

An abstract graphic at the top of the cover, featuring a purple and white design that resembles a stylized 'S' or a series of overlapping curves.

Nonprofit Trusteeship in Different Contexts

Rikki Abzug
Jeffrey S. Simonoff

Nonprofit Trusteeship in Different Contexts

RIKKI ABZUG

Ramapo College of New Jersey, USA

and

JEFFREY S. SIMONOFF

New York University, USA

© Rikki Abzug and Jeffrey S. Simonoff 2004

All rights reserved. No part of this publication may be reproduced, stored in a retrieval system or transmitted in any form or by any means, electronic, mechanical, photocopying, recording or otherwise without the prior permission of the publisher.

Rikki Abzug and Jeffrey S. Simonoff have asserted their moral right under the Copyright, Designs and Patents Act, 1988, to be identified as the authors of this work.

Originally published by
Ashgate Publishing Limited
Gower House
Croft Road
Aldershot
Hants GU11 3HR
England

Ashgate Publishing Company
Suite 420
101 Cherry Street
Burlington, VT 05401-4405
USA

British Library Cataloguing in Publication Data

Abzug, Rikki.

Nonprofit trusteeship in different contexts.- (Corporate
Social responsibility series)

1.Nonprofit organizations - Management 2.Trusts and
Trustees 3.Corporate governance

I.Title II.Simonoff, Jeffrey S., 1955-
658'.048

Library of Congress Cataloging-in-Publication Data

Abzug, Rikki.

Nonprofit trusteeship in different contexts / by Rikki Abzug and Jeffrey S.
Simonoff.

p. cm. -- (Corporate social responsibility series)

Includes bibliographical references and index.

ISBN 0-7546-3016-1

1.Nonprofit organizations—Management. 2. Trusts and trustees. 3. Corporate
governance. I. Simonoff, Jeffrey S. II. Title. III. Series.

HD62.6.A25 2004

658.4'22—dc22

ISBN 0 7546 3016 1

For our families and friends

Contents

<i>Preface</i>	<i>vii</i>
1 Boards of Trustees and Their Intellectual Environment	1
2 Boards and Their Varying Nature	13
3 From Whence Structure: Time Period Imprinting	25
4 Regional Cultures of Trusteeship	33
5 Industry Cultures of Trusteeship	45
6 What Difference Does Faith Make?	55
7 The Six Cities Trusteeship Project Dataset	63
8 Statistical Models and Model Selection	73
9 Analyses of Trusteeship in Different Contexts	87
10 Summary and Conclusions	117
Appendix A: Organizations Examined in the Study	125
<i>Bibliography</i>	133
<i>Index</i>	151

Preface

Nonprofit organizations and voluntary associations are variously regarded as the model of the American contribution to political stability (Tocqueville, 1945), the core of the democratic process (Douglas, 1987), and the arena for the revitalization of civil society (Calhoun, 1993; Siegel and Yancy, 1992). In the United States, nonprofit organizations are charged with the service of the public good through private action in fields as diverse as culture, education, human service, and advocacy, to name but a few. Relatively insulated from market forces and voter preference, these organizations are governed by private citizens acting in their own interest, the interest of their class, and/or the interest of the democratic public good. Despite this, we know surprisingly little about the people who historically have been entrusted with the stewardship of these organizations and the civil society they create. Indeed, while reviewing the state of the research field of nonprofit governance, Ostrower and Stone (2001, page 1) asserted the existence of ‘major gaps in our theoretical and empirical knowledge.’ This book attempts to address, in particular, lacunae in historical perspectives of trusteeship in the United States, while also adding a methodological contribution to social history analyses. We do this by using information theoretic analyses to model variations in trustee characteristics using data from the ‘Six Cities Trusteeship Project Preliminary Dataset.’ We explore nonprofit governance in the United States in historical context, in order to provide a baseline for policy, discussion, and future research in the field.

Noting the dearth of comparative historical studies of United States trusteeship, we build on the few previously published works in this strain to address the issue of interactions of contextual elements on nonprofit board composition. We revisit Yale University’s Program on Nonprofit Organization’s Six Cities Trustee Project to explore the factors imprinting nonprofit board form by modeling the effects and interactions of time, place, and organizational types (including religious affiliation) on the composition of a population of nonprofit boards.

To do this, the book focuses on nonprofits as organizations, and nonprofit boards as structures that are subject to organizational differentiating and homogenizing processes. Therefore, it draws on neo-institutional theories of organizational change and adaptation and, more broadly, on organization theory, to provide a roadmap through this American journey.

We focus on a population of boards of large and prestigious nonprofit organizations in Atlanta, Georgia, Boston, Massachusetts, Cleveland, Ohio, Minneapolis/St. Paul, Minnesota, Los Angeles, California, and Philadelphia, Pennsylvania. The organizations represented by these boards include hospitals (secular and religious), art museums, symphony orchestras, universities, family

services (secular and religious), community foundations, Young Men's Christian Associations (YMCAs), Young Women's Christian Associations (YWCA's), local United Ways¹, and Junior Leagues². We provide evidence that boards in these cities and subsectors look different at different points in time, although not always in the ways predicted, and that board structure and composition often vary, with regional, industry, and religious differences within and across time periods.

Intended Audience For This Book

Our work will be of interest to a wide audience of organizational science academics (in the U.S., U.K., and internationally), including organizational sociologists, organizational psychologists, management scholars (at business and policy schools), institutional economists, political scientists and historians. Further, the work will interest scholars of philanthropy, social class, elites, and city planning. The book's review, application, and extension of neo-institutional organizational theory will appeal to scholars and researchers working within that theoretical framework. Our statistical modeling approach, based on information theoretic analysis and the use of best approximating models, broadens the potential use of this book to a wide range of organizational and social scientists interested in alternatives to model building through hypothesis testing in the social sciences. Statisticians interested in the application of information-theoretic analyses to the social sciences will hopefully also find this book to be a useful read.

In the practitioner world, the work should also be of interest to nonprofit employees, managers, board members, clients and donors who are interested in the (historical) context of their current experiences. This is the first book-length treatment of findings from the Six Cities Trusteeship Project and as such, it is quite expansive in terms of the range of industries, geographic areas, and time frames that it explores.

Overview of the Contents of the Book

The book begins with an introduction to the field of nonprofit organizational studies with an emphasis on previous work on boards of directors. We highlight valuable insights from sociology's institutional theory while carving out a

¹ Born out of the desire to aggregate support of social services in local communities, local 'community chests' by the early 1900s had become numerous enough to identify as the United Way movement. Over the last century, a federated United Way system developed with individual chapters in major cities and a national umbrella United Way of America in the nation's capital (national.unitedway.org).

² Begun in 1901 by Mary Harriman, the Junior League for the Promotion of Settlement Movements in New York became a model for young women in other cities who soon banded together in like local organizations to work to improve living conditions for immigrants (www.ajli.org).

relatively unique niche focusing on a comparative historical institutional study of nonprofit board structures. This leads us to an extensive review, in Chapter 2, of the literature on board structure and composition—our target variables for study. This chapter reviews what we have previously learned about impacts on board structure and composition, highlighting what we don't know and how this study contributes to our cumulative knowledge.

Chapters 3 through 6 introduce the four main predictors (working independently or interactively) of our models: time period, place, industry/subsector, and religious/faith base. Chapter 3 makes the case that organizational forms are constrained by that which is legitimate at certain periods of time. We suggest that what audiences for nonprofit governance came to expect by the end of the twentieth century was different from what was legitimated sixty years earlier. Chapter 4 introduces the importance of place in imprinting community cultures of organization. In this chapter we lay out salient cultural characteristics of our six cities' nonprofit fields and suggest models of the impact of local, state, and regional influences on board structures. In Chapter 5 we outline the importance of field (subsector) in imprinting industry cultures of organization. We lay out relevant cultural and structural characteristics of our eight subsectors and suggest models of impact of changing industry standards on board structures. Finally, in Chapter 6 we argue for the importance of faith in imprinting communities of religiously-affiliated organizations.

Having explored the development of both target (board structure and composition) and predictor (time period, place, industry, faith-base) variables, in Chapter 7 we describe, in depth, the data collection process that led to the formation of the 'Six Cities Trusteeship Project Preliminary Database.' This chapter also presents an accounting of missing data and its potential effects on subsequent analyses. Chapter 8 presents our rationale for using the information approach to model selection, and we offer a review of what we gain over hypothesis testing. We end this chapter with an example of model selection based on information theory drawn from our study.

Chapter 9, then, presents the results of the analyses that we described in depth in Chapter 8. We put all of our predictors to the model selection test in an attempt to understand what drives different aspects of board composition. We explore the context of varying board demographics, board elitism, board achievement measures, and board networking. We end this chapter with a summary of chosen models for these different target variables and a discussion of how our contextual variables fared. Chapter 10 provides a summary of our theoretical, methodological, and practical contributions and a conclusion about the use of our study.

Website for this Book

The richness of the Six Cities Trusteeship Project Preliminary Dataset means that the analyses presented here are certainly not the last word on the subject. The website www.stern.nyu.edu/~jsimonof/NonprofitTrusteeship related to this

book describes availability of the dataset for further analysis. There is also discussion of the code used in the statistical analyses described in Chapter 9.

Acknowledgements

We would like to acknowledge the contributions of several people to the theoretical and empirical underpinnings of this work. On the theoretical muse side, the authors would like to thank Paul DiMaggio, Joseph Galaskiewicz, Mary Ann Glynn, Bradford H. Gray, Peter Dobkin Hall, Stephen Mezas, Carl Milofsky, Charles Perrow, Michael Useem, and Natalie Webb for early and enduring inspiration and support.

On the empirical side, this book would not have been possible without the painstaking work of the entire 'Six Cities Project' personnel, funded largely through the 'Changing Dimensions of Trusteeship Project,' a collaboration of the Lilly Endowment, Inc. and Yale University's Program on Nonprofit Organizations. Our gratitude goes to Lisa Buxbaum, Richard Roth, and David Swartz in Boston, Diane Grabowski, David Hammack, Yuan Li, and Todd Michney in Cleveland (with a special thanks to Nancy Erdy and the University Hospitals there), Liz Sosin and Ann Deetz in the Twin Cities, Judith Blau, Charles Heying, and Joe Feinberg for Atlanta, John C. Lammers and Christy L. Beaudin in Los Angeles, Chul Hee Kang in Philadelphia, and a host of other researchers, archivists, and nonprofit practitioners who have quite possibly long ago abandoned the cities with which we associate them.

On a personal note, Rikki Abzug would like to thank her parents Michael and Sheila, sister Jody, and her own precious family, Patrick, Aurora, and Chiara, for living with this project for so many years. Jeffrey Simonoff also would like to thank his family, Bev, Rob, and Alex, for continued (and continual) love and support.

Upper Saddle River, New Jersey
East Meadow, New York

Rikki Abzug
Jeffrey S. Simonoff
May 2004

Chapter 1

Boards of Trustees and Their Intellectual Environment

In 1931, Boston's Massachusetts General Hospital (MGH) had a board of trustees composed of twelve white members, the majority of whom were listed in the *Social Register*³. Only one of these board members was female and only one had a medical degree. In 1991 there were still only twelve members, all of whom were white. Most were still *Social Registrants*, but there were now two women and two persons holding medical degrees. The people who constituted this board in the early 1990s shared generally similar biographical profiles with their board predecessors from sixty years before. The structure of this board, too, demonstrates amazing stability over the same socially tumultuous time period.

Comparing this nonprofit board to the highly diverse 82-member board of the Atlanta Symphony Orchestra League in 1991, we get a first indication of the great variability in composition of governance structures that characterize the organizations of the nonprofit sector. The Atlanta board in 1991 had twenty-six female members, seven doctors, and no *Social Registrants*; fifteen board committees were needed to coordinate the activities of over four score trustees. The Orchestra itself did not exist in 1931.

Prescriptive (how-to) volumes and popular press anecdotes suggest that the evolution of the Atlanta Symphony board is more typical of the transformation of nonprofit governance than is the stability of the Massachusetts General Hospital board. The Massachusetts General Hospital's recent history also stands in stark contrast to the evolving nonprofit board of directors as described by many scholarly case studies and industry surveys, and as prescribed by much of the practical literature. The contrast of the MGH board, compared to many boards that have undergone significant compositional transformation, provides an impetus for inquiry into the conditions associated with board change and variability. We will be interested in the organizational and environmental factors that influence the selection of new types of board members over time.

³ Started in the late 1880s, the *Social Register*, according to its own mission, is 'the definitive listing of America's most prominent families, serving as an exclusive and trusted medium for learning about and communicating with their peers. It includes names, addresses, club memberships, college affiliations, and other pertinent information.'

The study that is the focus of this book is an analysis of the variability of the composition of nonprofit trusteeship in the United States; it addresses both patterns and anomalies in board evolution. We will use data collected over both time and place to compare the evolution of composition of boards of trustees in about ninety U. S. nonprofit organizations. It is one of the primary goals of this research to establish a historical baseline for future studies (social science, policy, and management) on U.S. nonprofit trusteeship. We will also be interested in documenting meaningful variation in board structure and composition over time as well as elucidating contextual factors that help to account for such variation. Specifically, we will use information-theoretic analyses to help us choose best approximating models of the impact of institutionally contextual factors on board and trustee characteristics. This exploratory analysis, highlighting the great variability (and resistance to predictability) of trusteeship in the United States, then, will provide a case study of model selection in the social sciences using information-theoretic criteria.

Nonprofit boards provide governance through legal, financial, and sometimes operational control of organizations in sectors as diverse as health care, culture, education, and social welfare. The compositional form these boards take (whether they are large and inclusive or small and exclusive, for example) influences the stewardship they supply and the decisions for which they are responsible. While there have been many studies of the influences on structures and composition of boards of directors of for-profit organizations (for recent examples see Dalton, Daily, Johnson, and Ellstrand, 1999, Luoma and Goodstein, 1999, who specifically examine the role of the institutional environment in motivating the degree of stakeholder representation on corporate boards, and Westphal, 1999), analyses of what kinds of people constitute what forms of nonprofit boards of trustees, and why, have been relatively rare.

Ten years ago scholarly studies on nonprofit boards were even more unusual. What did exist fell into one of two main camps: studies of boards (and their reputed effectiveness) within one organization or one industry (e.g., Zald's 1967 pioneering study of YMCA directors, Pfeffer's 1973, Anderson's 1987, Alexander's 1989, and Boeker and Goodstein's 1991 hospital studies, Dain's 1991 library study, Baldrige, Curtis, Ecker, and Riley's 1977 and Kohn and Mortimer's 1983 college and university studies, and Meier's 1992 symphony studies), and studies of board models and roles including models of relations with executive staff, as told, often, by the executive director (e.g., Chait and Taylor's 1989 work on governing versus managing boards, Middleton's 1987 theoretical groundwork, Carver's 1990 boards that make a difference, Kramer's 1985 contingency model of board-executive relations, Herman and Tulipana's 1985 work on board-staff relations, Herman's 1989 meta analysis of board models, Harris's 1989 and 1993a,b total activities approach to the board role, Bradshaw, Murray and Wolpin's 1992 study of board effectiveness, Fletcher's 1989 and 1992 work on board development, Mathiasen's 1990, Wood's 1992, and Dart, Bradshaw, Murray, and Wolpin's 1996 models of board lifecycles, Golensky's 1994 models

of board decision-making, and Saidel's 1993 typologies of board roles in government relations).

What was missing was any historical and/or comparative study (and sense-making) of the evolution and variation of nonprofit boards. In the early 1990s, Yale University's Program on Nonprofit Organization's Changing Dimensions of Trusteeship project sought to fill that gap. Numerous comparative historical studies came out of that research effort including Hall's 1992a historical work on cultures of trusteeship, Kang and Cnaan's 1995 study on trustees across human service organizations, and Wood's 1996 compendium of cases on governance. The related research of Abzug et al. (see for example, Abzug, DiMaggio, Gray, Kang, and Useem, 1993, Abzug, 1995, 1996, 1999, and Abzug and Galaskiewicz, 2001) began the foray into contextual issues surrounding the particular forms that trusteeship took. What was missing from this research, however, was a way to measure and understand the comparative impact of different social/structural forces on board structure and composition. The previous literature, largely hypothesis test driven, also did not make use of recent innovations in information-theoretic data analyses. This book attempts to redress this oversight by focusing on an exploratory analysis of the relative impact of time, space, and organizational type on the structure and composition of nonprofit boards of trustees. Specifically, we will be asking about the likelihood of a trustee to display certain demographic and occupational characteristics given contextual factors of time, place, and organizational subsector, and we will be choosing the best approximating models given sets of contextual parameters derived from the neo-institutional literature.

Informed and inspired by organizational theories (as detailed below) that place emphasis on organizational environments as sources of structure and change, this book will develop and explore models of patterns of board compositional variation over a sixty year period. Individual-level trustee biographical and board structural data from nonprofit organizational boards in eight subsectors/industries (health, culture, education, foundation/philanthropy, family service, youth/recreation, mutual benefit, umbrella/intermediary), in six different cities (Atlanta, Boston, Cleveland, Los Angeles, Minneapolis/St. Paul and Philadelphia), at three points in time (1931, 1961, 1991) will motivate the analysis. The remainder of this introductory chapter outlines why organizations of the nonprofit sector and their internal structures are worthy of this kind of study, makes a case for a comparative historical board study and adopts a neo-institutional approach (emphasizing the impact of environmental forces on organizational structures) to understanding such organizations and structures.

Why Study Nonprofit Organizations?

Although estimates vary and precise figures are difficult to ascertain, the 2001 edition of Independent Sector's *New Nonprofit Almanac and Desk Reference* (Weitzman, Jalandoni, Lampkin, and Pollak, 2002) suggests that over 1.6 million

organizations constitute the private nonprofit (tax-exempt) sector in the United States, which accounts for almost 7 percent of national income. Based on data from 1998, this source estimated that 1.23 million diverse organizations constituted what the authors term the independent sector—their favored term for the combined total of all 501(c)(3) (Internal Revenue Service (IRS)⁴ designated charitable organizations), 501(c)(4) (IRS designated advocacy organizations), and religious organizations. It is estimated that the dizzying assortment of organizations that together form this sector had total revenues of \$664.8 billion in 1997. Nonprofit organizations, ranging in size and economic impact from the smallest of neighborhood environmental preservation concerns to the largest employers in some metropolitan areas (including the largest nonprofit hospitals and universities; see, for example, Abzug, Simonoff, and Ahlstrom, 2000), also represent one of the most important growth sectors in the post-industrial service economy (Hodgkinson, Weitzman, Abrahams, Crutchfield, and Stevenson, 1996; Milofsky, 1997). As Salamon (1997) summarizes, the nonprofit sector accounts for half of U.S. hospitals; half of U.S. colleges and universities; almost all symphony orchestras; 60 percent of U.S. social service organizations; and almost all American civic organizations. The governance structure of these forms is, therefore, of particular importance to anyone interested in the control of a sizable portion of the American economy.

Impressive though these numbers are for the United States, the amount of activity accounted for by NGOs (Non-Governmental Organizations—a more global term for the ‘third sector’) in most countries’ economies is also increasingly notable. Work by the Johns Hopkins Comparative Nonprofit Sector Project highlights the increasing importance of a ‘third’ (between market and state) sector in 26 comparative countries. The project has found that, as of the mid-1990s, nonprofit organizations in these countries were responsible for \$1.2 trillion in expenditures and almost 7 per cent of the nonagricultural workforce (31 million full-time equivalents). Growth in employment in this sector, in eight countries for which time series data were available, was three times faster than growth in overall employment over the same time period. This growth in the nonprofit sector compared with government (an intentionally shrinking resource in many countries experimenting with devolution) and for-profits is mirrored again in the United States. The annual rate of increase of charitable organizations through the late 1990s was 5.1 percent, which was more than double the rate experienced by the business sector (Weitzman et al., 2002).

Beyond size, however, lay other important characteristics underscoring the appropriateness of these organizations for this kind of extensive and intimate study. In the global arena, Salamon and Anheier have emphasized the strategic importance of ‘civil society organizations’ that occupy a unique niche outside of

⁴ The Internal Revenue Service, a branch of the US Department of Treasury, is the United States’ tax collection agency and administers the Internal Revenue Code enacted by Congress (www.irs.gov).

the state and the market by providing connections to citizens, flexibility, and capacity to tap private resources for the public good (Salamon, Anheier, List, Toepler, Sokolowski, and Associates, 1999, page 5). Boris (1999, page 10) reiterates that the distinction of organizations of the sector comes from their independence in organizing, their self-governance (as discussed below) and their engaging ‘people in collective purposes outside of the market and the state.’

Boris (1999, page 11), like many sector observers, conflates the idea of nonprofit organizations with that of civil society organizations that ‘in the aggregate profoundly affect the quality of life in communities and ultimately in society.’ In observation of the United States’ sector, Halpern (1997, page ix) claims that ‘[m]ost of the important social and political achievements of the past 50 years—from civil rights to women’s rights to environmental protection—have originated in the passionate leadership and tireless efforts of nonprofit organizations.’

The historic role of nonprofits in United States history, however, dates back much further than the past fifty years. Indeed, modern United States incorporation and contract law rests on the early 1800s Supreme Court⁵ decision involving the private corporate status of Dartmouth College. Yet historian Peter Dobkin Hall (1992a) suggests that the history that builds on the symbolic role of nonprofit organizations is itself contested. The debate around the role of these organizations dates back to at least the eighteenth century when the issue of how citizens of a democratic society could best make known their wills first took shape as an issue of associational forms. Hall (1992a, page 2) states, ‘[f]rom the beginning, Americans have argued about whether voluntary associations threatened democracy by permitting small groups of citizens, particularly the wealthy, to exercise power disproportionate to their numbers, or whether such bodies were essential to a citizenry which, without them, would be powerless to influence the State.’ According to Hall, this ongoing debate suggests that nonprofit organizations may be analyzed both as tools of the elite against the lower classes, but also as grass roots checks on the power of the state. The study of the organizations of the nonprofit sector is important due not only to the increasing size and scope of sector organizational activity (as summarized above) and due to the role these organizations are said to play in the consolidation of elite power (as elaborated upon below), but also because of the debate over nonprofit organizations as acting in the public interest.

Indeed, nonprofit organizations have also engaged the sociological imagination because many of these organizations were, and to some degree still are, founded, directed, supported, and patronized by social upper classes. DiMaggio and Anheier (1990, page 141) explain that ‘in the late 1800s, impetus for the formation of NPOs (nonprofit organizations) came from emerging upper

⁵ Established by the Constitution of the United States, with Justices appointed by the President, the judicial power of the United States is vested in the Supreme Court, the highest court of the nation (www.supremecourtus.gov).

classes eager to control unruly urban environments and to define social boundaries.'

The study of elites and the organizations that cater to, and/or are governed by, them has a long, distinguished history in sociology and political science. Mills' (1956) classic study of the power elite contrasted the power center of the elites' corporate, military, and government bureaucracies with the relatively powerless voluntary organizations of a 'mass-like' society. This conception, while relatively innovative in its exploration of elite connection to, and control over, organizations, nevertheless overlooked the historical link between traditional elites and the control of private nonprofit entities. Early work by Hunter (1953) posited a more inclusive notion of a power elite, as it sought to understand the makings of community power structure by also addressing the institutional infrastructure comprised of such social organizations as schools and clubs (Domhoff, 1987).

The publication in 1958 of E. Digby Baltzell's *Philadelphia Gentlemen* refocused elite research on the 'various exclusive institutions which produced, in the course of the twentieth century, a national upper-class way of life' (Baltzell, 1958, page v). Baltzell identified fashionable boarding schools, universities, the Episcopal Church, and other voluntary organizations as the framework that engendered the growth and particular form of the national upper class. Baltzell thus underscored the importance of upper class institutions to upper class cohesion.

In 1967, G. William Domhoff introduced the notion that the American upper class comprises shifting coalitions. He distinguished between the 'upper (governing) class,' which controlled a disproportionate amount of the country's wealth and positions of leadership, and a more inclusive 'power elite,' encompassing the leaders of all institutions controlled by the upper class. The American upper class is a governing class, in Domhoff's conception, partly as a result of its control of foundations, elite universities, mass media, think tanks and, of course, banks and corporations.

More recently, organizational theorists have turned their attention to power structure questions. Nancy DiTomaso (1980) suggested that, by incorporating work on organizations, power structure research can better address issues of the boundaries, limits, and alternatives to the domination of society by elites. Further, exploring the links between organizations and social class, Michael Useem (1984) elaborated three models of internal social organizations of the business community. Useem (1984, page 13) suggested that the social organization of the U.S. economy was first based on what he calls the 'upper-class principle,' such that 'the first and foremost defining element is a social network of established wealthy families, sharing a distinct culture, occupying a common social status, and unified through intermarriage and common experience in exclusive settings, ranging from boarding schools to private clubs.' This principle was later replaced by the 'corporate principle,' whereby status accrues not to family of descent but rather to an individual's position in a firm and that firm's position in the economy. Finally, the third stage is towards the 'classwide rationality' of institutional capitalism, in which elite status 'is primarily determined by position in a set of

interrelated, quasi-autonomous networks encompassing virtually all large corporations. Acquaintanceship circles, interlocking directorates, webs of interfirm ownership, and major business associations are among the central strands of these networks' (Useem, 1984, page 15). Ties to prominent nonprofit organizations, including private schools, further facilitate these networks. Useem located one source of the power of the business community leadership in its involvement in the governance of nonprofit organizations, particularly insofar as the policies, programs, and agendas of nonprofit organizations influence the business environment (Useem, 1984). Work on the role that (mostly male) interlocking directorates play in the cohesion of social elites is complemented by work on the role that female trustees of nonprofit organizations play in reproducing upper classes (see, for example, Covelli, 1989, and Ostrander, 1984).

Despite this work on elites and their institutions, it has only been very recently that these nonprofit organizations (viewed as organizations) have garnered the systematic comparative attention of researchers in the United States and beyond (Hall, 1992a). As a result, historical and comparative studies of these organizations aggregated into a sector are few and far between. While studies (sometimes, though not always, historical) of U. S. nonprofit organizations and sector bounded by geographic region have proliferated (see, for example, the work in various cities/regions by Salamon and associates for the Urban Institute; e.g., Gronbjerg, Kimmich, and Salamon, 1985, Gutowski, Salamon, and Pittman, 1984, Harder, Musselwhite, Jr., and Salamon, 1984, etc.), as well as more recent monographs focusing on, for example, New York nonprofits (Ben-Ner and Van Hoomissen, 1993), Chicago area nonprofits (Gronbjerg, 1993), the Twin Cities grant economy (Galaskiewicz, 1997, and Galaskiewicz and Bielefeld, 1998), and New Haven (Hall, 1999), studies that compare across geographical boundaries are more rare. Notable exceptions include pioneering work in international comparisons by James and associates (1982, 1987a, and 1989, for example), The Johns Hopkins University Comparative Nonprofit Sector Project (especially, Salamon et al., 1999), the work of U.S. nonprofit sector geographers including Wolpert (1993), and the work of the aforementioned Yale University PONPO's Changing Dimension of Trusteeship project (see, for example, Abzug, 1995, 1996, 1999). It is this from these literatures that we draw particular inspiration as we seek to delve in-depth into the comparative historical variations in trusteeship. As noted, a major contribution of this work will be in creating a historical baseline for future studies of U.S. nonprofit governance.

Nonprofit Stewardship in the United States

While nonprofit organizations, by size, number, elite connection, and task alone are important to the economy and society as a whole (even if understudied), the relative uniqueness of their governance structures is also of particular concern, for various reasons. First, the stewardship is particularly important in light of the

ambiguity of performance evaluation that characterizes the sectors in which the nonprofit form predominates (see, for example, Hansmann, 1980, and Oster, 1999). Because nonprofits are usually not held to the profit and bottom line efficiency standards of for-profits, vigilant boards are supposed to direct and monitor the performance of nonprofits as regards fulfillment of mission and often goals of public good. Second, without a takeover market comprised of stockholder interests, and without direct accountability to a voting public, organizations of the nonprofit sector are governed in the final instance by a board of trustees accountable only to this vague notion of the 'public good' through the organization's stated mission. The lack of a coherent set of legally defined fiduciary duties (Middleton, 1987) adds to the enormous, yet unchecked, potential authority of the voluntary organization's board. With a great many legal jurisdictional charges given to boards (with fifty state incorporation laws) and even more types of nonprofit organizations (26 major National Taxonomy of Exempt Entities categories, with 645 subgroups), one challenge is to find the stewardship characteristics that hold the organizations together for study. Because authority over the programs and policies of an increasing segment of U.S. organizations lies in the hands of the nonprofit board, the governance dimension of these organizations is particularly worthy of systematic research. Because boards of trustees of nonprofit organizations are responsible for organizational agenda-setting, management supervision, fiscal control, and ultimately, organizational maintenance and survival, the structural form in which this authority is exercised and the social affiliations and identities of those who execute it are of interest to anyone concerned with governance of society writ large. From overseeing such organizational details as hiring and firing executives and reviewing and revising budgets in a series of meetings annually, to serving the public good as stewards of a caring society, the work that trustees do has consequences for persons both inside and outside of the organizations.

The importance of a project designed to understand the influences on such structures cannot be understated. With the situation of 'third sector' organizations in the United States as antidote to alternatively business and government, and with the conflation of nongovernmental organizations in other nations with the burgeoning of civil society, the leaders of these organizations are handed a heavy societal burden. As historian Peter Dobkin Hall (1997, page 23) has claimed:

Trustees are 'boundary-spanners' for whom board service joins private and public values...they exercise unique dual roles as managers of the internal cultures and the external environments of the entities they serve and, as such, are strategically situated to have a broadly transformative influence on the world of which they are a part.

Furthermore, studies of both nonprofit and for-profit organizations suggest that boards of directors play a substantial role in addressing (and co-opting) environmental pressures and transformations (Boeker and Goodstein, 1991; Harrison, Torres, and Kukalis, 1988; Middleton, 1987; Mizruchi and Stearns,

1988; Pfeffer, 1973). Indeed, boards of nonprofit organizations have long been implicated as pillars of communities and more recently, guardians of civil society.

The Board-Environment Nexus

It has been argued (Middleton, 1987; Pfeffer, 1973; Zald, 1969) that boards of trustees of nonprofit organizations are particularly important in an organization's adaptation to or attempts to control its environment. Once again, without stockholders or voters to monitor organizational performance, nonprofit boards are the controllers in the last instance. Further, given the lack of unambiguous performance measures, trustees are often expected to act, in effect, as external evaluators (see for example Oster, 1999). Zald (1969) outlined the unique function that nonprofit boards play when he explored the popular notion that corporate boards had control in name only, while nonprofit boards actually control their organizations. Zald was hesitant to claim that board function varied solely on organizational category. Yet he did note, following Perrow (1963), that boards of organizations with pluralistic polities, such as hospitals, may be more responsive for organizational decision making than boards of more monolithic corporations. Peter Drucker (1989) was less hesitant, exclaiming in a *Harvard Business Review* article that corporations could learn a lot about active governance from the lessons of nonprofits.

Drucker, too, points to the unique situation of nonprofits within their organizational environment as the source of board power and control. Middleton (1987) sums up these argument strands thusly: as boundary spanners, boards are particularly important to nonprofits because nonprofits, as compared with for-profits and many governmental units, have vague, hard-to-quantify goals, experience competing claims by varied constituents, and rely particularly on interpersonal networking to facilitate resource flow. As Middleton notes, much of the scholarly work on nonprofit boards has concentrated on these boards as links between the organization and its environments. Pfeffer (1973) found that size, composition, and function of hospital board's structures reflected their environmental contexts. Boeker and Goodstein (1991) also found evidence that hospitals react to environments with changes in board composition⁶. As boundary spanning structures within organizations, boards of trustees are hypothesized to be

⁶ Boeker and Goodstein's work deserves special attention here as it is one of very few studies that uses longitudinal data to detect the extent to which organizations change boards to reflect environmental changes. Boeker and Goodstein found that poor performance is a motivating factor in board change and precariously situated hospital boards adapted to changing environments by trying to attract more physician board members. The applicability of their findings is understandably limited by their study of a single industry (hospitals) over a relatively short period of time (seven years).

particularly influenced by environmental change, and so link nonprofit organizations to changing institutional forces. As such, organizational theories designed to explain organizational structure as arising at least partially from environmental forces are particularly germane in understanding the dynamics of these sector's organizations.

The Institutional Environment and Board Change

In the economics literature the form and function of organization traditionally is explained by economic or technical exigencies and/or managerial predilection. This approach is harder to justify when explaining organizations whose economic goals are harder to measure, or even understand (DiMaggio and Anheier, 1990). Organizational research of the post-war period (and especially the 1960s, 1970s and 1980s in the United States) confirmed that engines of organizational change were not necessarily situated in markets (internal or external) or managerial psychologies. Working with knowledge of studies coming out of Stanford University on school systems (see for example, Meyer and Rowan, 1977 and Meyer and Scott, 1983), DiMaggio and Powell (1983) suggested that the engine of organizational rationalization lay in the state, the professions, and interorganizational networks, which together constitute important parts of many organizations' institutional environment. Since then, a host of studies—taken together as the neo-institutional school of organizational theory—have looked to the institutional environment to explain variations in forms of organizations and organizational structures (prototypical examples of early work in this vein include Meyer and Rowan, 1977, on formal structure, Tolbert and Zucker, 1983, on change, Mezas, 1990, on organizational reporting practices, and Baron, Dobbin, and Jennings, 1986, Dobbin, Edelman, Meyer, Scott, and Swidler, 1988, Edelman, 1990, 1992, and Abzug and Mezas, 1993, on organizational adoption of due process protections).

