

Political Interest Representation and Public Charities:
A Strategic Management Explanation of Nonprofit Advocacy

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Prepared for the 9th National Public Management Research Conference
Tucson, Arizona October 25-27th, 2007
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Abstract

In the form of voluntary associations, public charitable organizations are widely recognized as influential actors in the American political landscape. We argue these organizations play a key role in facilitating interest representation on behalf of themselves and their clientele, even as advocacy practices remain outside their core mission. Drawing on theoretical perspectives in political science, organization behavior and public management, we argue for an organization-level explanation of what compels public charities to pursue advocacy practices. We develop and test an empirical model of nonprofit advocacy in which factors of organizational learning institutions, organizational structures, strategic management and resource-dependence explain frequency of attempts by public charities to connect clients to institutionalized arenas of decision-making in the political sphere. Findings suggest collaborative networking experience, productive exchange-relations with funding principals, representation of lobbying skills at the managerial level, and governmental resource-dependence contribute to whether public charities engage and manage an advocacy agenda.

Introduction

In the form of voluntary associations, civic organizations, and lobbying groups, nonprofit organizations are widely recognized as influential actors in the American political landscape. Through their activities of raising money for social causes, sponsoring petition campaigns, increasing public awareness of salient issues, and linking citizens to political actors and institutions, nonprofits play an integral part of the policy making process at all levels of government. In providing citizens with outlets for political dialogue, social networking, and volunteerism (Reid, 1999), scholars have also recognized nonprofits as important vehicles for promoting civic engagement and furthering democratic ideals (Skocpol, 2003; Putnam, 2000).

Despite the influence of nonprofits in American politics and policy making, political scientists have approached the study of these organizations from a highly limited perspective, focusing almost exclusively upon two types of interest groups: economic benefit organizations typically representing agriculture, trade, and labor, and the broad class of “public interest” lobbying organizations exemplified by the National Rifle Association and the Sierra Club. Given their preoccupation with the study of these types of interest groups, political scientists have paid far less attention to representational roles performed by the immense collection of nonprofits designated by the IRS as public charities.¹ This failure to examine the interest group role of public charities is unfortunate for three reasons. First, public charities comprise the largest and fastest growing segment of the nonprofit sector (Independent Sector, 2002). Secondly, these organizations are uniquely suited for representing the interests of economically disadvantaged and marginalized clientele groups (Berry and Arons, 2003). Third, the increasing reliance of

¹ While public administration scholars have been slightly more attentive to the study of public charities, this work has primarily focused on the service delivery activities of these organizations and their performance as contract agents of the state.

public charities on government funding over the last four decades has led to a pattern of complex exchange relationships and mutual dependence between nonprofit and government organizations (Heimovics et al, 1993; Saidel, 1991; Knoke, 1990; Laumann and Knoke, 1987).

Economic theories of nonprofit organization suggest these institutions form and exist in order to give expression to preferences of groups whose needs have not or cannot be fulfilled by government (Weisbrod, 1977). In providing an organizational vehicle through which preferences of special interests can be aggregated to exert influence on government in both electoral politics and in the distribution of public resources, nonprofits function as collective action institutions, representing the specialized interests of their constituency groups. Pitkin defined representation as “to speak for, act for, look after the interests of their respective groups” (1972, p 117). To the extent that staff of charitable organizations engage in frequent attempts to influence the decisions or actions of government officials on behalf of their clientele, they are providing representation for their clients’ interests.

Many clientele groups represented by nonprofit charities face additional barriers to mobilizing for political action beyond the typical disincentives posed by collective action theories. These barriers may include the fact they are poor, homeless, children or adolescents, drug addicted, victims of battering, critically ill or disabled, or mentally incompetent. The propensity of individuals comprising these clientele groups for independent political action is often constrained by daily routines geared toward getting by. Indeed, the evidence is clear that citizens with greater resources of time, education, and money participate more frequently in political processes at both the individual and group level (Brady, et al 1995). Groups of citizens plagued by social and economic barriers of poverty, discrimination, disability, and related challenges are therefore more dependent on the staff and structure of *organizations* to represent

their needs and interests in the political system. Given the great number of public charities with missions designed to serve specific groups of socially and economically disadvantaged clientele, we expect these types of nonprofits to act as interest groups by engaging in political advocacy on behalf of their clients. To test this claim, we collected survey data from a random sample of public charities in Michigan asking questions on the number and frequency of advocacy activities performed by the organization.

