



"The Lackawanna Valley"
George Inness, 1865

JPNA

SUMMER 2018
VOLUME 4 ISSUE 2

JOURNAL OF PUBLIC AND NONPROFIT AFFAIRS

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- Patterns of Trust and Collaboration among Nonprofit Organizations and Health Funds: A Case Study
Vered Reiter, Shay S. Tzafrir, and Nathaniel Laor
- Serving Others at the Expense of Self: The Relationship Between Nonprofit CEO Compensation and Performance in Trade and Professional Associations
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- Understanding Structuring and Variation in a Nonprofit Subfield: Examining Institutional and Regional Pressures in U.S. Historic Preservation Nonprofits

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- Reflections on Academic Lives; Identities, Struggles, and Triumphs in Graduate School and Beyond
J. W. Decker
- Can Governments Earn Our Trust
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JOURNAL OF PUBLIC AND NONPROFIT AFFAIRS
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The *Journal of Public and Nonprofit Affairs (JPNA)* focuses on providing a connection between the practice and research of public affairs. This is accomplished with scholarly research, practical applications of the research, and no fees for publishing or journal access. *JPNA* publishes research from diverse theoretical, methodological, and disciplinary backgrounds that addresses topics related to the affairs and management of public and nonprofit organizations.

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Journal of Public and Nonprofit Affairs

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Introduction to the Issue

Lindsey M. McDougle – Rutgers University - Newark

Bruce D. McDonald, III – North Carolina State University

The 2018 Midwest Public Affairs Conference has come and gone; and, we are thrilled to announce that it was an overwhelming success! With a total of 115 attendees from 45 different institutions and agencies, we had 89 conference presentations that focused on the conference theme of *Adapting Public Service to an Age of Technological Change*. This year's conference was filled with presentations of innovative research, engaging speakers, and ample opportunities to connect with potential new collaborators.

We would like to encourage those who presented papers at the conference to consider submitting their best work to *Journal of Public and Nonprofit Affairs* (JPNA); and, even if you did not present a paper, we welcome your submissions. JPNA provides a rigorous open-source outlet for disseminating high quality research from diverse theoretical, methodological, and disciplinary backgrounds that address topics related to the affairs and management of public and nonprofit organizations—such as those that can be found in this new issue of the journal.

In this issue, we have four insightful *Research Articles* as well as a useful *Current Issues in Practice* piece—all of which focus on various aspects of public and nonprofit affairs. In the first *Research Article*, Reiter, Tzafrir, and Laor (2018) present results of their case study that relies on naturalistic qualitative inquiry and examines the importance of trust in successful collaborative relationships between public and nonprofit organizations in Israel. They find that focusing on trust as a multilevel concept is a key ingredient to success—even when such a focus threatens the very success of the collaboration itself.

In the second *Research Article*, Saitgalina, Bennet, Reina, and Coombs (2018) examine the relationship between nonprofit chief executive officer (CEO) compensation and performance in trade associations and professional societies. Specifically, they investigate how CEO compensation within these organizations affects organizational performance when CEOs are not only aware of the compensation of their peers, but are also able to influence their own compensation level.

In the third *Research Article*, Gonzalez-Gorman, Kwon, Bak, and Park (2018) examine the issue of why cities pursue both economic development and affordable housing—i.e., redistributive policies—simultaneously in spite of the challenge of balancing two contrasting goals. Using data obtained from the 2009 Economic Development survey conducted by the International City/County Management Association (ICMA), the authors find that city governments are more

likely to use affordable housing as a tool for economic development when certain conditions exist at both the state and the local level.

In the fourth *Research Article*, Velez (2018) studies a population of nonprofit organizations within the context of their subsector—allowing for a unique opportunity to examine forces that shape the subsector as opposed to the larger sector, more broadly. Specifically, using data from 168 semi-structured telephone interviews with representatives from 96 historic preservation nonprofits in 44 states in the six regions defined by the National Trust for Historic Preservation, Velez explores institutional and regional pressures shaping variation in the historic preservation subsector and develops typologies of professional approaches to preservation and capacity.

Our *Current Issues in Practice* piece, by McLeod, Gilmore, Daughtery, and Jones (2018) focuses on a timely subject and attempts to illustrate how a local nonprofit organization in Baltimore City, Maryland attempted to cognize, depict, and frame the perspectives of community stakeholders who were concerned about issues of structural racism in the city. Using qualitative data obtained from a “community conversation” (i.e., town hall forum) that was hosted by a local nonprofit organization, the authors demonstrate how locally-based nonprofits can, in partnership with local governments and communities, create healing and solution-focused initiatives to address complex and systemic social issues.

The issue is completed with two book reviews. The first, by Decker (2018), provides a review of Staci M. Zavattaro and Shannon K. Orr’s book *Reflections on Academic Lives: Identities, Struggles, and Triumphs in Graduate School and Beyond*. In the review, Decker discusses how the authors provide a glimpse into the “hidden world” of academia—which, undoubtedly will be useful knowledge for those in both public and nonprofit affairs related fields. The second, by Ford (2018), provides a review of *Can Governments Earn Our Trust?* by Donald F. Kettl. After acknowledging that the title of the book is a “loaded question,” Ford highlights Kettl’s arguments in support of an erosion of public trust in government institutions and describes a number of proposed solutions that Kettle offers to restore this trust.

We hope that you enjoy reading the articles in this issue, and we look forward to seeing everyone again (as well as some new faces) at the 2019 Midwest Public Affairs Conference, which will be held in Indianapolis, Indiana at Indiana University-Purdue University Indianapolis.

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Patterns of Trust and Collaboration among Nonprofit Organizations and Health Funds: A Case Study

Vered Reiter – Association for Children at Risk

Shay S. Tzafrir – University of Haifa

Nathaniel Laor – Association for Children at Risk and Sackler Faculty of Medicine, Tel Aviv University

The importance of collaboration between organizations, especially in the modern world, has been discussed extensively by researchers from different fields. Yet, the importance of the context, trust dynamics, and the employment social environment, such as the interplay among these factors, i.e., trust, individual behavior, and political behavior, has been less studied. This study evaluates the role of trust in and between organizations on successful collaboration processes. Using qualitative methodology, we interviewed 11 senior directors who were involved in a specific case-study of collaboration among four major organizations as well as direct observation, documentation, and archive records. Our findings emphasize the importance of analyzing multilevel trust, interpolitics, and intrapolitics, even when success is at stake. We suggest that managers have to account for emotional involvement at the individual level, even when successful organizational-level collaboration occurs. Overall, we found that there are two aspects of trust in a collaboration process between organizations: system's aspect and personal aspect. Each aspect is influenced by various factors, mainly different goals and interest and lack of procedures or regulations (from the system's aspect) and feelings of vagueness in goals and managerial procedures as well as feelings of exploitation (from the personal aspect). In addition, we found that past acquaintances, mutual experience, and shared visions raise the level of trust, which in turn affects the reciprocal relations and therefore the collaboration process resulting in higher social effectiveness for social services.

Keywords: Trust, Partnership, Health Policy, Social Relationship

Introduction

Nonprofit organizations (NPOs) deliver social services, going beyond government responsibilities. Government, NPOs, and business organizations collaborate to maximize consumer and supplier benefits (Arya & Lin, 2007; Jacobson & Choi, 2008). Nevertheless,

organizational cooperation is not obvious and not always achievable, despite demonstrated advantages (Arya & Lin, 2007). Conflicts between and within different collaborating organizations abound due to varying needs and goals of different groups (Jacobson & Choi, 2008), fit between companies (Kim, Sung, & Lee, 2012), management styles, strategies (Lundin, 2007), and decision-makers' characteristics (Dovey, 2009; Hatzakis & Searle, 2006; Yener, 2009).

In recent years, researchers have examined various elements that affect the success of organizational collaboration, e.g., vision, commitment, power, trust, and partner characteristics (Hatzakis & Searle, 2006; Lundin, 2007; Raymond, 2006). For instance, Jacobson and Choi (2008) found that commitment and shared vision are important for constructing success, as is pairing of open communication and trust (Ekanayke, 2008). Yet the importance of the context (Johns, 2006), trust dynamics (Capell, Tzafrir, Enosh, & Dolan, 2017), and the employment social environment (Tzafrir, Gur, & Blumen, 2015), such as the interplay among these factors, i.e., trust, individual behavior, and political behavior, has been less studied. McDonald, Jayasuriya, and Harris (2012) studied providing or receiving care and found that trust plays a key role in collaboration processes. Yet the important role of the upper administrative echelon (Hambrick & Mason, 1984) and managers (Long, Cunningham, Carswell, & Braithwaite, 2014) in the collaboration process has been neglected. In the field of nonprofit organization studies, several authors have suggested that trust plays a key role in collaboration (Snaveley & Tracy, 2002; Vangen & Huxham, 2003), whereas others argued that different constructs play an essential role (Gazley, 2010; Gazley & Brudney, 2007); therefore, a more precise in-depth study is warranted. The present case study sought to determine whether trust among collaborating members (at different levels) has any effect on participants' views of the collaboration process and its outcomes.

Theoretical Review

Collaboration between Organizations

A strategic alliance is any voluntary interorganizational cooperative agreement (functional, material, or both) involving exchange, sharing, or co-development (Gulati, 1999). The modern marketplace demands that organizations not only respond to customers' demands but also extend commitments to meet potential clients' envisaged needs. Intersystemic collaboration may enhance competitive stability (MacDonald, 2009; Nix, Lusch, Zacharia, & Bridges, 2008). Studies have shown that collaboration merits exceed its cost, defined in financial, valuable, ethical, or social terms (Arya & Lin, 2007; Raymond, 2006; Shaw, 2003; Vigoda, 2002). Gazley and Brudney (2007) found essential issues such as service and quality increased after nonprofit organizational collaboration (Jang & Feiock, 2007; Laville & Nyssens, 2000). For instance, Snaveley and Tracy (2002) noted the importance of trust in making collaboration work. Thomson and Perry (2006) mentioned trust and reciprocity as important factors that build social capital norms for successful collaboration processes. The third-sector organization's resources and goals differ from, and thus may complement, those of public organizations (Jang & Feiock, 2007). Perhaps this explains why the role of NPOs in delivering critical services has grown significantly during the past three decades (Gidron, Bar, & Katz, 2004; Jang & Feiock, 2007; Thompson, Tancredi, & Kisil, 2000).

Collaboration between NPOs and public organizations is more than important. Organizations feel threatened by loss of identity and control (Kumar & Ghadially, 1989; Samuel, 2004) and unbalanced growing expenses (Thompson et al., 2000). Likewise, collaboration between Health

Funds (HFs) and NPOs may lead to a more fruitful health system with improved vision and better social justice. However, studies have shown difficulties on the way to successful collaboration (Raymond, 2006).

Political Behavior in Organizations

Politics is a fundamental activity in organizations, reflected in political relationships, agenda, and affiliations (Kumar & Ghadially, 1989; Vigoda-Gadot, 2007). Organizational politics is an inseparable part of organizational reality and therefore invites consideration. Organizational political activity may limit communications, control access (to information, individuals, or both), and neutralize change or opposition to change (Kumar & Ghadially, 1989). Alternatively, it may facilitate decision-makers' abilities to promote collaborative processes (Lundin, 2007; Raymond, 2006; Samuel, 2004). Political acts or groups can change and twist the results of a process or influence the strategic power of individuals or organizations guarding their own interests.

Perspective organizational politics may be the main concept for understanding the structure and behavior of organizations (Lundin, 2007; Samuel, 2004). As Vigoda-Gadot (2007) stated, understanding the advantages and disadvantages of different leadership styles may affect organizational politics and eventually affect organizational strategy and performance. Another important element is interpersonal politics. Interpersonal politics play a major role in the success of an organization. Samuel (2004) explained that interpersonal politics between members of the organization and outsiders is also important.

When collaboration processes are envisaged as part of a multiorganizational strategic work plan, the political behavior and the resulting political members' affiliation may determine the outcome of the collaboration process (Jacobson & Choi, 2008).

Trust

Studies on the subject of trust, and its influence on management, date back to the late 1960s. Gamson (1968) defined trust as "a syndrome of attitudes which can be characterized on a left-right dimension" (p. 40). Driscoll (1978) cited Gamson's declaration that trust is the key variable predicting individual behavior. This notion is similar to Rousseau, Sitkin, Burt, and Camerer's (1998) definition of trust as "a psychological state comprising the intention to accept vulnerability based upon positive expectations of the intentions or behavior of another" (p. 395). Driscoll (1978) also explored the usefulness of trust and participation in decision-making as contributors to satisfaction in a work organization.

Abramov (2009) demonstrated the importance of trust in complex relationships between several organizations—some governmental, others private or public—emphasizing that trust is an essential factor for the success of fragile situations and collaborations (Williams, 2007). Capell et al. (2017) demonstrated that trust levels in an organization and managers are likely to affect each other. Furthermore, based on a socio-constructivist approach (Shamir & Lapidot, 2003), it is likely that, due to various group and social information processes, individuals may develop a collective assessment of trust in their organizational authorities. Hence, managerial actions directed toward a collaborative project could influence trust levels of the collective group and at the individual level. Fulmer and Gelfand (2012) also highlighted the importance of examining trust at different levels.

Further research investigated various aspects of trust as influencing organizational management or behavior (Yener, 2009), such as the impact on the effectiveness of organizations (Dovey, 2009) and their business success (Ekanayke, 2008). Basically, trust is viewed as an essential ingredient for a healthy personality and as a foundation for interpersonal relationships, cooperation, and stability in social institutions and markets (Lewicki, McAllister, & Bies, 1998). Usually, high-trust individuals are found to exhibit more honest behavior (Rotter, 1980) and are more subject to norms of reciprocity.

Over the last few decades, researchers have increasingly examined trust not as a sole factor but in combination with others. For example, Lundin (2007) studied 203 dyadic collaborations between Swedish public employment service offices and municipalities regarding how resource interdependence, goal congruence, and trust, both separately and integrated, affect joint actions in policy implementation. The author's results show that mutual trust is necessary to increase cooperation between agencies; furthermore, the results imply that trust and goal congruence must exist simultaneously to promote joint actions.

More specifically, Sims, Hewitt, and Harris (2015) studied inter-professional teamwork in healthcare and found that trust is an important variable that has an influence on productivity of team collaboration. In a similar line of research, focusing on teamwork in the Canadian primary care setting, Al Sayah, Szafran, Robertson, Bell, and Williams (2014) explored the importance of trust to the efficiency of interdisciplinary teamwork. Moreover, studies concerning collaboration between organizations in the healthcare industry (Proulx, Hager, & Klein, 2014) emphasized the importance of trust in the success of the collaboration process. Palinkas et al. (2014) found that trust was one of the leadership characteristics associated with "increased levels of exchange of information and resources and with larger and more connected networks" (p. 82).

In addition, multidisciplinary studies have identified social, psychological, economic, and structural determinations of trust. For example, Yener (2009) referred to cooperation and trust as a management concept (structural), and Ekanayke (2008) recognized interfirm trust as an important variable of control (psychological). Therefore, researchers need to account for all aspects of trust and the specific context involved (Agranoff, 2006; Johns, 2006). More specifically, our research refers to the question of why organizations decide to cease successful collaboration regarding all the benefits.

Methodology

This study employed the naturalistic approach of qualitative research, the aim being to understand and describe a social phenomenon from the participant's points of view (Lincoln & Guba, 1985; Patton, 1990). Case study methodology is often used in research involving a process (Denzin & Lincoln, 1994) and is especially appropriate in new topic areas (Eisenhardt, 1989). Theory developed from case study research is likely to have important strength like novelty, testability, and empirical validity, which arise from intimate linkage with empirical evidence (Eisenhardt, 1989). Our research is based on a case study, and the nature of the information collected is mainly descriptive, supported by data collected from archives. Therefore, our findings can be a point of departure for collaboration researchers in developing hypotheses in further research.

Procedures and Analysis Methods

To develop a more holistic picture, we collected data from various sources such as documentation (including protocols, contracts, and reports), presentations, archival records,

interviews, and direct observations. We used all sources mentioned but focused on two main ones: interviews and documentation analysis.

Exploratory interviews were conducted to learn about actions, beliefs, and personal and social processes as they took place and as interpreted by the key players. We approached the participants by email or phone and scheduled appointments. One-hour semistructured in-depth interviews were conducted at the participants' offices. The interviews were based on an interview guide that was constructed through an iterative process, which involved literature review and consultation with academic experts, managers, and administrative directors. Following the emergence of new subjects, the interview guide was revised. The final version of the interview guide dealt with clinical, service, economic, organizational, and managerial aspects of the collaboration project.¹ Each interview was recorded and transcribed to allow for later cross-sectional analysis. Participants cooperated willingly, after signing a consent letter approved by the affiliated university's ethics committee. Confidentiality at all levels of publication was secured.

Various documents such as protocols, contracts, and presentations were examined and integrated in the analysis of the findings. Because of the paradigmatic difference between quantitative and qualitative research approaches, Lincoln and Guba (1985) suggested different concepts more applicable to qualitative research for reliability and validity: dependability and trustworthiness. Internal validity was obtained by the participant's approval of his or her presentation, combined with documents analysis to validate interview-based data (Yin, 1994). The use of full documentation of the data and formal protocols helped control for interview-based inaccuracy or misunderstanding (Lincoln & Guba, 1985).

Participants

Of the 11 participants, three were from the HF, another three were from the NPO, two were from the hospital, and three were also from the municipality (participant's characteristics are presented in Table A1 in the appendix).² All participants whom we chose to interview were senior directors in their organization. Although additional personnel were involved in the project (workers), the interviewees were chosen based on the fact that they were responsible, among other issues, for determining policy. Most of them were in the highest position of management and were independent, within reasonable boundaries, in their functional responsibilities.³

Data Analysis

Analyses of the interviews were done according to the different stages demanded by the methodology of qualitative research: original analysis, categorized analysis, and focused analysis (Denzin & Lincoln, 1994).⁴ The focused analysis was based on the categorized analysis; this is a process researchers use to arrange the categories toward a central theme. In the process of defining the main category, researchers use categorized analysis to find the main points of interest in each interview. Some of the categorized elements become more dominant in the focused stage, others less, and some may not even be included in the focused analysis. The process results in defining a main category from which other categories branch out. This process reveals detailed and various elements raised by the interviewees. The basic results were platformed to enable such analyses. Identifying, coding, and categorizing results allows themes to be determined in the best unbiased manner (Patton, 1990).

In addition, various documents such as meeting protocols, contracts, declarations, presentations, reports, etc. were examined and analyzed to obtain more adequate and objective information. Information from the documents was integrated with all other findings.

Research Problem: Context

Israel's Health System

The Israeli context provides researchers and stakeholders interested in the health sector with a suitable arena for studying and analyzing health system structures and patterns specifically, and collaboration projects in the health system in general because it is a *Maduradam* (miniature copy) of developed countries in Western Europe and North America (Harel & Tzafrir, 1999). Israel's health system features three main suppliers: HFs (responsible for supplying nationwide health services based on a lawfully defined therapeutic package), hospitals (supplying ambulatory and hospitalization services), and nonprofit health organizations (providing treatment and prevention services in both mental and physical health care; Gidron et al., 2004). The government's primary responsibility is the control and development of the health system (Bin Nun, Berlovitz, & Shani, 2005).

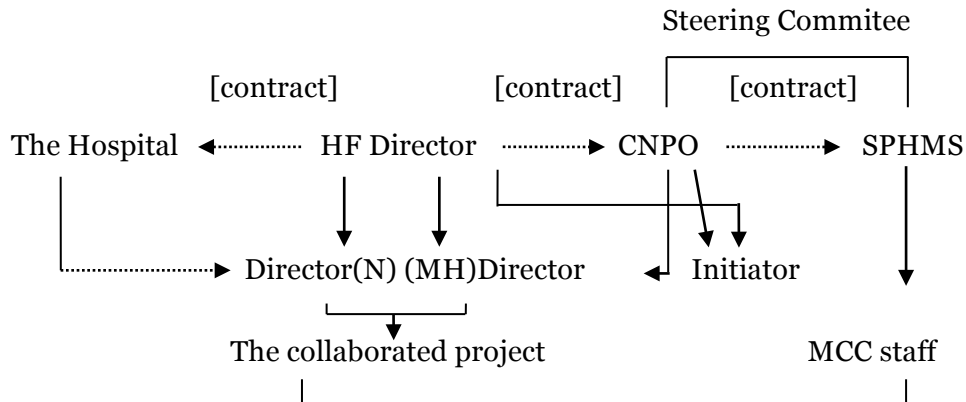
Although the responsibility for supplying health services to all citizens lies with the HF, its budget is not specifically predetermined—it is influenced by the global budget, which is composed of citizen's taxes and government allowance, and is allocated to the privatized system only after government approval. The need to fill the gap between what the health system ought to supply with their limited resources is the essence for collaboration between organizations; in our study, we examined reasons, especially the role of trust as a central factor for the failure of a specific collaborative process among several organizations.

The complexity of this system, being that it is meant to be fully privatized but is not completely independent, creates difficulties. HFs would like to supply services according to the public's needs as reflected in the lawfully defined package. They are constrained, however, by limited resources and bureaucracy. The fact that (a) citizens as consumers and service providers have different perceptions of the rendering of services (e.g., in terms of quality, availability, and accessibility) and (b) the system is only partly privatized could, and often does, lead to serious gaps in addressing the public's needs (Arya & Lin, 2007; Nix et al., 2008).

The partial privatization of the health system was intended to close the gap by introducing some basic parameters with regard to proper budgeting and quality of services and clinical treatment. One of the major incentives (Bin Nun et al., 2005) expected to result from the privatization process was increased competition among HFs, consequently raising the level of treatment, while making the system more efficient. The issue of funding in a system wherein monetary sources are diminishing ever since 1995 (Central Bureau of Statistics, 2007), yet the law requires good clinical practice leads to an inherent moral, social, and clinical tension (Laville & Nyssens, 2000) and an unavoidable gap between availability and needs.

This moral and material gap invites social players such as the private sector, the third sector, and citizens themselves to create bridges (Thompson et al., 2000; Vigoda, 2002). The unique features of NPOs allow them to deliver important social services as part of their goals. The deficiencies of the system and the potential of NPOs to complement it suggest that collaboration between the two could be advantageous for the beneficiary (Jacobson & Choi, 2008).

Figure 1. Integrated Model of Child Developmental Institute



Case Study

This case study involves a situation wherein four major organizations involved in the health system collaborated with one another to supply better developmental and mental health services to children. The organizations were: (a) an HF, a public organization funded by taxes according to the number of members (clients) of the fund; (b) an NPO, a private organization funded by donors; (c) a hospital, specifically the staff of its child developmental institute (CDI), a public organization funded by its activities; and (d) a municipality, a public organization funded by its activities and governmental support. In the case study, we examined a scenario in which one of the HFs was lacking a certified CDI of its own and had to comply with a Ministry of Health regulation to render specific services solely through such an institute.⁵ This situation led to establishing a project co-led by an NPO and the municipality, thus creating a team that diagnoses and treats children with developmental delays. Lack of HF resources and services, on one hand, and the new prospect of community medical and psychosocial services, on the other, led the parties to collaborate, with the benefit of the public in mind (Grubbs, 2000). The common aim of the project was pooling of professional and infrastructure resources to augment availability and accessibility of services while eliminating bureaucratic challenges and expenses for children and their families. Furthermore, according to the Israeli law, the HF publicly obligated to render services should take responsibility for these services. In doing so, the HF collaborated with hospital's CDI and the NPO to provide holistic services by pooling resources. Nevertheless, the HF's managers refused to either partake in the project's steering committee or initiate a new one. This study sought to understand why a potentially successful collaboration was halted and the role of trust in the process.

The project had several managerial pitfalls. For instance, it featured an intricate hierarchy; the part-time director of the HF institute was subordinate in this capacity to the director of HF, on one hand, and as a hospital employee to the chief of the hospital's CDI, on the other. Other complex hierarchies existed in the project.⁶ Moreover, the NPO compensated the HF for lost income due to loss of members' compulsory fees. The vision for the project, including the professional parties involved, is presented in Figure 1.

This new collaboration model involving an HF, NPO, municipality, and CDI began in January. Teams began working together, and the professional consequences were immediate and mostly positive. Nonetheless, after a full year, the HF unilaterally announced cessation of the project.

Findings

Our analysis related to a central theme, trust affecting a collaboration process that focused on the role of trust as a factor affecting political associations and reciprocal relationships between parties and its effect on the collaboration's outcome. Summarizing the interviews, we organized the findings into two major categories: participants' interpersonal relationships and systemic aspects of the project (see Table A2 in the appendix).

Interpersonal Relationships

Most (nine of 11) interviewees referred to the interpersonal category. The interpersonal category of trust can be divided into two subcategories: personality characteristics and managerial style. Personality characteristics consist of the personal feelings, character traits, and personal beliefs of participants.⁷ Such characteristics include ego, exploitation, negative suspicion, grudges, control, and transparency and sharing.

Regarding ego, all managers were sensitive to their self-respect: "Everyone has ego at a different level" (Participant 2);⁸ "There are very few people who are willing to give up their power for a joint cause" (Participant 4); "When they sat to work together there were egos involved" (Participant 2). It can be difficult to overcome feelings related to ego, but participants suggested that individuals can suppress them to ensure the success of a process:

There are people ... who are fully minded [to the project], they manage a very big system without a lot of ego. They want to see results—this is ... why, in some organizations, initiatives may succeed, while in others they fail. (Participant 1)

This element was stipulated by four main interviewees as one of the most important elements affecting collaboration.

Exploitation is defined as deployment of resources, actions, and investments for personal and organizational interests and opportunities (Foss & Klein, 2012). This feeling was expressed mostly by NPO managers, who stated that the NPO had exceeded all other organizations in its input toward the success of the project; they offered help in settling differences of opinions between parties, solutions for crisis situations, and funding. They described doing much more than needed to ensure the success of the project, but that the other parties, especially the HF, disregarded these efforts. As one of the NPO's managers said:

There was no intent for such collaboration ... The concept of the contract was different to what was discussed ... The project was working in full capacity and then HF entered [with the intention of] service supply [and not as a partner to a joint vision]. This was the break. I referred to it as a very significant break of the concept ... HF took a huge step back [from what was promised]. (Participant 6)

The feeling was that the NPO courted the HF, and the HF took advantage of the situation. These feelings led to mistrust in the partnership.

It is interesting to note that even a central manager outside the NPO, but internal to the system and the process, described the possibility of exploitation. "The HF director said, 'Let's take

advantage of [the NPO] and then we will leave him—by then, our system will be all set” (Participant 5). These feelings and the reality they may have reflected led to suspicion among the parties and in the system as a whole.

Negative suspicions refer to the feeling that a stakeholder has a potential hidden motive for engaging in a behavior, typically negative (Hilton, Fein, & Miller, 1993). That feeling was described by all NPO participants. Deterioration in trust was triggered by the HF’s defining the NPO as a service provider and declining to collaborate in research and via the steering committee.

The vague process and noncollaborative sectarianism led to a feeling of wariness among both participants and organizations: “[I felt] a kind of suspicion ... [a] lack of understanding of what he is leading up to. What does he want to systemically accomplish?” (Participant 5)

Suspicion may rise from difficulty understanding the intricate and holistic vision of the project. Complex systems require sophisticated coping abilities among managers. Rather than discussing differences during joint meetings, some of the parties chose to evade meetings and discussions of the complex situation. Hence, a shared formulation of the new situation did not develop and, therefore, could not lead to compromises alleviating suspicion in the new system.

Grudges refer to “hanging on to negative sentiment and judgments” (Struthers, van Monsjou, Ayoub, & Guilfoyle, 2017, p. 2). They often evolve from a previous negative experience between parties. Managers mentioned “hard feelings” toward others in the project. One manager commented: “It was time consuming in an unnecessary way ... It took too many resources; lots of anger and hard feelings” (Participant 1). This participant invested minimal resources and tried to achieve only his own goals. This may be a case in which a partner’s view of its own high cost of collaboration leads to grudges.

Control involves a high degree of centralization (Crilly & Sloan, 2014). Some leading managers were willing to cooperate; however, each wanted to maintain systemic control: “There are paranoid feelings in collaboration over loss of control” (Participant 6). Control was linked to power: “There were fights over respect and power” (Participant 1). Control was an inseparable aspect of the managerial style of all directors involved. Consequently, vying for systemic control and the basic definition of professional control led to a destructive process.

Transparency and sharing (openness) is the readiness to be mentally open to new ideas and freely give and share information (Butler, 1991). The managers described a lack of planning, defining goals, delineating strategy, and sharing doubts and problems arising during negotiations. The process and relationships were negatively affected. As one manager said: “You cannot ask me to be a manager of this project and not tell me the economic code ... They kept it very close to themselves” (Participant 5).

A manager from a different organization described similar feelings. Lack of communication between parties led to distancing and disrespect: “There was no communication; in different situations, it was all blah blah” (Participant 1).

The third manager, to whom the first two referred, described several occasions on which his organization was not included in the planning: “The first sign was the announcement of the project—it wasn’t presented as an integrated project of four bodies but as a mere child development institute run by HF” (Participant 6). Regarding another situation, the same

participant mentioned: “I came to meetings with [name] and [name] was already there; they were whispering. I had the feeling that things were being preplanned without including me.”

Without control measures, such as a steering committee, the implemented model reflected a mere reduced version of the model—excluding the municipality and NPO as partners. The system was amorphous and lacking in trust between the partners and in the system as a whole.

Managerial Style

The second category, managerial style, was divided by the interviewees into three issues: (a) personal or hidden interests, (b) professional dignity, and (c) allegiance to political organizations. These issues related directly to trust and the project’s atmosphere.

Personal or hidden interests (or secondary benefits) diverge at times from organizational ones. Suspicion of hidden interests was an issue raised by three leading managers, each from a different organization. Distrust among the parties ensued: “There were personal interests ... in order to fix the system according to their needs ... [name] came [into the project] in order to grow, to be a ‘big manager’” (Participant 6). Another manager was described as blocking the process: “He didn’t care. He was a functionary who receives lots of monies who did not need to upgrade himself; therefore, he did not help, just threatened all the time” (Participant 6).