This neo-institutionalism grew out of what soon became the old institutionalism that first posited a distinction between 'organization' and 'institution.' An institution, then, would be an organization having taken on a special character, including an infusion of value beyond the technical requirements of the task at hand (Selznick, 1996). According to one of the architects of the old institutionalism (Selznick, 1996), the 'neo' school added a particular concern for organizations' legitimacy-seeking behavior as well as a re-conception of formal structure (e.g., nonprofit boards) as an adaptive product, responsive to environmental influences.

DiMaggio and Anheier (1990), especially, have made the case that given nonprofits' particular dependence on outside constituencies (funders, clients, volunteers, regulatory bodies, and so on), the environment is hardly separable from the internal organization in these entities. As such, any social science theory of organization that centers the environment would have particular relevance for

understanding the composition of nonprofit organization. DiMaggio and Anheier (1990, page 137), in their outline of a sociology of nonprofit organizations and sectors, conclude, in fact, that the origins and behaviors (and we may add structures, drawing on the work of other neo-institutionalists) of nonprofit organizations reflect institutional factors and that 'nonprofit-sector functions, origins, and behavior reflect specific legal definitions, cultural inheritances, and state policies...'

A motivating idea underpinning this study is drawn from institutional theory, then. Institutional theory suggests that, over time, the institutional environment within which nonprofit organizations operate has become increasingly complex due to the increasing role of government, foundations, corporations, public-interest and social-movement groups and other forms of organized constituencies (Meyer and Scott, 1983), and this increased complexity has influenced the structure and composition of the nonprofit board in predictable ways. It is this claim that we examine at great length in what follows. This claim also helps us structure our use of other insights from organizational theory. Specifically, in helping us to explain something akin to 'where do boards come from?' we also look to present incarnations of the literature on organizational formalization, growth, and bureaucratization, as well as the literature on resource dependence to flesh out the role that the chase after resources plays in the structuring and composition of boards. The former literature (formalization, growth, bureaucratization) helps us to frame our discussion of the context of time (period) and, specifically, bureaucratization on boards (as elaborated upon in Chapter 3), and the latter (resource dependence) is linked with the context or environment invoked by culture, industry, and faith-based values (as explored in Chapters 4, 5, and 6, respectively).

Chapter 2

Boards and Their Varying Nature

Do Boards Matter?

Before we even get to the questions of board structure and composition, a thornier issue demands attention. The previous chapter made a case for the societal importance of nonprofit organizations and as such argued for the importance of the governance of these organizations on public accountability terms. This assumes a direct relationship between the structure and functioning of these organizations and the structure and functioning of their governance. Presumably we study boards to try to improve boards because we assume that effective boards will lead to effective organizations (with effective performance). However, this assumption has proven difficult, at best, to substantiate. Indeed, in board expert circles, it is quite common to hear, bemoaned, of the existence of effective boards of ineffective organizations and of ineffective boards of effective organizations. This does not even address the point that definitions of effectiveness of both nonprofit organizations and nonprofit boards are themselves problematic.

Still, most practitioners intuit (or know by doing), and many academics sense, that somehow, some way, ‘effective’ boards lead to effective organizations (the inverse may also be true). How that effectiveness is and has been defined becomes increasingly important as we undertake historical study—even though this study will not, by nature, take on an elaborate analysis of variation of board effectiveness, except in the limited sense outlined in this chapter. Specifically, we turn (briefly) to the literature on nonprofit organizational and nonprofit governance effectiveness to pinpoint the potential location of this study in those debates.

A Variety of Means to Determine Nonprofit Effectiveness

Organizational effectiveness has become an increasingly studied and debated topic in the U.S. nonprofit organizational literature (this mirrors the concept’s use in practice, although that is beyond the scope of this book). Effectiveness studies have proliferated to the extent that the field now supports a number of meta-analyses of nonprofit organizational effectiveness (see, for example, Meyer and Gupta, 1994, who translate to nonprofits, Forbes, 1998, Herman and Renz, 1999, and Stone and Cutcher-Gershenfeld, 2001). Most of these meta-analyses and literature reviews point to different schools of thought in effectiveness definitions. Green and Griesinger’s (1996) literature review relies on the categorizations of Seashore (1983), who suggested three different approaches to effectiveness: 1) natural systems model, 2) goal approach model, and 3) decision process model.

The natural systems model defines effectiveness as organizational stability and continued existence, goal models define effectiveness by mission fulfillment, and decision process models define effectiveness as appropriate process. Process models are more often used to explore effectiveness in groups such as boards and we will leave discussion of decision process to a following section. The natural systems model is particularly appropriate for studies over time in that the effectiveness construct is concerned with impacts on processes of adaptation (to the environment), maintenance, and transformation. This is, of course, quite different from the goal model, that rather than looking to see if the organization still exists, looks to see if the organization has fulfilled its goals/mission. In fact, an argument could be made that using the goal model, the most effective organization is the one that is no longer needed because it has successfully completed its organizational mission. In the real world, however, we are much more likely to run into organizations that have survived (and are effective over time) without fulfilling their mission, rather than those that have died because they did fulfill their mission. Indeed, a key theme of our work is that there are many and varied routes to organizational and, thus, board survival. This theme is complemented by recent work in the social constructionist perspective pioneered in part by Herman and Renz (1997, 1999, 2000). This view suggests that effectiveness is an ongoing definitional project. Coupled with the multiple constituencies framework of effectiveness (see, for example, Kanter and Brinkerhoff, 1981, and Herman and Renz, 1997, 1999), the emerging dominant framework specifically calls into question the ‘permanence’ or accuracy of any one ideal/model of effectiveness. This lends itself immediately to historical and comparative study as we can ask about the prevalence of different models in different times and places.

Indeed, while cross-sectional variability in effectiveness constructions has been duly noted (see above), less systematic and empirical attention has been paid to variation over time. Other than a rendering as multiple constituencies, the environment surrounding the effectiveness definitional project is largely unexplored in the realm of the nonprofit organizational literature. Changes in the environment, and their effect on effectiveness definitions, is therefore undertheorized and under-studied. We are compelled by recent work by Abzug, Derryck, Srinivas, and Rodriguez (2002) that suggests five socially constructed effectiveness routes for nonprofit organizations depending upon the demands of the environment. The first two routes are at the population or community level, involving changes in the numbers of organizations, and will not immediately concern us in this study. At the level of the individual organization, however, Abzug et al. posit three paths to effectiveness: 1) survival (through crisis), 2) reinvention or renewal, and 3) shifting resources/making tough choices (about mergers, consolidations, etc.). All three involve an organization’s adaptation to its (changing) environment and taken together with the population level models, these effectiveness paths mirror Denison’s (1990) effectiveness outcomes of survival, growth, stability, or decline.

To the extent that the social constructionist perspective of effectiveness serves as a basis for cross-sectional comparisons, we argue that the natural systems approach, when added to the former, can help to legitimate comparisons over time. As such, this is where we believe that bringing in a neo-institutional and historical focus to the external environment can help us to better understand the organizational construction of the effectiveness concept. We extend Seashore and Yuchtman's (1967) conception that organizational effectiveness is the continual ability to acquire resources from the environment to ensure uninterrupted functioning, by positing legitimacy as a key environmental resource. To the extent that the board as boundary-spanner helps bridge the gap to the environment, it is immediately implicated in the effectiveness valuations of the organizations. It is to the various conceptions of board effectiveness that we now turn.

A Variety of Means to Determine Governance Effectiveness

If the literature of organizational effectiveness is slowly coalescing around the notion of the social construction of effectiveness, the field of study of governance effectiveness may soon follow suit. Studies of effective governance (like studies of organizational effectiveness before it) have been hampered by lack of consensus on what exactly an effective board is. Even as rudimentary a definition of effectiveness as 'legal compliance' may be seen as contentious if it can be argued that board/organizational non-compliance better fulfilled the organizational mission (see, for example, legal scholar Robert Clark's 1986 notion that only modest idealism obliges corporate managers to comply with existing applicable laws and regulations in the face of greater net present value otherwise). Still, as Herman and Heimovics (1991) suggest, most prescriptive accounts of effective governance start with legal requirements (which differ geographically and tend to proscribe rather than prescribe structures, compositions, and even practices) and moral assumptions. Building up from these cornerstones, much of the board effectiveness literature can be situated in one or more of four different categories: 1) effective board roles and relationships, 2) effective board practices (including internal process), 3) effective board characteristics, and 4) effectiveness as a social construction (based on external assessment or multiple constituencies). Given our interest in varieties of board structure and composition, as well as their context, we briefly focus on only the latter two.

Effectiveness and Board (Member) Attributes and Characteristics

There is a literature that assumes that when the right components are assembled, effectiveness will follow. This 'attribute' literature comes in two varieties—one that stresses the characteristics of individual board members aggregated up to the whole, and the other that focuses on the (usually) structural characteristics of the

whole board. For obvious reasons they are closely aligned. One of the very first studies in this vein was the pioneering work by Jeffrey Pfeffer (1973). Pfeffer posited a relationship between nonprofit hospitals' board composition and adaptation to the environment. For Pfeffer, the independent variable of board composition had an impact on an organization's effectiveness defined in a natural systems (ability to attract resources) context. Abzug (1996) divided the ensuing literature into the studies of board demographic composition (ascriptive characteristic studies) and board member prestige and status attributes (achievement and elite characteristic studies). Both literatures speak to the question of 'what kinds of people' should we have on board.

Miller (1999) critically examined prevailing prescriptive norms that suggested that board demographic diversity equaled a representative board, which then suggested greater effectiveness. While further promulgating the idea that heterogeneity in groups promotes more creative decision-making, and satisfies demands by funders and communities, Miller questioned whether demographic diversity yielded meaningful community representation (especially in relatively homogeneous communities). Miller concluded that representation is a path to the effective board practice of members acting in the interests of, and being accountable to, those they represent. In earlier work, Daley and Angulo (1994) prescribe outreach to the community in order to better represent diverse voices and opinions.

Fletcher (1999, page 13) echoes the idea that there is agreement that 'boards make better decisions if diverse viewpoints and experiences are part of their deliberations.' To that end, her research analyzed the experiences of Planned Parenthood boards that aimed to racially diversify. She concluded that board diversification proves to be difficult work but that the effort is truly rewarding. Board effectiveness from diversification is not directly demonstrated so much as assumed.

In cases where the association between diversity and effectiveness has been directly tested, the results are not so clear cut. Bradshaw, Murray, and Wolpin (1996) explored the impact of the proportion of women on board effectiveness, finding no relationship. They did, however observe that the higher the proportion of women on the board, the lower the board's prestige. Unless we are willing to argue that low prestige boards are more effective than their high prestige counterparts, this work did little to advance the idea that board diversity equals board effectiveness.

Bypassing the question of effectiveness, Abzug and colleagues contributed to the overall board demographic attribute literature by providing historical and comparative yardsticks that are further explained and refined in the present study. They also expanded the literature beyond the demographics of race and gender to include ethnicity and religious identification of trustees. If effectiveness is taken to equal survival, Abzug and colleagues showed support for the idea that both more demographically diverse and less demographically diverse boards can manage to survive if the environment is favorable.

Further, the studies by Abzug and colleagues explored both ascriptive and achieved trustee characteristics. Following the lead of historian Hall (1992a), Abzug and colleagues explored the ideas that regional cultures of trusteeship influenced the achieved (educational, occupational, etc.) characteristics of board members. That certain types of people are more effective on boards based on their educational, social, occupational, and other network ties is an idea that has been percolating through the board effectiveness literature. Plambeck (1985) explained differences between successful and less successful organizations by both ethnic and sexual composition of the board, as well as members' length of residence in the community; Austin and Woolever (1992) show that community characteristics are related to board composition through the intermediary of membership composition; Kang and Cnaan (1995), working with the Six Cities data on human service organizations explored how board composition changes in response to changing internal needs and social environments; Kearns (1995) found that CEOs mentioned specialized skills and talents as valued board member attributes; Humphrey and Erickson (1997) suggested that public accountability of industrial development nonprofit organizations will be enhanced through increased board member connections to community development corporations and other local organizations; Holland, Chait, and Taylor (1989) identified and measured trustee competencies; and, in a British context, Cornforth (2003) questioned the value of choosing members for their expertise and experience, given already present skills of a professional staff. In all, the studies' results are as varied as the questions they ask, reflecting the great variety in attributes associated with effectiveness.

Effective Governance as Social Construction

Complementing the notion of variety in compositional effectiveness, there is evidence of a growing 'effective governance as social construction' literature that parallels the growth of social constructionist explanations of organizational effectiveness. Most forcefully presented by Herman, Renz, and Heimovics (1997), this emerging school suggests that the wide variety of effective governance practices found is mirrored by the wide variety of judgments of board effectiveness garnered from diverse stakeholders (multiple constituencies). It is this last conclusion that underlies much of the empirical work of this study.

Evidence of the Link Between Nonprofit Organizational and Governance Effectiveness

It is the assumption that effective governance will lead to effective performance that has traditionally made the commentary on, and study of, nonprofit boards seem so vital. Indeed the classic writings in the field of nonprofit study had to assume such a relationship (see, for example, Block, 1998, Carver, 1990, Chait,

Holland and Taylor, 1991, 1993, 1996, Duca, 1986, 1996, Houle, 1977, Ingram, 1988, O'Connell, 1985, Street, 1985, and Waldo, 1986). Yet, direct study of the link between organizational effectiveness and governance effectiveness represents a relatively new frontier in the study of both forms of effectiveness. Rather than assume a positive correlation, empirical studies (as opposed to gurus' treatises) in this vein start to question this relationship and look for evidence to either support or refute the close link assumed by much of the literature and much of the practice.

Inglis, Alexander and Weaver (1999), in their study of board roles and responsibilities, noted that cautious support for a relationship between the effectiveness of the board and the effectiveness of the organization had been shown by, for instance, Herman and Renz (1998) and Jackson and Holland (1998). Indeed, in 1997 Herman and Renz found that judgments of board effectiveness (a social constructionist construction) were strongly related to judgments of organizational effectiveness (also a social constructionist construction). Herman and Renz (1998, page 158) were confounded by the likelihood that '...if...nonprofit organizations often are judged on different criteria and in different ways on the same criteria by differing constituencies, then the search to identify board practices, management strategies, and procedures associated with effectiveness is bound to be nearly impossible.' Still, they felt confident that they could uncover consensus around especially effective organizations and in those cases, 'nonprofit organizational effectiveness is strongly related to board effectiveness.'

Oftentimes studies try to correlate some reputed aspect of board effectiveness with some reputed measure of organizational effectiveness. Siciliano (1997), for instance, studying YMCAs, found that better financially and socially performing organizations assigned responsibility of strategic planning to a special subcommittee of the board. In one of the more comprehensive studies of board performance and organizational effectiveness, Green and Griesinger (1996), studying sixteen social service organizations in southern California, found a significant relationship between organizational performance and specific board activities. The activities correlating with organizational performance included policy formation, strategic planning, program monitoring, financial planning and control, resource development, board development and dispute resolution. In a study focusing on correlates of effective nonprofits, Smith and Shen (1996), studying almost 40 organizations in a Boston suburb, implicated the presence of standard officers and boards of directors and a greater number of committees (although presence of an executive committee and the size of such were not similarly implicated). Plambeck (1985) studied four midwestern United Ways and found that attendance at board meetings, ethnic and sexual composition of boards and members' length of residence in the community all helped to explain differences between successful and unsuccessful organizations.

Not all of the results have been as unequivocal, however. In a study of 417 Canadian voluntary organizations, Bradshaw, Murray, and Wolpin (1992) demonstrated a relationship between the perception of board effectiveness and the

presence of prescribed board activities. However, the relationship was much more limited when board behaviors were correlated with objective indicators of organizational performance. Miller, Weiss, and MacLeod (1988), studying 184 human service nonprofits in Philadelphia, also had difficulty demonstrating statistical relationships between board activities and agency outcomes. Note, as well, that the studies that were not able to statistically demonstrate the correlation between effective governance and effective organizational performance were also the studies with the largest sample sizes. Certainly the field of practice would welcome large-scale studies that were supportive of a positive relationship between board form and organizational effectiveness. What we can do here, once again, is to suggest that a wide variety of board structures and compositions are available, increasing in subsequent time periods.

Organizational and Governance Effectiveness in This Study

Given the difficulties of definitions we do not specifically center the question of the relationship between nonprofit organizational and board effectiveness in this study. The likelihood of null findings, given the nature of the constructs, further makes this case. However, as alluded to above, we will draw selectively from these literatures to further our contentions about the great variety of serviceable board forms and composition. Implicit in our comparative historical study is the natural systems notion that the success of organizational populations is a function of the survival of organizational populations. Extrapolating from that position we may suggest that structures and compositions that we observe occurring or persisting in populations of organizations across time periods may be testaments to adaptability and portability.

One More Time: What of Board Composition?

If, indeed, boards matter, the next question for both researcher and the practice-oriented professional may be, what exactly about boards matters? This question is, to some degree, a reconfiguration of the governance effectiveness question above. For our purposes that question becomes, why does board composition (and structure) matter? To address this we turn to the extant literature (especially as we will take this as given and do not expect to explore it directly). Middleton (1987) suggests that, insofar as boards are organizational decision makers, they are affected by internal dynamics as well as relationships to administration, organizational staff and other constituencies. These relationships are, in turn, affected by the structure the board takes and the composition of its membership. According to Middleton (1987), the board structure (e.g., hierarchy, democratic nature, officer and committee setup) influences the way opinions get expressed and decisions are reached. Much of the research along this line has taken the form

of inquiries about board roles in organizational decision making as suggested above. For example, Wood (1992) has suggested that boards have three operating styles: 1) ratifying, or rubber-stamping executive's policies, 2) corporate, or working with organizational executives, and 3) participatory, or operating independently of executives. These styles often map onto the nonprofit organization's lifecycle stages such that often a collectively styled board assumes most power at the organization's initial stages and at crisis points. In another example of the influence of board structural characteristics, Alexander (1989) summarizes past research that suggests that a characteristic such as board size can influence board effectiveness by reducing individual member commitment and prolonging the decision-making process.

Board composition may also affect ease of relationships, ideological discord or congruence, and other aspects of internal working dynamics. Harris (1989) suggests that the United Kingdom's board equivalents – management committees – are vehicles for citizen participation, and that the composition and structure of such committees affects service delivery and community involvement in welfare. Students of for-profit boards have used both legal approaches and resource-dependence models to suggest that board-of-director compositional and structural characteristics directly affect board roles, which in turn affect strategic outcomes and organizational performance (see, for example, Zahra and Pearce, 1989).

The structure and composition of the nonprofit board is also responsible for relationships among board members, which, as Middleton (1987) suggests, may influence board-management dynamics and organizational decision making. Richard Cole (1980) studied the decision-making activities of twelve service-oriented nonprofit organizations and found that boards that opened ranks to include clients and community representatives could operate effectively and productively. Dain's (1991) historical case study of the board of the New York Public Library demonstrated that its history of aloofness from city officials, based partly on the board members' social class, ethnicity and political affiliation, had led to chronic struggle between the library and the city over budgetary matters. Alexander's (1989) study on the changing character of hospital governance suggested that traditional hospital boards may not have been equipped to meet challenges that faced hospitals during industry upheavals in the 1980s. Alexander suggests that as hospitals face increasing pressure from government and private payers to contain costs, boards confront significant challenges to financial viability, and many revert to a 'corporate style' by downsizing in general but increasing proportions of corporate representation on boards.

Board and Board Member Templates

The phenomena of interest here, then, are the structures and functions of nonprofit boards as presented above. Although state laws mandate some sort of board, they (for the most part) do not dictate the structure these boards take and the functions

they serve. Any number of forms and combinations (templates and characterizations) would be available to nonprofits in setting up boards. Two questions, then, motivate this study—one borrowed from population ecology and the other borrowed from neo-institutional theory. The first is, what accounts for as much variation as we actually find in board structure and composition? The second is, given the potential for boundless variation, what accounts for the patterns that do exist? We will pick up these two questions (focusing largely on the latter) in the next four chapters, but below we summarize the prevalent patterns of forms and functions that have been observed over time.

Nonprofit boards, as wholes, are often portrayed in stylized characterizations in the literature. We describe these below because we believe that the characteristics of members and the board structures that are implied by the characterizations of the whole, are key ‘variables’ that are influenced by institutional factors.

The prescriptive literature on nonprofits has often represented nonprofit boards as noisy confederations of interest groups that frequently disagree over organizational goals and policies (Middleton, 1987). As Middleton suggests, the ‘noisy’ nonprofit board is then characterized as having a bargaining style of decision-making that may also lead to more board intervention in organizational administration. The ‘noisy’ board is contrasted with a model of the nonprofit board as more homogenous and conflict-averse. Conflict-averse boards, in seeking to avoid anything controversial (Brown, 1976; Nason, 1977; Zald and Denton, 1963) are often characterized as hands-off boards that may become inattentive to changing environmental pressures (Middleton, 1987). Middleton suggests diversity in board composition, particularly with regard to members’ ascriptive (attributed, or demographic) characteristics, is the salient dividing line between the ‘noisy’ and ‘conflict-averse’ board types. Research by Alexander and Weiner (1998) questions whether the structuring of nonprofit hospital boards to conform to corporate governance models is feasible or even desirable. Similarly, Abzug and Galaskiewicz (2001) question whether the search for credentialed and expert trustees is a way to communicate an organization’s rationality project.

In the next section we elaborate on three major theoretical board compositional and structural groupings that correspond to the previous literatures on board change and variability. These three groupings motivate our construction of the dependent variables of board structure and composition.

Board Demographics: Diversity and Legitimacy

A major dimension of contention in the board literature is that of board diversity, with an emphasis on board member demographics. As previously discussed, recent literature (Fletcher, 1999, and Miller, 1999, for example), borrowing from recent trends in group process, posits that the more diverse the board, the more representative the board, and hence the more legitimate. In neo-institutional terms,

that legitimacy would translate into the ability to secure needed resources (the natural system's characterization of effectiveness). However, a competing literature (or oral tradition) suggests a 'golden age of trusteeship' (Hall, 1992a) that was characterized by great demographic homogeneity that was posited to lead to greater harmony. Further, to the extent that the board homogeneity reflected the community homogeneity, legitimacy was accorded to the least demographically diverse board. In the study that we present we will be especially attuned to the environmental factors that model board demographic diversity or lack thereof. This will entail the search for demographic diversity (race and gender) in board member populations at three points of time, in six different cities, and eight different subsectors.

Board Eliteness and Achievement: Signal and Skills

The 'golden age of trusteeship' was not just about demographic homogeneity, but also about homogeneity of status (in Weberian terms) or class (in Marxist terms). Whatever the terms, the substantial (sociological and historical) literature on social elites in the United States as reviewed in the previous chapter suggests that board member elite status (whether through birthright or educational / occupational social capital) also could be a trigger of legitimacy (again, the neo-institutionalists' measure of effectiveness).

Abzug and Galaskiewicz (2001) began explorations into this terrain by asking whether environmental legitimacy was accorded to (selected for and by) trustees with higher educational and professional (or managerial) attainment. They present competing board legitimacy schema. On the one hand, following DiMaggio and Powell's (1983) notion that the adoption of business models signaled structural efficiency and effectiveness, Abzug and Galaskiewicz (2001) suggested that nonprofit boards might seek legitimacy through the educational, professional, and managerial achievements of members. This is also similar in spirit to Alexander and Weiner's (1998) examination of the circumstances under which nonprofit hospital boards adopted corporate governance practices to signal the same rationality project. On the other hand, Abzug and Galaskiewicz (2001) suggested that organizational legitimacy might accrue from boards that were structured to signal community representation (demographic homogeneity or heterogeneity depending upon the diversity of the community) as reviewed previously.

Our search, like Abzug and Galaskiewicz' (2001) search, will entail assessing the conformity to, or variety around, standards of board member educational, professional, and managerial attainment, while also exploring the persistence (or lack thereof) of board member elite status. In our analyses, we separately model the predictors of trustee achievement/attainment on the one hand, and trustee social status/elitism on the other. Following the work of Alexander and Weiner

(1998) as well, we also will be interested in the adoption of board bureaucratic (large size) and corporate signifiers.

Board Interlocks: Networks and Resources

Finally, we follow the lead of Middleton (1987), and Pfeffer (1973) before her, in recognizing the nonprofit board as boundary-spanner and bridge to outside resources. Using that board template, we also will be interested in board members' networks and especially their interlocks with other community institutions. This follows from work on the elite preservation function of interlocking directorates across institutional fields (see for example, Moore, Sobieraj, Whitt, Mayorova, and Beaulieu, 2002, and Whitt, Moore, Negrey, White, and King, 1995). This line of inquiry also allows a bridge between the neo-institutionalists' notion of legitimacy as effectiveness and the resource dependence theorists' notion of access to outside resources as effectiveness. It also affords us the opportunity to explore the institutional isolation or connectedness of our large, prestigious organizational boards.

In sum, the phenomena that we seek to understand are the mix-and-match board and board member characteristics of demography (diversity), eliteness, community representativeness and linkage, educational, occupational, professional and managerial achievement, networks, and general corporatization. Specifically, we will be interested in modeling the factors associated with variations on these themes as elaborated upon below and in the following chapters.

From Whence Structural and Compositional Variation?

Case studies and reviews by Middleton (1987) suggest that the structure and composition of boards of trustees (as described above) is an important factor in organizational internal relations, environmental mediation, and governance. That is, the structure and composition of boards can be viewed as being on the 'independent variable' side of the equation. Our orienting concern is with the 'dependent variable' structure and composition—or how did boards get this way? The boundary-spanning role of the governing board suggests that such nonprofit board structure and composition will be partially influenced by changes in the institutional and task environments of the organizations of which they are a part. However, the elite character of many boards also suggests that board structure and, particularly, composition will be affected by the supply of elites from which to recruit board members. In the following sections we elaborate on these theoretical links and suggest models about ways in which board structure and composition have changed as a function of changing environmental and elite conditions over time.

Chapter 3

From Whence Structure: Time Period Imprinting

Introduction

One of the main contributions of the neo-institutional school of sociology of organizations has been the concept that forces in the environment constrain the forms (and contents) that organizations can take (see, for example, DiMaggio and Powell, 1983, and Powell and DiMaggio, 1991). Even before the neo-institutionalists, however, sociologists of organizations were noting that organizational structures could not be wholly attributed to rationale economic exigency models. Part of this thinking was developed through debates about whether organizations were adaptive (easily changed by management) or inertial (relatively resistant to management interference) (Boeker, 1988). Weighing in on the side of the strength of inertial forces, Stinchcombe (1965) noted that events surrounding the creation of a new organization have a long-lasting effect on the organization's future development. These historical effects, in turn, set constraints on the forms and structures in which management operates, thereby making change more difficult. Because the original adoption of a structure that suits the times requires investment in facilities and personnel, this investment may make subsequent changes more costly (Boeker, 1988). An entire literature on organizational change exists to explain how and why organizational transformation is so difficult, because of both individual and organizational inertia.

What this immediately suggests for the work that follows is that time periods constrain the choices of structures open to organizations at their time of founding. Organizational inertia (Hannan and Freeman, 1984) further constrains an organization's ability to change structures away from those that were available at founding. This suggests that we would expect variation in the structure of trusteeship (and its composition) based on time of founding alone. This would underpin an argument that all organizations founded at the same period or that had lived through similar time periods would share fundamental organizational forms. It is the latter on which we concentrate here.

However, neo-institutionalists, as well as population ecologists, have used the empirical evidence to suggest that organizational transformation may indeed occur as the institutional environment transforms and selects (or deselects) certain forms over others. Pinning organizational transformations of structure and the like on changes in the institutional environment, neo-institutionalists DiMaggio and

Powell (1983) suggested that the engine of organizational rationalization (structuration) lay in the state, the professions, and interorganizational networks, all potentially transformative (Abzug and Mezas, 1993, allow that the institutional environment may change glacially or quite rapidly, although it is always somewhat marked by historical juncture). More recently, institutionalists have specifically taken up the question of how previously inertial organizations come to demonstrate divergent change due to legal, regulative, and normative institutional forces (D'Aunno, Succi, and Alexander, 2000). Institutionalists' theories suggest that over time, the institutional environment in which nonprofit organizations operate has become increasingly complex due to the increasing role of government, foundations, corporations, public-interest and social-movement groups, and other forms of organized constituencies (Meyer and Scott, 1983) and this has, in turn, influenced the structure and composition of the nonprofit board.

So what were the periodicity-institutional forces surrounding our nonprofit organizational boards in 1931, 1961, and 1991? The following is a brief snapshot of the legal, regulatory, normative, and organizational environment that permeated our organizations at three points in time and is expected to have had an impact on the variety of board forms that we observe.

The Impact of Period

The expansion of the number of organized constituencies in the environment that demand attention from the organizational board has had significant effects on board structure and composition. This increasing complexity has partially materialized as pressure for community representativeness in organizational governance and government mandates for equal opportunity within organizations. The latter idea was launched in the Civil Rights Movement of the 1950s and codified in the spate of Civil Rights legislation promulgated by the Kennedy and Johnson administrations in the early-to-mid 1960s. The former, more elusive, goal of community representation was also nurtured in the early civil rights movement. It became a rallying cry for feminism's second wave, as well as attracting the attention of progressive foundations which began funding minority leadership training programs in the mid 1960s (Abzug and Mezas, 1993; Edelman, 1990; Hall, 1987; Rose, 1992). As communities of newly empowered, previously disenfranchised groups lobbied for greater local leadership representation, at the same time that government contracting tried to impose standards of inclusion, the nonprofit board was forced to address the different interests activated in a differentiated environment.

Increasing the numbers of board members alone would not address environmental interests unless the additional members were, themselves, representatives of previously excluded groups. Put another way, changing organizational board structure would be an effective strategy for broadening community leadership only if changing organizational composition also ensued.

We would suggest, then, that boards not only increased in size, but that they did so by expanding to include groups of people newly demanding to be included in the governing process.

Particularly in the latter period of our study, the Civil Rights Movement and feminism's second wave advocated a stronger voice for African-Americans and women in societal governance. This bottom-up concern for broadening board participation was supplemented by a top-down concern for fostering community leadership by such progressive foundations as Ford and Rockefeller. During the 1960s, these organizations supported civic leadership training programs partially as a way to encourage politically moderate positions within minority communities (Rose, 1992). Both as a result of successes of grass roots activism and foundation initiated leadership-development programs we might expect greater representation of people of color and women in our study's later years compared with the earlier years.

Community and organized constituent pressure for norms of equality and representativeness in leadership eventually effected change in conceptions of fairness at governmental and legal environmental levels (Abzug and Mezias, 1993; Edelman, 1990, 1992). As large, highly visible, powerful organizations responded to demands for diversity, mimetic processes were set in motion in other organizations. Notions of diversification were broadened to include representation of groups other than the most vocal civil rights and women's rights advocates. This process was accelerated in the later years by findings of the Filer Commission and the Donee Group—the former a privately sponsored inquiry into the future of the nonprofit independent sector and the latter a progressive break-out group of the former (Hall, 1994)—both of which urged the recruitment of boards members from groups not traditionally represented (Nason, 1977). These reports, coupled with the empowerment of traditionally disenfranchised ethnic and religious groups and an emergent youth movement, combined to target nonprofit governance as fertile ground for progressive reform.

To the extent that board size increases at the same time that new voices are incorporated into governance, we suggest a supplement rather than a replacement effect. People of color and women may not be replacing the white men on the boards so much as they are sharing power with them. Yet, in reaction to the inroads in governance made by previously isolated constituent groups, more traditional board elites may have an interest in segregating important governance functions into protected domains of powerful board committees. The changing composition of enlarged boards may itself catalyze further structural change in these boards. The prescriptive literature suggests that large boards are often clumsy and ineffective (see, for example, Houle, 1989), and protective (or reactionary) traditional board members may use committee structures to maintain effective dominance over governance.

The Changing Task Environment

Over time, boards face not only an increasingly complex institutional environment that imposes (among other things) standards of community accountability, but also an increasingly complex task environment, itself partially influenced by institutional changes. Part of this changing task environment entails an increase in transactions across organizational boundaries. As organizations increasingly interact with other organizations through contracts, as well as increase the complexity of their own service and maintenance functions, boards may accommodate these changes through structural modification, perhaps by redistribution of responsibilities over specialized committee structures.

Increasing contact across organizational boundaries not only calls for modification in board structure, but also in board membership. With outside organizations and professions imposing new standards for work, and creating new skill requirements, nonprofit boards may try to accommodate these changes by changing the skills mix of board members (Abzug et al., 1993; Middleton, 1987). A society-wide rise in litigiousness (over our three time periods), coupled with the increasing demand for specialization, suggests that the dilettante board volunteer of yesteryear may be replaced by occupational specialists and professionals trained to deal with the minute exigencies of the highly specialized task environment (i.e., government contracting). Nonprofits, also, find themselves embedded in environments dominated by large, for-profit corporations that provide resources, clients, and/or competition for the nonprofit organizations. Aside from the mimetic pressures this may impose, developing and maintaining relationships with large for-profits may require specialized skill mixes of board members. With increased pressure towards professionalization and commercialization, board composition may reflect the new demands of increasingly rule-bound and regularized work environments.

To keep up in increasingly competitive task environments dominated by for-profits, nonprofit boards also may be forced to speak the same language as their corporate resource exchange partners. Speaking the same language would entail having similar skills and knowing the same people.