Our contribution to the advocacy and interest group literature is twofold. We contribute to the interest group literature by studying a large class of nonprofits generally overlooked by political scientists, who have traditionally limited their study of nonprofit interest groups to economic benefit and public interest organizations. As Andrews and Edwards (2004) point out, this traditional conception of interest groups almost by definition limits the analysis to national organizations, whereas the study of nonprofit public charities permits us to focus on organized action at the local, community level.

Second, we contribute to middle-range perspectives of political action by examining how characteristics of the *organization* promote connections between clients and institutionalized systems of decision making, especially for marginalized groups. This focus on organization-level structure and behavior provides an alternative perspective on political interest representation to micro-level studies of individual participation and macro-level studies of mass membership organizations, which have served as the traditional analytic frames for political scientists studying the subject of interest representation.

An Organizational-Level Explanation of Nonprofit Advocacy

Political socialization is argued to be the result of individual political and personal motivations, potentially shaped by macro level institutional factors. These perspectives are informative; they also overlook organization-level dynamics which we argue generate opportunities for and constraints on political socialization. The part of political socialization we focus on is *advocacy* performed by public charities with the purpose of connecting constituents/clients to the political process, where they might otherwise not have the opportunity. Facilitating interest representation through advocacy is not the primary function of any public charity. Yet, these organizations are found to perform this role, often advantaging their own survival and prosperity. How is advocacy observed in these contexts?

The interest group and organization-level advocacy literature identifies two prominent dimensions of advocacy: *grassroots advocacy* (Goldstein, 1999; Kollman, 1989), and *standing in decision-making* (Sabatier, 1991; Knoke, 1986). Grassroots advocacy occurs through efforts by the organization to mobilize clients for political action. Standing in decision-making occurs when organizations attempt to shape the agenda or outcomes of the political process through their participation in policy communities comprised of bureaucrats, legislators, civic group leaders and other participants. What is fundamental is that the *organization* facilitates action within both of these dimensions, rather than acting in response to some external form of top-down or bottom-up influence. Therefore, we posit a model in which advocacy can be explained through a series of variables measuring organizational-level competencies and capacity acquired through organizational-level learning institutions, structural characteristics, relevant management and governance capacities, and resource dependence.

Organizational-Level Learning Institutions

An institutional theory of organizational learning helps clarify which vehicles of information and knowledge exchange, management skills, and structure are likely to promote multi-functionality and adaptive capacity to achieve organizational goals, including advocacy practices.

Two types of organizational competencies potentially affect whether the organization engages in advocacy. The first is collaborative networking. This is the experience organizations have with participating in interorganizational networks and coalitions. Organizations differ in the extent to which they network themselves with key resources outside the organization to accomplish their mission. Interorganizational networks become learning institutions for how best to link with other organizations in the external environment, for the purpose of meeting particular objectives. Whether a success or failure, as a learning institution, these networks provide the organization a collaborative skill-set that can be used in other arenas, such as promoting advocacy activities.

Public charities are commonly engaged in collaborative networking for the purpose of economizing on transaction costs associated with service delivery. Some organizations rely on these external relationships to ‘stretch their dollar’ to meet demands, or to facilitate partnerships in piloting new programs or services deemed important by related charities. In a world of increased network governance, some public charities may even be required to engage in collaboration as a contingency for funding. While these joined-up actions are directed primarily at increasing performance on core functions of the organization, they are also useful vehicles for learning about productive coordination among groups of actors. Few public charities are better

positioned to make advocacy connections than those with an existing capacity for external collaboration.

The familiarity organizations have with reciprocal exchange of information between themselves and the enacting environment may also produce a set of skills valuable for advocacy. Reciprocal exchange during times of policy formulation or policy change offers a chance for organizations to shape their own policy environment and can even serve to promote their interdependence with others. For example, Berry and Arons (2003) found the most important factor predicting nonprofits' propensity to lobby is the level of contact initiated with the organization by those who work in government agencies. Exerting influence in the policymaking process and establishing mission salience to important actors in the enacting environment may be equally relevant assets for effective advocacy in other decision making arenas. Many activities associated with advocacy are purposed to broker this type of interaction. For example, organizations may encourage and train clients for participation in an advisory group which includes key policy making officials. Or, an organization may provide influential testimony at public meetings where policy actions are decided. These advocacy practices are likely better served by organizations with experience engaging policy processes for the purpose of exerting influence in other arenas.