Professional dignity refers to values and beliefs managers hold, including self-esteem and achieved professional status. One interviewee described a negative attitude of managers from another organization. He wondered how managers of organizations, legally bound to supply services, could display neglect: “We aimed at a national model ... invested great efforts to raise monies... but they, who carried the responsibility ... were not willing to allocate” (Participant 6).

Although representatives of the other party were aware of the responsibility involved, they degraded the model offered and insisted on operating the project their way. Another manager referred to professional control from a different perspective: “It was clear to me I was not going to let him be my boss” (Participant 5).

Regarding political organization, one leader raised the issue of politics in and between the organizations, describing how some parties settled issues privately to gain advantage in the process. From the beginning, the project was presented by the HF as its project. The NPO’s managers were not involved: “The project was not presented as a joint one ... [The NPO] and its participation was ignored” (Participant 7; supported by documentation).

In summary, the primary feeling of all managers was distrust, including between individuals, toward the system (due to vagueness, exploitation, and interests), and between organizations (due to lack of transparency and management style). Distrust toward the project itself ensued.

Systemic Aspect

This category focuses on the system levels and not the individual one. Five subcategories concerning trust existed in this dimension: management, vagueness, complex system and readiness, resources, and climate.

Regarding management, most interviewees described issues concerning project planning and management related to preplanning collaboration and coordinating procedures among parties. All managers emphasized the importance of early alignment and the lack thereof: “We lacked a

steering committee; we didn't know where we were heading" (Participant 5). As to lack of preplanning and guidelines, this participant stated: "It was a great idea missed because not enough thought was put into it."

Due to poorly defined and agreed-upon coordinating procedures, implemented guidelines proved unacceptable to managers of different organizations. Distrust between the parties ensued: "There was a trust offense. People need to render services. Such difficulties demand we think twice about future engagement and about the agreement's formulation" (Participant 3).

This issue raised distrust and doubts regarding the success of the project specifically and the collaboration process in general.

Regarding vagueness, interviewees referred to vagueness of goals, job descriptions, agenda, hierarchy of management, and authority. The vision was presented and accepted by all participants as most important, yet implementation was poorly planned. Objectives and directives remained unclear: "There must have been an idea, but the construction was very rough ... I knew what I was doing but not where things were leading to" (Participant 8).

One of the partners queried whether other parties had a clearer agenda. He felt that he did not understand the setting: "I don't understand; maybe he saw it clearer than we did at the beginning; this may explain his frustration" (Participant 5).

Uncertainty adversely affects trust and decision making concerning engagement in a collaboration process.

In terms of complex system and readiness, all managers identified the project's complexity and importance in advance: "The system is objectively complex. The health system is the most complex system even before complicating it any further" (Participant 2). Despite the complexity, one respondent stated: "We had faith. It was highly time consuming, but there was a real attempt [to make it happen]. Everyone thought it was important" (Participant 5). There were difficulties adjusting to change: "The failure reflected a poor managerial coordinated implementation of a modernistic idea." The municipality and health organizations displayed differences in their readiness and willingness to cooperate:

It is a matter of concept. Municipalities are committed to citizens and thus systematically build in pooling of resources through NGOs. Health insurers are committed to patients and work in separation. We have tried to cooperate with them but with little success. (Participant 9)

The HF's position could reflect an authoritarian-isolationist worldview that under the conditions of a complex collaboration among organizations may deplete trust and bring the collaboration to a halt.

Regarding resources, use of initially allocated and ongoing resources may affect inter-organizational continuous collaboration. All participants reported on expansion of human, budgetary, and infrastructure resources. Nonetheless, all managers displayed uncertainty about the continuity of funding. The HF's managers refused to commit to a holistic model combining child development services with mental health services, because mental health services were not part of the legally mandated "health basket."⁸ Furthermore, the project may have deployed the HF's services in line with community needs, but in what HF officials perceived as too available

and accessible manner. The HF retracted from its commitment to implement creative ways to cover the extra costs. As one of the field managers said: “The project failed not because of ideological reasons but due to economic distress” (Participant 8).

Regarding climate, managers reported that their workers expressed vulnerability and insecurity. These feelings related to vagueness in presenting goals, defining authority, and stating clear objectives and problematic management. Widespread distrust ensued. Budgetary strictures and uncertainty led to cuts. The economic difficulties became apparent to all and left the remaining workers insecure: “There were two, maybe three circuits of dismissals ... People did not believe in the project; it was intolerable” (Participant 8). A high workload left workers unmotivated. The project’s unstable sustainability led to an embittered and frustrated climate.

Discussion

Our findings describe two aspects of trust affecting the reciprocal relations among the parties engaged in collaboration: interpersonal relationships and the project’s systemic aspects. Collaboration is a necessary intersystemic managerial tool (MacDonald, 2009) leading to organizational competitive advantages, proximate financial and quality measures (Laville & Nyssens, 2000; Lundin, 2007), client and employee overall satisfaction (Driscoll, 1978), and more secure survival (Abramov, 2009; Nix et al., 2008). In our study, we ventured to formulate how trust affects the success of collaboration.

Trust may promote integrative activity among organizations, sustain structures or systems, and lead to a solid organizational environment (Abramov, 2009; Dovey, 2009; Yener, 2009). The present study adds a new perspective to how the level of trust, through systemic and personal aspects, affects reciprocal relationships among managers, especially in a complex political and interorganizational collaboration (Agranoff, 2006). Trust alone is well known to be an essential factor in interorganizational relationships (Hatzakis & Searle, 2006; Jacobson & Choi, 2008; Lundin, 2007; Tsasis, 2009; Yener, 2009), which affects their success. It contains different elements (such as ego, respect, commitment, etc.), each playing a role in the relationships among the parties. Some of the elements are defined as personal characteristics, whereas others as systemic.

In agreement with previous studies, we found that the construct of trust was composed of personal characteristics such as ego, control, and exploitation and systemic characteristics such as different interests, management style, and lack of clarity in goals and purposes. These elements, among others, define and are important for building trust (Yener, 2009). Two major issues led to feelings of distrust among the organizations; the first was differences in vision and expectations, particularly because the package of medical services did not include the category of mental health. This emphasized the divergence in approaches, interests, and goals of each organization. Lack of a mutual agenda led to differences in attitudes toward the project as a whole, resulting in personal negative feelings toward the leading managers. “Trust and goal congruence must exist simultaneously in order to promote joint actions” (Lundin, 2007, p. 651). Managers’ trusting expectations during the initial stages of cooperation have a major impact on the development of these relationships in later stages (Vlaar, Van den Bosch, & Volberda, 2007). Our case differed. At the beginning, the NPO and HF shared a common agenda; as their agendas diverged, the level of trust diminished. Tzafirir’s (2005) notion of the dynamic role of “action–reaction” in developing and building the cycle of trust was invoked in our findings.

The need to share and manage cooperation with others in the system is accompanied by many feelings, including the fear of loss of control (Dovey, 2009; Samuel, 2004). Some organizations succeed in adopting collaboration as part of their standard management (in our case, the municipality and NPO), whereas others, if they even collaborate, adopt collaboration on a restricted basis (HF). Abramov (2009) expanded on the need for a structure that enables participation, i.e., protocols, tools, and resources. The author suggested four-phase protocols for forming and maintaining effective partnerships. The complexity of our specific project and its collaborative potential, on one hand, and the leading partner's (HF) lack of experience, on the other, led the managers to lose faith and trust in the ability of the process to take place and succeed.

The second defined dimension was interpersonal characteristics, categorized as the personal aspect (Thomson & Perry, 2006). Although, according to resource dependence theory, the domain of consensus, i.e., complementary goals and shared vision, is an important factor (Tsasis, 2009), we found that interpersonal relations also had a significant effect on the level of trust. Of all the elements we identified and divided into five major categories, two had a more significant role in determining the level of trust among the personnel: vagueness and exploitation. Vagueness may have resulted from managers' lack of clarity and understanding as to the collaborative goals, objectives, motives, and interests. Managers from some organizations described feeling that they were being deceived and there was no transparency in the process, leading participants to become increasingly suspicious of the process as a whole and their managerial counterparts. Transparency among parties is crucial for the success of cooperation (MacDonald, 2009).

Regarding the second principal element constituting the interpersonal characteristics, exploitation is "a relationship in which unearned income results from certain kinds of unequal exchange" (Gouldner, 1960, p. 165). Reciprocal stable relations demand that each party both give and receive; otherwise, negative result may occur (Wu, Zhang, Chiu, Kwan, & He, 2014). Extra efforts made by one of the parties must be compensated to counteract tensions and maintain stability—or else trust can be damaged.

All of these elements emerged in our case study. During the project, several incidents indicated a change in the level of trust among the parties that could have been resolved by a demand for control, exclusion in some cases, concessions by a party, and even holding back responses to situations to maintain the desired collaboration.

Several incidents indicated impending pitfalls in the level of trust. The HF and NPO planned an outcome-based research evaluation to assess the project; monies were set aside for the purpose of writing a grant proposal; but HF withdrew from the plan. The heralding event of the relationship breakdown among the parties was the exclusion of the NPO from the launching conference as an equal leading professional partner. In addition, the HF opposed the establishment of a steering committee consisting of the four partners. Hence, neither joint management nor protocols were agreed upon. Furthermore, the HF may have changed its agenda after a national decision that mother–child clinics not be transferred to the HF's responsibility, as had been initially planned. Moreover, mental health services were still excluded from the health basket, and the HF found it complicated to assume responsibility for a project committing to the delivery of these services. A withdrawal from the originally agreed-upon holistic model of a CDI was followed by a shrinking vision of medical child development services. Evidence of this intention emerged in the HF's final request of the NPO to serve as an infrastructure mediator in obtaining the municipality's permit to use the mother–child clinics

for their own service-delivery operation. By then, the HF lost all working relationships and trust with both the municipality and NPO. The cessation of the project was in close sight.

To conclude, a few main stumbling blocks occurred along the way, suggesting difficulties in the collaboration process. They all related to major systemic structural and functional interorganizational lacunae. First, although milestones were determined for the collaboration, there was no established follow-up process or integrated management to discuss implementation problems. Second, there was no joint steering committee or system regulation, which have a critical role in planning and executing the collaboration process.

These incidents led to wariness on the part of the different parties, expressed as deleterious changes in behavior, attitude, relations, and interactions, leading to changes in the political behavior of the parties. The ongoing adjustments made by each party as a response to these incidents changed the balance of power and affected the level of trust in the newly born system.

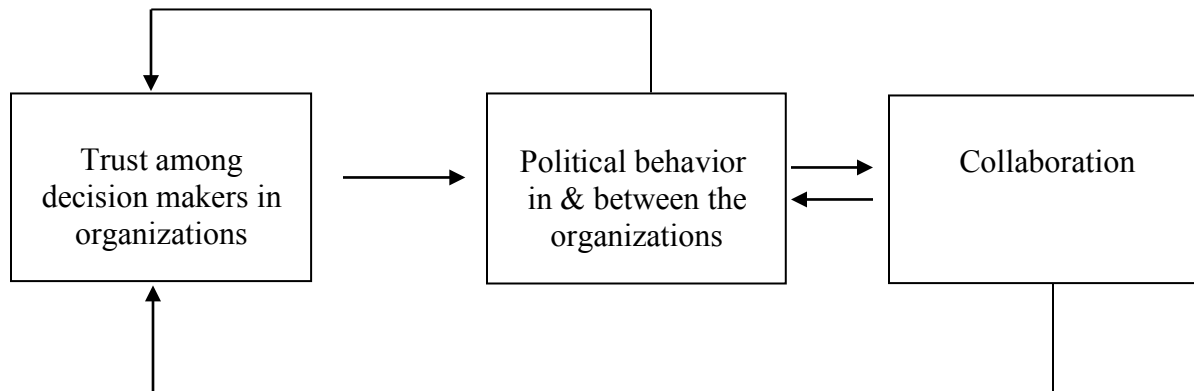
As described in the literature, level of trust can be determined by objective elements such as mutual goals, reputation, performance, outcomes, etc. (Yener, 2009), and can also evolve from successful past cooperation. Mutual positive interaction among past partners leads to mutual dimensions of trust (Tzafrir, 2005). Similarly, the positive intensity of the relationships among partners raises the level of trust (Adobor, 2006). In this case (see Figure 2), the positive interaction between the municipality and NPO led to positive expectations concerning future collaboration. Although uncertainty is part of the collaboration process, for the process to succeed, effective partners need to act to reduce uncertainty and raise the level of trust (Adobor, 2006). However, Vlaar et al. (2007) stated that a certain combination of trust and distrust may be most productive for interorganizational cooperation. In our case, uncertainty became too high, and the actors were unwilling to act to build trust, even in the face of diverging agendas.

The differences among the parties involved in the project occurred in the domain of commitments and thus their inherent goals. The municipality and NPO traditionally carry a universal commitment, whereas the HF a particularistic one—to their consumers. Furthermore, the municipality and HF run on a limited budget, whereas the NPO can adapt budgets as it goes along, enjoying an economic public infrastructure to support innovative goals. These differences, in themselves, put the various institutions in different positions of short- and long-term control and commitment and thus created different economic and operational interdependencies among the partners.

In hindsight, it is understandable that the HF, required by law to render certain services with fixed budgets, would be concerned about extending its commitment while relying on voluntary organizations. It has very little experience and tradition with this approach. The municipality had developed a long tradition of extending beyond statutory commitments for the benefit of the city's inhabitants. The very existence of the current project is, among others, a reflection of shrinking budgets on the side of the municipality coupled with its unwillingness to withdraw important services and desire to create more innovative ones aided by NPOs.

As described in the introduction, the first phase of collaboration, i.e., between the municipality and its clinics and the NPO was successful—the universal commitment and tradition of collaboration were perceived by the interviewees as a good outcome. The HF's budgetary regulations and its more particularistic commitments (in term of consumers and area of activity) may have led to more aggressive behavior regarding control and exploitation, to which the other organizations might not have been either prepared or ready to learn from and respond to in real time. Trust was replaced by false trust—to help avert awareness—and functional control was

Figure 2. The Pattern of Relationship Between Trust and Collaboration Throughout its Effect on Political Behavior in and Between Organizations



replaced by defensive control, increasing political and collaborative conflicts. The system was not functioning as a whole, and the parties never stopped to assess its actual state. Partial systems determined the outcome and thus the general tenor of the collaboration. To conclude, a complex collaborative structure, integrating four different organizations, each operating by different managerial codes, is a special situation wherein the effect of trust on the success of the collaborative process is unique.

Limitations and Future Research

The most significant limitation of this study is its case study design. Can such research legitimately derive generalization from qualitative findings (Denzin & Lincoln, 1994)? We achieved trustworthiness and dependability via several methods: (a) cross-over between deductive and inductive analysis using information collected through interviews, gathering different descriptions of specific incidents from several interviewees, and manipulating personal reflections on the experiences as described by the interviewees; (b) anchoring interviewees' information with documentation such as contracts, protocols, etc., and (3) confirming all quotations with the interviewees themselves. All methods are evidence-based concerning trustworthiness and dependability (Lincoln & Guba, 1985; Patton, 1990; Yin, 1994).

The model described here is unique because the case study itself takes a unique approach, and to extrapolate findings from it to other similar cases is questionable. Yet we provided a deeper understanding of nuances and factors at play that we could not see in a larger study or with a different methodology. Nevertheless, finding similar characteristics that define a certain situation may help researchers in future cases. Further research should elucidate the relationships among organizations (as opposed to key individuals). Such research could support the development of a model to promote trust among individual managers and managerial units.

Contributions

The present study has important conceptual, methodological, and practical implications. From a conceptual perspective, understanding the collaboration process enables managers to predict results and plan their actions in advance. Our findings emphasize the importance of analyzing multilevel trust (Costa, Fulmer, & Anderson, 2017), interpolitics, and intrapolitics, even when

success is at stake (Lawrence, Hardy, & Phillips, 2002). We suggest that managers have to account for emotional involvement at the individual level, even when successful organizational-level collaboration occurs. Researchers, managers, and consultants must pay attention to different interests, egos, visions, and other topics as previously described to prepare themselves to successfully collaborate and better promote synergistic integration.

From a methodological point of view, this two-year study of collaborative activities using a case study approach demonstrated the utility of qualitative methodology for learning about the initiation of collaborative projects. This study and its findings reveal potential managerial tools. With this knowledge, managers could cope with complex environments requiring trust development to enhance organizational collaboration, particularly in times of systemic shortage. Results of the collaboration might be anticipated by (a) assessing economic and psychosocial general (e.g., commitment) parameters; and (b) identifying methodological systemic evasion concerning realistic assessment of the process of collaboration. Maintaining trust in the face of signs of exploitation may prove counterproductive. Aired and discussed, mistrust could be superseded, or the collaboration could be responsibly terminated.

Our study is consistent with the work of Grubbs (2000), who stated that the new generation of public administrators will have to find creative and collaborative ways to deal with the new public management model. More specifically, health care systems, confronted with rising public demand for services, could enlist available public and social service systems to comply with their professed duty and better serve their consumers.

Notes

1. Overall, 45 questions dealt with general and specific aspects of the project and the collaboration process.
2. To follow the ethics committee's stipulations, we do not identify them by name.
3. Samples in qualitative research are typically small (Hill, Thompson, & Williams, 1997) and vary across studies, and each participant has great importance in the analysis. Choosing the appropriate interviewees is extremely important. As Morrow (2005) suggested, the "numbers alone have little to do with the quality or adequacy of qualitative data" (p. 255). Hill et al. (1997) recommended including at least eight to 15 participants as a sufficient sample; "using much larger samples is unrealistic" (p. 532), according to these authors. Also, "far more important than sample size are sampling procedures; quality, length, and depth of interview data; and variety of evidence" (Morrow, 2005, p. 255). In our case, all managers of the project were interviewees ($N=11$).
4. Several methods have been reviewed in the literature concerning technical approaches to data analysis, all of which were accepted by different researchers and sometimes complement one another (Denzin & Lincoln, 1994).
5. Three years earlier, a certain NPO joined social public health municipal services to establish a team for proper evaluation and early intervention with preschool children at risk in some mother-child clinics in communities of low socioeconomic status. The project goal was developmental diagnosis and treatment by health funds, as obligated by law. The municipality brought the integrated project under the purview of a steering committee directed by the chairperson of the municipal health committee. In Israel, the mother-child clinic system is governmentally funded, supplies necessary preventive medical care, and covers health issues for 90% of children in their first year of life. Nurses refer identified children to pediatricians assigned by the municipal hospital.

Further assessment requires referral to pediatricians at HFs and then, if needed, to a CDI. Hence, three pediatric teams are involved in the full developmental and mental assessment, with a complicated process involving waiting lists and paying compulsory out-of-pocket fees.

6. The initiator and former co-director of the project, representing the NPO, also had a separate and different function in the HF that placed him under the subordination of the HF's director. Therefore, he stepped aside from any operational role, and a separate HF child mental health director was assigned to the position.
7. We examined these characteristics in the eye of the beholder within a specific context, while participants were acting and defined according to their organization's culture and agenda.
8. The "health basket" is defined as a set of services, activities, and goods that is considered to be essential and thus within the scope of reimbursement or direct service delivery (Velasco-Garrido, 2006).

Disclosure Statement

The authors declare that there are no conflicts of interest that relate to the research, authorship, or publication of this article.

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Author Biographies

Vered Reiter is the director of clinical outcome quantification and evaluation research and director of quality and risk evaluation at the Association for Children at Risk (Registered Association), Israel. Her research and additional public activity focus on public administration and health policies concerning public and nonprofit institutional collaborations.

Shay S. Tzafrir is an associate professor and head of the Business Administration Department at the University of Haifa. He received his Ph.D. and M.Sc. in behavioral science from the Technion – Israel Institute of Technology. He also earned a B.A. and M.A. in political science, as well as LLB, from the University of Haifa. His current research interest includes the role trust plays in various organizational factors such as strategic human resource management, organizational performance, and service quality. His articles have been published in journals such as *Human Resource Management*, *Human Resources Management Review*, *International Journal of Human Resource Management*, *Industrial Relations*, *Journal of Organizational and Occupational Psychology*, *Journal of Business Ethics*, *Organizational Studies*, and others.

Nathaniel Laor is director of research and clinical affairs at Donald J. Cohen & Irving B. Harris Resilience Center at the Association for Children at Risk, Israel. He is chair of the department of medical education and professor in the department of psychiatry, Sackler Faculty of Medicine, and department of philosophy, Lester and Sally Entin Faculty of the Humanities, Tel Aviv University, Israel, and clinical professor, Child Study Center, Yale University, USA. His research and public activity focus on public and nonprofit mental health policy planning and implementation; systemic response and development during disasters, war, and terrorism; and theoretical and applied philosophy of diagnostic systems for design in healthcare education and administration.

Appendix

Table A1. Characteristics of Participants

No.	Organization	Job Title	Education	Gender
1	HF	Director	Nurse, Ph.D.	F
2	HF	Medical director	M.D.	M
3	HF	Vice medical director	M.D.	M
4	Hospital	Director, Developmental Pediatrician Department	Ph.D., M.D.	M
5	Hospital	Doctor, Developmental Pediatrician Department; project representative	M.D.	F
6	NPO	Medical consultant; child and adolescent psychiatrist	Ph.D., M.D.	M
7	NPO	CEO	LL.B.	F
8	NPO	Child and adolescent psychiatrist; project representative	M.D.	F
9	Municipality	Director, welfare services	Social worker, Ph.D.	M
10	Municipality	Medical director, welfare services	M.D.	M
11	Municipality	Nurse director, welfare services	Nurse, Ph.D.	F

Note: HF=health fund; LL.B.=bachelor of laws; NPO=nonprofit organization.

Table A2. Summary of Findings

Interpersonal Relationship		Systemic Aspects
<u>Personal Characteristics</u>	<u>Managerial Style</u>	
Ego	Personal or hidden interests	Management
Exploitation	Professional dignity	Vagueness
Negative suspicion	Allegiance to political organization	Complex system and readiness
Grudges		Resources
Control		Climate
Transparency and sharing		

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Serving Others at the Expense of Self: The Relationship between Nonprofit CEO Compensation and Performance in Trade and Professional Associations

Marina Saitgalina – Old Dominion University

Andrew A. Bennett – Old Dominion University

Christopher S. Reina – Virginia Commonwealth University

Joseph E. Coombs – Virginia Commonwealth University

This paper investigates the organizational importance of relative CEO compensation in trade associations and professional societies. It is known that there is variation in how much pay is tied to performance in different subcategories of nonprofit organizations. However, instead of looking at how performance affects pay, we investigate how CEO compensation affects organization performance when CEOs are aware of their peer compensation and are able to influence their own. We hypothesized that CEOs who knowingly earn less will be associated with both greater financial and nonfinancial organizational performance. This altruistic perspective draws on theories from leadership and psychology rather than the more typical agency perspective and focuses on the alignment between CEO and stakeholders in a nonprofit setting. We find strong support for the relationship between lower relative CEO compensation and organization performance, while results for the moderating effect of organizational size are mixed.

Keywords: Nonprofit Organizations, Executive Compensation, CEO Compensation

Citizens and lawmakers are increasingly concerned about the growing pay gap between chief executive officers (CEOs) and employees in developed nations (Hodgson, 2015; Pinsker, 2016). As evidence of this growing concern, new regulations in 2016 require public companies in the United States to publish the ratio of CEO compensation relative to the company's average employee compensation (Dodd-Frank Act, 2010). Similar concerns regarding CEO pay are also evident within the nonprofit sector, where excessive compensation is generally frowned upon (Parker, 2013). Given that charitable organizations have a mission to serve the public instead of generating a monetary profit for its shareholders, which confers a tax-exempt status (Internal Revenue Service, IRS; 2017), exorbitant nonprofit CEO salaries may be seen as particularly

egregious. As such, some states are considering limits on nonprofit CEO salaries (Meiksins, 2013).

Arguably, nonprofit CEO compensation is subject to different rules than corporate CEO compensation due to a nondistribution constraint. As one of the tax-exemption requirements, the nondistribution constraint legally bars nonprofits from distributing any excess earnings to those in control of the organization (IRS, 2017). This highlights that the predictors of nonprofit CEO compensation may be different than those for for-profit CEO compensation, although common factors such as market size, organizational scope, number of employees, and annual budget all likely still play a role in determining nonprofit CEO compensation levels (Grasse, Davis, & Ihrke, 2014; Hallock, 2002; Frumkin & Keating, 2010; Newton, 2015). Interestingly, some nonprofit hospitals in the United States tie their CEO compensations to turnover and financial performance indicators (Brickley & Van Horn, 2002), and research on CEO compensation in art and education organizations has demonstrated a positive relationship on organization's performance (Carroll, Hughes, & Luksetich, 2005).

The ongoing conversations about CEO pay and organizational performance in nonprofit organizations are also a result of the pressure to become more effective and efficient, where both lower relative pay and higher relative performance foster a reputation of a good steward of public money. This strategy can also be used intentionally to boost an organization's public profile, improve internal employee motivation, or as a sign of dedication to the mission and the sector. And considering that nonprofits are limited in the number of instruments to affect performance compared with their for-profit counterparts (i.e., nonprofits cannot pay dividends), the issue of how CEO pay affects organizational performance may be especially salient for a broad array of stakeholders. In addition, given the existence of current high-profile examples of corporate CEOs reducing their compensation to increase employee salaries (Isidore, 2015) or to boost firm performance (MacMillan, 2013), we question whether this also happens in the nonprofit sector. Regardless of the distribution constraint, there seems to be a link between CEO compensation and organizational performance in nonprofit organizations. Furthermore, considering the diversity of the nonprofit sector and how it operates, one can expect a certain level of variation in nonprofit compensation incentives (Newton, 2015).

Reflecting on this, we were intrigued by the question as to whether some CEOs knowingly (and on purpose) earn less than their peers. If so, does this have an impact on organizational performance? While there is a plethora of factors that *predict* nonprofit CEO compensation, what has been explored less is the *impact* that nonprofit CEO compensation has on organizational performance. Thus, this paper investigates the impact of CEO compensation on organizational performance in a subsector of mutual benefit/membership nonprofits. This type of nonprofit organization consists of trade and business leagues, professional associations, and membership societies that serve the interests of a specific industry or profession and provide benefits to dues-paying members (Reilly, Hull, & Braig Allen, 2003). Theoretically, mutual benefit organizations are organized for the self-interest of their members. Some describe this type of nonprofit as bordering nonprofit and for-profit sectors, in which commercial and nonprofit activities are combined to meet client or member demands (Fine, Ropa, & Jay, 2008).

However, these organizations benefit society by promoting good citizenship in industry and commerce. It is represented through activities such as the establishment of professional standards and performance, certification and licensing, ethical guidance and codes of conduct, professional service values advocacy, and research and knowledge creation, all of which will result in higher public safety outcomes. The role of serving the public provides a rationale for their nonprofit exemptions. Therefore, the broad benefits to the public are found in the

professional membership association's mission to strengthen the profession, and the narrow functions they serve are reflected in membership benefits.

Most research on professional associations focused on the membership side of organizational activities, such as joining, volunteering, and retention (Gazley, 2013; Bauman, 2008), whereas a lot less is known about management and governance of these organizations. Haynes and Gazley (2011) noted that the lack of empirical research in the context of professional membership associations have set back the knowledge expansion about this subfield of nonprofit organizations, where most research is focused around traditional charitable types of nonprofits. Thus, studying professional membership associations, which reside at the intersection of the sectors, provides a fruitful and unexplored area of scholarly research.

This research expands knowledge about organizations that are not a usual part of the core of research in the nonprofit sector and contributes to the literature in three primary ways. First, we focus on relative CEO compensation, using a framework drawing from social comparison and servant leadership rather than agency theory, a comparison still under discussion in the nonprofit sector (e.g., Van Puyveldeet, Caers, Du Bois, & Jegers, 2016). Second, we examine a sample of CEOs who have access to peer compensation data, a feature of our study that has not been available in previous studies. Third, we utilize both financial and nonfinancial performance measures to address multiple outcomes valued by nonprofits. We begin with a literature review of CEO compensation and performance and then draw from social comparison and servant leadership literatures to develop and test six hypotheses concerning the relationship between CEO relative compensation and nonprofit performance.

Literature Review

Considering complexities accompanying typical nonprofits, such as nondistribution constraint and hard-to-measure performance indicators, one would expect a limited effect of compensation on performance (Oster, 1998). From a number of studies looking at the effects of compensation on performance, Carroll, Hughes, and Luksetich (2005) found that, while performance increases as executive compensation increases in larger organizations, the inverse is true in smaller organizations. Similarly, Frumkin and Keating (2010) found that nonprofit CEOs compensation is comparable with other similar-sized organizations, implying that executive salaries depend upon the organization's size and suggesting that nondistribution constraint is not strictly enforced.

Given the varying conclusions about the pay-performance relationship, Grasse et al. (2014) inferred that different types of nonprofits may be sensitive to different measures of performance. On the one hand, Baber, Daniel, and Roberts (2002) noted that, despite the fact that performance oftentimes is difficult to quantify, they found a positive correlation between program spending and managers' compensation in a sample of charitable organizations in Maryland, assuming that managers are rewarded for increases in direct program spending. On the other hand, Newton (2015) found a significantly negative relationship between CEO-to-employee relative pay and multiple measures of nonprofit performance (i.e., program spending ratio) in a sample of large charitable nonprofits. Overall, we see a sector that may be rewarding one measure of performance (i.e., funding directed toward programs) but may be ignoring other indicators.