Galaskiewicz and Sosin (1993) used a subset of the data collected for this project to theoretically reframe this argument. They suggest that while the demographic composition of boards may be moving towards greater heterogeneity (the diversification of ascriptive characteristics), the achievement and skill level of trustees (achieved characteristics) is moving towards greater convergence over time. This is premised on the idea that previously disenfranchised groups have greater access to education and occupations of higher status over the time period studied, and it is these achievements that signal board recruitment potential. Such insight, together with the preceding discussion, suggests institutional forces acting over time to effect board diversification around structure and ascriptive composition and convergence around trustee skill and network characteristics. Board demographic diversification coupled with convergence around professional

affiliation is consistent with a decline of the traditional elite dominance of boards to be discussed in later sections. Indeed, an increase in the proportion of latter day non-traditional trustees who have professional degrees may be one result of the increasing democratization of professional schooling over time. Whereas the elites of 1931 might have had monopolies on these kinds of credentials, a decoupling of elites from such monopolies over time might have opened up professional opportunities for other would-be trustees.

Changing Elites and Changing Board Eliteness

Even if the task, industrial, and institutional environments of nonprofit organizations had not reduced the traditional elite presence on boards, we still might expect boards to have changed due to the changing nature of elite communities themselves. However, measuring the influence of broad changes in elites upon the pool of applicants from which board members are recruited is difficult due in part to the problems of circularity in defining an elite. For example, if presence on nonprofit boards of trustees is an indicator of eliteness (Domhoff, 1970; Useem, 1984) then, despite diversification of membership, all trustees of prestigious nonprofits will be defined as members of the elite. If this is the case, it will be impossible to ask if the percentage of elite members on these boards has varied by time period.

One way around this circularity is to suggest that membership in the social upper class be measured by a number of other frequently used social indicators, such as appearance in the Social Register and Who's Who⁷ (Domhoff, 1970). However, these sources also may have changed and become more inclusive over time. In this case, using such indicators could mask the degree of change over time in board composition. Even if the meanings of the indicators themselves have not changed, we might still expect a decrease in the proportion of board members who are members of the social upper class as measured by such indicators, if nonprofit board nominating committees place less importance on class background, or if they are pressed to draw from less elite populations. Combined with the argument that the power of remaining local elites has declined with the rise of a national elite, we can suggest that nonprofit board members will demonstrate less attachment to local social upper classes in more recent time periods.

If so, then even if nonprofit boards are as homogenous as ever with respect to such characteristics as race, gender, and occupation, they may have changed with respect to more subtle indicators of attachment to local upper class status communities. This may occur, in part, if boards increasingly shift to more nationally prominent stewards, or if nominating committees devalue traditional indicators of elite status because these are no longer considered accurate boundary

⁷ Founded in 1899, Who's Who in America describes itself as providing 'accurate, concise biographies of notable Americans' (www.marquiswhoswho.com).

markers. These more subtle indicators of attachment to traditional elites include attendance at Ivy League⁸ universities, listing in the Social Register and Who's Who, and membership in prestigious social clubs. Indicators of attachment to local, rather than national, elites include birth and residence in the community in which the board member's organization is situated. A growing de-emphasis on local ties to an elite community would also suggest that board members with careers in business would more likely be tied to corporations with more national concerns.

Conditions for Trusteeship in 1931

In 1931 the United States was still reeling from the effects of the October 29, 1929 crash of the stock market. President Hoover was in his last stages of trying to stave off the worst effects of the growing Depression. Franklin Delano Roosevelt and his New Deal⁹ legislation (and wholesale tax reform) were barely perceptible on the horizon. Desperation was beginning to haunt most Americans. Charity and other private-sector initiatives were being called upon to insulate the country from economic distress as well as to distract an increasingly hopeless populace from the enticement of a socialist solution.

Historian of the nonprofit sector Peter Dobkin Hall (1987) has argued that the United States' business and cultural leaders, during the first three decades of the twentieth century, were fashioning a nongovernmental alternative to socialism's cure for fundamental problems in existing economic, social, and political institutions. Proponents of laissez-faire capitalism felt an affinity towards the voluntary private charity and cultural institutions that dispensed their good deeds in independence from centralized (corrupt) public bureaucracies. Hall (1987, page 11) argues that the underlying agenda of the cultural Progressives 'was the recognition that social justice should come through the actions of the private sector assisted, but not directed by, government.'

Hall credits this wave of Progressivism with inspiring the development of the charitable foundation as a new form of philanthropy oriented to the prevention (as opposed to chronic care) of social problems. He further suggests that this spirit, in the form of experiments in welfare capitalism, led to the underwriting of various charitable organizations by industrial interests. As well, Hall notes that the rise of the community foundation, and by the 1920s, the Community Chest organizations—both forms based on a model of cooperation between business and

⁸ The Eight 'Ivy League' Universities, Brown, Columbia, Cornell, Dartmouth, Harvard, Pennsylvania (University of), Princeton, and Yale, were so originally demarcated based on common interests in scholarship and athletics. They have historically and commonly been perceived as the US's premier universities.

⁹ First introduced in a 1932 candidate's speech, the New Deal was President Franklin Delano Roosevelt's plan for economic recovery after the devastating Great Depression.

government—were other major elements in structuring the private-sector alternative to social unrest.

By 1931, this private-sector solution, championed by President Hoover, was beginning to unravel in the face of an economic crisis of immense proportions. However, elite sponsorship helped many of the relatively newly formed private independent institutions remain viable as the Depression roared around them.

Conditions for Trusteeship in 1961

By 1961 John F. Kennedy's Camelot was in its first year. Private universities and foundations had weathered the 1950s' assaults on their perceived liberal (and internationalist) agendas and the attacks on the purported socialist connotations of their tax exemptions by the Select (Cox) Committee of the House of Representatives and the Special Committee to Investigate Tax Exempt Foundations, respectively. And by the early 1960s nonprofits and foundations in particular were becoming both more numerous and more involved in political action through training, funding, and advocacy itself. These very activities led to an initial attack on the foundation form in May of 1961 by populist Representative Wright Patman of Texas, although any sustained attempt to regulate such private activity was still a few years away (Hall, 1987).

The phenomenal diffusion of the nonprofit form was beginning to take shape at the decade's start. Questions about community inclusivity and representation were being asked as people of color gained more political and legal strength. As the nonprofit form's affinity to fulfillment of social needs was being rediscovered, traditional notions of stewardship and governance were being called into question.

All of these political and social changes in the environment surrounding nonprofit organizations may be conceptualized as increasing heterogeneity in institutional elements, which adaptive organizations would then internalize.

Conditions for Trusteeship in 1991

Eleven years into the trickle-down revolution and three years into the 1,000 points of light regime, 1991 was the beginning of the end of an indulgent decade. As a result of the government's cutback on domestic spending, nonprofit organizations that had come to depend on public moneys in the form of grants or contracts were forced to scout around for replacement funds. In some cases this meant finding substitutes for the organization's single largest income stream (Lippert, Gutowski, and Salamon, 1984).

The nonprofit form itself was still proliferating, as government tried to shunt off its services to the private sector. Three decades of social protest and advocacy had sharpened the nonprofit form as a tool for the grass roots, and thousands of organizations were added to the IRS tax-exempt rolls each year. Entrepreneurial

nonprofits sprung up to take advantage of new contracting arenas and small businesses began to cry foul at fee-for-services offered by the tax-exempt form.

If, as the institutionalists suggest, organizations in search of legitimacy (and funds!) are adaptive to their socio-political environments, we would expect that signs of the times would insinuate themselves into the structure and composition of nonprofit boards. Boards of the 1930s will look different from boards of the 1960s, which will look different from boards of the 1990s.

From Whence Structure: Organizational Constraints on Form

Alternatively, as suggested by Stinchcombe (1965) above, age of an organization may well impact its structure through an imprinting process whereby that which is cemented early in development will persist through the forces of organizational inertia. However, there are additional (if not tangential) ways to expect that organizational age will impact organizational structural choices. Specifically, the oldest of organizational science schools would suggest that independent of specific time period, organizational aging will be accompanied by processes of bureaucratization. This bureaucratization, again independent of time period, will lead to predictable patterns of organizational structuration including (according to the master, Weber) increased complexity, formalization, and size. This observation coupled with the argument that institutional forces may make some trustee attributes more valuable over time suggests that one way to absorb such environmental flux is to increase the size of the board to so reflect the additional skill sets needed. Board size, then, and not organizational size, which may well be independent from board size, may also play a role in board (member) diversity, eliteness, and interlocks. We will attempt to model this in our analysis.

Chapter 4

Regional Cultures of Trusteeship

Geographic Diversity of Nonprofit Sectors and Organizations

While the march of time has been accompanied by an explosion in the sheer numbers, size, and importance of nonprofit organizations in the United States (and internationally), a fundamental characteristic of the nonprofit sector is its great diversity. Institutional theory provides us with tools to explore how localized environmental differences affect organizational structure, allowing us to isolate patterns in the variation. In this chapter we present the concept of diversification of nonprofit sectors by localities (Wolch, 1990; Wolpert, 1992, 1993). This gives us an opportunity to both explore one variable for our model—region—and also to provide an up-to-date literature review on the impact of geography on nonprofit structure and behavior. We first introduce two lenses from which to view the impact of place on organization: 1) a broader cultural (regional) lens, which will help us to see beyond jurisdictional borders to shared beliefs and meanings rooted in neighborhoods on the one side and regions on the other, and 2) a perhaps narrower legal/structural lens, which will help us to understand the role of local and state law, politics, and administration and the peculiarities of nonprofit governance. We follow nonprofit organizational cultural and structural determinants from the local level, to the state, to the region, finally to the level of nation-state. From this broad overview of the organizational salience of ‘place’ we will next review the role of place in previous nonprofit research and then focus on the specific notion of regional cultures of trusteeship as derived from historian Peter Dobkin Hall’s 1992 concept of cultures of trusteeship. We will explore how different civic cultures and philanthropic traditions of six cities (Atlanta, Boston, Cleveland, Los Angeles, Minneapolis/St. Paul, and Philadelphia) may be modeled as influencing the structure of boards of trustees of indigenous nonprofit organizations.

Localities, States, Regions and Organizations

While reviewing progress in the study of organizations and institutions, Lounsbury and Ventresca (2002) lament that the recent study of organizations has become unhinged from studies of broader social structures. The present study is part of an effort to situate organizations in particular environments and as such grows out of a neo-institutional concern with the impact of cultural elements on organizational

structures (see, for iconic example, Meyer and Rowan, 1977), as well as a population ecological concern with environmental resources (see, for iconic example, Hannan and Freeman, 1989). Ruef (2000) suggests that the community ecology of organizations can be alternatively divided into studies of geographically bounded sets of organizations (see, for example, Warren, 1963, and Galaskiewicz, 1979) as well as studies of structurally bounded fields (see, for example, Hirsch, 1972, and DiMaggio and Powell, 1983). We will deal directly with the first type of geographic community in this chapter and explore the second type of functional field in the next chapter. Ruef further raises the question of the appropriate geographic boundaries to study organizational structure (for instance, trustee boards). He offers the idea that the scope of communications and transportation networks may be determinative of organizational geographical boundaries. From this he suggests that local boundaries may be more appropriate in less industrialized (perhaps historical) arenas while industry fields in industrialized societies are bounded at levels such as the nation-state. There is good reason to suggest that in the United States, nonprofit sectors are defined locally (through neighborhood needs and resources), by state (where incorporation takes place), by region (where political and philanthropic cultures have taken hold) as well as nationally (through tax codes). We will explore the impact of each in the sections that follow. We will further suggest that the reinforcing impact of local, state, and regional cultural and structural forces on organizations in our six geographically distinct cities may over-determine concomitant structural differences.

To begin our discussion of both the different levels (local, state, regional, national) and lenses (structural vs. cultural) from which to view how place (geography) may impact organizational structure, we present Table 4.1 on the next page. With hierarchical levels of geographic analysis arrayed across the table's side and organizational determinants across the top, we fill in the slots with examples of impacts on organizational structure at the intersection of level and lens. By lens of culture we refer to impacts that are normative in nature and/or are about shared meanings and definitions. The lens of structure includes both legal and network factors to allow for both laws at different jurisdictions and organizational resources (including partnerships). While the table can make sharp line distinctions between these two lenses, we recognize that reality is rarely so neat—the boundaries between cultural determinants and structural determinants become quite blurred in the research we describe as reflective of the experienced reality of organizations. The next sections of the chapter will spell out the place-based impacts that lead us to model regional effects on trusteeship.

As suggested above, this table greatly oversimplifies the complexity of bounding culture geographically (as well as separating it out from structural and even legal environmental influences). Metropolitan area, for instance, may cross state borders (looking more like region) but may still be smaller (in abstraction, anyway) than 'state.' While political jurisdictions often define legal and some structural arenas, they may or may not reflect cultural impacts as well. The discussion that follows often conflates the levels to reflect the research done with

available data. The generalized local to global continuum is more important in conceptual form (location matters!) than in predictive value (which location matters?).

Table 4.1 Cultural and structural impacts on organizations based on level of geography

	<i>Culture</i>	<i>Structure (legal and network)</i>
<i>Local</i>	Neighborhood needs and resources	Property and sales tax
<i>State</i>	Legal environment	Incorporation laws Networks/state associations
<i>Region</i>	Political and philanthropic cultures	Regional associations
<i>Nation</i>	Nation of givers?	IRS code

If all Politics are Local, are Nonprofits Politics?

In 1990, DiMaggio and Anheier set the groundwork for highly local studies of nonprofits with their conclusion that ‘nonprofitness’ has no single trans-historical or transnational meaning; nonprofit-sector functions, origins, and behavior reflect specific legal definitions, cultural inheritances and state policies in different national societies.

As such, DiMaggio and Anheier (1990) lay the foundation for studying both cultural and legal/structural influences on local nonprofits. Certain types of nonprofits are expected to be particularly enduring in certain cultural milieus according to these authors. They claim that ‘status NPOs’—those formed by upper classes to cement social bonds—are, indeed, defined by and defining of localized social networks (with structural and cultural dimensions).

Extending this somewhat, Abzug, Simonoff and Ahlstrom (2000) highlighted the quintessentially local nature of (community-based) nonprofits by noting that once institutionalized (Selznick, 1949), nonprofit organizations are more wedded to place than more agile for-profit counterparts (Wolpert, 1996). As Wolpert (1996) suggests, nonprofits are often characterized by neighborhood attachments and service specializations that keep them committed to communities. The needs and resources of neighborhoods keep nonprofits busy and ‘in business.’ Despite some sensational examples of, for instance, urban nonprofits following constituencies out to suburbs, many, if not most, community-based nonprofit organizations remain rooted to place.

Indeed, the study of community-based organizations (CBOs) as opposed to citywide or statewide large and well-known institutions, was a catalyzing

movement in nonprofit studies writ large and is currently enjoying a resurgence within the broader field. Early work by pioneers including Smith (1997) and Milofsky (1987) points to the importance of understanding the growth and role of nonprofits as community actors. Recent spins on this include, for instance, the work of Omoto and Snyder (2002), which looks at community volunteering as influenced by the standards, norms, resources, and institutions provided by communities. Omoto and Snyder point to the community roots of volunteer organizations, often founded directly to promote change within communities. They also suggest the structuring effect that community cultures (liberal versus conservative, example) have on volunteer efforts.

Ben-Ner and Van Hoomissen (1989) centered religion as a community characteristic and used the number of churches to predict the number of nonprofits within New York. Local religious environment/structure—religious coherence as well as diversity—is also predictive of the extent of nonprofit social service provision according to research by Corbin (1999). We pick up this argument again in Chapter 6.

Other local factors influencing the shape of nonprofits include networks, funding, and the inter-organizational environment. Nevarez (2000) weds resource dependence with institutional levers when he suggests that local business communities, through local philanthropy, can actually shape the agendas of local nonprofits. Other scholars are increasingly pointing to local political cultures as quite robust organizational influencers. In reference to the configuration of nonprofit social service delivery, Bielefeld and Corbin (1996, page 386) claimed the strong influence of political culture as ‘embodied in funding decisions by state and local government agencies and private community actors.’ Dividing political cultures into those deemed ‘moralistic’ versus those deemed ‘traditionalistic / individualistic,’ Bielefeld and Corbin (1996) brought empirical evidence to bear on the positive association of ‘moralistic’ political cultures with strong relationships between nonprofit social services and government agencies with the opposite holding true (weaker relationships) for market-oriented political cultures. Bielefeld (2000) used National Center for Charitable Statistics data to confirm previous studies that demonstrated that nonprofit sector variation was associated with political culture as well as other locality specific variables including generosity, wealth, poverty and heterogeneity.

Bielefeld and Corbin (1996) specifically indict state and locality tax exemption as well as policies around government/nonprofit contracting to explain the persistence of local variation in social service nonprofits. The local vagaries of property tax policy, for instance, have impacts on the concomitant structuring of local nonprofits and sectors (see, for example, Hansmann, 1985, and Brody, 1998, 2002). Property tax exemption provides a particularly interesting view of the complexity of local structuration, as exemption is granted at the level of state, while the burden of decreased revenue (along with innovation in response) fall to more local municipalities (Brody, 1998). Indeed, while the state’s legal environment may impose both formal and informal isomorphic pressure on

constituent organizations, more localized legal and normative environments may develop around large or otherwise important cities or municipalities. Local legislative bodies may create different legal environments within state jurisdictions, and community norms may play a greater role in the institutionalization of organizational practices. However, given the state's role in establishing such legal constraints (or inducements) on nonprofits as property tax exemptions, that is the level of structuration to which we now turn.

Nonprofits and the State: A Legal and Structural Perspective

Nonprofit organizations are found in every part of the United States, although the variation in concentration by state closely mirrors the variation in population density by state (Weitzman et al., 2002). Of the ten states with the largest concentration of nonprofits, four of them (California, Pennsylvania, Ohio, and Massachusetts) set the law for nonprofits in our cities under study.

State divisions among nonprofit organizations are important because these organizations are incorporated by and under jurisdiction of state laws that are variably enforced by states' Attorneys General (Chisolm, 1995; Silber, 2001). Although some states have moved to adopt the American Bar Association's (ABA) Model Nonprofit Corporation Act, the history of nonprofit statutory law in the United States remains a history of variation by state jurisdictional boundaries (Fishman, 1985; Hone, 1989; Karst, 1960; Moody, 1984). Michael Hone (1989, page 758) explains:

They were and still are an inconsistent hodgepodge...Some states have a general nonprofit law applicable to all nonprofit corporations [Colorado, Connecticut, Mississippi, Texas, Washington], others, most notably Delaware, do not. Many states have statutes applicable to religious corporations [Connecticut, Delaware, D.C., Illinois, Massachusetts, Vermont] or to particular religions [Massachusetts law has sections dealing with nonprofit made specifically applicable to Protestant Episcopal Church, Reformed Episcopal, United Methodist, African Methodist Episcopal, Roman Catholic and various Orthodox Churches while Minnesota has sections dealing with the Protestant Episcopal Church]. Some nonprofit statutes prohibit direct economic benefits from flowing to members and controlling members. Other laws allow indirect benefit, but prohibit direct benefit. Some states follow the ABA's Model Nonprofit Corporation Act [Alabama, D.C., Hawaii, Kentucky, Virginia], but others do not [Massachusetts, New York, Texas]. New York has categories of nonprofit organizations; most states do not [Illinois, Mississippi, Texas].

In states with statutes particular to religious organizations (Massachusetts and Minnesota of concern to us) we might expect that religiously affiliated organizations therein take on unique forms resulting in differentiation from more secular entities. Further, as Edelman (1992) would suggest, the letter of the law plays a role in determining how organizations will structure themselves, but the legal environment created as groups of organizations negotiate the more

ambiguous statutes will also work towards such structuration. To the extent that different states have different nonprofit statutes, the variation may also extend to the legal environment surrounding the organizations. Beyond (above?) the statutes, individual states have developed different regulatory and interpretive bodies that may override even the judicial interpretation of the nonprofit corporation or trust law. A case in point is the famed Regents of the University of the State of New York, a regulatory body chartered in the 1780s, which was able to use more exacting standards than would the State Attorney General to oust the mismanaging board of Adelphi University (Hall, 1997). One might also argue about the uniqueness of the citizenry (as represented by the media and public officials) of Hawaii who took it upon themselves to challenge the potentially illegal actions of the Bishop Trust in paying trustees lavish amounts but skimping on funding their mission to help educate native Hawaiian children (Dobris, 2000). Still, the number of state cases that make it past the law to other bodies remains very small.

Nonprofit corporation laws in most states also can structure constituent organizations by establishing minimums in terms of reporting requirements and by allowing for protection from personal liability for the directors (Edie, 1993). Following the ABA's Model Nonprofit Corporation Act model, most state statutes today describe the duties of (effective) directors as those of care, loyalty, and obedience. State courts may apply the 'Business Judgment Rule'¹⁰ to determine a director's adherence to the duty of care. Yet, as Peregrine and Schwartz (2000) make clear in the healthcare case, there is still a concern among jumpy trustees that some states will not recognize the (absolving) application of the Business Judgment Rule under certain circumstances and, as a result, will establish a higher standard of nonprofit director decision-making. The combination of different state statutes coupled with different state court interpretations means that even relatively standardized statutes allow ample room for diversity in board performance expectations from a legal standpoint. Silber's (2001) work makes the further point that variation in state activism around nonprofit monitoring has led to an inconsistent, complex pattern that impacts nonprofits differently across the country. Silber (2001) has contrasted states where judges stood guard over nonprofit incorporation (New York's deciding on which entities were to be created, for example) versus states where such decisions fell to legislative bureaucrats, for instance.

Beyond incorporation law, state tax law and policy also have determinative influence over nonprofit structure. As noted earlier, property tax exemption policy is developed at the state level (Brody, 1998, 2002). In 1985 Hansmann demonstrated the significant relationship between tax policy and the proportion of schools and nursing homes that had nonprofit status in particular jurisdictions,

¹⁰ In US corporate law, the Business Judgment rule is the doctrine used to protect directors and officers from liability for poor decisions so long as directors and officers act in good faith, with due care, and due authority (obviously quite nebulous terms).

although interestingly, in his 1987 study, Hansmann found that (high) property tax rates were not (inversely) associated with relative proportion of nonprofit firms. Hansmann attributes this imperviousness to property tax exemption motivators to nonprofits' embeddedness in local communities despite various economic pushes and pulls (Hansmann, 1987).

State law further distinguishes among nonprofits in different states through tort law, leading to a variety of ways that nonprofits are protected (or not), and perhaps, therefore favored over other organizational forms. As Gilman (2002) explains, states provide different levels of nonprofit immunity or limited liability through the mechanisms of statutory damage caps, caps on recovery to insurance coverage limits or complete protection of certain assets. This legal (structural) distinction may have immediate organizational consequences in terms of risk taking, competition, and even necessity for professional guidance.

While the legal structure of state level incorporation, tax policy, and tort law, and its variable enforcement by Attorneys General (Bograd, 1994), helps to differentiate nonprofits geographically, this task is further aided by other structural and cultural factors that also vary by state. Indeed, as mentioned at the beginning of this section, the density of nonprofits differs by state as well. Working with that observation, Abzug and Turnheim (1998) tried to explain the differing rates of incorporation by state by comparing social needs by state (demand side) with organizational resources by state (supply side). Consistent with the tenets of neo-institutional theory, Abzug and Turnheim (1998) found that nonprofit incorporation by state varied by extant networks of nonprofits (including the presence of state associations of nonprofit organizations, for instance) as well as nonprofit intermediaries.

The Region

While local and state boundaries demarcate a host of constraints (and opportunities) placed on (nonprofit) organizations, an entire literature on 'regionalism' exists to suggest that some structuring factors are situated within the still broader geographical realm of region. A comprehensive review of this literature (from economics, sociology, political science, planning, etc.) is well beyond the scope of the book, yet we can point to some studies of regional culture that have (had) utility for the study of generic organizational structures. We discuss regional impacts on nonprofit and philanthropic cultures specifically in a later section.

In the regionalism literature, organizational structures are either subsumed or assumed under more political concerns. Indeed, regions have been associated with political cultures (which have then been associated with cultures of philanthropy in the aforementioned work of Bielefeld, 2000, Bielefeld and Corbin, 1996, Corbin, 1999, and Schneider, 1996) as exemplified by the work of Elazar (1984, 1986) and Fischer (1989). For Elazar, for example, individualist cultures abound in middle

and western states, moralistic/communitarian cultures predominate in New England and the Northern Plains, and traditionalistic cultures are found mostly in the South. As work in this tradition suggests (see, for example, Koven and Mausolff, 2002), these political cultures can determine the view of relationships between the government and private organizations in the provision of social services. Koven and Mausolff (2002) argue that political culture impacts both state and local spending. This can be restated to suggest that region (where political culture resides) impacts organizational allocation decisions, and so can be extrapolated to other organizational concerns.

While work on the impact of regions on organizational structure is more implied than applied, we can certainly suggest that this is a fertile field for further study. We would expect that with the increasing importance of regionalism in the United States (Wheeler, 2002), as well as the increasing reach of organizational studies, the two are bound to collide. The present study models one way that this might occur, by considering region as a potential factor explaining board member characteristics. We lay out this model more formally in Chapter 9.

The Nation in Comparison

A final macro level of geographic variability that impacts organizational form is the international level. Although this book addresses comparisons only within the United States, it is still informative to understand how even nation-state plays a role in the structuring of organizations. Work of Hofstede (1984, 1991) and others has suggested that national cultural values are central to understanding management issues in different countries. While Hofstede has focused on the more micro level of the impact of national culture on managerial values, other researchers have pointed to the impact of national culture on organizational structural forms including, for instance, capital structure (Chui, Lloyd, and Kwok, 2002), compensation practices (Schuler and Rogovsky, 1998), management practices (Newman and Nollen, 1996), and organizational design, planning, and control (Harrison, McKinnon, Panchapakesan, and Leung, 1994).

Beyond cultural studies and focusing specifically on nonprofit organizations, international comparative work such as early work by James (1987b, 1989) and latter iconic work by Salamon, Anheier and Associates (see, for example, Salamon and Anheier, 1996, and Salamon et al., 1999) has demonstrated the importance of political, legal, and societal boundaries in the shaping of organizations and sectors as well as attitudes towards giving and philanthropy. Indeed, the entire Johns Hopkins University Third Sector Comparative Project is based on the idea that national differences impact, in patterned ways, the shape and scope of nonprofit sectors and organizations. Certainly research on the development of nonprofit sectors and organizations in emerging economies (those transitioning from Soviet domination, especially), has underscored the importance of national tax codes as structures promoting (or not) cultures of philanthropy (see, for example, Jakobson,

Koushtanina, and Rudnik, 2000, Siegel and Yancey, 1992, and Simon, 1995). While much work has been done to show the impact of national legal, political, economic, and social structure on nonprofit organizations, more work remains to be done, especially in the realm of organizational governance. Given the scarcity of research on (inter)national cultures of trusteeship, we turn back to the United States to review the extant nonprofit literature that centers questions of place (geography) in the pursuit of understanding American governance.

The Significance of Place in Nonprofit Research

Variation of the nonprofit sector by local community has been at least a minor theme of empirical research in the nonprofit field for almost two decades. Starting, perhaps, with Lester Salamon's and associates' studies of the impact of the Reagan administration changes in public policy on nonprofit sectors in sixteen communities throughout the United States, there has been a growth in research that posits meaningful regional distinctions amongst nonprofits. Salamon's (1987) research demonstrated that voluntary sectors in different American cities vary as a consequence of the level and variety of social needs, available donative sources (themselves influenced by economic conditions) and regional, political, and social history. Jennifer Wolch (1990) has argued that dimensions of voluntarism and the development of nonprofit organizations are shaped by the political economic context of markets, the state, and specifics of the charity sector. Moreover, she argues (page 132) that 'national context does not have uniform effects on its constituent subordinate territories' due to the interaction of national processes with particular local circumstance and exigencies. Wolch suggests that past research divided localities into areas of high social needs coupled with conservative reactions in the North and areas of lower social need coupled with more progressive policies in the South and West. Wolch's (1990) own study suggested that newer, growing, and prosperous cities of the South and Southwest had smaller, less well-developed nonprofit sectors (fewer voluntary sector jobs per population) and a greater proportion of social services handled by for-profit enterprises than comparison cities in the Northeast and Midwest.

Geographer Julian Wolpert (1992) suggests that variation in the nonprofit sector is more extensive than what we observe in either local government or the private sector. He further suggests that this variation by locale has consequences for the organizations and the communities in which they are embedded. According to Wolpert (1993), while local autonomy in the sector can allow for a good match between the provision of community services and the raising of revenues locally, the variation has less beneficial repercussions as well, because certain communities' nonprofit sectors lack the resources and infrastructure to be effective agents for distributive transfers. Wolpert (1993) concludes that philanthropy in the United States varies significantly from place to place depending on per capita

income and local ideology of regions, leaving many poor urban areas without adequate nonprofit service provision.

In sum, past research at the sector and organizational level of nonprofits has revealed great diversity by locale. We now turn to a specific discussion of regional effects on the structure and composition of the governing bodies of these organizations.

Trusteeship in Local Perspective

In a provocative essay, historian Peter Dobkin Hall (1992) asks whether trusteeship has a universal meaning, or if it is more properly seen as a social construction—the outcome of negotiation among interested individuals. On the basis of case studies of trusteeship of grassroots organizations, trustee service of the very rich, and trustee patterns in Boston and Cleveland, Hall concludes that distinct patterns of elite governance, which he refers to as ‘cultures of trusteeship,’ have historically characterized different U.S. regions. He concludes that ‘cultures of trusteeship parallel cultures of philanthropy and voluntarism. And these, in turn, parallel cultures of economic and political life’ (Hall, 1992, page 140).

Hall’s comparison of what he refers to as *Midwestern Federationism* (a Cleveland export) and *Civil Privatism* (a Boston export) inspired the regional comparative aspect of this study’s historical view of trusteeship variation. Starting with Boston and Cleveland, this study expanded to include additional data on trusteeship from contrasting cities of Atlanta (as part of the new South), Los Angeles (as part of the new West), Philadelphia (the industrial mid-Atlantic) and the Twin Cities of Minneapolis/St. Paul (representing the Northern Plains).

The older cities in this sample, particularly Boston, owe parts of their social organization and power structure forms to traditions of common law and aristocracy brought over from England. George Marcus and Peter Hall (1992) trace Massachusetts’ first-in-the-nation trust law from English common law. They credit Massachusetts with the creation of the legal tools that allowed the refashioning of the former colonial merchant elite into the Bostonian capitalist class. According to Hall (1992), the Boston model of trusteeship arose out of efforts of the city’s cultural and economic elite to institutionalize values conducive to the protection and control of their wealth and stature. Hall calls the Boston trustee a legendary figure as prudent fiduciary of the interests of Boston’s Brahmin elite, and as steward of community values. Legal scholars have contrasted New England’s post-Revolutionary attachment to traditions of English law and the establishment of propertied elites with the disestablishment culture developing in the American South. The southern repudiation of the trust was also a repudiation of both the Crown and New England’s attachment to the British traditions of organization and elite reproduction (Hall, 1992). The historical record, then, suggests that Southern cities, such as Atlanta, may have earlier moved away from traditions of charitable trust and established peculiarly American forms of institutions and institutional governance.

Board composition, aside from reflecting traditions of organizational structuration, is also a function of characteristics of social upper classes in different urban environments. Frederic Cople Jaher (1982, page 9), studying the urban establishment, suggested that Bostonian and Philadelphian business elites came to resemble the aristocracies of European nobility because of their 'intergenerational bequests of rank and role.' According to Jaher, in these cities, elite status was afforded by ascriptive considerations of birth and kinship rather than the achievement motive that was more resonant with American ideology. Jaher offers the experience of elites in Los Angeles, who were never able to have a coherent impact on their city, as a contrast. The presence of a relatively new Hollywood elite in Los Angeles has proved to be a major obstacle for the older elites in directing the resources and growth trajectory of that city (Beaudin, 1994)

Atlanta and the South provide a different perspective. As mentioned earlier, the Southern states moved more quickly from established (English) modes of charitable organizations form, suggesting that boards of organizations in the South might differ in structure from those in New England. We might expect the Atlanta elite to look very different from the Boston or Philadelphia ideal type. Blau, Heying, and Feinberg (1993) remind us that community leadership in Atlanta is characterized by a religious base of Baptists (as opposed to a greater mix of religions in the North and Midwest), and persistent segregation of the races that acts to strengthen the monopoly of whites over a segregated voluntary sector.

This work on cultures of trusteeship is complemented by aforementioned work on the regional cultures of philanthropy by Bielefeld (2000), Bielefeld and Corbin (1996), Corbin (1999), and Schneider (1996). The research on philanthropic (as opposed to the older, more specific trustee) cultures draws heavily on the work of Elazar who championed the three political culture types: moralistic, individualistic, and traditionalistic. Corbin (1999), in reviewing work by Schneider (1996), suggests an individualistic philanthropy as consonant with Midwestern privatism, and a moralistic and communitarian philanthropy as associated with New England. This sets up a competing scenario from Hall's trusteeship patterns, but nonetheless underscores the salience of place in understanding nonprofit organizational variation.

Indeed, from the preceding discussions of the confluence of local legal, philanthropic, and status environments surrounding nonprofit organizations, together with the embedded structures of social upper classes, we expect that place will be an important predictor in modeling board structure and composition.