Organizational Structure

Structure is generally argued to shape aspects of organizational behavior, whether in the selection of activities pursued or how work is ultimately processed, managed. Two aspects of organizational structure, professionalism and bureaucratization, may influence the extent to which public charities participate in advocacy activities. In the world of public charities, the

discussion of professionalization mostly centers on personnel management: whether FTE personnel are mostly paid professionals or volunteers. The degree of organizational professionalization may have two disparate effects on facility to advocate. Professionalized staff tend to strategically formalize organizations for protection against threats and challenges, which have the ability to destabilize the system of core-production. They are also more likely to use institutional tactics and display ineptness for coalition-building (Baumgartner and Leech, 1998; Jenkins and Halcli, 1999). While the latter may be a favorable condition for advocacy, the others are problematic. Paid staff may displace organizational goals in deference to system maintenance and career advancement, which may harm attention spent on other activities, such as advocacy or other secondary goals. Deference may also create a myopic view of organizational functioning on the core production function at the expense of other important goals of public charities, such as advocacy.

Over-professionalized organizations are generally ill-suited to represent an array of interests of those served, because professionals quickly grow “out of touch” with variegated needs of clientele (Piven and Cloward, 1979). Similarly, Salamon (1995) suggests that when nonprofits depend more heavily on voluntary labor opposed to professional staff, organizational leaders are more accessible to clientele, and this connection enables them to more accurately represent clientele interests in the political arena. Either way, the underlying incentive structures for voluntary and professional staff may shape advocacy practices in different ways.

Another dimension of structure that may shape organizational advocacy practices is the extent to which the organization is managed through hierarchical authority, systems of rules, procedures, and disciplined chains of command. As with professionalism, organizational bureaucratization can cut both ways. On one hand, bureaucratization may promote enhanced

advocacy because these activities become established governance practices incorporated into organizational routines. However, in their study of civil rights and social movement organizations, Piven and Cloward (1979) suggested that bureaucratization of these types of interest organizations imposes constraints on action of those traditionally marginalized, because it signals clientele to conform to conventional norms of interest participation, rather than encourage activities considered important to the overall representation-function, such as political advocacy.

Both structural components suggest competing hypotheses for their potential to give rise to advocacy practices. And, while it is reasonable for a bureaucratic personality to emerge where more paid professionals are present, there is enough theoretical rationale to suggest they have independent effects as well; something we test empirically.

Management/Governance Capacities

In “speaking for” “acting for” and “looking after the interests of their respective groups”, leaders of nonprofit public charities engage institutionalized systems of decision making, transacting with both elected and administrative public officials in a variety of contexts. These encounters may serve the purpose of providing technical or substantive information to policy makers about their clientele group, engaging with elected officials or their staff in the process of linking clients to political institutions and processes, or through direct attempts by organizational leaders to influence policy in ways that favors the organization’s objectives. These activities are not mutually exclusive. Previous work has attempted to disentangle motivations of nonprofit leaders for engaging in advocacy (Berry and Arons, 2003), by testing competing explanations of altruistic motivation and budget-maximization. However, we argue these motivations cannot be neatly separated; nonprofit organizations’ mission fulfillment depends upon on adequate

resources for survival. Thus, by engaging advocacy, nonprofit leaders simultaneously represent the interests of organization, as well as the interests of their clientele groups who depend on the organization.

Because of this, we expect the way in which public charities are managed to contribute to whether they engage in advocacy. Management theory in the public sector suggests managers play a key role in mission delineation and performance execution (Lynn, et al, 2001; Meier and O'Toole, 2001). For example, managerial efforts can be strategically directed internally for the purpose of aligning missions with both structures and work-processes, as well as externally to buffer the organization from foreign threats (Miles and Snow, 1978; Meier et al, 2007). Strategic external efforts may also include exploiting the environment to the advantage of the organization. Whether these strategic actions can be robustly observed or measured directly is suspect. However, Carpenter (2001) argues for intermediary evidence of managerial competencies which may better position an organization for strategic maneuvering. We argue three types of intermediary competencies would better position an organization to engage and manage an advocacy agenda: managerial experience with 1) legislative and other political processes, 2) civic cooperation and 3) lobbying within institutionalized arenas of decision making.