Nonprofit Performance

Measuring organizational performance can be more difficult with nonprofit research, as outcomes such as return on assets (ROA), return on equity (ROE), or other financial measures are not readily available or applicable. One major concern with assessing financial performance is that different measures are used in research, making it difficult to compare financial performance outcomes across studies (see Ritchie & Kolodinsky, 2003, for review). An additional concern regarding nonprofit performance is that performance is often reported by board members and therefore does not represent an objective measure comparable to objective measures commonly found in strategic management research (Brown, 2005). This problem becomes even more pronounced when outcomes used by the board or CEO are unique to the organization because the relationship to financial performance is unclear (Zimmermann & Stevens, 2006). Even if objective performance measures were available and comparable across organizations, Kaplan (2001) argues that financial measures “are not sufficient to motivate and evaluate mission accomplishments” (p. 353). Thus, it makes sense that organizations that exist to serve the public good must also consider nonfinancial measures of organizational performance.

In order to capture organizational performance beyond typical accounting measures, individuals and institutions track how efficiently charitable organizations use their funds (Charity Navigator, 2012; Kistruck, Qureshi, & Beamish, 2013). These efficiency measures are a comparison of the money used to serve constituents in relation to the administrative expenses used to run the organization. Nonetheless, these efficiency measures do not tell the entire story. Mitchell (2013) found that nonprofit managers considered goal attainment as even more important than financial effectiveness or efficiency. Miller (2002) suggests some relevant measures to assess nonprofit organization goal attainment include volunteer service (i.e., hours or number of unique volunteers), membership growth, or the amount of money donated rather than revenue. Given this past research and the practical knowledge that nonprofit organizations differ in important ways from for-profit entities, our study aims to build upon research in the nonprofit sector by including multiple measures of performance, namely, both *financial* efficiency as well as a *nonfinancial* measure of the number of individuals served during the year. We believe this dual approach to measuring organizational performance most effectively incorporates a nonprofit CEO’s emphasis on both improving organizational outcomes and benefiting individuals the organization serves.

Theoretical Development

Agency theory, which unravels relationships in which one party determines the work to be done while another party performs that work, has typically been used when examining the relationship between CEO compensation and organizational performance (Eisenhardt, 1989). However, agency theory does not explain well the intricacies of the role of the board of directors in monitoring the CEO in the nonprofit setting (Cumberland, Kerrick, D’Mello, & Petrosko, 2015). One limitation of using agency theory to understand nonprofit leadership is that it does not adequately focus on the desire to help a broad array of stakeholders and to benefit the community (Pepper & Gore, 2015). A second limitation is that agency theory does not take into account reasons why nonprofit leaders may sacrifice their own well-being (Dempsey & Sanders, 2010). Olson (2000) proposed that, although there is some support for agency theory in a nonprofit setting, other psychological factors play an important role in understanding these relationships.

We suggest that servant leadership theory and social comparison theory can help shed some light on these limitations, and thus we utilize these two theoretical frameworks to better understand nonprofit CEO compensation and explain why a nonprofit CEO may knowingly work for lower compensation than his/her peers. This contributes to the nonprofit and management literature by responding to the call for alternative theoretical paradigms that explore how people engage in both self-sacrificing and self-serving behaviors as well as how these behaviors have an impact on organizations (Krause, Semadeni, & Cannella, 2014).

Serving Others Before Self

Servant leaders focus on follower empowerment and growth primarily through meeting followers' needs (Liden, Wayne, Zhao, & Henderson, 2008; van Dierendonck, 2010). Servant leaders are unique in that, instead of the typical top-down approach to leadership, which mirrors a pyramid structure (i.e., one leader at the top being served by multiple followers), servant leadership flips the pyramid upside down such that the leader "serves" organizational members (Greenleaf, 1977; van Dierendonck, 2010). Nonprofit and public service leadership requires motivation toward doing good for the community and willingness to mobilize and build social capital to achieve the social mission of the organization (King, 2004; Quarter & Richmond, 2001), which mirrors servant leader motivation to *serve* others. Such leaders are intrinsically motivated to carry out their work rather than motivated by extrinsic means, and have a strong overlap between the organization's social mission and their personal values and goals (Perry, Hondeghe, & Wise, 2010; Wright, Moynihan, & Pandey, 2012). Given that nonprofit CEOs are motivated by intrinsic factors and by achieving a social mission, we suggest that it is more likely that these CEOs will be less concerned with their pay relative to their peers at other organizations. According to past research, these servant leaders will be concerned with promoting high procedural justice climates in their organizations (Ehrhart, 2004), which means that their compensation should be in line with what the organization can pay according to its unique attributes. In addition, servant leaders sacrifice extrinsic gain for the benefit of others (Conger & Kanungo, 1994; Liden, et al., 2008).

Comparing Others With Self

Social comparison theory states that individuals assess their own abilities and potential relative to others (Festinger, 1954). Comparison with others provides a necessary benchmark that allows people to make judgments about themselves on various attributes, and it also allows one to estimate his or her own likelihood of success or ability to accomplish something, such as learning a new skill or changing careers. The motivation for comparison, however, is not to significantly outperform others but ultimately to achieve relative uniformity with others by being only slightly better (Festinger, 1954). The theory has been extended to explain such phenomena as an increase in individual charitable contributions during a fundraising campaign when the level of donations of others was known (Shang & Croson, 2006), an increase in firm performance at low pay disparity levels (Ridge, Aime, & White, 2015), and the degree of sensitivity between pay and performance within firms (Gartenberg & Wulf, 2017).

Hypotheses

Previous examinations of the relationship between relative CEO compensation and organizational performance have found mixed results (Frumkin & Keating, 2010; Grasse, Davis, & Ihrke, 2014; Carroll, Hughes, & Luksetich, 2005). We believe this may be because these studies typically use a "market worth" variable comprised of multiple inputs such as

organizational performance. One potential concern with this methodological approach of creating a “market worth” variable is that a CEO will use a peer group of similar organizations rather than an arbitrary variable created by scholars. Empirical evidence supports this claim, finding that nonprofit CEO compensation is more strongly predicted by CEO compensation of similar-sized organizations than by organizational performance (Frumkin & Keating, 2010). A second potential concern is that researchers have largely focused on the negative aspects of compensation inequality (Devers, Cannella, Reilly, & Yoder, 2007; Pfeffer & Langton, 1993) without discussing possible positive aspects of this inequality. Specifically, while past research has shown that social information like external comparisons can influence leader self-interested behaviors in the for-profit world (Rus, van Knippenberg, & Wisse, 2010), we suggest that this might not occur in a nonprofit environment. In fact, we go one step farther to consider whether the opposite may be true for nonprofits, namely, that the use of social information can lead to *unselfish* behavior. This unselfish behavior “Communicates the relatively unambiguous message that the leader has a progrouop orientation” (van Knippenberg & van Knippenberg, 2005, p. 26). Thus, we consider the possibility that a CEO is willing to accept unequal compensation relative to actual peers to positively influence organizational performance.

Financial and Nonfinancial Performance

Nonprofit performance is a multifaceted concept. The absence of sole focus on the bottom line uniquely positions nonprofits to achieve multiple and complex goals. Thus, their performance can best be captured by a variety of measurements. Although there is no consensus as to what those measures are, conventionally accepted dimensions of nonprofit performance are financial (e.g., revenue diversification, overhead cost, and cost savings) and nonfinancial measures (e.g., number of clients served, number of volunteers participated, and satisfaction levels), where financial and nonfinancial categories are complementary rather than mutually exclusive (Pandey, Kim, & Pandey, 2017). Boateng, Akamavi, and Ndoro (2016) indicated that a more accurate representation of nonprofit performance is achieved by using a combination of factors. In this vein, we are utilizing two measures of nonprofit performance—financial and nonfinancial—to capture the distinct multidimensionality of the nonprofit sector.

According to previous work by Strachan and Myslewski (1997), looking specifically at professional associations, the strategy to determine executive compensation should include consideration of three components: the business environment (e.g., levels of competition and general directions of the market), culture and management philosophy (e.g., external pressures of efficiency and effectiveness), and compensation philosophy (e.g., comparative pay levels across associations). From this standpoint, which aligns with social comparison theory, an organization will try to perform comparatively better to improve organizational status in the competitive market. And, according to servant leadership theory, accepting a lower compensation can be a motivational strategy for a CEO to encourage higher performance in a culture that values its employees by minimizing the pay difference.

Hypothesis₁: Lower CEO compensation relative to peer CEOs will be related to higher nonfinancial organizational performance.

Hypothesis₂: Lower CEO compensation relative to peer CEOs will be related to higher financial organizational performance.

Organizational Size as a Moderator

We propose that organizational size moderates the relationship between relative CEO compensation and organizational performance. Considering that organizational size greatly impacts the relationship between relative CEO compensation and organizational performance (Brown, 2005), we test four total hypotheses that investigate how organizational size can alter the relationships found in Hypotheses 1 and 2. We test these hypotheses utilizing two distinct measures that account for a nonprofit organization's size (i.e., organization's annual budget and number of full-time employees), and we discuss each of these in greater detail in the methodology section.

We propose that the relationship between nonprofit CEO compensation and organizational performance will depend on organizational size. Smaller organizations must contend with the liabilities of smallness (Aldrich & Auster, 1986), which increases the difficulty of raising financial capital and acquiring critical human and social capital relative to their larger, more established counterparts. For smaller organizations, these resources are difficult to acquire because external stakeholders such as customers, suppliers, employees, and investors tend to prefer interacting with larger firms because their reliability and legitimacy are well established (Hannan & Freeman, 1984; Stinchcombe, 1965; Stuart, 2000). As a result, CEOs of smaller firms must be highly involved with the organization's day-to-day operations as resources are less available to hire additional staff with which to share decision-making responsibilities. CEO actions and decision-making in smaller organizations are therefore more closely associated with performance outcomes than in larger firms with a decentralized decision-making structure. In addition to CEOs being more involved with decision-making in small firms, they also may have fewer resources available to be dedicated to executive compensation that can be used to attract stakeholders. For example, Barnes, Harikumar, and Roth (2006) reported that, for smaller organizations, founder CEOs accept less compensation to avoid harming relationships with external stakeholders. As a result, we would expect smaller organizations to benefit more from lower CEO compensation because CEOs are more involved in day-to-day decision-making, and financial capital not used for compensation may be used to further support the organization's mission (i.e., serving members), which ultimately improves financial efficiency.

Hypothesis₃: Annual budget moderates the relationship between relative CEO compensation and organizational performance, such that the negative relationship between CEO relative compensation and organizational nonfinancial performance will be stronger in organizations with a smaller annual budget.

Hypothesis₄: Annual budget moderates the relationship between relative CEO compensation and organizational performance, such that the negative relationship between CEO relative compensation and organizational financial performance will be stronger in organizations with a smaller annual budget.

A second reason that organizational size might influence the relationship between relative CEO compensation and performance is that, in smaller organizations, CEOs will likely have a more direct influence on individual employees. In large corporate settings, most members of large organizations rarely come into contact with executives (Mowday & Sutton, 1993), which is likely the exact opposite experience of most employees working in small nonprofit organizations. Thus, the size of the organization has an important effect on employees' daily experiences. For example, we expect that, in smaller organizations, employees have daily contact with the CEO and likely routine contact with the board of directors, which is not likely the case in large nonprofit organizations. For example, as president and CEO of YMCA of Greater Springfield,

James O'S. Morton managed staff and oversaw the YMCA's internal operations and programs on a daily basis, often interacting closely with the YMCA staff and leadership team to accomplish these goals (Bridgespan, 2017). As a smaller nonprofit, being involved in the day-to-day operations as well as being responsible for setting the strategic direction all fell under his responsibility. We thus suggest that the number of employees can be used as a proxy to indicate firm size. Due to the tight-knit nature of small organizations, we suggest that employees may be more likely to be aware that their CEO is being paid less than other nonprofit CEOs of similarly sized organizations and argue that, given this knowledge, they will be inspired to work hard, improve financial efficiency, and ultimately serve more stakeholders, which leads to better organizational performance. Therefore, we propose:

Hypothesis₅: The number of employees moderates the relationship between relative CEO compensation and organizational performance, such that the negative relationship between CEO relative compensation and organizational nonfinancial performance will be stronger in organizations with fewer employees.

Hypothesis₆: The number of employees moderates the relationship between relative CEO compensation and organizational performance, such that the negative relationship between CEO relative compensation and organizational financial performance will be stronger in organizations with fewer employees.

Methodology

Sample

The sample for this study is drawn from the American Society of Association Executives' (ASAE) 2010 Association Executive Compensation Benefits Survey. The ASAE represents over 7,400 trade associations, individual membership societies, and voluntary organizations across the world (ASAE, 2017). Although trade associations can be incorporated under various tax-exempt designations, this paper narrows the focus to "public serving" 501(c)(3) organizations, which are also precluded from distributing any financial surpluses "to those who control the use of organizational assets" (Powell & Steinberg, 2006, p. 1). The 2010 survey included data on 1,262 organizations of which 290 were 501(c)(3) organizations. In these organizations, CEOs are responsible for "governance, change management, staff performance, and the organization's progress toward success" (ASAE, 2017).

Because the focus of this study is to investigate organizational performance when CEOs know how their compensation compares with that of others, we only use data from organizations that used a compensation consultant or compensation benchmark to determine CEO salary. In other words, we only draw from a sample of organizations in which the CEO would have an accurate understanding of their salary relative to other CEOs. Although some research shows that corporate CEO compensation is higher in firms when compensation data or consultants are used (Murphy & Sandino, 2010), nonprofit CEOs may use their influence to be paid less than their market value. This objective measure comparing relative salary is preferred over self-reported comparisons because it is more resistant to social desirable responding (Tomassetti, Dalal, & Kaplan, 2016). After removing cases with missing data, our final sample is 154 organizations.

Dependent Variables

Efficiency and the number of members served by the organization are the two outcomes of interest in our study. Consistent with Kistruck et al. (2013), *efficiency* is measured as organization expenditures specific to their charitable programs divided by total organization expenditures. Three survey questions were used to construct this variable, of which two were combined to capture organization nonprogram expenditures and one question to gauge total organization expenditures (see Table A1 in Appendix). Efficiency reflects an organizations' ability to limit administrative and fund-raising expenses while maximizing the amount spent directly on programing (Kistruck et al., 2013).

Our second dependent variable, *individuals served*, reflects the number of individuals served by the organization and thus represents the total number of individuals that benefit from the organization's mission. We measured this using the survey question, "Approximately how many members or individuals are served by your organization (include all membership classes and leave blank, if not applicable)?" As the number of individuals served by the organization is not normally distributed (Kolmogorov-Smirnov and Shapiro-Wilk tests $p < .01$), we used the natural logarithm of individuals served to normalize the distribution.

Independent Variable

The independent variable *CEO base pay ratio* is defined as the ratio of CEO base pay to the average base pay of other ASAE charitable organization CEOs. This compensation measure does not include bonuses or other forms of compensation because 54% of the CEOs had no additional compensation and of those that did report additional compensation, the additional amount was minimal (median \$7,600; mean \$15,710) in comparison with the average base salary, which ranged from \$28,500 to \$271,382 with a median and mean over \$160,000. This measure is similar to the within-sample measure used by Ezzamel and Watson (1998). Rather than empirically estimating a pay anomaly, however, we used a comparison between base compensation and average sample compensation. We operationalized this variable differently than Ezzamel and Watson (1998) because financial performance and board characteristics are unavailable. Further, while CEO referents of small organizations often occupy multiple roles as part of the top management team such as CEO and CFO (Siegel & Hambrick, 2005) or a member of the board of directors (O'Reilly III, Main, & Crystal, 1988), these social comparisons may be inappropriate for some organizations (Gomez-Mejia & Wiseman, 1997) such as 501(c)(3) organizations.

Control Variables

To control for organizational and CEO-level factors that may influence performance, we include control variables for organization budget, size, noncompete agreements, geographic scope, primary operating sector, CEO tenure, and CEO gender. To control for financial resources available to the organization, we included the natural logarithm of *annual budget*, a value that was reported by organizations to the question "What is the total annual budget for your organization (excluding for-profit subsidiary or foundation, if any)?" The natural logarithm of organization employees was used to control for *firm size* effects. It was measured using the question, "How many full-time staff or full-time equivalents (FTE) are employed in your organization (excluding for-profit subsidiary or foundation, if any)?"

Noncompete, captured by the question, "Is there a noncompete clause in a written contract or a non-compete understanding in a more informal arrangement to prevent conflicts of interest

with other organizations?” was also a binary variable where CEOs with formal or informal noncompete agreements were coded as “1” (34%) and CEOs without such agreements were coded as “0” (66%). Noncompete agreements are used to limit employee mobility with the purpose of limiting knowledge transfer to competitors (Marx, Strumsky, & Fleming, 2009). Geographic scope is again a binary variable coded as “1” when the organization operates both within the United States and in at least one other country and was coded as “0” when the organization operates only in the United States. The majority of organizations (63%) in our sample operate internationally. Geographic scope is included in our analyses because it has been shown to influence CEO compensation (Carpenter, 1998).

We also control for organizations’ primary subject area. The ASAE survey our data are drawn from includes 30 possible subject areas. Many of these subject areas, however, are closely related (e.g., law/government and law enforcement), so we combined categories into the following subsets, which we include in our analyses: *wholesale* (business, wholesale), *manufacturing* (automotive, equipment, raw materials), *construction*, *services* (administration, education, financial, healthcare, hospitality, international, labor, law, law enforcement, real estate, social welfare), *agriculture*, *technology* (architecture/engineering, energy, environment, scientific, telecommunications), and *other* (culture, fraternal/religious, sports). We included these subject areas because researchers have demonstrated that industry may be associated with compensation levels and structure (Gerhart & Milkovich, 1990), and we take these subject areas to be rough proxies for industries.

CEO tenure was measured as the number of years the CEO had held that position in the organization and ranged from under one year to 31 years. We include this as prior research, which has demonstrated that longer tenure may allow CEOs to build their influence within the organization and use that influence to gain a more preferable compensation package (van Essen et al., 2015). Last, we included *CEO gender* because research has demonstrated that female CEOs may be undercompensated relative to men (Mohan & Ruggiero, 2007). CEO gender was coded as “1” if the CEO was male (58%) and “0” if the CEO was female (42%). For the *noncompete* variable, if the data were missing, we coded this as “0” because we assumed that these items signal some level of CEO quality and that organizations would want to report factors associated with CEO quality. If data were missing for any other variable, the case was not included in our analyses.

Results

Ordinary least-squares regression was used to analyze the data. Moderation was tested by creating interaction terms (Baron & Kenny, 1986), and we centered interaction terms following suggested best practices (Aguinis & Gottfredson, 2010) to minimize multicollinearity concerns and aid in the interpretation of the results (Aiken & West, 1991). We tested for the presence of multicollinearity in our analyses by examining variance inflation factors (VIF); however, no evidence of multicollinearity was found. Table 1 presents means, standard deviations, and correlations for our data. The average organization in our sample served 14,974 members, had 35 full-time employees, an annual budget of \$1.5 million, and had a financial efficiency score of 0.61 (meaning the average organization spent 61% of their annual budget on programing, and the remaining 39% on administrative costs).

Table 1. Descriptive Statistics

Variables	Mean	S.D.	1	2	3	4	5	6	7	8	9	10	11	12	13	14
1. Individuals Served (LN)	8.06	2.13														
2. Efficiency	0.61	0.15	.30**													
3. Annual Budget (LN)	15.12	1.41	.56**	.25**												
4. Firm Size (LN # employees)	2.70	1.28	.57**	-.05	.86**											
5. Noncompete	0.34	0.47	.02	-.12	.13	.18*										
6. Geographic Scope	4.83	1.97	.49**	.27**	.54**	.43**	.05									
7. Wholesale	0.44	0.50	.32**	.28**	.21**	.14	-.02	.35**								
8. Manufacturing	0.18	0.38	-.48**	-.25**	-.16	-.12	-.08	-.34**	-.41**							
9. Construction	0.01	0.11	-.03	.10	.03	-.01	.04	-.05	-.10	-.05						
10. Services	0.10	0.30	.08	.05	.03	.02	.04	.04	-.29**	-.15	-.04					
11. Agriculture	0.12	0.32	-.17*	-.15	-.22**	-.15	.00	-.10	-.32**	-.17*	-.04	-.12				
12. Technology	0.07	0.26	.00	-.15	-.02	.01	.07	-.08	-.24**	-.13	-.03	-.09	-.10			
13. CEO Tenure	8.63	6.75	.01	-.06	-.03	-.05	-.06	-.10	-.16*	.02	-.09	.12	.00	.22**		
14. CEO Gender	1.48	0.50	-.24**	-.10	-.26**	-.23**	.00	-.13	-.08	-.10	.00	.12	.01	.09	.05	
15. CEO Base Pay Ratio	1.13	0.59	.29**	-.01	.76**	.78**	.14	.40**	.09	.05	.09	.04	-.19*	-.03	.01	-.16

Note. N=154. * p<0.05, ** p<0.01

Table 2. Regression Results for Individuals Served

	Model 1	Model 2	Model 3
Annual Budget	0.02	0.12	0.54**
Firm Size (# of employees)	0.39**	0.54**	0.24 [†]
Noncompete	-0.08	-0.08	-0.09 [†]
Geographic Scope	0.13 [†]	0.15*	0.12 [†]
Wholesale	-0.15	-0.10	-0.07
Manufacturing	-0.55**	-0.46**	-0.43**
Construction	-0.07	-0.04	-0.04
Services	-0.09	-0.05	-0.06
Agriculture	-0.26**	-0.23**	-0.21**
Technology	-0.13 [†]	-0.11	-0.10
CEO Tenure	0.06	0.08	0.06
CEO Gender	-0.18**	-0.16**	-0.14*
CEO Base Pay Ratio		-0.30**	-0.34**
CEO Base Pay Ratio x Annual Budget			0.72**
CEO Base Pay Ratio x Firm Size			-0.72**
F	16.99**	17.46**	16.67**
R ²	0.59	0.62	0.64
Adj- R ²	0.56	0.58	0.61
N	154	154	154

Note. Standardized regression coefficients. All results are two-tailed. [†]p<0.10, *p<0.05, **p<0.01

All six models were statistically significant and accounted for 36% to 60% of unexplained variance. Hypotheses 1 and 2 proposed that CEOs with less compensation than their peers will have a positive relationship with organizational performance. Results for the dependent variable *individuals served* are presented in Table 2, while results for the dependent variable *efficiency* are shown in Table 3. In Model 1 (Tables 2 and 3), we enter our control variables. In Model 2 (Tables 2 and 3), we introduce our independent variable CEO base pay ratio. In Table 2, the coefficient relating CEO base pay ratio to individuals served is negative and statistically significant. This means that the number of individuals served is higher when CEO relative pay is lower, supporting Hypothesis 1. Table 3 shows that the coefficient for CEO base pay ratio is negative but not statistically significant for financial efficiency, thus rejecting Hypothesis 2.

Hypotheses 3 and 4 proposed that the organization's annual budget would moderate the relationship between CEO relative pay and organizational performance such that the relationship would be stronger for organizations with a smaller annual budget. In Model 3 (Table 2), the relationship between this interaction (CEO base pay ratio and annual budget) and individuals served is positive and statistically significant. This interaction is more clearly seen in Figure 1, which shows that, in an organization with a smaller annual budget, having a CEO with lower relative pay is related to higher organizational performance, as measured by the number of individuals served. Thus, Hypothesis 3 is supported. Results for the relationship between this interaction (CEO base pay ratio and annual budget) and financial efficiency are shown in Model 3 (Table 3). This regression coefficient is positive and statistically significant. Figure 2 shows this interaction. CEOs with higher relative pay have lower financial efficiency when their organization has a smaller annual budget, supporting Hypothesis 4.

Figure 1. Interaction Between CEO Relative Pay and Annual Budget on Individuals Served

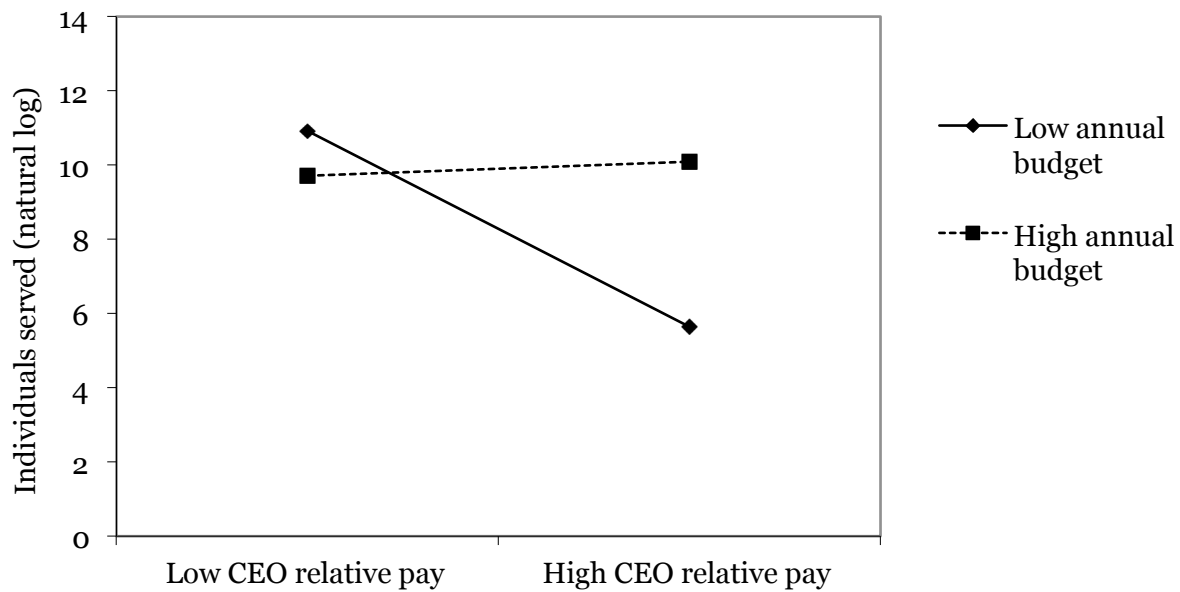


Figure 2. Interaction Between CEO Relative Pay and Annual Budget on Financial Efficiency

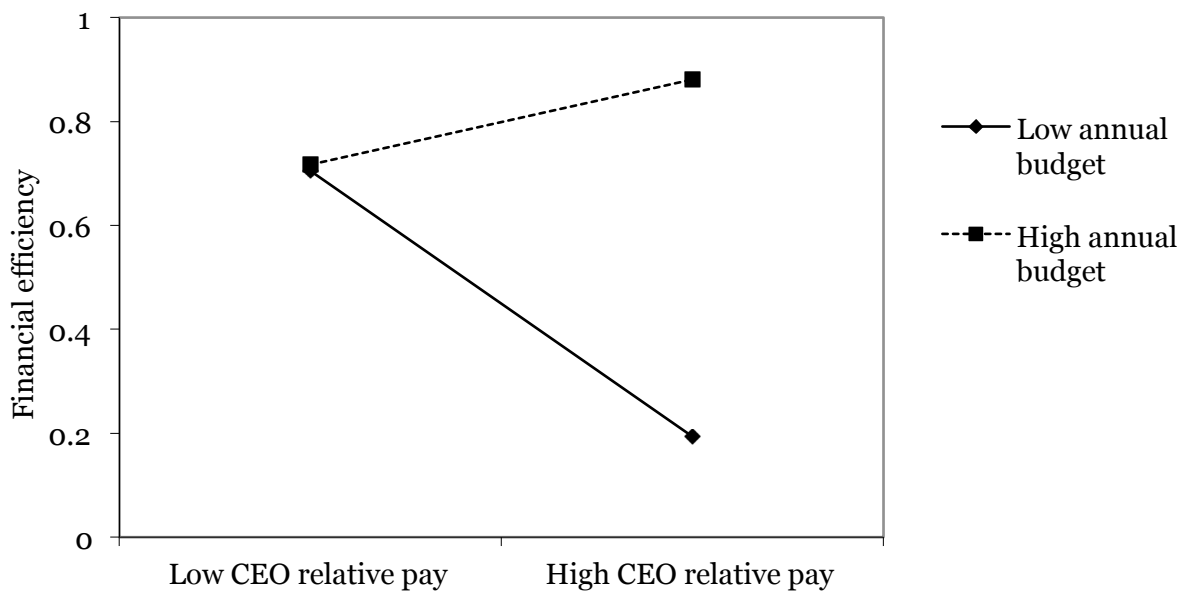


Table 3. Regression Results for Financial Efficiency

	Model 1	Model 2	Model 3
Annual Budget	0.91**	0.96**	1.69**
Firm Size (# of employees)	-0.91**	-0.84**	-1.35**
Noncompete	-0.10	-0.10	-0.10
Geographic Scope	0.05	0.06	0.06
Wholesale	0.00	0.02	0.03
Manufacturing	-0.25*	-0.21 [†]	-0.16
Construction	0.05	0.06	0.06
Services	-0.01	0.00	-0.02
Agriculture	-0.14	-0.13	-0.12
Technology	-0.14	-0.13	-0.10
CEO Tenure	-0.03	-0.02	-0.04
CEO Gender	-0.07	-0.06	-0.05
CEO Base Pay Ratio		-0.13	-0.35**
CEO Base Pay Ratio x Annual Budget			1.26**
CEO Base Pay Ratio x Firm Size			-1.05**
F	8.25**	7.71**	9.20**
R ²	0.41	0.42	0.50
Adj- R ²	0.36	0.36	0.45
N	154	154	154

Note. Standardized regression coefficients. All results are two-tailed. [†]p<0.10, *p<0.05, **p<0.01

In Hypotheses 5 and 6, firm size (as measured by the number of full-time employees) is proposed to moderate the relationship between CEO relative pay and organizational performance such that the relationship will be stronger for smaller organizations. The interaction term in Model 3 (Table 2) is negative and statistically significant. Figure 3 shows that this interaction between CEO pay ratio and organizational size is rather complex. When the organization is larger (more employees), CEOs with a higher pay ratio lead firms that serve fewer individuals. However, when the organization is smaller, CEOs with a higher pay ratio have higher performance, as measured by the numbers of individuals served. Thus, Hypothesis 5 is not supported. In Model 3 (Table 3), the regression coefficient for this interaction (CEO pay ratio and firm size) predicting financial efficiency is negative and statistically significant. The interaction plot in Figure 4 shows that financial efficiency is lower when CEO pay is higher in larger firms. However, financial efficiency is higher when CEO pay is higher in smaller firms. Thus, Hypothesis 6 is not supported.

