

Paper Number: PN032007

Paper Title: Social Influences on Charitable Giving

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Description

Increasingly, economists are moving beyond a fascination with prices and income to embrace a larger and more interesting set of motivators of human behavior. This session brings together four papers that bring the rigor of economics to the study of social influences on charitable giving. "Measuring Social Capital and Its Effects on Giving and Volunteering" derives estimates of the stocks of social capital that underlie individuals' levels of embeddedness in civic and social networks and their norms of trust and civic participation, and tests the importance of these social capital variables in explaining observed levels of giving and volunteering. "Social Influences and the Private Provision of Public Goods: Evidence from Charitable Contributions in the Workplace" uses proprietary data from the workplace giving campaign of a large national company to estimating the relationship between individual charitable behavior and the behavior of peers. "Family Income During Childhood and Subsequent Charitable Giving in Young Adulthood" exploits the panel nature of the PSID data to see how current giving by adults was shaped by the financial circumstances of their family during formative years of childhood. "The Effects of Race, Gender, and Survey Methodologies on Giving in the US" pays attention to the cultural significance of the ways in which survey questions are worded, and finds that estimated differences in giving by race and gender are dependent on elements of survey design.

Paper Number: PN032007.1

Paper Title: Social Influences and the Private Provision of Public Goods:

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Summary of Research

This paper investigates the factors that influence an individual's decision to make voluntary contributions to a public good, focusing on the role of social influences. Proprietary data from the workplace giving campaign of a large national company are used. The paper formulates the problem of measuring social influences as one of estimating the relationship between individual behavior and the behavior of peers by selecting appropriate instruments for group behavior. It also identifies the conditions under which various choices of instruments are appropriate. The results suggest that individual giving behavior is affected by social influences.

Description

Social Influences and the Private Provision of Public Goods:
Evidence from Charitable Contributions in the Workplace
Katherine Grace Carman
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This paper investigates the factors that influence an individual's decision to make voluntary contributions to a public good, focusing on the role of social influences. Measuring social influences is challenging due to several factors: group selection may be based on unobservable tastes, there may be unobservable shocks that affect all group members, and the behavior of all group members is determined simultaneously. Proprietary data from the workplace giving campaign of a large national company are used. These data contain detailed information, which can be used to overcome the difficulties often associated with measuring social influences. This paper formulates the problem of measuring social influences as one of estimating the relationship between individual behavior and the behavior of peers by selecting appropriate instruments for group behavior. It also identifies the conditions under which various choices of instruments are appropriate. The results suggest that individual giving behavior is affected by social influences.

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Paper Number: PN032007.2

Paper Title: The Effects of Race, Gender, and Survey Methodologies on Giving in the US

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Summary of Research

This study uses Tobit and Probit regression analysis to examine the effects of race and gender on philanthropy and to identify interaction effects between race or gender on the one hand and survey methodologies on the other. Results indicate important differences in philanthropic behaviors by gender and race and interaction effects with survey methodologies.

Description

The Effects of Race, Gender, and Survey Methodologies on Giving in the US

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ABSTRACT

□ This study uses Tobit and Probit regression analysis to examine the effects of race and gender on philanthropy and to identify interaction effects between race or gender on the one hand and survey methodologies on the other. Results indicate important differences in philanthropic behaviors by gender and race and interaction effects with survey methodologies. . The results of our study indicate that different groups respond differently to questions. Our findings also indicate that the more prompts or questions asked, the higher the probability of reporting donations, and the more dollars reported. This is consistent with recent research on giving (e.g., Rooney, Steinberg, & Schervish, 2001 and 2002). Future research on giving and volunteering needs to take into consideration the type of survey methodology employed—particularly when addressing race and gender issues.

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Paper Number: PN032007.3

Paper Title: Family Income During Childhood and Subsequent Charitable Giving in Young Adulthood

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Summary of Research

This paper estimates the association between family income during childhood and one aspect of helping behavior---charitable giving---later in their life (young adulthood, ages 25-33). The conceptual framework is based on the developmental stages of prosocial moral reasoning (e.g., Eisenberg 1982). Hence, the estimation of this association is stage-specific (i.e., family income when the child was 0-4, 5-8, etc.). Models of young adults' charitable giving are estimated using the 1968-2001 waves of the Panel Study of Income Dynamics (PSID) and one of its components: the 2001 Center on Philanthropy Panel Study (COPPS; see Wilhelm 2002).

Description

Family Income During Childhood and Subsequent Charitable Giving in Young Adulthood

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There is extensive research, most of it in developmental psychology, on the development of prosocial behavior among children (e.g, see Eisenberg and Fabes 1998). There is also substantial research within child development on the effects of low income during childhood on children's educational achievement and attainment outcomes (e.g., see Duncan and Brooks-Gunn 1997). The mechanisms by which low income is thought to have effects on these outcomes (e.g., parental stress affecting the relationship with children, lower investments in children's cognitive development) also affect processes thought to encourage the development of children's helping behavior (see Chase-Lansdale et al. 1995 for a discussion of those processes). Moreover, there are additional mechanisms by which helping behavior may be affected (e.g., parental modeling and provision of opportunities for children to engage in helping activity). Nevertheless, there has been very little work examining whether family income during childhood has any association with helping behavior in early adulthood.

This paper estimates the association between family income during childhood on one aspect of helping behavior---charitable giving---later in their life (young adulthood, ages 25-33). The conceptual framework is based on the developmental stages of prosocial moral reasoning (e.g., Eisenberg 1982). Hence, the estimation of this association is stage-specific (i.e., family income when the child was 0-4, 5-8, etc.). Models of young adults' charitable giving are estimated using standard as well as semi-parametric techniques. The data used to estimate the models are drawn from the 1968-2001 waves of the Panel Study of Income Dynamics (PSID) and one of its components: the 2001 Center on Philanthropy Panel Study (COPPS; see Wilhelm 2002).

The results from this research are important for several reasons. First, although there is laboratory evidence supporting various stage theories of prosocial development, there is no evidence concerning whether significant events during the lives of children have subsequent effects on their policy-relevant helping behavior as adults. Accordingly, it is not known whether the stage theories, which are central in the theories of the development of helping behavior, are relevant for the kinds of helping behavior which attract policy interest. Furthermore, evidence indicating which stages of childhood are important for charitable giving will suggest ages at which interventions promoting altruism should be targeted.

Second, the child development literature that has examined family income effects on children's behavior has predominately focused on "negative" behavior (Moore et al. 1999). Positive behaviors, such as helping, have been only lightly researched (e.g, Lichter, et al. 2002).

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Wilhelm, Mark. 2002. "T

Paper Number: PN032007.4

Paper Title: Measuring Social Capital and Its Effects on Giving and Volunteering

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Summary of Research

We examine the relationships among several independent measures of social capital that have been developed in the Social Capital Community Benchmark survey. Using factor analysis, we find that the various measures can be thought of as arising from two underlying social capital variables, and that these two factors bear close resemblance to the theoretical concepts of networks and norms. We use charitable giving and volunteering as examples through which to test the power of these constructed social capital variables in explaining individuals' pro-social behavior. We find that networks play a powerful statistical role in explaining observed charitable activity.

Description

MEASURING SOCIAL CAPITAL
AND ITS EFFECTS ON GIVING AND VOLUNTEERING

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Abstract

Recent discussions of social capital, often defined as the networks and norms that facilitate cooperative action, have been liveliest in the fields of political science and sociology, but social capital is central to economics as well. Indeed, social capital shapes economic theory. Social norms delimit the range of opportunistic behaviors weighed by a rational actor: for example, economics takes seriously the impact of contract incentives on the likelihood that workers will shirk but not on the likelihood of their attacking their overseers. Further, a mounting body of evidence suggests that associational engagement inclines persons toward pro-social behaviors, such as voting and charitable giving, that are not easily understood within a narrow model of self-interested behavior. Again, social capital shapes economics, affecting which activities are best understood as means to other ends, and which are represented as yielding utility directly.

As important as social capital is in shaping the boundaries of economic thinking, the pay-off to explicit consideration of social capital stocks in economic modeling depends on our ability to generate falsifiable hypotheses. That ability, in turn, depends in large part on our being able to measure social capital. In this paper, we examine the relationships among several independent measures of social capital that have been developed in the Social Capital Community Benchmark survey. Using factor analysis, we find that the various measures can be thought of as arising from two underlying social capital variables, and that these two factors bear close resemblance to the theoretical concepts of networks and norms. We use charitable giving and volunteering as examples through which to test the power of these constructed social capital variables in explaining individuals' pro-social behavior. We find that networks play a powerful statistical role in explaining observed charitable activity, and that part of the positive effect of education on giving works through education's contributions to the donor's embeddedness in social networks.

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Paper Number: PN032010

Paper Title: Democratic Values Expressed Through the Law of Nonprofit Organizations

Author(s):

Professor Norman I. Silber, Hofstra University, Hempstead, NY, USA

Description

Laws affecting nonprofit organizations are highly permissive with respect to democratic processes involved in their operation. Depending upon the way governing documents are drafted, for example, directors and trustees may perpetuate themselves, or they may be elected by certain classes of interested parties. The laws are highly permissive as to the amount of input that members of nonprofits and beneficiaries of nonprofit operations are entitled to exert and the amount of information they are entitled to receive. Voting rights in nonprofit organizations may be either narrow or broad.

The panelists will consider ways in which nonprofit laws have encouraged and discouraged the use of the democratic process to inform and control the course of nonprofit operations and mission.

Particular attention will be paid to the costs and benefits attached to undemocratic governing instruments and desirable changes to the rules.

Paper Number: PN032010.1

Paper Title: Dismembering Civil Society: The Social Cost of Internally Undemocratic Nonprofit Organizations

Author(s):

Professor Dana Brakman Reiser, Brooklyn Law School, New York, NY, USA

Summary of Research

This paper critiques the current optional nature of democratic internal governance in nonprofit organizations. Forty-six U.S. jurisdictions permit nonprofits to select either democratic governance (in which members elect directors) or a self-perpetuating board (in which directors appoint their successors). This statutory position results in a consistent bias against internal democracy in nonprofits, exacting serious social costs.

Description

When given a choice, individual nonprofits consistently opt out of internal democracy because it is more costly to empower members to elect directors than to use a self-perpetuating board, and these greater costs are not offset by proportionate benefits in organizational efficiency or accountability. However, the general trend away from internal democracy results in significant costs for society. The disappearance of internally democratic nonprofits limits the ability of the nonprofit sector to enhance our political democracy as part of civil society - by generating social capital and teaching civic skills. Moreover, reducing the capacity of nonprofits to play the democracy-enhancing roles expected of them endangers the legitimacy of the nonprofit sector and its preferential treatment. After identifying and analyzing these social costs, the paper canvasses potential responses aimed to mitigate them.

The paper speaks both to legal scholars and to political and social theorists considering the role of civil society in a political system. Civil society theorists often place reliance on nonprofit organizations to develop the capacities that democratic citizenship requires. However, as this paper demonstrates, the prevailing legal system of nonprofit governance may in fact frustrate nonprofit's ability to perform this vital societal service.

Paper Number: PN032010.2

Paper Title: The Struggle for Hershey: Community Accountability and the Law in Modern American Philanthropy

Author(s):

Professor Mark Sidel, > University of Iowa College of Law, Iowa City, IA, USA

Summary of Research

The author presents a study of events surrounding the for-profit company The Hersheys Corporation; the Nonprofit organization which has exercised a major role in its corporate governance; and the town in which it is located.

Description

Recently these three entities became locked in a dispute related to the for-profit's corporate location and its possible merger. The Hershey case illuminates the impact of democratic involvement in nonprofit operations, and of nonprofit participation in for-profit operations.

Paper Number: PN032010.3

Paper Title: Exploring Lost Opportunities for Promoting Democratic Values through Bylaws and Charters

Author(s):

Professor Norman I. Silber, Hofstra University, Hempstead, NY, USA

Summary of Research

This research explores the governing instruments of five nonprofit organizations to examine the extent to which the instruments restrict or promote the involvement of members or persons served by the organization's operation in major decisions affecting the organization. Despite recent advances in Internet, cellphone, and video technology, state and federal laws have not fundamentally changed rules regarding annual meetings, voting rights or amendments to governing instruments.

Description

Results of the study (are expected to) indicate a spectrum of commitment to democratic values. It would seem that nonprofit trustees and directors frequently disfavor maximizing participation, for reasons that are, from their own perspective, rational and in the best interest of the organization. Nonetheless, the perspective of the law policy maker, it will be argued, should be different.

Paper Number: PN032012

Paper Title: Resolving Conflict in Developing Countries through Voluntary Action

Author(s):

Ms. Ginger L Elliott, Indiana University, Bloomington, IN, USA

Description

Conflict in developing countries takes many forms, varying from localized resource disputes to cross-national violence. Many efforts have been made to address these conflicts such that their negative impacts on peoples are reduced. Some of these have involved voluntary action, while in other circumstances national and international governments have attempted to mitigate the conflicts. In this panel, we will consider the ways in which voluntary action, through informal groups and formal NGOs, has contributed to conflict management and resolution in African countries.

The first paper outlines the types of formal and informal voluntary action organizations involved in dispute and conflict resolution by presenting a typology of the kinds of NGOs involved, the kinds of conflicts they are involved in, and the activities in which they are engaged to mitigate and manage those conflicts. By applying the Institutional Analysis and Development (IAD) framework to NGO involvement in conflict resolution, we can see how NGOs can influence the incentive structures surrounding disputes and conflict as well as how NGOs themselves are embedded in incentive structures that affect their behaviors. The IAD framework is used to show that NGOs at different levels of aggregation are better suited to altering given conflict incentive structures.

