

Paper Number: PN042065

Paper Title: Comparative Perspectives on Nonprofit Sector Accountability through Self-Regulation

Author(s):

Mary Kay Gugerty, University of Washington, Seattle, WA, USA

Description

In almost every country with an active and growing nonprofit and philanthropic sector, both government and the charitable sector itself have sought ways to strengthen the sector's transparency and accountability. There are a variety of reasons for the increase in attention to finding mechanisms for enhanced nonprofit transparency and accountability. They include defending against more rigorous government regulation; increasing financial contributions for charities; and responding to criticism from the public, media, regulators and others. This panel examines the comparative experience of attempts to build nonprofit accountability through self-regulation in three regions: Asia, Central Europe and Africa. The panel will compare and contrast the varying motives for self-regulation and the resulting variety of self-regulation mechanisms that result.

Throughout Asia, nonprofit sector self-regulation is on the agenda as never before. A wide, exciting array of dialogues, debates, experiments, and initiatives is underway on nonprofit self-regulation around the Asia Pacific region – ranging from systems in place in the Philippines, Australia and elsewhere, to a wide range of experiments and pilot projects in India, Indonesia and other countries. In his paper on Asia, Mark Sidel examines motivations behind the rapidly increasing interest in self-regulation across the region, investigating the varieties of experiments, initiatives and models for nonprofit sector self-regulation now underway.

In Central Europe, a number of accession states have initiated programs of self-regulation reform designed to create an environment for its nongovernmental sector both supportive of NGO and philanthropic development and more closely aligned with prevailing standards of EU member nations. Angela Bies draws on interviews with primary self-regulation actors across member and accession states, document analysis, and a comprehensive literature review to examine models of nongovernmental self-regulation in European Union member and first tier accession states and present a self-regulation typology that draws on both social origins and institutional theory.

In Africa, self-regulation has often occurred in response to encroachment by the state. The final paper in the panel, by Mary Kay Gugerty, examines the role of NGO umbrella networks in sub-Saharan Africa as a response to the growing pressure both for self-regulation and for a representative institution through which the nonprofit sector might negotiate with the state. Drawing on case studies from several African countries, the paper describes the mechanisms by which umbrella organizations negotiate the competing claims of sector representation and sector self-regulation.

Paper Number: PN042065.1

Paper Title: Nonprofit Self-regulation in Asia: Facing the State

Author(s):

Mark Sidel, University of Iowa, Iowa City, IA, USA

Summary of Research

This paper focuses on the varieties of initiatives and models for nonprofit sector self-regulation underway in East, Southeast and South Asia, and the motivations behind the growing interest in self-regulation in the Asian nonprofit community. Avoiding stricter state control, eliciting state interest in the role of nonprofits, bringing the nonprofit community into the mainstream of policymaking -- these and more are among the diverse reasons why self-regulation is on the agenda for nonprofit-state relations throughout Asia. The paper describes and analyzes self-regulatory efforts underway in Australia, China, Hong Kong, India, Indonesia, Japan, Pakistan, Philippines, Taiwan, Vietnam, and other Asian jurisdictions.

Description

In almost every country with an active and growing nonprofit and philanthropic sector, both government and the charitable sector itself have sought ways to strengthen the sector's transparency and accountability. In the Asia Pacific region and around the world, there are a variety of reasons for the increase in attention to finding mechanisms for enhanced nonprofit transparency and accountability. They include defending against more rigorous government regulation; increasing financial contributions for charities; and responding to criticism from the public, media, regulators and others.

Greater transparency and accountability can be achieved through multiple, often simultaneous and overlapping means. National or subnational (state or provincial) governments can increase direct regulatory focus and enforcement on the sector. Governments can also require or urge the nonprofit sector to adopt self-regulatory means to strengthen accountability and transparency, or as a method for collaborating with government on measures (such as tax exemption) that benefit the sector and society. And the nonprofit sector itself can adopt self-regulating mechanisms of its own accord, either as a defensive or proactive measure.

These self-regulatory mechanisms, whether adopted at the urging of government or at the initiative of the nonprofit sector itself, can take a bewildering array of forms. Whether in operation or under discussion, in Asia they include

- (1) Accreditation, certification, validation and licensing mechanisms;
- (2) Evaluative mechanisms (such as ratings, grading, and scoring systems);
- (3) Sectoral codes and other means to govern conduct (such as codes of conduct or ethics of various kinds);
- (4) "Intranet" self-regulatory measures or precursors to self-regulation in which domestic funding nonprofits encourage and require compliance with standards by their domestic partners and/or grantees;
- (5) Charity commissions or self-regulatory charity registers;
- (6) Disciplinary mechanisms (such as disciplinary or appeals bodies);
- (7) Formal standard-setting, sometimes in conjunction with other forms of self-regulation; and other forms.

And they can, of course seek to regulate highly diversified matters: nonprofit governance, transparency and information flows; conduct of directors, trustees and officers; fundraising; investment of donated funds; and a host of other important matters.

No one pattern fits or describes the variety of nonprofit self-regulation mechanisms in the Asia Pacific

region. The nonprofit sector in each country is discussing, considering, debating, experimenting or adopting self-regulation structures on its own pace and based on its own conditions and needs. Yet that diversity of pace and structure also serves to make the picture even more complex in the Asia Pacific region.

As this paper illustrates, however, there are a wide, exciting array of dialogues, debates, experiments, and initiatives underway on nonprofit self-regulation around the Asia Pacific region – ranging from systems in place in the Philippines, Australia and elsewhere, to a wide range of experiments and pilot projects in India, Indonesia and other countries, to active dialogues underway where they might be expected (such as in Hong Kong and China) and where they might be a bit surprising to find (such as Vietnam and Laos).

This paper describes and analyzes the development of nonprofit self-regulation mechanisms and examines their implications for nonprofit-state relations in seventeen countries and regions of Asia and the Pacific: Australia, Bangladesh, Cambodia, China, Hong Kong, India, Indonesia, Japan, Laos, Pakistan, Philippines, Singapore, South Korea, Sri Lanka, Taiwan, Thailand, and Vietnam.

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Paper Number: PN042065.2

Paper Title: Models of NGO Self-Regulation in an Expanding European Union: A Social and Institutional Analysis

Author(s):

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Summary of Research

This paper examines models of nongovernmental self-regulation in European Union member and first tier accession states. Drawing upon a comprehensive literature review, document analysis, and interviews with primary self-regulation actors across member and accession states, the author utilizes the following for comparison: a structural/operational analysis of self-regulation mechanisms; and analysis based on state–nongovernmental relations. A self-regulation typology is presented, which utilizes both social origins and institutional theory through an analysis of both structural and social elements. A future research agenda is suggested in relationship to trans-European policy implications of NGO self-regulation and self-regulation reforms in next wave accession states.

Description

European prosperity is linked to strong and balanced economic and social performance: a rising standard of living, enhanced social cohesion, and economic competitiveness. As such, the social agenda of the European Union (EU) also extends to economic and social policy development as part of the process of enlarging the EU, with the expectation that accession countries actively engage in EU partnerships and initiatives to reform labor markets and social protection systems and to develop legal, educational and institutional capacity necessary for the development of civil society (Council of Europe Press, 1995; European Commission (1997). Because the development of individual NGOs, NGO sectors, and related nongovernmental regulatory environments is also viewed as important to the development of civil society and substantive democracy necessary for successful participation and accession into the EU, this provides an investigation and analysis of NGO regulatory approaches in European Union contexts, with special emphases on the contexts of first wave of EU accession countries, such as the Czech Republic, Poland and Hungary.

Independent for well over a decade, Central and Eastern European (CEE) accessions states have experienced rapid and expansive transformation not only in the private and governmental sectors, but also in the nongovernmental sector (Kuti, 1999). During a period of unprecedented NGO growth, increasing reliance on NGOs to carry out vital human services, emerging systems of NGO law and institutions of philanthropy, and widespread use of NGOs to promote the formation of civil society, the environment for NGO self-regulation has become increasingly complex and high stakes in such accession states. The importance of NGO involvement in the democratization of such accession states is simultaneously a remarkable leadership opportunity and a challenge for the NGO sector. Increasingly, the credibility of that sector depends on the use of appropriate self-regulation practices and its relations with the public sector. To create an environment for its nongovernmental sector both supportive of NGO and philanthropic development and more closely aligned with prevailing standards of EU member nations, a number of accession states have initiated programs of self-regulation reform, funded in large part by private foundations and the EU Phare Program (Phare, 1998; Lange, 2003).

Despite a paucity of research on NGO self-regulation initiatives, similar reforms are occurring in established and emerging democracies worldwide. In addition, the existing literature centers largely on descriptive, conceptual, and normative treatment of NGO accountability and self-regulation and is primarily concerned with foreign assistance, developing nation, North American or Western European contexts. This paper builds on this literature, but fills a gap with regard to self-regulation in a trans-national policy context and in a context that involves democracies with various institutional and governance mechanisms and of varying degrees of establishment. Drawing upon a comprehensive literature review, document analysis, and interviews with primary self-regulation actors across member and accession states, the author utilizes the following frameworks for comparative analysis: a

structural/operational analysis of self-regulation mechanisms; and an analysis based on state–nongovernmental relations. Social origins theory helps explain variations, but other structural and institutional determinants also help explain variation. A self-regulation typology is presented, which draws on both social origins and institutional theory and utilizes an integrated framework of both structural and social elements. A future research agenda is suggested, especially in relationship to trans-European policy implications of NGO self-regulation and the development of self-regulation reforms in next wave accession states.

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Paper Number: PN042065.3

Paper Title: Accountability, Transparency and Collection Action in Nonprofit Umbrella Organizations in sub-Saharan Africa

Author(s):

Mary Kay Gugerty, University of Washington, Seattle, WA, USA

Summary of Research

In sub-Saharan Africa, the expansion of the nonprofit sector has created tension between nonprofits and governments over the control of resources and the proper scope of nonprofit activity, often resulting in increased demands for nonprofit sector accountability. A typical response from NGOs is the formation of sector-wide umbrella organizations of nonprofit organizations to engage both in self-regulation and to create a representative institution through which the nonprofit sector might negotiate with the state. Drawing on case studies from several African countries, this paper describes the mechanisms by which umbrella organizations negotiate the competing claims of sector representation and sector self-regulation.

Description

In countries around the world, the expansion of the nonprofit sector has created tension between nonprofit organizations and governments over the control of resources and the proper scope of nonprofit activity. This is particularly true in many developing countries, where the growth of the sector can represent a threat to well-established patronage relationships that govern the distribution of resources. In many countries, the struggle for power is often couched in terms of a debate over the accountability and transparency of nonprofit organizations. This debate is hardly confined to the developing world, however, U.S. nonprofits are also facing a growing accountability challenge in the wake of corporate and non-profit scandals and the politicization of foreign aid.

In sub-Saharan Africa, the growth of the nonprofit sector has tended to exacerbate tensions between government and the sector. The growth of the sector often represents a threat to well-established neo-patrimonial relationships that govern the distribution of resources. The increasing reliance of governments on nonprofits for service delivery further complicates the relationship. Moreover, to the extent that NGOs are connected to international organizations and networks, they represent another perceived threat to state power in the form of increased international influence in domestic matters.

For all these reasons, many governments in Africa have responded to the proliferation of NGOs with expanded attempts to regulate the sector, often through state-controlled NGO Bureaus. One rationale for state regulation is often the need for greater transparency, accountability, and coordination in the sector. A typical response from NGOs is the formation of sector-wide umbrella organizations of nonprofit organizations.

These organizations may be open to all nonprofits operating in the country or they may develop specific membership criteria. They may choose from multiple strategies: they may develop voluntary standards or codes of ethics, develop mechanisms for accreditation, engage in lobbying or negotiation with the state regarding sectoral policy, or engage in capacity-building for their members. Using data drawn from the experiences of associations in Uganda, Ethiopia, South Africa, Kenya and Tanzania, this paper shows how the goals of representation/negotiation with the state and sectoral self-regulation may often be in conflict, resulting in a splintering or fragmentation of the association.

To the extent that umbrella organizations seek to engage the state or to engage in collective self-regulation, they face a collective action problem. Membership implies costs to individual organizations – in terms of organizational independence, organizational resources, or political risk. The association must offer the prospect of sufficient benefit to outweigh these costs and must undertake monitoring or create incentives to prevent free-riding.

In large industries, some analysts have argued that private sector self-regulation based on codes of conduct without explicit sanctions appears unlikely to succeed in regulating behavior (King and Lenox, 2000). Moreover, it is unclear whether the industry self-regulation model will transfer to a sector as diverse as the NGO sector in many developing countries, since the difficulties of collective action may be exacerbated in larger, more heterogeneous groups (Olson, 1965; Ostrom, 1990). For example, Cooley and Ron (2002) show how individual organizational incentives make NGO coordination difficult in humanitarian crises. Thus the diversity of organizations in the sector will make collective action at the national level difficult.

When associations attempt both sectoral self-regulation and negotiation with the state, the institutional implications of these goals may be in conflict. Representativeness and legitimacy with the state will be greater to the extent that large numbers of nonprofits are members of the organization. But voluntary regulation regimes may require some level of exclusion: if every potential member is admitted to the club, the reputational benefits of membership may be severely diluted (Prakash and Potowski, 2003).

The tension between potential activities and strategies in NGO associations is evident empirically. In Uganda, for example, an umbrella association of indigenous NGOs has deliberately chosen not to engage with the state on policy, but to focus instead on capacity-building and governance within the sector. An alternative umbrella organization was subsequently founded to more directly address policy issues. The competition between the two has tended to fracture, rather than unite the sector.

Empirically, this paper shows how this tension between representativeness and self-regulation often results in fractured associations and a splintering of the association into more apolitical capacity-building networks and more political but potentially unrepresentative lobbying or advocacy networks.

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Paper Number: CO043414

Paper Title: Contracting Theory and Evidence on Support for Charitable Choice

Author(s):

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Summary of Research

This colloquy consists of three presentations of new evidence and theory regarding Charitable Choice. The first presentation uses survey data of the public to ask about the extent of support for Charitable Choice and the likely effects on volunteering and charitable giving. The second presentation turns to evidence regarding support for Charitable Choice amongst leaders of faith-based organizations. The third presentation considers Charitable Choice through the lens of the economic analysis of incomplete contracting.

Description

Contracting Theory and Evidence on Support for Charitable Choice

On January 29, 2001 President George W. Bush announced the establishment of a White House Office of Faith-Based and Community Initiatives. This action is in the spirit of support proclaimed by both Bush and former Vice-President Gore on the importance of effectively utilizing the resources of religious organizations. The stage for this type of initiative was first set in 1996 when a legislative provision titled Charitable Choice was added to the 1996 Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA). It specifies that government entities contracting for social services with nonprofit organizations can also include religious organizations in the competitive bidding process. Using religious organizations to provide services to those in need is not a concept without tradition in this country (Hall 1997), but the establishment of this new office and the ambiguity around the term "faith-based" raises some controversial issues. While there has been substantial commentary recently on this topic, and some empirical work (Chaves 1999; Cnaan 1997; Printz 1998; Twombly and De Vita 1998; Castelli and McCarthy 1999; and Bartkowski and Regis 1999), there are several research questions in which empirical data could increase our understanding of the public policy implications of increasing government's formal contracting relationships with faith-based organizations.

This colloquy will have three parts.