The first competency is straight forward: managerial experience with when, where and how to engage influential policy makers on issues relevant to the organization and its' clients improves overall situational-awareness in two primary ways. First, it reduces uncertainty about pitfalls in the political process, and second provides a roadmap for where alliances may emerge. On the other hand, managerial experience with the political process can harm advocacy objectives if negative interactions accumulate or interpersonal conflicts arise.

Representation of managerial skills associated with civic cooperation may also benefit an advocacy agenda. For example, building civic cooperation often involves helping citizens articulate individual and group interests, while also promoting ways to connect these interests with specific public issues, politicians and administrative policymakers (Putnam, 2007). These skills are cross-functional; they can be applied to organization-level advocacy practices focused on educating clients about their rights within a specific service system, transmitting knowledge to clients about proposed policies affecting them, or even articulating and communicating the policy position of clientele to relevant government officials.

The final intermediary competency is representation of managerial skills relevant to lobbying. Lobbying is another avenue for organizations to increase awareness of public issues while also identifying sources of political and financial support crucial for continued operation. Federal IRS regulations governing public charities prohibit organizations from spending a “substantial” amount of their annual revenues on lobbying. However, with growing resource interdependence with government funders and others, public charities are looking for ways to produce efficiencies in their limited lobbying activities. Having lobbying expertise at the managerial level is one way of enhancing this effort.

Taken together, we expect the presence of these intermediary components of management to better position public charities for initiating and managing an advocacy agenda. We do not argue for differentiating the effect of these competencies among non-profit governance corps and their executive leadership. This is because non-profits are managed by governing boards of which the executive director is usually a member.

Resource Dependence

Theories of resource dependence suggest that organizational leaders seek to manage their external dependencies through strategic attempts to exert control over the environment in which they are embedded (Pfeffer and Salancik, 1978). Nonprofit theories suggest two major forms of resource dependence that may affect the propensity of public charities to advocate: dependence on government contract and grant revenues, and dependence on private charitable contributions. Public charities have a well-documented dependence on government contracts and grants as a major source of revenue. Government funding to the nonprofit sector increased by 195 percent from 1977 to 1997, reaching \$207.8 billion by the end of twentieth century (Independent Sector, 2002), and accounts for approximately 52 percent of income for social service organizations (Salamon, 2002). Two very different lines of reasoning suggest that government resource dependence will influence advocacy and both logics predict an increased propensity to advocate when the organization relies on government funding.

The first logic suggests projects a rational-choice view of nonprofit organizational leaders. According to this perspective, organizational leaders are seen as strategically aligning their actions with objectives of organizational utility-maximization and self-preservation. Critics of public charities have argued that nonprofits grantees use their government funding to lobby for more money.² Indeed, there is some evidence to support the view that nonprofits lobby government and mobilize clients in order to protect or expand their public funding base, or otherwise achieve outcomes in the organization's interest. For example, Pawlak and Flynn (1990) found that a majority of Executive Directors cited positive consequences for their agency

² Beginning in 1994, a Congressional coalition led by Ernest Istook (R) – Oklahoma, organized in an attempt to pass a bill that would prevent lobbying by nonprofits that receive government funding. Istook and his allies argued that nonprofits grantees used their government funding to lobby for more money at the expense of the tax payers. Although the bill was shelved, Istook was successful in generating support for this position, particularly among conservative.

as a result of their advocacy efforts. The outcomes cited include favorable funding decisions, the ability to defend against budget cuts, adoption of desired legislation or ordinances, and passage of favorable administrative rules that pertain to their agencies or client populations (Pawlak and Flynn, 1990). Similarly, Pagliaccio and Gummer (1988) found there are mutual benefits for both parties when nonprofit administrators target their lobbying efforts at the local district offices of Congressional representatives and state legislators. Marwell found through a study of eight social service nonprofits in New York City that a triadic exchange relationship existed between nonprofits, organizational clientele, and the local governing regime. This triadic exchange involved nonprofits distributing needed services to clients, binding them to the organization, and creating reliable voting constituencies for local elected officials; local elected officials rewarded this patronage by steering government social service contracts to these organizations (Marwell, 2004).