The second paper builds on the first paper by providing an example of informal voluntary action groups resolving conflicts that arise from forest resource scarcity in certain areas in Uganda. This author will also use the IAD framework to determine how institutions affect the incentives of forest user groups to organize themselves and to reduce conflicts. She analyzes data from the International Forest Resources and Institutions (IFRI) Research Program to compare two forest sites in Uganda, one owned by the government and the other privately owned. She demonstrates that some government institutions tend to discourage successful voluntary initiatives. The author then concludes that management of forest resources by voluntary action groups has proven successful, particularly when there is minimal government interference, and should be encouraged as resources continue to become more scarce.

The final paper considers the role of more formalized non-governmental organizations in conflict resolution. Looking at women's groups in Tanzania, it considers the ways in which they cut across ethnic, religious and class-based identities. The author suggests that identity may be created for resource domination in some circumstances—which results in conflict—leading to the possibility that identity can be recreated along different lines. In other words, if conflictual identities are created and not inherent, then it may be argued that fashioning alternative power relations—what the author calls cross-cutting identities—may enable a society to redefine allegiances along non-ethnic and/or non-religious lines and thereby reduce societal conflict. □

Together, the three papers show how informal voluntary action groups and formal non-governmental organizations are helping to resolve conflicts in Africa by affecting the incentives that govern conflicts in the spheres in which they operate.

Paper Number: PN032012.1

Paper Title: The Role of NGOs in Conflict Resolution in Africa: An Institutional Analysis

Author(s):

Ms. Becky Nesbit, Indiana University, Bloomington, IN, USA

Summary of Research

This paper explores the role of NGOs in conflict resolution in Africa. NGOs can be involved in everything from minor resource disputes to violent ethnic conflict. This paper begins by presenting a typology of the kinds of NGOs involved in conflict resolution and the activities they undertake. Using the Institutional Analysis and Development (IAD) framework, the paper then expands on the typology to determine the appropriate actions of each type of organization at different levels of aggregation. Because NGOs are embedded in different environments and have different participants and resources, their involvement in conflict resolution should mirror those differences.

Description

This paper explores the role of non-profit organizations, voluntary action groups, and other non-governmental organizations in conflict resolution in Africa. NGOs have been involved in all aspects of conflict resolution in every type of conflict—from minor resource disputes to violent multi-national ethnic wars. The NGOs involved are extremely diverse and include everything from small grassroots women's organizations to huge international non-profit organizations.

There are two main issues that this paper seeks to address. The first concerns determining what kinds of NGOs are involved in conflict resolution, the kinds of conflicts with which they are getting involved, and the activities they are engaging in to mitigate and manage those conflicts. The second issue is determining which NGOs are better suited to participating in various types of conflicts and which of their activities are most effective.

In order to resolve local conflict in Africa, the local actors and local processes must be involved, and external supporters need to be careful not to take over the process (Menkhaus, 2000). Conflict resolution is based in the people themselves and must be solved through that mechanism. This is not to say, however, that there is not a role for NGOs; among other things, they can help to develop local civil society and social capital—necessities for local conflict resolution. However, the mere presence of NGOs in a given region is not a substitute for local civil society (Stewart, 1997); local grassroots organizations comprised of those involved in the conflict ultimately must be responsible for resolving that conflict.

Although international NGOs do not have the same ownership in conflict resolution, they also still have an important role. Tandon (1996) argues that INGOs should serve in a more supportive role by helping indigenous NGOs to develop their own capacity to reach out to local people and grassroots organizations (Tandon, 1996). However, even giving aid can have a negative influence on conflict resolution. When NGOs give monetary or other aid to parties involved in conflict, this aid can itself become part of the incentives surrounding the conflict and can perpetuate it (Anderson, 1999). For example, Gary (1996) discusses the power struggle between public organizations and NGOs for control of resources and control of each other.

Although the literature has discussed the actors that need to be involved in conflict resolution and has given warnings about the involvement of external actors (such as NGOs), there is not a comprehensive delineation of which NGOs should be involved in different activities associated with conflict resolution. This paper hopes to fill this gap.

The paper begins by presenting a typology of the NGOs involved in conflict resolution and the activities they undertake. Next, this paper uses the Institutional Analysis and Development (IAD) framework to

analyze and discuss the typology of NGO involvement in conflict resolution (Ostrom, Gardner, & Walker, 1994). The IAD framework shows that patterns of interaction can and should only be changed with a proper understanding of their environment and the current rules-in-use. By applying the IAD framework to NGO involvement in conflict resolution, we can see how NGOs can influence the incentive structures surrounding disputes and conflict as well as how NGOs themselves are embedded in incentive structures that affect their behaviors. The IAD framework is used to show that various NGOs at different levels of aggregation are better suited to altering given conflict incentive structures. Because NGOs are embedded in different environments and have different participants and resources, their involvement in conflict resolution should mirror those differences.

This paper makes a significant contribution to the existing literature on NGO involvement in conflict resolution in Africa. To date, no comprehensive typology for NGO involvement has been given, let alone a systematic discussion of the appropriate actions for NGOs trying to manage various kinds of conflicts. Therefore, this paper contributes to our understanding of how NGOs influence other actors involved in conflict resolution and how NGOs can help set the stage for conflict management in Africa. It can serve to advise NGOs about their proper role in conflict resolution.

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Paper Number: PN032012.2

Paper Title: Managing Conflicts in Forest Resource Use: the Role of Local Voluntary Groups

Author(s):

Ms. Evelyn Lwanga Namubiru, Indiana University, Bloomington, IN, USA

Summary of Research

This study utilizes the Institutional Analysis and Development (IAD) framework to analyze how different types of institutions influence the occurrence of conflict in forest use. Using two forests from Uganda as case studies, the study shows that when institutions that take into consideration local people's needs are in place, the user groups have an incentive to organize—not only to manage resources sustainably, but also to manage conflicts arising from the use of these resources. The study concludes that local people can successfully organize to reduce conflict and manage resources sustainably.

Description

Sustainable utilization of forest resources is a key component of forest management agendas worldwide. Forests are important not only for consumptive purposes such as the extraction of timber but also for non-consumptive purposes, such as maintaining good air and water quality. Despite the important role they play, many of these forests are disappearing at an alarming rate. With the growing reduction in forest resources, forest user groups are often exposed to increasing conflicts arising from the multiple uses and the consequent user disagreements (Arnold 1998).

In many developing countries, judicial court systems are not well developed or are ineffectively imposed by the government. They are, therefore, often ineffective in resolving conflicts or disputes. Instead, local people have found other ways of dealing with conflicts using their own institutions (Gulliver 1979). Voluntary local arenas for conflict resolution are important because they are easily accessible and usually allow for local knowledge of how to deal with the problems on hand before they could escalate into serious conflict. Unfortunately, central officials at times find these arenas threatening and attempt to sabotage any efforts to introduce or maintain them.

Using the Institutional Analysis and Development framework, this study analyses how different rules-in-use influence the incentives for various user groups to not only manage resources sustainably themselves but also to find ways of addressing conflicts arising from forest resources scarcity in certain areas in Uganda. Looking for evidence of conflictual structures, the study uses data collected over time through the International Forestry Resources and Institutions (IFRI) research program. The program is a multilevel, multi-country, long-term study of forests and the various institutions that govern, manage, and use the forests.

In this paper, two forests sharing many common characteristics are examined as case studies. The main distinguishing feature is that they are under different tenure regimes (Banana and Gombya-Ssembajjwe 2000). Namungo's forest is privately owned while the Lwamunda Forest is government-owned and managed as a forest reserve. The paper will demonstrate that when management institutions are in place that take into consideration local people's needs, the user groups have an incentive to organize—not only to manage resources sustainably, but also to manage conflicts arising from the use of these resources. The study concludes that local people can successfully organize to reduce conflict and sustainably manage resources.

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Paper Number: PN032012.3

Paper Title: Recreating Identity: the Role of Women's Groups in Conflict Resolution

Author(s):

Ms. Ginger Elliott, Indiana University, Bloomington, IN, USA

Summary of Research

Ethnic, class-based and religious conflict continues in many countries and localities. In some places, however, the amelioration of conflict is occurring through the utilization—both purposeful and not—of cross-cutting identities. Because conflict can disable a society, various means by which it can be diminished must be understood. As one example, non-governmental women's groups across African countries are being created to meet women's needs, focusing not on what divides them as individuals but on their common identity as women. In doing so, these groups undermine societal divisions and engender a common understanding that results in reduced conflict along the divisions.

Description

Ethnic, class-based and religious conflict continues in many countries and localities. In some places, however, the amelioration of conflict is occurring through the utilization—both purposeful and not—of cross-cutting identities. Because conflict can disable a society, various means by which it can be diminished must be understood. As one example, non-governmental women's groups across African countries are being created to meet women's needs, focusing not on what divides them as individuals but on their common identity as women. In doing so, these groups undermine societal divisions and engender a common understanding that results in reduced conflict along the divisions.

Aili Mari Tripp (1994) contends that women's groups can challenge sectarianism within a society. Using Uganda as an example, she argues that the historic economic and political marginalization of women has encouraged them to work together despite their ethnic, religious and class-based differences. She further proposes that this development may provide a means by which sectarianism can be reduced in the society. Missing from her argument, however, is an explanation of why these groups may occasion conflict reduction.

The author suggests in this paper that it occurs through a redefinition of identity that cuts across dividing lines. Weber (1922/1968), Nnoli (1995) and Eller (1999) suggest that in many circumstances, identity is a rational creation meant to be used to dominate others. One of the goals of forging conflictual identities is to establish a resource monopoly that denies access to the resources by those defined as "other." The implication is that if identity can be created along one line then it can be recreated along another. In other words, if conflictual identities are created and not inherent, then it may be argued that fashioning alternative power relations—what the author calls cross-cutting identities—may enable a society to redefine allegiances along non-ethnic and/or non-religious lines and thereby reduce societal conflict. Horowitz (1985) hints at this prospect with his discussion of deliberate coalition building in the development of democracy in circumstances of ethnic conflict. Follett (1940) and Stanfield (1996) similarly propose that focusing on alternative common goals can lead divided groups to establish cooperative relations. The author thus contends that women, because of their inability to establish themselves in society and the economy according to their ethnic or religious identities, utilize a non-ethnic and non-religious identity (womanhood) to achieve their goals. In doing so, they create social capital that facilitates a breakdown of conflictual identification within the larger society.

A comparative study of the role of women's groups in the amelioration of societal conflict is certainly needed. To begin this process, the author investigates what can be considered a control case. In Tanzania, the level of conflict is minimal (although there are some signs that it may be increasing (Tripp, 1994)), yet women's groups still make an effort to not distinguish themselves along religious, ethnic or class-based lines. Understanding how these organizations operate in a low-conflict context is

important when evaluating the same in high-conflict societies. To focus the investigation, only women's groups specifically oriented toward women's rights will be considered. Taking this narrow path is not intended to discount the value and role of other types of women's groups—most of which are economic in nature—but to limit the initial work to a feasible analysis. The author further considers anecdotal and literary accounts of the work and effects of women's groups in various other African countries in an attempt to analyze the circumstances in which these groups act as catalysts of societal change.

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Paper Number: PN032014

Paper Title: Social Accounting for Nonprofits: Prospects and Challenges

Author(s):

Professor Jack Quarter, University of Toronto, Toronto, CANADA

Description

Social accounting is a relatively recent field and its application to nonprofits has been limited. This panel builds upon two previous projects related to social accounting for nonprofits and particularly how to capture the value generated by volunteers. One project used a cost/benefit approach to assessing volunteer value; the other project was based on an adaptation of a Value Added Statement called an Expanded Value Added Statement.

For most nonprofits, volunteer value is excluded in accounting statements. There does not appear to be a systematic body of evidence to assess how widespread the exclusion of volunteer value is and the reasons for it. The papers in this panel address this issue.

Each of the four papers is based on empirical research that follows up on the original studies and each addresses some of the prospects and challenges for the inclusion of volunteer value within accounting statements.

Paper Number: PN032014.1

Paper Title: Social Accounting for Volunteer Contributions: Obstacles and Facilitating Factors

Author(s):

Jack Quarter, OISE/University of Toronto, toronto, CAN

Ms. Laurie Mook, OISE/University of Toronto, Toronto, CANADA

Mr. Jorge Sousa, University of Toronto, Toronto, Ontario, CANADA

Summary of Research

This paper is based on a follow-up of an International Year of the Volunteer Project. Although it is generally believed that volunteer contributions are not included within financial statements for nonprofits, this issue has not been systematically researched in Canada. The objective of this study is to undertake that research of a national survey of nonprofits and also to test a series of related issues.

Description

This paper is based on a follow-up to an International Year of the Volunteer Project and extends work published in the book, *What Counts: Social Accounting for Nonprofits and Cooperatives* (Quarter, Mook, and Richmond, 2003), and the *How-To Manual* published by the Canadian Centre for Philanthropy. The current project is funded by the Government of Canada through the Community Partnerships Program of the Department of Canadian Heritage and the Canadian Centre for Philanthropy.

Although it is generally believed that volunteer contributions are not included within financial statements for nonprofits, this issue has not been systematically researched in Canada. The objective of this study is to undertake that research of a national survey of nonprofits and also to test a series of related issues.