Chapter 5

Industry Cultures of Trusteeship

The Rising Importance of Industrial Field

With the concept of field as predominant, institutional theory has focused both on the structuration of sets of organizations into fields or industries (see, for example, DiMaggio, 1991, DiMaggio and Powell, 1991, and Galaskiewicz, 1991) and the impact of established field or industry processes as institutional forces on structures internal to organizations (see, for example, Abzug and Mezias, 1993, Baron, Dobbin, and Jennings, 1986, Dobbin et al., 1988, and Edelman, 1990, 1992). DiMaggio (1991) has argued that the latter is predicated on the former. Our use of institutional theory has been focused on understanding the institutionalization of organization forms. We have been suggesting that boards, as boundary spanners, are particularly susceptible to influences of the institutional environment. Without invoking the notion of field, we have nonetheless suggested that board form converges around ideal types based on regional exigencies, and more generally, negotiated norms constructed among proximal organizations governed by more or less consolidated elites. Regional culture (as discussed in the previous chapter), represented and partially determined by the structuration of elites, is but one institutional force tending to standardize organizational structures and behaviors.

DiMaggio (1991) has suggested that the perception of field boundaries has a large impact on how organizations choose reference groups (both organizational and professional), which should influence, through coercive, mimetic, and normative processes, how organizational structural change is patterned. Thus, we would expect that the composition and structure of boards would vary depending on the norms prevalent in organizations within commonly-accepted industry categories. A substantial literature, worth briefly reviewing here, has grown up around this notion that a highly structured organizational field (industries) leads actors to choose conforming organizational structures (DiMaggio and Powell, 1983).

DiMaggio and Powell (1983) lay out the argument this way: atomized organizations in similar ‘businesses’ are structured into institutional fields through the actions of the state, competition, and professional players. Once construed as a field (often synonymous with ‘industry’ in the sociological literature), organizations are subjected to powerful field forces that further constrain their design choices and promote isomorphism in organizational structure. Scott and

Meyer (1983) suggest that organizations functioning in institutional environments must adopt structures that conform to sector (industry) specifications.

A number of neo-institutional studies have supported the impact of industry/field on organizational structure. While early neo-institutionalists posited the impact of industry on, especially, bureaucratic processes and structures (see for example, Baron, Dobbin, and Jennings, 1986, and Baron, Jennings and Dobbin, 1998), later studies sought to test the impact more directly. Abrahamson and Rosenkopf (1993) model the impact of Porter's (1980) notion of industry—the collectivity of organizations that produce close substitutes—on the diffusion of organizational innovation, thus, underscoring the importance of collectivity (oftentimes, industry) boundaries in bandwagon effects. Fligstein (1985) has tracked the diffusion of the multi-divisional form, Mezas (1990) has tracked the path of accounting standards, and Edelman (1992) has tracked corporate affirmative action offices across fields. Beggs (1995) brings together the neo-institutional and wage inequality literature to explore and confirm industry differences in firm levels of race and gender inequality. In the corporate governance arena, Zahra (1996), and Jacobs (1991) before that, have demonstrated industry differences specifically on governance structures—although in the corporate world. To the extent that population ecologists construe industry as organizational ecological niche (the resources and competitors faced by like organizations, per Hannan and Freeman, 1977), Haveman (1995) has made the argument that such ecological context affects organizational tenure distribution and as such demographic distributions such as age, race, and years of service in an organization.

Beyond neo-institutional (and population ecology) theory in sociology and organization science, the economic and financial literatures are replete with examples of 'industry effects' on organizational structures. These examples are as disparate as industry effect on capital structure (see for review Bhaduri, 2002), operating hedging techniques (Bradley and Moles, 2002), and the classic R & D intensity (Cohen, Levin, and Mowery, 1987).

Despite the empirical popularity of measuring industry effects, the choice of proper industry boundaries remains an empirical question, dependent upon specific purposes of research (and practice, obviously). When it comes to boards of trustees (directors), some research has suggested that the most interesting demarcation is between the (entire) field of for-profit directorship versus the (entire) field of non-profit directorship. It might even be argued that from the beginning of literature on the nonprofit board itself, the assumed counterpoint has been the for-profit counterpart. Any nonprofit board text that offers a 'one size fits all' prescription for effective trusteeship (see for example Carver, 1990, Carver and Carver, 1997, and Eadie, 2001), implicitly or oftentimes explicitly, offers the for-profit board as a comparative base. Some literature has more directly pitted a field of nonprofit boards against a field of for-profit boards. An early influential version of the argument that all nonprofit boards are different from (more effective than, even) all corporate boards was promulgated by no less a management scholar than Peter

Drucker (1989) in the pages of the *Harvard Business Review*. While more empirically-based literature may not have gone so far as to trumpet the nonprofit board form over the corporate form, it has still often made a theoretical and methodological distinction between the two (see for example, Davies, 1999, Forbes and Milliken, 1999, and Golden-Biddle and Rao, 1997).

Alternatively, the present work extends a literature that questions the nonprofit/for-profit institutional split, suggesting that variation within sector may, in some cases, exceed variation across sector. This same literature (an iconic example would be Hall, 1992) posits that the nonprofit sector itself was stitched together from a disparate collection of industries all dominated by (if not wholly composed of) nonprofit entities. Following this line of reasoning, it may be time to deconstruct the sector concept to reveal industry forces that may be more determinate than tax exempt status alone. So it is to industries (fields) within the nonprofit sector that we now turn, even if that does not turn out to be quite as simply applied as said.

The institutionalists are not alone in their pragmatic reading of industry boundaries; economists have long been divided over the level of industry S.I.C.¹¹ codes to use in capturing the idea of organizations with like purpose (Glynn and Abzug, 2002). Gray, Lammers, Abzug, and Beaudin (1993) argue that field boundaries themselves might be constructed when actors notice that they share certain central structures—thus, reversing the causal order posited by DiMaggio and Powell (1983). They suggest that to the extent that processes encouraging isomorphism may occur at many levels, characteristics of governing bodies might be a tool to distinguish one set of organizations from another. Convergence in board form, then, may be a signal of industry boundaries within the nonprofit sector. They find little empirical evidence, however, that patterns of board structure and composition are criteria of (hospital) industry boundaries.

On the basis of both the organizational (economic and sociological) literature and a pilot study that looked at board variation in two cities (Abzug et al., 1993), we expect that industry, as both arena of negotiation of normal practices and arbiter of competition for revenue (at the least), will be a prominent predictor of board structure and composition. In this, we are extending what has come to be known as the ‘contingency approach’ to nonprofit governance (Widmer and Houchin, 2000). Such an approach recognizes that industry exigencies demand organizational contingencies. The next section of this chapter will look at the ways that industries can impose isomorphic pressure on organizations. Following the work of DiMaggio and Powell (1983), we divide the discussion into the role of coercive industry forces (including especially, the role of industry funders), mimetic industry forces (competition, networks, and interlocking directorates), and normative industry forces (the role of elites and professionals). We use the

¹¹ The Standard Industrial Classification (S.I.C. code) system was established in the 1930s as the ‘structure for the collection, aggregation, presentation and analysis of the US economy’ (www.osha.gov).

nonprofit industries and organizations represented in our sample to illustrate potential effects on board structure and composition.

Eight Industries' Nonprofit Traditions

This study incorporates board level and trustee biographical data from nonprofit organizations grouped into eight different nonprofit industries/subsectors: health, culture and the arts, higher education, family/human services, youth/recreation, community foundations, membership organizations, and united charities. The National Taxonomy of Exempt Entities (NTEE) uses the concept 'major field areas' to distinguish nonprofit industries. The NTEE establishes 26 major field areas grouped into ten basic subject groups. Our organizations are drawn from at least five of the ten basic subject groups: 1) arts, culture and humanities, 2) education, 3) health, 4) human services, and 5) public and societal benefit, and represent six unique field areas. While both community foundations and United Ways might fall under the rubric 'public and societal benefit' (philanthropy, voluntarism and grantmaking) we suggest that the roles they play and the rules they follow are sufficiently different enough for us to treat them as separate industries. Indeed, the Foundation Center's website (www.fdncenter.org) specifically notes that categorizing organizations/industries through the NTEE is more 'art than science.' Likewise, we draw an industry distinction between family/human services on the one hand and the YMCA/YWCAs on the other due to the latter's emphasis on youth and recreation rather than family service. Finally, while the Junior League may be considered a women's service club and thus public and societal benefit field, we are most interested in its governance as a membership organization. Our reasons for separating out these industries should become clearer as we delve into the meaning of industries for institutionalists in later sections.

The subsequent section discusses possible sources of variation among those eight industries (major field areas), helping us set up a model with industry as predictor of board composition. Implicit in this discussion is the debt owed to the work of Zald (1978). Zald (1978) laid out a sociological project to understand the impact of societal structures on the organizations, occupations, and professions that make up an industry. From Zald, we organize this section by the ways in which industries are controlled and how those institutional forces work through industries to structure organizational choices (such as governing board characteristics).

Coercive Isomorphism: The Role of the State and other Funders/Regulators

We explore two dimensions of 'coercive' pressure: the blunt power of the regulator and the more diffuse power of the funder. This is similar to Grewal and Dharwadkar's (2002) division of the regulating process into two mechanisms,

imposition and inducement, both designed to effect changes in industry practices. While the government plays both of these roles vis à vis nonprofit organizations, other organizations (mostly nonprofit themselves) also do so.

The coercive (often regulatory) role of government has been implicated in the pressures that industries place on constituent organizations. In one of the earliest neo-institutional empirical studies, Baron, Dobbin, and Jennings (1986) made clear that the federal government has historically selectively intervened in particular industries to encourage (or discourage) bureaucratic structures and practices. Abzug and Mezas (1993), Baron, Jennings, and Dobbin (1998), and Dobbin (1992) furthered the notion that the American State had a particularly strong impact on creating institutional norms that dictated organizational structures (Sutton, Dobbin, Meyer, and Scott, 1994). Further, as institutionalists (see for example, Abzug and Mezas, 1993, Baron, Dobbin, and Jennings, 1986, DiMaggio and Powell, 1983, and Dobbin et al., 1988) have posited the government and proximity to the public sphere as rationalizing forces acting on organizational structures, we might expect such rationalization to affect our boards. Specifically, we might expect boards to recruit more members with professional and managerial expertise to better facilitate relationships with professionals and managers of public agencies. Harlan and Saidel's 1994 work would support such an expectation.

Turning such arguments on their heads, Salamon and Siegfried (1977) long ago argued that while industry does indeed make a difference in studies of power, it is because industries are differentially suited to wage political influence over governmental decision-making. Still, it is not just within the governmental arena that regulations and policy affecting industries and constituent organizations are made.

Indeed, Baum and Powell (1995) recognize the important institutionalizing role played by certification organizations which, they argue, heighten both the sociopolitical and cognitive legitimacy of industry organizations through their practices. Using the work of Rao (1994) in the automobile industry, Beatty and Ritter (1983) in the investment banking industry, and Singh, Tucker, and House (1986) in the nonprofit sector writ large, Baum and Powell (1995) make the case that organizations that elicit contests over certification operate in numerous (though by no means, all) industries. Certainly, then, industries vary in the number and power of certification institutions that may be responsible for speeding up isomorphic pressures.

Another way to understand within-industry similarity is through the resource-dependence model that brings us back to coercion as an inducement/funding relationship. As suggested earlier, the rise (some would say predominance) of new types of government support for nonprofit organizations, part of the intersectoral division of labor that Salamon (1987) has called 'third-party government,' has purportedly subjected nonprofits to public-sector norms of representativeness and inclusion. But beyond its ability to affect organizational norms, the government's variable financial support may have other effects on changing nonprofit

organizational form and membership (Blau and Rabrenovic, 1991). Although only one part of a nonprofit's funding environment, the government was an increasing part over most of our study periods (Salamon, 1987). We expect boards of organizations very dependent on government grants or contracts to be most representative of the polity at large (Blau and Rabrenovic, 1991).

Like governments (at all levels) as funders, foundations also may play rationalizing, institutionalizing roles, spreading the legitimacy of conforming practices. While historical studies have typically been interested in the role of foundations on social policy (see, for example, Colwell, 1993, Fisher, 1983, Magat, 1989, and Sealander, 1997), we focus here on philanthropy's influence on organizational (rather than societal) structure. Again, though, following institutionalists, we are most concerned about the isomorphic (conforming) pressures that philanthropy can have on industries. That the philanthropic field itself has been the target of bureaucratizing, homogenizing organizational forces has not been lost on researchers, either (Frumkin, 1998). Indeed, movements towards, for instance, common grant applications spread expectations about legitimacy across grantmakers as well as grantseekers, although they may be differentially applied by industry and subsector. Frumkin (1998) argues that the bureaucratization and professionalization of grantmaking practices have indeed had an impact on the broader nonprofit sector organizations.

Certainly, however, nonprofit industries differ to the extent that constituent organizations are dependent upon philanthropic (as opposed to public, or earned income) dollars. While these differences can be quite broad across large subsectors—health organizations are much more dependent on third-party payments, while arts organizations are more dependent on contributions by corporations and individuals—they can also be more subtle within sectors with similar funding. As Smith (1994) reminds us about the Reagan-era federal cutbacks, some service categories (for example, family planning, job training, and social policy advocacy) were especially hard hit in comparison to others (for example organizations running programs for drug and alcohol abuse, child protective services, etc). Different industries and sub-industries are differentially exposed to changes in funding streams. Different funding stream proportions also differentially define them. Back in 1987, Rudney reminded us of this in his comparative analysis of distributions of assets in health organizations versus educational organizations. Rudney (1987) noted that while both subsectors required large investments in physical plant and equipment, education relied heavily on investment income, with 69 percent of holdings in financial assets, while the corresponding health organization number was only 37 percent at that time. Differences in capital structure, such as financial assets, are likely to affect organizational structures (such as boards) that are responsible for overseeing financial developments. Yet it is not the only industry differentiator likely to affect governance structures.

The Role of Other Organizations

Another way to constitute industry, beyond the regulatory (coercive) pressure, is to emphasize that organizations that face similar funding environments may also compete for similar income and other resource streams. Organizational ecologists have identified organizations that compete for resources in the environment as indicative of a population (Hannan and Freeman, 1977). For nonprofit organizations we can suggest that organizational fields converge around organizations competing for similar private funding, government grants and contracts, and/or fee-for-service clients. We might also suggest that nonprofits that compete with for-profits for such resources constitute their own fields.

Combining Hansmann's (1980) seminal work on nonprofit income sources with Blau and Rabrenovic's (1992) work on interorganizational relations, we can posit that the form and configuration of nonprofit boards are a function not only of the organization's own pattern of resource dependency, but also of the funding environment specific to that industry or subsector¹². We expect that nonprofits that operate in donative industries would adopt larger, more representative boards than nonprofits that operate in primarily commercial industries (see Hansmann, 1980, for a fuller description of this nonprofit typology). Boards in more commercially competitive industries may face pressure to conform to a more corporate model of directorship, where politically representative diversity is not as important as ensuring that board members will have requisite professional skills.

For the hospital industry, Fennell and Alexander (1989) distinguish between corporate-type boards of nonprofits and philanthropic-type boards, which are relatively larger and more diverse. While they are concerned with the intra-industry distribution of these types of boards, we compare across industry with similar distinctions. We might expect that nonprofits in industries that embrace both for-profit and nonprofit organizations will be more likely to adopt corporate-type boards than nonprofits in industries without a substantial proprietary presence.

Of course, the set of possible resources that large corporations can provide to nonprofits also influences the need for ties to the corporate community (Galaskiewicz, 1991). This depends on the particular industry in which the nonprofit is located. For example, with the rise of the for-profit hospital as competition for the nonprofit hospital (Gray, 1991), the boards of nonprofits may be expected to have adopted a more corporate stance (and membership), to enhance competitive capabilities. We would also expect that boards of nonprofit health care organizations would be smaller and less diverse than other boards in

¹² A more general statement of the argument that organizational structure is associated with changes in funding environments is offered by Bielefeld (1992). Bielefeld finds that the heterogeneity of funding environments affects nonprofit organizational boundary spanning, modeling, and participation in collective efforts depending on an organization's vulnerability to institutional factors.

the sample because of their heavy reliance on fees for service and direct competition from for-profit hospitals (Gray, 1991).

Arts boards provide a counterpoint to the hospital boards; Meier's 1992 study finds that orchestras tend to have larger boards than other nonprofits, although museum boards are estimated to be smaller than other nonprofit boards. Meier (1992, page 29) suggests that orchestras increase board size to 'increase the orchestra's sphere of influence in the community and, especially, its access to contributed dollars.' That museum boards may not follow suit could be an example of within-subsector variation that may be accounted for by the particular institutional history of American museums as a cultural base for elites in the 19th century (DiMaggio, 1986). That brings us to the next section, examining the role that elites and elite interest may play in structuring industries and member organizations.

The Role of Community Linkage, Elite Interest, and Professional Networks

Pfeffer's (1973) study of hospital boards also explored the determinants of board size and composition. Pfeffer found that board size varied directly with hospital budget, proportion of funds obtained from private donations, and the importance of influence in the community and fundraising. These results suggested that board size is directly related to the amount of community linkage necessary for successful hospital functioning. These findings may be even more important for explaining inter-industry board variation. Indeed, institutional linkage to specific communities, and especially linkage to specific elite interests, might also serve as predictors of board structure and composition.

Henry Hansmann (1980) classified industries of the nonprofit sector on the basis of the way they are controlled. Hansmann suggested that nonprofit organizations might be either mutual-benefit organizations controlled by patrons or entrepreneurial organizations controlled by a self-perpetuating board. Smith (1991) further suggested that mutual-benefit nonprofits might be distinguished from other nonprofits because of their mission to further the interests of their own membership rather than a broader community constituent base. We might then expect that boards of mutual-benefit or membership organizations would be the most homogenous while boards of entrepreneurial organizations would be larger and more diverse. Some of our nonprofit organizations, while not strictly mutual-benefit organizations, nonetheless cater to only a small well-to-do portion of the community. We would expect organizations that act to preserve class distinctions to have boards that are smaller, more elite, and less diverse than organizations with missions supportive of redistribution of incomes and services.

The contrast between membership organizations and organizations committed to social change is vividly illustrated by comparison of the female-dominated Junior League and YWCA. Despite its stated historical commitment to social change, the Junior League has, for much of its history, served as an indicator

of upper class status for its all-female membership. Research by Ostrander (1984) and Daniels (1988) suggests that the role of the Junior League includes justifying members' upper class status while providing the social networks and physical settings to encourage class cohesion. The place of the Junior League in history, literature, and the public imagination suggests that women who volunteer for board work in this organization, for example, might be more elite than other board women in the population.

The YWCA, also a female-dominated organization, provides an interesting ideological contrast to the Junior Leagues. Work by Robertson (1993) reports that in the early decades of the twentieth century, the Young Women's Christian Association, as the third largest independent women's organization in the country, was conceivably the only white-dominated women's association with noticeable African-American participation. Robertson notes that white women in the organization stated a commitment to racial justice and points to interracial staffs, boards, and convention seatings well before these were adopted by other white-dominated organizations (including the YMCA). By the 1930s and 1940s, members of the YWCA were testifying before Congress on behalf of anti-lynching legislation. Robertson acknowledges that white women of the YWCA may have also shared similar values with the more socially prominent white women of the New Deal, yet she claims that the YWCA was instrumental in fostering ties between women that crossed racial lines. This provides a direct contrast to the Junior League, which over the same period was *de facto* instrumental in strengthening upper class women's exclusive ties and networks.

The network piece is particularly interesting in light of thinking through normative impacts that differentiate industries (and therefore differentiate compared organizations). Strang and Meyer (1993), following the neo-institutional line, have argued that professional (in addition to elite) networks also play a role in constructing industry expectations for organizational practices. Davis and Greve (1997) wield this argument to analyze corporate governance practices, noting that network structures afford role models as well as standards of appropriateness, in much the same way as DiMaggio and Powell (1983) suggested that normative isomorphism through professional networks would work. Of course, networks may be construed around industries—professional training and conferences to further industry careers, or perhaps around geographic proximity (Davis and Greve, 1997), bringing us back to the argument of Chapter 4. The models we develop in Chapter 9 will help sort out the relative role of industry compared to geography in influencing governance composition and structure (through networks, competition, funding, regulation and the law).

Chapter 6

What Difference Does Faith Make?

When the data for this study were collected in the early 1990s, curiosity about differences between what we called ‘religiously affiliated’ organizations and their secular counterparts was indulged largely as a result of funder’s and researcher’s side interests. In the decade since, the urgency of this question in the United States has reached a high pitch due in no small part to major shifts in the policy environment. A change of tone was established with the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (establishing welfare reform, among other policy changes) section 104’s inclusion of ‘charitable choice’ language that allowed for public funding of religious social service provision. This breakthrough for religiously affiliated organizations was further elaborated by the establishment of a White House Office of Faith-Based and Community Initiatives under George W. Bush. With these policy amendments to the doctrine of separation of church and state, the issue of what difference religion makes to a nonprofit organization has been ascendant (Chaves, 2002). This chapter will review the academic literature at the juncture of neo-institutional concerns about organization environments and religious scholars’ concerns about making sense of the organizational structures that deliver religious social service.

For simplicity, we will suggest that there are two possible ways that religion could matter to organizations in our study: 1) within the sphere of religious organizations, there may be many ways that religious organizations are differentiated from one another; and 2) there are patterned differences between religiously affiliated and parallel secular organizations within the same industries and settings. Given the progress of social policy assuming the latter, it is quite surprising how little research evidences systematic differences between religious and non-religious organizations (Chaves, 2002). Much of that dearth may be attributed to the variability within religious organizations alluded to earlier. It is for that reason that we review some of the literature on the variation among religiously-affiliated organizations before we begin to model differences between religiously-affiliated and secular organizations.

In some ways the history of the intersection of studies of religion and studies of organization is as old as the study of sociology itself. Weber’s studies of Protestantism and the capitalist work ethic, Durkheim’s studies of religion and social cohesion, and Marx’s studies of religion as superstructure all speak to these thinkers’ preoccupation with the role of doctrinal thought and consequences on social phenomena. Most of the early studies are in the tradition of comparing different religions’ impact on social structures.

A much newer wave of religious-organization studies came largely out of the nonprofit revolution in organization science. James (1987b) identified religious heterogeneity as a major source of both demand and supply for (religiously-affiliated and not) nonprofit organizations. An interest in the predominance of religion in the organization of the U.S. nonprofit sector led the Lilly Endowment to fund a Yale (Program On Nonprofit Organizations) headquartered inquiry into religious organizations, which led to the publication of one of the first modern compendia on the topic of religious organizations qua organizations, *Sacred Companies: Organizational Aspects of Religion and Religious Aspects of Organizations* (Demerath III, Hall, Schmitt, and Williams, 1998). The articles and ideas in this anthology provide a theoretical base for an avenue of the scholarly religious-organization literature that has attempted to contribute to the debate on the charitable choice and faith-based and community initiative policies (see for example, Campbell, 2002, Chaves, 2002, Kennedy, 2003, and Smith and Sosin, 2001). Given a potential policy aim of preferences for religious organizations (Chaves, 2002), scholarly articles in this vein tend to focus on the religious/non-religious split rather than the more intramural differences that occupied earlier work. We briefly review questions raised by the earlier work in an attempt to put the latter literature in context.

Accounting for Differences Between Religious-Based Organizations

While there may be untold numbers of reasons how and why different religions differ, using the scholarly literature, we will concentrate on only three, which help us to understand how religious-based organizations may differ amongst themselves. The first, perhaps most obvious, way that religious organizations may differ from one another is by doctrine or distinct faith. The second is the degree of religiosity—a less than neat measure as we will review below. And the third, particularly relevant, way is by service area/industry and its consequences. We briefly review each in turn.

The Organizational Guise of Different Faiths

One might think that, due to the U.S. separation between church and state, there might be little law to guide the functioning of religious organizations. Yet, as we noted in Chapter 4 when discussing geographic differences in nonprofit incorporation law, the organizational guises of religious social service are indeed governed (however differentially) by states. Indeed, different states govern different religious organizations differently. Illustrating this claim, Dane (1998, page 52) informs us that, for example, ‘New York religious corporations law just goes through each major religious group in the state, and mandates a different form of organization for each.’ Of particular note to us in this study is that New York State law codifies different board of trustee structures for different faiths—

varying the composition (clerics versus nonclerics) and structure (number of trustees). Dane suggests that this is a case of the law going out of its way to provide separate legal spaces for different religious doctrines resulting in different organizational forms.

Other than what the law may codify or dictate, differences in religious doctrine may more (or less) subtly contribute to organization culture and structure (perhaps reflecting a normative isomorphism coming out of seminaries and other professional training grounds). In a provocative essay, Hall (1998) suggests turning conventional wisdom on its head by searching for America's organizational roots in religious traditions rather than treating religion as a second-order phenomenon. Hall notes that, historically, states dominated by the doctrinally least tolerant religions (specifically Congregationalism and Presbyterianism in the Northeast), also came to be fertile ground for privatized corporate structures. Using the U.S. South as an example, Hall suggests that more tolerant religions were more likely to use public forms rather than exclusionary private corporations to further their goals. Progressing from the colonial period, Hall suggests that religious training differentially imbued in adherents values and skills necessary to organizational functioning. Further, higher educational institutions, which helped to usher in the modern organizational landscape, were themselves distinguished by the various faiths from which they drew original sustenance (Hall, 1998). Of course, given the avowed secular culture of most prestigious institutions of higher education, it is often difficult to remember their origins in different faiths. How institutions travel the road from original religiosity to more secular incarnations is the concern of the next section.

The Organizational Guise of Religiosity

How do we tell when an organization is a religious or even faith-based organization? Recent policy debates have assumed that this is a relatively unproblematic task (perhaps of self-identification), but the scholarly literature (religious and not) is much more doubtful. In a particularly influential essay, Jeavons (1998) suggested a continuum of organizational religiosity and then proceeded to develop a religiosity meter (if you will) for seven basic aspects of an organization (as determined by a review of contemporaneous organizational theory). Jeavons' (1998) method, then, can plot the religiosity of an organization based on: 1) the organization's self-identity, 2) the organization's participants/constituents, 3) the organization's material resources and their origins, 4) the organization's goals, products, or services, 5) the organization's processes around decision-making, 6) the organization's definition and distribution of power, and finally, 7) the organization's institutional field. Jeavons (1998) admits that even this is not foolproof. For example, even with the seemingly unproblematic aspect of self-identity, doubt as to religiosity can remain. While a name may be more or less religiously explicit, it may or may not be significant to the organization's ability to fulfill its purposes.

Chaves (2002) picks up on this complexity by suggesting that all seven organizational aspects measured by religiosity may not be equally weighted in the sum-total of an organization's religiosity. He cites Sider and Unruh (2001), noting that even explicitly religious organizational activity is multidimensional. According to Sider and Unruh (2001), then, explicit organizational religious activity may be formal or informal, and/or delivered singly or in groups. Smith and Sosin (2001) add fuel to this fire with their empirical findings that self-identified faith-related agencies are differentially tied to faith in terms of resources, authority, culture, service-delivery technology, and choices of services. These studies and others in this vein, including the recent attempts at definition and categorization by the Working Group on Human Needs and Faith-Based and Community Initiatives (2003), which divided the faith-based universe into organizations that are faith-permeated, faith-centered, faith-affiliated, faith background, faith-secular partnership, and secular, underscore the difficulty in drawing clear lines around faith-based and secular organizations.

The Importance of Other Organizational Contexts

Chaves (2002), highlighting the different ways in which two organizations may be religious, suggests that within the nonprofit sector, industry or subsector might modify religiosity. Chaves illustrates this by suggesting that what differentiates religious from secular facilities in one field (say, mental health) may not be at all relevant for the distinction between faith-based and non-faith-based organizations in another field (say, drug rehabilitation). These questions of differences are of the same class of generic questions about who or what is a religious-based organization—questions that, of course, have taken on even greater importance in light of momentous policy shifts.

An interesting empirical question is whether the organizational differences among faith-based organizations (differences based on faith itself, adherence to faith, or industry expression of faith) are greater than the differences between all faith-based organizations (if they can be reliably identified) and all secular organizations. Demerath III et al. (1998, page 229), hedge by claiming that 'the most colloquial religious differences among congregations may have very little organizational impact, while the most pressing sources of ambiguity and tension are often more secular, hence less acknowledged.' In this case, religious organizations may differ from each other but not necessarily as a direct result of their different religious base.

Having highlighted the complexity in studying differences among faith-based organizations, we turn now to the studies of differences between the faith-based organization universe (however problematically defined) and the more secular-based organizational universe.

Religious Versus Non-religious Organizations

Chaves (2002) once again jumps us right into the fray with his assertion that the issue of difference is now implicated in an emerging policy agenda. Indeed, Chaves (2002, pages 1534-1535) reports ‘the strong version of the charitable-choice agenda—the agenda of preferring religious to secular social service providers rather than simply refraining from discriminating against religious providers—is in large measure based on claims about religious organization’s greater effectiveness...ubiquity notwithstanding, such claims about religious organizations’ distinct effectiveness are almost completely without empirical foundation.’ We may argue that the ‘strong’ version of the Chaves agenda is to question the effectiveness differential, while our ‘weaker’ interest here is to identify empirical support for *any* differential between religious and non-religious organizations (which may be great enough to overcome the above-mentioned differences within the religious organization field). To review this literature, we begin with the structuring of religious organizations as a field itself, and then explore the organizational aspects that may, indeed, separate out the religious organizations from the secular ones. This will, then, motivate our modeling of organizational faith-based differences in boards of trustees.

Religion as a Field

One step towards differentiating religious organizations (used interchangeably here with faith-based organizations) from secular ones is to constitute religious organizations as a category, or in neo-institutionalist parlance, a field. Stout and Cormode (1998) recommend that religious institutions need to be seen in broader structural environments as a way to think about their role in American history. They suggest that while ecclesiological categories that define church communities are a structural start, the religious organizational field is also inclusive of informal associations, beliefs, and superstitions. They use historical examination to suggest that American religion’s survival in the New World was dependent upon its ability to institutionalize, through impersonal rules and hierarchies that then had to be legitimated through reference to overarching culture.

Stout and Cormode (1998) ruminate on a central question motivating studies at the crossroads of organizational theory and religion: to what extent have religious organizations institutionalized to conform to each other, versus institutionalized to conform to secular counterparts. Swartz (1998), using a subset of the data central to this study, examined the trusteeship patterns of religious and secular nonprofit hospitals and concluded that both normative isomorphism amongst religious hospitals as well as secularization across hospitals was taking place (albeit somewhat unevenly by faith). Cormode (1998), also contributing to the secularization/institutionalization debate (and commenting on the work of Chaves, 1994) reminds us that, as a field unifier, religious authority is legitimated through a distinctive (though differentially defined by particular faith) supernatural

component. DiMaggio (1998) complicates the legitimacy issue by suggesting that religious organizations need to maintain legitimacy in communities (often invoking the supernatural component), in relationships with other agencies, and quite possibly in a wider organizational field. That religious organizations have continued to manage the legitimacy minefield is evident in Zald and McCarthy's (1998) tribute to the endurance and viability of religious institutions. And how do such institutions endure viably as distinct from other organizations? Stout and Cormode (1998) note the field-bonding glue of shared resources—funders who choose only or mostly religious organizations as donees—and networked individuals. In the following section, we highlight these and other ways that religious organizations may indeed cohere into a field separate from (and of empirical interest to) parallel secular organizations.

How Religious Organizations May Differ from Secular Counterparts

Picking up Stout and Cormode's (1998) argument that shared resources may be key to understanding the formation of organizational fields, we first focus on the role of funding in differentiating religious organizations from non-faith-based counterparts. In the United States, the history of this funding may be usefully divided into the pre-Charitable Choice (1996) period (of greatest interest in this empirical work) and the post-Charitable Choice period. Until the government got into the act formally, funding for religious organizations was largely dependent upon the private contributions of individuals (Weitzman et al., 2002). Indeed, statistics gathered over time by American Association of Fundraising Counsel's *Giving USA* (see the website www.aafrc.org) have painted a clear picture of the predominance of religious organizations as the beneficiaries of individual giving. Even in 2002, of the total \$240.92 billion in charitable contributions, 35 percent (over \$84 billion) went to religious-based organizations (AAFRC Trust for Philanthropy, 2003). As Weitzman et al., (2002, page 52), report for the latest edition of the *New Nonprofit Almanac and Desk Reference*, in 2002, reflecting a trend, 'religious congregations and their activities continue to receive the largest share of total private giving.' That the greatest proportion of religious organizations' funding came from private contributions was due in large part to government prohibitions on contracting with or granting to religious organizations, due to separation of church and state. Of course, when we are speaking of the financial trends in religious organizations we need to take care in judging numbers and statistics, since religious organizations are not required to report financial activities to the government (Weitzman et al., 2002). This may raise reasonable doubts about the validity of reported data.

That religious organizations are not required to file detailed financial statements is but one of the many regulatory 'perks' that such organizations enjoy, largely as a result of separation of church and state doctrine. While we have already discussed exceptions to this case (as when specific faith organizations are differentially regulated, as in New York State), the rule is that U.S. religious

organizations enjoy a relatively low level of regulation compared with other nonprofits and even for-profits (DiMaggio, 1998). DiMaggio (1998) suggests that this might lead to differences in organizational choices and behaviors across the religious/non-religious divide. Dane (1998, page 51) suggests that as a result of two clauses in the First Amendment of the Bill of Rights, plus the content of statutes and common law, norms have developed 'to give religious organizations a striking degree of autonomy.' They enjoy great legal immunity from torts, contracts and other bodies of law normally imposed by members of other institutions, and provisions for their corporations are often less restrictive than for other corporations (Dane, 1998).

Dane (1998) has put forward the argument that the special legal treatment of religious organizations is part of a package of stances towards such organizations that necessitate an entirely different rubric of classification from that applied to other nonprofits. This pushes the separate field argument even further. Dane (1998, page 50) suggests that religious groups are best conceptualized as 'separate sovereigns' or normative communities. He notes that the separate place for religious organizations is particularly apparent as we classify nonprofits into public benefit and mutual benefit societies. While religious organizations often work to benefit their members (like a mutual benefit society), they are treated, for tax purposes for instance, as less restricted public benefit societies. Dane (1998) surmises that this puts them into a third category of nonprofits.