A second logic, although quite different from the rational choice view also suggests nonprofits advocate at higher levels when they are recipients of government funding. Salamon's partnership theory of government-nonprofit relations suggests government funding embeds public service values and norms such as participation by imposing rules, restrictions and obligations on the part of nonprofits that accept government funding (Salamon, 1995). Nonprofit organizational leaders may speak for their clients more often to government officials when they receive government funding, simply because they have greater occasion to come into contact with such officials. Previous research shows that 26 percent of Executive Directors whose organizations receive funding from government participate at high levels in policy or planning group with government officials, putting them these Directors not only in close contact with government officials, but often in positions to influence these officials (Berry and Arons, 2003).

On the other hand, Salamon's "philanthropic paternalism" argument suggests when organizations rely to a greater extent on private charitable contributions, the traditional budget base of nonprofits, will be less likely to advocate in the interests of their clientele. According to Salamon, "So long as private charity is the only support for the voluntary sector, those in control of the charitable resources can determine what the sector does and whom it serves....Not only is this situation undemocratic, but it can create a self-defeating sense of dependency on the part of the poor since it gives them no say over the resources that are used on their behalf," (Salamon, p. 47, 1995).

Taken together, resource dependence factors, along with other organization-level factors, are expected to influence advocacy practices of public charities in different, but predictable, ways. The next section integrates these rationales with an empirical model of advocacy to test hypotheses on an original dataset.

Data and Methods

To explore theoretical propositions and hypotheses, we collected survey data from a random sample of 501(c)(3) nonprofit organizations in the state of Michigan. Organizations were selected from the Michigan Attorney General's database of licensed charities, which offers the convenience of current mailing addresses, along with names and contact information for the Executive Director or Chief Executive Officer. Surveys were administered by mail in three waves during the summer of 2004 according to standard methods of survey research (Dillman, 2000). A total response rate of 61.4 percent was achieved, yielding a final sample of 119 public charities. The sampling method combined with the response rate provide confidence our sample is representative of the population of Michigan nonprofits. The public charities represented in the sample are distributed evenly throughout the state among urban, suburban, and rural

communities of various sizes³. Since the sample of organizations may or may not be representative of nonprofits in other states, we use caution in our inferences. Because surveys were addressed to the Executive Director, responses are presumed to come from top leadership speaking to practices and activities of the organization as a whole.

We develop hypotheses from rationales presented earlier and use our dataset to test them using straight-forward multivariate analysis.

Variables, Measures and Hypotheses

Our dependent variable is *advocacy*. We argue that public charities vary to the extent they pursue advocacy practices which connect their clients to institutionalized arenas of decision making in the political sphere. Previous studies have measured advocacy as the total expenditures reported on Schedule C of the 990 form nonprofit organizations are required to file annually with the Internal Revenue Service. Yet, less than 2 percent of all public charities report lobbying expenditures (Boris and Krehely, 2002; Independent Sector, 2002). Since this measure fails to capture the vast majority of advocacy carried out by public charities, we use a measure designed to include a wider range of these organizations and account for a more complete scope of advocacy activities. The nonprofit advocacy and interest group literature suggests two prominent dimensions of advocacy: *grassroots advocacy* and *standing in decision-making*. We developed a composite measure of advocacy including elements from both dimensions, constructing an eight item index as our dependent variable. These items reflect how often the

³ Twenty four percent of organizations included in this study are located in small cities and towns with a population of less than 10,000, and another 26 percent are located in medium size communities (populations between 10,000 and 49,999). Twenty nine percent of the organizations are located in large cities (population 50,000 to 149,999), and the remaining 21 percent of agencies are located in very large cities with populations of 150,000 to one million.

respondent engages in following activities: Advocating before government the needs of clients/members, participating in a planning or advisory group that includes government officials; providing clients with assistance in writing, phoning, or e-mailing legislators, giving testimony or speaking about the organization during public comment at public meetings; educating clients/members about proposed laws/regulations that might affect them; linking clients/members to legislative offices or elected officials; encouraging clients/members to attend public agencies or meetings; and educating their clients about their rights ($\alpha = .93$)⁴. Items are measured on a four point scale representing none to high; the variable assumes values from 0 to 32.