First, using data on charitable giving patterns from a survey administered to individuals in the Metro-Atlanta region from May to September 2000 (n=2600), and public opinion data gathered from a statewide telephone survey of Georgians during Spring 2001 (n=850), we examine the following questions: 1) to what extent are policies associated with charitable choice consistent with citizen values, support, and knowledge about faith-based organizations? 2) to what extent will the public resist or support the implementation of policies designed to increase government's partnering efforts with faith-based organizations in the provision of social services? and 3) to what extent will charitable choice increase/decrease the return on government spending for social services by encouraging more/less volunteering and charitable giving? By focusing on these three hypotheses, we test for support, efficiency, and effectiveness, important attributes of any public policy. The data are analyzed using logistic regression techniques to build predictive models of support and resistance based on demographic and attitudinal data. The findings suggest citizen support for faith-based organizational involvement in contracting with government for social services is positively correlated with religious, political, and civic participation, and charitable giving variables. We will also discuss levels of citizen knowledge and awareness about Charitable Choice and the work of faith-based organizations in

service delivery, while focusing on the public policy implications of using faith-based organizations to deliver services funded by government, a role historically played by secular nonprofit organizations. Finally, we will discuss the nonprofit management and charitable giving implications of changes in the giving and volunteering patterns to faith-based organizations, and the crowding-out effect this could have for secular nonprofits also involved in delivering social services.

The second presentation begins by noting that the burden of implementing Charitable Choice falls primarily on the government sector, which must, at a minimum, ensure a "level playing field" for faith-based organizations wishing to compete for government funds, so it is not surprising that most analysis of Charitable Choice implementation has focused on the actions of public managers. Even the most thorough implementation of Charitable Choice by public managers, though, would be of only symbolic value if the administrators of faith-based organizations did not decide to respond to the opportunities for partnering with government afforded by Charitable Choice. This point has not escaped the notice of other scholars, who have documented the scope of the social services currently offered by churches and other faith-based organizations (e.g., Cnaan and Boddie, 2001), the likelihood of churches pursuing government funds (Bartkowski and Regis, 1999; Chaves, 1999), and examples of how Charitable Choice implementation has been successful in some respects and languid in others (Green and Sherman, 2002; Kennedy and Bielefeld, 2002). These previous studies prompt several new questions: Why are some administrators of faith-based organizations reluctant to receive government funds? Why do others enthusiastically compete for government funds? What do administrators of faith-based organizations believe are the risks and benefits of government funding? For those who have successfully garnered government funding, how do they rate the experience? This part of the colloquy will discuss the findings of exploratory research that examines these questions based on interviews with administrators of faith-based organizations. By introducing these findings for discussion, we get fresh insights into Charitable Choice implementation from the perspective of faith-based organizations.

The third part of the colloquy looks at Charitable Choice through the lens of the new economics of incomplete contracts. This approach to modeling contracts begins with the notion that in a world of perfect and complete contracting, there is little to choose between government "in-house" provision of services and contracting out. It is the transaction costs of contracting that make the contracting out decision an interesting one, where the benefits of the higher-powered incentives of the non-government sector must be weighed against the imperfect ability of the government to monitor contract performance (see Hart, Shleifer and Vishny, 1997; Shleifer, 1998; Hart, 2003). To our knowledge the incomplete contracts framework has not been applied to the policy issues surrounding Charitable Choice, and this part of the colloquy is the beginning of an attempt to fill that gap.

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Paper Number: PN042069

Paper Title: The Capacity to Serve: Results from Canada's National Survey of Nonprofit and Voluntary Organizations

Author(s):

Michael Hall, Canadian Centre for Philanthropy, Toronto, CANADA

Description

This panel will provide an overview of the findings from Canada's 2003 National Survey of Nonprofit and Voluntary Organizations (NSNVO). The NSNVO employed a representative survey of 14,000 incorporated Canadian nonprofit organizations and registered charities. Canada's National Survey of Nonprofit and Voluntary Organizations (NSNVO) provides the most comprehensive profiling of nonprofit and voluntary organizations ever undertaken in Canada. It has two main objectives: 1) to collect data about the numbers of nonprofit and voluntary organizations, their areas of activity, the resources they rely upon, and the extent to which they provide public benefits; and, 2) to identify areas where the capacity of organizations to achieve their missions could be improved.

The NSNVO was undertaken by a consortium of nine organizations that included: the Canadian Centre for Philanthropy (as the lead organization); the Alliance de recherche universités-communautés en économie sociale, Université du Québec à Montréal; Canada West Foundation; Canadian Council on Social Development; Capacity Development Network, University of Victoria; Community Services Council, Newfoundland and Labrador; School of Policy Studies, Queen's University; Secretariat on Voluntary Sector Sustainability at the Manitoba Voluntary Sector Initiative. The survey itself was conducted by Canada's statistical agency, Statistics Canada.

This research initiative has had two distinct phases. The initial phase was qualitative in nature, involving a review of the literature and a series of focus groups and key informant interviews (Hall et al, 2003). It explored the various strengths that nonprofit and voluntary organizations possess as well as the challenges they face as they attempt to fulfill their missions. Our findings showed that representatives of voluntary organizations believed that they had many strengths, particularly in their ability to tap the resources of committed volunteers and paid staff. But participants also reported that they were experiencing considerable difficulties in obtaining the appropriate financial and human resources to deliver their programs and services to Canadians. The findings guided the design of the NSNVO.

This panel will be comprised of four presentations: 1) An Overview of the National Survey of Nonprofit and Voluntary Organizations; 2) The Financial Resources of Canadian Nonprofit and Voluntary Organizations; 3) Human Resources in Canadian Nonprofit and Voluntary Organizations; and 4) Capacity Issues for Canadian Nonprofit and Voluntary Organizations.

Paper Number: PN042069.1

Paper Title: An Overview of the National Survey of Nonprofit and Voluntary Organizations.

Author(s):

Michael Hall, Canadian Centre for Philanthropy, Toronto, CANADA

Summary of Research

This paper will provide an introduction to the National Survey of Nonprofit and Voluntary Organizations (NSNVO) research initiative in Canada and its methodology. Conducted by Statistic's Canada, the NSNVO provides a comprehensive picture of the state of nonprofit and voluntary organizations in Canada.

Description

This paper will discuss the National Survey of Nonprofit and Voluntary Organizations (NSNVO) research initiative, the methodologies it employed and its major findings. It will provide an overview of the survey's major findings, focusing particularly on findings about the key characteristics of Canadian nonprofit and voluntary organizations (e.g., areas of activity, populations served, the size of their membership bases, and the degree to which they provide public or mutual benefits).

Paper Number: PN042069.2

Paper Title: The Financial Resources of Canadian Nonprofit and Voluntary Organizations

Author(s):

Margaret de Wit, Canadian Centre for Philanthropy, Toronto, Ontario, CANADA

Summary of Research

The paper will present findings about the financial characteristics of Canadian nonprofit and voluntary organizations report.

Description

The paper will report on the amount of revenues that Canadian nonprofit and voluntary organizations report, the sources of these revenues and how they are distributed among various types of organizations. Of particular interest is the relative reliance of organizations on government funding, earned income, and donations. It will also provide data that demonstrates the importance of in-kind donations.

Paper Number: PN042069.3

Paper Title: Human Resources in Canadian Nonprofit and Voluntary Organizations

Author(s):

Victor Murray, University of Victoria, Victoria, BC, CANADA

Summary of Research

The paper will report on findings from the Canadian National Survey of Nonprofit and Voluntary Organizations regarding the use of human resources (both volunteers and paid employees) in Canadian nonprofit and voluntary organizations.

Description

The paper will review findings about the use of human resources in Canadian nonprofit and voluntary organizations using data from the 2003 National Survey of Nonprofit and Voluntary Organizations. It will outline the numbers of volunteers (both board members and others); the hours they contribute to organizations; the frequency with which they volunteer and the extent to which volunteer levels have changed over the previous three years. It will also report on findings about the use of paid employees, the characteristics of their employment (full time, part time, contract) and the extent to which there has been change in paid employment levels.

Paper Number: PN042069.4

Paper Title: Capacity Issues for Canadian Nonprofit and Voluntary Organizations

Author(s):

Kathy Brock, Public Policy and the Third Sector, Queen's University, Kingston, CANADA

Penelope Rowe, Community Services Council, St. John's, CANADA

Summary of Research

This paper presents findings from the National Survey of Nonprofit and Voluntary organizations about the extent to which organizations report problems with a variety of aspects of organizational capacity. Implications are drawn for efforts to build the capacity of nonprofit organizations.

Description

The National Survey of Nonprofit and Voluntary Organizations examined the extent to which representatives of nonprofit and voluntary organizations reported problems with organizational capacity. The survey assessed the extent of problems reported with: financial capacity, human resource capacity, the ability to draw on relationships and networks, planning and development capacity, and infrastructure capacity. This paper will outline findings about the capacity problems that organizations report and explore how such problems vary according to size and type of organization (e.g., arts & culture, social service, health). Implications of the findings for efforts to build the capacity of nonprofit organizations will be discussed.

Paper Number: PN042038

Paper Title: Building Nonprofit Capacity through University Outreach: A Case Study Approach

Author(s):

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

Description

Nonprofit organizations are increasingly seeking new knowledge and ideas to respond to community needs in our rapidly changing society. In response to these new knowledge needs, there has been a considerable increase in the number of nonprofit management outreach programs on campuses throughout the nation over the past ten years. Universities and colleges, in addition to offering nonprofit graduate degree programs, reach out to the nonprofit sector and its community-based groups through a host of activities designed to disseminate new knowledge about the nonprofit sector. This panel examines the role of university outreach programs in meeting the knowledge and information needs of the local nonprofit community. Four case studies of outreach efforts designed to build the capacity of nonprofit organizations are presented.

Paper Number: PN042038.1

Paper Title: Dilemmas and Opportunities in Nonprofit Capacity Building: a Case Study

Author(s):

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Summary of Research

This paper considers outreach as a part of nonprofit capacity building as conceived by one academic center located within a major metropolitan, Research I, public university. The Arizona State University (ASU) Center for Nonprofit Leadership and Management (CNLM) has developed outreach activities designed to build nonprofit capacity as one of its core design imperatives. Is there evidence that nonprofit capacity is being built as a result of such programs? The paper examines this question and explores opportunities and dilemmas from lessons learned.

Description

In a report released in 1999 titled, "Returning to Our Roots: The Engaged Institution," the Kellogg Commission on the Future of State and Land Grant Colleges called for a redesign of public service responsibilities for America's higher education institutions. The report addressed the historic land-grant mission of outreach related to certain types of American institutions. However, its implications continue to ripple across all forms of higher education. According to the report, the engaged university, "is an institution that has redesigned its teaching, research and extension and service functions to become more sympathetically and productively involved with its communities, however community may be defined."

The concept of service is part of most university mission statements in the United States as a complement to core research and education priorities. The service mission is frequently identified by terms such as "extension," "engagement" or "outreach." Despite what term is used, outreach is found in various forms and to various degrees throughout most institutions of higher education. Across nonprofit academic centers that have been organized over the past decade, many examples of outreach can be found. In some cases, service is considered an extension of existing programs. In other cases, programs are designed intentionally with service to stakeholders as their primary purpose.

This paper considers outreach as a part of nonprofit capacity building as conceived by one academic center located within a major metropolitan, Research I, public university. The Arizona State University (ASU) Center for Nonprofit Leadership and Management (CNLM) has developed outreach activities designed to build nonprofit capacity as one of its core design imperatives.

The paper examines the following questions:

- 1) What are the design imperatives related to university outreach programs and activities?
- 2) What conceptual framework informed the design of ASU's outreach activities?
- 3) What programmatic approaches to outreach have been initiated by ASU's Center for Nonprofit Leadership and Management?
- 4) What evidence exists that nonprofit capacity is being built as a result of such programs?
- 5) Based upon lessons learned from outreach activities, what dilemmas and opportunities emerge from the ASU Case?

Paper Number: PN042038.2

Paper Title: Lessons Learned: How Universities can Support Local Leaders

Author(s):

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Erica Greeley, Georgetown University, Washington, DC, USA

Summary of Research

Housed within the Georgetown Public Policy Institute (GPPI), the Center for Public and Nonprofit Leadership is one model for how an academic center in a graduate-level policy school can substantively engage with practitioners. The Center's community engagement programs are inclusive and strategic. This paper will describe the Center's lessons learned as it aspires to build an institution and develop programs dedicated to community engagement.

Description

Housed within the Georgetown Public Policy Institute (GPPI), the Center for Public and Nonprofit Leadership is one model for how an academic center in a graduate-level policy school can substantively engage with practitioners. Founded in 1997, the Center for the Study of Voluntary Organizations and Service was focused on nonprofit research and building GPPI's nonprofit studies program. Last year, the Center changed its name to the Center for Public and Nonprofit Leadership in response to its increasing engagement with local leaders.

The Center's community engagement programs are inclusive and strategic. The Center's "community" is Washington D.C.-based nonprofit, public, and philanthropic practitioners working on local, national, and international issues. This definition is significantly broader than the nonprofit community working on local issues and allows the Center to be responsive to trends that are blurring the boundaries between the public and the nonprofit sector. Each program in the Center's portfolio attempts to bring the academic and practitioner communities together in some way. Current programs include a Nonprofit Executive Certificate Program geared towards emerging local leaders, graduate assistantships for policy students focused on practice-based research and interaction with local leaders, the development of case studies on issues such as nonprofits navigating devolution and successful advocacy coalitions, and Issues Forums where practitioners participate in discussions about the issues they face.

This paper will describe the Center's lessons learned as it aspires to build an institution and develop programs dedicated to community engagement.

Paper Number: PN042038.3

Paper Title: Building a Capacity Building Programme in the UK: Theoretical and Practical Challenges

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Summary of Research

This paper moves beyond the growing body of research-based and practitioner literature on 'capacity building' and nonprofit organisations to describe and analyse the theoretical and practical challenges of developing a capacity building programme for nonprofit organisations within an action research centre in a UK university. Key concepts of 'capacity' and 'capacity building' are explored, together with the potential contribution of 'action research' to capacity building activities. Key issues of applying research in a way that is meaningful to practitioners and assessing the impact of capacity building are discussed.

Description

This paper explores the theoretical and practical challenges of developing a 'capacity building' programme for non profit organisations (commonly referred to in the UK as voluntary and community organisations or VCOs) within an action research centre in a UK university.

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).

However, in spite of this conceptual confusion, the term is increasingly used in the context of UK public policy initiatives: for example, two recent central government publications, (Cross Cutting Review (2002), Futurebuilders (2003), refer to the need to build the 'capacity' of VCOs, and indicate that major funding will be available for this. The publications highlight 'capacity building' as a process which can enable voluntary sector organisations 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).

This paper moves beyond attempts to conceptualise capacity building. It describes and analyses a programme that is being developed to focus upon the needs of VCOs rather than the instrumentalist objectives of those charged with implementing public policy objectives. This programme defines capacity building as "the process by which, through the practical application of knowledge, voluntary sector organisations can improve their ability to perform in an effective and sustainable manner" (CVAR 2000). The programme is distinguished by its location within a university-based action research centre, the Centre for Voluntary Action Research at Aston Business School.

The action research approach adopted by this centre is characterised by a number of key features. In particular, it is practitioner problem centred; involves collaboration between researcher(s) and practitioner(s); and is intended to bring about change in the research setting (Hart & Bond 1995; Greenwood, Whyte & Harkavy 1993).