The sample is drawn from the directory, *Associations Canada*, with more than 18,000 listings from all parts of Canada. The research is just underway, so we do not the final sample but we anticipate about 200 organizations selected as a "systematic" sample of those in the directory. The primary criteria assessed through the survey are whether or not the organization imputes a value for volunteer contributions in their record keeping and financial statements.

In addition, to collecting information on these criteria, additional data are collected on the characteristics of the organization and on the accounting and auditing arrangements. These data will be related to the criteria to understand better the reasons why or why not organizations impute a value for volunteer contributions.

This research is part of a comparative study that looks at accounting policies internationally and which attempts to formulate a better understanding of the circumstances under which volunteer value should be included in accounting statements. It also is part of an ongoing research endeavour integrating financial and social accounting. The first steps in that process were undertaken in our book, *What Counts: Social Accounting for Nonprofits and Cooperatives* (Prentice Hall, 2003), and it is our intention to extend it further in subsequent research.

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Quarter, Jack, Mook, Laurie and Richmond, Betty Jane. 2003. *What Counts: Social Accounting for Nonprofits and Cooperatives* (Upper Saddle River, NJ: Prentice Hall).

Paper Number: PN032014.2

Paper Title: The Use of Social Accounting: Lessons and Prospects

Author(s):

Dr. Betty Jane Richmond, The Ontario Trillium Foundation, Toronto, CANADA

Summary of Research

Although the forms of social accounting differ, models such as Social Return on Investment and the Expanded Value Added Statement provide information on nonprofit value that cannot be found in conventional financial statements. This paper reports on the current use of social accounting models in Canada and the U.S. By analyzing survey and interview results with 100 nonprofit managers, the paper discusses how models are being used, their effectiveness, challenges, and prospects for future use.

Description

Although there is growing interest in social accounting models for nonprofits, it is not clear to what extent these models are being used and what type of training is required for their use. These issues are explored in this study.

Currently, there is an increased emphasis on accountability for nonprofits, both to funders such as government agencies and foundations and to members for mutual associations.. Although conventional accounting statements are used as a key indicator of the bottom line for organizations, they are limited in what they can say about those whose mission is social rather than profit-oriented. Experimentation with social accounting has led to new approaches and indicators for assessing social value.

Although the forms of social accounting differ, models such as Social Return on Investment and the Expanded Value Added Statement provide information that cannot be found in conventional financial statements. Previous studies have produced social accounting statements for use by U.S. and Canadian organizations to demonstrate the value that the organizations and their volunteers add to the community (Quarter, Mook & Richmond, 2003; Richmond & Mook, 2001; Metro Credit Union, 2000; Roberts Enterprise Development Fund, 2000; Richmond, 1999).

This study monitors and reports on the current use of social accounting models in Canada and the U.S. The paper analyzes survey results from recent training in social accounting for approximately 100 nonprofit managers and financial officers as well as results from interviews with 10 U.S. and Canadian nonprofit and co-operative managers who have used social accounting tools (see <http://home.oise.utoronto.ca/~volunteer> for the training outline). It will identify social accounting models that are currently in use, their effectiveness in communicating social value, the challenges of using social accounting, improvements that can be made, and the prospects for continued use.

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Paper Number: PN032014.3

Paper Title: Accounting for Volunteer Contributions: Nonprofit Accountants' Perspectives

Author(s):

Ms. Laurie Mook, OISE/University of Toronto, Toronto, CANADA

Summary of Research

Volunteer contributions throughout the world are significant. However, in most countries, accounting standards do not provide for their inclusion in accounting statements. Two exceptions are Canada and the United States. This paper outlines the accounting procedures for contributed services for these countries, and then reports on the results of the first phase of an international study on nonprofit accountants' views on the most meaningful ways to reflect volunteer contributions in accounting statements. It will be based on an analysis of a nationwide survey of nonprofit organizations in Canada, focus groups, and interviews with Canadian nonprofit accountants.

Description

Volunteer contributions throughout the world are significant. Salamon et al. (1999) estimated that the value of volunteer work in 22 countries studied amounted to \$840 billion. In the U.S., the Independent Sector estimates this contribution to be over \$250 billion (Independent Sector 2003); in Canada, these contributions are estimated at over \$16 billion (McClintock 2000).

However, most of these contributions go unreported in accounting statements. In the few countries where there are accounting regulations on this issue, the only volunteer services that can be reported in accounting statements are those that would need to be purchased if they were not provided by donation. This leaves the majority of volunteer contributions unreported.

According to the U.S. Financial Accounting Standards Board (FASB), this restrictive definition of what can and cannot be recognized as contributed services was formulated because of practical not conceptual reasons (AICPA 2003). Indeed, for many organizations, information on contributed services was often hard to collect. However, more and more organizations have systems in place for keeping track of their volunteer contributions, and it is time to revisit the criteria for recognizing contributed services.

The issue of reporting volunteer contributions in accounting statements will be taken up with nonprofit organizations and nonprofit accountants through a nationwide survey, focus groups, and interviews. The views of nonprofit accountants on the most meaningful ways to reflect volunteer contributions in accounting statements are presented, along with implications for nonprofits and the accounting profession.

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Paper Number: PN032014.4

Paper Title: Value of Volunteers in Hospitals: Perspectives from the Top Management

Author(s):

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Summary of Research

In this study we look at the attitudes and perceptions of CEOs of hospitals towards their volunteer resources. As the allocations of resources (human or otherwise) are finally determined by the CEO, it is necessary to understand his/her decision-making process. While CEOs are keenly aware of and aggressively seek monetary donations, the importance they give to the donations of time is not clear. How resources are allocated by the CEO and board level within hospitals will impact volunteers (and volunteer management).

Standard social accounting practices to report volunteer use/benefits to the community are missing and need to be developed.

Description

Within a previous study, we have established that volunteerism in hospitals is not without cost to the hospitals or to the volunteer¹. Given our findings on the significant returns to volunteering that hospitals receive, we examined the ability of volunteers to increase the perceived quality of care. To do so, it was increasingly evident to us that this was related to how volunteers were 'used' in hospitals; this in turn is tied closely to the management practices of volunteer administrators. In our previous research we started to document (albeit briefly) the "best practices" of successful hospitals². We found the need to investigate the value and implications of increasing the volunteer base in hospitals, both to the community and hospitals.

What is missing in our previous study are the attitudes and perceptions of the CEOs and boards of hospitals towards their volunteer resources. As the allocations of resources (human or otherwise) are finally determined by the CEO, it is necessary to understand his/her decision making process. While CEOs are keenly aware of and aggressively seek monetary donations, it is not at all clear the importance they give to the donations of time. How resources are allocated by the CEO and board level within hospitals will impact volunteers (and volunteer management). The study wishes to document this in the context of our previous findings on the net worth of volunteers. In this research we examine the societal obligation and reporting of benefits to the community by the top management of hospitals. This will be quite important for the future of volunteerism in hospitals due to the changing trends in volunteer labor supply.

To summarize, this study seeks to explore the following:

1. □ How resources hospitals, which impact volunteers (and volunteer management), are allocated by the CEO and board level and the implications for the changing volunteer supply, and
2. □ The best practices in volunteer management (and practices to avoid)

Detailed Description of Research:

In our previous study, the sample consisted of 31 out of 57 hospitals in Region 3, as classified by the Ontario Hospital Association. This includes the regions of Durham, Metro Toronto, Peel and York. We limited our sample to those hospital sites, which use at least a hundred volunteers, and have at least one staff responsible for volunteer administration. This will help ensure that the focus remains on hospitals utilizing a sizeable volunteer input. The region was chosen for convenience, cost and

comprehensiveness. Our sample for this study will be identical to our previous sample as our current research builds on the results of our previous study and we have well established relations with volunteer administrators in these hospitals.

Instruments and interviewees: In this study we survey the Chief Executive Officers (CEOs) as well as 1-2 board members, if possible. We will use a structured questionnaire with some open-ended questions that will be administered personally. Depending on time constraints (both of the interviewees and interviewer) we will either carry out an in person interview (our choice) or a telephone interview if we are not able to set up appointments. This recognizes the busy schedules of CEOs and board members.

We will identify two small groups of volunteer managers who are willing to work with us on the best practices dimension, and seek advice on how best to present our findings so that they are useful in the field.

All interviewees will be granted confidentiality. Our interviewing process and surveys will be subject to approval from York University's Human Participants Review Committee.
Applicability of the Results to Voluntary Organizations

We expect that our results will be useful to voluntary organizations, especially in the health care field across Canada in two ways.

1. Results from the survey of CEOs in their attitudes and decision making process relevant to volunteer resources will give volunteer managers insights into how decisions are made regarding the allocations of resources that directly impinge on their effectiveness. Furthermore, while managers see only a relatively small picture, when these results of the larger picture are presented in combination with the net benefits volunteers provide it may result in repositioning the importance of volunteer resources in organizations.

2. Our results from the 'best practices' investigation will be useful to all volunteer departments in hospitals across the country.

Footnotes

1. Handy, F. and N. Srinivasan, "Hospital Volunteers: Who they are and what they do." Centre of Philanthropy, Canada: Toronto <http://www.nonprofitscan.ca/pdf/FS/Handy-FS-English.pdf>
□□ Handy, F. and N. Srinivasan, "Hospital Volunteers: An Important and Changing Resource" Centre Philanthropy, Canada: Toronto <http://www.nonprofitscan.ca/pdf/SR/Handy-SR2-English-Web.pdf>
2. <http://www.nonprofitscan.ca/pdf/SR/Handy-SR2-English-Web.pdf>

Paper Number: PN032015

Paper Title: The Challenge of Surveying Non-Profit Organizations: A Cautionary Tale

Author(s):

Yehekel 'Zeke' Hasenfeld, UCLA School of Public Policy and Social Research, Los Angeles, CA, USA

Description

The methodological challenges of undertaking surveys of representative samples of non-profits organizations will be discussed, using the experiences of four recently completed major surveys: Indiana, Los Angeles, New York, and Pittsburgh. Issues regarding identification of the universe, drawing sampling frames and response rates and how they affect the quality of the survey and its findings will be presented.

Paper Number: PN032015.1

Paper Title: The Indiana Nonprofit Survey: Does what you know depend on how you draw your sample and conduct your survey?

Author(s):

Professor Kirsten Gronbjerg, Indiana University, Bloomington, IN, USA

Mr. Richard Clerkin, Indiana University, Bloomington, IN, USA

Summary of Research

The paper reviews the major methodological strategies used to conduct the a survey of the scope and community dimensions of the Indiana nonprofit sector

Description

As part of a larger project to examine the scope and community dimensions of the Indiana nonprofit sector, we report on our efforts to survey all types of nonprofit organizations in the state of Indiana. The surveyed organizations included congregations, other charities, social welfare, and mutual benefit nonprofits. The survey was designed to provide baseline information on Indiana nonprofits and included questions about general organizational characteristics, programs and services, impact of community and policy changes, relationships with other organizations, membership and mutual-benefit activities, faith-based identification, advocacy and political activities, human resources, management capacities and challenges, and financial information.

The original sample was stratified by source of nonprofit listing and by community in order to allow for comparisons across both of these two dimensions. In this paper we report on the complexities of conducting and analyzing this type of survey and on our assessment of various types of nonprofit listings for sampling purposes. These include (a) three types of nonprofit institutional listings (IRS list of exempt entities, state listing of incorporated nonprofits, yellow-page listing of religious organizations) and (b) key-informant listings in selected communities, as well as (c) a hyper-network sampling approach.

We have devoted considerable time and energy to verify whether non-respondents were eligible to participate in the survey. Consequently, we are in a position to consider the prevalence of defunct nonprofits or misclassified entities in various types of listings and differential response rates. We focus most of our discussion on how the IRS-list of tax-exempt entities compares to the other two institutional listings, to listings developed through community-based key informants, and to the use of a hyper-network sampling approach. We include a review of some technical challenges we encountered in conducting the survey. We conclude with an assessment of the consequences of using particular types of sampling strategies for estimating the scope and dimensions of the nonprofit sector.

Paper Number: PN032015.2

Paper Title: The Los Angeles Non-profit Human Services Survey: Facing an ill-defined and miscounted universe.

Author(s):

Professor Yeheskel Hasenfeld, UCLA, Los Angeles, CA, USA

Jennifer Mosley, UCLA, Santa Monica, CA, USA

Hagai Katz, UCLA, Los Angeles, CA, USA

Summary of Research

The paper explores the methodological challenges in undertaking a comprehensive survey of non-profit human services in a diverse and changing metropolitan area such as Los Angeles

Description

Undertaking a telephone survey of a representative sample of non-profit human service organizations in Los Angeles County poses a series of methodological challenges, the solutions to which affect the validity and reliability of the results. The first challenge was to define the universe. Included were all organizations offering services to promote the social and psychological well being of the person. Excluded were strictly medical or educational organizations. Although we have relied on the NCCS classification to identify the organizations, it quickly became apparent that the classification lacks precision, has overlapping categories, and requires considerable interpretation and revisions by the researchers.

The second challenge was to identify the sampling frame. Multiple sources of data were used including IRS, California Secretary of State Registries, Los Angeles infoline, The Rainbow Directory and the California Office of Statewide Health Planning and Development. None of them proved fully satisfactory because (a) the lists included what was later determined to be many 'dead' organizations; (b) they were riddled with erroneous information about the names, addresses and activities of the organizations; (c) only about 30% of the organizations had financial data and about 36% had phone access. In response, we drew two sampling frame – organizations with and without revenue data. The samples from both frames were stratified by geographic zone to ensure representation of the entire county, and the sample from the frame with revenue data was stratified by revenue amount.