In addition to our hypothesized relationships, a few interesting relationships were observed with the control variables. First, in the models with the dependent variable *individuals served*, manufacturing and agricultural industries demonstrated significantly negative relationships in all three models, possibly suggesting that trade and professional associations in both industries tend to have smaller memberships. However, this association becomes insignificant when interacting variables of organization's size and base pay are introduced in Model 3. Geographic scope has a positive but weaker effect, implying that membership grows with geographic expansion. Even more interesting is the effect of the CEO gender on individuals served. The results suggest that female CEOs positively affect membership numbers. Regression results on *efficiency* do not support the same conclusions. Manufacturing has the same negative (but much weaker) effect on efficiency of organizations, and other control variables do not reach statistical significance to warrant similar conclusions.

Figure 3. Interaction Between CEO Relative Pay and Firm Size on Individuals Served

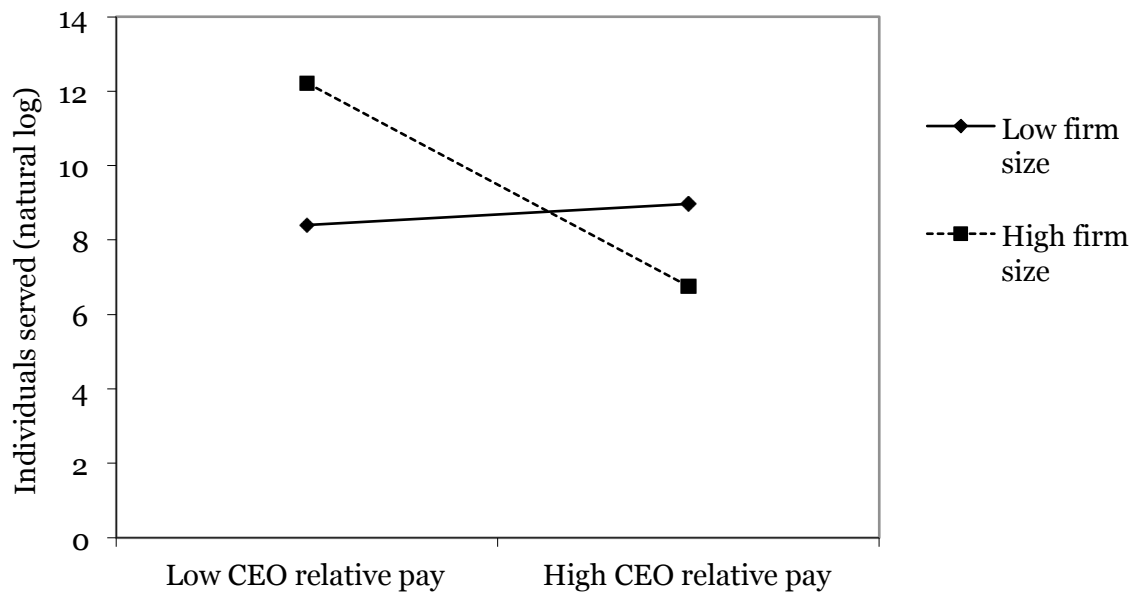
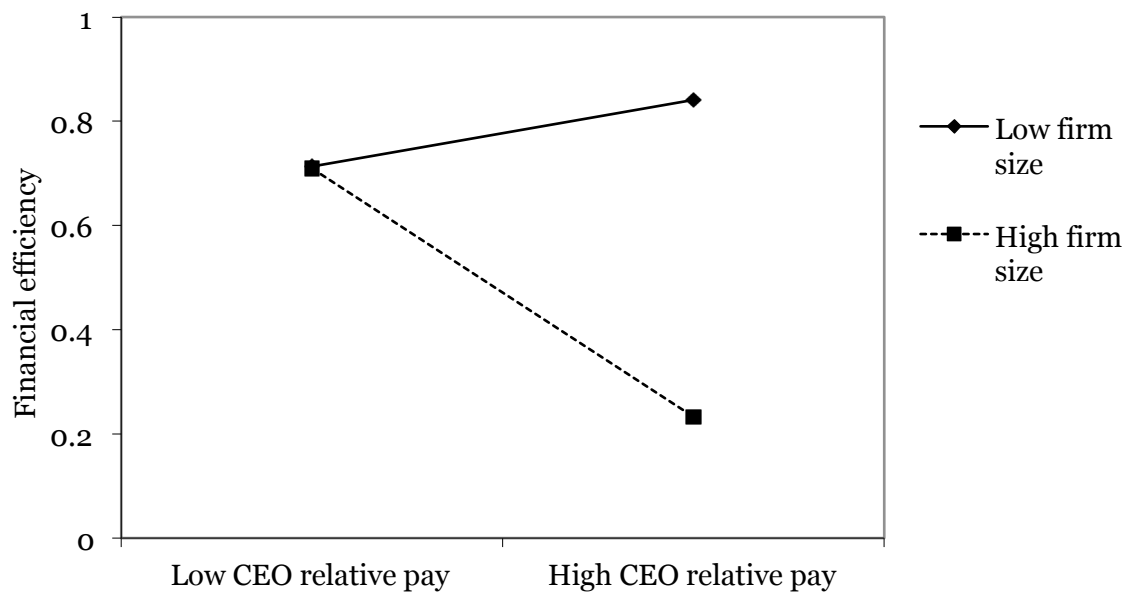


Figure 4. Interaction Between CEO Relative Pay and Firm Size on Efficiency



Discussion

Using a sample of 501(c)(3) trade and membership associations, this research examined the relationship between executive compensation and organizational performance from the perspective of CEO social comparisons rather than the more typical agency theory. Although trade associations and scientific societies do not constitute the core of charitable nonprofits one typically thinks of when talking about the nonprofit sector, these organizations provide important public benefit directly or indirectly through educating the public about advances in their respective fields, often setting ethical and safety standards.

Our purpose was to examine how nonprofit CEOs who know they earn less than their peers may influence organizational performance. Our empirical results confirm that CEO relative pay influences two measures of organizational performance, i.e., the number of individuals served by the organization (*nonfinancial* performance) and organization efficiency (*financial* performance). While it makes intuitive sense that an organization's financial performance would improve if a CEO were paid less, our finding that CEOs who earn less than their peers might lead organizations to higher levels of nonfinancial performance was more intriguing. It seems that servant leadership does explain these results better than agency theory would, even in not "purely" charitable nonprofits. This finding is important because trade associations and professional societies are commonly considered to embody the values of the for-profit industries they serve. However, as our study showed, professional associations also embrace the more traditional values of the nonprofit sector, such as stewardship and accountability, so that the opposite of conventional wisdom can be true. Our results show that the pay-performance relationship in trade associations resembles socially oriented nonprofits, like art organizations and libraries, more so than revenue-driven hospitals and insurance organizations. On the other hand, our findings can also be interpreted using social comparison theory, where lower compensation levels can be used as a strategy to compete with others for a more favored and positive organizational image in the market.

We also demonstrated that contextual factors of firm size (measured as both annual budget and number of full-time employees) can influence this relationship. Our results were in line with past research suggesting that different subsectors of the nonprofit sector yield different patterns of behavior. However, even more nuanced differences can be observed when looking at organizational size. Trade and professional associations with larger annual budgets and smaller staff size react to a change in relative CEO pay by increasing their organizational performance and financial efficiency if CEO pay ratio is lower. As a result, these nonprofit associations seem to react in a more *selfless* manner than associations with smaller annual budget and larger staff. Conversely, associations that are smaller in annual budgets but larger in staff size serve fewer stakeholders and are less efficient when relative CEO's pay is comparatively higher. Organizations with a bigger staff size routinely will have larger overhead, so the negative association with financial efficiency is not surprising. However, the fact that organizations with larger staff also serve comparatively fewer individuals is counterintuitive and warrants further investigation. One possible explanation could be that CEOs of such organizations are inefficient with their resources, which manifests itself in their smaller membership size.

Another interesting finding that deserves further attention is that CEO gender was related to an increase in the number of individuals served but not to our measure of financial efficiency. Female CEOs on average serve in smaller nonprofits, and their salaries lag behind their male counterparts even in the nonprofit sector (LeRoux & Langer, 2016), which could possibly skew the relationship with the financial performance measures. Further, the results of the relationship between CEO gender and financial performance are generally mixed, supporting

our inconsistent conclusion (Pillemer, Graham, & Burke, 2014; Peni, 2014). Additional analysis is needed to explain this relationship. However, it can be suggested that female leaders focus their attention on expanding associations' reach, which requires an expansion in overhead resources, such as fundraising, employee salaries, and benefits, and these expenditures do not directly translate into financial efficiency gains.

Our findings also have practical relevance for nonprofit stakeholders, boards of directors, and CEOs. Large nonprofit CEO salary increases in recent decades have piqued public interest (Frydman & Saks, 2010), so much so that the state of New York has placed a salary cap on nonprofits that receive state funding. In light of this, understanding when higher or lower relative CEO compensation can benefit nonprofit performance is important. Specifically, nonprofit CEOs who sacrifice monetary rewards by having a base salary lower than their average peer CEO tend to lead organizations with superior performance, especially if the organization has a smaller annual budget (the mean annual budget in our sample was \$1.5 million).

Considering our findings, we do not suggest that a reduction in CEO compensation of professional associations will result in a direct and immediate increase in organizational financial efficiency and the number of individuals served. As our findings show, these connections are contextual and will also depend on a number of other factors. Further, the common concerns that large nonprofits are becoming more business-like, especially in the area of employee incentives and compensation, do not apply to the subset of professional associations in this study. One potential implication of this finding could be that the managerial compensation issues could be more effectively dealt with if focused on intrinsic, rather than exclusively extrinsic, incentives.

Limitations and Future Research

This study has several limitations, which we hope can provide avenues for future research. First, we used cross-sectional data as opposed to time-series data and utilized regression analysis, meaning that we cannot make claims of causality, and the pattern of results could in fact be in the reverse direction. Unfortunately, time-series data were not available for this study. Second, although we consider our focus on nonprofit rather than for-profit organizations, which is a strength of the paper, we used data from a compensation survey of a specific set of nonprofits, so results may not be generalizable to other types of nonprofit organizations. Relatedly, our analysis did not account for volunteers within each nonprofit, as this data were not available. While we believe that membership organizations may be different from more traditional nonprofits in that they may rely less heavily on volunteers, we assume that variance in volunteers or volunteer hours would alter our outcome variable measuring the number of individuals served. However, recent research finds that, even with for-profit organizations, the type of CEO compensation promotes more socially responsible decisions (Kang, Chiang, Huangthanapan, & Downing, 2015), and CEO identity as a philanthropist also has an impact on corporate philanthropy (Dennis & Buchholtz, 2009). Thus, future research should continue to examine multiple measures of organization performance, such as the number of individuals served or money spent providing a public service. Recent research of nonprofit hospitals finds that higher CEO compensation is related to more subjective performance measures such as patient satisfaction but not more objective performance measures of patient health like mortality rates and readmission rates (Joynt, Le, Orav, & Jha, 2014). Understanding how CEO pay has an impact on nonprofits is especially of interest given recent nonprofit financial scandals, including theft, fraud, and embezzlement (Stevens & Flaherty, 2013). Further examination of the traits, values, and context of organizational power (Williams, 2014) that can

lead to a leader making decisions for the benefit of others rather than the self will also be useful when organizations look to hire a CEO.

Disclosure Statement

The authors declare that there are no conflicts of interest that relate to the research, authorship, or publication of this article.

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Author Biographies

Marina Saitgalina is an assistant professor of nonprofit management at the School of Public Service at Old Dominion University. She holds an MPA degree from the Academy of Public Administration in Russia, and Ph.D. in public administration and management from the University of North Texas. She also held a faculty position at Oakland University, Michigan. Her areas of research include professional membership association management, nonprofit-government collaborations, nonprofit political engagement, capacity building of nonprofits, and volunteerism. Her work has been published in *Administration & Society*, *Public Management Review*, and *International Journal of Volunteer Administration* among others.

Andrew A. Bennett is an assistant professor of management at Old Dominion University. He completed a post-doc at the University of Alabama after earning his Ph.D. from Virginia Commonwealth University, M.A. from Gonzaga University, and B.S. from Clemson University. His research focuses on employee well-being, research methods, and management education. He has also been published in several leading journals, including the *Journal of Applied Psychology*, *Journal of Management*, *Journal of Organizational Behavior*, and *Organizational Research Methods*. In addition, he has worked on projects for multiple Global 2000 companies, the US Army, and national nonprofits as a researcher and consultant.

Christopher S. Reina is an assistant professor in the Department of Management and Entrepreneurship at Virginia Commonwealth University. His research focuses on the intersection of leadership, mindfulness, and emotions in the workplace and how they facilitate employee engagement and organizational performance and well-being. He is especially interested in understanding the impact of mindful leadership on followers and how this translates to customer and patient outcomes. He received his Ph.D. in business administration (management) from the W. P. Carey School of Business at Arizona State University and has corporate experience in leadership training and development as well as sales and marketing in the healthcare industry. He consults and teaches seminars on mindful leadership, negotiation strategies, and managing the emotional space within organizations. His work has been published in *Organization Science*, *The Leadership Quarterly*, *Business Ethics Quarterly*, and *Journal of Leadership and Organizational Studies*.

Joseph E. Coombs is academic director for entrepreneurship and associate professor of management in the School of Business at Virginia Commonwealth University, where he teaches courses in entrepreneurship and strategic management. He received his Ph.D. from Temple University. He has held faculty positions at Rutgers University, James Madison University, the University of Richmond, and Texas A&M University. His research has been published in premier academic journals, including the *Academy of Management Journal*, *Entrepreneurship Theory and Practice*, *Journal of Business Venturing*, *Journal of Engineering and Technology Management*, *Strategic Entrepreneurship Journal*, and *Strategic Management Journal*.

Appendix

Table A1 Survey Items

Variable	Survey item & response choices	Response type/choices
Annual budget / total expenditures	What is the total annual budget for your organization (excluding for-profit subsidiary or foundation, if any)?	Open-ended response
Organization non-program expenditures	Organization expense for the total of base salaries/bonuses/commissions/employer-provided deferred compensation (excluding expense for employee benefits and excluding for-profit subsidiary or foundation, if any)?	Open-ended response
	Total organization expense for employee benefits excluding for-profit subsidiary or foundation, if any?	Open-ended response
Individuals served	Approximately how many members or individuals are served by your organization (include all membership classes and leave blank, if not applicable)?	Open-ended response
Firm size (# of employees)	How many full-time staff or full-time equivalents (FTE) are employed in your organization (excluding for-profit subsidiary or foundation, if any)?	Open-ended response
Noncompete	Is there a non-compete clause in a written contract or a non-compete understanding in a more informal arrangement to prevent conflicts of interest with other organizations?	CEO: Yes No
Geographic scope	Which of the following best describes the scope of the membership or constituency your organization serves? (Check only one)	Local State/Province Regional (multi-state or province) US only US and Canada combined US with some international International

Industry	What is the primary interest/subject area of your organization? (Check only one)	Administration Administration Agriculture Architecture/engineering Automotive Business Construction Culture Education Energy Environment Financial Fraternal/religious Healthcare (physician) Healthcare (nursing) Healthcare (allied health) Healthcare (other) Hospitality International Labor Law Law enforcement Manufacturing (equipment) Manufacturing (raw materials) Real estate Scientific Social welfare Sports Telecommunications Wholesale Other (specify)
CEO tenure	Years in current position	Open-ended response
CEO gender	Gender	CEO: Male Female
CEO base pay	Base salary	Open-ended response

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Can Cities Attract Affordable Housing for Economic Development? The Roles of Growth Management Policies and Urban Political Institutions

Sylvia Gonzalez-Gorman – University of Texas Rio Grande Valley

Sung-Wook Kwon – Texas Tech University

Daehee Bak – Texas Tech University

Sang-Chul Park – Yeungnam University

While economic development and affordable housing are two important goals for city governments, pursuing both values is challenging due to their conflicting policy nature that is not easily harmonized. Cities inherently focus on economic development policies and tend to pay less attention to redistribution policies such as affordable housing. In this study, we examine why cities pursue both economic development and affordable housing simultaneously in spite of the challenge of balancing two contrasting goals. More specifically, we investigate the influence of state growth management policies and urban political institutions on whether cities support affordable housing to promote their key interest of economic development. Results indicate that state growth management policies are a critical factor that assists city governments attempting to pursue affordable housing and economic development simultaneously, while form of government is not significant.

Keywords: Affordable Housing, Economic Development, Growth Management Policies

Economic development and affordable housing are two important areas that have been studied in local and urban administrations. For local policymakers, there has been considerable debate regarding the advantages and disadvantages of economic development and affordable housing policies when considering local policy priorities. The debate makes local policymakers contemplate two potential policy perspectives. On the one hand, cities seek economic development as a basis for local public service provisions (Glaeser, 2013) and competition with neighboring local governments (Baybeck, Berry, & Siegel, 2011; Tiebout, 1956). On the other hand, when cities commit to economic development policies, they typically lack sufficient fiscal resources to invest in social redistributive programs or policies, such as housing provisions for low-income residents (Cowan, 2006; Goetz, 1993; Goetz & Kayser, 1993). Although interlinking economic development and affordable housing is challenging for local policymakers, some local

governments do make efforts to harmonize these seemingly incompatible agendas. For example, affordable housing can serve as a public policy tool used by local officials to stimulate developmental growth as it contributes to local economic development in the form of employment opportunities, improved local infrastructure, and revenue generation (Hsieh & Moretti, 2017; Tibaijuka, 2009).

In this study, we examine what factors help city governments use affordable housing as a tool for enhancing a city's key interest of economic development. More specifically, we focus on the influence of state growth management policies and urban political institutions on a city's provision of affordable housing in conjunction with economic development. Despite the consistent need for economic development and affordable housing, these two arenas are generally considered conflicting and difficult to balance for local governments. One of the responsibilities local governments are tasked with is how best to stimulate local economic growth while at the same time promoting affordable housing for their citizens. This research maintains that the provision of affordable housing is a local policy tool for achieving not only its traditional goal of providing redistributive programs but also encouraging economic development. While previous studies have considered the relationship between economic development and affordable housing incongruous, this research argues that the construction of affordable housing is a viable option for economic development and that cities can simultaneously pursue both goals. We conduct a series of empirical analysis using International City/County Management Association (ICMA) economic development survey data to test the effect of growth management acts and different forms of city government on the likelihood that a city government attracts affordable housing as a means of economic development.

City Policy Types and Priorities

Local governments contend with a multitude of policy priorities. In his seminal book, *City Limits*, Peterson (1981) outlines three policy types that play a key role in influencing city policymaking: developmental, allocational, and redistributive. Although *City Limits* was written over 35 years ago, the practical implications of the typologies outlined are still germane in today's local government and policy environment. Developmental policies are preferred when business leaders and local officials influence the policy process and when competition exists between cities (Peterson, 1981) and regions (Greenstone & Moeretti, 2004; Hansen, Ban, & Huggins, 2003). Economic development is a vital priority for local governments because it stimulates economic growth and increases local revenue, which is essential for the survival and growth of cities (Johnson, 2008; Kline & Moretti, 2013; Porter, 2000). When local governments face constrained budgets and anemic economic conditions, economic development policies assume a new level of significance. As federal and state funding continues to decrease, and economic crisis weakens local economies, local governments are forced to consider alternative economic development approaches as a means to increase revenue sources and stimulate economic growth.

Allocational policies allow local governments to maintain the provision of fundamental services for community members. These policies are necessary to provide basic housekeeping public services such as police and fire protection (Peterson, 1981; Rubin, 1992). As essential provisions, housekeeping services need to be sustained on a daily basis. Allocational policies generally have a neutral fiscal impact on local government budgets and are not considered controversial (Booth, 1988; Peterson, 1981).

Redistributive policies reallocate resources from one segment of society to a more disadvantaged segment (Peterson, 1981). Redistributive policies are social equity policies intended to level the

playing field for members of a community and include issues such as affordable housing and welfare assistance. The need responsiveness model of redistributive spending finds that, in some cases, spending is greater in communities with higher rates of poverty, thus prompting local governments to increase their spending on welfare programs (Chamlin, 1987; Pack, 1998). Because of this, local policymakers attempt to distance themselves from redistributive policies and are less likely to emphasize these types of policies (Brueckner, 2000). Moreover, Craw (2006) in his analysis of local social welfare and the various roles local jurisdictions play finds that local governments allocate very little of their own-source revenues toward redistributive policies. Instead, local governments prefer to coordinate their allocation for redistributive services with their states (Craw, 2006). The salience of this policy type stems from the negative impact it has on local policymakers' ability to pursue their preferred policy goals of economic development (Peterson, 1981). Adding to the salience of reallocating resources, past studies indicate that redistributive policies have been found to lead to less economic growth (Galor & Moav, 2004; Perotti, 1996) and reduced investment (Alesina & Perotti, 1996). Redistributive policies force local policymakers to consider reallocating monies from economic development agendas to social redistributive programs, which may not be well received by wealthy political elites who have more influence than lower-income groups (Stiglitz, 2012).

One critical issue for local governments is how to address the relationship between developmental and redistributive policies, as allocational policies have a neutral nature in the relationships with two other policy types. Regardless of the negative impact redistributive policies have on economic development, a city's interest is in the overall well-being of its citizens; thus, local governments are obligated to consider such policies as well. Cities may be proactive in how they incorporate redistributive policies into their main interest of economic development rather than having the single-minded approach toward economic growth, as Peterson argues.

Economic Development and Affordable Housing

The studies on affordable housing and economic development have typically focused on their incompatibility. The dichotomy in economic development and affordable housing policies coupled with their lack of policy congruency lends to the challenge local policymakers' face. Studies have portrayed the relationship between economic development and affordable housing as paradoxical; that is, the former as a developmental policy considered a positive economic stimulator, and the latter as a redistributive policy having a negative effect on the economy (Logan & Molotch, 1987; Molotch, 1976; Peterson, 1981; Tiebout, 1956). This view is an extension of Tiebout's (1956) public choice theory. This viewpoint argues that cities seek out economic self-interest in an effort to maximize local revenues over expenditures. Tiebout suggests that individuals decide to live in communities where their preferences for public goods are met.

In this research, we approach this incongruent view from an alternative theoretical perspective. We view affordable housing and economic development as having reciprocal roles. Affordable housing may not be as incompatible with economic development as theorized by the conventional approach. Moreover, concerns over the shortage of affordable housing is a pressing concern for many local governments. Thus, economic development in conjunction with affordable housing should be viewed as harmonious options where both policy agendas coexist. This issue is salient, especially due to the devolution of housing authority from the federal government (Graddy & Bostic, 2010) and continued reductions in fiscal support for affordable housing from the federal government, thus resulting in state and local governments taking a leadership role in affordable housing (Sirmans & Macpherson, 2003).

As such, the compatibility between economic development and affordable housing has been addressed in contemporary urban studies. Basolo (2000) suggests that, while cities must decide between economic development “versus” affordable housing, they attempt to pursue a balanced approach. In their examination of California cities with growth management challenges, Lewis and Neiman (2002) maintain that economic development and affordable housing projects are not necessarily incongruent with one another. Using data from mail questionnaires sent to 297 California planning officials, Lewis and Neiman found that 31% of officials required development projects to include some form of affordable housing component. Moreover, 25% of cities in Los Angeles County and 49% of cities in San Francisco Bay County were more likely to require developmental projects containing affordable housing elements (Lewis & Neiman, 2002, p. 34). In another avenue of research, where gentrification, a form of economic restructuring, is viewed as being compatible with affordable housing. Byrne (2003) suggests that gentrification has positive implications for low-income residents and that it is the failure of government and its inability to create affordable housing that creates negative conditions.

Malpezzi and Green (1996), in their national level examination of events transpiring at the bottom of the U.S. housing market, found that municipalities with less stringent economic development policies were able to increase the number of affordable housing units. Similarly, in Oregon, economic development and affordable housing projects include policy instruments that accommodate affordable housing prices, attractive communities, and less regulatory barriers (Nelson, Pendall, Dawkins, & Knapp, 2002). In addition, Oregon reformed its land use policies in the 1980s and created urban growth boundaries, which required local governments to develop affordable housing plans consistent with smart growth plans mandated by the state (Weiss, 2003). In 2004, in response to the affordable housing shortage, the Illinois General Assembly passed the Affordable Housing Planning and Appeal Act (AHPAA), thus placing funding responsibility for affordable housing development on local governments (Golz, 2006). The AHPAA encourages, but does not mandate, developers to reserve rental units at an affordable rate for a minimum 30-year period and home sales for a minimum of 15 years, i.e., local governments are encouraged to seek out and develop affordable housing units (Golz, 2006). In essence, affordable housing programs should be tailored to meet local conditions (Sirmans & Macpherson, 2003), thus creating economic development opportunities that support local government initiatives. When local economic development policies reflect affordable housing concerns, local officials are better able to accommodate both policy priorities. The confluence between economic development and affordable housing emphasizes the point that local officials view both options as necessities to stimulate developmental growth.

Growth Management Policies

Over the past 40 years, state governments have adopted first- and second-generation growth management policies to curtail urban sprawl. Growth management policies have been a response to mounting concerns over rapid population growth and urbanization, which indispensably cause fast land development. Growth management policies help constrain the “encroachment” of undeveloped land (DeGrove, 2005). These policies allow state and local governments to control urban sprawl by establishing growth boundaries and restricting the number of residential development permits approved in a year constricting available land (Anthony, 2006). As such, we define state growth management policies as an attempt by local government to contain the spatial expansion of land development (Paulsen, 2013).

First-generation growth control policies of the 1970s were orientated toward environmental preservation and social responsibility. Bengston, Fletcher, and Nelson (2004) maintain that the environmental movement of the 1970s focused on the social cost related to urban sprawl. As part of the environmental preservation movement, first-generation growth control measures

included restrictions on residential housing construction and zoning requirements (Feiock, 1994; Navarro & Carson, 1991). First-generation policies included the ability of local officials to tax newcomers in cities with growth control measures (Navarro & Carson, 1991). By taxing newcomers, areas operating with growth control measures were not required to subsidize new public infrastructure (i.e., schools, black water systems, and police and fire services) to meet the needs of growing populations. Because a tax was levied against newcomers in a growth control community, first-generation growth management policies were considered exclusionary; newcomers had to either pay the cost of new public infrastructure or reside elsewhere (Navarro & Carson, 1991).

By the 1980s, there was a gradual shift to second-generation growth control policies. Second-generation growth management policies provide a cohesive approach to the economy, environment, and social equity issues rather than simply limiting developmental activities. Second-generation policies rely on market and regulatory tools to manage and redirect development rather than on restricting growth (Feiock, Tavares, & Lubell, 2008). These policies are multifaceted and include comprehensive strategies to implement development impact fees and control growth spillover effects (Navarro & Carson, 1991). Smart growth emphasizes infill development as a way to conserve green space and encourage revitalization of the local economy, local density development, and affordable housing.

Second-generation growth management policies incorporate effective tools such as impact fees, urban service boundaries, and incentive zoning that allow local governments to pursue a more balanced approach toward preservation and development rather than limiting developmental activities (Feiock et al., 2008). Many studies have examined growth management and its effects on local governments' decision-making in the areas of land use policy patterns, the stringency of land use regulation, green and open space conservation, the adoption of land use policy incentives, affordable housing and land value (Anthony, 2004; Downs, 1994; Feiock et al., 2008; Nelson et al., 2002; Park, Kwak, & Kwon, 2012; Park, Park, & Lee, 2010; Park, Park, & Lee, 2012). However, the effects of the state growth management policy on mutually inclusive land use plans as an application to the production of affordable housing for economic development has not been sufficiently dealt with.

Current growth management acts based on the second-generation approaches aid local governments wanting to undertake economic development and affordable housing simultaneously. As a result, and to a degree, second-generation growth control approaches are exclusionary—but not from a socioeconomic perspective (i.e., rich versus poor); they are exclusionary based on the ability of new members or entrants to finance infrastructure associated with new development (Engle, Navarro, & Carson, 1992; Navarro & Carson, 1991). In addition, an objective of growth management acts is to assist local governments in addressing affordable housing and economic development without sacrificing one over the other. While affordable housing can be effective in deterring suburban development, and increasing population in already developed inner city areas, it involves the construction of affordable housing units as a form of developmental activities. Local governments that link affordable housing to economic development have latitude in how they implement their programs. Options that support both agendas are new affordable housing construction, rehabilitating existing units, or the acquisition of land or units. Thus, we anticipate local governments will actively address both affordable housing and economic development when they are under the influence of state growth management policies.

Hypothesis₁: City governments under state growth management acts are more likely to pursue economic development and affordable housing simultaneously.

Urban Political Institution

In the realm of urban politics and administration, scholars have explored the impact of local government institutions on local policy processes and found that form of government does influence local policy outcomes differently (for example, Clingermayer & Feiock, 2001; Feiock, Jeong, & Kim, 2003; Frant, 1996; Zhang & Feiock, 2010). Local government institutions can play an important role in either facilitating or creating obstacles to the simultaneous pursuit of economic development and affordable housing.

This study focuses on municipal forms of government, which have been a key interest in the local political institution literature. At the municipal level, the two most common forms of government traditionally investigated are mayor–council and council–manager forms. The mayor–council form of government is one in which an elected mayor is responsible for the executive functions of the city, and an elected council responsible for daily administrative functions (Frederickson & Johnson, 2001; Frederickson, Johnson, & Wood, 2004). The council–manager form of government consists of an elected city council responsible for constructing policy and appointing a professional manager to implement local policies. A key value for the council–manager form is professional and efficient administration (Frederickson & Johnson, 2001; Frederickson et al., 2004). By appointing a professional manager to carry out daily administrative functions, council–manager governments are able to facilitate a cooperative and organized institution (Newland, 1994).