Religious organizations as a separate category is a concept promulgated slightly differently by Chaves (1998). Religious organizations are different from secular counterparts, argues Chaves, because of their dual structure, which weaves together religious authority with an agency structure. The religious authority, common to all religious organizations, is 'a social structure whose elites attempt to further their ends by using the supernatural to control access to some goods that individuals desire' (Chaves, 1998, page 178). The agency structure contains components that engage in a selection of concrete activities—the social service delivery end. While nonprofit organizations, writ large, contain the agency structure, religious organizations are the ones that give stable social expression to religious authority (Chaves, 1998). The two different structures coexistent in religious nonprofits, however, might also lead to different kinds of internal conflicts. DiMaggio (1998) points out that religious organizations are much more likely to have to balance multiple demands (both sacred and profane) than are other organizations. This also can lead to differences between religious and secular organizations around, for instance, performance measurement. Particularly germane to our inquiry, dual structures also can complicate and lead to different types of leadership and governance structures. We already know that some state laws actually regulate religious governance bodies differently. How else such boards may differ from their secular counterparts is a question we explore in our analyses. Indeed, we can suggest, then, that differences in funding, regulatory, and normative environments might allow (and even encourage) religious organizations

to adopt and invent different organizational structures, including different governance structures.

With the faith-based argument in place, we now turn our attention to the data upon which we build our models of governance structures. The preceding chapters have laid out our main variables: Chapter 2 introduced our target variables of board composition, while Chapters 3, 4, 5, and 6 introduced the predictors of time period, place, industry, and faith-base respectively. We now put these together in an empirical light.

Chapter 7

The Six Cities Trusteeship Project Dataset

Although case study material and anecdotal accounts of the changing structure and composition of boards of trustees of nonprofit organizations have proliferated in recent years, there had been no baseline information on trusteeship for a wide range of nonprofit organizations. It was the purpose of The Six Cities Trusteeship Project to systematically collect such data in such a way as to allow board-level and trustee-level comparisons at different time periods and cross-sectionally for a diverse set of organizations. To this end, data were collected from fifteen organizational types in six different cities at three points in time (1931, 1961, and 1991). The data described are part of the 'Six Cities Trusteeship Project: Preliminary Dataset.' The data collection process is outlined in this chapter.

Research Sites

The study was originally organized geographically. Pilot study research (see Abzug et al., 1993) demonstrated the benefit of establishing research sites in each city of interest in order to elicit aid of local scholars and archivists. The six sites of Atlanta, Boston, Cleveland, Los Angeles, Minneapolis/St. Paul, and Philadelphia were chosen to represent a geographically diverse sample of cities from the fifteen largest standard metropolitan areas in the United States in 1991 (the first year of in-field data collection). Boston was chosen for its New England location, Philadelphia entered as a Middle Atlantic city, Atlanta was the Southeastern city, Cleveland was chosen for its 'rust belt' location, the Twin Cities (Minneapolis/St. Paul) were chosen as a Midwestern site, and Los Angeles was the Western/Pacific coast city. These specific cities also were chosen because of the large volume of previous research directed at the elites and nonprofit sectors of these locations as well as the availability of local expert personnel.

The inclusion of the Twin Cities allowed for a slight doubling up of institutions at one city site, as in some cases Minneapolis and St. Paul each contributed organizations of specific types to the overall sample. For example, although the Minneapolis Institute of Art serves both Minneapolis and St. Paul and is therefore the only art museum sampled from this area, the United Ways operate independently in each city and both organizations are included in the sample. While the other five cities contributed an average of 44 organizational boards each

(over three time periods) to the sample, the Twin Cities account for 66 (or almost 23 percent) of the boards in the sample.

Researchers at each site¹³ made extensive use of local public, university and foundation libraries, personal interviews, historical societies, archives, and other depositories of historical data to identify and research the organizational boards that fit our criteria. The site-specific design also facilitated the use of personal and interorganizational ties as entrée into organizations of interest.

Industry or Purpose Group Divisions

The wide diversity among nonprofit organizations is the fundamental fact impeding development of simplified theories of the sector. Scholars of nonprofit organizations have sought to develop classification systems with theoretical merit. Purpose group, or industry division, has become a major motivation behind nonprofit taxonomies largely due to the decade of efforts by a national task force and by a host of studies that suggest the theoretical salience of such division. The National Taxonomy of Exempt Entities, a system for classifying nonprofit organizations developed by the national Center for Charitable Statistics and Independent Sector, categorizes organizations into twenty-six major groups. We have chosen nonprofit organizations from the eight major purpose groups that represent the most visible, wealthiest, and previously studied industries. To that end, we have separated sample organizations into the categories health, arts and culture, education, family/human services, youth/recreation, united charities, membership, and community foundations. All organizations chosen from these eight categories were designated as 501(c)(3) charity organizations by the Internal Revenue Service.

Selecting Organizations

Within the health industry we chose to look at four differently-sponsored hospital types. Hospitals were chosen because of the huge financial impact they exert upon

¹³ The research team included Paul DiMaggio, Bradford Gray, Peter Dobkin Hall, all at Yale University at the time; Michael Useem and Chul Hee Kang, then at the University of Pennsylvania in Philadelphia; Joseph Galaskiewicz, Liz Sosin, and Ann Deetz, then at the University of Minnesota, Minneapolis; David Hammack, Diane Grabowski, Yuan Li, and Todd Michney operating from Case Western Reserve University in Cleveland (with help from Nancy Erdy at University Hospital); David Swartz, Lisa Buxbaum, and Richard Roth in Boston; Judith Blau, Charles Heying, and Joe Feinberg for Atlanta but then based at the University of North Carolina; and John C. Lammers and Christy L. Beaudin operating from a base in Los Angeles. This research team is the 'we' of this study design chapter.

the nonprofit world specifically, and the United States economy more generally. In 1988 (the year closest to our study start date for which data were available), health care organizations accounted for 55.7 percent of the annual expenses of all 501(c)(3) organizations reporting to the IRS, and hospitals represented 45 percent of the total institutions, 82 percent of the total assets and 80 percent of the annual expenses of the health care group (Hodgkinson, Weitzman, Toppe, and Noga, 1992). Research on hospital boards of trustees also has a long history in sociology, and benchmark studies provide comparison cases for this research.

In order to incorporate predictions about the influence of religious affiliation on governance structure and composition, we varied our hospital selection by religious ownership/faith-base. Thus, we sampled boards from secular, Protestant, Catholic, and Jewish-affiliated hospitals in each city. A number of sites did not have particular hospital types during certain time periods. There was no Jewish hospital in the Twin Cities in 1931 and there were no Jewish hospitals in Atlanta in any of the study years. In addition, finding religiously affiliated hospitals in the study's last year, 1991, proved difficult due to the merger and consolidation activity which began in the 1970s in the healthcare field.

The criterion for choosing individual organizations within the broad types was that each was the largest organization in its city in 1931. We operationalized 'largest' by comparing operating expenses, where that information was available. In cases where operating expense data were not available, we used that industry's standard measure of comparative size. For the health industry, for example, we used number of beds to determine the largest four hospitals of each control type in 1931.

In situations where the largest organization of a type in 1931 was not also the largest organization of its type in either 1961 or 1991, we also selected the organization that was largest in the successive study periods. In this manner we created two parallel populations: one that followed up the organization largest in 1931 and the other that follows the organizations that are the largest in each of three time periods. In most cases, the organizations that were the largest in 1931 remained the largest throughout the study, but some notable exceptions underline the change in fortunes of organizations over time. Some organizations that were the largest of their type in the earlier periods had ceased to exist by the latter time periods. In some cases this was due to mergers and in some cases due to organizational death as a result of competition with newly large organizations of the same type. So, for example, the United Fund and United Community Services in Boston merged to form the United Way of Massachusetts Bay by 1991, Swedish Hospital and Mt. Sinai Hospital in Minneapolis/St. Paul were swallowed up into the Metrohealth-Mt. Sinai Medical Center by 1991, and Cedars of Lebanon and Mt. Sinai Hospitals of Los Angeles merged to form Cedars-Sinai Medical Center by 1991. Every effort was made to collect data on these organizations through the study period, although finding data on defunct organizations proved to be a great challenge. The addition of large organizations that replaced the defunct organizations proved much easier, although we decided not to follow these

organizations back before the time period in which they were the largest of the type. The addition of organizations that were largest in the subsequent time periods accounts for only three new organizations across the whole study: two educational institutions (Augsburg College and the University of St. Thomas) were added to the Twin Cities list in 1961 and 1991, respectively, and the Metropolitan Fund of Atlanta joined the Atlanta Foundation in 1961.

That so few of the organization types were characterized by different largest organizations in each time period attests to the overall stability and persistence of the original fifteen large organizations in each city. This, of course, introduces the bias of survival into the study and suggests caution in generalizing the findings to samples of younger, less stable nonprofit organizations. Despite this stability, observations in different years are treated as independent even if the underlying organizations are the same, in consideration of the 30-year gap between time periods.

For the arts and culture industry group we selected the largest fine arts museum and the largest symphony orchestra in each of the six cities. This resulted in six museums and seven orchestras in the total sample, as both St. Paul and Minneapolis contributed an orchestra to the sample.

The largest nonprofit higher educational institution in each city was chosen to represent the educational industry group. In some cities this resulted in the choice of the city's largest university (e.g., Harvard in Boston), but in other cities this resulted in choosing a relatively small, unknown institution, since in these cases, the largest most visible university was state controlled. Thus, in Minneapolis/St. Paul, we selected first Hamline University, the largest in 1931, then Augsburg College, the largest in 1961, and finally, the small originally religiously-affiliated St. Thomas University, rather than the large, well known public University of Minnesota at Minneapolis.

We chose to once again diversify family/human services by religious affiliation, as in the parallel case of hospitals. However, preliminary inquiries in each city revealed that identifying the largest Protestant human/family service organization would be difficult, since Protestant family services had often long ago become the secular organizations we found presently. We thus, chose to concentrate on selecting the largest secular, Catholic, and Jewish service organization with the word 'family' in its title. In some cities no Catholic 'family' service agencies were found that were so titled and the researchers then identified agencies providing family services even if not so titled.

In an attempt to build a direct gender comparison while satisfying our desire to include organizations providing recreational and youth services, we chose to explore the YMCA and YWCA in each city. Further, Zald's (1967) pioneering study of urban differentiation and characteristics of boards of directors of Chicago area YMCAs provides a direct historical comparison and guidelines for the study we have undertaken. Again, the Twin Cities provide the sample with a double offering (2 YMCAs and 2 YWCAs) from the one geographic region.

Local chapters of the United Way in each city were also chosen for inclusion in the sample, partly based on pilot-study research (Abzug et al., 1993) that suggested that ‘umbrella’ fundraising organizations’ boards might demonstrate patterned variations when compared to boards of direct service providers. United Ways were also included in this research partly because of their highly visible status. Because the latest time period for which data were collected was 1991, the data will not reflect any board or organizational changes that may have been implemented after the United Way of America scandal about exorbitant executive compensation and negligence. It is certainly reasonable to expect that the organizational and board changes that occurred in the aftermath of William Aramony’s resignation as president in 1992 were reflected at local chapters as well.

Aside from these more recent events, United Ways afford a fascinating example of organizational and board transformation across time periods. Brilliant (1990, page 10) claims that since their incarnation as community chests in the 1930s, ‘United Ways have become symbol[s] of voluntarism, based on [their] perceived attachment to basic values of community, workplace, charity, and business.’ The United Ways posed one of the most interesting organizational dilemmas for this research, as a few of the local chapters came to the United Way only in the 1940s. In such cases the precursor organizations were followed from 1931 until their mergers into the United Way form we now know. While some of the boards of the new United Way were consolidated versions of the predecessor boards, in some cases, the large, diverse boards more closely resemble an addition of one board to another.

In the interest of including membership organizations that still maintained a 501(c)(3) designation in the sample, and also tapping gender differentiation, we chose to include local Junior Leagues in the sample. The Junior League affords another example of an organizational type that has struggled with the transformation of its mission to better fit the needs of communities over time. Further, the inclusion of the Junior League board allows us to delve into questions of the changing elite in local American cities, because of the organization’s hypothesized function of status maintenance and its public image as such.

Finally, the largest community foundation in 1931 was followed up in each of the cities (two for the Twin Cities). Because they were often at the forefront of community issues of change and transformation, studying the community foundation boards affords a perhaps unique opportunity to witness the relationship between environmental change and board structure and composition.

Board Level Data

Two separate code sheets were constructed for two parallel data collection efforts at two distinct levels of analysis. Data were collected, first, for the organizations

and the boards, and then from each trustee who served on each board for each time period.

After the organizations were identified, contact was made to obtain trustee lists and annual reports where possible. Efforts were also made to obtain whatever historical data the organization had compiled. In some cases, organizations had libraries that were opened to the researchers; in others, the organizations did not even retain their own annual reports over the sixty-year period.

Organizations varied widely in their cooperation with the research effort. Some organizations supplied not only annual reports and trustee lists, but also made available trustee resumes and biographical sketches. Some executive directors were willing to talk with researchers about board history, structure, and composition, when that information proved difficult to procure. Other organizations were hostile to the entire study and would not open their libraries to researchers, or provide any other information. In such cases, researchers were forced to consult sources other than the focal organizations for leads. Sometimes organizations were completely unwilling to cooperate with the project, while others were disorganized to the point where any historical documents were destroyed or unusable. The former case includes Catholic Charities of Philadelphia, Catholic Charities in the Twin Cities and Cedars-Sinai Medical Center in Los Angeles. The latter case is applicable to some of the organizations for the 1931 time period. In such cases, researchers were forced to consider entire time periods as missing data. This was favored over an alternative solution to choose organizations that were more willing (or able) to cooperate but that might not fit the criteria for inclusion described above. For the validity of comparisons of like organizations, a decision was made not to introduce organizations that did not fit the initial criteria into the sample.

Local libraries, historical societies, and even community foundation and local United Way records were often consulted for supplementary material concerning board and organizational level data. The emphasis was on collecting data for the 1931, 1961, and 1991 time periods, although additional historical data were compiled where readily available.

Annual reports yielded organization and board structural information, including board and organization size, board committee structure, board office holders, organization history, organization mission and organization budgetary information. Supplementary histories and copies of board by-laws were obtained for many of the organizations. Our sample ultimately included 289 separate boards (Appendix A lists the organization names and dates for which board and trustee data were collected), and resulted in a dataset with 8,927 individual trustees.

Missing Board Level Data

Missing board level data fall into four categories: 1) data for organizations not yet founded at that time, 2) data for organizations without boards at that time, 3) data for organizations that did not keep records of boards at that time, and finally, 4)

data for organizations that refused to cooperate with the study. We review the specific missing organizational/board data below.

1) We are missing data for the 1931 time period in four cases where the organization was not yet founded at that time. For instance, our research team could find no evidence of forerunner organizations to the Boston United Way in the earliest year of the study. The United Way of Massachusetts Bay was founded in 1975 as the result of a merger between the United Fund, itself founded in 1957 and United Community Service, itself founded in 1934. Other organizations that were not included in our 1931 panel included the St. Paul Foundation, founded in 1940, the Atlanta Symphony Guild, founded in 1945, and Atlanta Catholic Social Services, founded in 1947.

2) 1931 (and some 1961) data are ‘missing’ for two organizations that existed, but did not have boards in those time periods: Boston Catholic Charities (1931 and 1961) and Cleveland Catholic Charities (1931) were run informally by the hierarchy of the Catholic Church without a formal board at these earlier time periods.

3) In some cases, lists of board members from 1931 (and even 1961) were missing from the files of organizations and all other records consulted by the researchers. This was true for six organizations. We are missing 1961 data for Boston’s Catholic Hospital—St. Elizabeth’s, even though we have the 1931 data, because the organization itself was missing the files and there is no other record known to the organization or local archivists. In a different case, we are missing 1931 data from two Boston Jewish family/human services organizations—Jewish Family Welfare Association and the Jewish Children’s Welfare Association—because when the two organizations merged in 1946, all former records of the original organization were lost. In Cleveland, board data (though not financials) were lost by the Catholic Hospital—St. Vincent Charity for study year 1931. In Philadelphia, we see a pattern in Jewish family/human service similar to what we saw in Boston, as before the 1961 period, at least six organizations existed as forerunners to the merged entity. Again, all records from the original organizations were destroyed. In Los Angeles, the 1961 YMCA follows the pattern of our Cleveland Catholic Hospital in 1931—financial data were available but all board data were lost to the organization. Finally, in the Twin Cities, the 1931 St. Paul Junior League data are missing from the organization’s records.

4) In three cases, data are missing from some organizations because the organizations refused to cooperate with this data collection effort: In the first case, after repeated attempts to enlist the cooperation of the organization and an appeal to the Archdiocese, Philadelphia Catholic Charities (for 1931, 1961, and 1991) refused to cooperate with the Philadelphia research team. In the second similar case the Twin Cities Catholic Charities refused to cooperate with the Twin Cities research team and data were missing for 1931 and 1961. Data for 1991 were found from sources outside of the organization. In the last case, we do not have 1931 and 1961 data for the Los Angeles Jewish Hospital—Cedars of Lebanon and Mt. Sinai that merged into Cedars-Sinai because the merged entity was unwilling to

cooperate with the Los Angeles team, first suggesting that the data did not exist and then informing the team that the data in storage were unavailable. The team was able to obtain the 1991 data from other sources. As the preceding discussion suggests, missing boards are disproportionately located in the study's early time periods, specifically 1931.

Individual Trustee Data

Biographical data on individual trustees were compiled from a variety of sources. Protocol called for first using the national Who's Who, available for all three time periods; Standard & Poor's Register of Corporations, Directors, and Executives, also available for all three time periods; and the Social Register, available locally for all cities except Minneapolis/St. Paul in 1931 and 1961, and available nationally in 1991. After these resources were exhausted, researchers turned to regional and specialized Who's Whos, regional and local Blue Books¹⁴, community, business, and professional biographies, newspaper articles and obituaries (often gathered through NEXIS searches), alumni directories of universities and preparatory schools, local archivists, and in some cases personal interviews with board members and/or executive directors.

Demographic Characteristics

The research team was able to identify the gender of almost all of the trustees for whom we had names except for the very few (less than 1 percent) where only a first initial impeded further data collection. Race was identified by at least two methods including surname, photograph, and informant (history). Given the very small proportion (and absolute numbers) of trustees who were other than white or African/African American, we concentrate on just those categories.

Achievement Characteristics

Given that the data collection instrument did not distinguish between attendance at college and graduation from college, we chose to measure educational achievement at the level of post-graduate education instead. Although this cut down on sample size, it sharpened the focus on achievement with a more conservative measurement. In this way, we are able to explore proportions of trustees with masters, professional, or doctoral degrees.

We measure achievement, as well, by occupation, highlighting managerial and professional occupations from the U.S. Department of Labor's Occupational Codes. Managers include executive, administrative, and managerial occupations across sectors and industries. Professionals include a wide range of specialists,

¹⁴ Blue books are/were locally published lists of socially prominent people.

from architects, engineers, and scientists, to doctors, nurses, teachers, clergy, lawyers and writers (and many in between).

Eliteness Characteristics

Every full trustee name that we found, we put through our eliteness tests of appearance in Who's Whos, Social Registers (where and when they existed in various cities), and Standard and Poor's Register. Missing data are noted for the same trustees for whom only a first initial was uncovered, making further identification difficult and risky. For another eliteness measure we turned to attendance at (but not necessarily graduation from) an Ivy League institution (Brown, Columbia, Cornell, Dartmouth, Harvard, Princeton, University of Pennsylvania, and Yale).

Network Characteristics

Positing that if some of the value of networks is access to resources (see Chapter 2), we suggest that the more connections (nodes in a resource network) that a trustee has, the more 'networked' is that trustee (and their board). As such, to explore the network target we use an array of count data including counts of the (other) nonprofit boards on which a trustee serves, the for-profit boards on which a trustee serves, and the elite clubs (as named by Domhoff, 1967, 1970) of which the trustee is a member. Beyond 'elite' networking, we explore the issue of local (versus national) networking through the trustee's birth location (whether in the city of the focal institution or not).

Missing Trustee Level Data

Interpretation of results must be framed by a cautionary tale of individual-level missing data. Although for many of the variables we explore, missing data are negligible (e.g., gender, and all of the eliteness targets except for Ivy League attendance), for other variables, missing data are more formidable, and patterned. Multivariate analyses run previously (see Abzug, 1994) highlight that the most complete data are found for Cleveland trustees, while the most incomplete data are concentrated in Atlanta trustee records. We had the most complete data on trustees serving on community foundation and higher education boards and the least complete data on (women) trustees serving on Junior League and YWCA boards. Given women trustees' lesser likelihood to show up in the Who's Whos and S&P's Register (from which much of the rest of the data were collected), and their lesser likelihood to be in the workforce (certainly in the study's early years; see Abzug, 1999), we should not be surprised that they are over-represented in missing data categories. The overall caution is to recognize limitations on analyses that single out Atlanta, Junior League, and YWCA trustees.

Variables for Statistical Analysis

The models that we build to explore these data employ the following organizational level variables as predictors of the composition and structure of boards:

- ‘Time period’ (1931, 1961, or 1991),
- ‘City’ (Atlanta, Boston, Cleveland, Los Angeles, Twin Cities (Minneapolis and St. Paul), and Philadelphia),
- ‘Industry’ (Health (hospitals), Culture (museums and symphony orchestras), Education (college or university), Foundation (community), Umbrella/Intermediary (United Way), Human/family services, Youth and recreation (Ys), Women’s/Membership (Junior League),
- ‘Faith-Relatedness’ (faith related or not), and
- ‘Board size.’

We explore the impacts of this composition and structure by examining individual trustee characteristics that serve as indices of our major theoretical concerns. To wit, we measure:

- Demographic differentials/diversity in boards by trustee gender and race.
- Differential achievement levels by higher education attained and by managerial and professional status.
- Differential eliteness by listings in the Who’s Whos, Social Registers, Standard & Poor’s Register of Corporations, Directors, and Executives (for business elites), and by attendance at Ivy League institutions.
- Differential networking capacity by the number of nonprofit boards, for-profit boards and elite club memberships reported for trustees, as well as by birth location of trustee.

In the next chapter, we detail the statistical models and statistical model selection procedures used to analyze these data.

Chapter 8

Statistical Models and Model Selection

In this chapter we discuss the statistical models used to analyze the study data, and describe the information-theoretic approach to model selection that is the basis of that analysis. Extensive discussion of these models, and the information approach to model selection, can be found in Simonoff (2003); see also Burnham and Anderson (2002). It is convenient to start with the least squares regression model, detailing model selection for that familiar case, before moving on to the models that are more important here (that is, Poisson and logistic regression models).

Linear Regression and Least Squares

The workhorse of statistical modeling of the relationship between a response variable y and a set of predictors \mathbf{x} is undoubtedly the least squares regression model. The model can be characterized as follows. The data consist of n sets of observations $\{x_{1i}, x_{2i}, \dots, x_{ki}, y_i\}$, and it is assumed that these observations satisfy a linear relationship,

$$y_i = \beta_0 + \beta_1 x_{1i} + \dots + \beta_k x_{ki} + \varepsilon_i, \quad (1)$$

where the β coefficients are unknown parameters, and the ε_i are random error terms. Assuming a particular distribution for the errors ε leads to a particular probability structure for the target variable given the predictor values (written $y_i | \mathbf{x}_i$). The typical assumption, of course, is that the ε_i are independent and normally distributed, with zero mean and constant variance σ^2 , implying that:

$$y_i | \mathbf{x}_i \sim N(\beta_0 + \beta_1 x_{1i} + \dots + \beta_k x_{ki}, \sigma^2) \quad (2)$$

(the notation $Z \sim N(\mu, \sigma^2)$ representing that the random variable Z is normally distributed with mean μ and variance σ^2). The nonstandard form for the model in equation (2) (as opposed to the more typical form in equation (1)) is useful when describing useful generalizations of the model, as we will see in later sections. Given the model (2), the optimal estimates for β are the least squares estimates, which minimize the sum of squares of the differences between the observed and estimated values of y . It is important to remember that we do not believe that this model, or any statistical model, is the actual relationship between the response and

the predictors; rather, we hope that it is a useful approximate representation of that relationship.

Model Selection Based on Information Theory: the Theory

In the current context, we are faced with the task of modeling various response variables using a multitude of potential predictors, some of which (we suppose) have no predictive power (or, more correctly, no additional predictive power given other variables). That is, we need to search among a large set of candidate models for the ‘best’ one (more precisely, since there is often no single ‘best’ model, our goal is to find a small set of models that describe the data well). A common approach to this is to use hypothesis tests, such as t -tests, to assess the significance of individual predictors, but this is actually not a very effective way of choosing the appropriate model to use, for several reasons.

First, statistical significance and practical importance are not at all the same thing. When the sample is very large, the t -statistic for almost any slope will imply a significantly nonzero coefficient, no matter how little important predictive power the variable actually adds. Conversely, it is well known that important effects can be missed by hypothesis tests in small samples due to low power of the test. Standard hypothesis tests also only can be used to compare models where one is a special case of the other (one is a subset of the other), making it impossible to use them to choose between a model based on (say) variables $\{x_1, x_3\}$ and one based on variables $\{x_1, x_2, x_4\}$.

An alternative approach to this question is through the use of statistical information. As noted above, a fundamental point that must be realized is that we do not believe that *any* statistical model is actually ‘true’; rather, a model is at best an approximation of reality. Thus, our goal is to best balance fit and simplicity (the so-called principle of parsimony), hopefully resulting in a model that describes the essential characteristics of the process being studied, and which also can be used for predictive purposes. The Kullback–Leibler information (Kullback and Leibler, 1951) measures the distance from an approximating model g to a ‘true’ model f using the (statistical) information lost when g is used to approximate f :

$$KL(f, g) = \int f(x) \log [f(x) / g(x | \theta)] dx.$$

Thus, a natural goal is to find a g that minimizes this information loss. The notation $g(x/\theta)$ is used to emphasize that the approximating model is based on a set of parameters θ .

Akaike (1973) showed that the Akaike Information Criterion AIC is an approximately unbiased estimator of the relative KL distance between the fitted model and the ‘true’ unknown process. AIC has the following form:

$$AIC = -2L + 2\nu,$$

where L is the log-likelihood function, and ν is the number of estimated parameters in the model ($k + 2$ for linear least squares regression models: $\beta_0, \beta_1, \dots, \beta_k$, and σ^2). An equivalent form for AIC for least squares regression is as follows:

$$AIC = n \log(\hat{\sigma}^2) + 2\nu,$$

where $\hat{\sigma}^2$ is the maximum likelihood estimate of σ^2 ,

$$\hat{\sigma}^2 = \frac{1}{n} \sum_{i=1}^n (y_i - \hat{y}_i)^2.$$

Model comparison and selection proceeds by comparing and minimizing AIC . Doing this encourages better-fitting models (through smaller $\hat{\sigma}^2$), and also simpler models (through smaller $\nu=k+2$).

When comparing models that are nested (one is a special case of the other), AIC has the simple implication that the more complex model is preferred over the simpler model *only* if the likelihood ratio test for its significance is more than twice the degrees of freedom for the test (since the test equals the difference in $2L$ between the two models, and the degrees of freedom for the test equals the difference in the number of parameters of the two models). Note that this does *not* necessarily correspond to the usual notions of statistical significance; a likelihood ratio test $LR=1.75$ on 1 degree of freedom, say, comparing a more complex model to a simpler model, has tail probability $p=.19$, while $LR=35$ on 20 degrees of freedom has $p=.02$, yet in both cases AIC would prefer the simpler model, assessing it as being a closer approximation to reality (even though the more complex model is better in a classical statistical significance sense in the latter case).

Statistical investigation into model selection based on AIC has shown that it tends to lead to models that are too complex, particularly in small samples. Hurvich and Tsai (1989) demonstrated that this is due to a bias in AIC as an estimator of KL , and proposed a bias-corrected version of AIC ,

$$AIC_c = -2L + 2\nu \left(\frac{n}{n - \nu - 1} \right) \quad (3)$$

$$= AIC + \frac{2\nu(\nu + 1)}{n - \nu - 1}. \quad (4)$$

Equation (4) shows that (especially for small samples) when minimizing AIC_c the additional penalty favors models with fewer parameters (smaller ν), resulting in simpler models than when using AIC (in large samples the two criteria are virtually

indistinguishable). AIC and AIC_c are what is known as *efficient* model selection criteria. When using such criteria, as the sample size increases, the prediction error using the model chosen based on these criteria gets closer and closer to the error obtained using the best possible model among all candidate models; in this sense, it is as if the best approximating model were known to the data analyst.

An information-based approach to model selection can thus be characterized as follows:

1. Choose an initial set of candidate models. Ideally, these would be chosen before seeing any data, using as thorough an understanding of the underlying random process as possible (based on the scientific literature and previous relevant experiments), although this is not always possible.
2. Construct an ordering of candidate models using AIC_c . This provides a single ‘best’ model, but caution in single-mindedly focusing on that one model is warranted. Any models with values that are close (that differ by less than 2 or 3, say) are rated as effectively equivalent as possible model choices by the criterion (note that AIC_c is a ‘pure’ number, and has no units). In that situation, other considerations can be used to choose a model. If one reasonable model is noticeably simpler than another, or if one model makes more sense scientifically than another, these are valid reasons to turn primary attention to a ‘less optimal’ model.
3. Once a ‘best’ model is chosen, the usual inferential methods are available to describe the underlying process. Doing this while ignoring the model selection process is potentially dangerous, however. Since the model was chosen out of a larger set to be the ‘best’ model, it will tend to fit better than would be expected by random chance. That is, there is an additional source of randomness that comes from choosing this particular model (termed *model selection uncertainty*), since a different random sample from the same population might ultimately lead to choice of a different model. Note that this is not merely an artifact of using information-theoretic measures to choose the model; the same problem occurs if models are chosen based on hypothesis tests. If enough data are available, the effects of model selection on inference can be assessed by *validating* the model: hold out a portion of the data, apply the previously selected model to the new data (based on the previously estimated parameters), and then examine the predictions made using that model. The precision of these latter predictions is a more accurate measure of the predictive power of the model than measures of fit from the original fit. If there are not enough data available for this (as is, unfortunately, the case for this study), the best that can be done (without delving into more complex and computationally intensive procedures, such as the bootstrap or model averaging) is to be aware that the observed strength of the model chosen using (any) model selection method is probably overstated.

Statistical Models Used in this Study

In this section we describe the statistical models that form the basis of the analyses described in the next chapter (in addition to the linear least squares model already described). We will assume a basic knowledge of the probability distributions used here; more detailed discussion of these distributions, and the regression models that use them, can be found in Chapters 4, 5, and 9 of Simonoff (2003). All of the models fall in the general class of *generalized linear models*, models that generalize the normal-based least squares linear regression model of equation (2). Recall that that equation formulated the least squares model through a *random component* (that the distribution of $y_i | \mathbf{x}_i$ is normal) and a *linear predictor* (that the mean of y_i is a linear function of \mathbf{x}_i). The generalized linear model generalizes this by allowing nonnormal distributions, such as the binomial and Poisson distribution (technically, the distributions must be members of the so-called exponential family).

An implicit assumption in the least squares regression model is that it is the mean itself that equals the linear predictor, rather than some function of the mean. The generalized linear model allows other functional relationships through the specification of a link function, which connects the linear predictor to the key parameter of the underlying distribution (so, for example, the link used for the least squares regression model is the identity link, since the mean of $y_i | \mathbf{x}_i$ equals the linear predictor). The two specific models we will need here are the logistic regression model (for binary response data) and the Poisson regression model (for count response data).

The logistic regression model

Logistic regression is appropriate when the response being modeled is binary. For example, the gender diversity of the board of trustees of a particular organization can be quantified through the probability that a particular trustee is a woman, given that trustee's (and the organization's) characteristics. Generically, we arbitrarily call one category of the response a success (say female) and the other a failure (say male). Let $p_i | \mathbf{x}_i$ be the probability of the trustee being a woman given a set of values \mathbf{x}_i , and let $Y_i=1$ if the trustee is a woman and 0 if the trustee is a man. The standard model for this type of data is that $Y_i | \mathbf{x}_i$ is binomially distributed, with the number of trials equaling 1 and the success probability equaling $p_i | \mathbf{x}_i$. A generalization of this model that would be appropriate if predictor information is only available at the organization level (as is typically the case here) is to record the observed number of female trustees Y_i out of n_i trustees, and model Y_i as binomially distributed with n_i trials and success probability $p_i | \mathbf{x}_i$. Putting this mathematically, the model states that the probability of y_i female trustees on a board with n_i members is as follows:

$$P(Y_i = y_i) = \binom{n_i}{y_i} p_i^{y_i} (1 - p_i)^{n_i - y_i},$$

where

$$\binom{n}{k} = \frac{n!}{k!(n-k)!} = \frac{(n)(n-1)\cdots(1)}{(k)(k-1)\cdots(1)(n-k)(n-k-1)\cdots(1)}$$

is the so-called binomial coefficient.