The third challenge occurred when the interviewers encountered many "ineligible" organizations – about 30% of the contacted organizations did not meet our definitions (e.g., were not human services or operated outside the county boundaries). More important, 45% of all attempted contacts were with organizations that could not be located in any available database such as telephone directories, Yellow Pages, websites and other search engines (e.g., Guidestar).

We discuss the implications of these challenges to the calculations of response rates, sample weights and the analysis of the survey data.

Paper Number: PN032015.3

Paper Title: The New York City's Nonprofit Sector

Author(s):

Professor Julian Wolpert, Princeton University, New Jersey, USA

Summary of Research

The paper presents the results of the New York survey of nonprofits and the methodological issues it encountered.

Description

Nonprofit studies carried out at city, metropolitan or state levels provide critical findings on important structural and policy issues not available from national studies. An extensive survey of New York City's nonprofit sector was carried out on the eve of 9/11. The objective was to update information from a 1990 survey about the growth of the City's nonprofit service organizations and their contribution to the local economy. The methodological challenges faced in measuring the size, scope, and impact of the local nonprofit sector have relevance for studies planned for other cities and metro areas. The major findings from the analysis show: a much larger share of nonprofit activity in the City's three sector economy compared to the national level; much faster employment growth among nonprofits relative to private and government sectors; and a highly vulnerable revenue picture for many nonprofits that makes them highly susceptible to shocks and downturns in the national and local economies. Other major findings relate to shifts in the targeting of nonprofit services in response to the City's changing demography.

Paper Number: PN032015.4

Paper Title: The Utility of IRS Form 990 Data for Local-Area Nonprofit Studies: The Case of Pittsburgh

Author(s):

Dr. Carol J. De Vita, The Urban Institute, Washington, DC, USA

Dr. Eric C. Twombly, The Urban Institute, Washington, DC, USA

Summary of Research

As more policy decisions flow to local areas, the challenge for researchers is how to provide useful information at a reasonable cost and in a timely fashion. Drawing on a recent study of Pittsburgh area nonprofits that used IRS Form 990 data, the authors will explore methodological issues that confront place-based, policy-relevant research, including drawing the sample, identifying defunct and missing organizations, classifying organizations by activity, and the accuracy of geographic codes.

Description

In this time of economic downturns, state budget shortfalls, and homeland security issues, policymakers, city planners, local residents, and philanthropists are increasingly turning to nonprofit organizations to address important community and public policy problems. With more being asked of nonprofits, it is essential that we better understand the scope, capacity, management, and performance of the sector. But getting state and local-area data to address these issues is often problematic and costly. Lists of nonprofit organizations are often incomplete, fragmented and difficult to obtain, thereby introducing potential bias into the study (Gronbjerg 2002). Developing systematic coding schemes for classifying the activities of organizations are time consuming and complex. Collecting primary data on charities is expensive (Kennedy and Vargus 2001), and gaining the cooperation and participation of community-based nonprofits for survey research can be difficult. Exacerbating these challenges can be decisionmakers who want immediate results but offer only limited budgets to support an ambitious work plan.

To balance the need for useful information with project costs, the IRS Form 990 data have become an important tool for research on local-area nonprofits. These data, available through the National Center for Charitable Statistics (NCCS) at the Urban Institute, have been used in several studies in recent years. Bielefeld et al. (1997), for example, used Form 990 data to assess the spatial connection between youth-related and social welfare providers and potential clients and community needs in the Dallas metropolitan area. Twombly (2001a, 2001b) used Form 990 data to examine the effects of welfare reform on human service nonprofits in 53 metropolitan regions, and Manjarrez and De Vita (2002) used it as an initial sampling frame for their study of computer access for local residents in low-income neighborhoods in Washington, D.C.

Drawing on a recent study of nonprofit activity in the Pittsburgh metropolitan area, the proposed paper will discuss the strengths and limitations of the IRS data for use in spatial analyses, including strategies to increase sample accuracy, methods to minimize defunct organizations, and the reliability of FIPS codes. In addition, the paper will compare the standard NTEE classification system with the new National Program Classification (NPC) system that is being developed at NCCS. Designed as complimentary systems, the NTEE categorizes organizations according to their primary purpose, while NPC classifies the organization's multiple programs and activities as reported on the Forms 990.

The paper will provide researchers and practitioners with a better understanding of the strengths and limitations of the IRS Form 990 data, and will offer practical remedies to address and minimize some of the problems.

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Paper Number: PN032018

Paper Title: Social Agencies at the Crossroads: Organizational Responses to Contemporary Political and Economic Realities

Author(s):

Dr. Martha Golensky, Grand Valley State University, Grand Rapids, MI, USA

Description

As its central focus, this panel presentation addresses perhaps the most thorny problem facing the leadership of human service organizations today, namely, how to maintain program quality and meet growing client needs in a time of shrinking resources and increased competition for both government and private support. The overall decline in the nation's economy over the past two years has certainly exacerbated the situation. Put simply, the great challenge is to do as much or even more with less.

□ For many social agencies, change has become a constant, and one measure of organizational effectiveness now is the ability to adapt to contemporary political and economic realities without compromising mission integrity. Strategic management—the identification and execution of specific actions designed to maximize organizational capacity—is more than ever an essential skill required of top management, given the pressures from stakeholder groups both within and external to the organization.

□ The three papers that make up this panel approach the core issue from somewhat different perspectives. The first one provides the broadest examination of organizational strategic responses in difficult times. It presents the results of a yearlong study of human service organizations in three states, California, Michigan and North Carolina, that was designed to explore the nature, scope and effectiveness of strategies currently in use and to consider the impact of such decisions on organizational growth or decline as well as on relationships with key stakeholders. It is unique in comparing strategy selection both interstate and intrastate.

□ The second paper turns its lens on one particular type of human service organization, hospice. Current government policies are creating obstacles for these agencies in continuing their historic mission of providing care regardless of clients' ability to pay. The study presented here delineates the degree to which this mission is being adhered to, the strategies being employed to deliver charitable care in light of changes in Medicaid and Medicare reimbursement, and the available alternatives for the poor when hospice care is no longer available.

□ The third paper then takes an in-depth look at one specific kind of strategy, social entrepreneurship, which has not been well researched to date, by presenting the findings from a qualitative study of venture grant applications to the United Way of Greater Saint Louis from 1997-2002. In particular, the paper considers the question of how to distinguish between successful and unsuccessful entrepreneurial ventures by examining environmental, organizational and leadership characteristics indicative of success or lack thereof.

□ In the end, the three papers, taken together, can be viewed as a testament to the resilience of the human services community, to organizational leaders' ability to cope with adversity.

Paper Number: PN032018.1

Paper Title: Making Ends Meet: How Human Service Managers Cope in a Difficult Environment

Author(s):

Dr. Martha Golensky, Grand Valley State University, Grand Rapids, MI, USA

Summary of Research

The political and economic climate in which human service organizations must operate is more volatile today than ever before. Accordingly, the job of the top administrator has become even more difficult and complex. Through a survey and interviews with CEOs and board leaders, this study of social agencies in California, Michigan and North Carolina provides comprehensive data on the nature and scope of the strategies being used to ensure the integrity of the organizational mission. The study also examines the impact of critical decisions about resource acquisition and utilization on relationships with key stakeholders.

Description

1. Issue To Be Addressed

Within the human services community, uncertainty about and competition for resources have become constant concerns for top management in response to the ever- changing political and economic environment in which they must operate. In addition to the pressures arising from such government policies as devolution, privatization and managed care, now the overall decline in the economy must be taken into consideration.

Accordingly, senior-level managers, especially the CEO, must be prepared to respond strategically to ensure the integrity of their mission, that is, to maintain quality services and meet client needs. In conflict resolution theory, the concept of rhetorical sensitivity refers to the ability to change one's communication style based on the demands of the situation; in general, individuals who can change and adapt are viewed as more likely to be effective in attaining both personal and group goals (Wilmot & Hocker, 1998). In the context just identified, we might say there is a strong need for human service administrators to develop and apply environmental sensitivity in meeting today's management challenges.

Some of the strategic responses adopted by human service organizations have been noted (Alexander, 2000; Arsenault, 1998; Bailey & Koney, 2000; Bielefeld, 1994; Wernet, 1994; et al). However, as environmental pressures continue to build, more information is needed to determine the nature and scope of the strategies being used by these organizations and the impact of such decisions not only on organizational growth or decline but also on relationships with key stakeholder groups both within and external to the organization.

2. Literature Review

In addition to the references just noted, this paper will draw on the relevant literature in three main areas. First, there is the literature on nonprofit-government relationships (e.g, Smith and Lipsky,'s Nonprofits for Hire, 1993; Lune, 2002; et al). Second, there is the literature on organizational transformation, such as Galaskiewicz and Bielefeld's book Nonprofit Organizations in an Age of Uncertainty (1998) and Perlmutter and Gummer's chapter "Managing Organizational Transformation" from the still relevant Herman book (1994). Third, there is the literature addressing the role of leaders, including the actions (strategies) they take to ensure organizational survival (Austin, 2002; Menefee, 1998; Shin & McClomb, 1998; et al). Note: This author's previous work on organizational change and leadership will also be a source; these references have been omitted to protect the anonymous review process).

3. □ Approach

□ This paper will present the findings and data analysis from a yearlong research study of the strategies adopted by human service CEOs to maintain services and meet client needs in response to the pressures of a difficult political and economic climate. The study covered three states: California, Michigan and North Carolina. These states were selected to create a quasi-national profile of trends in the social service community and because each one has a state association of nonprofits that has been in operation for a long time and has a strong presence and reputation in its area. The state associations served as partners in the project, providing access to their membership list and background information on relevant state government policies.

Both quantitative and qualitative data were collected. First, a sequential sample with a random start was drawn from the membership lists, for a total of 390 separate organizations, 130 per state, representing approximately 15% of the social agencies providing direct services to clients. A five-page survey instrument was developed and sent to the CEO to capture information about the services offered, the client base, staffing, budget size, sources of revenue, strategies used to help the organization become more competitive as well as the effectiveness of each one identified, and demographics of the organization and the respondent. A 1991 article by McMurtry, Netting and Kettner dealing with environmental adaptation by human service agencies in Arizona was used as the basis for the questions on types of strategies. While some of the survey items were specific to the present, others called for a comparison between the most recent fiscal year and FY1996. The survey also included a series of open-ended questions soliciting the respondents' views on relationships with key stakeholder groups (both internal and external to the organization), changes in quantity and quality of services and change in financial stability. A final question sought comments on the current financial environment for social service organizations in the area and prospects for the future. One hundred twenty organizations responded, a 31% response rate.

At the end of the survey, there was an opportunity for the respondent to volunteer to be interviewed on the same issues. From those that volunteered, ten organizations were chosen for each state, taking into account diversity of services, budget size and geographic area. Each CEO was then asked to identify a board member holding a leadership position for a separate interview. In all, sixty interviews were conducted, with the CEO's averaging an hour and the board member's 45 minutes to an hour. The interviews were used to expand on the survey responses concerning relationships with key stakeholders, the effectiveness of different strategies, the overall economic and political climate, and general governance matters.

4. □ Contribution to the Field

□ The study reported on in this paper will add a considerable amount of new data to help us identify and assess the coping skills and decision-making abilities of senior-level human service administrators during difficult times. The fact that the study provides both interstate and intrastate comparisons makes it unique.

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Paper Number: PN032018.2

Paper Title: Between a Rock and a Hard Place: The Impact of Environmental Pressures on Hospice Charitable Care Missions

Author(s):

Julie Pietroburgo, Southern Illinois University, Belleville, IL, USA

Summary of Research

Nonprofit hospices recently have found their financial foundations threatened due to tightened Medicare and Medicaid regulations. Hospices that have traditionally served all regardless of ability to pay now find they have fewer funds for charitable care. This study examines how charitable missions of nonprofit hospices are being challenged by public policy changes. Through surveys and interviews of hospice directors in six states, the study considers a) whether charitable care levels have changed with tightened regulations; b) coping strategies being employed by hospices to continue to deliver charitable care; and c) alternatives being offered for end-of-life care when hospices are unavailable.

Description

In an era of government devolution, increased competition and greater demand for social services, many nonprofit organizations are finding existing bases of intangible and tangible resources insufficient. As they seek to stretch shrinking resources and remain viable, organizations that have had a traditional goal of serving all regardless of ability to pay are confronting new challenges to their charitable care missions.

□ This study critically examines the environmental pressures on charitable care missions of nonprofit organizations through an examination of trends in hospice organizations. Specifically the study considers how nonprofit hospice organizations funded through Medicare and Medicaid benefits have continued to provide charitable end-of-life care to the indigent in an environment of constrained public financial resources. This study answers the following:

1. □ To what degree are nonprofit hospice organizations continuing to provide charitable end-of-life care to the indigent following changes in Medicare and Medicaid funding?
2. □ What coping strategies are being employed by hospices to deliver charitable care when such funding changes occur?
3. □ What alternatives are available to the poor for end-of-life care when hospice services are unavailable?