Thus the programme is reflective of the context in which VCO practitioners are working and is able to draw upon knowledge generated in collaboration with voluntary sector organisations to address issues of organisation and management. In this way, knowledge is effectively being 'recycled' for the benefit of a broader audience (Kelemen and Bansal 2002); the capacity building programme completes the 'cycle' of action research by ensuring that research outcomes are made available in ways which are "meaningful to others" (Eden & Huxham 1996: 530). This approach increases the potential for action research to act as a means towards improved organisational effectiveness (Gummeson 2000).

The paper goes on to consider some difficulties in programme design, in particular how to determine what the nature of the knowledge generated by the action research is and how it can be made relevant (that is, what is the appropriate range of delivery methods). This reflects the ongoing difficulties of applying research in a way that is meaningful to practitioners. The programme has sought to address them in two ways. First, by producing and piloting materials that enable practitioners to reflect upon the situations in which they find themselves according to descriptions that they themselves have helped to generate (Winter, 2002). Second, through structured outreach activity with VCO membership organisations (commonly referred to in the UK as 'infrastructure bodies') to identify VCO's own perception of their capacity needs as well as their preferred capacity building delivery methods.

The paper concludes by briefly considering the difficulties, first identified by Lewin (in Eden & Huxham 1996), of trying to assess the impact of 'capacity building' activities where it is not possible to conclusively identify and control contextual variables and measure the outcomes of interventions. In spite of these difficulties, the paper presents a tentative yet optimistic approach to capacity building that privileges the needs of voluntary sector organisations above those charged with the implementation of public sector objectives.

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Paper Number: PN042038.4

Paper Title: Nonprofit Organizations and Leadership at the Crossroads: Question Mapping to Help Guide a Community's Shared Futures

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Summary of Research

This paper frames the concepts that emerged from discussions at a Northwest Nonprofit Leadership Summit. What are the sources of the discrepancy between the importance of the nonprofit sector and its influence? How can we increase our sector's influence, especially in policy-making, becoming less reactive and more proactive? And how might we be able to work together systematically on root problem causes rather than separately on symptoms? In addition, what specific strategies can we develop to mitigate the effects of a troubled economy? Synthesizing Summit discussions, the paper presents recommendations with implications for NPOs in and beyond the northwest.

Description

On September 22, 2003 Portland State University's Institute for Nonprofit Management (INPM) convened a Leadership Summit of Nonprofit Leaders from in and around the greater Portland metropolitan area to discuss critical issues facing the sector. Local leaders were joined by others from rural communities in the state; all came together for similar reasons: each acknowledged that the sector is faced with critical issues, and that solutions require creativity and a willingness to share and act as leaders beyond independent organizations. The intent of the Summit was not only to remind the community that this creativity exists, but to create a space to find and share voice. The day was intended to focus on creative solutions from those integrally involved in the nonprofit sector, and not rely on borrowed platitudes from the business community which are so often seen as a quick fix for the softer side of enterprise, the service, voluntary, nonprofit community. While the event was open to the public, and business and policy makers were encouraged to attend, it was guided by the wisdom of the nonprofit community.

Convened by and working with the INPM, community leaders helped to plan and deliver a program intended to glean wisdom from nonprofit executives and those in governance. The concept that "we are not an independent sector" guided the community-based Summit planning discussions. The Summit itself resulted in hundreds of pages of notes capturing ideas and recommendations from nonprofit executives in the field, aware that the community was at a crossroads in terms of philanthropic expectations, community needs and diminishing resources from both the public and private sectors.

Perhaps more than in any other region of the country, the northwest's nonprofit organizations have been thwarted in their ability to fulfill their missions by the confluence of painful economic factors reeking havoc on the other sectors. Oregon's economic downturn was precipitated in part by tight economic links to Pacific Rim nations already suffering from economic decline before September 11, 2001, the loss of state and local revenue streams from the timber and high tech industries, and arguably the Portland region's limited and controlled growth approach to economic development. Some argue that policies that maintain the Portland area's beauty and "liveability" result also in an inability to draw major employers not eager to succumb to a regulatory regime that envisions limits to growth. In sum, the economic environment is complex and such limits may be both to its benefit, yet result in its downfall. Whatever the systemic relationships between growth control and economic development, the region's community-based needs preceded the nation's economic struggles and discussions of the changing roles and relationships between the sectors was deemed essential for the nonprofit community facing closures, forced mergers, and increased demands for their services.

As the demand for human services heretofore funded largely with public and philanthropic dollars increased, but funding was no longer abundant, the concept of the perfect storm resulted in the

Summit's birth: the search was for leadership to explore creative solutions amid high unemployment, increased need and diminished resources. In sum, it was clear that changes in the make-up and fabric of the nonprofit community would occur as a result of the current economic crisis, and that the sector's leadership ought to become engaged in defining the future. Metaphorically, the nonprofit sector was faced by a messy storm if not a perfect one, and as the afternoon fishbowl discussants pointed out, building a bigger Titanic may not always be the answer. Rather, perhaps we need smaller ships able to maneuver with greater facility, or at least, unlike the Titanic, be cognizant of our need to see where we are going.

The Summit was composed of two three hour sessions, one preceding and one following a community luncheon.

The morning session centered on the concept of philanthropy at the crossroads. Facilitated discussions at 28 breakout tables followed a one-hour fishbowl panel conversation about the changing relationships between funders and organizations. The afternoon panel took on the concept of the "perfect storm" of diminished resources and rising demands. Fishbowl participants were invited for both their knowledge of the field and sector and for their "quick eloquence." Following the fishbowl panel discussion the conversations once again turned to those seated at 28 tables of ten, to which Summit attendees were randomly assigned in an effort to mix-up the community and generate ideas from a broad range of leadership. Using a question mapping technique developed to glean group consensus this paper frames the major concepts that emerged from the facilitated discussions over the course of the day and shares some of the more specific insights, goals and outcomes.

The analysis of table discussions is intended as an effort to make sense of the community's mood, concerns, expertise and guidance. Among the higher order questions raised by the conversants are: What are the sources of the discrepancy between the importance of the nonprofit sector and its influence? As a sector how can we increase our influence, especially in the realm of policy-making; How do we move from the reactive to the proactive; and How might we develop a systems approach that will allow us to work together on root causes rather than separately on the symptoms? These we categorize as context and alignment (a.k.a. higher level) questions. In contrast, the mapping process allows us to separate out more specific research questions, both rudimentary and follow-up. These include but are not limited to: do nonprofit leaders need to put more emphasis on their role as community change agents? Is organizing collectively feasible and how would it be funded? (How, for example, might we find common ground while effectively representing our diversity?) How can NPOS intelligently evaluate options for working with other organizations and what specific strategies can we develop to mitigate the downward spiral created by a troubled economy—higher demand for services and fewer available resources?

This paper synthesizes the discussions among the table participants, coherently structures the findings of qualitative discussions, and presents outcomes relevant to the local community, as well as for the INPM in its mission to serve the community. In addition it offers thoughtful suggestions to nonprofit communities throughout the United States and perhaps beyond.

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Paper Number: PN042072

Paper Title: When Philanthropy and Government Funding Meet: Another Side of and Public-Private Partnerships

Author(s):

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Description

Driven by the hopes of creating a more efficient, effective, and inclusive service delivery system, public-private partnerships are on the increase. Unlike more familiar forms of privatization such as outsourcing, public-private partnerships promote the sharing of responsibility, resources, rewards, risks, and costs between public and private entities. This panel examines social policies and the current patterns of public-private partnerships in social service provision. The types of organizations including in these partnerships range from government, secular non-profit, for-profit, community-based, faith-based organizations and resident-based organizations.

Historical and theoretical frameworks are presented to provide a context for understanding how and why public-private partnerships are developing. Presenters will also explore how political, social, and economic conditions and values (or ideology) inform and shape these partnerships. Most importantly, this panel will explore issues and concerns germane to their partnership development, improvement, sustainability and long-term goal achievement. Perspectives and examples will be drawn from secular organizations, faith-based organizations, and Native institutions.

Paper Number: PN042072.1

Paper Title: Juggling in the Three Ring Circus: Nonprofits Managing Diverse Resource Streams in an Unpredictable Funding Environment

Author(s):

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Summary of Research

The nonprofits involved in human services rely on diverse resource providers for its survival. Hence the increasing competition and unpredictability experienced in the funding environment has posed a threat to their survival. This paper examines how changes in government and philanthropic funding over time have impacted nonprofits, and the strategies nonprofits have employed to promote their survival given the challenges. Through the analysis of case studies involving successful commercial ventures undertaken by nonprofits, we offer a model that promotes successful management of diverse revenue streams, whilst minimizing the negative impacts associated with excessive dependency on external resources.

Description

Nonprofits involved in the delivery of human services are faced with the challenge of managing diverse resource providers in a funding environment that is largely unpredictable and unstable. Their situation can be likened to that of a juggler performing in a three ring circus where each ring represents one category of revenue, namely, government funding, philanthropic funding and commercial activity. The juggler's challenge is to keep each category of audience (government, foundations and paying clients) impressed and fulfilled with the performance in order for revenue streams to be steady. If this doesn't seem difficult enough, the juggler has to be able to quickly switch his focus to the audiences in other rings when one or more rings diminish in size (due to unpredictability in the funding streams). Therefore survival for the juggler hinges on skills that enable him to manage the audiences in all three rings simultaneously, to predict when any of the three rings will diminish or increase in size, to be reflexive and nimble to any change, and to continue to provide a high standard of entertainment to keep the audiences enthralled. The analogy of the juggler in a three ring circus illustrates the situation many nonprofits in America face today as they strive to manage their relationships with diverse revenue providers in an increasingly unpredictable funding environment. This paper examines how nonprofits have survived and evolved in this funding environment by strategizing their revenue streams and managing their partnerships with resource providers.

Statistics show that in 1997, government payments comprised 52 percent of the total revenue received by nonprofits involved in the human service sector, 20 percent from private contributions (which includes individual giving) and 19 percent from private payments (Weitzman et. al., 2002). Funding from government sources has varied over time with changes in political leadership and public policy initiatives. Although the quantum of government revenue is presently large, it would be misleading to presume that this funding source will remain as significantly large or remain stable. Statistics show that historically cutbacks in welfare program spending have created fluctuations in this funding stream (Boris, 1998; Kramer, 1986; Weitzman et. al., 2002). This has had negative repercussions on nonprofits survival, role and function and their service users as well.

For most nonprofits, the traditional sources of revenue have come from philanthropic channels. However, for this group of nonprofits, their revenue from philanthropy is comparably smaller. Statistics show that this source of funding has been declining over the last four decades for the sector as a whole, owing to reduced income tax incentives for charitable donations, tighter corporate-giving policies, and rapid proliferation on the number of nonprofit organizations. This has resulted in intense competition for donor dollars and foundation grants (Hodgkinson, 1989; Weitzman et. al., 2002).

The issue of competition for both government funding and philanthropy becomes more acute, taking into consideration the size of the sector and the growing number of new entrants to the nonprofit field

every year. Added to this, for-profit organizations have entered the field, increasing the competition for limited amounts of government funds and contracts for social service delivery. Hence the scenario that unfolds two key challenges for the nonprofits. Firstly, the challenge of maintaining their public and philanthropic partnerships in a funding environment that is growing increasingly competitive and unpredictable. Secondly, in maintaining these partnerships, nonprofits have to adhere to the demands of their resource providers. Studies show that with increased dependency on resource providers, nonprofits have experienced loss of autonomy, loss of public service character and goal displacement, among others (Froelich, 1999; Gronbjerg 1992, 1993; Lipsky & Smith, 1989). However, studies have also shown that not all nonprofits have responded negatively to these challenges. Some organizations are able to develop new and innovative strategies that enable them to cope with the uncertainties posed in the funding environment. One such strategy that is gaining popularity with the sector is the pursuit of commercial activities that are related to the nonprofit's mission (Hodgkinson et. al., 1993; Young, 1998). In essence, clients and customers have replaced donors or government as primary resource providers for some nonprofits (Froelich, 1999). This strategy has created a significant stream of revenue - program service fees accounted for 39 percent of the revenue for the entire nonprofit sector in 1996 (Boris, 1998). This strategy though viable, has yet to develop wider popularity amongst nonprofits involved in human services.

As the funding environment grows increasingly competitive and unpredictable, the ability to adequately manage private and philanthropic partnerships alone may not guarantee survival for the nonprofits. This is especially true of newer or smaller nonprofits that may be struggling to keep afloat with the competition. There is great potential for nonprofits providing social services to increase their revenue streams by embarking on commercial ventures where they can market their current programs and products to a paying audience. However, this potential has yet to be fully realized. Though the review of case studies of nonprofits in human services that have successfully developed such commercial ventures, and in turn have been successful in managing their public and philanthropic partnerships, we offer a model that incorporates the management of diverse revenue strategies for nonprofits. This model will be useful to nonprofits seeking more stability and predictability in their revenue streams, whilst minimizing the impact of over dependency on external resource streams.

This information will be useful to both managers and policymakers involved in the nonprofit sector. The model offers a viable alternative to nonprofit managers who are looking for workable solutions to surviving the unpredictability of the funding environment through the creation of more predictable revenue streams. The information presented in this paper may interest policymakers who are interested in creating long term stability for nonprofits through the promotion of policies that encourage commercial ventures for the sector or through funding policies that can minimize the effects of external resource dependency.

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Paper Number: PN042072.2

Paper Title: The Influence of Federal Indian Policy on the Historical Development of Philanthropy and Public/Private Partnerships in Indian Country

Author(s):

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Summary of Research

Federal policy regarding American Indian tribes has forged a unique path for philanthropy and public/private partnerships on Indian lands. Examining the oscillating and convoluted history of federal Indian policy can inform our understanding of both the mainstream and distinctively Native philanthropic organizations that emerged to, at times complement and at times counteract, federal policy. Moreover, this understanding can lend a fuller perspective on the current state of philanthropy in serving Native people and the interesting models of public/private partnerships that have emerged on Indian lands.

Description

Federal policy regarding American Indian tribes has forged a unique path for philanthropy and public/private partnerships on Indian lands. Compared to mainstream U.S. public/private partnerships (Boris and Steuerle, 1999; Linden, 2002; Salamon 1995; Salamon, 2002), public/private relationships on American Indians lands and with American Indian communities have evolved quite differently (Deloria, 1985; Deloria and Lytle, 1984). Pre-European contact, American Indian tribes existed as autonomous, self-sufficient communities (NCAI, 2001; Utter, 2001). Early U.S. relations with Indian tribes were predominantly diplomatic, as the new colonists relied on peaceful relationships with the Native people who so greatly outnumbered them. But as the European population grew, acquired lands under the doctrine of discovery, and began to create a dominant presence on the East Coast, U.S.- Indian relations changed (NCAI, 2001; Clinton et al. 2003).

Since the signing of the U.S. Constitution, federal Indian policy has oscillated between assimilation and tribal self-determination (Deloria, 1985). At times, the federal government has developed policy that acknowledges separate tribal communities, preserves American Indian cultures, and supports traditional Native governments. At other points in history, it has been the express policy of the federal government to assimilate American Indian communities into mainstream America, destroying any evidence of traditional Native cultures and ways of life. The history of federal Indian policy has influenced the involvement of religious groups and philanthropic organizations in Native communities (Deloria and Lytle, 1984).

