004) in several different settings.

Paper Number: PA051208

Paper Title: Accountability of Nonprofit Organizations Examined Through Performance Appraisals of Executive Directors

Author(s):

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Summary of Research

Accountability has become a key issue in nonprofit literature—but public trust in nonprofits continues to decline. Has the performance of the executive director been linked to the accountability of organizations? This study will comprise a survey of nonprofit organizations, along with a review of the literature, to construct a descriptive analysis of the practice and theory of appraising the performance of the executive director. The research question is: Do guidelines exist and are those guidelines followed to document and measure the performance of the executive director? Suggestions for areas of improvement will be addressed.

Description

Little research exists on performance appraisals of nonprofit executive directors/CEOs. Although nonprofits are required by the IRS to file reporting documents each year, and despite the fact that each nonprofit is mandated to have a governing board for executive and fiscal oversight, measurement of the performance of the executive director is not prescribed. This study will comprise a survey of nonprofit organizations to construct a descriptive analysis of the practice and theory of appraising the performance of the CEO. The research question is: Do guidelines exist and are those guidelines/procedures followed to document and measure the performance of the executive director?

In addition, this study examines existing literature salient to the issues of nonprofit governance, administration, and accountability, as well as performance appraisal. By combining the literature from various sectors, it is clear that performance appraisal issues are relevant to nonprofits and that some guidelines and tools exist. The extent to which they are employed is the focus of the survey.

In the world of nonprofit organizations, both staff and volunteers are faced with doing more work with fewer resources; consequently, issues of accountability (i.e. measures of efficiency and effectiveness) are often overlooked. One of the most obvious measures, the performance appraisal of the executive director, may be disregarded for more pressing matters. Issues that fall under the responsibility of the executive director include the operations of the organization—finances, personnel, community relations, etc.—and neglecting to examine how the executive director is performing with regard to any one of these issues may have great impact on the organization. The performance appraisal may not be performed consistently, may lack clearly set goals and expectations, or may be based on self-evaluations and fail to include input from additional sources. Nonprofits need to address difficult questions—and may fail to do so for a number of reasons—but effectively evaluating the executive director is crucial to the on-going health of an organization.

Plaguing the nonprofit sector is talk of a lack of accountability, coupled with a decrease in public trust. Conviction in the work of nonprofits has been slipping since at least the early 1990s, and the public has lost faith in organizations as well as the people associated with them (Scrivner, 2001). Part of the problem is that “No longer is there the assumption that people who work in nonprofits always do what is right” (Green, 2004, 25). Public attitudes towards nonprofits have declined (Salamon, 2003) as public confidence has eroded (Ebrahim, 2003).

This deterioration of confidence in nonprofits in general (Salamon, 2001) is particularly dangerous to a sector that relies of the generosity of the public for its very survival. “When nonprofits are perceived as acting in unprofessional, irresponsible, or ethically questionable ways, public reaction can quickly rise to feelings of betrayal and violation of trust. Distrust in one nonprofit can cause a halt to giving to other nonprofits” (Maclean, 2004, 24). And as the sector continues to grow, the public is becoming even more observant and expectant of greater transparency and accountability (Raymond, 2004).

Negative attitudes, coupled with a weak economy and less discretionary dollars available for giving can be detrimental to the nonprofit sector. Furthermore, Young suggests that norms for accountability exist for nonprofit organizations—in their mission statements—and although these are easy to identify, they are far more difficult to interpret and eventually, to achieve (2002, 4). Suggestions for restoring public trust include overhauling the financial accountability systems of the sector (Keating and Frumkin, 2003) and “giving greater attention the measurement of nonprofit effectiveness” (Salamon, 1999, 21) all of which revolve around the executive director.

The exploration and development of models for evaluating the performance of the executive director will enable nonprofits to better assess and document the accountability of nonprofit organizations. Other suggestions include: creation of improved internal management and governance, development of more stringent IRS 990 requirements, and availability of information to the public along with explanation of the relevance of that information (Keating and Frumkin, 2003, 11). Theories and models may also facilitate better understanding of accountability structures (Lake, 1997), and thus could be developed to foster community involvement in the rebuilding of public trust. Accountability models such as that developed by Romzek and Dubnick (1987) will be examined for applicability and usefulness to the nonprofit sector.

Indeed the standards by which nonprofits are held to account need to be revisited and increased to include minimum levels of excellence (Chisolm, 1995) instead of tolerance for less acceptable work. Communities must work together to ensure that the provisions of nonprofits are meeting the needs of the clients served, and that projects are actually contributing to community goals (Campbell, 2002, 256). Returning to the historical roots of the nonprofit sector may be useful in aiding the movement toward accountability—the sector was based on the faith that good people were producing programs and services for the good of the rest of the people. If nonprofits are to return to their place of honor and service, they must return a reason for believing to the people.

It is hoped that this research will bring to light some common practices and procedures, and will suggest areas upon which the practice of appraising the performance of the nonprofit CEO can be improved.