Since enactment of Medicare and Medicaid coverage for hospice services in 1983, hospice programs have grown in number and the scope of services provided. New hospices have been organized at an average rate of 100-150 per year and now number over 3,000 nation-wide (Boling and Lynn, 1998). While hospices offer a full range of services for the terminally ill and their families, this growth has been possible through increased reliance on government funding. In the aggregate, it is estimated that hospices receive over \$1.5 billion dollars a year from Medicare reimbursements (Hoyer, 1998), with hospice programs realizing, on average, 81 percent of their annual revenues through Medicare and Medicaid funding (National Hospice and Palliative Care Organization, 2001). Recently, however, rapidly escalating reimbursements have prompted reevaluation of the nature and levels of government funding for end-of-life care. As a result, the hospice benefit has been reviewed and revised through a series of regulatory actions beginning in the late 1990s which have served to limit hospice admissions, lengths of stay in hospice programs and Medicare and Medicaid reimbursements (Meier, 1997, Mahoney, 1997).

□ Where changes in public policy and regulations have grown stricter, new pressures have been placed on the capacity of hospice organizations to serve the poor. In effect, such regulations have diminished the financial reserves accumulated by hospices from serving an expanding base of Medicare and Medicaid-covered patients for extended periods. Hospice programs that have traditionally served all regardless of coverage status or ability to pay now find they have limited funds available to provide charitable care (Mahoney, 1997). As a result, hospices are now faced with three options in

serving the poor. They may attempt to increase revenues available through non-governmental sources to cover the costs of indigent care, limit the scope of services available to the poor, or simply confine hospice access to only those with sufficient health care coverage. Nonprofit hospices find such choices difficult given their charitable roots and missions.

Theoretical framework: Two theoretical bodies of literature have provided the research framework for evaluating the impacts of public policy changes to charitable care. First, the political economy framework as advanced by Mayer Zald (1973) has facilitated the examination of the internal and external environment within which nonprofit organizations operate. Political economy highlights the interaction of internal and external structures and processes in the economic and political realms impacting organizations.

□ Second, resource dependency theory has informed this study. Resource dependency theory states that organizations are rarely self-sufficient, and consequently, dependencies emerge as organizations attempt to acquire vital resources from the external environment (Pfeffer, 1981 and 1982; Pfeffer and Salancik, 1978). Through application of resource dependency theory, the study has examined coping strategies that nonprofits are employing in their attempts to maintain their commitments to charitable care. Further, resource dependency theory has aided examination of organizational linkage strategies that evolve when hospices are unable to directly serve the needs of indigent patients.

□
Methodology: Surveys and interviews with the executive directors of approximately 250 hospices in six mid-western states have provided the basis for the study. The research design for this study is quasi-experimental and multi-method in approach. Mailed surveys have enabled the gathering of quantitative data that yields descriptive statistics regarding levels of charitable care, modes of service delivery and organizational coping strategies. Qualitative data has then been derived through multiple case interviews with a subset of the survey census. The interview process and cross-case analysis has enabled the gathering of rich detail while identifying analytic themes from which to build theories. The multi-method approach employed for this research facilitates data triangulation. A final phase of data analysis has involved reconciliation of the survey and interview findings and re-examination of conflicting data through follow-up interviews (Trend, 1978).

Significance of the research: As public policymakers contemplate additional cuts in Medicare and Medicaid funding, an understanding of the ancillary impacts of such cuts is critical. No comprehensive studies of the charitable care impacts of the 1990 funding changes on hospices have been conducted. Yet, new devolution and the budget cutting strategies are being considered within current administrations. If successful coping strategies are being employed by nonprofit organizations to continue to serve the indigent, these need to be identified and shared. If, however, such cuts are having the deleterious impacts to end-of-life care feared, then the extent and range of these impacts needs to be understood to better inform current policymaking. Accordingly, within the context of end of life care, this research has relevance to policymakers crafting health policy and health care practitioners considering how best to respond to funding pressures. In a broader sense, the study may inform discussions of the nexus between charitable missions, public policy and economic realities for nonprofit entities.

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Paper Number: PN032018.3

Paper Title: The Necessary Conditions for Nonprofit Social Entrepreneurship

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Dr. Stephen Wernet, Saint Louis University, Saint Louis, MO, USA

Summary of Research

There is a dearth of empirical work on the necessary conditions for nonprofit social entrepreneurship. Using a qualitative discovery approach, this research project seeks to explore the environmental, organizational and personal leadership factors that may distinguish successful ventures from unsuccessful ones. The population for the study includes all venture grant applications to United Way of Greater Saint Louis between 1997 and 2002. The findings from this study will assist nonprofit organizations with developing innovating and renewal processes.

Description

There is a dearth of empirical work on the necessary conditions for nonprofit social entrepreneurship. The majority of work on nonprofit entrepreneurship is prescriptive. However, if the necessary conditions can be identified, then nonprofit organizations can be assisted with developing innovating and renewal processes.

This research project seeks to answer the following research question:

How do successful social entrepreneurial ventures differ from unsuccessful social entrepreneurial ventures on environmental, organizational and personal, leadership factors?

Successful organizations are those organizations that attract program support subsequent to receiving a United Way venture grant; Unsuccessful organizations are those who were unable to attract program support subsequent to submitting a United Way venture grant application. Organizations that are able to take initial, start-up, venture funding provided by an outside group, such as United Way, and leverage it to obtain additional funding strengthen the long-term viability of their entrepreneurial initiatives. The research will identify 1) the environmental characteristics indicative of success and lack of success, 2) the organization characteristics indicative of success and lack of success, and 3) the personal leadership characteristics indicative of success and lack of success for entrepreneurship.

Because of the dearth of information on nonprofit entrepreneurship, a qualitative discovery approach will be used in this project.

Sample. The population for the study will include all venture grant applications to United Way of Greater Saint Louis between the years of 1997 and 2002. This data source yields a population of 129 nonprofit organizations who sought venture funding. Preliminary data for the period 1997-2002 indicate a venture funding rate of 52%: 67 applicants received funding and 62 applicants were not funded. Preliminary investigation of the 2000-2001 United Way of Greater Saint Louis venture funding discovered that eight, or 27%, of the venture grant applicants procured program support subsequent to their venture grant application of which four of these organizations were initially supported by the United Way Venture grant fund.

Data will be collected from three data sources: 1) archived, venture grant application materials located at the offices of United Way of Greater Saint Louis, 2) interviews with key actors from venture grant applicant organizations, and 3) interviews with key actors from the United Way Venture Grant Committees that decide to fund or not fund the grant application organizations. These three data sources will provide in-depth information on the organization, environment and individual, personal, leadership factors that distinguish between successful and unsuccessful social entrepreneurship.

This paper will draw on relevant literature regarding strategic management, leadership and decision making, and alternative forms of fund development, such as entrepreneurship.

Paper Number: PN032020

Paper Title: From Theory to Practice and Back Again: Lessons From Bridge Builders

Author(s):

Dr. Robert F. Ashcraft, Arizona State University, Tempe, AZ, USA

Description

This proposed panel offers papers that address approaches to bridging the gap between theory and practice in nonprofit management education. During a 5-year W. K. Kellogg Foundation titled Building Bridges Initiative (BBI), that ended in 2002, grants to more than 20 academic institutions were designed to extend the reach of educational programs in inclusive ways in hopes of assuring more effective and efficient nonprofit management education programs. Fostering comprehensive nonprofit management education programs through BBI included strategies for increasing the capacity of practitioners, scholars, organizations and institutions to improve practice and contribute to the growing body of knowledge. A cornerstone of BBI was developing partnerships between academics and practitioners. Papers presented on this panel provide a range of perspectives and strategies about the challenges and opportunities of academic and practitioner partnerships. The panel will reveal lessons learned from BBI that promises to generate provocative discussion among panelists and ARNOVA participants who attend this session.

Paper Number: PN032020.1

Paper Title: Bridging the Academic and Practitioner Gap in Nonprofit Management Education: An Analysis of Barriers and Solutions

Author(s):

Dr. Robert Ashcraft, Arizona State University, Tempe, AZ, USA

Summary of Research

This paper reports findings from research that examines barriers and solutions to effective partnerships between academics and practitioners in nonprofit management education. Data were collected using a purposeful sample of academics and practitioners representing 11 projects funded through the W. K. Kellogg Foundation's Building Bridges Initiative (BBI) through two convenings hosted by Arizona State University's Center for Nonprofit Leadership and Management. Through a group decision-making technique using computer modeling known as Interactive Management, influence maps and priority structures were developed that shows a graphic depiction of barriers and solutions to effective partnerships between academics and practitioners.

Description

From 1998 to 2002, the W. K. Kellogg Foundation's Building Bridges Initiative (BBI) was implemented to extend the reach of educational programs in inclusive ways with a goal of assuring more effective and efficient nonprofit management education programs. Fostering comprehensive nonprofit management education programs through BBI included strategies for increasing the capacity of practitioners, scholars, organizations and institutions to improve practice and contribute to the growing body of knowledge.

The conceptual framework for BBI seems to have come, in part, from two complimentary forces in society. The first was the call for relevancy and renewed civic engagement on the part of higher education institutions (Boyer, 1990; Kellogg Commission on the Future of State and Land-Grant Universities, 1996, 1997, 1998, 1999, 2000, 2001). This trend suggests that when academics and practitioners work together in partnership, that a field of study may develop in more effective ways. The second force acknowledged the explosive growth of the nonprofit sector and the resultant increase in the number of nonprofit management education programs in response to this market (O'Neill and Fletcher, 1998; Wish and Mirabella, 1998; Young, 1998, 1999). Explicit to the BBI was a desire by the Kellogg Foundation to extend the reach of nonprofit management education in ways that promote diversity among students and effective partnerships between academics and practitioners.

During the summer of 2000, and again in the fall of 2002, the Arizona State University (ASU) Center for Nonprofit Leadership and Management convened representatives from several BBI projects. The purpose of the first gathering was to identify barriers to developing and sustaining effective partnerships between academics and practitioners to help bridge the gap between theory and practice in nonprofit management education. Through a group decision-making technique using computer modeling known as Interactive Management (IM), an influence map was developed showing a graphic depiction of barriers to effective partnerships between academics and practitioners. The IM method of group work was chosen because of its utility in offering a formal system of planning and design. IM is a theoretically grounded method that helps reduce or eliminate disorganization associated with small group interaction and that helps groups digest large amounts of information in order to guide decision making about a particular core problem facing organizations. (Broome, 1995, Staley and Broome, 1993; Warfield, 1976, 1990).

Academics and practitioners involved in the first convening represented the following nonprofit management education projects: American Humanics, Inc, Arizona State University, California State University at Los Angeles, George Mason University, Indiana University, Johns Hopkins University, the Learning Institute for Nonprofit Organizations, Northwestern University, the St Louis Nonprofit Services Consortium, The University of Texas at San Antonio, and Western Michigan University.

In the intervening years between the two convenings, each BBI project initiated one or more strategies for “bridging the gap” so participants came informed to the 2002 gathering with perspectives on strengths and weaknesses to approaches taken by respective institutions. The purpose, therefore, of the second convening was to consider solutions to the barriers identified from the first convening and to nurture a network of institutions committed to furthering the goals and values of the Building Bridges Initiative. The Interactive Management method of group facilitation was used again and a priority structure emerged that revealed strategies for increasing effective academic/practitioner partnership.

Representatives of this second convening included academics and practitioners from the following nonprofit management education programs: Arizona State University, George Mason University, Indiana University, St. Louis Nonprofit Services Consortium, Western Michigan University and Northwestern University.

This paper presents an analysis of the influence maps and priority structures that illuminate the barriers and solutions to effective academic and practitioner partnerships in nonprofit management education. Recommendations for bridging the academic and practitioner gaps are considered.

Paper Number: PN032020.2

Paper Title: Collaboration Among Institutions: Strategies for Nonprofit Management Education Programs

Author(s):

Dr. Dwight Burlingame, The Center on Philanthropy at Indiana University, IUPUI, Indianapolis, IN, USA

Summary of Research

In past decades, the corporate world, and subsequently, the nonprofit sector have witnessed changing approaches to organizations working together. Cooperation, partnership, coordination, alliance - all are approaches to cross-institutional endeavors with varying levels of commitment, investment, and intensity. This paper reveals relevant literature (e.g. Mattesich and Monsey, 1992; Winer and Ray, 1994; Austin 2000) that amplifies the topic. Collaboration applicable to academic and practitioner partnerships are considered, in part, through data collected from representatives of 8 leading nonprofit academic centers who were convened in 2002 by the Center on Philanthropy at Indiana University.

Description

Partnership, cooperation, coordination, alliance, mergers are approaches that we often hear discussed in the nonprofit field. As resources become more scarce and pressures to maximize those resources continue while attempting to serve existing and growing needs, nonprofits have turned to cross-institutional collaboration as one tool to meet the challenge.

This paper will explore the literature relevant for cross-institutional collaboration (e.g. Mattesich and Monsey, 1992; Winer and Ray, 1994; Austin 2000) among nonprofit management education programs and what potential such collaboration might offer in the current environment. Challenges and Barriers to Collaboration, motivations and benefits of collaboration, successful models, guidelines for nonprofit collaboration, lessons learned from the field, and areas of interest for collaboration by participants from a collaboration workshop held in Indianapolis in 2002 will be discussed.

Paper Number: PN032020.3

Paper Title: Bridging the Gap between Academics and Practitioners: Enhancing Technology Competencies in Nonprofit Education and Practice

Author(s):

Alan Rea, Western Michigan University, Kalamazoo, MI, USA

Ms. Jan Maatman, Nonprofit Education Programs, Western Michigan University, Kalamazoo, MI, USA

Summary of Research

This paper discusses strategies by which academics and practitioners collaborate to meet identified gaps in competencies deemed as necessary for nonprofit staff and for students who graduate from nonprofit management education programs. Bridging the gap between theory and practice frequently involves collaborative efforts that accentuate the strengths of all concerned. This paper discusses the collaborative efforts developed through a university-community based technology partnership developed at Western Michigan University.