Peterson (1981) argues that city governments are significantly less interested in redistributive policies as they are in focusing on economic development. For city governments, the survival of the city is paramount, and economic development policies are one way in which cities can continue to stimulate economic growth, thus solidifying their survival. Cities that view economic development as a primary interest are not eager to allocate city resources for redistributive policies, which include affordable housing. The perception is that redistributive policies have a negative impact on economic development. According to Peterson’s conventional view, seeking both economic development and redistributive policies simultaneously is not an initiative that city leaders frequently accept and implement in city administration. Following this assumption, the importance of economic development as a fundamental city policy priority does not significantly differ between cities, which then results in less focus on affordable housing. Thus, it is expected that city governments regardless of their forms of government are not interested in incorporating affordable housing into economic development agendas.

Hypothesis_{2a}: Both forms of city government are not likely to influence a city’s effort to pursue economic development and affordable housing simultaneously.

Contrary to the conventional view, previous research also suggests that urban political institutions may directly affect economic development and affordable housing. The mayor–council form of government is less administratively professionalized and less likely to integrate leading-edge tools in its delivery of public services (Ramirez de la Cruz, 2009). Because voters directly elect the mayor and council, this form of government allows citizens and interest groups to participate in the policy process. Elected officials who seek reelection tend to respond to specific local demands and pay more attention to redistributive issues. Cities with a strong mayor–council form are less likely to spend more on economic development than affordable housing (Basolo, 2000). The political nature of the mayor–council form helps cities actively address affordable housing issues while pursuing local economic development.

Conversely, council–manager governments are more inclined to take into account long-term economic development projects (Feiock, Jeong, & Kim, 2003). Focusing on such projects has the potential of stimulating the local economy and generating much needed revenue for local governments (Kwon & Gonzalez-Gorman, 2014). The structure of the council–manager form allows professional managers to be insulated from the pressures elected officials encounter when considering economic development and affordable housing policies. This administrative nature of the council–manager form makes it more difficult for cities to incorporate affordable housing for specific citizen groups into their city-wide economic development goal. Thus, we hypothesize the following:

Hypothesis_{2b}: Cities with a council–mayor form of government are more likely to pursue economic development and affordable housing concurrently.

Data and Method

The dependent variable measures whether a city government pursues both affordable housing and local economic development simultaneously. This variable is obtained from the 2009 Economic Development Survey conducted by the International City/County Management Association (ICMA).¹ One question in the survey asked local governments if they support affordable housing programs to promote economic development: response choices were “yes” or “no.” Because the response choice is binary, the dependent variable is coded as “1” if a city supports affordable housing to promote its economic development and “0” otherwise. A logit model for this binary response estimates the effect of growth management acts and different forms of city government on the likelihood that a city government attracts affordable housing as a means of economic development. The unit of analysis is city government.

We include two key independent variables. The first is whether a state government has a growth management act. The data are taken from Anthony (2004), Howell-Moroney (2008), and Park et al. (2010). This variable is coded as “1” if a city is located in a state that enacted a growth management act and “0” otherwise.² The second key independent variable is the form of government for each city. The data for this variable are drawn from the ICMA survey. Two binary variables are created and included, respectively, in separate models to examine the impact of each of the forms: 1) mayor–council form is coded as “1” and “0” for all other forms; 2) council–manager form is coded as “1” and “0” for all other forms.³

We also include various control variables. First, four demographic variables are controlled in the analysis: log of population (2010), population change (between 2006 and 2010), log of population density (2010), and percentage of non-Hispanic white residents (2010). The data for these variables are drawn from the 2010 Population Census and the American Fact Finder, which are provided by the U.S. Bureau of Census (U.S. Census Bureau, 2010a). Second, we use two variables to control for each city’s economic conditions: unemployment rate (estimates from 2006 to 2010) and log of median household income (estimates from 2006 to 2010). These two variables are also obtained from the U.S. Bureau of Census’ American Fact Finder.⁴ Third, we control for one locational variable drawn from the 2009 ICMA survey: the designation as a central city (“1” = central city; “0” = no). Fourth, we include three community conditions that directly relate to challenges in pursuing affordable housing. These three binary variables are taken from the ICMA survey that asked if a city experiences: a) inadequate infrastructure (“1” = yes, “0” = no); b) high cost of housing (“1” = yes, “0” = no); and c) traffic congestion (“1” = yes, “0” = no). Table 1 displays the in-sample descriptive statistics for all variables included in the fully specified empirical models.

Table 1. Variable Measures and Descriptive Statistics

	Measure	Mean	S.D.	Min	Max
Dependent Variable					
Pursuing both affordable housing and economic development	Supporting affordable housing to promote economic development	0.424	0.494	0	1
Independent Variables					
State growth management act	1 = if state government where a city is located has the act, 0 = no	0.327	0.469	0	1
Council-manager form	1 = if a city has council-manager form of government, 0 = no	0.740	0.438	0	1
Mayor-council form	1 = if a city has mayor-council form of government, 0 = no	0.218	0.413	0	1
Population	Log of 2010 population	10.453	0.876	9.068	14.184
Population change	Population change percentage between 2000 and 2010	14.757	27.862	-45.859	282.141
Population density	Log of population per square mile	7.665	0.708	5.094	9.747
White population	Percentage of non-Hispanic white population (2010)	68.147	22.570	2.2	97.6
Unemployment rate	Unemployment rate for 2006-2010	7.664	3.124	1.9	31.7
Median household income	Log of 2006-2010 median household income	10.932	0.376	9.921	12.376
Central city	1 = located in central city, 0 = otherwise	0.189	0.392	0	1
Inadequate infrastructure	1 = if a city has inadequate infrastructure, 0 = otherwise	0.233	0.423	0	1
High cost of housing	1 = if a city experiences high cost of housing, 0 = otherwise	0.141	0.349	0	1
Traffic congestion	1 = if a city experiences traffic congestion, 0 = otherwise	0.140	0.347	0	1

N = 733.

Results

Table 2 reports the results of the four logit regressions. We start with baseline models without any control variables [models (1) and (3)] to ensure that our main empirical findings are not empirical artifacts driven by control variables. Models (2) and (4) present the results of the fully specified models. For the form of city government variable, Models (1) and (2) use the council-manager form, and (3) and (4) use the mayor-council form. The results from all four models are noticeably consistent, which is understandable because most cities (95.8%) in the data set have

either a council–manager or mayor–council form and are coded “1” between the two forms of government as Table 1 shows.

The most consistent finding is that the coefficient estimate of the growth management act variable is positive and significant, implying that a city is more likely to attract affordable housing to promote economic development when it is located in a state that has a growth management act. Substantively, Model (2) shows that the predicted probability of pursuing affordable housing for economic development is expected to increase by about 24% as the growth management act variable changes from “0” to “1,” holding other variables constant at their mean. We ran a log-likelihood ratio test that compares the fully specified model [Model (2)] to one without the growth management act variable. The result shows that the model fit of the fully specified model is significantly better than the nested model ($p=0.04$). The area under the receiver–operating curve is about 0.69, which shows that Model (2) is moderately useful in distinguishing between true and false positives. These main findings are quite similar to those in Model (4).

A growth management act at the state level aids city governments’ efforts to seek affordable housing while enhancing economic development, which prevents excessive urban development that may happen in the economic development process. The case may be that a growth management statute sets the framework and goals for protecting critical land areas throughout a state. A growth management statute allows cities to promote their primary interest of economic development in a balanced way by incorporating affordable housing to reduce urban sprawl. In this context, cities proactively address affordable housing functions as a tool for economic development rather than perceiving these two policy areas contradictory.

The results indicate that form of city government is statistically insignificant, which supports H2a that is based on the conventional view on the relationship between development and redistributive policies. Although the provision of redistributive services contributes to the overall well-being of cities, this study shows that there is no significant difference between the two forms of government in incorporating affordable housing into economic development agendas.

The larger the population size, the more likely a city is expected to use affordable housing as a tool for economic development. The result indicates that cities with large populations have a higher demand for affordable housing. Housing affordability is a vital concern for cities dealing with large populations with various income levels resulting in affordability as a key initiative. Green space is also a premium in high-density population areas requiring government intervention in the form of affordable housing. Cities may encourage conservation and affordability through economic development agendas.

The negative coefficient of median household income suggests that cities with lower median income are more likely to use affordable housing as part of their economic development goals. Compared with wealthy communities, low-income communities have a higher demand for the provision of affordable housing. In these communities, it is easier to link an affordable housing program to economic development efforts, as housing affordability is a key and indispensable local policy goal.

The locational variable is also statistically significant. A city labeled as a central city in a metropolitan area is more likely to seek both economic development and affordable housing policies simultaneously. Metropolitan areas are characterized by various degrees of social and economic communities. The results may indicate that this variation is a catalyst for integrating

Table 2. Results of Logit Analysis

	(1)	(2)	(3)	(4)
State growth management act	0.494*** (0.162)	0.383** (0.186)	0.487*** (0.161)	0.367** (0.185)
Council-manager form	0.103 (0.176)	-0.011 (0.187)		
Mayor-council form			-0.189 (0.186)	-0.131 (0.197)
Population		0.246* (0.128)		0.240* (0.128)
Population change		0.003 (0.003)		0.003 (0.003)
Population density		0.025 (0.130)		0.032 (0.131)
White population		-0.000 (0.005)		0.000 (0.005)
Unemployment rate		0.017 (0.035)		0.018 (0.035)
Median household income		-0.876*** (0.290)		-0.889*** (0.291)
Central city		0.589** (0.266)		0.586** (0.266)
Inadequate infrastructure		-0.0004 (0.190)		-0.003 (0.190)
High cost of housing		0.480** (0.237)		0.474** (0.237)
Traffic congestion		0.574** (0.236)		0.578** (0.236)
Constant	-0.549*** (0.152)	5.940* (3.445)	-0.430*** (0.104)	6.078* (3.452)
Observations	734	733	734	733

Standard errors in parentheses, *** p<0.01, ** p<0.05, * p<0.1

affordable housing into economic development agendas. Central cities tend to have concerns in two policy areas: responding to declining economic base and addressing housing demands from low-income residents. A desirable alternative for these central cities is to pursue both values simultaneously, and the provision of affordable housing can be used as a helpful tool favorable for economic development.

Of the three variables that are included to measure challenges related to providing affordable housing, two are statistically significant: high cost of housing and traffic congestion. Cities facing these barriers are more likely to address both issues simultaneously, rather than perceiving them as competing or contrasting goals. As a result, cities that are experiencing high housing costs and traffic problems are more likely to use affordable housing programs for economic development.

Discussion and Conclusions

This study finds that city governments are more likely to use affordable housing as a tool for economic development when (1) an existing growth management statute is instituted at the state

level, (2) a city has a large populace, (3) a city has a central city status in a metropolitan area, (4) a city has lower economic growth, and (5) a city is affected by higher housing cost and traffic congestion.

Cities are more likely to pursue affordable housing and economic development when state-mandated smart growth policies are adopted. Local governments are better able to find congruency in affordable housing and economic development policies as population size continues to increase in metropolitan areas. As population increases, the demand for green space is at a premium, thus growth management policies are introduced as a means for conserving green and open space while also encouraging revitalization of the local economy. The results also suggest that cities with lower community wealth are more likely to establish economic development policies that are linked to affordable housing as a way to stimulate economic growth and at the same time attract newcomers to affordable housing. This study also suggests that cities with a higher demand for affordable housing, due to high housing costs and traffic congestion, more actively link their affordable housing policies to those of their economic development initiatives than cities with less or no housing costs and traffic challenges.

In *City Limits*, Peterson (1981) proposes that economic development is necessary for the economic survival of a city. He maintains that city governments are not necessarily inclined to undertake redistributive policies and instead prefer to focus on economic development policies. This conventional view on city policy priorities explains why cities, whatever forms of government they have, are not interested in pursuing both affordable housing and economic development values simultaneously. Both forms of government may well consider affordable housing as a redistributive policy that negatively affects economic development. However, a state-level growth management policy may help city governments address these two policy areas in a more nuanced manner. Because redistributive policies involve increased scrutiny of the redistribution of resources, local officials emulate the approach used by federal and state governments that have historically dealt with public services such as welfare, unemployment, medical, and mental health.

Surviving competition from other local governments is paramount for city governments; thus, economic development policies can simultaneously stimulate economic growth and create a sense of revitalization in the community. When cities concurrently seek affordable housing and economic development policies, these efforts result in developmental agendas that attract potential homeowners, newcomers, and businesses to their cities, thus ensuring the survival of the city.

By examining affordable housing as a viable option for economic development, this research has synthesized two areas that have generally been examined independent of each other. While each of these areas has received much attention in the literature, little attention has been given to examining affordable housing and economic development as congruent policy options.

Notes

1. In October 2009, the ICMA mailed the Economic Development Survey to 3,283 municipalities with populations over 10,000 and to 556 counties with populations over 50,000. This yielded a response rate of 22.3% of local governments, including 734 municipalities, which are the units of analysis in this research. In addition, although the local economic development survey data conducted in 2014 are available, we use the 2009 ICMA's survey data to examine the influence of state growth management policy

on local economic development through affordable housing in an era before the economic crisis began in 2007 and 2008. In our future studies, we will conduct an examination of state growth management policy on local economic development through affordable housing before, during, and after the economic crisis.

2. While this dichotomous measure cannot fully show the variation among states (Park et al., 2010), we follow this measurement approach, which has been commonly adopted in previous studies.
3. In general, there are five forms of local government found in the ICMA survey: council–manager, mayor–council, commission, town-meeting, and representative town-meeting. However, this analysis only focuses on the two most common forms of government: council–manager and mayor–council. Most of the respondents (over 95% in the data) had either a mayor–council or council–manager form of government. Furthermore, we acknowledge a limitation in our data. The ICMA data might oversample the manager–council form of government, but to date it is effective data for survey research regarding municipalities across the country.
4. We use 2006–2010 data estimates on median household income and unemployment rate. Household income and the unemployment rate are measured using five-year averages as provided by the American Community Survey (ACS) (U.S. Census Bureau, 2010b). Five-year averages offer a larger sample size and are considered more reliable. While available, the 2010 data and 2008–2010 data estimates on these two variables are obtained for only a limited number of municipalities, whereas we were able to withdraw the 2006–2010 data estimates for most municipalities that are included in this analysis.

Disclosure Statement

The authors declare that there are no conflicts of interest that relate to the research, authorship, or publication of this article.

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Author Biographies

Sylvia Gonzalez-Gorman is an assistant professor of political science at the University of Texas Rio Grande Valley. Her research interests are in U.S. Latino politics, U.S. immigration, transborder environmental sustainability, and urban and local government management.

Sung-Wook Kwon is an associate professor in the Department of Political Science at Texas Tech University. His research interests include local and urban management, intergovernmental collaboration, metropolitan governance, and local political institutions.

Daehee Bak is an assistant professor of political science at Texas Tech University. He is interested in examining the linkage between leadership tenure and survival, on the one hand, and interstate conflict and international political economy, on the other, especially focusing on leaders' foreign policy incentives and domestic constraints across different regime types.

Sang-Chul Park is an assistant professor in the Department of Public Administration at Yeungnam University, Gyeongsan, South Korea. His research interests include intergovernmental relations, smart and sustainable development, health and urban policy, and official development assistance.

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Understanding Structuring and Variation in a Nonprofit Subfield: Examining Institutional and Regional Pressures in U.S. Historic Preservation Nonprofits

Anne-Lise K. Velez – Virginia Tech

Public administration and management recognizes key subsectors in the public sphere as nested within and shaped by institutional fields. However, we know little about the forces that influence their development at different levels or how patterns in institutional fields and in forces shaping these fields vary by level and location. We therefore understand little about potential levels for shaping nonprofit advocacy, decision-making, and organizational capacity in nonhomogenous subsectors. This mixed methods study examines nested pressures shaping a U.S. nonprofit subsector, focusing on two ecological levels of influence in historic preservation nonprofits. I use data from 96 interviews with National Trust Partner organizations in 44 states to develop typologies of professional approaches to preservation and capacity. Findings indicate that both national and regional pressures shape scope and capacity in these nonprofits, underscoring the importance of considering institutional contexts structuring subsectors rather than assuming sector-wide patterns and behaviors. This study provides a baseline for future research on developments in the U.S. nonprofit historic preservation subsector and provides insight for practitioners and legislators into the levels that shape scope and capacity in nonprofit subsectors.

Keywords: Nonprofit Subsectors, Nonprofit Decision-Making, Regional, Historic Preservation

Introduction

We know organizations develop within institutional fields, and these fields shape how organizations behave. However, we rarely look at how fields evolve and react to nested pressures at institutional and regional levels (e.g., Hannan & Freeman, 1977). The need for such studies is salient in the nonprofit sector in part because “the behavior of nonprofit organizations [is] crucial to understanding sociopolitical behavior” (Anheier & Seibel, 1990, p. v). Additionally,

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scholars need a study such as this to better understand the levels in decision-making among nonprofit organizations in subsectors that face competing national and regional pressures. We know little about how nonprofit subfields may react to layered pressures that differ regionally. Thus, legislatures and funders are essentially making decisions in the dark, according to their best judgments but without a clear understanding of which levels are most effective in shaping the decision-making behavior of nonprofits.

The field of historic preservation is an appropriate context in which to study these patterns, as a small population of organizations does much of the historic preservation work in the U.S. Despite the sociocultural (e.g., Woods, Ewalt, & Baker, 2013; Maloutas, 2012; Wells, 2010) and economic importance of cultural and historic preservation (Wojno, 1991), little is known about patterns in this field, and whether nonprofit organizations doing the work are shaped by national-level institutional pressures or regional pressures. As little is known about how nonprofit subfields may react to layered pressures that differ regionally, to address this gap, I ask: 1) *What is the scope and capacity of U.S. nonprofit historic preservation?* and 2) *What elements of scope and capacity in this U.S. nonprofit subfield display national patterns, and which show regional patterns?* This study aims to 1) provide the first known national study of the work and structure of U.S. historic preservation nonprofits, 2) leverage these findings to investigate how the institutional field is shaping nonprofit structure and strategy at national and regional levels, and 3) provide nonprofit managers with more complete information to facilitate learning and advocacy as well as providing public managers a better understanding of heterogeneity among nonprofits, even within the same subfield or geographic area.

The majority of academic literature on historic preservation focuses on case studies and materials preservation. While these areas are important, a current overview of how the field understands and defines the scope of preservation activities and of the capacity present in this organizational field is missing. This is particularly salient as defunding local government preservation positions increasingly makes sociocultural preservation the responsibility of nonprofits. It is necessary for us, as a culture, to better understand the field if we care about preserving cultural and historic monuments for enjoyment and education. This understanding is key to the success of nonprofit managers in this subfield in recognizing the pressures they face and how others may have successfully navigated such pressures and to the success of public managers seeking the best outcomes for their communities, now and in the future. The work of this field of nonprofit organizations becomes more important, as the occurrence of disasters increasingly threatens cultural and historic resources (e.g., Verderber, 2009) and as public managers may rely on nonprofit organizations to help address aspects of disaster planning and recovery activities for which they do not have in-house expertise.

The value of cultural preservation to Americans shows through activities like historic government investment in maintaining Revolutionary War monuments and private investment in individual historic sites (Benson & Klein, 2008). It is clear in legislative actions supportive of cultural and historic resource preservation, as in the American Antiquities Act of 1906, the 1949 congressional charter creating the National Trust for Historic Preservation, or the National Historic Preservation Act of 1966. Despite such legislation, supporting the preservation of built historic resources and a wealth of historic preservation case studies, it is unclear to what degree this legislation, combined with regional and local culture, is creating uniformity in expectations of what should be preserved and how preservation should be approached.

This study contributes to nonprofit studies by examining nested forces shaping, and variation present in, a particular subsector. The population of historic preservation nonprofit partner organizations affiliated with the National Trust for Historic Preservation (NTHP) is substantially

responsible for nonprofit historic preservation activities undertaken in the U.S., and there are clear nested layers of influence present in the field. Because of these nested influences, there are strong theoretical reasons to think isomorphic pressures from the national preservation community and decisions made by the NTHP will lead to national conformity in the scope of preservation and in organizational capacity (e.g., DiMaggio & Powell, 1983). However, there are equally strong reasons to suspect that regional conditions and pressures shape the scope and capacity of this nonprofit subfield (e.g., Tzonis & Lefaivre, 1981; Powell, 2007). This institutional field therefore makes a rich research context for examining how nested levels of influence shape a nonprofit subsector. This study provides a unique and important contribution to nonprofit management and administration literature. Historic preservation is largely unexplored in public administration despite its importance as an element of public management and sustainability concerns. For historic preservationists, this study may provide a better understanding of activities undertaken by colleagues, so practitioners can better learn from one another. It may also provide activists with a picture of the types of resources likely to be saved in a given area and those that may need extra attention or advocacy. The chance to study a population of nonprofit organizations within the context of their subsector allows a rare opportunity to examine forces that shape the subsector, rather than assuming homogenous behavior across the larger sector and, in doing so, make an important contribution to the nonprofit literature.

Additionally, this study contributes to public management literature informing those seeking to fulfill “responsibility to future generations: ensuring a viable future by preserving resources” (Lewis, 2006, p. 694). Public managers are in part responsible for safeguarding public goods and “...ensuring the capacity to sustain life and to preserve and transmit civilization’s cultural, intellectual, artistic, and historical legacy” (Lewis, 2006, p. 694). This means it is important for public managers working to address ongoing sociocultural issues in subsectors that affect public goods to understand variability in these subsectors, so they can work with both nonprofit practitioners and the public to manage these goods in the best way possible. As such, public managers can benefit from understanding how this population of preservation organizations defines the scope of their responsibility as a field, how they make decisions, and what preservation foci are of interest in their area.

Background

Historic Preservation in the United States

A brief review of the relationship between nonprofits and the built environment provides a basis for understanding the physical and social context in which preservation nonprofits are operating and have operated historically in the U.S. (Palen & Bruce, 1984; Boyer, 1994; Stubbs, 2009). Because of tensions related to patterns of urban social change spurred by gentrification in the mid- to late twentieth century, the American public developed an increasingly negative perception of the goals and work that preservation nonprofits and government departments providing preservation services had pursued in the past (Filion, 1991; Hackworth & Smith, 2001; Saito, 2009; Maloutas, 2012). Just as with the National Historic Preservation Act (NHPA) passed in 1966, the civil rights movement was expanding the number of Americans whose stories were considered worth telling and hearing. As a result, the scope of built resources traditionally of concern to historic preservationists (usually monuments and landmarks associated with White culture) and the actions taken to preserve them (often turning them into museums) came into question.

The NTHP was created in 1949 and funded by the federal government as part of the NHPA. According to the NTHP website, the trust became privately funded after 30 years through “mutual agreement.” Around the same time, the antagonistic public climate related to gentrification concerns led NTHP to rewrite its mission statement with more community-minded wording to regain public support for its work (Barthel, 1997). In doing so, the NTHP became a participant in promoting changing understanding of the benefits of historic preservation. A new focus on cultural meanings and a concern for future use has shifted the emphasis from physical elements of the built environment, which are preserved to a broader definition of what is worth preserving, and to the symbolic and semiotic meanings of the places being preserved (Matero, 2003; Worthing & Bond, 2008; Wells, 2010).

Historic preservation is increasingly seen as important. This is partly because historic buildings have become a widely acknowledged aspect of material culture. Sax (1982) described the “transformation in the context of property rights” related to historic preservation laws occurring in the early 1980s as a possible result of “social coherence demand[ing] evidence and symbols of common purpose” causing Americans to “turn ... to symbols of stability, of links with our past. History is an obvious outlet for such values ... as growth and development seem to become less valuable guides for future well-being” (p. 490). The urgency of preserving historic places and buildings as important elements of material culture and place identity has increased with an increase in natural disasters and associated threats (Morgan, Morgan, & Barrett, 2006; Verderber, 2009) and as the economic importance of cultural elements is recognized (Wojno, 1991; Rypkema, Cheong, & Mason, 2011). Meanwhile, government funding for historic preservation has declined, and the recent economic downturn means that many municipalities that traditionally funded an historic preservation staff person no longer can. Historic preservation in the U.S. has therefore increasingly become a concern for the nonprofit sector.

Nested Pressures

Taking an institutionalist view, understanding variation in U.S. historic preservation nonprofits requires studying organizations as a population (e.g., Hinings, Greenwood, Ray, & Suddaby, 2004). Examining the population of NTHP partner organizations provides a good opportunity for doing so, as there are clear pressures at both national and regional levels as well as a shared function among the organizations. Hannan and Freeman (1977) promote studying organizations in populations rather than as single units because variation among organizations reflects not only adaptation but also inertial pressures from within and from the operating environment. These inertial pressures include sunk costs for personnel, organizational norms based on past decisions, and legal and fiscal barriers to market entry and exit. “External legitimacy considerations” assert additional inertial pressures that mean only certain organizations survive selection in a certain environment. Because NTHP partner organizations perform the same function (historic preservation) in the same sector (nonprofits) and all have an affiliation to a larger organization grounded in legislation that formed them (NTHP, formed out of the National Historic Preservation Act, or NHPA), this study considers NTHP partners a comparable field of organizations.

Nonprofits in this field nest within institutional levels, influenced by both the region in which they are located and the national policies that apply to their operations as a nonprofit and as an historic preservation organization. Based on Bronfenbrenner’s 1979 ecological model, historic preservation nonprofits can be understood as being nested in multiple institutional environments operating at different levels. From a social constructionist viewpoint, the levels of actors and influence comprising this interrelated system and process of field structuring must be examined in context if the structuring is to be better understood (e.g., Giddens, 1984). Rypkema

et al. (2011) describe the field of historic preservation as “a complex matrix of laws, incentives, policies and advocacy groups at the national, state, and local level” (p. 1). One of the most prevalent ways national pressures can be expected to show is through a professional approach to preservation, in part through mission alignment with NTHP. Regional variation can be expected to show in resources preservation. Each of these levels is discussed in more detail below.

Institutional Theory: National Pressures Lead to National Patterns

Institutional theory is helpful in understanding the pressures faced by individual nonprofit historic preservation organizations because of their affiliation with a larger, national-level organization. Institutional theory addresses the evolution and spread of institutions like rules, norms, cultures, and symbols as well as formal political institutions affecting both individual and collective behavior and decision-making. Neo-institutional theorists treat organizations as populations within organizational fields. These theorists stress that the institutional context comprises vertically and horizontally interlocking organizations and that the pressures and prescriptions within these contexts apply to all relevant classes of organizations (Greenwood & Hinings, 1996).

Beginning in the 1970s, March and Olsen (1984) argued that the best way to understand political behavior (and therefore policymaking) is through a “logic of appropriateness” that individuals acquire through membership in institutions. They contrast this normative logic with the “logic of consequentiality” that is central to rational choice theories, arguing that people in institutions behave according to normative standards rather than desire to maximize individual utilities.

This perspective on institutions is widely adopted in public policy studies in the form of coercive, normative, and mimetic isomorphic pressures delineated in DiMaggio and Powell (1983). Isomorphic pressures, such as a perceived need to conform to peer practices or professional standards, cause similarities in structure and related behavior among organizations that organizations face once they become part of a network of organizations (in this case, the NTHP network) and expectations become institutionalized. In this context, these professional standards are communicated largely through the NTHP’s mission. Institutional theory explains the “emergence of distinctive forms, processes, strategies, outlooks, and competences” that come about “from patterns of organizational interaction and adaption” (Selznick, 1996, p. 271). Selznick asserts that these patterns and responses should be understood as responses to internal and external stimuli.

Regionalism: Differing Regional Climates Lead to Regional Variation

While most institutional theorists focus on institutional pressures at the national level, a competing body of literature argues that institutional pressures may operate nested at multiple levels. This matters to NTHP partner nonprofits not least because other elements of nonprofit practice differ regionally and because NTHP itself divides the U.S. into six regions, providing information and support for each region through separate field offices. Recent research by Quirke (2013) on 60 “rogue” private schools in Toronto, Canada, suggests that in organizational fields that are “patchy and uneven,” more marginal organizations can avoid pressures for conformity from the larger field, but that homogenous patches can be found even within seemingly heterogeneous fields. Quirke defines an organizational field as “organizations [that] face the same regulations and environmental conditions” (p. 1676). She notes work by others, including Lune and Martinez (1999) demonstrating that organizational fields segment to preserve identities within larger institutional environments and that this may occur as fields

mature (Schneiberg & Clemens, 2002; Wooten & Hoffman, 2008 in Quirke, 2013). Patchy organizational fields are characterized by “weak regulation and sparse infrastructure” combined with a pluralism that allows for multiple logics in approaching work within the field and shifts in technical demands and stakeholder expectations “which encourage varied organizational responses across the field” (p. 1684). Quirke notes that, in education, participation in voluntary accrediting leads to more prevalent conformity to organizational norms. “Rogue” private schools “can be expected to conform to traditional school models along a number of dimensions: governance structure [as nonprofits], physical structure [traditional school buildings and facilities], professional model of teaching [credentialed staff with dense networks], and curriculum [generalist]” but “fail to conform on any of these dimensions” because of the patchiness of the field within which they operate (p. 1688).

The degree of patchiness in the field of historic preservation nonprofit organizations is arguable. While there are potentially multiple logics in American preservation, *and* there are some very clear regulations such as requirements for National Register status and tax exemptions at the federal and state levels, there is both variability and changeability in regulations at the local level, and there is little government-related infrastructure dedicated to preservation at any level. There are seldom substantial shifts in technology concerning materials preservation, but there are relatively rapid shifts in technology regarding public information and outreach, in which these organizations must excel to succeed. This uneven patchiness presumably means this population of organizations may be expected to conform to isomorphic pressures along some dimensions but not others. Because the NTHP is a national-level organization with resources and recommendations to which all NTHP partners have access, national pressures presumably lead to similarities in most indicators of governance structure and to professional approaches to preservation. However, because environmental conditions affecting this organizational field vary relative to infrastructure and regulation as well as regional histories and cultures of support for preservation, this may mean some dimensions of scope and capacity vary by region, especially if indicators of local organizational context vary regionally.