Recent studies show that non-profits serving American Indian populations are younger, smaller, and poorer than mainstream U.S. non-profits (Black, 1998; Mantila, 1999). Moreover, Native non-profits are tremendously diverse in their missions and services and are disproportionately involved in direct service delivery when compared to other U.S. non-profits (Black, 1998; Mantila, 1999). Native non-profits, across program areas, are also more heavily reliant on federal funding than mainstream non-profits (Black, 1998; Mantila, 1999).

For all of these reasons, Native non-profits are likely to compete with American Indian tribal governments, who provide the vast majority of services on reservations, for resources and clients. However, the disproportionate social and economic problems, such as poverty rates, unemployment rates, housing shortages, lower educational attainment and severe health problems, faced by American Indian communities yields a great need for resources (Henson and Taylor, 2002), including both federal government and philanthropic funding. This unmet need also presents opportunities for tribal governments and Native non-profits to coordinate and provide complementary services. Indeed, "there's plenty of work to go around."

The unique path of federal Indian policy can inform our understanding of both the mainstream and

distinctively Native philanthropic organizations that emerged to, at times complement and at times counteract, federal policy. Moreover, this understanding and illustrative case studies can lend a fuller perspective on the current state of philanthropy in serving Native people and the interesting models of public/private partnerships that have emerged on Indian lands.

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Paper Number: PN042072.3

Paper Title: When Faith-based Philanthropy and Government Funding Meet: Another Side of and Public-Private Partnerships

Author(s):

Stephanie Boddie, Washington University, St. Louis, MO, USA

Summary of Research

Federal policy regarding charitable giving and funding pervasively sectarian organizations is expected to enhance the pathways for philanthropy and public/private partnerships. However, little is known about the practices of faith-based philanthropy and public-private partnerships. These pathways may look different across groups depending upon the socioeconomic profile, racial identity, geographic location of the congregation and the sources of funding. Based on survey data of 251 congregations from seven cities, this author explores the relationship between the sources of funding for service provision and the types of services provided.

Description

From the pulpit to the White House, there is increasing interest in the giving and serving practices of U. S. congregations. The increased focus on congregational philanthropy should come as no surprise in light of policy proposals by the Clinton and Bush administrations that encourage faith-based organizations to lend their resources to help tackle our nation's deep-rooted social problems. According to many reports, 57% to 90% of the U.S. congregations provide some type of social service (Billingsley, 1999; Chaves, 1999; Grettenberger & Hovmand, 1997; Hill, 1998; Hogkinson, Weitzman, Kirsch, Noga, & Gorski, 1993; Jackson, Schweitzer, Blake, & Cato, 1997; Silverman, 2000). Given that faith-based giving ranges from 36 to 50 percent and exceeds most private philanthropy (Giving USA, 2002), U.S. congregations are expected to use their resources to hold together the unraveling national safety net.

However, there is a limit to what congregations alone can do to support the needs of its citizens (Monsma, 1996). Salamon (1995) suggests the following as reasons for such limitations:

- □ Philanthropic inefficiency that reflects the inability of nonprofits to raise sufficient funds, volunteers, and other resources;
- □ Philanthropic particularism in which nonprofits focus their mission on one subgroup of a population while failing to address the needs of other groups;
- □ Philanthropic paternalism in which nonprofits are comprised of individuals that are well off and therefore lacking the knowledge or sensitivity to the needs of the groups to be served;
- □ Philanthropic amateurism that tends to give little attention to the professional knowledge, perspectives and skills relevant to services provided.

In such cases, we can expect that congregations much like other independent sector organizations are not so independent (Salamon, 1995) but rather these organizations connected to the broader secular network of public and private organizations (Chaves & Tsitsos, 2001).

Federal policies like the 1996 Charitable Choice provision are expected to enhance the pathways for philanthropy and public/private partnerships (Boddie & Cnaan, 2000). However, little is known about the practices of faith-based philanthropy and public-private partnerships. These pathways may look different across groups depending upon the socioeconomic profile, racial identity, geographic location of the congregation, availability of professional staff, and the sources of funding.

Based on survey data of 251 congregations from seven cities, this author explores the relationship between the sources of funding for service provision and the types of services provided. Preliminary findings suggest that urban congregations with members with higher incomes and more staff are more likely to provide services such as family support services, health services, and community development services. While white congregations are more likely to report securing external funds to support existing programs, black congregations were more likely to report securing government funds and providing services as the sole sponsor. The findings from this study can begin to inform practitioners and

policymakers on the different ways congregations use the available resources and the emerging models of public/private partnerships that involve congregations.

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Paper Number: CO043415

Paper Title: The Role of Affinity Groups in Promoting Philanthropic Diversity and Accountability

Author(s):

Kenneth Austin, Association of Black Foundation Professionals, New York, NY, USA

Peggy Saika, Asian Americans Pacific Islanders in Philanthropy, San Francisco, CA, USA

Diana Campoamor, Hispanics in Philanthropy, San Francisco, CA, USA

Kelly Brown, Bay Area Blacks in Philanthropy, San Francisco, CA, USA

Summary of Research

Given the theme of the 2004 Arnova Conference – The Meanings and Motives of Philanthropy: Responding to the Needs of A diverse Society, this colloquy proposes to bring together representatives of the philanthropic affinity groups which represent racial and ethnic communities in a discussion of the role organizations play in facilitating appropriate philanthropic responses to diverse communities.

Description

The ethnic affinity groups were initially launched as vehicles for building community among individuals of color within mainstream philanthropic organizations at a time when these individuals were underrepresented within these institutions. The Association of Black Foundation Executives was the first of these affinity groups and was designed to both support and strengthen the presence of African Americans in the field of philanthropy and to more effectively connect these individuals and their institutions to African American communities. Over time, other organizations such as Asian Americans/Pacific Islanders in Philanthropy (AAPIP), Hispanics in Philanthropy (HIP) and Native Americans in Philanthropy were formed to provide similar support to individuals and promote similar vehicles for connecting mainstream philanthropy to diverse communities.

Since their inception, the world--and philanthropy--has changed significantly. Mainstream philanthropy has evolved, becoming more decentralized and more focused on impact. In addition, an increased understanding of the meaning and role of philanthropy in diverse communities has also developed. Both of these developments have occurred in a context of changing demographics in the country, which has expanded the meaning of diversity and multiculturalism. In response, the affinity groups have been required to assess their role as “translators” between mainstream philanthropy and diverse communities and connect their work to the proliferation of issue focused philanthropic affinity organizations, many of which address issues of particular concern to communities of color. In this context, these organizations have begun to have regular discussions about how strategic collaboration can reinforce each group’s individual mission, while creating opportunities to promote a broader and more progressive vision of diversity within the philanthropic community.

For this colloquy, each participant will discuss the evolution and development of their organization’s programs in light of the dynamics mentioned above. Each will also address the potential impact of future strategies on their constituent communities and on their relationship with other affinity groups and philanthropic organizations. The discussion will also explore how these organizations can collectively promote a constructive understanding of the needs of diverse communities and increase philanthropic accountability.

In addition each organization has some unique programs that will add to this discussion:

Participant A will discuss the development of a re-granting program that targets their community both nationally and internationally and how this has informed their efforts to promote diversity within philanthropy.

Participant B will discuss their national leadership development program, which targets foundation program officers as well as community leaders to strengthen diversity within philanthropy

Participant C will discuss the development of regional philanthropic associations and the impact of regional dynamics on understanding and promoting philanthropic diversity.

Paper Number: CO043416

Paper Title: Internships to Job Placement: American Humanics Programs for Successful Career Preparation and Pathways

Author(s):

Kala M. Stroup, American Humanics, Inc., Kansas City, MO, USA

Don Francis, Lakeland College, Sheboygan, WI, USA

Chris Foreman, Eastern Michigan University, Ypsilanti, MI, USA

Barbara J. Keener, American Humanics, Inc., Kansas City, MO, USA

Summary of Research

This session will highlight successful American Humanics internship and placement programs.

Description

This session will highlight successful American Humanics internship and placement programs.

Presenters will:

1) outline the critical role of internship experiences for nonprofit management preparation; 2) provide AH models for internships with nonprofit organizations; 3) describe opportunities to cultivate paid internship assignments; and 4) discuss outcomes and strategies of the AH national career planning and placement programs.

Participants will be encouraged to dialogue with the panelists and Q and A will be available throughout the session.

Paper Number: PN042054

Paper Title: Advancing Nonprofit Informatics: Research on Technology in the Service of Political Deliberation, Civil Society and Electronic Democracy

Author(s):

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

Description

Advancing Nonprofit Informatics: Research on Technology in the Service of Political Deliberation, Civil Society and Electronic Democracy

This promises to be an exciting year for politics, political engagement and the evolution of civil society. It may also be the year that the Internet gained acceptance as major power in political engagement world wide (Norris, 2001a; 2001b). The Dean campaign, the growth of e-advocacy groups like Move On and the worldwide growth of e-government all suggest that there are exciting possibilities for the development of civil society in cyberspace (Davis, 1999; Hill & Hughes, 1998; Davis, Elin & Reeher, 2002; Norris, 2001a; 2001b; Hick & McNutt, 2002; McNutt & Boland, 1999). This has substantial implications for the nonprofit sector and for voluntary action. Much of the future of civil society may occur in virtual realms and the sector will be expected to respond in a thoughtful manner.

This panel will provide four interrelated papers that will provide interesting and stimulating perspectives on the nature of political voluntary action in virtual realms. More importantly, all three papers have strong connections to a variety of nonprofit themes.

The Internet As A Catalyst For New Forms Of Political Social Capital demonstrates that technology can be useful in the development of the forms of social capital that are critical to activism and political participation.

Traditional and On-Line GOTV and Advocacy Activities of Nonprofit Child Advocacy Organizations Looks at how technology is used by child advocacy organizations as part of their electoral and advocacy strategies. Results will include material on adoption, barriers, perceived effectiveness and organizational issues.

Ties that bind: Initial trust formation in an online social activist network examines relationships, trust and social capital within a computer mediated social network. This qualitative study evaluates how the needed trust develops and ". . . examine the risks, interdependencies and antecedents of trust that influenced the social action network's acceptance of new applicants."

Democracy & Information and Communication Technologies: A Model for Participation in Political Life looks at the environmental context of on-line activism and digital politics with special attention to the digital divide or information poverty. The paper will help us understand what needs to be done before electronic democracy can become a reality.

The panel includes a number of new voices to the ARNOVA family, as well as some familiar faces. It includes participants from several different disciplines.

This panel should advance nonprofit and voluntary action scholarship by providing a spirited discussion of the nature of political communities, social capital and civil society in cyberspace. It will also offer unique perspectives for the advancement of nonprofit practice and advocacy.

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Paper Number: PN042054.1

Paper Title: The Internet As A Catalyst For New Forms Of Political Social Capital

Author(s):

Larry Elin, Syracuse University, Syracuse, NY, USA

Summary of Research

The Internet As A Catalyst For New Forms Of Political Social Capital demonstrates that technology can be useful in the development of the forms of social capital that are critical to activism and political participation

Description

The Internet As A Catalyst For New Forms Of Political Social Capital

During the current election cycle, the Internet has emerged as a useful, inexpensive, and effective tool for political organizing, fundraising, and communications (Davis, 1999). The Howard Dean campaign, for example, is often credited with having brought thousands of people into meaningful engagement with the political process through the Internet. There is also evidence that the Internet has fostered the creation of virtual political communities -- gatherings of people who engage in social interactions both on- and offline, often long after the political agenda has run its course. This paper discusses the dynamics of virtual political communities and the new forms of social capital that are emerging on the Internet. It features several case studies of individuals and groups that are emblematic of this phenomenon, and makes some prescriptive suggestions as to how non-profits may learn from and apply these online experiences.

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Paper Number: PN042054.2

Paper Title: Traditional and On-Line GOTV and Advocacy Activities of Nonprofit Child Advocacy Organizations

Author(s):

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

Goutham Menon, University of South Carolina, College of Social Work, Columbia, SC, USA

Johnny Jones, University of South Carolina, College of Social Work, Columbia, SC, USA

Summary of Research

Traditional and On-Line GOTV and Advocacy Activities of Nonprofit Child Advocacy Organizations Looks at how technology is used by child advocacy organizations as part of their electoral and advocacy strategies. Results will include material on adoption, barriers, perceived effectiveness and organizational issues.

Description

Traditional and On-Line GOTV and Advocacy Activities of Nonprofit Child Advocacy Organizations

Electoral strategies are often a part of nonprofit advocacy. While nonprofits cannot campaign for a particular candidate, they can provide nonpartisan information and can conduct Get Out the Vote drives. In recent years, traditional GOTV techniques have been supplemented by Internet and high technology approaches. While a good deal of literature exists on GOTV techniques, there is much less on nonprofit drives and even less comparing Internet based and Traditional GOTV techniques in a nonprofit context. This research will begin to fill this gap by exploring the following questions: 1) Are nonprofit organizations using technology intensive GOTV techniques? 2) Are Traditional techniques used more often than technology intensive techniques and 3) Which factors seem to predict greater use of technology intensive GOTV techniques.

The research employs a telephone survey of child and youth advocacy organizations based in the United States. The sample will be drawn from standard directories and the Guidestar database (n~120). The questionnaire will reflect the goals to the study (nature of the effort, tools employed, barriers and perceived success). Rogers (1995) diffusion of innovation theory provides the theoretical framework for this study. The analysis contains both qualitative and quantitative elements.

This paper will add to nonprofit scholarship by further exploring civil society and political participation in the information society.

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Paper Number: PN042054.3

Paper Title: Ties that bind: Initial trust formation in an online social activist network

Author(s):

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Summary of Research

Ties that bind: Initial trust formation in an online social activist network examines relationships, trust and social capital within a computer mediated social network. This qualitative study evaluates how the needed trust develops and ". . . examine the risks, interdependencies and antecedents of trust that influenced the social action network's acceptance of new applicants."

Description

Ties that bind: Initial trust formation in an online social activist network

Trust is a significant factor in relationships and co-operative endeavours (Golembiewski & McConkie, 1975). It is as important in online environments as it is in the real world. When people engage online, they encounter a context in which traditional antecedents of trust formation are either absent or changed in form (Friedman, Kahn Jr., & Howe, 2000). This paper describes a study that explored initial trust formation in a computer-mediated social action network

□

Social action groups play an important role in the non-profit sector through their advocacy for marginalized communities and through their opposition to the hegemonic interests of governments and big business. Increasingly, social activists are turning to computer-mediated communication to support their work (Deibert, 2000; Diani, 2000; Gurak, 1999). Successful collective action involves both risk and interdependence, making trust between participants essential. Although online interaction creates new opportunities for activists, it also poses a challenge for the development of trust. In an environment in which individual identities cannot be verified and actions cannot easily be sanctioned, it is unclear whether text-based information is sufficient for the development of the trust and commitment required for collective social action (Ayres, 1999; Calhoun, 1998; Tarrow, 1998).

The social action network that was studied is a voluntary non-profit organization that provides information and communications resources to individuals and groups. It regulates access to its communications facilities and political networks through a closed membership system. Individuals and groups apply for membership by completing an online application form. They are asked to provide identity information, activist involvement, referral sources and if applying as a group, a description of their mandate and goals.

This study employed qualitative methods to examine the risks, interdependencies and antecedents of trust that influenced the social action network's acceptance of new applicants. An iterative online focus group and direct observation of decision-making regarding new applicants provided data for study. Findings were analyzed using sensitizing concepts from the literature on trust, social networks and technology-supported social action.