Description

For the past five years, the Building Bridges Program at Western Michigan University (WMU), with major support from the W.K. Kellogg Foundation, has been partnering with nonprofit organizations in southwest Michigan to identify and acquire the resources nonprofit organizations need to accomplish their missions. In fall 2001, the Building Bridges program and its nonprofit partners identified technology as an essential set of tools that allow organizations to perform vital tasks more effectively, and, at the same time, more efficiently. It was clear that nonprofits must find ways to identify, incorporate and keep abreast of new technology tools and applications, while working with budget and staffing levels that are currently less than adequate and may very well become worse.

It was equally clear that students enrolled in WMU's two graduate and one undergraduate (American Humanics) nonprofit education programs also need opportunities to develop technology competencies to take with them into the nonprofit positions they will be assuming on graduation.

The ensuring dialogue between the academic and nonprofit partners confirmed that what is required is a sustainable system of technology education and assistance for the nonprofit community in southwest Michigan – both in the academy and in the community.

To meet this challenge, Western Michigan University, in partnership with the Kalamazoo Nonprofit Resource Network, proposes to establish a system of nonprofit Technology Assistance Centers (NTACs). This new campus-community partnership will tap the resources available through the various educational institutions and programs available in southwest Michigan, as well as the generous contributions of private sector partners, to train, deploy and support faculty and students who will provide a range of technology services tailored to the mission and programs, budgets and staffing levels of nonprofit organizations throughout southwest Michigan.

This presentation will describe the planning, implementation and first six months of operation of the NTAC program.

Paper Number: PN032022

Paper Title: Nonprofits and Social Policy: Implications of Welfare Reform

Author(s):

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

Description

Current experience with welfare reform offers an opportunity to examine results of research involving nonprofits. This session is designed to include audience discussion of these findings and to benefit from the array of experiences from the audience.

The welfare legislation at both the federal and state levels has made possible the involvement of nonprofits in the employment of welfare recipients. Important questions to be asked include how effective is this effort in terms of the actual work experience of this population, what is the advocacy role of nonprofits vis-a-vis needed changes in the legislation, and what is the effect of this relationship on the nonprofit organization?

While the papers of the panel address welfare reform, the broader issue of the relationship between nonprofits and social policy will be addressed in the discussion. A focus of the discussion will be the ability of nonprofits to maintain their autonomy and to contract with the public sector in relation to agency mission.

Paper Number: PN032022.1

Paper Title: Relative Competitive Advantage Between Nonprofit and For-profit TANF agencies in Milwaukee

Author(s):

Dr. James Mandiberg, University of Wisconsin-Madison, Madison, WI, USA

Mr. Youseok Choi, MSW, MBA, University of Wisconsin, Madison, WI, USA

Summary of Research

This study looks at cross-sectoral competition between nonprofit and for-profit agencies in TANF welfare reform in Milwaukee from 1997 to 2002. It finds that the for-profit or nonprofit auspice of the agency is not predictive of the relative competitive advantage of one agency in relation to the others, but that several structural factors are predictive. The study explores the theoretical and practical implications of the findings.

Description

Issue Addressed:

□The devolution of human services from the federal government to state and local governments, and to the private sector, has continued since the Regan Administration. This has led to organizations from the nonprofit, for-profit, public, and faith sectors all providing similar services to the same populations, potentially in competition with each other. While it has been common to have nonprofit, public, and faith (e.g., Catholic Charities, Salvation Army, etc.) human service organizations all providing services in a community, historically for-profit organizations have often been prohibited from competing for contracts. However, this has changed in many communities. □

□One fear expressed by traditional human service organizations is that if for-profit organizations are allowed to compete with nonprofit and public organizations, somehow they will have a competitive advantage. Ironically, the same fear is expressed by traditional for-profit businesses about competition from nonprofit organizations. A case in point is health clubs, where for-profit health clubs have complained that nonprofit YMCA health clubs have a competitive advantage. Expressed more generally, the issue can be framed as follows: In cross-sectoral competition, do non-traditional/out of sector organizations have a competitive advantage and, if so, what is the nature of the advantage?

□The welfare reform experiment in Milwaukee, called Wisconsin Works or W-2, provides a naturalistic case in which to explore this question. AFDC services traditionally delivered by a public (county) agency, have been contracted-out in TANF to three nonprofit organizations, one publicly traded for-profit organization, and one limited liability corporation (LLC) subsidiary of two nonprofit organizations. Competition between the five agencies was an explicit component of the contractual process.

The State of Knowledge in the Field □

□Research on cross-sectoral competition and strategy has been under-theorized and under-researched. Within sector strategy is well developed, however, in both the for-profit sector (e.g., Porter, 1980, 1985) and in the nonprofit sector (e.g., Oster, 1995; Nutt, 1992; Koteen, 1997), and this may give some potential clues as to why out-of-sector competitors appear to have a competitive advantage.

The most obvious difference in cross-sectoral competition is the auspice of the organization, i.e., either nonprofit, for-profit, public, or some hybrid form of these. Thus, the question arises, in an environment that has come to be dominated by competition between for-profit businesses – as above, health clubs for example – does a nonprofit health club have a competitive advantage by virtue of its nonprofit status, its possible tax exemption, and any structural variable particular to nonprofit organizations? We can begin to answer this by using Porter's strategic choices of for-profit organizations (1980). Porter maintains that for-profit organizations compete on either low cost, differentiation, or focus, and that when they try to combine one or more of these strategies, they get stuck in the middle. What happens when

a nonprofit YMCA health club is able to compete by offering both low cost and differentiation, by virtue of its nonprofit status? Is that a strategic advantage? The same type of question can be asked of for-profits in environments dominated by institutional factors.

The paper finds that auspice is too simple a distinguishing factor, and that structural factors that may have no necessary relationship with for-profit or nonprofit auspice are what yield the strategic advantage of one organization relative to the others. The paper delineates those factors for this five-agency case.

Approach

□ This is a strategic analysis based upon a case study (Yin, 1993; 1994) of the first five years of the Milwaukee W-2 implementation. The analysis is based upon semi-structured and unstructured interviews, public and proprietary organizational records, IRS 990 forms and other budget data, and newspaper reports.

Contribution

□ This study makes a contribution on several levels. First, it begins to delineate issues and offer some suggestions to the issues raised by cross-sectoral competition, particularly between nonprofit and for-profit organizations in dominant institutional environments. Since cross-sectoral competition appears to be increasing in human services, it is important to begin to address these issues. Second, similar welfare reform experiments are being conducted across the country. It is important to know if auspice in fact does make a difference in agency performance. Third, There remains much theoretical work to be done in neo-institutional theory (e.g., DiMaggio & Powell, 1983; Meyer & Rowan, 1977), particularly in non-conforming organizations (Oliver, 1991). For-profit organizations competing in traditionally nonprofit and public institutional environments provides an opportunity to explore some of the issues pertaining to non-conformity.

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Paper Number: PN032022.2

Paper Title: Organizational Fields and Forces: A Framework for Analyzing a Mixed Model for Delivering Social Policy

Author(s):

Ms. Kate Cooney, Boston University, Boston, MA, USA

Summary of Research

:

This paper examines a nonprofit model linking social service provision with business enterprise. The analysis extends the concept of the organizational field, or external arena in which an organization is located, to show that the hybrid organization's internal operating structures are affected by forces from competing organizational fields. A major finding of the study is that although the model is constructed to harness market forces in service of mission, in practice the business motor is not easily subsumed.

Description

In the current political climate where trends of privatization dominate, many services traditionally delivered by the public sector have shifted to the private sector through contracting practices of local, state and federal levels of government. These shifts in the funding relationships between state and the voluntary sector have led to current conditions where private sector organizations now compete with established public sector agencies for government contracts, creating new strategies referred to both here in the United States and abroad as the "third way." Privatization is underpinned by the assertion that competition and a more business minded logic contribute to efficiency of service delivery and enhance responsiveness to communities receiving services. Operation of prisons, hospitals, nursing homes, post offices, schools, traffic violation enforcement, even social services have been shifted into this mixed delivery arena where public agencies, private nonprofits and for-profit firms compete for government contracts.

Privatization combined with shifts in the conception of the relationship of federal government to states and local communities have manifested in two major trends in the third sector in the United States: (1) the rise of a mixed sector competition for government contracts to the third sector, and (2) the increase of commercial practices by nonprofit organizations themselves (Salamon, et al. 1999). Much of the research on enterprise in the nonprofit sector through the 1980s and 1990s in the United States has centered around inquiries into the impact of the profit distribution constraint (Weisbrod 1998; Rose-Ackerman 1982, 1996; James and Rose-Ackerman 1986). The dramatic increase in commercial practices in the nonprofit sector in the last decade documented by the Johns Hopkins Comparative Nonprofit Sector Project and the emergence of new forms of fusing business with social services under the rubric of social entrepreneurship has generated a renewed interest in nonprofit enterprise research. The new empirical research on social entrepreneurship is in early phases of documenting of the phenomena and creating typologies of organizational form that make up the trend (Young 2001; Borzaga and Defourny 2001). The theoretical work ranges from conceptions of the emerging "third way" paradigm of governance (Giddens 1999, 2000), and marketization trends in the nonprofit sector (Salamon and Anheier 1996; Salamon 1999; Anheier 2001; Young 2000, 2001), to systemic analysis of new social enterprise forms arising across the European Union (Bacchiega and Borzaga 2001, in Borzaga and Defourny 2001).

The larger work this paper comes out of presents a new framework for studying a commercialized nonprofit using the conceptual device of the organizational field—the external arena—in which an organization is located. This framework extends the concept of the organizational field to characterize the hybrid, revenue-generating nonprofit organization as a firm operating within two different organizational fields, each requiring a distinct organizational technologies and structures. I use this characterization as an analytical device for understanding the opportunities and challenges of utilizing a mixed-model for social service delivery; a trend that is flourishing in the nonprofit sector under the

denomination of "social enterprise" or "social entrepreneurship".

This paper presents a macro analysis of the hybrid model employed by Goodwill Industries, Southern California (GISC), a highly evolved revenue-generating, nonprofit organization (NPO). Results are based on fieldwork conducted over the course of two years.

My analysis examines the structures that arise internally for a successful commercialized nonprofit organization to operate competitively in two different organizational fields simultaneously. Each external organizational field can be seen as containing its own unique array of competitive pressures, governmental regulatory forces, socially constructed definitions of efficiency and success, operating logics, norms, and values. I argue that the two particular external organizational fields (the business field and social service field) in which a successful commercialized NPO must be simultaneously integrated, each apply pressure to the hybrid's internal organization structures and systems in distinct ways. I apply Meyer and Rowan's (1977) discussion of decoupling strategies of highly institutionalized organizations to understand the tensions within the hybrid model.

A major finding of the study is that while the hybrid model combining business and social services is constructed to harness market forces in service of the organization's social mission, in practice the business motor is not so easily subsumed. The first part of the paper explicates the forces operating in each external organizational field and the different organizational technologies (e.g., tight and loose coupling) that arise to successfully compete in each field. The second half of the paper outlines the tensions that arise internally as the GISC social service division utilizes GISC business enterprises, which are simultaneously engaged in massive expansion of production, as sites for vocational rehabilitation; an arrangement that provides immediate hands-on work experience for welfare-to-work clients. Data show that pressures from the larger organizational field in which the GISC businesses compete act to constrain the range and quality of welfare-to-work client training throughout their WtW program trajectory.

In the context of a rapid increases in commercialization in the nonprofit sector, this case study of the everyday practices of staff and clients in a revenue-generating nonprofit provides needed insight into the challenges of merging two institutional logics (a revenue-generating business orientation with a client-centered nonprofit mission).

Paper Number: PN032022.3

Paper Title: Human Resource Practices of Nonprofits & the Retention of Welfare Recipients

Author(s):

Dr. Felice Perlmutter, Temple University, Narberth, PA, USA
Professor John R. Deckop, Temple University, Phila, PA, USA
Professor Alison M Konrad, Temple University, Phila, PA, USA
Mr. Josh L Freely, Temple University, Phila, PA, USA

Summary of Research

Nonprofits have been an active workplace for former welfare recipients. The retention of this population in their jobs has emerged as a central concern for policy makers, practitioners and employers. In the results of this study, supported by the Charles Stewart Mott Foundation, the HR practices of 303 employers in the nonprofit, for profit and public sectors are linked empirically to the retention outcomes of welfare recipients. Of special interest are the HR practices of nonprofits in the sample.

Description

Nonprofits and the Retention of Former Welfare Recipients

Problem to be Addressed

Nonprofits have been an active workplace for former welfare recipients. The retention of welfare recipients in their jobs has emerged as a central concern in the developing experience with welfare reform for nonprofits as well as for policy makers, practitioners, and other employers. To succeed, former welfare recipients must work in jobs that meet both their personal needs as well as the needs of the employer for a productive workforce. Employers therefore develop human resource (HR) management policies to accomplish the match between employee and employer need.

□A study, supported by the Charles Stewart Mott Foundation examined the HR policies of 303 employers and linked them empirically with retention outcomes. The employers represented the three sectors (i.e., nonprofit, for profits, and public). Of special interest here are the HR practices of the nonprofits in the sample, and their relation to retention of this new workforce.