In addition to regional variation resulting from patchiness within the field, there are other arguments for regional variation in historic preservation nonprofit organizations ideas borrowed from cultural regions (Elazar, 1984) and critical regionalism (Tzonis & Lefaivre, 1981; Powell, 2007). These literatures suggest that at least some characteristics of these organizations may vary according to regional cultural and political climates in which organizations are located. According to Elazar (1984), American regional subcultures affect political behavior, political processes, institutional structures, and state and local policy and programming. He classified the U.S. geopolitically, using individualistic, moralistic, and traditional labels delineating nine possible subcultures based on observations and outside research. While there has been criticism of Elazar’s assertions about regional differences in the four decades since the publication of *American Federalism* (Nardulli, 1990; Lieske, 1993; Hero & Tolbert, 1996), and the composition of U.S. regional populations has certainly changed since described centralized control in the Midwest and traditionalist culture in the South, his ideas still hold. There are unarguably still distinct regional differences in culture; therefore, policies and policy adoption still exist (Lall & Yilmaz, 2001; Barnett & Coble, 2011; Thorlton, McElmurry, Park, & Hughes, 2012) that can therefore be expected to influence historic preservation. Elazar’s theory has been applied to explaining regional philanthropy in the U.S. as well (Schneider, 1996), and other scholars have found differences in corporate disaster philanthropy between global regions (Muller & Whiteman, 2009).

Elazar describes states in the South and Midwest as tending toward central control. For example, Southern states have a tradition of historic preservation and a resource base

traditionally willing to support preservation. This suggests Southern organizations may be more likely to make programming decisions based on tradition than those in other regions. They may be less likely to exhibit conformity to overarching national trends in historic preservation than states in other regions because they are not compelled to align themselves with NTHP to secure grants as other organizations may be. The Midwest has a greater percentage of states with historic preservation tax credits than does other regions, suggesting the Midwest may show a greater focus on programming around advocacy or education. Because the Western region has more pre-European history but was urbanized much more recently than other regions, characteristics of Western historic preservation nonprofits may differ. Likewise, the earlier industrialization and urbanization of the Northeast region may mean preservation organizations in that region show different scopes and resource foci.

Critical regionalism was originally an architectural approach aimed at rooting design in geographic and cultural contexts (Tzonis & Lefaivre, 1981; Frampton, 1983; Tzonis & Lefaivre, 1990; Lefaivre & Tzonis, 2003) that came about as a response to the generic globalized approach of modernism. The idea transferred from design to include cultural and political studies, where regions are conceived not as places with stable boundaries and autonomy, separated from other regions and “not so much as places themselves but ways of describing relationships between places” (Powell, 2007, p. 10). This conception of regions as relationships rather than separations reinforces the need to understand both national and regional patterns in preservation practices. However, Powell makes the point that “often when a region is evoked, described, or defined, it is for some specific purpose: to achieve certain changes in the physical or cultural landscape, often changing one by changing the other” (p. 5).

Woods et al. (2013) examine displays on Willa Cather and Brandon Teena in the Nebraska state history museum using critical regionalism to understand and question the heteronormative viewpoint. This reflects Powell’s assertion that dominant narratives and identifiers of region are often re-affirmed when regional lines are drawn as a purposeful demarcation on a map, often “unreflectively, reaffirming conventional wisdom about the place” (Powell, 2007, p. 5). All this suggests regional variation be examined here, and address one of the central questions of critical regionalism: “What do people actually do in region?” (Rice, 2012, p. 203) in relation to historic preservation activities, as this is missing from the current literature on the field. In part, this study aims to address this gap.

In the United States, regional designations are employed to better understand differences in policies and actions of government and nonprofit organizations (Schneider, 1996; Clerkin, Paarlberg, Christensen, Nesbit, & Tschirhart, 2013). Carlson (1980) analyzes historic preservation by region using National Register data coded into 10 different building types and finds that eastern states have a higher concentration of sites on the register than Western states. This may not be surprising given the timeline of U.S. history but provides reason to expect regional differences in preservation organizations in America. Borden, Schmidlein, Emrich, Peigorsch, and Cutter (2007) examine variations in vulnerability to environmental hazards (natural disasters) against available federal funding using social, built environment, and hazard impact vulnerability indices and find vulnerability is a “place-based regional phenomenon.” Further, NTHP partners within the same region have more opportunities for interaction because of geographic proximity and the likelihood of attending more locally focused conferences.

The NTHP has designated six regions for their partner organizations (see Table 6), providing technical assistance and leadership to each through a regional field office. Using Powell’s (2007) reasoning that the lines drawn around regions may work to reinforce or change physical or cultural landscapes, this suggests that the values promoted and services provided within a

region may be different from other regions. This will likely cause organizations within an NTHP region to be more similar to one another and less like those in other regions. Therefore, organizations will likely differ by region in both scope, as indicated by professional approach to preservation, and in capacity, as shown in governance structure and organizational structure.

Methodology

Comparative Mixed Methods Design

This research uses a transformative mixed methods design (e.g., Driscoll, Appiah-Yeboah, Salib, & Rupert, 2007). Mixed methods research is, “generally speaking, an approach to knowledge (theory and practice) that attempts to consider multiple viewpoints, perspectives, positions, and standpoints (always including the standpoints of qualitative and quantitative research)” (Johnson, Onwuegbuzie, & Turner, 2007, p. 113). These authors note “the dividing lines [between methods] are *much* fuzzier than typically suggested and antagonism between the paradigms is unproductive” (p. 122). Additionally, mixed methods researchers have varied opinions on “where or when in the design mixing” takes place, with some reporting it must take place during data collection, some during data collection and analysis, and most that it “can occur at all stages of research” (p. 122). Here, population-level data ensures diverse perspectives, and both data collection and analysis involved quantitative and qualitative components.

I collected data using a concurrent mixed method strategy, following expectations that “the same individuals provide both qualitative and quantitative data so the data can be more easily compared” (Driscoll et al. 2007, p. 20). Data are from 168 semistructured telephone interviews with representatives from 96 historic preservation nonprofit organizations in 44 states in the six regions defined by NTHP. Two phases of data collection preceded two phases of analysis. The sample, data collection, and two phases of analysis are described in detail below.

Sample Population

This study uses NTHP’s 2010 list of state and local partner organizations. This provides a basis for comparison of a population of similar organizations representing a nonprofit subsector. Organizations range from the oldest preservation organizations in the nation to some of the newest organizations. Geographic focus areas for these organizations range from the city to the state level. This study focuses on these types of organizations because they are often the primary geographic representative in their area and are likely have the largest impact on the area’s approach to historic preservation.

Because the data are near population level, descriptive analyses are representative of the population. The six regions defined by the National Trust form the basis for regional comparisons in this study.

Data Collection

I chose telephone interviews for data collection because a semistructured protocol with open-ended questions facilitates interrogation of a broad range of information about current organizational behaviors. As they were likely to know the most about the mission alignment and organizational structure, I chose executive directors as representatives of the organizations. In

two cases, board members acted as informants when organizations had executive director vacancies.

I conducted two phases of interviews: between October 2010 and October 2011 and between June 2014 and March 2015. In all, 77% of the organizations on the 2010 partners list participated in the first phase of data collection.¹ In the first phase of data collection, I spoke with leaders at 95 historic preservation nonprofit organizations in 43 of the 48 states with active NTHP partners.² The second phase of semistructured interviews took place with the same organizations between June 2014 and March 2015 as part of a larger study focused on organizational activities around disaster planning, still aimed at understanding the scope and capacity of U.S. historic preservation nonprofits. Wyoming was included in the second phase of the study, bringing the total number of preservation organizations represented to 96 organizations in 44 states.³

I asked organizational representatives open-ended questions about the scope of the field in relation to professional approaches to preservation, including organizational mission, targets of preservation, and programming priorities. I asked for categorical responses about leader opinions on the importance of adaptive use and disaster planning activities. Respondents were also asked open-ended questions pertaining to indicators of capacity around governance structure in relation to organizational basis for programming decisions. I solicited categorical responses to indicate conformity to the Department of the Interior's "50-year rule" and solicitation of public input.⁴ Organizational representatives were asked additional questions about organizational capacity around organizational structure, including organizational age, numbers of employees, membership status, number of members, and board size.

Analysis

Because no known previous studies have broadly documented activities of U.S. historic preservation nonprofits, no existing framework for assessing organizational scope and capacity is available. To address this, I developed typologies for understanding the scope of activities undertaken by this field of organizations and organizational capacities. Four typologies relate to scope, representing facets of professional approaches to preservation. Typologies around professional approaches to preservation describe: 1) strategic aim, 2) mission intent, 3) targets of preservation (resources being preserved), and 4) programming priorities. Strategic aim and mission intent are based on organizational mission statements. Two additional facets of scope derived from quantitative data are nonprofit leader opinions on importance of adaptive use and disaster planning activities, as described in quantitative operationalization.

I developed three additional typologies for assessing organizational capacity: 1) programmatic decision-making, 2) solicitation of public input (both related to governance structure), and 3) geographic focus. Other elements of capacity described in quantitative operationalization below include decision-making basis related to adherence to the Department of the Interior's "50-year rule" and additional elements of organizational structure.

Below, I describe the coding and development of each of these typologies and of descriptive measures of participating organizations. Patterns of homogeneity and variation in each characteristic are described and discussed separately in the findings section.

Qualitative Analysis

The four typologies related to scope and three typologies related to capacity described below derive from qualitative inductive coding of semistructured interview data. As with all qualitative coding described here, I analyzed survey data and then grouped them into similar themes. At each stage of data analysis, a peer researcher reviewed categories and groupings to ensure reliability; agreement was over 95%.⁵

Organizational scope describes professional approaches to preservation practiced in these organizations. The scope includes strategic aim and mission intent of these organizations as indicated by mission statement wording. Targets of preservation and programming priorities are included. Each facet of professional approach to preservation is described below.

Mission statements are indicators of the goals and activities of nonprofit organizations. In this population of nonprofits, mission statements reveal both the organizational aim and intent of the activities undertaken.

Strategic aim indicates what an organization is trying to preserve at a broad level and varies depending on whether organizations report focusing on specific sites, on cultural practices, or on the local economy. Based on inductive coding, I identified three distinct descriptive categories of strategic aim: 1) preservation of place, 2) preservation of culture, and 3) promotion of economic growth. Preservation of place comprises historic places and resources, architecture and built heritage, landscapes and environmental heritage, neighborhoods, districts, and getting historic designation. Preservation of culture includes cultural heritage and resources, encouraging improved quality of life and sense of community, unspecified heritage, object and artifacts, archaeological and prehistoric resources, and maritime heritage. Promotion of economic growth comprises encouraging economic growth and vitality and re-use or continued use of structures. These categories are not mutually exclusive; missions reflect one or more of these aims.

Additionally, the intent of these organizations' mission statements is indicative of their understanding of the appropriate scope of work in the field. Intent of mission statements differs from strategic aim because it indicates their stance toward preservation in relation to intended actions toward preservation foci. Mission statements among this group of nonprofits generally follow a parallel structure, with a certain intent involving an intended action toward a certain scope of resources through a particular type of outreach. Some elements of mission intent overlap, but two distinct categories emerged. Some organizations' missions aim only to protect, preserve, or promote awareness of resources; others sought to enhance the state of the resources as well as to protect, preserve, or promote awareness (see Table 1).

As another way to understand organizational focus, I asked each organizational representative an open-ended question about the types of resources that his or her organization was targeting for preservation at the time of the interviews. Resource types listed by two or more organizations comprise 33 categories and include both commonly preserved individual resources such as bridges and residences and occasionally preserved individual resources such as murals or historic neon as well as commonly preserved sociocultural history captured in cultural landscapes or the built environment or occasionally preserved heritage lifeways (see Table 2).

In addition to examining broad strategic aims through mission statements and questions around organizational targets of preservation, I asked respondents about the top-three programs run by their organizations to better understand how they are trying to achieve their aims. From interview data, I coded five focus areas: 1) advocacy, 2) development activities, 3)

Table 1. Mission Intent of Historic Preservation Organizations in the U.S.

Mission Intent		Number of Missions Containing this Intent	% of Organizations with this Mission Intent
Protect, preserve, promote	Preserve or protect only	52	54
	Preserve & promote or Preserve & protect or Promote & protect	20	21
	Preserve, promote & protect	8	8
Protect or preserve & enhance	Preserve or protect & enhance	9	9
	Preserve, protect & enhance	8	8
Total		97	100

administration and management, 4) physical interventions, and 5) conferences. Advocacy-focused activities include preservation awards, technical assistance, and publication of endangered properties lists. These activities all focus on developing awareness and support for preservation activities among individuals and institutions, whether by acknowledging their contributions, providing them tools to undertake preservation activities themselves, or drawing public attention to certain properties to increase support for individual sites. Development activities comprise fundraising, museum programs, and educational programming, all of which increase the profile of and support for the nonprofit organization itself, often while providing educational opportunities. Administration and management involves activities related to managing visitors' centers and to loan administrations. Programming focused on physical interventions includes both active restoration undertaken by the organization itself as well as revolving funds. Conferences are self-explanatory and are usually held annually.

Understanding a nonprofit subfield requires not only an examination of the scope of work undertaken by the field but an understanding of capacity within the organizational field related to governance structure. Governance structure is represented in part by how programming decisions are made in this nonprofit subfield. Governance structures related to decision-making includes the basis for decision-making about programming, whether and how organizations solicit public input, and the geographic area covered by the organization. I coded a programming decision basis, in which respondents reported into six categories, including funding, board and staff input, strategic plan, mission statement, tradition, and other (mostly local need). Each organization may use one or several basis for making programming decisions.

My coding of interview data shows public input used in decision-making as actively solicited or passively acquired. Organizational representatives were asked whether they solicit public input and, if so, how. A range of answers emerged across interviews. Actively solicited public input comes from holding public meetings, conducting surveys, soliciting endangered list nominations, and sending staff into the field to gauge local concerns. A number of organizational representatives also reported their organizations obtain public input "passively," without direct solicitation. Passive solicitation of public input includes information organizations obtain through emails, letters, or telephone calls they receive, responses to information they publish in newsletters or online, or members of the public dropping by their

Table 2. Resources Most Commonly Preserved by U.S. Historic Preservation Nonprofits

Resource Category	Number Reporting (of N= 94)	Percent Reporting
Bridges	44	47
Cultural landscapes or the built environment	43	46
Residential	42	45
Mid-Century Modern or recent past	40	43
Landmarks or historic sites	39	41
Commercial	38	40
Religious structures	36	38
Landscaped open space or parks	36	38
Industrial Buildings	32	34
Historic districts or neighborhoods	29	31
Open or rural un-landscaped space	25	27
Civic or institutional buildings	21	22
Farming or ranching resources	17	18
Schools	16	17
National Register eligible (50 years or older)	16	17
Barns	14	15
Archaeological resources	12	13
Theaters	9	10
Antiques, details, and objects	9	10
Cemeteries	8	9
Maritime resources	6	6
Military resources	6	6
Geographic features	4	4
Water towers or hydrology related	4	4
Historic university	4	4
Railway or transportation related	4	4
Libraries	4	4
Museums	3	3
Murals	3	3
Mining resources	3	3
Racetracks	2	2
Heritage lifeways	2	2
Historic neon	2	2

offices to ask questions or share information. Organizations may take either one or both approaches to obtaining public input.

These historic preservation organizations provide programming and other services to differing geographic areas. Data for this descriptor come from mission statements and from descriptions on organizational websites. The four different geographic coverage areas that emerged from categorizing these data include city, county, multicounty, and state.

Operationalization of Quantitative Data

I collected several measures of both scope and capacity (described below) as categorical responses and therefore did not require qualitative interpretation. To assess scope related to a professional approach to preservation, I asked nonprofit leaders to assess whether adaptive use or more traditional, stricter approaches to preservation and restoration are more important to the field of nonprofit historic preservation today and which will be more important to the future sustainability of the field.⁶ I also asked organizational representatives whether their organizations participated in local- or state-level disaster planning efforts, had done in-house disaster planning, or were part of local or state efforts to plan for disaster clean-up and recovery. Related to capacity and governance structure, I asked respondents whether their organization adheres strictly to the National Park Service's National Register eligibility "50-year rule" in making preservation and programming decisions. Responses comprise a three-category variable, indicating whether adherence to the rule is strict, usual but not strict, or not a consideration in decision-making.

Also, related to capacity, I asked respondents about a number of organizational structure characteristics, including founding year, how many full- and part-time staff the organization, and board size. I also asked whether the organization is a membership nonprofit and, if so, the number of members. To describe local organizational context, I directly asked respondents to categorize the importance of built economic resources to the area covered by their organization and to rank the local influence level of historic preservation advocacy groups.

In this study, some qualitative data are descriptive, but some are numericized to allow for quantitative comparisons. "Quantitizing" is a process specific to mixed methods studies by which qualitative data are categorized numerically for the purposes of quantitative analysis (Onwuegbuzie & Teddlie, 2003). The strategy outlined by Driscoll et al. (2007) was followed here to reflect "whether or not qualitative responses contain certain codes" (p. 22). I linked databases of the qualitative codes described above and the quantitative data using respondent identification numbers; then I quantified coded data into numeric categorical variables (as in top programming areas) or into binary variables, indicating presence or absence of a certain category of response. Relationships were analyzed using IBM SPSS statistics software. Through this process, I created a number of variables with which to describe patterns and make statistical comparisons (see Table 3).

Quantitative Comparisons

Regional and national patterns were explored using Analysis of Variance (ANOVA) to test for significant differences between groups of organizations in different regions for variables representing organizational structure, including age, numbers of employees, whether organizations have members, numbers of members, and numbers of organizations covering different types of geographic areas in different regions. I used ANOVAs to assess percentages of organizations responding affirmatively to binary variables. Because the rest of the measures are categorical rather than numeric, I used cross-tabulation for the remainder of the analyses. National patterns are reflective of characteristics reported by more than two-thirds of organizations.

Findings

Nationally, ages and other organizational characteristics vary quite a bit, showing neither significant regional differences nor strong national patterns. Organizations range from 10 to 140

Table 3. Variables Representing Organizational Scope and Capacity

Organizational Dimension		Variable Name	Variable Structure
Scope	Professional approach to preservation	Strategic aim [typology]	Three category variable
		Mission intent [typology]	Two category variable
		Target Resources [typology]	Binary variables (33)
		Top programs run [typology]	Five category variable
		Adaptive use current opinion	Three category variable
		Adaptive use future opinion	Three category variable
Capacity	Governance structure	Disaster planning	Binary variable
		Programming decision basis [typology]	Six category variable
		Whether solicit public input	Binary variable
		Solicit public input actively [typology]	Binary variable
		Solicit public input passively [typology]	Binary variable
		Conformity to “50-year rule”	Three category variable
	Organizational structure	Geographic area covered [typology]	Four category variable
		Full time employees	Numeric
		Part time employees	Numeric
		Board size	Numeric
		If membership organization	Binary variable
		Number of members	Numeric
	Local organizational context	Local economic importance of built historic resources	Five-point scale variable
		Influence of historic preservation groups on local policy making	Five-point scale variable
		Local influence of historic preservation groups on state policy making	Five-point scale variable
		NTHP Region	Six category variable

years old, with a mean age of 37. 29 years.⁷ These nonprofits vary in size from zero to 45 full-time staff and zero to 100 part-time staff, with a mean of about five full-time and five part-time staff and a modal value of one. Boards range from six to 82 members, with 22 board members on average. Geographic focus varies, with most organizations covering a city (48%), or a state (42%), with the rest covering a multicounty area (7%) or a single county (3%) (see Table 4).

Similarly, over half the respondents report the historic preservation organizations “somewhat” influence both state (53%) and local-level (56%) policymaking, but there are no clear national patterns or regional variations. When asked about top programs, advocacy programming was mentioned first most frequently (by about 37% of organizations), followed closely by development activities (36%), physical intervention programs (15%), administration and management programs (10%), and then conferences (3%). There are, however, clear national patterns in scope, including most elements of professional approach to preservation. Some indicators of organizational capacity also display national patterns.

Table 4. Descriptive Statistics for U.S. Preservation Nonprofit Organizations

	N	Minimum	Maximum	Mean	Std. Deviation
Age	95	10	140	37.29	19.958
FTE	95	0	45	4.93	7.513
PTE	95	0	100	4.86	13.445
Board size	95	6	82	22.24	11.087
Member Units	90	0	5000	683.78	844.615

One of the primary indicators of the scope of preservation relates to mission content commonalities among this population of nonprofits. Analysis shows national patterns relating to most components of professional approaches to preservation. These patterns include strategic aim inferred from mission statements and the mission intent of these nonprofits, which are comparable with that of the National Trust and show strong commonalities as a group.

Strategic aim is indicated through content of mission statements. Here, I categorized missions according to strategic focus on preservation of place, preservation of culture, economic development, or a combination. Strategic aim in historic preservation nonprofits shows clear national patterns aiming for preservation of place, with 99% of all mission statements reporting a focus on preservation of place. Over half (54%) of this population specifies a focus on preservation of place alone, with no mention of cultural or economic concerns. Strategic aim around preservation of culture varies more, with half or fewer organizations in each region and only 41% of organizations nationally mentioning cultural preservation in mission statements.

Overall, 31% of this population of preservation nonprofit organizations reports a focus on a combination of place and cultural preservation, then a focus on preserving place, culture, and economic development in combination (10%). Remaining organizations focus on preservation of place and economic development (4%) or economic development alone (1%). In total, 15% of mission statements list economic development as integral to preservation, but neither cultural nor economic development foci show significant regional variation. Likewise, the intent of mission statements in this nonprofit subfield is fairly consistent.

Intent of mission statements indicates how organizations intend to accomplish their strategic aims or how they intend to approach preservation. Intent is fairly consistent nationally, with 83% trying to fulfill strategic aims through a focus on preservation, promotion, or protection in some combination. Only 17% of organizations reported an additional intent to enhance historic resources (see Table 1). Indicators of the scope of preservation relate not just to the way in which organizations approach preservation but to specific types of resources preserved.

National Patterns

While there are some regional variations in resource types based on regional history, a number of historic resources appear as consistently as important across regions. Crosstabs show national patterns are found for the following resource types: midcentury modern or recent past, libraries, landscaped open spaces or parks, residential resources, historic neon, hydrology-related resources or water towers, barns, geographic features, archaeological resources, heritage lifeways, military history, theaters, historic neighborhoods or districts, civic or institutional buildings, antiques details and objects, national register eligible structures, museums, murals, railway or transportation related resources, university resources, schools racetracks, cemeteries,

and maritime resources.^{8,9} The most commonly preserved resources with no regional concentrations (see Table 5) are residential (a preservation focus at 45% of organizations nationally), midcentury modern or recent past (43%), and landscaped open space or parks (38%).

While concerns for preserving particular types of resources are clear, these concerns do not extend the scope of preservation in this organizational population far enough to support mitigation efforts around preventing resource loss in the case of a natural disaster. Nationally, slightly over two-thirds of this nonprofit subsector report not participating in disaster planning efforts. Only about a third of the 73 organizational representatives participating in this phase of interviews reported disaster-planning engagement. The most frequently reported include developing an in-house protocol for responding to a disaster (34% of organizations) and participating in local or state disaster planning efforts around historic resources (32%). Less than a quarter of organizations (23%) report participating in local or state disaster efforts to ensure historic resources are protected in recovery and clean-up plans. The pattern becomes even clearer when considering total types of disaster-planning engagement. More than half (57%) of organizations are not participating in any type of disaster planning, 16% in only one kind, and 6% in two kinds. Only about one in five organizations (21%) is concentrating on all three areas of disaster planning. But, the vast majority of organizations (84%) report that they feel their organization should ideally engage in disaster planning efforts, showing a clear pattern of concern for this area of planning even among those who are at presently unable to engage in it.

There are also several clear patterns in relation to the capacity of this nonprofit subfield. This group of nonprofits displayed national patterns in governance structure around solicitation of public input, adherence to the National Park's "50-year rule," and programmatic decision-making basis.

Because it relates to organization decision-making, it is important to understand how this subfield seeks input from external and internal stakeholders. The vast majority of these nonprofits reportedly solicit public input both actively and passively. Most (84%) of the organizations reported actively seeking input from the public. Almost as many (82%) report gathering public input passively. Only one organization reported not soliciting public input at all. Similarly, there are strong national patterns in adherence to the National Park's "50-year rule," demonstrating the weight these organizations give to national standards imposed from outside the field when making decisions.¹⁰ In all, 80% of organizations report considering the "50-year rule" in making preservation decisions. Specifically, 29% of organizations report always basing preservation decisions on whether resources are 50 years old, and 51% of organizations report they usually use the rule as a "rule of thumb" but do not adhere to it strictly. Only 20% report not using this rule as a basis for decision-making. Internal stakeholders play an important role in decision-making as well. In addition to soliciting public input, these organizations rely heavily on institutional knowledge, with the majority of organizations reporting the primary decision-making basis for programming as board and staff input.

Regional Patterns

Despite some overarching regional patterns related to the scope of the subfield, there are also notable regional patterns in the scope of preservation, with a few elements of professional approach varying significantly by region as well. There are also distinct regional patterns in organizational capacity, specifically regarding operating environments. I discuss significant regional differences below, followed by regional descriptions that include national patterns as well as statistically and qualitatively different regional patterns.

The scope of preservation as defined by activities within this subfield of nonprofit organizations shows regional variation in several facets of the professional approach to preservation. While strategic aim does not differ statistically by region, opinions on the role of adaptive use in the current and future state of the field of nonprofit preservation do, with adaptive use being widely seen as the more important approach to nonprofit historic preservation both now and in the future. However, cross tabulation shows leaders' opinions on whether adaptive use or a more traditional approach to U.S. preservation is more important to the present and to the future of the field differs significantly by region $\chi^2(10\ N=77)=27.02, p=0.00$; $\chi^2(10\ N=78)=24.91, p=0.01$. This variation is further detailed below in regional snapshots.

In addition to differences in professional opinions on adaptive use, there are noticeable regional differences in resource preservation. While some resources preserved appear nationally, cross tabulations support regional differences for some resource foci. Regions differ significantly in organizational focus on preserving: cultural landscapes or built environment $\chi^2(5\ N=94)=14.07, p=.015$; industrial buildings $\chi^2(5\ N=94)=19.26, p=0.00$; bridges, $\chi^2(5\ N=94)=23.37, p=0.00$; and religious structures $\chi^2(5\ N=94)=42.62, p=0.00$. There are also regional differences in preserving mining resources $\chi^2(5\ N=94)=21.42, p=0.00$, farming or ranching resources $\chi^2(5\ N=94)=14.61, p=0.01$, urban or rural un-landscaped space $\chi^2(5\ N=94)=18.08, p=0.00$, commercial resources, $\chi^2(5\ N=94)=11.52, p=0.04$, and landmarks or historic sites, $\chi^2(5\ N=94)=11.12, p=0.05$. Many of these resources not only differ by region, they are among the most common resources preserved nationally (see Table 5).

There are also a number of regional differences in capacity among this nonprofit subsector. Such differences show up in part though differences in how organizations make decisions. In this nonprofit population, programmatic decisions are most frequently based on board and staff input (52% of organizations), followed by aligning decisions with funders' goals (46%), tradition (38%), strategic plan (31%), mission (28%), and other (21%). A one-way ANOVA between subjects comparing the use of programmatic decision-making basis by region shows a significant effect at the $p<0.05$ level for aligning decisions with funder's goals [$F(5, 89)=2.49, p=0.04$], and for programming decisions based on board and staff input [$F(5, 89)=3.81, p=0.00$]. Specifically, organizations in the Southern region were significantly less likely to rely on board and staff as a basis for decision-making relative to other regions. Organizations in the Mountain-Plains, Western, and Northeastern regions were significantly more likely to align decisions with funders' goals than the Southern, Midwestern, and Southwestern regions. Programming decisions based on tradition approached regional significance at the $p<0.05$ level [$F(5, 89)=2.72, p=0.05$]. There are no regional differences for programming decisions based on tradition, strategic plan, mission, or other (mostly local input). Post hoc comparisons using the Tukey HSD test show groups differ significantly ($p<0.05$) in some decision areas, for example, that the percentage of organizations relying on board and staff for programming decisions in the Midwestern region ($M=0.75, SD=0.45$) is significantly different from the Southern region ($M=0.25, SD=0.44$).¹¹ Descriptions of variations are below and condensed in Table 6.

Apart from regional differences in organizational characteristics and decision-making, regional differences in organizational context are an important consideration in understanding this organizational population. A one-way ANOVA between subjects comparing reported local economic importance of built historic resources by region shows a significant effect at the $p<0.05$ level [$F(5, 67)=4.59, p=0.00$]. Post hoc comparisons using the Tukey HSD test show ($p<0.05$) that the mean score for local importance of built historic resources for the Western region ($M=3.67, SD=1.12$) is significantly lower from the Southern region ($M=4.76, SD=0.63$) and from the Northeast ($M=5.00, SD=0.00$). Despite these differences, the importance of built historic resources to local economic development does not seem to explain the presence or absence of organizations with missions focused on economic growth. The southwest and

Western regions report the lowest economic reliance on built historic resources, but these regions are among those where mission statements show a concentration on economic development related to historic preservation.

In addition to statistically significant differences between regions, there are some distinct qualitative differences in preservation foci and decision-making basis. For example, the resource type most commonly preserved in each region differs for all but two regions (see Table 5). Qualitative regional differences in this near population-level study underscore the need to look at the field in regional subpopulations. The following section describes some of these regional differences in more detail.