Independent variables are drawn from three theoretical perspectives at the level of ‘organization’: organization-level learning institutions (*collaborative networking, reciprocal exchange*), organizational structure (*professionalization, bureaucratization*), and management and governance capacity (*representation of intermediary managerial competencies*).

Collaborative networking: Collaborative networking refers to the experience organizations have with participating in interorganizational networks and coalitions, and skills otherwise acquired in the process. Public charities may develop a number of organizational capacities through processes of routine collaboration with others, especially as critical information and best-practices are diffused among participants. The following hypothesis is tested based on this and previous argumentation:

H1: Organizations with experience in external collaboration are better positioned to engage in advocacy activities, which require similar skills in coordination, interest-linkages, and information diffusion; therefore, more collaborative experience is associated with a widening array of advocacy practices.

⁴ Factor analysis also confirms use of an index.

Collaborative networking is measured as a four item scale drawn from a survey question asking respondents to indicate how many of the following forms of collaboration they regularly engage in with other organizations: piloting new programs or services, streamlining or reducing costs, requirement of funding, or other collaboration. Scale reliability statistics provide construct validity. The variable assumes values of 0-5.

Reciprocal exchange: Interactions with key actors in the policy environment provide organizations with opportunities for exchange of information, ideas, and resources that may be mutually beneficial to both parties in the exchange relationship. So as to avoid conceptual overlap with collaborative networking, we focus on the specific exchange relationship in the policymaking environment between organizations and those who primarily fund their activities. Drawing on this and our previous theoretical argumentation, the following hypothesis is tested:

H2: Organizations having more frequent transactions with their funding principals to exchange information about the policy environment will engage in higher rates of advocacy.

We measure reciprocal exchange using an eight item scale constructed from two survey questions asking respondents to indicate on scale from 0 “never” to 4 “high”, how often do funding entities consult with the respondent for input when it becomes necessary to create new policies, rules, or requirements that will affect the work of the organization. Respondents were asked to answer the question first for government funders, then for foundations. The variable values for reciprocal exchange range from 0 to 8. The scale is statistically reliable.

Professionalization: Nonprofits whose mission is implemented primarily through unpaid, voluntary labor may engage in advocacy more frequently than those with highly professionalized staffs. Due to varying incentive structures, voluntary staff are less likely than paid counterparts to

have a myopic view of clientele interests. This is important given advocacy is typically outside the standard mission of public charities.⁵ These and previous arguments provide the foundation for the following hypothesis:

H3: As public charities grow more dependent on professionalized staff (as opposed to volunteers) to perform the work of the organization, their advocacy suffers.

Professionalization is measured as the total proportion of the organization's labor force comprised of professional staff.

Bureaucratized structure: Competing hypotheses emerge with bureaucratization and advocacy. First, bureaucratization of work processes may stifle advocacy by over-emphasizing those activities which conform to the core mission, at the expense of other important goals. On the other hand, bureaucratization may promote enhanced advocacy by integrating related governance practices into organizational routines. Based on this and previously argued rationale, the following hypotheses are tested:

H4a: Features of bureaucratic structure within the organization may prevent public charities from engaging in activities secondary to the core mission; therefore, bureaucratization may decrease advocacy.

H4b: Bureaucratic structures may provide a vehicle for increased advocacy by incorporating related activities into organizational routines; therefore, highly bureaucratized organizations will engage in more advocacy.

We measure bureaucratization using a four item scale constructed from a survey question asking respondents to indicate on scale from 0 "never" to 4 "high" the extent to which the organization reports the following aspects of structure are important to performing the work of the organization: clear chain of command, division of labor according to staff expertise,

⁵ We discuss potential nonlinear effects of professionalization on advocacy in the conclusion.

standard operation procedures, agency rules, policies or bylaws. Values of this variable range from 3 to 16. Scale reliability statistics support the validity of the measure.

We also include in the model a dummy variable to control for organizations that provide social services, because we expect these nonprofits have an especially high propensity to advocate. The variable assumes a value of 1 if it is a social service provider, and 0 if it is another type of nonprofit public charity.