The results indicated that the main risks and interdependencies that impacted the decision to trust a new applicant were potential incompatibility of social identity, potential threat to the organization's positive reputation, and concerns about tangible reciprocity. Identity ambiguity or plasticity, inherent in the online context, heightened the perception of the risks and interdependencies present in the initial trust situation.

The limited identity cues available in a computer-mediated context and the perceived risks involved in the network's social action projects influenced the organization's choice of trust antecedents. Social identity, reputation and third-party trust were the antecedents that facilitated initial trust formation.

Although online information provided cues for shared social identity, it was insufficient to extend initial trust to individual applicants. The decision to approve individuals for membership required the use of offline information specifically third party endorsement by a known and trusted network colleague. Since other social action groups had public reputations, both in the real world and in the online environment, the organization was able to extend membership to these groups with minimal or no real world vetting.

Trust is contextual (Granovetter, 1985). The relative influence of different trust conditions may vary depending on the purpose of the organization. Social action groups that use CMC primarily for mass communication may perceive their risks and interdependencies differently than grassroots organizations that employ electronic communication to plan their political activities and mobilize their members. Activist organizations that are engaged in persuasive political campaigns may have different initial trust requirements and different network structures than groups who are committed to more confrontational strategies. Further research is required to compare the effect of information and communication technology on initial trust formation in contextually diverse computer-mediated social action communities.

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Paper Number: PN042054.4

Paper Title: Democracy & Information and Communication Technologies: A Model for Participation in Political Life

Author(s):

G. Leah Davis, Indiana University, Bloomington, IN, USA

Summary of Research

Democracy & Information and Communication Technologies: A Model for Participation in Political Life looks at the environmental context of on-line activism and digital politics with special attention to the digital divide or information poverty. The paper will help us understand what needs to be done before electronic democracy can become a reality.

Description

Democracy & Information and Communication Technologies: A Model for Participation in Political Life

This paper will identify and examine the antecedent factors required to facilitate digitally mediated political discourse among citizens who do not access and use information and communication technologies (ICTs). Often these citizens are referred to as the information poor (Wilhelm, 2000), who live in low-income communities, and do not have the opportunity to participate, compete, and prosper in knowledge-based economies (Gordo, 2002). The concern is that those without access to information and technology will become further marginalized and will not be participants in a democratic society. Technology and computer skills are increasingly important and provide opportunities for civic engagement, full access to social networks, economic success, and personal, educational and career enhancement (Norris, 2001).

The inability to access and use information and technology perpetuates information inequality.

Information inequality is the possession and usage of sources of information and communication in society (van Dijk, 2000). Opportunities decrease to access the information society where information, knowledge, and related technologies play a key role in social relationships, politics, education, economics, and business. Furthermore, it negates the opportunity for citizens to participate in decisions concerning issues that impinge upon and are important to them (Hague & Loader, 1999). Increasing participation in civic life using technology requires providing information, technology, education, training, and opportunities for residents of low-income communities to become producers and participants in the information society.

Assumptions regarding the nature of ICTs and their relationship to political activity tend to form a basis for both theoretical and empirical studies of ICTs (Hague & Loader, 1999; Wilhem, 2000; Bimber, 2000, 2003; Kamarck, 2002; Barber, 2001; Norris, 2001; Docter & Dutton, 1998; & Klein, 1999). For example, Wilhelm (2000) proposes a resource model of technology access that examines the relationship between access, socioeconomic status, and resource capacity required to facilitate digitally mediated political life. Resources needed to advance participation in civic life include training, skill development, literacy, critical thinking, and the ability to purchase technologies.

However, Wilhelm's model leaves unanswered a number of questions about the complex interaction between a person's capacity to use technology and participation in civic life and digitally mediated political discourse. This article extends Wilhelm's research by proposing a more comprehensive model of antecedent requirements needed to facilitate participation in civic and political life using technology. It identifies additional variables to help explain the environmental context in which technology use among those without access to information and technology takes place. The model demonstrates and analyzes the relationship between the individual and institutional units of analysis, taking into account historical, cultural, institutional, and personal factors to help explain a person's ability to participate in civic life and political discourse using technology.

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Paper Number: PA041135

Paper Title: Wheelchair Users Who Volunteer: Breaking Down The Barriers

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Summary of Research

By drawing upon data collected as part of an empirical study investigating the experiences of disabled volunteers, this paper examines the distinctive difficulties encountered by wheelchair users in accessing and undertaking voluntary work within the not-for-profit sector in the UK. It will contribute to an understanding of the diverse and unique challenges faced by wheelchair users wishing to access volunteering opportunities. The paper also contributes to knowledge by providing a detailed analysis of managerial actions taken in order to increase participation within some not-for-profit organisations by recognizing and removing such barriers to voluntarism.

Description

Introduction & Background

By drawing upon data collected as part of an empirical study investigating the experiences of disabled volunteers, this paper examines the distinctive difficulties encountered by wheelchair users in accessing and undertaking voluntary work within the not-for-profit sector in the UK. It analyses the barriers to voluntarism faced by wheelchair users and suggests what action might be taken by not-for-profit managers to alleviate such barriers.

Following grounded theory methodology (Glaser & Strauss: 1968), fifty people working and volunteering within eighteen different disability not-for-profit organisations were interviewed as part of the study. Forty-seven of those interviewed were wheelchair users who volunteer – twenty-three of whom volunteered in a managerial capacity. The interviews, which were semi-structured concentrated on: volunteering and volunteerism; disability and volunteering; and the management of disability non-profit organisations.

The Literature

There is now an established body of literature pertaining to voluntarism and volunteer management. Such literature ranges from analyses of volunteer motivation, (Fenton et al: 1993, Horne & Broadbridge: 1994, Wardell et al: 2000), to studies examining volunteer activities, (Davis-Smith: 1992, Cnaan et al: 1996, Brudney: 2001). With regards to volunteering by disabled people there is much less to draw upon. Although some research has been undertaken highlighting the value of ‘user’ involvement the public sector, (Taylor et al: 1995, Taylor: 1997, Truman & Raine: 2002), very little of this relates specifically to the involvement of physically disabled people as service users. Consequently, there remains a significant gap in knowledge pertaining to issues surrounding voluntarism by disabled people.

By referring to data collected as part of a much wider study, the paper identifies and analyses the numerous barriers encountered by disabled volunteers. It will contribute to an understanding of the diverse and unique challenges faced by wheelchair users wishing to undertake voluntary work. The paper also contributes to knowledge by providing a detailed analysis of managerial actions taken in order to increase participation within some not-for-profit organisations by recognizing and removing such barriers to voluntarism.

Barriers to Volunteering

The research data suggests that barriers to voluntarism amongst wheelchair users fall into three main categories: socio-economic barriers; organisational barriers; and, personal barriers. Following an in-depth analysis of each of these, the paper then turns its attention to an analysis of how such barriers are overcome. It examines the steps taken by individual wheelchair users to access volunteering

opportunities.

A considerable amount of literature exists examining the impact that social and economic barriers have in excluding disabled people from mainstream society, (Zarb:1995, Barnes:1996, Bytheway et al: 2002). However, the effect that social and economic barriers have specifically on volunteering amongst disabled people remains a largely un-researched area. The paper suggests that socially derived barriers form an invisible, yet significant obstacle to voluntarism amongst wheelchair users. Such barriers include; difficulties caused by widely held negative social stereotypes and attitudes relating to disability and illness; problems caused by poverty and unemployment; and, issues surrounding access to public transport.

Organisational barriers identified in the paper relate to institutional policies and procedures, as well as to managerial attitudes and stereotypes. Previous research in this area focuses upon discriminatory practices within not-for-profit disability organisations for disabled people, (Oliver: 1990, Hasler: 1993, Barnes: 2000). Whilst generic studies of volunteerism draw attention to the fiscal benefits and costs of volunteering for not-for profit organisations in general, (Savas: 2000, Brudney & Gazeley: 2001). This paper takes a different approach in that it highlights the barriers to voluntarism amongst wheelchair users caused by funding difficulties within the third sector. It also analyses the institutional discrimination reflective of disability policies and procedures adopted by some not-for-profit disability organisations of disabled people.

The third barrier to voluntarism amongst wheelchair users identified in the paper relates to personal factors such as ill-health. Whilst there is a significant amount of literature pertaining to health related barriers to employment, (Gilchrist: 1992, Pinder: 1995, Vickers: 2001), there remains a large gap in knowledge relating to the impact of illness upon voluntarism. The paper addresses this issue by highlighting the positive and negative effects to health that volunteering has for wheelchair users.

Breaking down the Barriers

The final part of the paper draws attention to the actions taken by some not-for-profit disability organisations to breakdown the barriers to volunteering. Such actions include; practices of positive discrimination in employing disabled people and disabled volunteers; relocating the organisation into purpose built accessible buildings; and, providing disability awareness training for all staff and volunteers.

The paper reveals how individual wheelchair users have worked in partnership with managers of disability not-for-profit organisations to identify and eradicate the barriers to volunteering. It concludes by noting that such actions have resulted in extremely high levels of positive volunteerism (Van Til: 2000) amongst the disabled people interviewed as part of this study; many of whom volunteer for a minimum of 20 hours each week. There can be little doubt that each individual volunteer included within this study makes an immeasurable and invaluable contribution both to the organisation in which they freely give their time, and to wider society as a whole.

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Paper Number: PA041260

Paper Title: Do Human Service Professionals Volunteer?

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Summary of Research

This paper reports on a study to determine the extent to which human service professionals engage in volunteering and giving. A survey instrument devised for this study was distributed to a sample of 7,500 licensed social workers in 20 states. Among the findings were: male social workers more often serve on boards; women are disproportionately represented in roles such as organizing special functions. The majority had served in a volunteer but limited capacity. Respondents lacked a strong history of giving. Implications are identified in regard to professional and organizational education, role socialization, and adherence to ethical codes.

Description

This paper reports on a study which explored patterns of volunteer activity among human service professionals. Specific focus is on the extent, level and type of such activities and the factors which influence decisions to volunteer. Volunteerism is defined as giving of one's talent, time and energy to individuals, groups, communities, or organizations without compensation.

□ **Problem or Issue:** The notion of volunteerism as a key component of civil society has been widely accepted and is consistent with democratic principles and religious precepts (Etzioni, 1994; Salamon, 1999). Herman and Renz (1999) proposed that knowledge-building about nonprofits can be facilitated by exploring the views of various organizational stakeholders, among whom a relatively under-studied group are human service professionals themselves. Phase 1 of the study focused specifically on social workers, as the numerically largest human services professional group (BLS, 2002) and one in which the largest proportion of the labor force works in the voluntary sector (Gibelman & Schervish, 1997). The social work code of ethics articulates a responsibility to contribute time and professional expertise to activities which promote the general welfare of society. Yet anecdotal evidence suggests that human service professionals are not, compared to other groups, major contributors of volunteer time or contributions, based on the premise that giving of self on the job diminishes or negates obligations to give of oneself in a volunteer capacity.

□ **State of Knowledge in the Field:** Volunteer participation has long been the subject of empirical and theoretical inquiry and discourse, the themes of which include contextual and comparative perspectives, organizational attributes, volunteer characteristics, motivation, expectations and experience, and levels of civic engagement (see, for example, Caputo, 1997; Clary, Snyder, & Stukas, 1998; Murphy, 1996; Rotolo, 1999; Stewart & Weinstein, 1997). Snapshots of philanthropic giving and volunteering are provided periodically through analyses of the U.S. Population Survey and the Independent Sector's Giving and Volunteering in the U.S. However, none of these data sources has focused on "giving and doing" in regard to those who constitute a significant portion of the nonprofit labor force.

□ **Study Approach.** The key question of this descriptive-exploratory study is: to what extent do human service professionals engage in volunteer activities and what factors influence their decision to volunteer and the type of activity in which they engage?

□ A 27-item survey was constructed and pilot tested and drew from the accumulating literature on motivations to and rates of volunteering (e.g., Clary, Snyder, Ridge, Copeland, et. al., 1998; Clary & Snyder, 2002; Independent Sector, 2003). Questions included: demographic, professional (type of employment, setting of employment, job classification), past volunteer experience, current volunteer

involvement, types of organizations for which respondents have volunteered, nature of the volunteer activity, motivating factors for and attitudes about volunteering, time commitments, reasons for ceasing volunteer activity, as applicable, level of financial commitment to charities, and importance placed on contributing financially to charity. Several open-ended questions were included to gain information in regard to perceptions about volunteering.

□ Mailing lists were procured or accessed from state licensing boards representing at least two states in each of the ten federal regions. Proportional and random sampling was then used to obtain a five percent sample of approximately 7,500 licensed social workers. With Institutional Review Board approval, the first mailing of the survey took place in December, 2003 and a follow-up was conducted in March, 2004. Data were analyzed using SPSS, including descriptive data, analyses of variance and logistic regressions.

□ Preliminary analyses indicate: male social workers more often serve on boards; women are disproportionately represented in such roles as organizing special functions and fund-raising. The majority of respondents has served in a volunteer but limited capacity, often in regard to cause-related issues (elections, cause advocacy). Older and more experienced social workers and those holding managerial positions are more likely to volunteer and to do so on a consistent, long-term basis than are direct-service and less experienced workers. Financial contributions were also positively associated with age and experience, but overall, respondents lacked a strong history of giving. Reasons associated with low rates of volunteering and giving included lack of financial assets to do so, lack of time, "burn out", and desire to use free time in other ways. Comparisons are made between these findings in regard to social workers and findings in regard to general populations.

□

□ Contributions. The findings add to our knowledge of the demographic, professional, and attitudinal factors associated with volunteer activity on the part of human service professionals. Implications are identified in regard to professional and organizational education, role socialization, and adherence to ethical codes. Human service professions have an important role to play in encouraging, training and utilizing volunteers, but perhaps can do so best if they role-model these behaviors.

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□ □ References

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Paper Number: PA041272

Paper Title: Volunteering in the arts - a comparison between the US and Germany

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Summary of Research

The international and comparative study concentrates on volunteering in cultural institutions and compares the US and Germany. More than 60 qualitative interviews with leading arts institutions in the sectors theatre, museum, opera and symphony orchestras were led in both countries (2001). The main focus was on the structure of the programs and the instruments that are used by the institution. A second part of the research is a project where a volunteer program was developed at the Konzerthaus Berlin and abstracted from this process a handbook was developed to guideline other interested arts institutions (2004).

Description

Volunteering in arts institutions - a comparison between the US and Germany

The matter of voluntarism is a much discussed issue in the late political debates in Germany. And not only in the social - where it is very well established since centuries - but also in the cultural field. Volunteering is a very common tool of big Northamerican cultural institutions to help the daily business in many ways. Not only fundraising, but also public relations, information or marketing are fields of volunteer work. On the contrary high-profile German arts institutions hardly know of the existence of this tool. Voluntary action can be reported in Off-theatres or in small historical or science museums, but rarely in leading opera houses, theatres, symphony orchestras or museums. In the last years many houses founded circles of friends or similar things. These friends are mostly taken as financials sponsors of the institutions, but not as creative work and idea pool for volunteering or source of consulting or hands-on skills. There are very wide-spread fears of these institutions that volunteers mean unprofessional working, jobkilling or influencing the arts.

These different approaches in the two countries have their roots in the civil history of the two people. Religion, politics and culture determine different ways of financing the arts and civil involvement in the arts.