Historic Preservation Nonprofits by Region

Historic preservation nonprofits in each of the six NTHP regions vary qualitatively in both scope and capacity. Scope of work varies regionally according to strategic aim, targets of preservation, and leader opinions on adaptive use. Capacity varies regionally according to most common decision-making bases. Regional descriptions around states comprising regions, most common strategic aims, opinions on adaptive use, decision bases, and resource targets are condensed in Table 6 to provide a visual comparison of findings.

Four of the six NTHP regions (Midwest, Southwest, Western, and Northeast) comprise groups of organizations with mission statements focused on preservation of place and of culture, as well as on economic growth, while organizations in the Southern and Mountain-Plains regions focus not on economic growth but only on preservation of place and culture. When it comes to opinions on adaptive use, the majority of respondents in all regions agree that adaptive use is currently more important to the sustainability of the field than traditional preservation. Again, the Southern and Mountain-Plains regions look similar to one another and different to other regions based on opinions of the importance of adaptive use to the future sustainability of the field. In the Western and Southwestern regions, an equal proportion of organizational respondents agreed that adaptive use is as important to the future sustainability of the field as it is to the field at present. Meanwhile, a large majority of organizations in the Midwest and Northeast reported that adaptive use is even more important to the future sustainability of the field than it is currently. Organizations in the Southern and Mountain-Plains regions differed from those in other regions in that fewer respondents report adaptive use is important to the future sustainability of the field than report it is now. The Southern region is unique in that only about a fifth of respondents reported that adaptive use is important to the future of nonprofit historic preservation, despite three-fourths reporting it is currently important to the field.

Regional patterns of most common resource preservation differ quite a bit from national patterns and from each other. The Southern and Mountain-Plains regions share commonality in that the most commonly preserved resources in are residential resources. In the Midwest, the most commonly preserved resources are bridges, reflecting overall national patterns, with midcentury resources most commonly preserved in the Western region, and religious resources most commonly preserved in the Northeast and second most commonly preserved in the Mountain-Plains region. The Northeast is also different in that industrial resources are second-most commonly preserved in this region and do not show up among the top-two types of resources preserved in other regions. In the Southwest, cultural landscapes and the built environment are most commonly preserved and are also commonly preserved in other regions—they show up as the second-most commonly preserved resource category in the Southern, Midwest, and Western regions as well as making the top-two most commonly preserved resources nationally.

Table 5. Most Commonly Preserved Resources Regionally and Nationally

	Southern N= 31	Midwest N=16	Southwest N=12	Mountain Plains N=6	Western N=11	Northeast N=18	National N=94
Most commonly preserved resources (% of organizations reporting as a focus)	Residential (45%)	*Bridges (81%)	*Cultural landscapes/ built environment (67%)	Residential (83%)	Mid-century/ recent past (82%)	*Religious (100%)	*Bridges (47%)
	*Cultural landscapes/ built environment (39%)	*Cultural landscapes/ built environment (69%)	*Landmarks or historic sites (67%)	*Religious structures (67%)	*Cultural landscapes/ built environment (64%)	*Industrial (72%)	*Cultural landscapes/ built environment (46%)
	Mid-Century/ recent past (35%)	Landmarks/ historic sites (56%)	*Commercial (50%)	*Open or rural un-landscaped space (67%)	*Urban or rural un-landscaped space (55%)	*Commercial (67%)	Residential (45%)
		Landscape open or rural/ parks (50%)	Historic neighborhood/ districts (33%)	*Bridges (67%)		Landscaped open space/ parks (56%)	Mid-century/ recent past (43%)
				*Industrial (50%)	*Bridges (55%)	Residential (56%)	*Landmarks/ historic sites (41%)
				Landscape open or rural/ parks (50%)	*Commercial (45%)		*Commercial (40%)
				Mid-century/ recent past (50%)	*Industrial (45%)		*Religious (38%)
					Residential (45%)		Landscaped open space/ parks (38%)

Note. <0.05 significant relationship between region & this resource type

Discussion

This study makes a salient contribution to the nonprofit studies literature in addressing differing behavioral and structural patterns in a varied nonprofit subsector based on layered pressures at the national and regional levels. I found evidence that both national institutional pressures and regional pressures are shaping the population of U.S. historic preservation nonprofit organizations. These patterns are notable because, even in a highly institutionalized context—like this nonprofit subsector with ties to a larger institution—federal-level legislation shaping the environment, and similar organizational strategic aim and mission intents, there is limited homogenization. Given the limited size of the field and association with a well-respected national institution, these national influences are not as strong as may be expected, and the amount of regional variation found is noteworthy. Findings indicate that, in this population of organizations, institutional pressures are largely responsible for shaping the scope of work conducted. Professional approaches to preservation, including strategic aim, mission intent, some preservation targets, and disaster planning all show national patterns. Two indicators of organizational capacity, solicitation of public input and adherence to the Department of the Interior's "50-year rule," also show national patterns. Despite the influence of national pressures on many indicators of the professional approach to preservation, nonprofit leader opinions on adaptive use and some preservation targets are clearly shaped by regional pressures.

The capacity of these organizations varies regionally, with clear differences in governance structure around some basis for programmatic decision-making. These findings of regional variations as well as national patterns highlight the importance of studying fields of nonprofit organizations within nested institutional and cultural contexts, as sector-wide uniformity cannot be assumed. This may be particularly true in nonprofit fields that undertake work, e.g., historic preservation, which was once considered a primary responsibility of the government. This matters not only to nonprofit studies but also in relation to public and environmental resource management literature, as public managers are, in part, responsible to future generations in relation to cultural and historical legacies (Lewis, 2006). Government managers are increasingly reliant on cooperation with nonprofit organizations and private landowners to manage public resources, and recent social changes can create obstacles in establishing new relationships (e.g., Bergmann & Bliss, 2004). As such, it is important for public managers to understand variability in nonprofit subsectors working to help manage and preserve cultural environmental resources and other public goods, to both inform relationships with organizations working in the same resource area, and best manage these goods.

In addition to examining institutional and regional pressures in this nonprofit subsector, this study makes an important contribution to the literature on historic preservation by providing an overview of the work and structure of nonprofit historic preservation organizations in the U.S. I found that the majority of preservation organizations have mission statements with a focus on preservation, protection, and promotion of cultural and historic resources, while less than a fifth focus on enhancing the resources they seek to protect. Bridges, cultural landscapes or the built environment, historic residences, midcentury modern or recent past, landmarks and historic sites, and commercial structures are the most commonly preserved resources nationally, with 40% or more of organizations reporting a focus on preserving these resource types. I also found the majority of organizations in this subsector do not engage in disaster planning, either in-house or with outside stakeholders, despite historic preservation having become a widely acknowledged and important aspect of material culture and economic resiliency that is threatened by disasters (Wojno, 1991; Morgan, Morgan, & Barrett, 2006; Verderber, 2009; Rypkema et al., 2011). In providing a national overview of the scope and capacity of historic preservation nonprofits, this study may provide practitioners with a better understanding of the

Table 6. Regional Snapshots of U.S. Historic Preservation Nonprofits

Region	Southern	Midwest	Southwest	Mountain-Plains	Western	Northeast
States in this National Trust region	AL, FL, GA, KY, LA, MD, MS, NC, SC, TN, VA, WV	IL, IN, IA, MI, MN, MO, OH, WI	AR, NM, OK, TX	CO, KS, MT, NE, ND, SD, UT, WY	AZ, CA, ID, NV, OR, WA	CT, DE, ME, MA, NH, NJ, NY, PA, RI, VT
Strategic aim within region	Place, culture	Place, culture, economic	Place, culture, economic	Place, culture	Place, culture, economic	Place, culture, economic
Opinions on adaptive use	Current* (77%) Future* (22%)	Current* (69%) Future* (87%)	Current* (82%) Future* (82%)	Current* (83%) Future* (75%)	Current* (90%) Future* (90%)	Current* (53%) Future* (65%)
Most common decision basis	Tradition (47%)	Board & staff* (75%)	Board & staff* (69%)	Funders* Board & staff* Tradition (83%)	Funders* Board & staff* (50%)	Funders* Board & staff* (56%)
Resources most commonly targeted	Residential (45%)	Bridges* (81%)	Cultural landscapes/ built environment* Landmarks* (67%)	Residential (83%)	Mid-century (82%)	Religious* (100%)

Note. Statistically significant difference by region; $p < 0.05$

behaviors of other organizations, allowing for better information exchange, organizational learning, and impetus for advocacy work around particular resource types.

Findings from this study add to the work by other scholars supporting regional differences in nonprofit organizations and philanthropy (Schneider, 1996; Clerkin, et al., 2013) and in historic preservation (Carlson, 1980). It also supports studies that have found differences in behaviors in nonprofit organizations related to decision-making rationale (Bromley, Hwang, & Powell, 2012).

However, neither programs run by these organizations, nor elements of capacity related to organizational characteristics, geographic cover, or local context show national or regional patterns. This shows that additional research is necessary to better understand additional pressures shaping this nonprofit subsector, and how they shape organizational behavior and structure. For example, an exploration of the relative degree of influence of each of these nested pressures as well how these nested pressures interact could provide valuable information for both public and nonprofit managers seeking to influence practices regarding public resource preservation.

There are many small nonprofit historic preservation organizations in the U.S., but there is no comprehensive list of such organizations—and many are extremely small with a local focus and no paid employees. At least one organization included in this study has closed its doors for good since I interviewed its executive director. This means one limitation of this study is that there may be differences in behavior among these even smaller organizations that are missed in the population included in this study. Additionally, my study provides a cross-section of the patterns of behavior and structure within this subsector, and there may be significant changes over time, especially given recent shifts in regional cultural values and threats to cultural resources. Resource preservation is increasingly the responsibility of nongovernmental organizations in the U.S. Some lawmakers and advocates argue against the continuation of historic preservation districts in urban areas, particularly in regions such as the Midwest, where “the preservation of history and culture is not near to the hearts” of certain political factions (Capps, 2016). This means it becomes increasingly important to understand when and how these organizations will act to preserve cultural resources important to the diverse publics in the area and how they will go about identifying and making programming decisions regarding these resources.

Notes

1. This does not take into account those organizations from which I received no response after several attempts at contact. Taking nonresponse into account, 91% of organizations were included in the first phase of data collection, and 75% of those organizations took place in the second phase as well.
2. Delaware, Montana, Nebraska, New Hampshire, and North Dakota were not represented in these phases of the study because organizational representatives did not respond to my requests for interviews, and Alaska and Wyoming did not have an active NTHP partner nonprofit organization at the time the initial interviews were conducted.
3. In addition to Alaska, Delaware, Montana, Nebraska, New Hampshire, and North Dakota not being represented in the disaster-specific questions. Pennsylvania was not included because organizational representatives were unable to be contacted or declined to participate.

4. The “50-year rule” refers to National Park Service Criteria for National Register Evaluation, which state that (with some specific exceptions) sites that have “achieved significance within the past 50 years shall not be considered eligible” (Andrus, 2002).
5. Two other people who were PhD students in my doctoral program and members of the research team I worked on at the time of analysis kindly volunteered their weekend to code 10% of the qualitative data each. They coded different parts of the data, so each instance of coding that was checked for reliability was coded by both myself and another person well-trained in qualitative coding. We then sat down and discussed how my coding of each case related to theirs, with the idea that the third person who had not already coded it could weigh in for any cases of disagreement. As we initially agreed in almost all cases (over 95% of data categorizations) and quickly found agreement in cases where we did not initially agree, the coding is clearly reliable.
6. This question was originally designed as binary, but after several respondents shared their opinions that the two approaches are of equal importance, I kept the wording of the question consistent but allowed for a third category if they said they were equal.
7. At the time of data collection in 2010.
8. Resources that differ by region are described in the regional differences section.
9. Some historic and cultural resources that show national patterns in preservation are a part of the current preservation focus in only a small number of organizations, but the focus does not concentrate more heavily in one region than another, so they are listed as national patterns for simplicity.
10. Data for this question are from the 82 responses to this question.
11. Because of unequal group sizes across regions, harmonic means are reported here and for local organizational context, increasing the risk of Type I errors.

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Author Biography

Anne-Lise K. Velez holds a Ph.D. in public administration and is currently a collegiate assistant professor in architecture and urban studies at Virginia Tech, where she is working on curriculum development for the Calhoun Honors Discovery Program and research on public and nonprofit management. Because of her background in design and her work with nonprofits, Anne-Lise is particularly interested in management decisions and policies that involve the built environment and human interactions with the natural environment, especially as related to community well-being and sustainability.

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A Nonprofit Organization's Approach to Cognize Community Responses to Historic and Perpetuated Structural Racism in Baltimore City

Branden A. McLeod – University of Illinois at Chicago

Jasmine Gilmore – University of Maryland Baltimore

Laura G. Daughtery – The Catholic University of America

Joseph T. Jones, Jr. – Center for Urban Families

The purpose of this manuscript is to illustrate how a local nonprofit organization in Baltimore City attempted to cognize, depict, and frame the perspectives of community stakeholders concerned about structural racism in the city. Six months after the death of Freddie Gray, a 25-year-old unarmed black man who died in a hospital from spinal cord injuries sustained while in police custody in West Baltimore, the authors were invited to participate in a community conversation aimed at identifying solutions to structural racism. In partnership with the host community agency, which is located in West Baltimore, the authors developed a survey that was used to depict the conversation and analyzed the survey results. Within this manuscript, key findings and a narrative are provided to give readers an understanding of the context and tone of the conversation. This manuscript further provides an approach by nonprofit organizations, public agencies, and/or policymakers to engage in meaningful discourse with economically marginalized communities around issues of structural oppression and inequality.

Keywords: Nonprofit Advocacy, Community Engagement, Social Change

Communities in the United States continue to struggle with the complexities and vestiges of structural forms of oppression, which perpetuate inequalities in accessing basic needs, such as affordable housing, living wage job opportunities, and nutritious food choices, among others. In recent years, differential policing strategies in predominantly communities of color (e.g., Baltimore City, MD; Chicago, IL; and Ferguson, MO) has resurfaced as a contentious area of concern and outrage. Within communities experiencing higher concentrations of poverty and unemployment exists nonprofit organizations, as well as local and state government agencies, which may work toward ameliorating such inequalities and differential practices through the

provision of public services, programs, and the implementation of public policies. However, addressing these contentious topics may often seem politically and practically unfeasible for practitioners working within private and public agencies. To some extent, some agency administrators might conclude that addressing structural forms of oppression and inequality is too immense of a task and goes beyond the scope or mission of the agency. While policymakers, administrators, and practitioners might dispute whether or not it is prudent to address such inequalities on moral grounds, evidence suggests that ameliorating oppression and decreasing the likelihood for civil unrest is fiscally judicious. For instance, in Baltimore City direct costs attributed to civil unrest cost state and local governments nearly \$20 million (Gershenson & Hayes, 2016). Whereas, in Ferguson, MO, civil unrest led to statistically significant declines in math and reading achievement among third- through eighth-grade students (Gershenson & Hayes, 2016) and the civil unrest in Ferguson cost upward of \$4 million in property damage (Unglesbee, 2014). In circumstances when there are apparent negative fiscal impacts, it usually becomes obligatory for policymakers and administrators to react to the symptoms of structural forms of oppression when a more proactive and critical approach is often more effective. In some instances, private nonprofit organizations play a role in highlighting, advocating, and engaging diverse stakeholders in issues of structural discrimination and oppression.

Current Study

This manuscript illustrates how one local nonprofit organization in Baltimore City stepped aside from business as usual and attempted to cognize, depict, and frame the perspectives of community stakeholders concerned about structural forms of oppression and racism in the city. Six months after the death of Freddie Gray—a 25-year-old unarmed black man who died in a hospital from spinal cord injuries sustained while in police custody in West Baltimore, the first and second author were invited to participate in a community conversation aimed at identifying solutions to structural racism. In partnership with the host community agency, which is located in West Baltimore, the first and second authors developed a survey to collect community responses, analyzed the survey results, and attempted to adequately depict the sentiments of the conversation (Center for Urban Families, 2015). Within this manuscript, key findings and a narrative are provided to give readers an understanding of the context and tone of the conversation. This manuscript also serves as a guide on ways that nonprofit organizations, administrators, and policymakers can assist in providing transactional human services to meet basic human needs, while facilitating meaningful transformational discourse through community-building activities to address oppression and racism within socially and economically marginalized communities.

Contemporary Baltimore City In-Context

In April of 2015, civil unrest erupted in Baltimore City in relation to the death of Freddie Gray. Community activists alleged that Gray died as the result of spinal injuries suffered at the hands of police during the period he was in the police transport vehicle after being arrested. They said police officers gave Gray a “rough ride,” a technique they said police often used when transporting prisoners of color. Gray’s death was ruled a homicide by the Baltimore Medical Examiner’s office, and five officers were charged with murder and subsequently acquitted. Community reaction to the incident began the day after Gray’s funeral and continued off and on for weeks. By the time the marches, protests, and community actions were complete, at least 20 police officers had been injured, hundreds of people had been arrested, businesses had been damaged, and structures and vehicles had been set aflame (Rentz, Broadwater, & Fenton, 2017).

Out of the unrest, community organizations in the city began a renewed focus on finding solutions to socioeconomic and political disparities manifested. In cities like Baltimore, where spatial mismatching often exacerbates economic outcomes for predominantly communities of color, it becomes clear that the vestiges of structural racism and discrimination, which are both deep-seated and historical, remain prevalent in present-day Baltimore. Historically speaking, discriminatory housing covenants, redlining, and blockbusting were among the tactics used to segregate Baltimore City neighborhoods. For instance, in 1910, the city became the first in the nation to enact the first law to prohibit African Americans from moving to White neighborhoods (Pietila, 2010). Even after the U.S. Supreme Court struck down discriminatory housing laws, Baltimore later led other cities to create private agreements to bar both Jewish and Black people from certain neighborhoods (Pietila, 2010).

Many of the areas where civil rest occurred are designated “Racially and Ethnically Concentrated Areas of Poverty (R/ECAP)” by the U.S. Department of Housing and Urban Development, attenuated by low regional Labor Market Engagement Index (Huggins, 2015). Although Baltimore is located in the nation’s wealthiest state, Maryland, which has a median household income of \$75,000 (U.S. Census, 2016), Baltimore City, however, has a median income that is only three-fifths that amount. The situation is even worse for those families that live below the poverty line. The Maryland Alliance for the Poor (MAP), a nonprofit that tracks poverty measures to influence poverty policies, reports that nearly half (49.7 percent) of Baltimore City residents have incomes 50 percent below the poverty level (or \$5,385 per individual). Juxtaposing this income data with the cost of living, the wage needed to afford housing in the city is \$23.69 per hour (or over \$49,000 annually) (Maryland Alliance for the Poor, 2016).

To provide further context, the West Baltimore neighborhoods of Sandtown-Winchester/Harlem Park, where much of the civil disturbance took place following the funeral of Freddie Gray, has a median household income of \$24,000 (Baltimore Neighborhood Indicators Alliance, 2016). Despite the apparent economic need, these neighborhoods do not receive the magnitude of revitalization and reinvestment compared with neighborhoods surrounding the inner harbor (or “The Baltimore Harbor”), which is roughly four miles away. For example, the neighborhood of Canton, due east of the inner harbor, experienced residential property vacancy/abandonment of less than 1% in 2014; whereas, 35% of residential property was vacant in Sandtown-Winchester/Harlem Park that same year (Baltimore Neighborhood Indicators Alliance, 2016). In the same year, the median price of homes sold was \$275,000 in Canton and \$18,000 in Sandtown-Winchester/Harlem Park. Sandtown-Winchester/Harlem Park has nearly 100 fewer businesses than Canton—257 versus 358, respectively (Baltimore Neighborhood Indicators Alliance, 2016). Relatedly, nearly 14% (13.6%) of Sandtown-Winchester/Harlem Park residents are unemployed and looking for work versus just over 4% (4.1%) of Canton residents (Baltimore Neighborhood Indicators Alliance, 2016). A key point that intersects race and class inequality in Baltimore City is the fact that a majority (88.9%) of Canton residents are White, whereas a majority (96.9%) of Sandtown-Winchester/Harlem Park residents are Black (Baltimore City Health Department, 2011). Thus, this data contextualizes the state of race, wealth, and concentrated disadvantage within Baltimore City.

The Event: The Center for Urban Families First Community Conversation Focused on Structural Racism

In October of 2015, just six months after the death of Freddie Gray, the nonprofit organization, Center for Urban Families (CFUF), which is also referred to as “the Center,” held a town hall-

style community conversation titled “The Future of Baltimore: Conversations and Solutions: How We Got to Where We Are as a City.” The community conversation focused on the context of Baltimore’s civil unrest, which was fueled by Gray’s death. The speaker’s presentation offered a history lesson on how such a thriving city legally and systematically oppressed Black people through re-enslavement, violence, racial segregation through restrictive deed covenants, mass incarceration, etc. This was a presentation of Baltimore’s history of social and economic marginalization, which elucidated intergenerational poverty and cultural dispossession (Okoye, Nwakibu, Ibelegbu, Rodriguez, & Alshahwan, 2015). The keynote presenter asked, “How did Baltimore create an environment with such low chances of upward mobility? How did we create these neighborhoods in Baltimore?” She proposed, “Structural racism.”

Pursuant to the keynote, a panel of Baltimore City residents, advocates, and policymakers responded to the acts of historic and structural inequity within the city. A planned community dialogue with audience members followed both the keynote and panel discussion. Through this effort, the center endeavored to create an atmosphere that would foster solution-oriented discussion.

During the conversation, the authors were observers of the community conversation. Because the use of “surveys are a common method of primary data collection in community-based research” (Chow & Crowe, 2005, p. 608), the center partnered with the first author to design a survey to collect suggestions from those in attendance for how to address structural racism. While other qualitative methods may provide a greater depth of the community stakeholders’ perspectives, the community-based agency requested a survey in order to collect a larger quantity of responses given the community’s interest in this issue.

The survey consisted of nine items made up of demographic questions (i.e., age, residency status, gender, and race), Likert scale questions asked about the helpfulness of the community conversation, along with open-ended questions, one of which is the heart of the survey and the focus of this commentary. This question asked participants, “What do you think could change the structural racism in Baltimore City?” As a result of analyzing participants’ responses to these questions, emergent codes were developed. Suggestions for changing structural racism in Baltimore were grouped into six themes and are discussed in more detail below.

Methods

Sample and Descriptive Statistics

An estimated 225 people attended the community conversation, which ran two hours in duration. While organizers of the community conversation arranged the event in a town hall format so that participants could voice their solutions to structural racism, they were aware that all attendees would not be able to approach the microphone to make their ideas publicly known. Thus, the host organization recommended a survey that included open-ended qualitative elements, so that participants could record their solutions to structural racism. Participants signed an informed consent form and were aware that survey results would be reviewed, analyzed, and published.

As described in Table 1, out of the estimated 225 attendees, 122 surveys were returned and analyzed, for an overall response rate of 54.2%. Almost three-fourths (71.4%) of survey respondents were Baltimore City residents, while the remaining respondents came from nearby counties. The respondents ranged in age from 22- to 71-years-old with a mean age of 46 years

Table 1. Participant Characteristics, f(%)

Characteristics	f	%	Mean
Gender			
Female	83	68	
Male	39	32	
Race/Ethnicity			
Black	62	51	
White	53	44	
Other Race	7	5	
City Residents			
Residents	87	71.4	
Non-Residents	35	28.6	
Age			
22-71			46

old. Over two-thirds of (68.4%) respondents identified as female and less than one-third (31.6%) identified as male. Over half (51.3%) of the respondents identified as African American/Black, over two-fifths (43.7%) identified as White/Caucasian, and 5% identified as two or more races, Latino/Hispanic, and other races.

The first and second author used qualitative data analysis to identify significant patterns, categories, and themes for four open-ended survey questions. This article focuses on one of the four open-ended survey questions, which asked participants “What do you think could change the structural racism in Baltimore City?” The intent of this question was to seek original solutions from participants, which went beyond what was mentioned by the keynote speaker and panelists.

Coding

Surveys were entered into a data table and reviewed separately by two members of the research team in order to enhance interpretive analysis. The researchers each read through the responses and determined the main concepts. Types of responses were recorded and collapsed as the researchers saw fit. After both researchers reviewed the responses separately, results were compared, and discrepancies were discussed. The emergent themes that were produced came out of a combined effort of both researchers and a cross checking of themes.

Forty-four codes emerged and included topics, such as the need for more media attention, bank regulations, changing drug laws, open-mindedness, housing, and integrated communities. Through further analysis, discussion, and cross checking six themes emerged from these 44 codes. These themes were: greater cultural humility; increased community engagement; more just laws, social policies, and structures; economic opportunity; education and jobs; and changing attitudes. Both the primary and secondary authors collaboratively coded the responses to the community conversation survey (Saldana, 2009) and ensured that collaborative coding lead to relevant and harmonious themes to capture, with authenticity, the voices of respondents.

Solutions to Diminish the Effects of Structural Racism in Baltimore City

Cultural Humility

Twenty-nine respondents expressed the need for cultural humility as a means to change structural racism in Baltimore City. Cultural humility as conceptualized by Tervalon and

Murray-García (1998) consists of lifelong dedication to self-assessment and self-critique, as well as rectifying power imbalances (in this instance, race). Cultural humility, as described by respondents in the statements below, reflect understanding and strengthening relationships between races. The narratives also incorporate a necessity to go beyond awareness in order to combat institutional racism, integration, and racial equality.

Individuals wanting to assist/even those in Baltimore must receive cultural competency training especially if serving residents in the city. (Hispanic, Female, 37-years-old)

Experience. If you never experience what a person is or have gone through, you will never sympathize only experience empathizing over and over. (African American, Female, 37-years-old)

Let more White people involved in the community commune with Black people and really understand that blacks are human. More Black people come to the Black church, go to events. (African American, Female, 36-years-old)

Need to improve more opportunities for Whites + non-Whites to interact—the less groups of people interact, the more they fear each other & thus avoid each other—this event was an excellent means, yet it was also the case that whites tended to sit with Whites + Blacks with Blacks—finding ways for the two groups to interact, not live (or sit) in different areas. (White, Male, 34-years-old)

Increased Community Engagement

Twenty-five respondents offered solutions that fit within the theme of community engagement. According to McCloskey, McDonald, and Cook (2013), several critical organizing principles (i.e., fairness, justice, empowerment, participation, and self-determination) are components of community engagement. These principles were apparent in the responses. Specifically, their suggestions encouraged more community- and national-level conversations, which should be community-led, so that such concerted efforts would allow for diverse voices to join together.

Empowering those who are hurt by the structure. Investing in individuals and communities that are at the butt of the system. (African American, Female, 22 years old)

Community dialogues—not experts talking but all people. Celebration—ways to bring together. (White, Female, 44 years old)

More involvement of community members in these forums. (White, Male, Age unknown)

A consistent and intentional, long-term strategy that galvanizes us and mobilizes us toward success. (African American, Male, 27 years old)

Changing Laws, Policies, and Structures

Twenty-one surveys included approaches that formed the theme “laws, policies, and structures” to change structural racism in Baltimore. These focus on changing laws and policies as well as leadership. Respondents highlighted the need for more and better leaders at every level. Among the narrative is also a call to fix the systems that perpetuate structural racism. As is the case with previous themes, overlaps appear. The authors agreed that while there was thematic overlap between economic opportunity and the solution surrounding laws, policies, and structures, it was important to isolate the issues given that the responses provided salient political overtures that should be examined separately.

Rid political good ol' boy systems. Leaders come from neighborhoods. (African American, Male, 52 years old)

Actual representation and equality in our government and getting rid of racist policies for a start. (White, Female, 32 years old)

Get rid of most city council reps—the entrenched passivity on part of city leadership is keeping the city from moving forward. (White, Female, 55 years old)

The challenges are rooted in public policy that must be changed. Identifying the policies that are creating distressed communities and fight for change. (White, Male, 44 years old)

Reform: Remove the three strikes, remove minimum mandatory, remove laws that are racially biased (i.e., crack versus cocaine). Police reform: Let people with drug charges get financial aid to go to college. Drastic innovative change. School choice, police department. Gutting of ideas and bad practices and training, REAL SMART executive leadership willing to SHAKE UP THE SYSTEM. No one in the race now fits that bill. (African American, Female, 37 years old)

Economic Opportunity

Nineteen respondents echoed solutions related to increasing economic opportunities. Participants raised a myriad of solutions as crucial to economic opportunity. These include wealth redistribution, greater economic investment in underprivileged people and neighborhoods, jobs, workforce development, income equality, economic literacy, more businesses, mandatory hiring of Baltimore residents, and the need to hire individuals returning to their communities from incarceration.

1) Redistributing of wealth; 2) decriminalize drugs; 3) drug treatment; and 4) jobs. (Hispanic, Male, 41 years old)

More investment in communities, not just downtown business neighborhoods/districts. Bold desegregation policies for city schools. (White, Female, 27 years old)

A fundamental change in the U.S. economic system. There will not be better jobs for young drug dealers because these jobs are being outsourced due to the inherent proceedings of capitalism. (African American, Male, 27 years old)

Requiring large institutions, new developers to hire Baltimore natives. Mandate they maintain a percent. (African American, Female, 24 years old)

Reduce incarceration, improve job training and better decent-paying jobs, charter schools. (White, Male, 63 years old)

Education and Jobs

Eighteen surveys brought up solutions touching on the topic of improved education. Many comments emphasized the need for stronger and improved education system across demographics (e.g., race and age). Other comments reflected the need to change funding priorities from corrections to education.

Opportunities for education for all children and young adults opportunities for jobs and affordable housing for all working to fix a system that continues to oppress those w/ criminal backgrounds & lack of education. (White, Female, 59 years old)

Within existing structure of capitalism, better education at the front end and jobs with opportunity for advancement for minority communities. (White, Female, 63 years old)

Improve education for all, encourage economic development. Baltimore needs to prosper. (White, Male, 54 years old)

Investing more money into education (rather than jails); connecting grassroots community organizations that serve the underserved; have community organizations flood college campuses to enroll students in their causes. (White, Female, 24 years old)

Education and education to free the minds of youth. Teaching to young females as strong as the work being done with fathers. Mothers/females need a program that helps their character. (African American, Female, 52 years old)

Change in Attitudes

Eleven respondents expressed sentiments of becoming more honest, open-minded, aware, and hopeful toward one another and about the future of Baltimore. These concepts were grouped into the theme “Change in Attitudes.”