The logistic regression model assumes that the predictors are linearly related to the *logit*, the logarithm of the odds of success,

$$\log\left(\frac{p_i}{1-p_i}\right) = \beta_0 + \beta_1 x_{1i} + \cdots + \beta_k x_{ki}.$$

This implies an S-shaped relationship between the probability of success and the linear predictor,

$$p_i = \frac{\exp(\beta_0 + \beta_1 x_{1i} + \cdots + \beta_k x_{ki})}{1 + \exp(\beta_0 + \beta_1 x_{1i} + \cdots + \beta_k x_{ki})}. \quad (5)$$

This is intuitively appealing, since it implies that while the probability of success can get arbitrarily close to its limits of zero and one, it cannot go past those limits. For this model, a slope coefficient β_j refers to an odds ratio, in that $\exp(\beta_j)$ is the factor by which the odds of success are multiplied for a one-unit increase in x_j , holding all other variables in the model fixed. The log-likelihood for the sample is thus:

$$L = \sum_{i=1}^N \left[\log \binom{n_i}{y_i} + y_i \log p_i + (n_i - y_i) \log(1 - p_i) \right],$$

where N is the number of organizations in the sample, and the slope parameters β are estimated by maximizing this log-likelihood (that is, they are the maximum likelihood estimates). Substituting these estimates into (5) gives the estimated probabilities of success $\hat{\mathbf{p}}$. Model selection again proceeds using *AIC* or (better)

AIC_c, based on equation (3) (in this context $n = \sum n_i$, the total number of trustees in the sample). It should be noted that although *AIC_c* is only technically justified for normal (least squares) regression models, it has been shown empirically to be an effective model selection tool for the models in this section as well.

The overall strength of the regression can be assessed using the likelihood ratio test,

$$LR = 2 \sum_{i=1}^N \left[y_i \log \left(\frac{\hat{p}_i^a}{\hat{p}_i^0} \right) + (n_i - y_i) \log \left(\frac{1 - \hat{p}_i^a}{1 - \hat{p}_i^0} \right) \right],$$

where $\hat{\mathbf{p}}^a$ are the estimated probabilities based on the fitted logistic regression model, and $\hat{\mathbf{p}}^0$ are the estimated probabilities under the null hypothesis of all of the slope coefficients equaling zero. This test statistic is analogous to the overall F -statistic in least squares regression, and can be compared to a χ^2 distribution on k degrees of freedom, as long as either N is large, or the n_i values are reasonably large. This form of the likelihood ratio test is also appropriate when comparing the estimated probabilities from a more complicated model ($\hat{\mathbf{p}}^a$) to those of a simpler subset model ($\hat{\mathbf{p}}^0$) to see if the more complicated model provides significant additional predictive power over the simpler model. The statistical significance of individual slopes can be tested using Wald tests, which are analogous to t -tests; the test for the j th coefficient has the form:

$$z_j = \frac{\hat{\beta}_j}{\text{s.e.}(\hat{\beta}_j)}, \quad (6)$$

where $\text{s.e.}(\hat{\beta}_j)$ is the estimated standard error of $\hat{\beta}_j$, and z_j is compared to a normal distribution reference.

The binomial distribution has the interesting property that its variance is a function of only its mean, since

$$V(Y_i) = n_i p_i (1 - p_i) = E(Y_i)[1 - E(Y_i)/n_i].$$

That is, there is no separate variance parameter, as is true for the normal distribution. This means that it is possible to construct a test statistic measuring the quality of fit of the model. The two most common *goodness-of-fit statistics* are the deviance,

$$G^2 = 2 \sum_{i=1}^N \left[y_i \log \left(\frac{\bar{p}_i}{\hat{p}_i} \right) + (n_i - y_i) \log \left(\frac{1 - \bar{p}_i}{1 - \hat{p}_i} \right) \right],$$

where $\bar{p}_i = y_i/n_i$, and the Pearson statistic,

$$X^2 = \sum_{i=1}^N \frac{(y_i - n_i \hat{p}_i)^2}{n_i \hat{p}_i (1 - \hat{p}_i)}.$$

As long as the n_i are reasonably large, either of these statistics can be compared to a χ^2 distribution on $N - k - 1$ degrees of freedom, with an insignificant result implying a lack of evidence of poor fit (that is, small values of the statistics mean that we do not reject the adequacy of the fit of the model).

A drawback to the simple relationship between the mean and variance of the binomial random variable is that it can be too restrictive, resulting in lack of fit. Typically this is evidenced in the variance being larger than it is assumed to be, and is called *overdispersion*. Overdispersion can arise in different ways. The assumed logistic regression model is based on the premise that all of the observations come from the same population, but this might not be the case. For example, if the probability of a trustee being a woman is a function of factors that are unknown (and hence not modeled), there is heterogeneity in the population that is not accounted for in the model. This will result in the observed variance being larger than expected.

A simple approach to addressing this problem is to assume that the variance of Y_i is inflated by a constant ϕ ,

$$V(Y_i) = \phi n_i p_i (1 - p_i).$$

The parameter ϕ can be estimated using the Pearson χ^2 goodness-of-fit statistic, as $\hat{\phi} = X^2 / (N - k - 1)$. This process is called *quasi-likelihood* estimation. The estimated slope parameters do not change, but Wald statistics are deflated by a constant multiplicative factor $\sqrt{\hat{\phi}}$. Information-theoretic model selection can be adapted to this situation through the use of the quasi- AIC_c criterion,

$$QAIC_c = \frac{-2L}{\hat{\phi}} + 2\nu \left(\frac{n}{n - \nu - 1} \right).$$

A useful generalization of the logistic regression model is the nominal (multinomial) logistic regression model, which is used when the response variable has more than two categories (say J). Let p_j be the probability of falling in the j th category. In this model, one of the categories is taken to be the ‘baseline’ category, and logistic regressions are fit relative to that category. So, for example, take the baseline category as the J th category. The logistic regression model is then:

$$\log\left(\frac{p_j}{p_J}\right) = \beta_{0j} + \beta_{1j}x_1 + \cdots + \beta_{kj}x_k,$$

for $j = 1, \dots, J-1$. The model implies the usual S-shape for a logistic relationship,

$$p_j = \frac{\exp(\beta_{0j} + \beta_{1j}x_1 + \cdots + \beta_{kj}x_k)}{\sum_{\ell=1}^J \exp(\beta_{0\ell} + \beta_{1\ell}x_1 + \cdots + \beta_{k\ell}x_k)}.$$

There are several advantages to using this model, rather than fitting separate logistic regressions for each of the categories. The estimates of the slope coefficients are more efficient, and the choice of the baseline category is completely arbitrary, in the sense that the implied probability estimates are the same no matter which category is chosen as the baseline.

The Poisson regression model

A different type of data that is important in this study is that of a count variable. For example, we might measure the networking level of a trustee by the (count of the) number of corporate boards on which the trustee sits. The standard distributional model for data of this type is the Poisson random variable. Let Y_i be the number of corporate boards on which the trustee sits. The Poisson random variable implies that the probability of observing y_i boards is:

$$P(Y_i = y_i) = \exp(-\mu_i + y_i \log \mu_i - \log y_i!),$$

where μ_i is the expected number of boards for a trustee with his or her given characteristics. The Poisson regression model posits a loglinear relationship between the expected number of boards and a linear combination of the predictors, which guarantees a positive expected number of boards. That is, Y_i is modeled as Poisson distributed, with mean:

$$\mu_i = \exp(\beta_0 + \beta_1x_{1i} + \cdots + \beta_kx_{ki}).$$

The loglinear form of the model implies that a slope coefficient β_j is related to the level of the target, in that $\exp(\beta_j)$ is the factor by which the mean response is multiplied for a one-unit increase in x_j , holding all other variables in the model fixed. The log-likelihood under the Poisson regression model is:

$$L = \sum_{i=1}^N (y_i \log \mu_i - \mu_i - \log y_i!).$$

This function provides the basis for maximum likelihood estimation and model selection using AIC_c in the same way that is used for logistic regression (in this context $n = \sum y_i$, the total number of committees in the sample). The likelihood ratio test of the overall significance of the regression for this model is:

$$LR = 2 \sum_{i=1}^N y_i \log(\hat{\mu}_i^a / \hat{\mu}_i^0),$$

where $\hat{\mu}_i^a$ are the estimated means based on the fitted Poisson regression model, and $\hat{\mu}_i^0$ are the estimated means under the null hypothesis of all of the slope coefficients equaling zero, and is compared to a χ^2 distribution on k degrees of freedom, as long as the μ_i values are reasonably large. The statistical significance of individual slopes is tested using Wald tests, as in (6).

The Poisson distribution, like the binomial, has the property that its variance is a function of only its mean, in that

$$V(Y_i) = \mu_i = E(Y_i).$$

Thus, χ^2 goodness-of-fit statistics can again be constructed to assess the fit of the model. The deviance for this model is:

$$G^2 = 2 \sum_{i=1}^N \left[y_i \log \left(\frac{y_i}{\hat{\mu}_i} \right) \right],$$

while the Pearson statistic is:

$$X^2 = \sum_{i=1}^N \frac{(y_i - \hat{\mu}_i)^2}{\hat{\mu}_i}.$$

Either of these statistics can be compared to a χ^2 distribution on $N - k - 1$ degrees of freedom, as long as the μ_i are reasonably large.

Once again this simple relationship between the mean and variance of the Poisson random variable can be too restrictive, since unmodeled heterogeneity in the population can lead to overdispersion. Quasi-likelihood can address this by assuming a multiplicative inflation of the variance,

$$V(Y_i) = \phi \mu_i,$$

with the parameter ϕ again estimated using the Pearson χ^2 goodness-of-fit statistic as $\hat{\phi} = X^2/(N - k - 1)$. Analysis based on quasi-likelihood for this model follows the same pattern as for logistic regression, with the Wald statistics deflated by a multiplicative factor $\sqrt{\hat{\phi}}$, and model selection based on $QAIC_c$.

Model Selection Based on Information Theory: an Example

In this section we illustrate the use of information theoretic measures for model selection with a real example. Specifically, we examine the question of estimating the probability that a trustee is black, using the various board characteristics as predictors.

The first issue in choosing a model for these data is to decide the set of models to examine. While it is possible to look at all possible models, we will not do so, as this exacerbates the problems of dealing with model selection uncertainty alluded to earlier. Rather, we will restrict the set of models examined to those with natural, (relatively) simple interpretations, and will use provisional results to guide the choice of models to consider. We will only consider models that include main effects or two-way interactions, since higher-order interactions are very difficult to interpret. In the present study predictors are either categorical (city, industry, and so on) or numerical (board size), and the interpretation of factors reflects that distinction. So, for example, a main effect for a categorical predictor such as city implies different probabilities of a trustee being black in different cities (the interpretation of the slope for a numerical variable as an odds ratio was noted earlier). A two-way interaction between two categorical predictors reflects that the main effect of one predictor differs depending on the other predictor. So, for example, an interaction between city and industry says that the city effect changes, depending on which industry is being examined. Finally, a two-way interaction between a categorical variable, such as city, and a numerical variable, such as board size, implies different slopes (and hence different odds ratios) for different cities.

A reasonable initial set of models to examine are ones that include only main effects. Each such model can be fit, and AIC_c calculated for it. Table 8.1 illustrates the results for the models for the probability of a trustee being black. In order to save space, not all of the models examined are listed (all models not listed are clearly inferior to the ones we ultimately focus on).

Table 8.1. Model selection for probability of a trustee being black. The table gives models examined (not all models examined are listed), and the deviance, error degrees of freedom, and AIC_c for each model

<i>Model</i>	G^2	<i>df</i>	AIC_c
Y	427.8	219	233.2
Y, I	261.8	212	81.3
Y, I, R	234.7	211	56.3
C, Y, I, R	200.8	206	32.4
C, Y, I, R, B	196.5	205	30.2
CI, Y, R, B	107.5	173	6.6
CI, Y, R	107.5	174	4.5
CR, Y, I, B	157.9	200	1.7
CR, Y, I	158.2	201	0.0
CR, CI, Y	96.3	170	1.6

It is important to note that the log-likelihood (and hence AIC_c) depends on constants that are not a function of the parameters, and do not vary from model to model (as long as the same random component is used for all of the models being compared, as will be the case here). That is, it is only differences in AIC_c between models that matter, rather than the values themselves. For this reason, when presenting AIC_c values across models, it is convenient to assign the value 0 to the best model found, and give the differences in AIC_c from that model for the other models. In the table the effects are represented by single letters, as in C (City), Y (Year), I (Industry), R (Religious organization), and B (Board size). Note that we do not present likelihood ratio tests comparing the fits of the models, since we are not choosing models on that basis.

The best model using only main effects (the first five models listed) is the model with all five main effects, although the model that drops board size has AIC_c only 2.2 higher. The next step is to investigate models that include interactions. This improves the quality of the fit dramatically, with the City X Industry (CI) and City X Religious organization (CR) effects most noteworthy. The ultimate ‘best’ model is (CR, Y, I) (that is, the City X Religious organization interaction, and Year and Industry main effects), although the (CR, CI, Y) model (adding the City X Industry interaction) is close (again, recall that other models that include interactions were examined, but their results are not given in the table).

At this point, the question becomes which model to pursue in more detail, and (as noted earlier) this question does not have a simple answer. The principle of parsimony (also known as Occam’s razor) implies that when two hypotheses provide equally effective summaries of a process, the simpler one should be preferred. Based on this, the (CR, Y, I) model, which includes 31 fewer parameters than the (CR, CI, Y) model, has a clear advantage.

It is important to recognize that a model that includes the CI effect is not being ‘rejected’ in a hypothesis testing sense. Indeed, a likelihood ratio test for the

significance the CI effect given the (CR, CI, Y) model is highly significant ($LR=61.9$ on 31 degrees of freedom, $p<.001$). Rather, the information measure interprets the statistical significance of the CI term as representing unnecessary model complexity (note that LR is less than twice its degrees of freedom).

The next step is to try to understand the implications of the chosen model. We will refer again to these results in the next chapter, putting them in their proper context, but we describe the statistical aspects here. Main effects are straightforward, as they simply represent different estimated probabilities of a trustee being black for different levels of the factor. So, for example, the presence of the year effect in the model means that there are significantly different estimated probabilities for 1931, 1961, and 1991, respectively. Since year does not appear anywhere else in the model, these probabilities can be estimated using the observed sample proportions, which are 0.1 percent (1931), 1.0 percent (1961), and 8.6 percent (1991). Thus, the probability of a trustee being black was very small in 1931 and 1961, but saw a dramatic jump in 1991.

Although year is being treated as a categorical variable here, it is, of course, also numerical, and the parameter estimates from the model can be informative. The coefficients for the year effect are (-2.54, .08, 2.46) for (1931, 1961, 1991), using effect codings for the year factor (if a categorical factor is represented by effect codings, the coefficients are constrained to sum to zero). Note that there is a smooth transition in the coefficient vector corresponding to an increase of roughly 2.5 for each 30-year period (1931 to 1961 and 1961 to 1991). If we hypothesize a steady transition over the intervening years, this would imply an annual coefficient of $2.5/30=.083$; exponentiating this gives an estimated annual increase in the odds of a trustee being black of 8.7 percent ($\exp(.083)=1.087$) over the entire 60-year period.

The industry main effect also can be summarized using observed black trustee proportions separated by industry, since industry does not appear in any interaction term in the model. That is, there are significantly different black trustee proportions, corresponding to 10.0 percent (youth services, or Ys), 7.5 percent (United Way), 6.5 percent (community foundation), 3.5 percent (education), 2.8 percent (family/human services), 2.2 percent (culture), 1.1 percent (Junior League), and 0.5 percent (health). Clearly there is a much higher estimated probability of a trustee being black in the YMCAs and YWCAs, and also relatively higher chance in community foundations and United Ways. This can be contrasted with the low estimated probabilities in health organizations and Junior Leagues.

Since the variable defining whether an organization is religion-based is numerical (0/1), the interaction with city just reflects different slopes for the religion-based indicator for different cities. Reporting these different slopes alone, however, obscures the potentially different underlying black trustee probabilities by city (the same would be true for an interaction between two categorical factors). We can use a table like the one on the next page to try to get at both the marginal and interaction aspects of the city and religion-based effects on black trustee probability. The table gives estimated probabilities of a trustee being black for all

12 pairs of the (city, religion-based) combination, taking the other two predictors (year and industry) as ‘typical’ values (in this case, we have set year to 1991 and industry to family services). A table of this type is generally easier to interpret than are the underlying coefficients of a categorical factor, although it is important to make sure that the variables not in the interaction are set at appropriate ‘typical’ values. We should recognize that the estimated probabilities will not necessarily reflect actual observed proportions, since the given ‘typical’ values might be rare in the data (for example, a religiously-based board with ‘typical’ board size might not exist in the data in Cleveland in 1961). Still, this approach gives probabilities that correspond to the appropriate conditional interpretation of regression coefficients (that is, reflecting effects given everything else in the model being held fixed).

	<i>Nonreligious</i>	<i>Religious</i>
<i>Atlanta</i>	.1071	.4444
<i>Boston</i>	.1146	.0260
<i>Cleveland</i>	.1589	.0201
<i>Los Angeles</i>	.1163	.0000
<i>Minneapolis / St. Paul</i>	.0743	.0498
<i>Philadelphia</i>	.2788	.0000

We see that estimated black trustee probabilities are indeed decidedly different from city to city. Boston, Los Angeles, and Minneapolis/St. Paul have lowest probability, Cleveland and Philadelphia are higher, and Atlanta has the highest estimated probability. Further, religious organizations are generally less likely to have black trustees.

The interaction effect corresponds to patterns that the main effects cannot explain. In this case, the disparity in black trusteeship between religious and nonreligious organizations is unusual in Los Angeles and Philadelphia (very low black probability in religious organizations), in Minneapolis/St. Paul (the probabilities are closer than expected), and, most strongly, in Atlanta (a much higher black trustee probability in religious organizations).

Up to this point we have outlined the potential effects of different contexts on the character of nonprofit trusteeship, and described the data, statistical models, and model selection and interpretation tools that we will use to investigate those effects. In the next chapter we put this all together, and describe the observed patterns in the data, and the implications of those patterns for nonprofit trusteeship.

Chapter 9

Analyses of Trusteeship in Different Contexts

In Chapter 2 we presented three major theoretical board compositional and structural groupings that guide our analyses. These groupings, including board member demographics, board member achievement and eliteness (now split into two categories), and board member networking capacity, help us to model our theoretical targets. Indeed, in Chapter 7 we outlined specific target variables that we will use in observing impacts of our predictors, in line with the theoretical models. In this way, using an information-based approach to model selection, we chose an initial set of candidate models using the theories explicated in Chapters 3 through 6. Our predictors, then, are Year (Y), Industry (I), City (C), and Religious (or Faith)-Based (R). We also add the predictor Board Size (B), based on the theory of bureaucracy also introduced in Chapter 3. As a way to fine-tune the analysis, as well as advance our current knowledge of predictors of board structure, we have added two-way interactions to all of our models. These interaction effects allow for slopes for the Board Size variable that differ depending on year, city, or industry, and main predictor effects that differ depending on the level of another predictor (for example, the CY interaction corresponds to a city effect that is different in 1931, 1961, and 1991). In all cases, we use information-theoretic measures to simplify models, thereby focusing attention on the most meaningful patterns.

In the following sections, we describe and attempt to interpret the observed patterns in the data when we model the impact of Year, Industry, City, Religious-Base, Board Size, and all of the two-way interactions between these predictors, on targets including board member race, gender, college attendance, higher education achieved, managerial and professional status, listings in Who's Who, Social Register, Standard & Poor's Register of Corporations, Directors, and Executives, attendance at Ivy League institutions, connection between birth location and nonprofit location, and numbers of memberships on nonprofit and for profit boards. The phrase 'attempt to interpret' is not used lightly. We highlight when observed patterns provide perspective on theory, or reflect explainable relationships, but we must acknowledge that some apparently meaningful relationships defy easy explanation.

We should point out that there was considerable missing data for some response variables. This calls into question those analyses, since there is no way of knowing whether trustees with missing data were different from those with complete data. We will note targets for which missingness was high; for those variables, caution should be used in interpreting the results.

Board Demographics: Gender and Racial Diversity

Theory on board member demography reviewed in Chapter 2 led us to choose candidate models with responses being board member race (presented in the example in Chapter 8 and reviewed here briefly) and gender.

Racial Diversity

Recall that model fitting for the probability that a trustee is black was described in Chapter 8. There it was shown that the model of choice is (CR, Y, I). The two main effects demonstrate that a trustee was not likely to be black in 1931 compared with 1961, and especially 1991, and was also not as likely to be black if serving a health, Junior League, and/or culture organization. The higher probability of a trustee being black in the YWCA in particular (and perhaps most Ys, later) is likely due to a change in mission that in its new guise promoted a commitment to racial justice (Robertson, 1993). The interaction effect highlights the particularly high probability that a trustee would be black in Atlanta's religious organizations, and the particularly low probability that a trustee would be black in Philadelphia's and Los Angeles' religious organizations. Within the demographic variables category, we are particularly interested in predictors with similar relevance for both of our targets (race and gender). Thus, we keep our eye on the predictive power of CR, Y and I.

Gender Diversity

Because our main interest with the target of gender was to see patterns across time, industry, city, and religious-base in the acceptance of female board members, we limited our candidate models (and analyses) to those boards that were not deliberately all female. This resulted in our omitting Junior Leagues, Ys (which were either all male for the YMCAs in the early time periods or all female for the YWCAs throughout the study) and a few all-female (nun-run) Catholic hospital boards.

Initial fitting of logistic regression models indicates the presence of overdispersion, with the model that includes all two-way interactions not fitting well ($G^2=305$, $df=118$). Model selection based on $QAIC_c$ yields a best model of (YI, C, R), but the (YI, C) model has a value that is virtually the same and since it is the simpler of the two, we suggest that it best approximates the underlying relationship.

City: The city effect is summarized by observed proportions of female trustees in each city: lower (Boston 18.3 percent, Philadelphia 19.5 percent), moderate (Cleveland 21.6 percent, Minneapolis 21.6 percent), and higher (Los Angeles 27.2 percent, Atlanta 28.3 percent). What we begin to see here is a Boston/Philadelphia clustering around standards of exclusivity. What we may also be picking up is the potential impact of a city that hosts an Ivy League university. As the Ivy League

schools in our sample (Harvard University in Boston and the University of Pennsylvania in Philadelphia) were all male bastions until the study's last year, trustees both of, and gleaned from, these institutions might be skewing the proportion of male/female trustees in these cities. Theoretically speaking, we might be observing the geographical impact of networks of organizations with Ivy League universities as both center and suppliers of local elite community stewards (DiMaggio and Anheier, 1990).

YI: The following table (which lists industries in a random order that we then follow consistently through the chapter) gives estimated probabilities of a trustee being female for a Twin Cities organization, by year and industry (recall that setting city to a specific value allows the estimated interaction effect to be represented as a set of probabilities, which is easier to interpret than a set of estimated coefficients).

	1931	1961	1991
<i>Health</i>	.0973	.0673	.1993
<i>Culture</i>	.1185	.2179	.2739
<i>United Way</i>	.1723	.1112	.2941
<i>Community foundation</i>	.0894	.0382	.3402
<i>Educational</i>	.0046	.0358	.1627
<i>Family services</i>	.2644	.3146	.4017

We see that overall the probability of a trustee being female was similar in 1931 and 1961, but jumped markedly in 1991. Generally, educational institutions (including, in the larger sample, Ivy League institutions that turned co-ed only in that last period under study) have lowest female probability, health organizations and community foundations are a bit higher, followed by culture and United Way, with family services having highest probability. Given that, the interaction notes that the probability of a woman trustee rises from 1931 to 1961 more than expected for culture and family services institutions, but drops noticeably from 1931 to 1961 in United Way. In addition, there is a much higher female trustee probability in 1991 for community foundations than would be expected based on their low probabilities in 1931 and 1961.

Comparing the two demographic models, we immediately note that the race and gender models are of very different forms. This suggests that different factors are involved in accounting for board racial and gender diversity. Indeed, this discussion underscores that the story that we will be developing is of particular groups of boards (defined, often, through two-way interactions) driving general trends and underscoring our contentions that no one size (or even theory) fits all.

Trustee Eliteness: Traditional and Corporate Status Markers

The circularity of theory on trustee eliteness—‘elite’ nonprofit boards seek elite members who are themselves (partially) defined by their seats on ‘elite’ nonprofit boards—has led us to distinguish, roughly, two avenues for social status. We first target traditional indicators of ‘upper class’ status including listing in the Social Register, listing in *Who’s Who of America*, and attendance at Ivy League institutions. We recognize that these indicators, themselves, became open to a more social class diverse membership over the periods under study here and we urge caution in interpreting, especially, the year predictor. Our second target is a ‘corporate’ elite that, while tapping into upper class dominance of large corporations, also takes into account success achieved in business circles. Here our targets are higher education credentials, managerial and professional status, as well as listings in the Standard & Poor’s Register of Corporations, Directors, and Executives.

Social Register

None of the models with two-way interactions fit the data. The model with all interactions has $G^2=364.6$, $df=162$, and once again we have overdispersion. Model selection based on $QAIC_c$ yields a chosen model of (CY, CI, CR). Note that all of the effects involve city. Given this complicated pattern we look at each of the two-way effects, conditioning on specific values for the other two variables.

CY: Estimated probabilities of a trustee from a nonreligious health organization (for example) in different cities (that are listed starting with ‘elite’ Boston and spiraling out West and South from there) and time periods (listed in chronological order) being listed in the Social Register are given in the following table.

	1931	1961	1991
<i>Boston</i>	.8516	.7521	.2110
<i>Cleveland</i>	.8541	.6551	.1904
<i>Philadelphia</i>	.8238	.5739	.2138
<i>Twin Cities</i>	.0000	.0000	.0000
<i>Los Angeles</i>	.2297	.1977	.0381
<i>Atlanta</i>	.5421	.1646	.0032

The general year effect is that Social Register probabilities dropped a bit from 1931 to 1961, and then dramatically from 1961 to 1991 (corresponding to the time period in which the Social Register lost its mooring in particular cities and became a national guide). The general city effect is that Social Register rates are

reasonably similar across cities, except there are none in the Twin Cities due to these cities not having Social Registers (or registrants) until the national Social Register was established by our 1991 time period. The estimated probabilities in Los Angeles and Atlanta are also a little lower than the others. Given these effects, the rates in Los Angeles are more similar in 1931 and 1961 than in other cities, and the drops in rates in Atlanta are more dramatic than in other cities.

CI: The following table gives estimated probabilities of a trustee from a nonreligious 1961 organization being listed in the Social Register.

	<i>Boston</i>	<i>Cleveland</i>	<i>Philadelphia</i>	<i>Twin Cities</i>	<i>Los Angeles</i>	<i>Atlanta</i>
<i>Health</i>	.7521	.6551	.5739	.0000	.1977	.1646
<i>Culture</i>	.6176	.5560	.5619	.0000	.5213	.3403
<i>United Way</i>	.2020	.1936	.2741	.0000	.3188	.1533
<i>Junior League</i>	.4967	.4544	.3998	.0000	.6688	.1347
<i>Community foundation</i>	.4375	.3842	.6306	.0000	.6236	.4684
<i>Educational</i>	.2656	.4148	.3618	.0000	.5426	.0486
<i>Family services</i>	.3586	.2280	.3972	.0000	.1025	.1700
<i>Ys</i>	.1872	.0649	.1819	.0000	.0826	.2290

The general industry effect is that probabilities are highest in health, culture, Junior League, and community foundations, a bit lower in education, lower in United Way and family services, and lowest in Ys. This is perhaps not surprising given our notions of ‘eliteness.’ Indeed, Baltzell (1958) and Domhoff (1967) implicated foundations and prestigious universities (and not human services and Ys) in their studies of elite’s institutional guises. Given the city and industry effects, the interaction seems to focus on Los Angeles and Atlanta. In Los Angeles the rate is very low for health organizations, and somewhat low for family services and Ys, given the high rates for culture, Junior League and community foundations. In Atlanta the rates for culture, community foundations, and Ys are surprisingly high, given the otherwise low rates.

CR: The following table gives estimated probabilities for a trustee from a 1961 health organization being listed in the Social Register.

	<i>Nonreligious</i>	<i>Religious</i>
<i>Boston</i>	.7521	.0783
<i>Cleveland</i>	.6551	.0693
<i>Philadelphia</i>	.5739	.0315
<i>Twin Cities</i>	.0000	.0000
<i>Los Angeles</i>	.1977	.3886
<i>Atlanta</i>	.1646	.1271

Generally, religiously-based organizations have much lower probabilities for Social Registrants than nonreligious ones (recall that the majority of religiously affiliated organizations in this study are Jewish and Catholic, as opposed to mainline Protestant). Given that, the estimated probability for a religious organization in Los Angeles is considerably higher than in the other cities, and the estimated probability for one in Atlanta is somewhat higher. This is actually reflected in the raw proportions – other than in the Twin Cities, differences are dramatic (5-15 times higher rates for nonreligious organizations than religious ones in Boston, Cleveland, and Philadelphia), but in Los Angeles and Atlanta, the raw rate for nonreligious organizations is only about 50 percent higher than that for religious ones.

Ivy League Attendance

A note of caution in interpretation is in order here, since the Ivy League attendance analysis is conducted with 51.4 percent of trustee college attendance data missing. None of the models with two-way interactions fit the data, as the model with all interactions has $G^2=167.7$, $df=132$; we have moderate overdispersion. Model selection based on $QAIC_c$ yields a chosen model of (CY, IB, R).

Industry: The marginal industry effect is reflected in the proportions of trustees who were Ivy League attendees by industry: 36.8 percent (health), 37.2 percent (culture), 30.5 percent (United Way), 1.2 percent (Junior League), 29.3 percent (community foundations), 52.8 percent (education), 29.0 percent (family services), and 17.5 percent (Ys). Thus, educational organizations have a very high probability of Ivy League attendance, Ys have low probability, Junior League has very low probability, and the other industries are similar. Given that in two of our six cities the educational institution chosen for study was itself an Ivy League institution (and likely to pull from its own alumni body for board service) this result is not a surprise.

Religious: Religious organization boards had a lower percentage of Ivy League attendees (29.9 percent) among college attendees than did nonreligious organization boards (34.0 percent).

IB: The interaction effect is reflected in different slopes for board size by industry: health .04014; culture -.00396; United Way -.00219; Junior League -.12565; community foundation .0154; education .03468; family services .01127; and Ys .00048. Thus, for Junior League, larger boards are strongly associated with a lower probability of Ivy League; for health, community foundation, education, and family services larger boards are moderately associated with a higher probability of Ivy League; and for culture, United Way, and Ys, there is little relationship. Note that this is given everything else in the model, including the year effect that is a part of the CY effect, so this is not merely a year effect showing up in a different guise. Since we're fitting an overdispersed logistic regression here, the coefficients can be exponentiated to get odds ratios (so, for example, each additional person on the board in an educational organization is associated with a 3.5 percent increase in the odds of someone having attended an Ivy League institution, holding all else fixed).

CY: Consider a nonreligious board in the culture industry with an 'average' board size of 36.2 (this is the average over all of the boards used). The estimated probabilities of a trustee having attended an Ivy League school are given below.

	1931	1961	1991
<i>Boston</i>	.9097	.8628	.6586
<i>Cleveland</i>	.3839	.3830	.2184
<i>Philadelphia</i>	.7893	.8061	.4662
<i>Twin Cities</i>	.4123	.4316	.2098
<i>Los Angeles</i>	.0005	.2549	.1009
<i>Atlanta</i>	.1199	.0817	.1458

General levels show that the probability of an Ivy League school is fairly consistent between 1931 and 1961, but drops noticeably in 1991 (typically on the order of 15-20 percentage points). Ivy League attendance is highest in Boston and Philadelphia (not surprising due to the presence of Harvard in Boston and the University of Pennsylvania in Philadelphia), lower in Cleveland and the Twin Cities, and lowest in Los Angeles and Atlanta. This reflects a geographic spread of the Ivy effect to the Midwest rather than the South (the West being lowest is somewhat expected due to geographical and cultural distance and difference). Given these main effects, the interaction effect reflects additional structure. The numbers for 1931 and 1961 are virtually identical, except that the 1931 Ivy League probability in Los Angeles is virtually zero, while that for 1961 is .25; thus, there was a substantial growth in Ivy League attendance from 1931 to 1961, followed by the expected decline in 1991. Second, the Ivy League attendance probability is higher than expected in Atlanta in 1991 (it actually grew from 1961). That is, the interaction points to the pattern of no Ivy Leaguers in Los Angeles in 1931, and

more coming in to Atlanta in 1991. This is consistent with a general geographic migration pattern of people leaving the Northeast and going to the West in the middle of the century, and to the Southeast at the end of the century.

Listing in Who's Who

Being listed in Who's Who is different from being listed in the Social Register, since it identifies traditional social status overlain with achievement. Once again, none of the models with two-way interactions fit the data. The model with all interactions has $G^2=439.6$, $df=162$, indicating overdispersion. Model selection based on $QAIC_c$ yields a chosen model of (CB, Y, I, R).

Year: The year effect is summarized by the observed proportions of Who's Who listees by year: 1931, 20.0 percent; 1961, 26.9 percent; 1991, 15.2 percent. There is a peak in 1961, and then a sharp drop in 1991. Either the 1991 boards are less 'elite' than their 1961 and 1931 counterparts, or the Who's Who lost some of its cultural relevance as a marker of elites by 1991 (or both). We are left with the curious question about whether the rest of the 'elites' listed in Who's Who in 1991 have shunned elite nonprofit board service, or if membership on elite nonprofit boards, by 1991, became a better measure of elite status than Who's Who listing.

Industry: The industry effect is summarized by the observed proportions: high (education, 54.7 percent); moderate (culture, 32.0 percent; community foundations, 30.2 percent; United Way, 24.8 percent; health, 19.2 percent); and low (Ys, 10.4 percent; family services, 6.6 percent; Junior League, 0 percent). Given the effect of the inclusion of Ivy League institutions (which have long been traditional suppliers of Who's Who listees) as educational organizations, this is not a surprise. Likewise, inherent sexism (a preference for male listees) in traditional Who's Who listing is reflected in the low proportion of board members listed from boards that skew predominantly (or wholly) female.