In a qualitative research over 60 interviews with leading institutions in each country out of the field of theatre, opera, museum and symphony orchestras show the different ways of binding the audience to the institutions. The interviews try to find out, if the institutions work with volunteers and in which fields. What problems do volunteers cause and what kind of benefits does the volunteer and/or the institutions get out of it. How did the volunteer program at that house start and why did it develop as it exists today, what are the major management tools these institutions use. The research was only done for hands on volunteers and only major institutions are chosen as interview partners.

The findings include pros and contras for the volunteers and the institutions. Problems between staff and volunteers were hot topics as much as the question if volunteers are some kind of a jobkiller. The findings also give a conclusion about how volunteering in cultural institutions is used and can become an accepted and relevant method for major institutions to enrich their work and enlarge their relationship to their community.

While the research makes clear that the US institutions are much more used to reach out to their community, it also shows that Germanys major arts institutions are not against volunteerism in general. It is more a kind of a waiting process on both sides. Not only the institution lack initiative, the indifference lies also on the side of the single civic person. This phenomena is also interesting in front of the discussion lead in Germany about new contemporary forms of volunteering.

On the basis of this research the Robert Bosch foundation in Germany financed an ontop research that combined practical and theoretical parts. Together with the Konzerthaus Berlin - a prestigious concert hall with its own symphony orchestra - the first volunteer program for a symphony orchestra in Germany was developed. Every step that was taken was also documented and archived to develop a handbook. This handbook compiles every single step you have to take to found a volunteer program in an arts institution. This research is about to be finished and the handbook will be published probably in April 2004.

Paper Number: PA041156

Paper Title: Making A Difference In A Day: Best Practices And Outcomes Of Intergenerational Service

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Summary of Research

JOIN HANDS DAY (JHD) is a National Day of Service that endeavors to bring youth and adults together through meaningful volunteer activity. Now in its fourth year, JHD is designed to reflect the best practices of youth-adult partnerships. As part of this design, JHD operates on a logic model based on intermediate and long-term goals. The purpose of this paper is to begin to understand whether design yields positive outcomes. Does JHD lead to meaningful intergenerational partnerships? Our analysis of participant surveys provides preliminary evidence that it does.

Description

JOIN HANDS DAY (JHD) is a National Day of Service that endeavors to bring youth and adults together through meaningful volunteer activity. JHD began in 2000, and is an incorporated collaboration between America's Fraternal Societies, Points of Lights Foundation, and Volunteer Center National Network. JHD set out to overcome some of the challenges of an age-segregated society by encouraging youth and adults to join in an annual day of meaningful service.

Best Practices. In 2000, the authors reviewed research on youth-adult partnerships to glean best practices applicable to developing JHD's mission. That research suggested that many factors must be present for interaction among age groups to result in positive attitude development. Simply putting mixed age groups together in a social setting is insufficient to ensure positive intergenerational results. In essence, "the contact needs to be rewarding for both groups. Functional interaction needs to take place, with both groups involved in goal setting and participating in important activities (Aday, Sims & Evans, 1991; Chapman and Neal, 1990)" (JHD 2000 Report). JHD was conceived as a way to make intergenerational interaction rewarding and supported those suggesting that "adding a community service component to intergenerational programs can benefit the participants, achieve the goals of breaking down generational barriers, and enrich society as a whole" (JHD 2000 Report).

Research by Sannell and Roberts (1994) suggested that effective intergenerational community service programs are characterized by several best practices:

- * Reciprocity: there should be a balanced relationship among young and old participants with the relationship clearly stated, planned and incorporated in the goals and activities of the program
- * Common, valued contribution: young and old work should together to get things done that are valued in their community
- * Reflection: there should be a planned program activity where participants examine the value of the service and the intergenerational relationships
- * Partnerships: both groups should have a shared vision of how the community will benefit, build on existing relationships and resources, and collaborate with a variety of community groups
- * Preparation and support: high value should be placed on supporting both younger and older participants, and involving them in the activity's preparation.

Goals. Based on these best practices JHD's founders formed a goal-based logic model to guide JHD's development and specify criteria to gauge its success. The model's components specify the necessity of (1) Measurable Goals and Objectives, (2) Recruitment and Selection, (3) Matching of Young and Old Participants, (4) Preparation and Training, (5) Support for Participants, (6) Service-Learning Facilitation, and (7) Capacity for Continuation.

Assessment. To assess progress relative to these program components, the authors administered a NATIONAL participant survey beginning in 2001 and continuing through 2004. The survey is typically administered on right after the service project is completed and probes the respective experiences of youth and adults relative to JHD. The authors have increased the numbers of surveys distributed and returned each year. The authors also resurveyed past participants to determine if their attitudes changed over time as well as if they participated again the following year.

Questions on the survey assess the perceived presence of “best practices” (e.g., whether the participant felt that they were involved in planning the service project). Survey items also probe the attitudes of youth towards adults and adults towards youth (e.g., did JHD help you realize new things about the opposite generation?).

Conclusion. By assessing participants’ intergenerational views and the role of JHD may have played in forming/altering those views, we begin to answer whether program design can lead to positive outcomes. We conclude that design based on best practices can lead to positive program outcomes. For example, youth and adults who felt involved in the planning stages of the service activity were more likely to have positive views of the other generation as a result of their participation in JHD.

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Paper Number: PA041193

Paper Title: Serving Country and Community: A Study of Service in AmeriCorps

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Summary of Research

Presenters will discuss findings from a quasi-experimental study of the effects of national service on AmeriCorps participants. The study examines the impacts of AmeriCorps participation in the domains of civic engagement, education, employment and life skills. Data from over 4,000 individuals were collected through baseline and post-program interviews with nationally representative samples of AmeriCorps*State and National and AmeriCorps*National Civilian Community Corps members and national comparison groups. The study explores the impacts of AmeriCorps participation, as well as differential effects of subgroups and program characteristics and experiences.

Description

Serving Country and Community: A Study of Service in AmeriCorps

AmeriCorps is the United States' largest service program, engaging in more than 50,000 individuals each year in intensive national and community service. Since its creation in 1993, more than 250,000 men and women have served in the program. The mission of the Corporation for National and Community Service (the Corporation), the public agency that administers AmeriCorps, is to engage Americans of all ages and backgrounds in community-based national service, meeting the Nation's education, public safety, human and environmental needs in order to achieve direct and demonstrable results.

During the last decade, the concept of civic engagement, reintroduced by Robert Putnam and colleagues in recent years, has put volunteerism under the microscope in the academic setting as well as on the frontlines of policymaking. For example, research by the Saguaro Seminar at Harvard University brought researchers and thinkers together to explore topics of civic participation at the national level (Saguaro Seminar, 2000). Simultaneously, contributors to the field have developed sophisticated instruments and measures to examine service and civic engagement outcomes (e.g., Robert D. Putnam, 2000; Saguaro Seminar, 2000; The Independent Sector, 2001). On the policy front, President Bush introduced the USA Freedom Corps in 2002 in order to mobilize service participation nationwide; the Corporation is now part of the USA Freedom Corps, an initiative established by President Bush following the tragedy of September 11, 2001, to promote a culture of citizenship, service, and responsibility. However, rigorous evaluations of the impacts of national service programs are rare, even during this time of increased interest in and exploration of civic engagement; there have been only a few exceptions, such as the 1997 experimental study of youth corps (Jastrzab, Blomquist, Masker, and Orr, 1997).

One of the five major goals specified by the Corporation's Strategic Plan is that "The lives of those who serve will be improved through their service experience." Serving Country and Community: A Study of Service in AmeriCorps examines the impacts of participation in AmeriCorps on service participants, with respect to civic engagement, employment, education, and life skills. The study was designed to address three objectives:

- Describe how life outcomes of members change over time;
- Identify programmatic and member characteristics that may explain differences in outcomes; and
- Specify causal influences of national service on AmeriCorps members.

To address these research questions, this report reflects the initial stage of a longitudinal study of the

effects of participation in AmeriCorps. The study relies upon a quasi-experimental design, using a comparison group of individuals similar to enrolled AmeriCorps participants to estimate the impacts of participation. In the State and National and NCCC programs, members focus on direct service activities and serve their communities through intensive results-oriented projects that address local educational, environmental, public safety or other human needs.

The study includes data from over 4,000 individuals, including a representative group of members from the AmeriCorps*State and National program and the AmeriCorps*National Civilian Community Corps (NCCC), as well as two national comparison groups. The sample of State and National members were enrolled in a nationally representative sample of 109 programs; the NCCC member sample comprises all members enrolled in three (of five) NCCC regional campuses. The State and National comparison group is comprised of individuals who had indicated knowledge of, and interest in, AmeriCorps by contacting the Corporation's toll-free information line and requesting information about the program, but who did not actually enroll during the study period. The NCCC comparison group was selected from the pool of individuals who applied for entry into the NCCC but either did not enroll because of a limited number of slots in the program or were invited to enroll, but declined.

The study collected self-reported data from baseline (1999/2000) and post-program (2000/2001), as well as supplemental post-program data (2002/2003), to explore the effects of participation on the four general areas of interest: Civic Engagement, Employment, Education, and Life Skills. We also gathered demographic, background, and program experience information from respondents. Finally, we collected information from AmeriCorps program directors about the basic characteristics of the AmeriCorps programs in which the members in this study are enrolled.

We estimate the effects of participation by comparing the outcomes for AmeriCorps participants with outcomes for similar individuals who did not enroll in AmeriCorps (comparison groups), using Propensity Score Analysis to address possible selection bias. Propensity Score Analysis estimates treatment effects by comparing treatment cases with comparison group cases that have a similar probability of selection into treatment based on their measured characteristics. Most program outcomes are analyzed in terms of gains – the changes between baseline and post-program measures of the same measures. For this analysis, AmeriCorps*State and National and AmeriCorps*NCCC are analyzed separately. In addition, we explore the data for differential effects of participation on various demographic subgroups, including race/ethnicity, gender, age, and education. Finally, we examine the outcomes experienced by AmeriCorps participants to assess whether any particular program experience or characteristic is associated with stronger outcomes. The findings from these analyses, as well as the results of descriptive analyses of AmeriCorps programs and participants, are presented in the report.

Abt Associates, an independent social policy and research firm, conducted the study under contract to the Corporation for National and Community Service. The draft report from the study was submitted to the Corporation on March 15, 2004. However, because the report has not yet been released, we cannot share our findings in this submission. We anticipate that the Corporation will release *Serving Country and Community: A Study of AmeriCorps during Summer 2004*. In addition to informing policy, we expect that the study findings will make a valuable contribution to the fields of community service and civic engagement research.

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Paper Number: PA041218

Paper Title: Challenges of Volunteer Management in Kazakhstan

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Summary of Research

Everything is new in Kazakhstan including the concepts of volunteering and volunteer management. The proposed research is the first in Kazakhstan to address the basic problem of volunteer management. At a time when the nonprofit sector has become a reality in Kazakhstan, improving its performance, scope, and reach depends on sound volunteer management practices. The purpose of this research is to learn about existing practices of volunteer administration, to study problems in recruitment and retention of volunteers and volunteer management procedures, and to assess the effectiveness of volunteer programs.

Description

Everything is new in Kazakhstan -- including the concepts of volunteering and volunteer management. Kazakhstan is a young nation, which became independent in 1991 after disintegration of the Soviet Union. It has experienced substantial social, political and economic change, to which people are adapting with difficulty. Numerous Soviet-era institutions which took care of many needs of the population have disappeared or been severely weakened, making the situation of vulnerable groups even more precarious¹. Under these conditions, the importance of the nonprofit sector, and especially the involvement of the population in the socially valuable activities of nonprofit and non-government organizations, cannot be overestimated.

Over the past decade the nonprofit sector has developed rapidly in Kazakhstan. Thousands of nonprofit organizations came into being within a few years of independence; later hundreds were closed down, or were replaced by new ones. Among other problems that the nonprofit sector has encountered was the crucial issue of the effective involvement and management of volunteers. Research on volunteerism in Kazakhstan is very limited: Only one research project has been conducted on volunteering, by the United Nations Development Project (UNDP) analysts stationed in Kazakhstan. One of the major weaknesses identified in the report was the poor management of volunteer work by nonprofit organizations.

The proposed research is the first in Kazakhstan to address the basic problem of volunteer management. At a time when the nonprofit sector has become a reality in Kazakhstan, improving its performance, scope, and reach depends on sound volunteer management practices. The purpose of this research on volunteer management in Kazakhstan is to learn about existing practices of volunteer administration, to study problems in recruitment and retention of volunteers and volunteer management procedures, and to assess the effectiveness of volunteer programs.

To carry out the research, we will conduct a survey of nonprofit organizations in Kazakhstan. The survey will ascertain the characteristics of volunteer managers in selected organizations, especially -- what kind of specialized training, if any, they have received; what kinds of volunteer programs they manage, how many volunteers they supervise, how many clients the volunteers serve, and the types of activities that volunteers perform. Other questions address the recruitment, retention, and management of volunteers, volunteer policies in organizations, cooperation between volunteers and paid staff, and perceived effectiveness of these programs.

The data for our research emanate from the city of Almaty, the former capital and the largest city in Kazakhstan (population - 1.2 million people). This focus is justified by the number of nonprofit organizations registered in Almaty: One-third of all nonprofit organizations in Kazakhstan (32 percent) are based in this city, and most international organizations have offices in Almaty. The nonprofit organizations in this city interact more actively with foreign nonprofit organizations, and we expect them

to be more informed about volunteer management practices. Thus, if our survey finds limited knowledge about volunteer management in Almaty, we can expect organizations in other regions of the country to be at the same or even a lower level of managerial awareness.

Our sampling decisions were guided by the fact that many nonprofit organizations in Kazakhstan do not employ volunteers. Volunteering is still a new concept in the society, and only the biggest and the most visible and active organizations are able to attract many volunteers. With random sampling, we risked including a considerable share of organizations that do not have volunteers. Instead, we started by seeking expert opinion about nonprofit organizations that enlist volunteers in Almaty, and interviewed directors and managers of several nonprofit and government organizations for this purpose. Based on this information, we decided to focus the research on the most visible sectors of nonprofit activities: women, youth, and environmental organizations. Within these policy areas we have chosen 45 nonprofit organizations for study that are known to actively and regularly involve volunteers in their programs. This research will help to raise the level of knowledge about volunteer management in Kazakhstan, suggest solutions to existing problems, and define further lines of research on nonprofit management in Kazakhstan.

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Paper Number: PA041368

Paper Title: Tool for Improving Programs: The Development of a National Quality Assessment Instrument for Programs Engaging Volunteers and National Service Participants

Author(s):

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Summary of Research

The Corporation for National and Community Service and ETR Associates, commissioned researchers at the University of Texas at Austin to develop a valid, reliable, and efficient self-assessment tool for programs that engage volunteers and national service participants. Launched in the summer of 2004, this tool is designed to enable national service programs to identify strengths and challenges and to access training and technical assistance services to address their developmental needs.

Description

Tool for Improving Programs: The Development of a National Quality Assessment Instrument for Programs Engaging Volunteers and National Service Participants

By Sarah Jane Rehnberg, Ph.D., Dennis L. Poole, Ph.D., Kathleen Casey, M.A. & Deborah Duvall, MSW

Within the past twenty years, considerable progress has been made in measuring the aggregate contributions of the non-profit and volunteer service sector to our economy and to the social service climate (Fine, Thayer, and Coghlan, 1998). Fueled by the passage of the Government Performance and Results Act of 1993, the Balanced Budget Act of 1996, and the growing demands of non-governmental funding agencies, programs and organizations are increasingly required to evaluate their effectiveness (Flynn and Hodgkinson, 2001). Indeed, programs themselves recognize the value of evaluation and cite evaluation training and technical assistance as one of their greatest needs (Davis, Haynes, Casey, and Yoo, 2000).