Relation to the state of knowledge in the field

□This study makes a unique contribution to the existing work in the field by addressing two significant areas. First, though there are excellent studies of the success of labor market intermediaries in enhancing retention, they have been case studies of specific programs (e.g., Philadelphia Workforce Development Corporation, 2000). There has not been a large rigorously designed study that has focused directly on employer practices. Second, previous research has generally taken a narrow perspective on HR practices, focusing solely on practices such as mentoring and training programs (e.g., Holzer, Stoll, & Wissoker, 2001). Yet HR includes a broad spectrum of practices including discipline systems, performance management and appraisal processes, compensation systems, and the establishment of a supportive organizational culture. This research examined the full spectrum of HR practices.

Methodology

A sample of employers, drawn from a population of 7000 employers obtained from the Philadelphia Workforce Development Corporation, was the data source. The employers, from the nonprofit, for-profit, and public sectors. The most well-represented industries in the sample were health care (25%), business services (17%), retail trade (14%), education (10%), and tourism/hospitality (10%).

□Data were obtained from a survey, and from focus groups of former welfare recipients and employers conducted prior to the design of the survey. Multivariate statistical analyses were used to identify which

specific HR practices were associated with the best retention results.

Contribution to the Field

□ Important findings identified an array of practices which were associated with retention. Of special interest were those practices which distinguished the nonprofit sector from the for-profit and public sectors. The findings will be useful in helping employers tailor their HR practices more specifically to this population, although their application to all new entrants into the workforce is indicated.

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Paper Number: PN032023

Paper Title: Media, Technology, and Youth Civic Engagement

Author(s):

Carrie Donovan, University of Maryland, College Park, MD, USA

Description

Researchers will discuss the effectiveness of different media in motivating young people to become civically active, as well as the ways young people have used internet and web technologies for social activism.

Paper Number: PN032023.1

Paper Title: Can they Rock the Vote? Exposure to Public Service Announcements and Effects among 18 – 25 year olds

Author(s):

Dr. Lynn Vavreck, University of California at Los Angeles, Los Angeles, CA, USA

Summary of Research

Public service announcements are frequently used by organizations such as Rock the Vote and the Federal Voters Assistance Program to urge young people to vote in elections, but little evaluation has been done on the effects of these appeals. This project surveys young adults and exposes a random sample to the Ad Council's Public Service Announcement about voting. A post-election survey is done to assess the differences between young people who were exposed to the ad and those who were not. An observational field study compliments this experiment.

Description

Rock the Vote's most notorious campaign was during the 1996 election cycle in which Madonna, clad in her signature bustier, made a personal appeal to 18-25 year olds. She wanted them to "rock the vote" on election day. Since then, many of rock music's most successful artists have done public service announcements for the organization, whose mission has extended far beyond participation in elections to all forms of civic engagement by young people, including encouraging them to run for office. Rock the Vote should be applauded for its creative and compelling efforts to engage America's youth in politics.

□But is it working? This is the question that we hope to answer in this large project, which consists of a field experiment and a truly randomized "lab" experiment using Rock the Vote's public service announcements. Rock the Vote has agreed to ask its advertisement placing organization, Chiat/Day, to place their PSAs in forty media markets, which we have randomly selected as treatment markets. Paired with these 40 markets are another 40 that are control markets. The comparison between treatment and control groups should give us an idea of whether the PSAs affect turnout among young people.

But, we want to know a little more than that. One of the problems with public service announcements is that they are aired for free by the networks (as a part of their contract with the government). The networks, however, are less likely to air these announcements during prime advertising time once they have met the minimum federal requirements. This means that many PSAs are relegated to the midnight to 6 AM timeframe, when very few people are actually watching television. In essence, we worry that even people in our treatment group, though technically "exposed" to the PSA, are not actually seeing the PSA.

To assess the effects of actual exposure to the PSA, we are contracting with Knowledge Networks, Incorporated (KN) of Palo Alto, California, a web-based survey research firm that uses a truly random sample of Americans, to do an experiment using the same PSA as we used in the field experiment. This project is a randomized experiment using WebTV technology. In short, some young people are going to see the Rock the Vote PSA and some are not. In the end, we will compare these two groups, who are the same on all dimensions except whether they saw the PSA. Any differences in political efficacy or participation between the two groups can be attributed to the PSA.

After the election is over, KN will go back to our full 2,000 person sample to ask follow-up questions about the election and feelings of political efficacy and engagement. KN will deliver the data to us immediately after the post-election survey is over. We will then begin the task of validating respondent's participation using their Voter Identification Number, which KN will provide.

Primarily, this study will provide an assessment of targeting young people through free, political television advertising. While Rock the Vote has been in existence for nearly a decade, no external evaluations of their work have been performed. Previous research shows that leafleting neighborhoods and calling voters to remind them to vote is modestly effective at raising turnout. It is reasonable to believe that the same results will be witnessed by television advertising, although no one has ever studied this. In short, we expect the PSAs to have a modest effect on young people.

□ If the Knowledge Networks experiment confirms the results of the field experiment, we will have bolstered confidence in our results. If we find, however, that being forced to pay attention to the ads (in the Knowledge Networks study) has more of an effect on turnout than the treatment in the field experiment shows, we will have evidence that these kinds of civic pleas can be more effective if young people actually see them. This might mean that reformers and practitioners have to start buying advertising time in prime slots or even that candidates may want to strategically buy time to air “get out the vote” ads in markets that are heavily favorable toward them. If networks and local stations are routinely relegating PSAs to undesirable timeslots, organizations like Rock the Vote may effectively be squandering their money.

Finally, this study has the potential to shed light on a recent debate in political science about the external validity of experiments about television advertising. This debate came to the forefront when Stephen Ansolabehere and Shanto Iyengar published *Going Negative*, a book about how attack advertising demobilizes the electorate. Countering them, Steve Finkel and John Geer published “Spot Check” in the *American Journal of Political Science*, claiming that Ansolabehere and Iyengar induced the effects by forcing their respondents to see the ads. An experiment like this one, coupled with our field experiment, is well situated to shed light on this on-going debate about whether there are differences in the estimated effects of political advertisements due to the design of the study. If we find small or null effects in the field experiment, but positive or larger effects in the KN experiment, we will have evidence to support the idea that lab experiments using video treatments are overestimating the effects in the real population. If we find the same effects, we have shown that lab experiments of the type run routinely by Iyengar and his colleagues are well designed and able to explain the behavior of voters when they are not making decisions in the lab. In either case, an important but yet unperformed test of the external validity of lab experiments will have been done.

Paper Number: PN032023.2

Paper Title: News for a New Generation

Author(s):

Dr. Susan Sherr, Eagleton Institute of Politics, New Brunswick, NJ, USA

Summary of Research

It is likely that the more traditional formats of newspapers, news Web sites, and broadcast programs are not attractive to younger audiences. People accustomed to MTV, high levels of visual content, programming heavily fragmented by audience tastes, and the type of non-linearity found on some Web sites and computer games, may resist traditional news formats regardless of education or feelings of civic duty. Through a multi-staged research design that includes focus groups and several controlled experiments, we test whether the format of news significantly impacts the ability of young readers to learn information.

Description

Research Questions and Project Goals

From its inception, the Internet has been a young person's medium. Unquestionably, many young people use the Internet with regularity and at much higher rates than older generations. Data are beginning to emerge indicating the potential power of on-line resources for providing information to those under the age of 30. A survey conducted in December 2000 by the Pew Internet and American Life Project found that the increase in use of the Internet for election news between 1996 and 2000 was most dramatic among people age 18-29. Looking at the population overall, young people were more than twice as likely to go on-line for election news than people over the age of 50.

This disparity is mostly attributable to the fact that more young people go on-line for all kinds of information. The difference between the generations reduces considerably when looking only at Internet users. Thirty-four percent of 18-29 year-old Internet users used the Web as a source of election news in 2000, as did 30% of Internet users over the age of 50. The overall point remains that when young people seek out information, they are likely to go on-line. Therefore, it would appear to be the most promising medium to explore for producing innovative, youth-oriented news content. Data from the proposed research should suggest whether this is an accurate assumption.

This project has two goals:

- 1) To discover if young adults (18-24) have preferences for how news is formatted that, if adopted, would increase news consumption in that age group.
- 2) To test specific presentation formats to determine if they result in more enjoyment and learning among young adults than traditional formats.

Methodology

- The research design includes two major stages. The first will be to conduct exploratory focus groups with young people in the target age group to determine what they think would make news more attractive to them. This would involve showing groups of young adults traditional news products and asking them which features, if any, they find appealing and which they would like to see changed.
- The second part of the study will involve several controlled experiments that test whether changing certain features of the news format can have a significant impact on the level of a young audience member's enjoyment of the news and ability to learn information contained in the news.

Experimental Design

□ Young people are more likely to take an interest in and learn from news that is relevant to their own lives and with which they can identify (Niemi and Junn, 1998). Providing cues that the content is targeted at young people and framing issues in the context of young people's lives should increase young adults' engagement with news.

This experiment will enable us to isolate the effects of three variations in news content on young people's interest and enjoyment. Although conducting an experiment creates an artificial context for news consumption, it will permit us to make more concrete claims about effects than would other types of research designs. Specifically, we will examine the effects of presenting news on-line instead of on paper, presenting the news in a youth culture framework, and focusing stories on aspects of issues that are relevant to young people.

□ The design will allow us to test the following six hypotheses:

H1: Reading news on-line will appeal to young adults more than reading it in a traditional newspaper.

H2: Young adults will learn more from reading the on-line source than the traditional newspaper.

H3: A news Web site that features aspects of youth culture and cues indicating that the site is targeted at young adults will appeal to young adults more than a more general interest news site.

H4: Young adults will learn more from a Web site that features aspects of youth culture and cues indicating that the site is targeted at young adults.

H5: A news Web site that contains content where the subjects of stories are young and the focus is on aspects of issues of interest to young adults will be more appealing to young adults than a more general interest news site.

H6: Young adults will learn more from a news Web site that contains content in which the subjects of the stories are young and the focus is on aspects of issues that are of interest to young adults.

□ The experimental design will include one control group and three treatment groups. In the control condition, subjects will be presented with a page from a traditional newspaper containing stories on a standard group of issues. Specific content will be determined after pre-testing and focus groups are completed. The first experimental group will see the same content, but on a Web site. This Web site condition will also serve as a comparison group for the next two treatment groups that will see variations on the original site.

□ The second treatment group will see stories about the same issues as in the first two conditions, but they will be presented on a site oriented toward youth culture. The stories will be written in a less formal fashion, and they will involve some discussion of how the issue affects younger people. There will be other features on the site, such as satire pieces, cartoons, etc.

□ The third treatment group will look at a Web site that will vary from the other sites in the substantive content of the news stories. The issues from the other three conditions will be presented with a youth orientation. The people discussed in the stories will be young, and the orientation will be toward issues or aspects of issues in which young people report being interested in initial focus groups and interviews. Otherwise, the site will be the same as the more standard site in group two.

□ Participants will complete questionnaires that will measure the effects of the stimuli. Measurement scales on the questionnaires will evaluate the amount of learning subjects experienced and how much they enjoyed using the particular news sources they were given. We will ask participants to rate their

enjoyment and to report how likely they would be to revisit this particular source of information if given the opportunity to do so. We will also ask them to rate the source compared with other types of news media to which they have been exposed in daily life. When participants have finished viewing their news source, they will be asked to either click on a link (Web conditions) or fill out a card (newspaper condition) if they wish to have free access to this source in the future. This will provide a behavioral measure of the subjects' reaction to the product. In the debriefing that will follow the experiment, we will inform participants that the news source will not be available for their future use.

Paper Number: PN032023.3

Paper Title: Youth as e-Citizens: The Internet & Youth Civic Engagement

Author(s):

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Summary of Research

Against a backdrop of declining voter turnout and decreasing participation in civic institutions-trends that are increasingly evident among young people-the growth of the Internet has generated hope for a democratic renewal. The new digital media have the potential to serve as a means of re-connecting young people to their communities and civic affairs. This project maps the emerging youth civic culture in the new digital landscape on the internet; examines the nature of online civic content for and/or by youth; and analyzes the key technological, economic, and institutional trends influencing the emergence and growth of youth civic culture.

Description

Youth are more than just consumers of media content; they are also active participants and creators of this new media culture, developing content themselves, designing personal websites, and launching their own online enterprises. What role, if any, can these digital civic enterprises play in helping to reverse the trend of declining civic engagement in the United States? Can they inform, motivate, train, and involve young people in activities for the common good?

To answer these questions, our research is designed around the following activities:

1. □ “Mapping” of youth civic content on the Web.

Our study will begin with basic information-gathering using Web-searches, interviews, referrals and media references. We will identify, and establish a database of those websites whose aim is to build civic engagement among youth, and to identify the organizations, people, and projects who are involved in developing this online youth civic content.

2. Categorization of websites.

Having located and identified relevant websites, we will then develop categories, expanding and refining the categories we have used in our preliminary investigation. This task —a survey and initial categorization of youth civic websites—will allow us to sketch out a rough guide to the youth civic universe. What providers are creating online civic content for youth? What kinds of providers predominate? What purposes are they trying to fulfill? Websites will be grouped in categories that reflect the types of civic activity or behavior that they promote -- e.g. volunteering, philanthropy, activism -- and by the nature of their creators, e.g. nonprofit organizations, governmental entities, commercial entities, and individual or non-organization-affiliated youth.