Management/governance capacities: Nonprofits are more likely to advocate when they possess relevant managerial expertise and skills to engage in these activities. Management capacity for advocacy is measured through service by one or more of the following on the organization's governance board: elected official, civic organizational representative, and lobbyist. Drawing on our theoretical arguments earlier, the following hypothesis is tested:

H5: Nonprofits participate in advocacy activities more often when they are governed by actors equipped with relevant capacities. Organizations with a lobbyist, elected official, and civic organizational representative serving on their board engage in more frequent advocacy.

Each of these three managerial capacities is measured with a dichotomous variable; 1= organization has an elected official serving on its board of directors; 0= organization does not have an elected official on the board, and so on.

Resource dependence: We include two measures of resource dependence, designed to capture the vast majority of organizational income (Independent Sector, 2002). The first is government resource dependence, measured as the proportion of the organization's total revenues from government, all levels combined. The second measure captures the proportion of the organization's total revenues that comes from private sources including individual private

donations and charitable contributions. Based on previous arguments in the paper, the following hypotheses are tested:

H6: Organizations that rely on government funding will engage in advocacy at higher levels.

H7: Organizations that are more heavily dependent on private sources of funding will engage in advocacy less frequently.

Models are estimated using ordinary least squares regression. Robust standard errors are incorporated to address issues of heteroskedasticity common to cross-sectional analysis.

Findings

How well does an organizational-level model explain nonprofits' propensity for advocacy? Table 1 displays results from the OLS analysis. Our first two hypotheses stated that two different types of organizational-level learning institutions would have a positive effect on the rate of advocacy. Both hypotheses are confirmed by our findings. For each increment of change in the level of *exchange relations* nonprofits have with the enacting environment, there is positive and statistically significant increase of 1.3 on advocacy index (p. <001). The second type of organizational-level learning institution, *collaborative networking*, also produces a statistically significant increase in nonprofit advocacy. For each additional unit of collaboration between nonprofits and other organizations, the organization acquires greater understanding of the process and shared sense of duty to represent clients, producing a 2.486 increase in their frequency of advocacy (p<.001).

How do aspects of organizational structure and professionalism affect nonprofit advocacy? Specifically, does greater reliance on professional staff versus volunteers and a rule-

oriented, bureaucratic structure depress advocacy activities within public charities, as our hypotheses suggest? Neither of the hypotheses related to these organizational attributes are supported by our findings, as neither professionalization or bureaucratic structure variables are statistically significant. However, we think a nonlinear test of these factors is likely to uncover significant results supporting a negative relationship between professionalization and advocacy indicating that as nonprofits replace their voluntary labor force with professional employees at different rates, they become less inclined to represent their clients through advocacy. This is something we empirically investigate in another paper. The same nonlinear phenomenon may be true for bureaucratization, as well, where particular proportions of well-established systems of authority, chains-of-command, and institutionalized systems of rules and procedures may produce nonlinear increases in nonprofit advocacy activities, rather than consistently stifling them.

What effects do managerial skill and governance capacities have on nonprofits' advocacy activities? Nonprofits may strategically position their organizations to engage institutionalized systems of political decision making if they possess intermediary managerial competencies necessary to successfully do so. Our hypotheses suggest public charities will advocate more often when they possess relevant expertise on their boards. These substantive areas of expertise include lobbying, civic participation, and elected office holding. We find mixed support for our hypotheses, and some unexpected effects. First, public charities with a registered lobbyist serving on their board have a statistically significant increase in frequency of lobbying, and the magnitude of this increase is substantial ($b = 8.555$; $p < .001$). Representation on the board from organizations designed to promote civic engagement have no effect statistically on advocacy, but the coefficient is positive as we would also expect. Finally, we anticipated that organizations

with an elected official would also be likely to engage in advocacy at higher levels, because these individuals bring critical information inside the organization about the workings of the local governing regime and about issues on the local decision-making agenda. Therefore, having an elected official serve on the board should position the organization favorably for advocacy, yet we find that elected representation on nonprofit boards has a statistically significant, negative effect on advocacy (-3.132; $p < .05$).