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Paper Number: PA051210

Paper Title: Nonprofits and the Press: A Content Analysis of Nonprofits in Nine Major Newspapers

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Summary of Research

Media coverage of the nonprofit sector may have profound affects on the public's perception of and involvement in the voluntary sector. Unfortunately, there is little systematic empirical research about media coverage of nonprofits. This study examines 1,034 randomly sampled newspaper stories about nonprofits that ran in nine major US newspapers in 2003. The results indicate that coverage of individual nonprofit organizations is fairly common, but coverage of nonprofits as a sector is virtually nonexistent. The results also indicate that newspapers' coverage of nonprofits is generally positive, but nonprofits often play a minor role in the stories where they appear.

Description

"The media doesn't tell us what to think, but they do tell us what to think about."

-- Bernard Cohen

As Cohen suggests, the media's influence on the public is not a straightforward process of cause and effect. Instead the media frames the way the public sees important topics. To picture this, compare the following hypothetical quotes from newspaper stories about the nonprofit sector.

"A study released today estimates that charities could free up \$100 billion each year, by lowering their administrative overhead. That is enough to give every high school graduate in the country a \$40,000 scholarship."

"The founders chose to donate the money to the National Childhood Cancer Foundation in part because of the organization's low administrative overhead. According to organizers, 94% of the money donated to the foundation goes directly toward cancer research and treatment. Because of this, the foundation is one of 1200 organizations in the country that have received an A+ rating from the American Institute of Philanthropy, a national charity watchdog group."

Even if "perception is reality," is not always accurate, it is at least reasonable to suggest that an individual reading the first quote might be less inclined to donate time or money to a nonprofit organization than an individual reading the second. Similarly, a reader of the former quote might be more inclined to favor more legislative oversight of the nonprofit sector than a reader of the latter quote. In either case, it is clear that how the media covers the nonprofit sector may have significant affects on the practical realities faced by nonprofits.

Just what these affects are, however, is unfortunately an unanswered question, in part because of a lack of large scale systematic studies of media and nonprofits. In fact, the lack of scholarly attention to this topic leaves even more basic questions, such as when media stories appear, where they appear, what aspects of nonprofits get covered and how the nonprofit sector is portrayed in the media largely unanswered. This study aims to address this gap in the nonprofit literature.

Please note: The research for this paper is completed and the paper is in final draft stages. Copies of the working draft are available to reviewers as of 3/31/05.

KEY RESEARCH QUESTIONS

Journalists are taught that several elements make a good news story; namely the when, where, what, and how of a topic. This study leaves the “why” question for future research and journalists. The focus is on answering:

- When newspaper stories about nonprofits appear during the year?
- Where in the newspapers do these stories appear?
- What receives the most coverage in nonprofit stories?
- How nonprofits and philanthropies are covered?

The first two questions and propositions are fairly straightforward. Understanding what gets covered is somewhat more complex. Answering the question requires breaking down each story into various components and comparing how often different story components appeared in the overall sample of stories. Specifically, the following questions are addressed;

- Does nonprofit coverage focus at the local, state, national or international level?
- What overall nonprofit themes receive the most coverage?
- How often do other actors, such as government and the private sector, play a role in nonprofit stories?
- Who is the most quoted source in nonprofit stories?

Understanding how the nonprofit sector is covered is also a complex question, and one not particularly well addressed in the literature. To address it requires a framework by which to analyze the content of nonprofit stories. The framework used in this analysis has two dimensions. The first is the extent to which coverage is generally positive or negative towards the nonprofit sector. As noted in proposition six, we generally expect that coverage will be more positive toward nonprofits than negative, but we know little in the way of what kind of nonprofit stories generate positive or negative coverage. As such we explore two questions in this area;

- Is newspaper coverage about nonprofits favorable or unfavorable?
- What types of nonprofit stories receive the most favorable and unfavorable coverage?

The second dimension is how much depth and contextual detail stories provide about nonprofits. Some information about the level of depth is provided in the exploration of what gets covered. In the concluding section this is expanded on by asking the following questions;

- Does nonprofit coverage focus on individual organizations or the nonprofit sector?
- How prominently featured or central to the story are nonprofits?
- How much depth and contextual details about the nonprofit sector are contained in newspaper stories?

METHODOLOGY

This paper reports the results of a content analysis of 1,034 newspaper articles that ran in the Atlanta Journal Constitution, Boston Globe, Chicago Sun Times, Houston Chronicle, Los Angeles Times, New York Times, USA Today, Washington Post and the Wall Street Journal. These nine newspapers have a combined circulation of over eight and a half million readers .

All stories ran between April 1, 2003 and June 30, 2003 or October 1, 2003 and December 31, 2003. The first time period was chosen to provide a contrast to the second when we expected an increase in media coverage corresponding with the Thanksgiving and Christmas holidays when giving, fundraising and concern for the needy traditionally increases.