Religious: Religious organizations had a lower percentage of Who's Who listees (10.8 percent) than did nonreligious organizations (23.7 percent). This might be a vestige of the secularization of perceived achievement through much of the twentieth century.

City: The different cities have different proportions of Who's Who listees: Boston 27.9 percent, Cleveland 19.8 percent, Philadelphia 27.1 percent, Twin Cities 14.0 percent, Los Angeles 16.0 percent, and Atlanta 18.2 percent. That is, Boston and Philadelphia are noticeably higher (notice the similarity with Ivy League attendance—likely not a coincidence), and the Twin Cities, Los Angeles and Atlanta are noticeably lower.

CB: This interaction effect is reflected in different slopes for board size by city, as follows: Boston -.01536; Cleveland .00216; Philadelphia -.00232; Twin Cities

.00775; Los Angeles .00007; and Atlanta -.01287. That is, in Boston, Philadelphia, and Atlanta a larger board size is associated with a lower probability of someone being listed in Who's Who (holding all else fixed), while in Cleveland, the Twin Cities, and Los Angeles a larger board size is associated with a higher probability of someone being listed in Who's Who. Perhaps this is reflecting that the cities with the more prominent social elites are opening up new board positions to those with fewer elite attachments.

Board Member Achievements: Education and Occupation Through Skills

As we noted earlier, elites may be so designated with signals of traditional social upper class status including those privileges bestowed as birthright—listing in the Social Register is a good example. Reserved spaces in Ivy League institutions and in the pages of Who's Who may be less well correlated with birthright (especially over time), but historically may have had less to do with individual achievement. We turn now to 'elite' indicators that are arguably due, more so than previous measures, to individual skills, commitment, and, thus, achievement.

College Attendance

We note again that that 51.4 percent of the college data are missing. There is no apparent overdispersion here, as the model (CY, CI, YB) has $G^2=170.5$, $df=170$, $p=.47$. Interestingly enough, the model (CY, I, YB) apparently fits less well according to the deviance ($G^2=238.8$, $df=205$, $p=.05$), but AIC_c says that it is preferred. Using our model selection principles, we choose this simpler model.

Industry: The industry effect can be summarized by the observed proportions of people who attended some college separated by industry: health 91.6 percent, culture 92.6 percent, United Way 91.7 percent, Junior League 94.5 percent, community foundation 89.3 percent, education 95.0 percent, family services 94.4 percent, and Ys 89.6 percent. Thus, there are three groups: very high rates (Junior League, education, family services), moderately high (health, culture, United Way), and high (community foundations, Ys), where the last two groups are similar.

CY: The relationships are summarized by the observed proportions of trustees having attended college separated by city and year, as given on the next page.

	1931	1961	1991
<i>Boston</i>	.9085	.9961	.9962
<i>Cleveland</i>	.6881	.8889	.9747
<i>Philadelphia</i>	.8333	.9477	.9822
<i>Twin Cities</i>	.7630	.9204	.9701
<i>Los Angeles</i>	.9565	.8649	.9798
<i>Atlanta</i>	.7885	.9498	1.000

The marginal year effect is one of increasing rates from 1931 to 1961 to 1991. The marginal city effect is that the rate is highest in Boston and lowest in Cleveland; the other cities are similar. The interaction reflects that while virtually all trustees in all cities have attended college by 1991, there are differences in the earlier years, and in particular in 1931. We have one city where there have always been almost all college-level trustees (Boston), ones where the proportion was moderate in 1931 (Philadelphia, Atlanta, and the Twin Cities), and one where it was low in 1931 (Cleveland), with the proportions increasing steadily over time. We choose to discount Los Angeles, which has the strange pattern of a decrease from 1931 to 1961, most likely an artifact of a particularly small sample size (only 23 trustees in Los Angeles in 1931 had college attendance information).

YB: The interaction effect is reflected in different slopes for board size by year: 1931, .02248; 1961, -.00371; and 1991, -.01109. Thus, while in 1931 larger board sizes were associated with a higher probability of a trustee having gone to college, by 1991 that had flipped around, with larger board sizes being associated with a lower probability of having gone to college. We might ascribe this to a ‘diversification’ effect of large boards. If a board is expanded in order to include people not normally considered for board membership, this might result in more college-educated people in 1931 (when a college education was rare in the general American population), and fewer in 1991 (when a college education was much more common).

Higher Education Achievement

The target here has three levels: some college, masters degree, and professional degree or PhD (we are conditioning on a trustee having at least some college). The first attempt to model the data is as a nominal (multinomial) logistic regression. Conceptually, this analysis is fitting two separate logistic regressions (masters versus college, professional/PhD versus college), but in such a way that the probabilities for the three levels for any given set of predictors are internally consistent (they sum to one, and it doesn’t matter which category is chosen as the ‘reference’ level). The model chosen based on AIC_c is (CY, CI, YI), and it fits adequately ($G^2=144.4$ on 124 df). That is, overdispersion is apparently not a problem here.

As usual, we can summarize this model through the estimated probabilities, separated by city, industry, and year. The volume of the resultant tables precludes us from displaying them here, but the broad effects are as follows. In 1931 most trustees were evenly split at either the college or professional/PhD level (only 7 percent at the masters level); in 1961 more were at the college level (still only 8 percent at masters); in 1991, the masters level has jumped to 22 percent, with college and professional/PhD evenly split. In Boston, Los Angeles, and Atlanta, there are few masters level trustees, with college and professional/PhD evenly split; in Cleveland and Philadelphia, there is a relatively high probability of college and relatively low probability of masters; and in the Twin Cities the masters level is noticeably high and the professional/PhD level is noticeably low.

In the health, education, and family services industries there is a relatively high level of professional/PhD (the [some college, masters, professional/PhD] probability split being roughly [.35,.1,.55]); in the culture, community foundation, and Ys industries, there is a higher level of college (roughly [.5, .15, .35]); in United Way organizations college and professional/PhD are evenly split (roughly [.45, .15, .4]); and in Junior League almost all trustees with some college do not have higher achievement (probabilities roughly [.9, .08, .02]). In the industry case, we are potentially observing the role that professional networks play in constructing industry expectations for organizational practices (as Strang and Meyer, 1993, suggested, and we summarized in Chapter 5). In addition, different industries likely demand different skill sets and training from board members who need to negotiate the nonprofit's institutional environment. A PhD in medical or biological sciences is likely useful (if not required) to help steward a hospital, a PhD is a likely bonus, if not starting point, for board service to a pre-eminent large private (in some of our cases, Ivy League) university, and a PhD in the social sciences is likely of great technical use in family services (and probably confers legitimacy on the trustee as well).

Interaction effects correspond to patterns of probabilities (college, masters, professional/PhD) that are not consistent with the marginal versions in the table. No discernable patterns jump out from these tables. This appears to be the case, as well, if we treat our response variable here as an ordinal variable and run an ordinal (proportional odds) logistic regression model. In addition, a proportional odds model has much worse fit than the multinomial logistic regression model.

Management Positions

Occupational data were identified for 87.6 percent of trustees. Again, none of the models with two-way interactions fit the data (the model with all interactions has $G^2=494.3$, $df=157$), indicating clear overdispersion. Model selection based on $QAIC_c$ yields a best model of (CY, YI).

CY: Consider a United Way board. The estimated probabilities of a trustee being a manager are given in the following table.

	<i>1931</i>	<i>1961</i>	<i>1991</i>
<i>Boston</i>	.6269	.7501	.8453
<i>Cleveland</i>	.6007	.6426	.7383
<i>Philadelphia</i>	.6860	.6474	.7627
<i>Twin Cities</i>	.6944	.7651	.7673
<i>Los Angeles</i>	.2099	.3819	.6654
<i>Atlanta</i>	.5673	.7259	.8039

General levels show that the probability of a trustee being a manager is similar from city to city, except that it is noticeably lower in Los Angeles. Further, the probability of a trustee being a manager is generally increasing from 1931 to 1961 to 1991. Given these effects, the probability of being a manager in Philadelphia and in the Twin Cities is higher than expected in 1931, and is higher than expected in the Twin Cities in 1961. Another way to put this would be that the probability is higher than expected in Philadelphia in 1931, and lower than expected in the Twin Cities in 1991.

YI: Consider a board in Boston. The estimated probabilities of a trustee being a manager are as follows.

	<i>1931</i>	<i>1961</i>	<i>1991</i>
<i>Health</i>	.5640	.7050	.6546
<i>Culture</i>	.5926	.6786	.7270
<i>United Way</i>	.6269	.7501	.8453
<i>Junior League</i>	.0004	.0533	.4485
<i>Community foundation</i>	.6209	.7513	.7181
<i>Educational</i>	.4973	.6999	.7231
<i>Family services</i>	.4843	.3867	.5696
<i>Ys</i>	.5121	.6043	.7486

The general industry effect is that the probabilities of a trustee being a manager are generally similar for all industries, other than being very low in Junior League, somewhat low in Family Services, and a bit higher in United Way. Given this, the most important part of the interaction effect is that there is a big jump in the probability of a trustee being a manager in 1991 in Junior League; otherwise, the effect is fairly weak, reflecting occasional ‘swapping’ of the order involving 1961 in a few industries (higher in 1961 than 1991 for health and community foundations, lower in 1961 than 1931 for family services), but these are much weaker than the Junior League effect. This interaction effect is likely the manifestation of the American twentieth century’s second wave of feminism,

which encouraged more women to attempt to break the glass ceiling of corporate America.

Professional Attainment

This analysis is also based on 87.6 percent of the observations. The model with all interactions has $G^2=344.2$, $df=157$, again indicating overdispersion. Model selection based on $QAIC_c$ yields a best model of (C, IB). It is interesting to note that while year is an important predictor of managerial status, it does not have any relationship to the probability of a person being a professional (roughly 25 percent of all trustees were professionals in all three years of the study).

City: The city effect can be seen through the proportions of professional trustees separated by city. There are three distinct groups: cities with higher rates of professional trustees (Boston, 30.3 percent; Philadelphia, 29.6 percent; Los Angeles, 29.5 percent), a city with moderate rate (Atlanta, 24.3 percent), and cities with lower rates (Cleveland, 20.0 percent, Twin Cities, 21.6 percent).

Industry: We see high professional rates in health (32.8 percent), education (36.0 percent), and family services (34.2 percent) organizations, moderate in culture (22.6 percent), United Way (20.0 percent), and community foundations (24.2 percent), slightly lower in Ys (14.5 percent), and very low in Junior League (5.9 percent). This is not surprising, given the dominance of health professionals in the culture and expectations of health organizations, the dominance of professors in the culture and expectations of institutions of higher education, and the dominance of social work professionals in the culture and expectations of family services institutions. The boards may be mirroring (or drawn from) the staff of these organizations, or advising them from positions of expertise. This notion is supported by the similarity in patterns here compared with patterns for higher educational attainment discussed earlier.

IB: The slopes for board size are health .02790, culture -.01390, United Way -.00057, Junior League -.03094, community foundation -.01340, education -.01874, family services .00288, and Ys .000261. Thus, board size has little relationship with professional rates for United Way, family services and Ys, is inversely related with them for culture, Junior League, community foundation, and education (larger boards have lower expected probability of professional trustees), and is directly related with them for health organizations (larger boards have higher expected probability of a professional trustee).

Standard & Poor's Register of Corporations, Directors, and Executives

None of the models with two-way interactions fit the data (the model with all interactions has $G^2=503.2$, $df=162$), leading again to analysis based on assuming

the existence of overdispersion. Model selection based on $QAIC_c$ yields a best model of (YB, C, I, R).

City: The city effect is summarized by observed proportions of S&P directors: Boston, 25.2 percent; Cleveland, 24.5 percent; Philadelphia, 24.1 percent; Twin Cities, 18.4 percent; Los Angeles, 13.9 percent; and Atlanta, 14.7 percent. Thus, there are two groups of cities: one of high S&P proportions (Boston, Cleveland, Philadelphia) and one of low S&P proportions (Twin Cities, Los Angeles, Atlanta). As with many other of our city effects, Boston and Philadelphia boards show up as high on eliteness scales.

Industry: The industry effect is summarized by observed proportions of S&P register directors: very high (community foundations, 43.4 percent; education, 36.3 percent); high (health, 23.3 percent; culture, 26.9 percent; United Way, 26.7 percent); lower (Ys, 14.1 percent); and very low (family services, 6.6 percent; Junior League 0.5 percent).

Religious: Religious organizations had a lower percentage of S&P directors (13.0 percent) than did nonreligious organizations (22.8 percent). Again, we may be observing the impact of the secularization of wide swaths of American (corporate) culture across cities and time periods during the twentieth century.

Year: The year effect is summarized by observed proportions of S&P directors: 1931, 28.6 percent; 1961, 25.5 percent; and 1991, 11.6 percent. There is a slight drop in 1961, then a sharp drop in 1991. Similar to our analysis of listings in Social Register and Who's Who, we are encouraged to ask whether our boards drew less from a corporate elite in 1991, or whether by 1991 a corporate elite was less likely identified through listings in the S&P (although this argument seems less plausible for S&P than the other two listings, given the slightly more objective criteria for inclusion in this listing).

YB: The interaction effect is reflected in different slopes for board size by year: 1931, -.04728; 1961, -.00101; 1991, -.00022. Thus, in 1931 larger boards were associated with a lower probability of being an S&P director (each additional person on the board is associated with a 4.6 percent reduction in the odds of being an S&P director given everything else is held fixed), while in 1961 and 1991 there is little or no apparent relationship.

Board Interlocks: Networks and Personal Resources

Given the importance of boundary spanning through individual trustees, we next seek to observe the patterns in board interlocks—when trustees sit on boards of other organizations. We split this analysis into a number of targets: interlocks with other nonprofit boards, interlocks with for-profit (or corporate) boards, and

interlocks with specifically Fortune 500¹⁵ (for that time period) boards. We will also look at whether trustees were born locally (in the state of the focal organization), in order to determine if organizations were differentially likely to recruit board members from more national (rather than local) trustee pools.

Number of Other Nonprofit Boards On Which Trustees Sit

Missing data (at 57.8 percent of the observations) becomes more of a problem for interlock data and the results should be interpreted accordingly. We restrict ourselves to relatively simple analyses so as not to overstate the case.

This analysis (and the ones for number of corporate boards and number of Fortune 500 boards) is different from the others in that the underlying random structure is Poisson, rather than binomial. The number of other nonprofit boards served on is generally small (a median of 2 and a mean of 2.83, more than 70 percent serving on three or fewer), although there are a few notable exceptions (roughly 1.5 percent of the people with data served on 15 or more other nonprofit boards).

None of the models with two-way interactions fit the data; the model with all interactions has $G^2=7671.3$, $df=3629$, identifying overdispersion. Model selection based on $QAIC_c$ yields a best model of (CY, CI, YI, IB, RB). We need a full C x Y x I table of estimated nonprofit boards to describe what's going on, but two-dimensional slices are at least somewhat informative.

IB, RB: These two effects together imply different coefficients for the board size variable, by industry and religious/nonreligious type:

	<i>Nonreligious</i>	<i>Religious</i>
	-.00100	-.00854
<i>Culture</i>	.00545	
<i>United Way</i>	.00178	
<i>Junior League</i>	-.01183	
<i>Community foundation</i>	.01610	
<i>Educational</i>	.00189	
<i>Family services</i>	-.00547	-.01301
<i>Ys</i>	.02936	

We see that the coefficients are more negative for religious organizations. The only two industries with religious organizations are health and family services, and in both of those cases larger boards are associated with a lower

¹⁵ The 'Fortune 500' are the 500 companies listed yearly since 1955 by *Fortune* magazine as America's largest corporations.

average number of other nonprofit boards (even lower for the religious versions than the nonreligious ones). The Junior League also exhibits the pattern of larger boards having lower average ‘other nonprofit boards.’ The other industries have direct relationships (larger boards are associated with more boards sat on), especially for Ys. Note that this is based on a loglinear Poisson regression model, so exponentiating the coefficient gives a multiplicative effect. So, for example, for Ys, each additional person on the board is associated with multiplying the estimated expected number of other nonprofit boards by $\exp(.02936)=1.03$ (3 percent higher), holding all else fixed. What we might be witnessing here is the relative institutional isolation of gender and religiously exclusive boards (resulting in multiple board positions) that could even be a result of gender and religious intolerance in other nonprofit organizations.

CY: A table of average estimated numbers of boards for trustees on nonreligious boards with the average board size separated by city and year (averaged over industry) is given below.

	1931	1961	1991
<i>Boston</i>	3.34	4.70	4.92
<i>Cleveland</i>	1.93	2.25	3.52
<i>Philadelphia</i>	1.95	3.45	6.35
<i>Twin Cities</i>	2.11	1.77	1.59
<i>Los Angeles</i>	1.81	1.95	3.34
<i>Atlanta</i>	2.53	2.43	3.79

The (marginal) year effect is that the number of other nonprofit boards sat on is increasing over time, with a bigger jump from 1961 to 1991 than from 1931 to 1961. The cities fall into three broad categories: higher average number of boards (Boston and Philadelphia), moderate average number of boards (Cleveland, Los Angeles, and Atlanta), and lower average number of boards (Twin Cities). Given this, the increases over time in Philadelphia are much larger than in any other city, and the numbers are actually decreasing over time in the Twin Cities.

YI: The table on the next page gives the average estimated numbers of boards for trustees on nonreligious boards with the average board size separated by year and industry (averaged over city). The industries fall into three broad groups: very high average numbers of boards (community foundations), moderate average numbers (health, culture, United Way, education, and Ys), and low average numbers (Junior League and family services). Given this (and the year effects described earlier), the most obvious point driving the interaction is the big jump in estimated means for Junior League in 1991. This should be interpreted with caution, however, as the actual average number of boards for Junior League in 1991 was 0.33. This seemingly odd result is being driven by the fact that more than half of the Junior

League trustees come from the Twin Cities in 1991, and the Twin Cities are generally associated with lower average numbers of boards. That is, at the trustee level the data are very unbalanced, and it is very difficult to interpret the conditional relationships implied by the regression model. Other than this design-related oddity, the only notable observation is that the numbers for Ys are dropping, rather than increasing.

	1931	1961	1991
<i>Health</i>	2.26	2.66	2.68
<i>Culture</i>	2.43	3.29	3.99
<i>United Way</i>	2.45	3.08	3.76
<i>Junior League</i>	0.29	0.39	5.79
<i>Community foundation</i>	3.35	5.48	6.94
<i>Educational</i>	2.44	2.34	3.73
<i>Family services</i>	1.38	1.89	2.40
<i>Ys</i>	3.61	2.95	2.06

CI: A table of average estimated numbers of boards for trustees on nonreligious boards with average board size, separated by city and industry (averaged over year) is as follows.

	<i>Boston</i>	<i>Cleveland</i>	<i>Philadelphia</i>	<i>Twin Cities</i>	<i>Los Angeles</i>	<i>Atlanta</i>
<i>Health</i>	3.91	2.31	3.22	1.59	1.91	2.27
<i>Culture</i>	4.35	3.40	3.85	2.30	2.59	2.94
<i>United Way</i>	4.43	3.60	3.26	2.01	2.71	2.58
<i>Junior League</i>	3.86	0.46	5.68	0.01	0.37	2.56
<i>Community foundation</i>	8.18	5.19	4.29	3.27	4.51	6.09
<i>Educational</i>	3.07	3.04	3.67	2.37	2.17	2.70
<i>Family services</i>	2.83	1.64	2.78	0.79	1.69	1.60
<i>Ys</i>	3.94	0.88	4.56	2.26	2.99	2.60

For the same reasons given earlier, the Junior League numbers are strange, and difficult (if not impossible) to interpret. Given the city and industry effects noted earlier, and ignoring Junior League, the interaction seems to reflect a few unusual pairs of city and industry; for example, Cleveland and Ys (lower than expected) and Philadelphia and Ys (higher than expected). More sophisticated

models (modeling overdispersion with a negative binomial random component, for example) yielded little else, most likely as a result of the large percent of missing data. In all, these particular results must be interpreted as speculative, at best.

Number of Corporate Boards On Which Trustees Sit

Again, missing data is an issue (59.4 percent of the trustees have missing data) and the analysis is best regarded as speculative. The number of corporate boards served on is usually small (a median of 1, a mean of 2.89), but there is a pronounced right tail; while fewer than 5 percent served on more than 10 corporate boards, 22 of 3621 served on at least 25 (one person served on 82 corporate boards!). This sort of pattern is not very consistent with the usual count data modeling approaches (Poisson, negative binomial, zero-inflation), so we will again pursue it as overdispersed Poisson, with the caveat that we should only take the results as informal exploratory ones. Model selection based on $QAIC_c$ yields a best model of (CY, CI, YI, IB, YB, R). Just as we've seen before, we need a full C x Y x I table of estimated nonprofit boards to describe what's going on, but two-dimensional versions can be informative.

Religion: Trustees in religious organizations average fewer numbers of corporate boards (2.3) than do those in nonreligious organizations (3.0), again possibly reflecting the secularization project that spanned the time period of our study.

IB, YB: These two effects together imply different coefficients for the board size variable by industry and year:

	1931	1961	1991
<i>Health</i>	-.01897	-.00498	-.00236
<i>Culture</i>	-.01661	-.00262	.00000
<i>United Way</i>	-.01130	.00269	.00531
<i>Junior League</i>	-.01661	-.00262	.00000
<i>Community foundation</i>	.00675	.02074	.02336
<i>Educational</i>	-.01008	.00391	.00653
<i>Family services</i>	-.01093	.00306	.00568
<i>Ys</i>	.00865	.02264	.02526

The coefficients become progressively larger when going from 1931 to 1961 to 1991; that is, larger board sizes are more related to trustees being on corporate boards in more recent years. The industry coefficients are not very different from each other, except that they are larger for community foundations and Ys. As a result, in 1931 larger board sizes are associated with fewer average number of corporate boards per trustee (negative slopes) in all industries except community

foundations and Ys (holding all else fixed), but by 1991 larger board sizes are associated with more corporate boards for all industries except health.

CY: The following table gives average estimated numbers of boards (averaged over industries), separated by city and year, for trustees who sit on nonreligious boards that have average board size.

	1931	1961	1991
<i>Boston</i>	5.68	6.10	4.50
<i>Cleveland</i>	4.19	3.17	2.18
<i>Philadelphia</i>	4.92	4.01	1.93
<i>Twin Cities</i>	3.20	2.95	0.66
<i>Los Angeles</i>	3.50	4.05	2.77
<i>Atlanta</i>	4.32	2.53	2.35

The (marginal) year effect is one of fewer boards on average over time; the average number of corporate boards is decreasing over time, with the drop larger from 1961 to 1991 than from 1931 to 1961. The cities don't differ by that much, except that average numbers of corporate boards are noticeably higher in Boston, and noticeably lower in the Twin Cities. Given this, we see that while most cities saw little change in numbers from 1931 to 1961, there were notable increases in Boston and Philadelphia. Further, in Boston and the Twin Cities there is a drop in average number of boards from 1961 to 1991, while there is an increase in average number of boards from 1961 to 1991 in the other cities (note this means that only in Philadelphia is there a steady increase over the 60 years). In addition, the average numbers of boards increase from 1931 to 1961 in Boston and Los Angeles, while they decrease for the other cities.

YI: The average numbers of corporate board interlocks for nonreligious boards with average board size, separated by year and industry (averaged over cities) is given on the next page.

Marginally, community foundations have far higher average numbers of corporate board interlocks, and Junior Leagues have far lower average numbers. Note that since virtually all of the Junior League trustees come from Cleveland and the Twin Cities, it is difficult to make broad claims about that industry. The other industries are similar to each other, although the average numbers of boards in family services and Ys are a little bit lower. Given this (and the year effects described earlier), average numbers of boards increased from 1931 to 1961 for health, community foundations, and family services (slightly for the latter two).

	<i>1931</i>	<i>1961</i>	<i>1991</i>
<i>Health</i>	2.85	4.05	3.07
<i>Culture</i>	4.31	3.34	2.84
<i>United Way</i>	4.94	3.31	2.25
<i>Junior League</i>	0.02	0.04	0.03
<i>Community foundation</i>	10.26	10.42	5.55
<i>Educational</i>	5.64	3.62	2.35
<i>Family services</i>	2.71	2.78	1.82
<i>Ys</i>	3.67	2.87	1.28

CI: The following table is of average estimated numbers of corporate boards for trustees on nonreligious boards with average board size, separated by city and industry (averaged over year).

	<i>Boston</i>	<i>Cleveland</i>	<i>Philadelphia</i>	<i>Twin Cities</i>	<i>Los Angeles</i>	<i>Atlanta</i>
<i>Health</i>	5.36	2.86	3.11	2.71	2.28	3.62
<i>Culture</i>	5.58	2.95	2.78	3.56	3.32	2.78
<i>United Way</i>	5.60	2.92	2.69	2.54	3.93	3.31
<i>Junior League</i>	0.00	0.00	0.01	0.00	0.16	0.00
<i>Community foundation</i>	13.03	11.90	8.60	4.52	7.25	7.17
<i>Educational</i>	6.43	3.37	5.11	0.92	4.33	3.06
<i>Family services</i>	3.92	0.61	2.90	1.57	4.12	1.51
<i>Ys</i>	3.51	0.84	3.80	2.32	2.13	3.05

Given the city and industry effects noted earlier, the interaction seems to reflect more than anything else a different pattern in Cleveland: average numbers of corporate boards are surprisingly high for community foundation trustees, and are very low for trustees in family services and Ys. The former finding is consistent with the historical record demonstrating that community foundation trustees are often prominent business people, serving as representatives of their organizations (frequently, banks).

Number of Fortune 500 Boards On Which Trustees Sit

Given the large amount of missing data (61.3 percent of the trustees have missing data), we merely make some informal observations about these data. The number

of Fortune 500 boards served on is almost always small (88.8 percent of trustees sat on no Fortune 500 boards), and only one trustee sat on more than 4 such boards (it was 8 for that trustee). The overall average number of Fortune 500 boards was 0.16. This lends some credence to the idea that national business elites (those executives who serve on large, nationally prominent, Fortune 500 boards) do not necessarily dominate the boards of locally prominent nonprofits. Specific occurrences that deviate from this pattern include the following:

- 1931 Atlanta Ys: 7 of the 12 such trustees sat on Fortune 500 boards, including the person who sat on 8 (actual average number 1.33).
- 1931, 1961, and 1991 Cleveland community foundations: 6 of the 17 trustees sat on at least one Fortune 500 board (actual average number 0.65).
- 1961 and 1991 Boston education: 20 of the 44 trustees sat on at least one Fortune 500 board (actual average number 0.84).
- 1991 Cleveland and Atlanta education: 17 of 43 trustees sat on at least one Fortune 500 board (actual average 0.70). There are no 1991 education trustees from the Twin Cities and Los Angeles in the data, so only the number of boards for Philadelphia educational organizations is not noticeably high (it is above average, however). That is, a primary effect is that 1991 education trustees sit on more Fortune 500 boards than do other those from other types of boards.
- 1991 Cleveland culture: 21 of 48 trustees sat on at least one Fortune 500 board (actual average 0.67).

These anomalous patterns (perhaps due to the large percentage of missing data) defy easy interpretation other than to underscore the point that particular boards may deviate from averages and expectations in unpredictable ways.

Birth Location: Being From the Same State as the Focal Organization

Missing data (at 57.1 percent of the trustees) also plagues these analyses. The model with all two-way interactions has $G^2=165.6$, $df=133$, suggesting slight overdispersion. Model selection based on $QAIC_c$ yields a best model of (CY, YR, I). In what follows, note that higher percentages here correspond to more 'provincial' boards.

Industry: The industry effect is summarized by the observed proportions of trustees from the same state as the organization on whose board they sit: lowest (education, 50.8 percent; Ys, 51.9 percent; United Way, 52.2 percent); moderately higher (health, 55.6 percent; family services, 56.9 percent; culture, 57.5 percent; community foundation, 61.7 percent), and highest (Junior League, 67.7 percent). Perhaps we are witnessing a lower rate of interstate migration by upper class females, which could be consistent with overall population trends.

CY: Overall, all of the cities have similar rates of same-state trustees (55-60 percent), except for Los Angeles, where it is much lower (around 35 percent), which is perhaps not surprising given California's frontier history. Further, rates were similar in 1931 and 1961 (55-60 percent), but dropped in 1991 (around 50 percent). Given that, there are differences from city to city. The following is a table of estimated probabilities for a trustee in a nonreligious health organization.

	<i>1931</i>	<i>1961</i>	<i>1991</i>
<i>Boston</i>	.7527	.6363	.4897
<i>Cleveland</i>	.6864	.6024	.5684
<i>Philadelphia</i>	.7407	.6465	.4993
<i>Twin Cities</i>	.4032	.6433	.5537
<i>Los Angeles</i>	.1945	.3425	.3796
<i>Atlanta</i>	.4356	.6748	.4616

There were steady drops over time in same-state trustees in Boston and Philadelphia, and a steady but smaller drop in Cleveland; increases over time in Los Angeles (a bigger increase from 1931 to 1961) as Los Angeles spawned second and third generation natives; and a sharp rise from 1931 to 1961 followed by a drop from 1961 to 1991 in the Twin Cities and Atlanta.

YR: The values below are the estimated probabilities for a trustee from a Boston health organization being from the same state as the focal organization.

	<i>Nonreligious</i>	<i>Religious</i>
<i>1931</i>	.7527	.5790
<i>1961</i>	.6363	.6028
<i>1991</i>	.4897	.5013

The rates dropped steadily in nonreligious organizations, but in religious organizations there was little change between 1931 and 1961 (in fact, there was a slight increase).

Predicting Board Structure: Board Size As a Response Variable

The board size variable cannot be analyzed using ordinary least squares, since if that is done, there is very obvious nonconstant variance. This isn't a surprise; the board size is a count variable, and hence we would expect Poisson (or extra-Poisson) variation.

The model with all two-way interactions has $G^2=1476$, $df=178$, implying a great deal of overdispersion. Model selection based on $QAIC_c$ yields a best model of (CI, CR, YI). This is a Poisson regression model that is partially collapsible; the CR and YI effects can be studied just by collapsing over the omitted effect. The CI effect cannot be examined that way, however; it can only be studied by setting R and Y to specific values.

CI: A table of estimated average board sizes for 1991 nonreligious boards, separated by city and industry, is as follows.

	<i>Boston</i>	<i>Cleveland</i>	<i>Philadelphia</i>	<i>Twin Cities</i>	<i>Los Angeles</i>	<i>Atlanta</i>
<i>Health</i>	32.7	48.4	20.8	20.3	22.2	18.4
<i>Culture</i>	49.2	53.0	56.9	81.3	48.2	110.9
<i>United Way</i>	68.3	58.7	101.5	58.7	65.9	81.1
<i>Junior League</i>	22.4	24.9	20.3	17.6	17.2	20.0
<i>Community foundation</i>	10.0	8.1	8.9	30.5	13.5	16.6
<i>Educational</i>	52.9	61.5	83.5	30.1	59.6	62.5
<i>Family services</i>	26.6	42.7	47.3	32.1	38.1	45.3
<i>Ys</i>	40.8	67.9	34.6	38.6	35.5	52.2

The (marginal) city effect is one of two groups: larger board sizes (Cleveland, Philadelphia, and Atlanta) and smaller ones (Boston, Twin Cities, and Los Angeles). The (marginal) industry effect is one of large boards (culture, United Way, education), midsize boards (family services, Ys), and small boards (health, Junior League, community foundations). Given this, health boards in Philadelphia and Atlanta are notably small, culture boards in the Twin Cities and Atlanta are unusually large, United Way boards in Cleveland and Philadelphia are small compared to that in Atlanta, community foundation boards in the Twin Cities are larger than expected, and Y boards in Cleveland are large. Clearly this is a very complex pattern, which defies easy explanation.

YI: The table on the next page gives average board sizes, separated by year and industry. Marginally, board sizes are increasing over time (averages go from 25.6 to 35.9 to 45.7). Given this (and the industry effects described earlier), we see that average board sizes decreased from 1931 to 1961 in education (apparently this is because of a low 1961 value), and decreased from 1961 to 1991 in United Way and Junior League organizations (apparently both because of high 1961 values).

	<i>1931</i>	<i>1961</i>	<i>1991</i>
	18.5	27.6	38.7
<i>Culture</i>	23.6	46.3	66.6
<i>United Way</i>	43.2	72.3	70.4
<i>Junior League</i>	19.2	26.3	20.0
<i>Community foundation</i>	10.7	14.6	16.9
<i>Educational</i>	33.7	30.3	64.0
<i>Family services</i>	26.2	30.9	47.4
<i>Ys</i>	35.7	43.4	44.7

CR: A table of average board sizes, separated by city and religious type, is as follows.

	<i>Nonreligious</i>	<i>Religious</i>
<i>Boston</i>	32.7	54.5
<i>Cleveland</i>	39.6	42.4
<i>Philadelphia</i>	37.1	44.7
<i>Twin Cities</i>	33.8	23.8
<i>Los Angeles</i>	30.6	27.0
<i>Atlanta</i>	45.0	24.9

Given the city effects noted earlier (and an overall lack of religion effect), the interaction points to the differences in means between religious and nonreligious organizations for the different cities. Religious boards are larger in the Twin Cities, Los Angeles, and Atlanta, while they are smaller in Boston, Cleveland, and Philadelphia. Not unlike the compositional targets, board structure defies simple description when we take into account time period, city, industry and religious affects.