First, be honest about the situation and then revisit the policies and undo the laws. Put resources where they’re needed most not in

the place that are healthy and don't need it downtown. (African American, Female, 40 years old)

I think b/c we can go after the fire-breathing dragon called structural racism we have to address and begin to reawaken people's sense of hopefulness, empowerment, and self-defined destiny. (African American, Female, 44 years old)

More awareness, deepened understanding of structural racism. Building/strengthening relationships between races. (White, Female, 42 years old)

Candid conversations (solution focused) with documentation and then funding the initiatives that are created from these convos. Open-mindedness and respect (for/of diversity) are a must. Not being afraid/intimidated by one another. (African American, Female, 45 years old)

Community Responses Embody Broader Theoretical Perspectives

Community leaders' responses reflect takeaways provided by Reid in his 2015 manuscript "Ferguson, Baltimore, and The Search for Civil Health Metrics." Reid found (2015) that economic development strategies must encompass community well-being and civil health metrics to enhance quality of life and attract business, and urban design should take into account the importance of community cohesion and civic health. Moreover, from the authors' point of view, community leaders' responses to addressing the city's most pressing issues reflected social-community development, anti-oppression/anti-discrimination, and critical race perspectives, which service providers, program administrators, and policymakers should be aware. Given the power and importance of focusing on the responses of community leaders, these perspectives are discussed in more detail below.

Social-Community Development as a Perspective

Social and community development are important aspects of equality and equity, particularly for socially and economically marginalized communities. Social development includes building the capacity of people to work continuously for their own and society's well-being (Paiva, 1977). Structural change, socioeconomic integration, institutional development, and renewal are four dominant components of social development, while also emphasizing individual capacity development. Apparent in the responses of community leaders is the need for institutional renewal or reform. This relates to planned changes that result in a better fit between human needs and ambitions as well as social policies and programs (Payne, 2005).

Four contemporary concepts guide community work, including social capital, civil society, capacity-building, and social inclusion (Henderson & Thomas, 1981). These four concepts were also apparent in the solutions suggested by Baltimore community leaders.

Social Capital

The first of these concepts is social capital. According to Coleman (1988), “social capital is productive, making possible the achievement of certain ends that in its absence would not be possible” (p. 98). Unlike other forms of capital (i.e., financial, human, and physical), it exists as a resource for and among people and is predicated on social norms, social structures, and public good, which are built via trust, cooperation, reciprocity, effective communication, and sense of obligation to the social group (Coleman, 1998; Fukuyama, 2001; Portes, 1998). Lin (1999) sharpened the concept of social capital to include both instrumental (i.e., economic return, political return, and social return) and expressive actions (i.e., defending against possible resource losses) when individuals ascertain which social relationships to invest in. Greater social capital is associated with greater community health (House, Landis, & Umberson, 1988; Kawachi, 1999), whereas conditions related to low social capital may include social isolation, social stratification, and income inequality (Frumkin & Danneberg, 2010). Diversity of race and class is integral to social capital, as segregated and homogenous communities often forestall political discourse, which necessitates social capital (Frumkin & Danneberg, 2010).

Civil Society

The second concept of civil society is integrally related to the first. Fukuyama (2010) provided that civil society balances the power of people and the state, and the absence of civil society causes the state will need to step in to organize people. Thus, social capital and its tenets of trust, reciprocity, and cooperation among people may be thought of as foundations for promoting an effective civil society.

Capacity Building

The third concept of community work involves capacity building within communities. This is a process whereby communities’ abilities are strengthened (Arole et al., n.d.), so that they identify assets, problems, goals, and actions to sustain or make communal improvements. In this instance, community strengthening is approached through social cohesion and social capital, as steps toward capacity building (Arole et al., n.d.). Atkinson and Willis (n.d.) provided additional elements to this concept by emphasizing the need for organizational and leadership structure to beget community capacity. Parisi et al. (2002) advised that it takes more than social capital to build community capacity and community efficacy. Additionally, local features, such as dedicated locally owned business and congregational spaces are necessary to facilitate this kind of civic-engagement process.

Social Inclusion

The fourth concept of community work (i.e., social inclusion) is defined as both an outcome and a process of improving participation in society, which is central to ending poverty and begetting mutual prosperity (Mundial, 2014). Inclusivity has the potential to elicit equitable economic growth, especially for urban areas. Prospectively, such growth that could benefit entire communities might come in the form of equitable transit-oriented development (eTOD), which integrates housing and transit development (Andrews & Choi, 2016). Andrews and Choi (2016) found that eTOD’s reduce inequality and foster upward social mobility for previously economically distressed areas. Relatedly, a transit-oriented development plan was proposed for Baltimore City via a 14 mile east–west transit line called the “Red Line,” which would provide access to jobs for city residents at major anchor institutions, such as the Social Security Administration headquarters in West Baltimore County, higher education, and financial

institutions downtown, and Johns Hopkins Bayview Medical Center to the east of Baltimore City. However, when Maryland's current governor began his first term, the Red Line plan was canceled (Dresser, 2015).

While most of these concepts emerged from the community's solutions, through the theme of "Increased Community Engagement" responses related to increased community participation and social inclusion became the most salient topic. Practically speaking, social development relates to participatory approaches insomuch that a myriad of social concerns, including poverty, employment, entrepreneurship, and urban gentrification (Allen & Thomas, 2000), should be addressed by both direct-practice and community-practice approaches (Payne, 2005). This was an approach that the center was hoping to create through its traditional service delivery programs and this community conversation.

Anti-Discrimination and Anti-Oppression as a Perspective

The anti-discrimination/anti-oppression perspective espouses that people experience discriminatory and oppressive situations because they are a part of a group that is defined on the basis of shared characteristics (e.g., race, class, gender, ethnicity, sexuality, nationality, age, ability, etc.), which are erroneously deemed inferior and powerless (Hinson & Bradley, 2011). As such, discrimination and oppression occur on the basis of a variety of human characteristics. Racism, in its structural form, is one of these types of discrimination and is the focus of this manuscript given the intent of the community conversation. Within this human-made social construct, people are divided into distinct hereditary groups because they are deemed to be inferior and powerless (Landis, 1998). It is crucial to note that institutional discrimination may be more clandestine but is equally as intentional as individual discrimination (Landis, 1998).

A form of discrimination, which is not often acknowledged, relates to the differential treatment of people with prior criminal histories. Community leaders noted this as a problem that needed to be addressed. To be clear, while the possession of a criminal record alone may cause some employers to not hire a potential applicant, some employers' discriminatory practices have been cited to have a "racial disparate impact," which is a double conundrum for Black and Hispanic job applicants with criminal histories (Harwin, 2012). In other words, having both a criminal record and being a person of color wields inequitable employment prospects for this subgroup.

Helping people overcome the stigma of having a criminal record and educating employers that a job applicant with a criminal record does not automatically equate to an untrustworthy employee are areas that the center takes on. Efforts like this have caused a growing number of employers to begin initiatives aimed at training and hiring citizens with prior records. For instance, large institutions like Johns Hopkins Hospital in Baltimore have begun matching formerly incarcerated individuals with hard-to-fill health care jobs; in Illinois, the state legislature enacted a law to allow individuals with certain felony convictions to petition for professional licenses in health-related fields (Quinton, 2017). In fact, Johns Hopkins Hospital has found that employees with criminal records were more likely to stay in their jobs longer than employees without criminal records (Quinton, 2017); other evidence suggests that employees with criminal records are more likely to stay in their jobs longer, are no more likely to be fired, and make a better pool for employers (Minor, Persico, & Weiss, 2016). This is not unique to Baltimore, as one in four U.S. citizens has a criminal record (Bureau of Justice Statistics, 2014). Given the prevalence of this circumstance, government agencies and nonprofit organizations should explore initiatives to train, hire, and/or match individuals with prior criminal records with employment or develop small businesses.

Critical Race as a Perspective

The approach employed by the center to a certain degree reflects the critical race approach recommended by Kolivoski, Weaver, and Constance-Huggins (2014), which calls on human services agencies to begin dialogue and enact social change action by critically examining the relationship among race, racism, and power. Similarly, Davis (2017) suggested that a critical race approach to analyze policies and programs by calling identifying racist narratives, shifting viewpoints, and ultimately transforming policy and program outcomes. Critical race theory (CRT), which developed out of legal scholarship, has been applied across disciplines as a framework to examine existing power structures. The theory has basic tenets, including privilege, supremacy, and perpetual marginalization of people of color (UCLA School of Public Affairs, 2009). These tenets relate to the themes generated by participants in this community conversation and should be applied by agencies to better understand environmental factors that are at stake. In terms of the misuse of power, community leaders' expressed frustration with city development projects being directed towards downtown neighborhoods (or surrounding "The harbor") at the expense of the neighborhoods within East and West Baltimore City relate to the tenets, "racism as ordinary and normal" and "Whiteness as ultimate property." These tenets reflect that, on the one hand, racism is normalized and perpetuated through social structures and institutions (Bell, 1992), and, on the other hand, inequities could be best understood at the "intersection of race and property" (Ladson-Billings & Tate, 1995, p. 47). Critical race theory posits that wealth, power, and White privilege affords the right to exclude select racial groups (Harris, 1995) from multigenerational wealth-generating resources, such as property. This phenomenon occurs in Baltimore City when taxpayer dollars are reallocated to development projects in the downtown and harbor area neighborhoods of the city where the majority of White residents live.

To an extent, CRT becomes congruent with the social-community development approach insofar as it focuses on social and economic development for impoverished communities whose power is yet to be realized. Payne (2005) agreed that this becomes apparent where a minority of the population holds a majority of the wealth at the expense of low-income households and where government budgets are diverted from promoting the general welfare of society (e.g., education, health, housing, public assistance, and public transit) to instead funding the militarized (e.g. military, law enforcement, corrections, parole and probation) units of government. This is actualized when the funding of law enforcement surpasses the funding level allocated for educating the city's children (City of Baltimore, 2017). Thus, state and local policymakers and administrators must remain conscientious not to perpetuate program funding and economic development disparities, which often have an adverse impact on neighborhoods of color. Furthermore, residents from all neighborhoods (e.g., affluent and economically disadvantaged) must be invited and active in the planning and resource allocation processes.

Implications for Administrators and Practitioners

Collectively, the conceptual perspectives provide a framework for agency administrators and practitioners to begin the process of transformation and capacity building with marginalized communities. These perspectives are aimed at solutions, which recognize the need to reform the intentional and subtle racial injustices within the education, employment, housing, and criminal justice systems, while building the social and human capital of individuals within marginalized neighborhoods.

From the perspective of local governments, decades of inaction on issues of structural injustice have real fiscal impacts. For instance, in order to satisfy the U.S. Department of Justice, an issued consent decree and repair police-community trust stemming from police misconduct are projected to cost Baltimore \$7.5 million, and the state of Maryland has committed to paying \$2 million for the first year (Rector & Broadwater, 2017). Relatedly, for failing to implement agreed-upon reforms to the local police department and courts systems, the city of Ferguson, Missouri, was sued by the Department of Justice (Powell, Meitl, & Worrall, 2017). These fiscal retaliatory actions demonstrate the need for local governments to address structurally racist practices and the oversight role of the federal government when local governments fail to reform public systems.

Daft (2010) presented in the management literature that “organizations need to keep in touch with what is going on in the environment in order to respond to market changes and other developments” (p. 230). The same can be applied to nonprofit and government agencies. In responding to such changes and needs of constituents, organizations typically build allegorical bridges to communities (Haynes & White, 1999). Larger companies utilize boundary-spanning activities, which engage people at the grassroots level to interpret changes or problems and often rely upon “intelligence teams” of managers and employees to conduct these activities (Daft, 2010). Also, smaller nonprofit organizations may involve employees from various levels in the organization, including the chief executive, operating officers, members from the board of directors, and funders. The community conversation on October 1, 2015, did just that and is one example of how organizations can make a first step toward critical analysis and consciousness-raising of issues in the environment, which are adversely impacting community stakeholders. A sense of hope, reconciliation, and a need for action were apparent from the survey responses. The Center for Urban Families’ community-engaged approach to address structural forms of oppression and racism is consistent with the intergroup approach developed by Potapchuk (2007), which brings together racially diverse groups to eradicate negative stereotypes, build trust, and identify solutions. Community-based institutions serving low-income populations must develop new collaborative approaches to solve complex issues (Meehan, Reinelt, & Perry, 2009). To fulfill the goals of social-community development and anti-discrimination/anti-oppression, a critical approach must be taken to beget actual change. Thus, agencies and practitioners must continue to facilitate these critical conversations, ask reflective and critical questions in both direct practice (micro) and community (macro) settings (Kolivoski, Weaver, & Constance-Huggins, 2014), while proposing and acting upon policy reforms in order to foster equity among communities who have been historically marginalized.

Limitations

A critical race theory traditionalist may note differences in philosophy. For instance, a traditionalist might agree that the methods of this study diverged from CRT, given the tenet of interest convergence, whereby those in power have minimal interest in eradicating racism, unless it also advances the interests of those who maintain power (Kolivoski, Weaver, & Constance-Huggins, 2014). This may be realized by investigating the intentions of funding sources that support reform initiatives. Also, the racial composition of survey respondents does not completely resemble the demographic composition of Baltimore city. Of the survey respondents, over half identified as African American/Black, over two-fifths identified as White/Caucasian, and 5% identified as Hispanic and other. When comparing the surveys racial composition with the general population of Baltimore City, over three-fifths of the population is made up of African American/Blacks, over three-tenths are White, less than one-twentieth is Latino/Hispanic, and over one-twentieth is made up of other ethnic groups (U.S. Census

Bureau, 2016). Another nuance of this study relates to the average age of respondents, which was 46 years old. Age is an important descriptor because the civil unrest in Baltimore was mostly performed by youth, whereas the majority of respondents (community leaders) present at the community conversation were adults aged 27–71 (average age of 46 years old). Collaborations, such as community conversations, should aim to be inclusive and target for participation those who are most impacted.

This study is not necessarily generalizable to the entire city of Baltimore or for other metropolitan areas in the United States. Nevertheless, public and private agencies in other cities facing similar issues around historic and structural racism may find utility in this effort and decide to take similar approaches or build upon this example. Furthermore, this study may have been strengthened if a subsample of event participants were interviewed or invited to participate in a post-event focus group. These data-collection methods might allow for more detailed responses, in order to receive a deeper understanding and intent of the solutions proposed by the respondents. However, the strength of this approach is the high number of analyzed surveys, which provided a broad understanding of what a segment of the community was thinking as it relates to ameliorating structural racism in Baltimore City.

Conclusion

Nonprofit organizations and government agencies often operate within neighborhoods experiencing poverty and unemployment. Often stakeholders become reactive to community crises, on both moral and fiscal grounds; thus, it is necessary for organizations, government, and community members to proactively collaborate to address critical issues aimed at ameliorating oppression and decreasing the likelihood for civil unrest.

This manuscript demonstrates how nonprofit organizations can transcend a business as a usual approach and persist toward deeper engagement within communities, where they operate to understand their experiences with structural forms of oppression and racism. Such initiatives move beyond traditional forms of nonprofit and public administration approaches, which are often aimed at training practitioners to become more culturally competent (Rice, 2007) and progress toward greater cultural humility (Tervalon & Murray-Garcia, 1998). Moreover, through approaches like community conversations, it is plausible that human service organizations, in partnership with government and communities can begin creating a healing and solution-focused process. This process should include aspects of social-community development and anti-oppressive/discrimination elements. The solutions generated by over 120 individuals concerned about racism and oppression in Baltimore City have been documented through this effort. These solutions foster deeper progress toward inclusive critical consciousness raising and spur further community involvement, particularly for residents who are most affected by historical and contemporary racial trauma stemming from structural racism. Efforts such as these are a great start for the social change process, and more advocacy must be led by community stakeholders and supported by community-based agencies (Rocha, 2007). Doing so will facilitate shared power within marginalized communities in order to expedite necessary social and economic equity.

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Author Biographies

Branden A. McLeod is an assistant professor at Jane Addams College of Social Work at University of Illinois at Chicago. McLeod's overall research interest relates to the well-being of African-American males and their families. Given the over-representation of African-American males within the criminal justice system and its impact on their families, he dedicates his research to understand the experiences and outcomes of African-American males who've had contact with the criminal justice system with particular attention to their roles as fathers. His experience in policy analysis and advocacy has led him to teach graduate and undergraduate courses in social welfare policy and policy practice at University of Illinois at Chicago, University of Maryland, Baltimore, and Coppin State University in Baltimore.

Jasmine Gilmore is a graduate of the University of Maryland Baltimore, School of Social Work. Her interests lie in expanding access to health care and increasing usage of health care services in underserved populations. Miss Gilmore has a strong background in evaluation research having contributed to studies on models of care for young urban mothers as well as mental health treatments for children and adolescents in Baltimore City. Currently, she works as a project manager for a health advisory company in Baltimore.

Laura G. Daughtery is an associate professor and chair of the BSW program at the National Catholic School of Social Service, The Catholic University of America. Her research interests include child welfare, adolescents in foster care, African-American families, type-two diabetes interventions, and gerontology. Her work has appeared in *Journal of Community Practice*, *Journal of African American Studies*, and *Journal of Global Social Work Practice*.

Joseph T. Jones, Jr. is founder of the Center for Urban Families (CFUF), a Baltimore, Maryland, nonprofit service organization established to strengthen urban communities by helping fathers and families achieve stability and economic success. Prior to founding CFUF, Mr. Jones developed and directed the men's services program for the federally funded Baltimore Healthy Start initiative and replicated the Baltimore affiliate of the nationally recognized STRIVE employment services program. Mr. Jones is a national leader in workforce development, fatherhood, and family services programming, and, through his professional and civic involvement, influences policy direction nationwide. He served on President Obama's Taskforce on Fatherhood and Healthy Families and several boards, including the Open Society Institute-Baltimore, the Baltimore Workforce Development Board, and the National Fatherhood Leaders Group. He was a community advisor on fatherhood issues to Vice President Al Gore and contributed to First Lady Laura Bush's Helping America's Youth initiative.

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Reflections on Academic Lives: Identities, Struggles, and Triumphs in Graduate School and Beyond by Staci M. Zavattaro and Shannon K. Orr

J. W. Decker – North Carolina State University

Zavattaro, S. M., & Orr, S. K. (2017). *Reflections on academic lives: Identities, struggles, and triumphs in graduate school and beyond*. New York, NY: Palgrave Macmillan. \$139.99 (hardback), ISBN: 978-1-137-60008-0

Keywords: Book Review, Graduate School, Academic Careers

Staci M. Zavattaro, Ph.D., and Shannon Orr, Ph.D., editors of the book *Reflection on academic lives: Identities, struggles, and triumphs in graduate school and beyond*, weave a story of an academic's life through the Ph.D. journey—navigating rejection, developing a research agenda, job market intricacies, and balance (or lack thereof) between work and life. They use narratives from numerous professionals in academia, including tenured professors, junior faculty, administrators, and even graduate students, to offer advice and experiences on academic life. These narratives are organized across the aforementioned themes and are only lightly edited, which allows readers to immerse themselves in each unique situation. *Reflections on academic lives* is more than just a reflection but rather a deep dive into the mental, physical, and emotional journey that is graduate school and academic life.

This book cannot cover every possible variable in an academic career, but, by focusing on five themes, the authors highlight key tenets of a career in the academy. Choosing a Ph.D. program, working through rejection, job searching, creating a research agenda, and obtaining a healthy work–life balance are all essential aspects of a career in academia. Rooted in a passion for mentoring, this book aims to help others by looking beyond the experiences of the two authors to include a wide range of stories and viewpoints from those who are living or have lived through this academic journey. The editors asked contributors to “reflect on what you wish you knew in graduate school about the topic of your choosing” (Zavattaro & Orr, 2017, p. 2). As expected, this prompt produced numerous tips, stories, and advice from academics. It is this freedom to muse on their experiences that allowed the contributors to create a knowledge-rich and relatable book.

Dr. Zavattaro, an associate professor of public administration at the University of Central Florida, and Dr. Orr, an associate professor of political science at Bowling Green State University, became friends during their own academic careers. Dr. Zavattaro applied for a position at Bowling Green. It was during this interview that Dr. Zavattaro and Dr. Orr began a friendship that extends past university lines. Further, a discussion thread on Facebook regarding pedagogical choices led the two friends to embark upon writing this book. They channeled their experiences in academia to create the framework for the book. Rejection is something we all face as academics, and it was a key moment in the birth of the authors' friendship as well. As a result, the book opens with narratives on rejection, the first of which is the editors' own personal stories of rejection. This immediately sets the tone for the book as one that is vulnerable and honest about the lows and highs that come with academic life.

As stated above, this book tackles important topics in academia through a narrative storytelling lens. From successes in the job search and teaching breakthroughs, to the more sobering stories of rejection and mental health battles, this book evokes a range of emotions for the reader. Some readers may not fully understand the exact situation, but the narrative framework still allows the reader to empathize with the stories that are told. In particular, the stories of managing academic stress (pg. 162) and dealing with manuscript rejections (pg. 8) may resonate with current graduate students in a Ph.D. program or early-stage academics. Yet, for those currently job searching, other stories about improving job market chances and writing successful grant proposals may be more relatable.

The fact that this book expands across all stages of academic life is precisely why this book is a must-have for all academics' bookshelves. No matter the time or emotion, this book has a narrative from academics, new and seasoned, who have been through similar experiences that many may now be facing. This book recognizes the tribulations that academics face; thus, the book aids in making the academic journey feel less lonely. It celebrates successes and breakthroughs, showing progress is right around the corner if one simply keeps persevering. The book also acknowledges the lack of representation in academia by highlighting the lack of women, people of color, and people with disabilities in the field by highlighting narratives from these and other underrepresented groups. The editors acknowledge this lack of representation and continue an important conversation about creating a sense of belonging for all in academia.

One potential weakness of the book is the lack of empirical research articles to support the various narratives. While writing in a narrative style does not necessarily lend itself to the use of academic articles, several narratives touched on issues such as stress relief, grief, mental health, and other sensitive topics that often necessitate empirical research support. Further, each chapter could have benefited from concluding thoughts from the editors. Although each chapter follows a major theme, this is sometimes lost after reading multiple narratives in a row. Thus, a general conclusion section would have helped to synthesize the main points of each chapter. This would be especially beneficial for readers who choose to bounce between chapters.

In summary, *Reflections on academic lives: Identities, struggles, and triumphs in graduate school and beyond* provides a glimpse into the hidden world of academia. Dr. Zavattaro and Dr. Orr tackle some of the less-talked-about issues in academia by weaving together narratives from a variety of academics across different disciplines. These narratives evoke a sense of emotion and togetherness, as the stories are applicable to the experiences of nearly all academics. The themes of Ph.D. program selection, rejection, job searching, research agenda-building, and work-life balance highlight the intricate and continuous journey that is academic life. While not every story is applicable at every moment in time, the book lends itself to being revisited over time. For every moment in the academic trajectory—undertaking a Ph.D., becoming a new

professor, or establishing one's self as a seasoned faculty member—there is a narrative that speaks to the situation. Ultimately, this is a book that those new to academia, experienced, or even just considering an academic career path should read and hold onto, as the journey may evolve and change, but the lessons and advice in this book will last a lifetime.

Disclosure Statement

The author declares that there are no conflicts of interest that relate to the research, authorship, or publication of this article.

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Author Biography

J. W. Decker is a doctoral student of public administration at North Carolina State University. His areas of interests include public budgeting, state governance, and education policy.

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Can Governments Earn Our Trust by Donald F. Kettl

Michael R. Ford – University of Wisconsin - Oshkosh

Kettl, D. F. (2017). *Can governments earn our trust?* New York, NY: Polity Press. \$12.95 (paperback), ISBN: 978-1-509-52246-0

Keywords: Book Review, Good Governance, Trust

The 2016 election of Donald J. Trump reflects an ongoing erosion of confidence in American governing institutions. Today, conspiracy theories involving the deep state, widespread election fraud, and justice department abuses are emanating from the highest office in the land. However, the crisis in confidence is not uniquely American. In Great Britain, voters unexpectedly voted to leave the European Union. In Turkey and the Philippines, fledgling autocrats are weaponizing citizen frustration with government ineffectiveness to chip away at democratic institutions. These governing shocks are not entirely surprising. As Donald F. Kettl details in his short new book, large percentages of Americans, as well as citizens of other liberal democracies, do not trust their government.

The title to Kettl's book is a loaded question: *Can governments earn our trust?* That Americans generally do not currently trust their government is implied from the start. Of course, exactly what it means to trust your government is a vague and contested concept. In his first chapter, Kettl unpacks the complexity of trust through a series of propositions explaining that high levels of generalized distrust in any society can undermine the legitimacy of its governing institutions. Perhaps most apt is Kettl's (2017) description of trust as both a dependent and independent variable, "a force that shapes expectations and that is a product of past experiences" (p. 41). Kettl is careful in describing the positive role distrust plays in democracies, particularly how it fuels citizen demands for accountability and transparency. Further, he explains how levels of trust in government are generally cyclical. The problem today, Kettl argues, is that the expansion of government power and resulting rise of citizen distrust has put us in a down cycle from which we are struggling to emerge.

It is necessary, Kettl argues, that governments take action to earn back citizen trust. The prescriptions are fairly obvious but nonetheless insightful. One, governments must be proactively transparent. Too often transparency is reduced to a bureaucratic checklist; further, a change of mindset within a government in which transparency is a practiced value is necessary to earn trust. Two, governments must meet citizen performance expectations. This means

finding out what shapes citizen expectations, identifying where flaws lie, and empowering front-line bureaucrats to meet those expectations.

Less obvious and more interesting is Kettl's discussion of the barriers to earning back citizen trust. At the top of his list is a rising populism that thrives off of citizen anger with their government. When politicians run against Washington, they are both stoking and benefiting from citizen frustration with a government. Next is the rise of proxies in the delivery of public services. The growing number of government services provided by nongovernmental agencies places a structural barrier in the form of a middleman between the citizen receiving services and the actual government entity providing them. Most challenging is the issue of what Kettl calls "pros," which refers to professionals. The problem of pros is rooted in the growing distrust of technocrats among politicians and the public at-large.

Kettl concludes with the hopeful declaration that trust is not static, meaning existing challenges can be overcome, and general trust in our governing institutions can be reclaimed. That said, he acknowledges that his suggestions for improved front-line government performance and transparency face an uphill implementation battle due to the previously discussed barriers.

Kettl is at his weakest when presenting data in the early pages of the book. Though there is nothing wrong or inaccurate about the data, his is not a data-driven argument. As Bob Dylan sang, "You don't need a weatherman to know which way the wind blows." The election of a president as unique as Donald J. Trump, as well as his then advisor Steve Bannon's initial shot across the bow regarding the need to deconstruct our administrative institutions, is more than enough to illustrate the trust crisis in the United States. Those of us working in and studying government are particularly aware that something is awry.

It would have been easy to dismiss declining trust as a political problem, or a result of citizens not understanding what government does, or simple ignorance among the fringes of the electorate. Kettl, to his credit, does not take the easy way out. He engages with the problem as it exists rather than searching for a simple explanation that lets public administrators off the hook. To put it another way, though it is important to understand why trust is declining, the fact that people do not trust their government is the practical problem scholars and practitioners must address.

But there are solutions, and this is where Kettl is at his strongest. He shares an anecdote about the steps some states have taken to improve the customer experience at the DMV. Simple things like having customers take a number rather than stand in line, or providing more self-service options, have had a positive impact on citizen perceptions of their government. In my own city of Oshkosh, our department administers an annual citizen satisfaction survey. In past years it was mailed, putting the onus on citizens to actively participate to get their voices heard. This year, my colleague proactively went out into the community to ensure the full diversity of residents was represented in the results.

It is small steps like these that can increase trust and engagement at a micro-level. Though it is tempting to search for large sweeping solutions to our trust deficit such as new transparency laws, regulatory answers to fake news, or even changes in political leadership, none of these large-scale approaches can get at the root of the problem. Rather, it is the sum of the small steps taken at the point of service-delivery across governing contexts that can restore faith in democratic governing institutions. Or, as Kettl concludes, "Retail strategies might work only at the margins of what otherwise are powerful wholesale forces, but the strategies are real" (p. 120).

Overall Kettl's thoughtful book is well worth the minimal time investment required and is relevant to both practitioners and academics alike. Practitioners can apply Kettl's recommendations regarding how to earn back trust and come to terms with the rational (even if at times illogical) roots of public distrust of experts. Academics should heed Kettl's lessons by understanding that even the most rigorous and applicable research will not be useful if the public does not trust the message or the messenger. For both practitioners and academics, knowing the solution to vexing problems is not enough. Both need to practice humility, patience, and awareness of the customers of government when studying and implementing government services. Though trust is an amorphous concept, it is nonetheless essential for legitimacy in government. The disruptions of the past two years reflect both the fragility of our institutions and the difficulty governments face in adapting to rapidly changing citizen expectations. Simply, growing distrust is as much a cultural problem as a practical one. Reaffirming commitment to meeting citizen expectations for performance and transparency, as Kettl states, is a necessary step to overcoming the growing culture of distrust.

Disclosure Statement

The author declares that there are no conflicts of interest that relate to the research, authorship, or publication of this article.

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Author Biography

Michael R. Ford is an assistant professor of public administration at the University of Wisconsin – Oshkosh, where he teaches graduate courses in budgeting and research methods. He has published over two-dozen academic articles on the topics of public and nonprofit board governance, accountability, and school choice. Prior to joining academia, Michael worked for many years on education policies in Wisconsin.



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