□ While the benefits of program assessment and the demand for accountability are well established within the non-profit and volunteer sector, existing measurement tools have largely failed to establish reliability and validity (Flynn & Hodgkinson, 2001). Researchers at the University of Texas at Austin, commissioned by the Corporation for National and Community Service (CNCS) and ETR Associates, recently developed a scientifically valid, reliable, and efficient evaluation tool for national and community service providers to conduct self-assessments of their programs and to systematically access training and technical assistance through a centralized website.

□ The instrument, titled the Tool for Improving Programs (TIPS), was developed in collaboration with leading experts in the field, experienced program administrators, and community service providers through use of the Concept Mapping methodology. Multidimensional scaling and hierarchical cluster analysis were employed to analyze the original data for instrument construction. Recently psychometric analysis of pilot test data, using a stratified random sample of 1,187 national service and community service practitioners, established that TIPS has high internal consistency reliability and construct validity.

Paper Number: PA041242

Paper Title: Reporting to Donors: Best Practices for Financial Reporting in Conjunction with Annual Reports

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Summary of Research

Accountability is both a legal and ethical obligation for nonprofit organizations. Unlike many recent studies of legal accountability as embodied in Internal Revenue Service Form 990, this study examines the voluntary financial reporting that many charities make in conjunction with their annual reports. We find wide variations in reporting practices between three mission groups examined: environmental, disease research, and poverty/emergency relief organizations. Based on our examination of actual annual reports, we provide examples of the best practices we have identified as well as opportunities that would enhance accountability at little or no additional cost.

Description

□Accountability is a both a legal and ethical obligation for nonprofit organizations that purport to use donations they receive to further their charitable mission. Lawry (1995, p. 177) argues from an ethical perspective that accountability would include “a full report of its activities and a full justification for the way it has conducted its facilities and managed its money.” He goes on to say that “Public disclosure and justification constitute the way in which nonprofits can be accountable” (p. 178). Similarly, Martin (1994, p. 48) says, “Trust makes philanthropy possible. We give only when we trust that our money and efforts will not be misused.” He too concludes that nonprofit organizations have a responsibility to make available information to help donors make informed decisions about giving as well as a responsibility to use donations only in ways that are consistent with the donors’ intentions. These obligations clearly go beyond meeting the minimum legal reporting requirements imposed by federal or state agencies.

□Academic research has recently focused mostly on the legal accountability obligation embodied in Internal Revenue Service Form 990. Several recent papers have examined the degree to which numbers reported on the return match comparable figures from audited financial statements or other data sources (e.g., Froelich 1997, Froelich and Knoepfle 1996, Gantz 1999, Froelich, Knoepfle and Pollak 2000). This study instead looks at the annual reports prepared by many nonprofit organizations. Such reports are voluntary (not required by law) and, thus, a way for charities to fulfill their ethical obligation to be accountable to their donors as well as society in general.

□Concentrating on specific industry groups is justified theoretically given the model of giving proposed by Gordon and Khumawala (1999). Their paper argues that financial information will most commonly be used by donors that are comparing charities with similar or identical missions. Given the time required to analyze each report, we limit our study to three types of not-for-profit organizations that commonly solicit donations: environmental protection, disease research, and poverty/emergency relief.

□We have examined 75 annual reports dated between 1999 and 2003. Only 28% of the reports included complete audited financial statements. Accordingly we requested audited financial statements from the other 54 nonprofit organizations to complete our analysis. Forty-three percent of the financial statements were audited by one of the four major accounting firms. Only 3% of financial statements were unaudited. We found that the pie charts or summary information that was included in lieu of the complete audited financial statements were generally accurate. The paper describes in more detail the types of summary information the organizations choose to provide as well as nonfinancial performance

indicators included in the annual reports.

□ In each mission group, the size of the organizations varied but the means were comparable for total assets and total revenues reported. We also found no difference in the length of the annual reports (mean = 31 pages, median = 27 pages) but there were significant differences in the percentage of annual report pages devoted to financial accountability. Environmental protection organizations were the most reticent. On average, 12% of their annual reports contained financial information with the median reporting level being just two pages or 6.5% of the report. Poverty/emergency relief organizations devoted 20% of their annual report to financial information with the same median length of two pages or 11.1% of the total pages. In contrast, 25 percent of the annual reports of disease research organizations were devoted to financial information. For this group, the median length of the financial section was eight pages.

□ Only five percent of environmental organizations included complete financial statements as compared to 32% of the poverty/emergency relief organizations and 77% of the disease research organizations. This disparity partially explains financial page percentage differences. However, the reports with complete financials were able to print the information on as few as four pages (with a median of eight pages) often by putting the notes in small font.

□ We found that a majority of annual reports (69%) included a list of major donors. Since listing donor names is intended (presumably) to be read by past donors and to encourage future giving, we question why so many organizations are not taking full advantage of existing communication structures to fulfill their duty to be accountable.

□ We identify “best practices” in several ways. For example, the accounting and auditing standard setting bodies recommend but do not require certain reporting practices that are believed to provide superior information to financial statement users, such as the direct method for the statement of cash flows. We also use our professional judgment to identify actual examples of presentations that achieve the goal of “transparency” by being clear, complete, and easy to understand. From our analysis, we will make recommendations for the executives and boards of trustees of nonprofit organizations that actively solicit donations.

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Paper Number: PA041292

Paper Title: Financial Reporting Factors Affecting Donations to Charitable Not-for-profit Organizations

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Summary of Research

In order to examine the value of nonprofit accounting reports, previous studies primarily explore the relation of donations to accounting measures of efficiency and stability. There is no consensus on which variables are related to donations; several measures are used as proxies for similar constructs.

We posit that there are four conceptual factors related to donations. We use factor analysis with variables from previous studies to test this conceptual framework and find that the variables align on four components that appear to represent the factors we conceptualize. These four components are significant predictors of direct contributions.

Description

Accounting researchers explore whether and how donors use accounting information when making donation decisions. Studies to date incorporate a number of accounting data and financial ratios to demonstrate that donors benefit from the financial statements of nonprofit organizations. The purpose of this paper is to develop a conceptual framework for the financial reporting factors that impact donations and to empirically test this framework by incorporating the various predictor variables from previous studies.

<P>

Nonprofit accounting research includes a number of variables that are hypothesized to impact the charitable giving decisions of donors. These variables operationalize financial reporting factors that impact charitable donations. We examine measures from the literature by Weisbrod and Dominguez (1986), Tinkelman (1999) and Parsons (2003) to determine whether these measures are in fact proxies for more general, underlying factors.

<P>

We posit there are four factors that affect donations – efficiency of operations, organizational stability, and the quantity and quality of information provided. We measure twelve independent variables used in prior studies to model donations. Using data from the Internal Revenue Service Statistics of Income database developed by the National Center for Charitable Statistics and a principal components analysis, we find evidence to support our hypothesis that these twelve variables load on four factors.

<P>

Next, we include the four components from the factor analysis in an OLS regression and find that the factors are significant predictors of direction contributions. The model is significant at 0.001 and explains over 40 percent of the variations in donations in our sample. The results indicate that the financial reporting factors suggested by our framework explain a significant amount of the variation in donations.

<P>

The conceptual framework developed in this study can provide guidance to researchers studying the usefulness of nonprofit accounting and financial reports. Additionally, it assists donors, grantors and other financial statements users with evaluation of nonprofit reports. Finally, standard setters, regulators, and watchdog organizations, such as the Better Business Bureau's Wise Giving Alliance, can use the framework to better determine the benefit of accounting and financial reports to contributors.

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Paper Number: PA041312

Paper Title: Street Lamps, Alleys, Ratio Analysis and Nonprofit Organizations

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Summary of Research

There is a story about a drunk who dropped his keys in an alley but looked for them next to a streetlamp, because the light was better. To some extent, using financial ratios to evaluate nonprofit effectiveness and efficiency is similarly misguided.

I review the literature on nonprofit effectiveness and efficiency, with particular attention to financial ratios. Next, I introduce an integrated framework for measuring organizational efficiency. This framework indicates what data, essential for judging organizational performance, are and are not currently available. The analysis indicates where future research is needed, and when using certain ratios may be misleading.

Description

The title comes from the old story about the drunk who dropped his keys in a dark alley but decided to search for them on the main street, next to the lamp, because the light was better there. To some extent the practice of using financial ratios to evaluate the effectiveness and efficiency of nonprofit organizations is a similarly misguided enterprise. This paper first reviews the roles that financial ratios have played in efforts to assess the performance of nonprofit organizations, and then develops an integrated framework for using ratios to evaluate organizations.

One important recent development was the U. S. Supreme Court's decision in *Madigan v. Telemarketing Associates* that a telemarketer could be prosecuted for fraud for misrepresenting a particular financial ratio, the ratio of fund-raising expenses to donations. Charitable organizations and professional fund-raisers argued strongly that the fund-raising ratio was poorly defined, inconsistently measured, and a misleading and inadequate measure. However, the Court implicitly endorsed the relevance and materiality of the fund-raising ratio.

□ First, the paper reviews the literature on measuring nonprofit organization's efficiency and effectiveness, and discusses the use of the fund-raising ratio and similar ratios. The consequences of judging organizations on these ratios are briefly discussed.

□ The paper then develops an integrated framework for using ratio analysis to evaluate nonprofit organizations' performance, analogous to the well-known Dupont Framework for analyzing businesses' return on equity.

□ I define CSE as current standardized efficiency, equal to the number of standardized units of program service produced in a particular period per dollar of revenue. Then, in a one-period setting, the standardized output is the product of four factors, as follows

Where: □ CSU = the number of standardized units of output quality produced in the current period

□ □ AU = the actual number of units of output produced

□ □ PE = the dollar amount of program expenses in the current period

□ □ TE = total expenses in the current period

□ □ TR = total revenues in the current period

The first factor, CSU/AU, is the "Program Quality Index." It measures how the actual units produced

compare to a standard quality index.

The second factor, AU/PE, is the "Program Output Index." It measures how many units of output the organization obtains for each dollar spent.

The third factor, PE/TE, is the "Program Spending Ratio." It measures the fraction of the current year spending devoted to programs, rather than to administrative or fund-raising expenses. It is clearly related to the fund-raising ratio. It is also related to Price in academic writing.

The fourth factor, TE/TR, is the "Current Spending Factor." It measures the extent to which current revenues are spent in the current period, as opposed to being saved for use in future periods.

The paper then extends this framework into a multi-period setting, considering savings and multiplier effects.

Examination of this framework puts the program spending ratio, and the related fund-raising ratio, into perspective. It can be adapted for use at a program level, and can serve as an internal performance evaluation tool. It also focuses attention on areas where further research on performance measures is needed. In particular, we need to develop systems to measure and report program outputs, and we need to find ways to index measures of different kinds of programmatic output.

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Paper Number: PA041381

Paper Title: Balancing Financial Performance Analysis and Mission in the Nonprofit Sector

Author(s):

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Summary of Research

Mission in nonprofit organizations is the reason for their existence, and thus it is appropriate to focus on financial resources in their relationship to mission. This paper uses ratio analysis to analyse financial performance in order to identify organizational strengths and weaknesses and to detect anomalies and highlight issues of significant concern to nonprofit organizations. It discusses the centrality of mission and extends Turk et al's (1995) financial performance model for analysis and measurement of financial and operational control. The paper also identifies the limitations of such analysis and suggests how the model can be applied to individual nonprofit organizations.

Description

Introduction

The paper will begin with FASB's definition of a nonprofit organisation. It will then consider the centrality of mission and its relationship to organizational management control. This will indicate that the nature of financial management has been reactive rather than proactive.

There will then follow a brief discussion of Turk et al's (1995) financial performance model and the need for this model to be extended.

Financial Ratio Analysis and Mission

Ratio analysis will be identified as a well established tool to evaluate an organization's profitability, liquidity and financial stability (Glynn et al, 2003).

Herzlinger and Nitterhouse (1994, p. 133) use of ratio analysis will be considered in relation to Turk's model.

Whatever questions are asked, financial ratio analysis formalizes and quantifies financial data to facilitate comparison within an organization. Ratio analysis provides an efficient means by which financial data can be reduced to a more understandable basis for evaluation of financial conditions and operating performance, by which a decision-maker can identify important relationships, and by which forecasts can be made of an organization's ability to pay its debts when due and to operate in a manner consistent with its mission and without leaving a deficit to be covered by future generations. Each ratio is designed to detect a certain type of symptom in relation to the underlying state of health of the organization, with a collection of symptoms suggesting an appropriate treatment plan.

A Model of Financial Performance Analysis

To measure financial performance in a nonprofit organization, it is essential to start with a consideration of the organization's mission. A series of questions will be proposed in relation to mission and financial resources.

Each of the questions in the model can be answered by using financial and operational ratios. The analytical capabilities of ratio analysis have an important place in assessing an organization's current financial state, establishing measures for future strategies and tasks to accomplish its mission, evaluating its performance over time, and deciding how the organization should proceed in the future. Specific ratios are used to answer each of the four key questions and developed in such a way as to be transferable to a membership organization such as are many NPOs.

The roles of five of the more commonly used ratios will display a degree of overlap between the financial vulnerability measures and financial performance measures. Consequently, some ratios have been used as suggested by Turk et al and some have been deleted completely, while others have been modified or reconstructed to reflect the different mission and structure of voluntary organization.

Key questions considered are:

- a. Are financial resources sufficient to support the mission?
- b. What financial resources are available to support the mission?
- c. How are financial resources used to support the mission?
- d. Are financial resources applied efficiently and effectively to support the mission?

Limitations of Financial Ratio Analysis

Crunching numbers to calculate financial ratios means that one is focussing on individual trees. One also needs to take a step back and see the whole panorama of the financial analysis forest. Doing this means recognising the limitations which should be considered when interpreting the results of financial ratio analysis.

The ratios and percentages that are calculated in financial analysis focus on certain areas in isolation to rest of the organization. It is important to interpret these figures in the correct perspective, bringing into the examination qualitative factors such as general economic conditions, the unique characteristics of the nonprofit sector and the position of the organization being investigated within the sector and in relation to its own historical and cultural evolution.

There are also inherent limitations in the financial statement data which is used for the calculation of these ratios. It is not just the preparation of the reports which may be different over time, but also the accounting practices used by the organization.

A further limitation is that of historical cost accounting. There are a number of levels of dollars in the balance sheet, with assets such as accounts receivable being stated in current dollars and non-current assets such as land being stated at historic cost. This makes comparative analysis across years difficult, particularly with the varying inflation rates of the past eighty years. In the 1920s, inflation rates were not even considered; in the 1970s, inflation was in double digit figures; today, it is between one and three percent.

In order to operationalize this model, these ratios must be calculated and analysed for the individual organization. Ideally, historical data, possibly for up to ten years, should be considered in developing trend analysis for the NPO. This would enhance the measurement of organizational strengths and weaknesses, and identification of planning activities on which it is necessary that the organization focus in order to revive its financial profile in relation to its mission.

Conclusion

Measurement of financial performance by ratio analysis helps identify organizational strengths and weaknesses by detecting financial anomalies and focusing attention on issues of organizational importance. Given that the mission of a nonprofit organization is the reason its existence, it is appropriate to focus on financial resources in their relationship to mission.