3. Analysis of website content.

In order to make useful generalizations about the online civic landscape for youth, we will utilize a survey instrument to identify and record data from civic websites. Despite the variation that exists between sites, substantial amounts of data will lend themselves to systematic coding, including such salient elements as:

- □ Nature of the site's site creator (e.g. nonprofit organization, governmental, educational, commercial, or individual),
- □ How the site is funded,
- □ Populations invoked or addressed by the site,
- □ Geographic scope,
- □ Types of civic participation offered to youth,

- The forms of youth voice made possible on the site, and
- Specific skills and values being fostered.
 - The instrument will permit us to code these data and analyze them across sites. Although we are not conducting a formal quantitative study, we will be able to document trends and patterns on such vital topics as prevalent topics of discussion, implicit visions of citizenship, use of interactive Internet capacities on civic websites, and models of financial support.

4. Case studies of selected “emblematic” websites.

We will also conduct a series of more in-depth case studies of websites that typify a particular category, stand out from other sites within a category, or reveal and illustrate an important trend in the development of online civic culture.

5. Analysis of major technological, economic, and policy developments that are influencing the development of online content.

Consolidation and reconfiguration in the media industries, evolving business models for the digital media, and critical policy decisions at regulatory agencies such as the Federal Communications Commission and the Federal Trade Commission, for example, could significantly affect both the structure and content of the digital media landscape. These changes will have important impacts on the emerging civic content in the current online environment, raising crucial questions for discussion and further research. For example, what are the prospects for the continued survival and growth of youth civic content in the evolving media system? Can a truly noncommercial civic sector be ensured in the increasingly commercialized digital media, or is a mix of noncommercial and commercial civic services likely to become the dominant model? Will civic websites be able to make the transition to the next generation of digital platforms, such as interactive television and wireless Web devices? Will government policies be needed to ensure the sustainability, visibility, and accessibility of youth civic content?

This part of our study is intended to provide a broad overview of trends to help us understand where the media system is headed. Our analysis of these key trends will help us address the larger questions within this study about the future of civic content and services in the digital media system, and the forces that may affect that future.

Paper Number: PN032024

Paper Title: The Concepts and Discourses of Social Enterprise and Social Entrepreneurship

Author(s):

Dr. Raymond Dart, Trent University, Peterborough, Ontario, CANADA

Description

Panel Overview: Social entrepreneurship and social enterprise are perceived as major and/or emerging phenomena in the nonprofit sector in many OECD countries. These terms generally refer to organizations or individuals at the boundary of nonprofit and for-profit domains (Young, 2001) and describe multiple and variable organisational and managerial forms built around the adoption of business-like practices to address social issues. The number of activities and practices considered 'social entrepreneurial' or 'social enterprise' depend on the commentator and their national context, but are generally considered to include revenue-generating nonprofit programs, related and unrelated business ventures within nonprofits, market focused social innovations, and organizational approaches based on enterprising and/or entrepreneurial leadership.

There is a burgeoning body of published work describing social entrepreneurship and social enterprise. However, to this point, most of it is descriptive and normative in structure and focus, and little is based on detailed research and/or systematic analysis. The most well known examples of what has presently been published (such as Emerson and Twersky, 1996, Leadbeater, 1997, Brinckerhoff, 2000, Dees, Emerson and Economy, 2001) are primarily practitioner in focus and 'how to' in intention. These publications begin to map and describe these important phenomena but to this point, discussions of social entrepreneurship and social enterprise lack detailed historical and theoretical perspectives, and they have yet to engage with what is a parallel literature on the commercialisation of nonprofits (eg. Mwarigha and Murphy, 1997, Tuckman, 1998, Weisbrod, 1998). What is missing, in short, is much critical or analytical discussion of these developments. This gap in our understanding is particularly significant since the social enterprise approach is a highly contested social innovation viewed variously as a lodestone of social and financial value for marginal communities (Leadbeater, 1997) and as a 'soul stealer' (Mason, 1992) which might undermine the basic normative fabric and social contribution of the entire nonprofit sector.

This panel proposal is intended to engage one focused dimension of this important gap in the literature, and hopes to catalyse wider research and theorizing of the meaning, value, roles, implications and significance of social entrepreneurship and social enterprise. Specifically, this panel will focus on the conceptual and discourse dimensions of social entrepreneurship and social enterprise and will attempt to use critical approaches to these subjects as a means of uncovering the conceptual structure of, the enactment meanings of, and the political and ideological contexts of social enterprise and social entrepreneurship.

The first paper will analyse the specific terms central to the social enterprise lexicon ('social entrepreneurial', 'social return on investment' etc.) and will propose a model of the 'lexical migration' (Crystal, 1995) of these terms into nonprofit sector discourse and the implications of these transformations in meaning. The second paper will focus on the broader discourse of social enterprise as they are used by managers and analysts in the field. This paper will look at the disparate ways in which discourses of social enterprise are framed in American and UK contexts and will trace the differences in these discourses to wider macropolitical and public policy developments. The final paper will look specifically at the controversial 'double bottom line' concept in use in social entrepreneur and social enterprise settings and will contrast abstract/general treatments of this term with enacted and grounded examples of its use in a variety of case study settings.

Collectively, these papers will break new ground in social enterprise and social entrepreneurship studies and will contribute to significantly deeper analysis of this very important, contested, promising

and controversial dynamic in the nonprofit sectors of many countries.

Brinckerhoff, P. (2000). *Social Entrepreneurship: The Art of Mission Based Venture Development*. New York, John Wiley and Sons.

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Emerson, J. and F. Twersky, Eds. (1996). *New Social Entrepreneurs: The Success, Challenge and Lessons of Non-profit Enterprise Creation*. San Francisco, California, The Roberts Foundation.

Mason, D. (1992). "Invasion of the soul snatchers: Are invaders from the business world stealing our sector's soul?" *Nonprofit World* 10(6): 27-30.

Mwarigha, M. S. and C. Murphy (1997). *Implications for the Nonprofit Sector in a Competitive Social Services Market Place in Ontario*, Social Planning Council of Metropolitan Toronto.

Tuckman, H. (1998). Competition, commercialization and the evolution of nonprofit organizational structures. *To Profit or Not To Profit: The Commercial Transformation of the Nonprofit Sector*. B. Weisbrod. Cambridge, Cambridge University Press.

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Paper Number: PN032024.1

Paper Title: Social-ising the Business of Welfare

Author(s):

Paola Grenier, London School of Economics, London, UK

Summary of Research

This paper will examine the conceptual transformation of terms such as 'enterprise' and 'entrepreneur' in the social/nonprofit context, using data from UK social entrepreneurial organisations.

Description

Abstract #1: Social-ising the business of welfare.

How does the use of terms such as social entrepreneurship and social enterprise - which place 'social' in front of words more commonly used in business - change the nature of the conceptual and organizational space within which the social needs and rights of people are addressed? This paper draws on research conducted in the UK into social entrepreneurship as a discourse and organisational field, to critically evaluate the implications of the adoption of such terms.

Two contrasting perspectives are presented here. Drawing first on theories of entrepreneurship (Schumpeter (1949) 1998 ; Kirzner, 1989; Hebert and Link, 1988), social entrepreneurship is presented as an innovative response which seeks to radically change the ways in which public services are provided at the same time as providing a new more significant role for the voluntary and community sectors. Secondly, social entrepreneurship is understood as a manifestation of the 'enterprise culture' and as the dominance of pro-social activities by business values, concepts and practices (Carr, 2000; Marquand, 1992). The different dimensions of these two perspectives are explored along with their implications.

The reality in organisational and service delivery contexts is, of course, more complex given the multiple actors in these contexts with multiple complex motivations and agendas. Based on an analysis of the discourse on social entrepreneurship in several case study research settings, a more complex typology of the different meanings associated with placing 'social' in front of a business term is presented, and these are related to the theoretical perspectives outlined above. An attempt is made to distinguish the criteria by which different uses can be identified. This paper concludes by reviewing the ways in which these impact on the nature and understandings of welfare provision and social rights.

Schumpeter, J (1949) 1998, 'Economic theory and entrepreneurial history (Reprinted from Change and the Entrepreneur)' in Birley, S. (ed) Entrepreneurship. Aldershot: Ashgate.
Kirzner, I.M. 1989, 'The market as discovery process' in Discover, Capitalism and Distributive Justice.
Hebert, R.F. and Link, A.N. 1988 The entrepreneur: mainstream views and radical critiques. New York: Praeger (2nd edition).
Carr, P. 2000 The Age of Enterprise – the emergence and evolution of entrepreneurial management. Ireland: Blackhall Publishing
Marquand, D. 1992 'The enterprise culture: Old wine in new bottles?' in Heelas, P and Morris, P. (eds) The values of the enterprise culture. London and New York: Routledge.

Paper Number: PN032024.2

Paper Title: Social enterprise: Distinct or convergent discourses?

Author(s):

Dr. Rob Paton, The Open University, Milton Keynes, UK

Summary of Research

This paper will disaggregate 'social enterprise' contexts and will propose at least five distinct types of social enterprise discourse. Each of these types will be connected to wider macropolitical, ideological and public policy currents in order to demonstrate the multiple manners in which social enterprise can be understood and enacted.

Description

Abstract #2: Social enterprise: Distinct or convergent discourses?

Social enterprise and entrepreneurship (and related terms) are being defined and used in a wide variety of ways for different purposes in different national and institutional contexts. While this upsurge of interest and activity certainly suggests that new and important developments are taking place, the conceptual polyphony does little to orient empirical work. This paper offers an overview (or map) of five main discourses in Europe and the US, locating them in relation to particular issues and 'traditions'. These are:

1. The institutional discourse of the European Community – where the entities making up the social economy are well defined and understood.
2. The community economic development discourse associated with, eg, the UK Government's Social Enterprise Strategy (DTI, 2003) and also various 'asset-based strategies' (Alperowitz, 2002).
3. The discourse of social investment and return – a useful orienting metaphor for many public and private grant-makers (stimulated by the work of Williams and Webb (1991) and developed by others).
4. The discourse of determined individual initiative and social innovation associated with eg, the UK's School for Social Entrepreneurs, and calls for institutional renewal in the public sector (see, eg, Llewellyn et al, 2000).
5. The discourse of quasi-business, where the terms are applied to new or existing trading activities pursued for social purposes, and to various hybrid organizations like the Public Interest Company.

The paper then goes on to argue that these several of these different discourses/usages reflect common themes and that together they may usefully be considered as particular types within a broader conception of social enterprise. Some instances of this broad usage are noted. It is argued that such an approach makes it easier to locate current developments in a historical perspective, and to relate them to existing literature and analysis. Finally, the research implications are considered.

References:

- G Alperowitz et al (2002) Making a place for community
DTI (2002) Social Enterprise: a strategy for success, London: Department of Trade and Industry
Llewellyn et al, 2000 Entrepreneurship and the public sector. International Journal of Entrepreneurship and Innovation, pp163-171
Williams, H S and A Y Webb (1991) Outcome funding: a new approach to public sector grant-making. NY: The Rensselaerville Institute

Paper Number: PN032024.3

Paper Title: The 'double bottom line' of social enterprise: Abstract framing meets operational reality

Author(s):

Dr. Ray Dart, Trent University, Peterborough, CANADA

Summary of Research

This paper will develop the concept of the 'double bottom line' discussed in multiple social enterprise settings and will contrast the meaning of 'double bottom line' presented in abstract and general published material with the discourses and enacted meanings of 'double bottom line' in a variety of case study settings.

Description

Abstract #3: The 'double bottom line' of social enterprise: Abstract framing meets operational reality

How does our understanding of the 'double bottom line' of social enterprise compare between the way it is framed abstractly in published accounts and the way that it is enacted operationally in specific organizational contexts? This paper will adopt a critical stance toward the concept of the 'double bottom line' and will use qualitative data from primary and secondary sources to contrast abstract and enacted understandings of this important concept.

One of the most provocative propositions of those in the social entrepreneur and social enterprise movements is that of the 'double bottom line' (Emerson and Twersky, 1996, Alter, 1999, Boschee, 2001) – where nonprofit organizations are designed and managed with concurrent objectives of pro-social mission and financial return, and where managerial decisions occur in the nexus "of what makes good business sense and what fulfills the organization's social mission" (Emerson and Twersky, 1996, p3). The double bottom line stands in stark contrast to the traditional unimodal model of nonprofit organizations and one of the traditional tenets of the distinctiveness of the nonprofit sector – that of the primary and centrality of the organization pro-social mission, and of the subordinate role of financial objectives relative to that mission and that values that the mission is intended to enact (Van Til, 1988, Lohmann, 1992).

While the abstract concept of the double bottom line is doubtless compelling to both nonprofit sector managers and researchers – after all, this perspective is premised on reduced dependence on public sector funding, increased program effectiveness and greater program flexibility (Alter, 1999) – the operational reality (and the enacted meaning) of the double bottom line is quite different. This paper will develop a contrast between the abstract framing of the double bottom line concept and its operational reality and will use this contrast as a basis for theorizing the emerging relationship between traditional nonprofit organizations and social enterprises.

Analysis of documented 'double bottom line' organizational case histories (eg. Boschee, 2001, Roberts Enterprise Development Fund, 1999, Emerson and Twersky, 1996, Social Capital Partners, forthcoming) and my own ongoing qualitative field research will form the basis of a grounded analysis of the enacted meaning of the double bottom line in its operational context.

Alter, S. K. (1999). *Managing the Double Bottom Line: A Business Planning Guide for Social Entrepreneurs*. Washington, D.C., Save the Children Federation.

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Lohmann, R. (1992). "The Commons: A multidisciplinary approach to nonprofit organization, voluntary action and philanthropy." *Nonprofit and Voluntary Sector Quarterly* 21(3): 309-323.

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