How do we account for the decreased propensity of nonprofits for advocacy when an elected office holder serves on its board of directors? We offer speculations underlying this outcome, which may help guide future research. One possibility is that nonprofit leaders feel politically constrained by the presence of an elected official on their board, rather than politically empowered. Nonprofit leaders wary of attracting negative publicity and jeopardizing future fundraising opportunities for their organization may go out of their way to avoid advocacy so as not to raise public suspicion of impropriety. Of course it is also possible the elected official has found his or way onto to the board in an attempt to provide oversight or monitor organizational accountability. Organizational staff aware that they are being “kept a close eye on” may avoid activity in the political arena altogether, fearing the possibility of consequences. Another explanation for this relationship may be that organizations having an elected official serve on their board simply have less reason to advocate, either because their mission does not warrant it based on the type of clientele the organization serves, or because the organization receives little or no funding from government.

What role does resource dependence play in nonprofit advocacy? When public charities are more dependent on government financially do they engage in advocacy at higher levels as

our hypothesis suggests? Does organizational reliance on private sources of financing decrease rates of advocacy as our other resource dependence hypothesis suggest?

We find that government funding has a positive and statistically significant effect on the frequency of nonprofit advocacy. For each additional percentage increase the organization's budget that comes from government revenues, there is .076 increase in advocacy ($p < .001$). While the magnitude of this change may not seem large initially, the size of the effect is masked partially by the unit of measurement for the independent variable. A one percent increase in total budget from government produces an increase in the advocacy index of .076, meaning that .10 percent increase in total budget from government results in an increase of .76 in advocacy, and so on. Although we find support for our hypothesis that government resource dependence increases nonprofit advocacy, we do not find support for our second resource dependency hypothesis which stated that dependence on private source revenues will decrease advocacy.

How does well does this constellation of organizational learning institutions, structures, managerial competencies, and resource dependencies explain political interest representation by public charities? In other words, how well does our organizational-level model of advocacy fit? While there is room for improvement, our model fits reasonably well overall. We are able to explain approximately 46 percent of the variance in public charities' advocacy rates through the factors we examined. The robust relationships demonstrated by half of the variables in our model provide clear evidence that organizational factors play a critical role in shaping nonprofit advocacy practices. These findings provide support for an organizational-level model of advocacy, and at the very least should prompt scholars to take a closer look at organization-level determinants when studying nonprofit organizational participation in the policy process.

Conclusions

The purpose of our study was to empirically test a model of nonprofit advocacy in which factors of organizational learning institutions, organizational structure, management capacities and resource dependence explain the frequency of attempts by public charities to engage institutionalized systems of decision-making on behalf of their clientele. We find fairly strong support for this model, particularly for the organizational-level explanations of collaborative networking, reciprocal exchange, management competencies, and government resource dependence. Our analysis represents an important first step towards identifying how middle-range theories might contribute to more a complete understanding of nonprofits' role in American politics and policy making. In doing so, we make an important contribution to the advocacy and interest group literature by providing an alternative explanation to micro-level studies of individual participation in nonprofit voluntary associations, and to macro-level studies of the influence of nonprofit mass-membership lobbying groups in federal policy-making.

Yet, many questions remain. How might this middle-range perspective be further developed? What other organizational-level explanations might be tested to strengthen middle-range theoretical perspectives of nonprofit political behavior?

Clearly, our analysis carries limitations. It is likely there are other organizational or environmental characteristics our model does not capture, which may influence the propensity of public charities to engage in client interest representation. Some examples are communication and clientele feedback structures, environmental turbulence, macro institutional funding and political climate, and the extent to which an organization faces competition from other public agencies, nonprofits or for-profit service providers. Also, a single state analysis calls into question the extent to which our findings can be generalized to public charities in other states and

to the larger universe of public charities in the United States. On the other hand, a single-state perspective is also advantageous in some ways. A single state analysis controls for the influence of variations in state laws, state political culture, state economies, and a number of other factors difficult to capture in a multi-state analysis.

Even so, this study offers many prospects for future research, whether conceptually or empirically. Finding new ways to further integrate this project conceptually into the ‘representation’ genre of public administration and political science is one prospect. Another is to consider nonlinear impacts of organization-level factors on nonprofit advocacy. Exploration of these prospects would certainly benefit general research focused on the importance of representative modes of democracy that ensure the fullest array of public interests are reflected in policy-making and the distribution of public goods and resources.

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