The application of this financial performance model to an individual organization will indicate a number of issues which need to be grasped. However it must be realised that these issues will not be purely financial, but bear direct relationships to the culture and traditions of the organization - for mission is central to the heart of every NPO. This view is consistent with the challenge for "nonprofit organizations ... to explore new ways of raising the operating revenue and capital they need to pursue their mission" (Lyons et al, 1999, p.217).

To continue as a viable organization into the future, an NPO may have to deal with some difficult issues, issues that may very well move people out of their comfort zones.

Paper Number: PA041142

Paper Title: Choosing a New Nonprofit CEO: A Longitudinal Study

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Summary of Research

Although the selection of the executive director is a key responsibility of a nonprofit board of directors, the process of choosing a new CEO is often poorly handled. Moreover, many boards fail to recognize the opportunity a change in leadership affords the organization to reaffirm its values and to analyze its needs for both the present and the future. This paper presents a case study of one nonprofit board's approach to the succession process, in which the Policy Governance Model proved to be an effective framework for achieving a smooth transition and increasing board cohesion and trust.

Description

1. Issue to be Addressed

One of the key responsibilities of a nonprofit board is to select the chief executive officer (CEO) to provide administrative leadership to the organization. While this task is generally recognized in the literature on governance (Axelrod, 1994; Block, 1998; Houle, 1989; et al.), there is little empirical knowledge to assist boards in the proper management of this task. Unfortunately, the negative consequences of a poorly handled search and selection process are severe: "The quality of the leadership that the organization is able to attract and retain in its chief executive will also contribute to how well the organization fulfills its mission....An unprofessional or incompetent search for an executive will reflect poorly on the organization's image" (Axelrod, 1994, p. 121).

Many nonprofits fail to recognize that a change in leadership affords the organization an opportunity to reaffirm its values and to analyze its needs not only for the present but for the future. Instead, often depending on whether the change has come about in a positive way, for example, with the retirement of a longtime, valued CEO, or more negatively, due to the board's lack of confidence in the present executive, who is then forced to resign, the conscious or unconscious decision may be to look for someone who replicates the outgoing individual's strengths or for someone as different from the incumbent as possible. Neither extreme may yield the desired results over time, and the organization could find itself having to go through the selection process again to rectify the original mistake (Allison, 2002; Austin & Gilmore, 1993; Gilmore, 1988; Golensky, 1995).

While some larger nonprofits may use professional search firms or a consultant, the most common approach to a leadership transition is to appoint a small committee of board members to oversee the process, which effectively means that the full board is not involved until the end when they may be asked to choose from among the finalists for the position. Again, this is symptomatic of the board's lack of understanding of the importance of this decision in the life of the organization.

2. Literature Review

This paper will draw on the somewhat limited literature on nonprofit executive succession but also on the literature pertaining to the roles and responsibilities of the nonprofit board of directors and the relationship between the board and CEO, and to the growing body of work on organizational change. A partial list of references is included at the end of the proposal.

3. Approach

This paper presents a detailed longitudinal study of one nonprofit's approach to the issue of leadership succession, which offers a model of how this process can be effectively addressed to the

benefit of the organization in general and to the board-executive relationship in particular. Three data sources were used: participant-observation, interviews with key informants and document review.

□The organization in question, the Childcare League (a pseudonym), is headquartered in a Midwest urban center but serves a five-county area that includes rural and suburban communities. In 2001, I learned that the League's longtime executive, of 18 years, intended to retire by December 2002; through my professional and personal association with the CEO, I was able to secure the board's permission to study their succession process in return for agreeing to provide informal consultation on issues that might arise. A second benefit was the opportunity to take a closer look at the Policy Governance Model, which this board had adopted in 1995, in operation. Beginning in June 2001 and continuing until the selection of the new CEO in the fall of 2002, I began attending the monthly board meetings as a participant-observer; through summer 2003, I attended meetings periodically to observe the transition, and in fall 2003, I was elected to the board. Interviews were conducted with the former executive, the new CEO, the board chair and vice-chair during the succession process, and two additional influential board members. Relevant documents covering the entire period were reviewed.

□Some of the unique aspects of the organization's succession process were the board's decision to operate as a committee of the whole, the addition of an hour to each board meeting solely to focus on different tasks related to this effort, the development of a calendar to keep the process on track, and the active participation of the entire board in the candidate interviews and final selection. The results of the board's dedication to this key responsibility are a worthy successor to their former CEO, no disruption in services to clients, and increased cohesion and trust within the board itself.

4. □Contribution to the Field

□As previously suggested, this case study provides a model for other nonprofit organizations contemplating a leadership transition. In addition, the paper offers another, more positive perspective on the effectiveness of the Carver Model than has been the case up to now in academic publications.

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Paper Number: PA041199

Paper Title: Trustee exit from boards : the ABC of trustee departure or the Great Escape?

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Summary of Research

The literature on nonprofit boards gives minimal attention to board member exit , neither to individual rationales nor organisational learning opportunities. This paper explores this phenomenon from board member and organisational perspectives . It reports work in progress in England, aiming to give voice to departing trustees and to examine organisational knowledge capture issues. Initial findings are presented from survey work on former trustees; perceptions of organisational learning at their exit point and from pilot desk-based research on trustee exit issues in small organisations ,in three English cities, identified as defaulting(non-reporting) by the England and Wales Charity Commission.

Description

Description

The individual philanthropic act of becoming a member of a nonprofit board of trustees is one highly charged with community and personal responsibility as well as standing. Boards are encouraged to address ways in which members may "meet the demands of the organisation and fulfill their legal and moral responsibilities..." (Inglis, Alexander and Weaver, 1999) and board members face a range of pressures. (Widmer, 1993). Whilst there is major emphasis in academic and practitioner literature on the recruitment and retention of committed and able individuals to boards, this is not matched by consideration of boards' members' exits as well as entrances.

Why do trustees of nonprofit boards resign their roles and in what range of circumstances, planned and unplanned? Where do departing trustees 'go'--to other boards, other organised volunteer opportunities, to informal one-to-one volunteering or to no further voluntary commitment? What is the state of community social capital if trustee exit is more widespread than the developmental and improvement-effectiveness literature on boards might suggest? This paper offers an exploration of this phenomenon in nonprofit organisations, from board member and organisational perspectives and presents preliminary findings from work in progress, which is aiming to give voice to departing trustees.

In a sector where external regulation is extensive and extending, trustee exit from their boards is, in the main, a self-regulatory event. Although trustee rotation on boards is a feature of a number of larger and prestigious board lives, the majority of nonprofits make no such stipulations. The growing evidence that active volunteers have a high level of involvement in a variety of forms of community and civic action (Reed and Selbee, 2000) must raise concerns that trustees, once having left boards, will have no need to return to this form of service. Thus, governmental policies to encourage volunteering and the growth of formal nonprofit organisations may be in jeopardy (see for example Williams, 2002). Critical opportunities for organisational learning arise with trustee departure. Yet, whilst the documents of a number of nonprofits deal with the facts of trustee departure in the language of paid employment, with reference to trustee 'resignation' and 'retirement'; they do not evidence other labour market features, including the development of knowledge capture systems. (Dougherty,2004). Moreover, when individual motivations for board departure are raised, these appear as much on conjecture as on evidence; for example, Kasturi Rangan's assertion (2004,118) that board member 'burnout' and exit occurs where boards fail to make best use of commercial sector-based members.

Akpeki's review of "trustees as a resource" (Akpeki,2004,137) flags up, indirectly, further rationales for resignation, in her account of board challenges. These include boards "needing to keep pace" with overhauls in charity regulation, and the need for boards to provide leadership "as the competence of chief executives increases." Implicit sectoral competition for trustees is known to affect board members'

degree of engagement (Mole, 2003,158), and this may be affecting board members' exit also. Some poaching of trustees seems evidenced anecdotally but may be encouraged or legitimated by the development of organisations offering formal board searches. Board recruitment difficulties have also been shown to be inversely related to size, "with the smallest charities four times more likely to report increased difficulty than the largest charities" (Cornforth and Simpson, 2003 204); raising questions as to the extent to which trustee departures in this area of the sector deserve particular attention. Pragmatic as well as altruistic motives for volunteering, which have implications for the extent of social capital created by voluntary participation and board commitment (Price, 2002) may also affect board resignation decision.

Alongside this somewhat tangential literature, the individual needs and the emotional reactions of departing trustees do not seem to have been studied; in contrast to a wider literature on the emotional reactions and persistence of volunteers generally. (See for example, Davis, Hall and Meyer, 2002; also Nesbitt, Ross, Sunderland and Shelp, 1996 on the role of grief in HIV/AIDS volunteer burnout.) The health benefits of volunteering, notably in countering negative moods such as depression and anxiety, (see for example, Musick and Wilson, 2003) appear not to have been examined in board volunteering contexts, where it might be argued that board members' health is more likely to be put under strain than in non-board based voluntary work. Nor are organisational systems to capture their departing trustees' knowledge, know-how and insights evidenced in the literature. This is in contrast to that which argues for the retention of the tacit knowledge and explicit knowledge of outgoing paid staff.(Hansen,2002,)

A wide range of further questions are therefore prompted. How do resigning trustees account for their resignation decision, and to which constituencies do they 'report', if any? What are the age, gender, race and class profiles of resigning and former trustees? What are the images and stories of their board experiences that departing trustees take with them? Do formal or informal groupings of trustees influence resignation decisions in any way or retain accounts of departures which encourage further trustee flight? How, if at all, is the organisational knowledge of departing trustees captured by their organisations? What differences in knowledge capture, if any, occur in organisations where trustee exit is formalised and routinised? Is the notion an 'exit interview' feasible and appropriate for departing board members? Are some kinds of organisation--size, longevity, purpose,location--more vulnerable to trustee departures than others? To what extent are departing trustees lost to the sector generally? Alternatively, does trustee departure signal a move to other boards, with trustees reflecting the managerial trend of a portfolio--albeit voluntary--career?

To begin to explore these issues, the authors are developing a programme of work, building on Douthwaite's pilot study of trustee exit accounts and transparency issues (Douthwaite, 2001) and underpinned theoretically by Harrow's work on capacity building and the appropriate application of stewardship theory in nonprofit contexts.(Harrow,2001). Four interlinked questions are examined :

how do former trustees describe their reason(s) for board exit, their current sectoral participation, and the extent to which organisations took steps to retain their knowledge and add to organisation learning? To what extent are formalised systems for knowledge capture from departing trustees feasible and appropriate in nonprofits? what roles, if any, do trustee support networks play in exit decisions and patterns? What are trustee exit patterns in small nonprofits, and to what extent is this a function of their existing vulnerability? How does trustee exit in these organisations affect organisation continuation and public standing?

A purposive pilot survey,of former trustees who have resigned from boards during the past four years.using a nominations process to identify respondents is underway. Interview-based, this will explore individual resignation rationales, and issues of knowledge and knowhow capture with these departing trustees. From organisational perspectives, it is hypothesised, tentatively, that small organisations failing to submit reports to the charity regulator are likely also to have experienced extensive trustee departure. This is being explored drawing on the new (2004) Charity Commission website, identifying defaulting organisations.(Charity Commission, 2004). Three English cities, St Albans, Bath and Cambridge (the 'A,B,C' of the title) have been selected, and reported defaulting

organisations in those areas, are being identified. Documentary analysis to track trustee movement in those organisations is underway ; and the feasibility of contacting former trustees of these organisations is being explored, via Charity Commission records.

Empirically guided, the paper draws its theoretical frameworks from the literature cited above; on knowledge capture in organisations, organisational learning, board member motivation and volunteering and social capital development. The work aims to give a considered voice to trustee departure, which seems variously characterised in sectoral folklore from 'the satisfaction of a job well done' to the more desperate 'tunnelling out 'from a board, making trustee exit more akin to the 'Great Escape'.

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Paper Number: PA041319

Paper Title: A Study of the Relationship of Organizational Performance and Actions of the Board of Directors of Ten Member Goodwill Organizations

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Summary of Research

This paper reports on a pilot study of the relationship of the actions of boards of directors and chief executive officers of ten member organizations of Goodwill International and their relative effectiveness in meeting their stated goals in terms of financial measures and client services provided.

Description

The question of how to measure the effectiveness of nonprofit organizations has been an issue in research on nonprofits for years now (Forbes, 1998; Herman & Renz, 1998, 1999; Penn 1991). While there is still not agreement among researchers, and many nonprofit organizations still only measure inputs rather than results, thus making many measurements impossible. There is at least some theoretical progress being made in this area. Sawhill and Williamson (2001) suggest that every organization needs to measure three kinds of performance metrics: its success in mobilizing resources, its staff's effectiveness on the job, and its progress in fulfilling its mission. Furthermore, they suggest that the more narrowly defined the mission, the more reliably it can be determined whether or not the organization is meeting it.

In a related area of research, several studies have reported that most board members of nonprofit organizations do not believe their boards are as effective as they could be, although the definitions of "effective" may vary from study to study and be quite broad (Green, et al, 2001; Jansen and Kilpatrick, 2004). Methodologically this study has the advantage that at least at one level, Goodwill's mission is quite narrowly defined. It is "to raise people out of poverty through work: 'A hand up, not a hand out.'" (Sawhill and Williamson, 2001) On its web site, Goodwill International states its mission as "Goodwill Industries will enhance the quality and dignity of life for individuals, families, and communities on a global basis, through the power of work, by eliminating barriers to opportunity for people with special needs, and by facilitating empowerment, self-help, and service through dedicated, autonomous local organizations." (<http://www.goodwill.org/>) While this statement is more global in scope than the first mission statement and includes some difficult-to-measure concepts (e.g., quality and dignity of life), the focus remains on training people for work and eliminating barriers to work, especially those with special needs.

Goodwill collects several types of data on organizational performance, including effectiveness in mobilization resources and fulfilling the organization's mission, thus making research on this topic feasible. Data that were available to us for this study include: Revenue, Expense to Revenue Ratio, Net Worth Ratio, Clients Served, and Clients Placed. The data were provided for five years and the changes from 1998 to 2002 were calculated. The changes provided the basis for comparison between the member Goodwills thereby mitigating differences between larger and smaller units.

Board members and chief executive officers of these ten organizations responded to a survey that asked them to evaluate how well their board actually met a series of obligations that would be appropriate for a board and/or CEO of a nonprofit organization. Both sets of respondents then indicated for each item what they thought the appropriate level of response should be. Additionally, each respondent answered a series of questions giving a subjective evaluation of the state of the organization in terms of meeting client needs, meeting goals, and the financial state of the organization.

Using these data we investigate relationships between actual organizational performance as measured

by the above-mentioned metrics and areas where board members believe they are effectively meeting their responsibilities and areas where they say they are not. We further investigate whether it makes a difference if the board or the CEO takes primary responsibility for budgeting, short and long-term planning, and fiduciary oversight.

Jansen and Kilpatrick (2004) suggest that in some cases boards would do well to impose term limits or create a two-tiered board as boards can become complacent when some members are there for long periods of time, and/or existing members may not possess the skills needed for a new environment. We investigate this by looking at the average tenure of the board members as well as their attitudes toward term limits and compare this with the performance measures.

Finally, following the suggestion made by Green et al. (2001) that a moderate level of tension between the CEO and board over responsibilities may reflect a positive commitment and be productive, we investigate how much agreement there is between a particular board and its CEO on key responsibilities and whether or not this is related to greater or lesser effectiveness as an organization.

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