Putting it All Together

While one overwhelming finding is that complex boards defy modeling with simple predictions, there are some overall patterns that we can identify. We remind the reader that we have specifically not set out to test hypotheses or confirm

theories but rather to explore the data with an eye towards noting patterns of institutional impact. To that end, we have devised four general categories of target variables that speak to board composition patterns and we have added one structural target variable. Our goal was to explore the institutional impact of time period, city/region, industry, faith/religion base, and organizational bureaucratic structure (board size) on trustee demographics, social, educational, and occupational eliteness, networks, and board structure. A summary of target variables (arranged in theoretical categories) and best model predictors is presented in the following table.

Table 9.1. Summary of chosen models for different target variables

Board Composition	Target	Chosen Model	Based On
Demographics	Black	CR Y I	AIC_c
Demographics	Female	C YI	$QAIC_c$
Eliteness (Social)	Social Registrant	CY CI CR	$QAIC_c$
Eliteness (Social)	Ivy League Attendee	CY IB R	$QAIC_c$
Eliteness (Social)	Who's Who Listee	CB Y I R	$QAIC_c$
Eliteness (Achievement)	College Attendance	CY I YB	AIC_c
Eliteness (Achievement)	Higher Education	CY CI YI	AIC_c
Eliteness (Achievement)	Managerial Occupation	CY YI	$QAIC_c$
Eliteness (Achievement)	Professional Occupation	C IB	$QAIC_c$
Eliteness (Achievement)	S&P Director Listing	C YB I R	$QAIC_c$
Networks	# of Nonprofit Boards	CY CI YI IB RB	$QAIC_c$
Networks	# of Corporate Boards	CY CI YI IB YB R	$QAIC_c$
Networks	Birth Location	CY YR I	$QAIC_c$
Board Structure	Board Size	CI CR YI	$QAIC_c$

What we immediately observe is that all of our chosen models include both city and industry as either a main or two-way interaction variable. This certainly gives credence to further exploration of both city/region and industry/subsector as institutional factors in both the structure and composition of boards. Further, thirteen of the fourteen best models also included time period as either main or part of interaction effects. Religious base of boards was predictive in the main or in interactions in all but five of our best models, and four of those where the religion effect was missing had elite achievement targets. This suggests that while

the religious base of organizations may be important in predicting board demographics, networking, and social elite status, it is not implicated in the prediction of board achievement levels. Finally, the size of boards played a main or interactive role in half of the models, having no impact on the demographic targets. Apparently large board size is no predictor of racial and gender diversity.

City Effects

It is clear that different cities are associated with different board compositions, at different time intervals, in different industries, and to lesser degrees with different religious affiliations and sizes of boards. As we noted in Chapter 8, racial diversity was more pronounced in Atlanta, Cleveland and Philadelphia than it was in Boston, Minneapolis/St. Paul, and Los Angeles. Boston's hold on lack of diversity is mirrored in the gender analyses as well, since Boston and Philadelphia both had lower proportions of female trustees than the other cities.

Boston and Philadelphia also stand out on the social eliteness (exclusivity) scales. Trustees in these cities are more likely to have been Ivy League attendees and listed in the Who's Who. That these cities are both home to Ivy League institutions (which themselves contribute trustees to our sample), helps to explain the Ivy-centered eliteness we observe. Los Angeles and Atlanta (not coincidentally, geographically and culturally isolated from the Ivy League) have the lowest proportions of Ivy-centered social elites.

Boston and Philadelphia also seem to have exhibited higher proportions of professional and Standard & Poor's listed trustees and the greatest numbers of nonprofit interlocks. In sum, then, Philadelphia and (especially) Boston trustees stand out as the least demographically diverse, the most elite in terms of education and occupation, and most networked in nonprofit circles.

Industry Effects

Racial and gender inclusivity are much more likely in family services and United Ways (and Ys, which include the YWCAs) than in the other industries under study. Social Registrant elites are concentrated in health, culture, Junior League, and community foundation organizations, while Who's Who listees are concentrated in educational institutions. Professionals dominate in health, education, and family services. On the other side of the industry coin, Junior League trustees are least likely to be Who's Who and Standard & Poor's listees, higher degree recipients and either managers or professionals. Given traditional gender roles (attenuated for social upper classes), these achievement levels of Junior League trustees are not much of a surprise.

Time Period Effects

Racial and gender diversity did not seem to come to most boards until the 1991 time period, when both indicators rose sharply. This time period effect is mirrored

by similarly sharp drops in indicators of social eliteness (Social Registrants, Who's Who listees, and Ivy League attendees) at that same time period. These sharp increases and drops in the 1991 time period are not mirrored in the achieved status indicators, where not as much movement is detected between the time intervals under study. There are differences by city, however, in that there are differences reflected in a steady increase versus steady state proportion of those who attended college.

Effects of Religious or Faith Base

While the religious or secular nature of the board had little to do with the proportion of female trustees, it was observed that religious organizations are generally less likely to have black trustees. They are also much less likely to have trustees who are Social Registrants, Ivy League attendees, listed in Who's Who, and listed in S&P. By almost every indicator, religious organization trustees are among the least elite in the sample.

Bureaucracy Effects Measured by Board Size

Board size as a main effect was never a part of the chosen models, instead having its effects as part of a two-way interaction in just under half of the models. As such, its effects escape easy and intuitive interpretation, so we refer readers back to individual target discussions.

Two-way Interaction Effects

The two-way interaction effect implicated in the most chosen models (eight) was the CY effect. In fact, the only theoretical grouping where the CY interaction was not part of the best approximating model was the demographic target group. This suggests that, except for in the case of race and gender, boards in certain cities demonstrate particularly higher (or lower) than expected probabilities of target levels (eliteness, achievement, networking), comparing across time periods. So, for example, as noted earlier, Social Register eliteness rates in Los Angeles are more similar in 1931 and 1961 than in other cities. In a similar manner, the CY interaction when modeling numbers of nonprofit board seats reflects that the average numbers of boards increase from 1931 to 1961 in Boston and Los Angeles, while they decrease for the other cities.

We also note that models for the two target variables board social eliteness and board interlocks, while highlighting Los Angeles in the comparison between the 1931 and 1961 time period (in contradistinction to most other cities across those same time periods), show us how the same two-way interaction (CY) has a very different (though still important) effect for each different target. The CY effect exposes Los Angeles boards as more similar across early time periods than other cities in terms of board eliteness, yet more different across early time periods than other cities in terms of board interlocks. When we look at all analyses

however, we see that for other targets, cities viewed across time periods are what drives the results. An in-depth view of the two-way interactions across the study confirms our findings that generalizing trends are hard to come by in understanding variation among boards of trustees across time, region, industry, faith-base, and even size.

Potentially Fruitful Avenues for Followup Study

Having chosen our best approximating models as directed by both neo-institutional theory and previous research on nonprofit governance, we are left with a number of intriguing observations that may suggest further study. We highlight a few of these here:

- We observed that religious organizations are less likely to have trustees with Ivy League credentials, but we wonder whether the increasing professionalization of faith-based service delivery (due in no small part to recent U.S. policy changes around charitable choice) might soon change that relationship.
- We are intrigued as well by the potential trend of migrating Ivy League-trained trustees, and would welcome research that followed the geographic dispersion of organizational elites.
- Our interest was further piqued by the suggestion that in the study's earlier periods, educational diversification amongst board members may have been accomplished by adding some college educated trustees to boards dominated by trustees without college education, while in the study's later years, the opposite may have been true. In an attempt to make nonprofit organizations more representative of communities (some immigrant, some lower income), professionalized boards may have looked to potential trustee candidates without college education to achieve educational diversity amongst board members by 1991.
- The professionalization of boards (as indicated by board members with professional credentials), occurring concurrently with a corresponding professionalization of nonprofit staff, raises the issue of the proper allocation of board and staff responsibilities. If an organization's staff becomes more professionalized, is it necessary for the board to also be professionally credentialed, and vice versa?
- We note the late jump in the probability of managerial status in Junior League boards, and wonder whether it is the Junior League's function as a status maintenance organization (at least during the early years of the study), as opposed to a social change organization, that accounts for this managerial lag.
- Given the repeated observation that high status or high achieving trustees were more likely to be on secular as opposed to religiously-affiliated boards, we question whether that trend will continue into the 21st century,

given increased attention and legitimation of faith-base in the United States in recent times.

- Given the observation that for religious boards, increasing organizational size is associated with lower average number of other nonprofit boards on which a trustee serves, we are intrigued by the historical (and possibly, soon changing) organizational isolation of religious boards, and hence organizations. The implications of this isolation pattern on organizational sustainability in the pre- and post-Charitable Choice era is an interesting and important question.
- That the number of other nonprofit boards on which our trustees sat increased over subsequent time periods, at the same time that the total number of nonprofit organizations (and concomitant board slots) also increased, made us wonder if we were witnessing increasing nonprofit elite concentration. Were social elites, through prestigious board interlocks, tightening their grip on the control of elite institutions, even as more people from communities were being called into board service?
- At the same time that the number of other nonprofit boards on which trustees sat was increasing, the number of for-profit boards on which they sat was decreasing. Is this a harbinger of the increasing institutional separation between the sectors? Might this correspond to the invention of the nonprofit sector concept, and therefore be likely to turn around with increasing permeability and boundary-spanning between sectors?
- If national business elites do not dominate local nonprofit boards (as we observed), do they dominate national nonprofit boards, or does their lack of engagement in local nonprofits reflect a separation of the sectors?
- What do we make of the relative immobility of upper class female trustees, compared to male counterparts?

While we do not have the data necessary to directly address these issues raised by our research, we can suggest that these are all promising areas for continued research efforts, and their exploration can have influence on the management and governance of nonprofit organizations, public policy and planning, and the scholarly literature. We hope that these, and other, important questions are the subject of serious quantitative and qualitative study in the future.

Chapter 10

Summary and Conclusions

This book set out to accomplish three tasks, two of which were necessary to perform the third. We explored neo-institutionalism's time period, geographic, industry (organizational field), and faith-based pressures and constraints on organizational forms (our model exploration), and applied information-theoretic modeling to social science and organizational questions (our methods), both in service to present new analyses to assist in our understanding of the comparative and historical contexts for nonprofit board composition and structure (our findings). As a conclusion to this book, we review our contributions (and limitations to our contributions) to all three tasks, and highlight the implications of these results for future investigation of nonprofit trusteeship.

Neo-institutional Theory and an Understanding of Environmental Pressures

Chapters 3 through 6 of this book were devoted to explications of predictors previously (though not comprehensively) implicated in neo-institutional theory building and application. We reviewed the use of time period, regional culture, industry culture, and faith-base variables in neo-institutional studies of organizations, and particularly, studies of nonprofit organizations. We now revisit the implications of neo-institutional theory explication for these variables and explore once more our findings in light of these implications.

Time Period Imprinting: Neo-institutional Theory and Our Analyses

In Chapter 3 we argued that events in the institutional environment leave time period imprints on organizational structures such as boards. Given different time periods' coercive (government regulations, legal prohibitions and prescriptions, etc.), mimetic (populations of organizations and competitive and cooperative demands), and normative (prevailing professional practices) pressures (DiMaggio and Powell, 1983), we expected that organizations at each time period would conform to particular legitimate structures. Specifically, we expected that social movements for Civil Rights and Women's Rights throughout the past century in the United States would lead to social, legal, and regulatory pressure on organizations to demographically diversify. When we examined our panel of boards at three time periods to assess the claim that boards would be demographically different at different time periods, we found clear evidence that

this was the case. Consistent with neo-institutional theory's narratives, we found that boards of trustees, as boundary spanners, were more gender and racially diverse in later time periods than in the earliest time period.

We further noted that, along with sweeping social changes, organizations that survived the twentieth century were often faced with increasing complexity in their task environments. The interorganizational environment that confronted an organization in the early 1900s was likely less crowded than that which confronted an organization nearer the turn of the millennium. The increasing size of government, coupled with the increasing litigiousness in, and overall organizing of, society (Perrow, 2002) were expected to have led to new skill demands placed upon organizational boundary spanners. Theory that we reviewed suggested that in later time periods, boards that could bring legitimacy to their organizations increasingly showcased a diverse array of professional skills and talents. Our findings do not support such a difference between time periods. Indeed, the educational achievement and professional degree status of our trustees is not much different across the three time periods, although, here, as in most of our models, time period interacts with other variables to produce time-related differences by board.

The review of the literature in Chapter 3 lastly led us to explore time period differences in the elite social status of board members. Consistent with expectations of researchers into eliteness, we found that proportions of trustees listed in prestige indicators were lower in later time periods. We, like the researchers referenced, are unable to determine if these effects were due to boards increasingly recruiting less elite members or, rather, due to these indicators becoming less salient in identification of modern elites. Neo-institutional theory might posit that over time prestige indicators have become less certain routes to organizational legitimacy, especially given diverse constituencies.

Regional Cultures of Trusteeship: Neo-Institutional Theory and Our Analyses

In Chapter 4 we presented the argument that institutional theory can be used to explore the ways in which localized environmental differences, on their own, and aggregated up to region, could have differentiating impact on organizational structures. Table 4.1 summarized our perspective that organizational structures are adapted to laws, policies, networks, and customs at the local, state, regional, and, at the extreme, national levels. Holding nation-state constant (by focusing exclusively on U.S. cities), we chose to explore the local, state, and regional effects simultaneously by choosing six organizational sites that were in distinct cities, of distinct states, in distinct U.S. regions. Our guiding models suggested that trustee demographics, elite status, achievement, and networking would look different depending upon the city/state/region in which the organizational board was located. City was implicated due to very local regulatory, allocating, and normative expectations imposing institutional pressures on organizational boundary-spanning structures. State laws and the grantings of tax exemptions, along with aggregating intermediaries, add conforming institutional pressures, as

do regional partnerships and cultures. Given such differentiating influences, and given particular regional/state/city histories, we fully expected to find board compositional differences between organizations in Boston and Philadelphia on the one hand and Cleveland, Atlanta, Minneapolis/St. Paul, and Los Angeles on the other. Historical and cultural accounts of these cities, their states, and their regions, alone and in comparison, alerted us to potential patterned differences we would find. In particular past research on elite organizations (Jaher, 1982), and trustee boards (Hall, 1992), suggested that we specifically look to see if Philadelphia and Boston boards were consistently more elite than their counterparts in the more western and southern cities.

In all four of our areas of interest (board demography, social eliteness, achievement, and networking), Boston and Philadelphia trustees stood out. Our best models supported the relative racial and gender homogeneity of Boston and Philadelphia trustees, the high social status and educational and occupational achievement of trustees in those cities, as well as their high levels of networking through social interlocks. The two-way interaction effects underscored the difference a city makes and, indeed, city in its main or interaction effect form was predictive of board distinction in every one of our best approximating models.

Industry Pressures on Board: Coercive, Mimetic, and Normative Forces and Our Analyses

In Chapter 5 we visited neo-institutional theory's stronghold—explorations of the impact of industry/field on organization structures. Following the iconic work of DiMaggio and Powell (1983), we identified coercive, mimetic, and normative pressures that might all be responsible for industry differences in board structure and composition that the analyses revealed. Our first step was to outline the expectation that organizations in each of our eight 'industries' (health, culture, united charities, Junior League, higher education, community foundation, family services, and youth/recreation) would face, at least slightly, differentiating regulatory and funding environments. We noted that, at least in some cases, corporation law, itself, makes legal distinctions between organizations of a state's nonprofit sector (e.g., religious organizations being exempt from filings). We also noted that resource dependence narratives would emphasize a structural convergence (especially at the boundaries) of organizations that were dependent on one another—as would be the case with large nonprofits carrying out the work of government through a contracting regime. Governmental bodies thus impose both regulatory and funding pressures (both arguably 'coercive') on their nonprofit contractors. By way of legal compliance or pocketbook concerns, nonprofits may structure themselves so as to maximize their legitimacy in the eyes of the public sector. Given the governmental sector's increasing concern for racial and gender social justice in the latter half of the twentieth century we expected that industries less closely aligned with the public sphere would exhibit less demographically diverse boards. Cultural organizations and Junior Leagues would be two of the more striking examples here. Our analyses certainly supported that cultural and

Junior League organizations, as well as some of our other industries, were much less likely to be racially and gender inclusive, compared to family services, United Ways and Ys. While we might have argued that family services, dependent as they are on government contracts, are likely to respond to governmental pressures for board diversity, it is more difficult to make that same argument for United Ways and Ys, which are more dependent on the largesse of members and communities.

We also argued that in addition to, and sometimes beyond, complying with governmental strictures, individual industries themselves self-regulate (whether forced to, by public pressure, or preemptively). We noted, for instance, the coercive constraints that certification processes impose. Beyond laying out the coercive pressures derived from governmental bodies, as well as industry aggregation bodies, we reviewed the potential constraints that foundations and other large-scale funders might bring to bear. Perhaps the same organizations that had diversified their boards to meet governmental expectations had also diversified in order to remain legitimate to social change-focused foundations. That the Ys and United Ways diversified at greater rates than the other organizations seems consistent with the idea that industry intermediaries, or aggregations, may have been responsible for coercive pressure towards democratizing goals. Another possibility is that, as neo-institutionalists predict, in times of uncertainty, organizations look to other like organizations for structural solutions.

Furthering this argument for the power of mimetic isomorphism, we suggested that organizations in the immediate competitive environment would also impose conforming pressure on our focal organizations. Specifically, we explored whether organizational boards in industries where competition existed across sectors, might come to resemble corporate counterparts. This led us to question whether boards in industries such as hospitals would be more corporatized, with less emphasis on demographic diversity and more educational and occupational homogenization. Given the relative invariability of educational and occupational attainment across industries (aside from the women-dominated boards of the Junior League), we were not able to provide direct support for the conforming impact of corporatization in particular industries.

Even so, our findings regarding industry trends and patterns do seem to be consonant with the neo-institutional notion that normative pressures (especially around professionalization and networking) may also be at play in structuring boards within industries. Indeed, that professionals are dominant on the boards of health, education, and family services organizations may be in accord with theories that emphasize either the task environment and/or structuring norms and “best practices” as determinants of organizational structures. Norms and expectations may even play a role in explaining the relative eliteness and relative distance from corporatization of the boards of the Junior League.

The Pressure of a Base of Faith and Our Analyses

In Chapter 6 we argued that the faith base of an organization might differentiate it from either organizations of a different faith base or from organizations with no

faith base at all. From a neo-institutional perspective, then, the conforming pressures of a faith base may be coercive (if denominational hierarchy has a strong organizational component), mimetic (if faiths look within, or to, other faiths to combat uncertainty), or normative (to the degree that doctrine works as mental rules and codes for organizational principals). Such homogenizing pressure might work either to structure organizations within a faith similarly, or to structure organizations of all faith bases similarly and in contradistinction to secular counterparts.

While our instruments were originally construed to explore both questions, missing data and smaller organizational sample size led us to focus valid analyses on the latter question of the difference religion (*any* religion) makes. While the faith base of the organizations apparently did not influence the gender component of board demography, racial demography was related to faith base. The faith-based organizations in our study (dominated by Jewish and Catholic institutions) were less likely to have black trustees, compared with secular counterparts. These same institutions had board members who were less elite and less ‘accomplished’ by our various standards, compared with secular counterparts. Without further inquiry, it is not clear whether these faith-related differences in structure are due to the coercive, mimetic, and/or normative isomorphism that may be characteristic of faith (or secular) fields. Still, our findings do support research and policy that points to a compositional difference between organizations with a faith base and those with a secular paradigm.

Information-Theoretic Modeling and the Investigation of Social Science Questions

Given the premise of using neo-institutional theory to explore the historical record of trusteeship in the United States, we then turned to the question of choosing a method of analysis that would best support this undertaking. Indeed, rather than using a large sample size (almost 10,000 trustees) to justify throwing in all variables we could find, we, early on, decided to concentrate on just the few that theory suggested could be meaningful. This provided us with a good opportunity to search for a method of analysis that would be sensitive to our large sample size but limited interest in specific model forms and parameters. Hypothesis testing’s focus on statistical significance (as opposed to practical importance), emphasis on the testing of nested models, and low power in testing in small and sparse samples (relative to the number of parameters in a model) makes it ill-suited for the exploratory model building we had in mind.

These concerns led us to recent innovations in model selection based on information theory. We found that comparing models using an information-based approach still allowed us to use inferential methods to describe underlying processes, yet gave us the tools to quickly isolate best approximating models that were relatively simple. This, in turn, helped us to compare models of different

targets and to isolate neo-institutional predictors that appear likely to aid in our understanding of patterns and discrepancies of trusteeship in the United States.

We do not claim that information-based model selection in general, or $(Q)AIC_c$ in particular, is the only tool that can be used in the quest for useful statistical models. Even a cursory glance at modern statistical texts (Burnham and Anderson, 2002; Miller, 2002) or recent articles (e.g., Dayton, 2003) devoted to model building, however, makes clear that current statistical thought rejects a blind adherence to statistical significance as a way of determining effects of functional (and contextual) importance.

This point applies, of course, to any social science data investigation, not only the study of nonprofit boards of trustees. Only two p -values are given in this book, and both refer to goodness-of-fit tests; there is nary a one attached to a regression coefficient or a main or interaction effect. Indeed, there is relatively little mention of regression coefficients at all—we have instead focused on effect sizes, usually using observed proportions and estimated probabilities.

Almost 10 years ago, McCloskey and Ziliak (1996) showed that in a survey of papers published in the *American Economic Review* in the 1980s, 70 percent did not distinguish statistical significance from economic importance, and 70 percent of those papers did not even report the magnitudes of the statistically significant effects that they found. It would be nice to report that best practice in the social sciences has improved since then, but that might be a false hope. Ziliak and McCloskey (2004) updated their study to papers published in the *American Economic Review* in the 1990s, and found an even worse rate of misapplication of significance testing: 82 percent of the papers mistook a statistically significant finding for an economically significant one, and 81 percent looked only at the signs of regression coefficients, ignoring size (Dayton, 2003, similarly noted an overemphasis on significance testing in mid-1990s articles in the *American Educational Research Journal*). We are not foolish enough to think that this book can reverse this trend by itself, but we hope that the analyses given here are useful in illustrating how statistical social science research can proceed without an unthinking dependence on statistical significance and hypothesis testing.

What Do New Analyses Reveal about Trusteeship in Comparative and Historical Perspective?

As researchers who model board practices increasingly come to the realization that in nonprofit governance, ‘No one size fits all’ (see for example, Abzug, 1996, Miller-Millesen, 2003, Ostrower and Stone, 2001, Ryan, 1999, and Taylor, Chait and Holland, 1996), our research both bears witness to this over time, as well as helps us to explain the patterns in structural and compositional patterns that we do see. Following a neo-institutional framework, but de-emphasizing the hypothesis testing-based approach that has defined its theory-building, we sought to highlight factors in the institutional environment that would shed light on unique and patterned structural and compositional board forms.

Starting with the main effects of our predictors (time period/year, region/city, industry, religious/faith based, and structure/board size) we added interaction effects to our models in search of the best approximating models. We sought to understand how the institutional environment had historically influenced board race and gender demographics, the eliteness and achievement of a board's members, and the interlocking directorate networks of those same board members. It is clear that slightly different processes drive each aggregated board characteristic, yet together the predictors present in the best approximating models provide support for a neo-institutional understanding of board characteristics.

The important influence of time period, geography, industry/subsector, and faith-base in determining the ways that nonprofit organizations structure their governance cannot be overstated. Even these patterns, however, are modified by the interactions among them. We ultimately support a middle ground between the idea that all boards are fundamentally alike (if you've diagnosed one, you've diagnosed them all) and that all boards are fundamentally different (you can't learn anything from the diagnosis of other boards). While boards can differ systematically in their demographic composition, in the elite status of their members, in the educational, occupational, and notoriety achievement of their members, as well as the networks that intertwine them, these differences may be aligned with neo-institutional models of how organizations are structured. The patterns that we do observe, with our neo-institutional main and interaction effects, through our identification of best approximating models, give us confidence that further research in this field will unearth other valuable benchmarks in the understanding of these defining structures of nonprofit organizations. For now, though, we hope that we have established a baseline of patterned difference within a sample of twentieth century U.S nonprofit organizations, across cities, industries, and faith-base, that may be used as a touchstone for future work in the area.

Appendix A

Organizations Examined in the Study

Boston

<i>Year</i>	<i>Organization</i>
1931	Massachusetts General Hospital
1961	Massachusetts General Hospital
1991	Massachusetts General Hospital
1931	New England Deaconess Hospital
1961	New England Deaconess Hospital
1991	New England Deaconess Hospital
1931	St. Elizabeth's Hospital
1961	St. Elizabeth's Hospital
1991	St. Elizabeth's Hospital
1931	Beth Israel Hospital
1961	Beth Israel Hospital
1991	Beth Israel Hospital
1931	Museum of Fine Arts
1961	Museum of Fine Arts
1991	Museum of Fine Arts
1931	Boston Symphony Orchestra
1961	Boston Symphony Orchestra
1991	Boston Symphony Orchestra
1961	United Fund
1961	United Community Service
1991	United Way of Massachusetts Bay
1931	Junior League of Boston
1961	Junior League of Boston
1991	Junior League of Boston
1931	The Boston Foundation
1961	The Boston Foundation
1991	The Boston Foundation
1931	Harvard University
1961	Harvard University
1991	Harvard University
1931	Family Service of Greater Boston
1961	Family Service of Greater Boston
1991	Family Service of Greater Boston
1931	Catholic Charities

1961	Catholic Charities
1991	Catholic Charities
1931	Jewish Family Welfare Association
1931	Jewish Children's Welfare Association
1961	Jewish Family and Children's Service
1991	Jewish Family and Children's Service
1931	YMCA
1961	YMCA
1991	YMCA
1931	YWCA
1961	YWCA
1991	YWCA

Cleveland

<i>Year</i>	<i>Organization</i>
1931	University Hospitals of Cleveland
1961	University Hospitals of Cleveland
1991	University Hospitals of Cleveland
1931	St. Luke's Hospital
1961	St. Luke's Hospital
1991	MetroHealth St. Luke's Hospital
1931	St. Vincent Charity Hospital
1961	St. Vincent Charity Hospital
1991	St. Vincent Charity Hospital (CSA Health)
1931	Mt. Sinai Hospital
1961	Mt. Sinai Hospital
1991	The Mt. Sinai Medical Center
1931	The Cleveland Museum of Art
1961	The Cleveland Museum of Art
1991	The Cleveland Museum of Art
1931	The Musical Arts Association
1961	The Musical Arts Association
1991	The Musical Arts Association
1931	Cleveland Community Fund
1961	The United Way Appeal of Greater Cleveland
1991	United Way Services
1931	The Junior League of Cleveland
1961	The Junior League of Cleveland
1991	The Junior League of Cleveland
1931	The Cleveland Foundation
1961	The Cleveland Foundation
1991	The Cleveland Foundation
1931	Western Reserve University

1961	Western Reserve University
1991	Case Western Reserve University
1931	Cleveland Associated Charities
1961	Family Service Association of Cleveland
1991	Center for Human Services
1961	Catholic Charities Bureau
1991	Catholic Social Services of Cuyahoga County
1931	Jewish Family/Human Services
1931	Jewish Children's Welfare Association
1961	Jewish Family Service Association of Cleveland
1991	Jewish Family Service Association of Cleveland
1931	YMCA of Cleveland
1961	YMCA of Cleveland
1991	YMCA of Cleveland
1931	YWCA of Cleveland
1961	YWCA of Cleveland
1991	YWCA of Cleveland

Philadelphia

<i>Year</i>	<i>Organization</i>
1931	Thomas Jefferson Hospital
1961	Thomas Jefferson Hospital
1991	Thomas Jefferson Hospital
1931	Episcopal Hospital
1961	Episcopal Hospital
1991	Episcopal Hospital
1931	St. Agnes Hospital
1961	St. Agnes Hospital
1991	St. Agnes Hospital
1931	Albert Einstein Hospital
1961	Albert Einstein Hospital
1991	Albert Einstein Hospital
1931	Philadelphia Museum of Art
1961	Philadelphia Museum of Art
1991	Philadelphia Museum of Art
1931	Philadelphia Symphony Orchestra
1961	Philadelphia Symphony Orchestra
1991	Philadelphia Symphony Orchestra
1931	United Way
1961	United Way
1991	United Way
1931	Junior League
1961	Junior League

1991	Junior League
1931	Philadelphia Community Foundation
1961	Philadelphia Community Foundation
1991	Philadelphia Community Foundation
1931	University of Pennsylvania
1961	University of Pennsylvania
1991	University of Pennsylvania
1931	Family Service
1961	Family Service
1991	Family Service
1931	Catholic Charities
1961	Catholic Charities
1991	Catholic Charities
1931	Jewish Family Service
1961	Jewish Family Service
1991	Jewish Family Service
1931	YMCA
1961	YMCA
1991	YMCA
1931	YWCA
1961	YWCA
1991	YWCA

Twin Cities: Minneapolis/St. Paul

<i>Year</i>	<i>Organization</i>
1931	Swedish Hospital
1961	Swedish Hospital
1991	Metropolitan-Mt. Sinai Medical Center
1991	Abbott Northwestern
1931	Fairview
1961	Fairview
1991	Fairview
1961	Methodist Hospital
1991	Methodist Hospital
1931	St. Mary's Hospital
1961	St. Mary's Hospital
1991	Riverside Medical Center
1961	Mt. Sinai
1931	The Minneapolis Institute of Art
1961	The Minneapolis Institute of Art
1991	The Minneapolis Institute of Art
1931	Minnesota Orchestral Association
1961	Minnesota Orchestral Association

1991	Minnesota Orchestral Association
1961	Minneapolis Community Fund
1961	Minneapolis United Way
1991	United Way of Minneapolis
1931	St. Paul Community Chest, Inc.
1961	Greater St. Paul Community Chest & Council
1991	St. Paul United Way
1931	Junior League of Minneapolis, Inc.
1961	Junior League of Minneapolis
1991	Junior League of Minneapolis
1931	Junior League of St. Paul, Inc.
1961	Junior League of St. Paul, Inc.
1991	Junior League of St. Paul, Inc.
1931	The Minneapolis Foundation
1961	The Minneapolis Foundation
1991	The Minneapolis Foundation
1961	St. Paul Foundation
1991	The St. Paul Foundation
1931	Hamline University
1961	Hamline University
1991	Hamline University
1931	Augsburg College
1961	Augsburg College
1991	University of St. Thomas
1931	Family and Children's Services
1961	Family and Children's Services
1991	Family and Children's Services
1931	Amherst H. Wilder Foundation
1961	Amherst H. Wilder Foundation
1991	Amherst H. Wilder Foundation
1931	Catholic Charities
1961	Catholic Charities
1991	Catholic Charities (St. Paul and Minneapolis)
1931	Jewish Family and Children's Service
1961	Jewish Family and Children's Service
1991	Jewish Family and Children's Service
1931	Minneapolis YMCA
1961	Minneapolis YMCA
1991	YMCA of Minneapolis
1931	St. Paul YMCA
1961	St. Paul YMCA
1991	St. Paul YMCA
1931	Minneapolis YWCA
1961	YWCA Minneapolis
1991	Minneapolis YWCA

1931	St. Paul YWCA
1961	St. Paul YWCA
1991	St. Paul YWCA

Atlanta

<i>Year</i>	<i>Organization</i>
1931	Piedmont Hospital
1961	Piedmont Hospital
1991	Piedmont Hospital
1931	Georgia Baptist Hospital
1961	Georgia Baptist Hospital
1991	Georgia Baptist Hospital
1931	St. Joseph's Infirmary
1961	St. Joseph's Infirmary
1991	St. Joseph's Hospital
1931	Atlanta Art Association
1961	Atlanta Art Association
1991	High Museum of Art
1961	Atlanta Symphony Guild
1991	Atlanta Symphony Orchestra League
1931	Atlanta Community Chest
1961	Metropolitan Atlanta Community Service
1991	United Way of Metropolitan Atlanta
1931	Junior League of Atlanta
1961	Junior League of Atlanta
1991	Junior League of Atlanta
1931	The Atlanta Foundation
1961	The Atlanta Foundation
1991	The Atlanta Foundation
1961	Metropolitan Foundation of Atlanta
1991	Metropolitan Atlanta Community Foundation
1931	Emory University
1961	Emory University
1991	Emory University
1931	Family Welfare Society
1961	Family Service Society
1991	Families First
1961	Catholic Social Services of Metro Atlanta
1991	Catholic Social Services
1931	Atlanta Federation of Jewish Charities
1961	Jewish Social Service Federation Atlanta
1991	Jewish Family Services
1931	Atlanta YMCA

1961	YMCA of Metropolitan Atlanta
1991	YMCA of Metropolitan Atlanta
1931	Atlanta YWCA
1961	Atlanta YWCA
1991	Atlanta YWCA

Los Angeles

<i>Year</i>	<i>Organization</i>
1931	California Medical Center
1961	California Medical Center
1991	California Medical Center
1931	Good Samaritan
1961	Good Samaritan
1991	Good Samaritan
1931	St. Vincent's
1961	St. Vincent's
1991	St. Vincent's
1931	Cedars of Lebanon
1931	Mt. Sinai
1961	Cedars of Lebanon
1961	Mt. Sinai
1991	Cedars-Sinai
1931	Los Angeles Country Museum of Art
1961	Los Angeles Country Museum of Art
1991	Los Angeles Country Museum of Art
1931	Los Angeles Philharmonic Association
1961	Los Angeles Philharmonic Association
1991	Los Angeles Philharmonic Association
1931	United Way
1961	United Way
1991	United Way
1931	Junior League
1961	Junior League
1991	Junior League
1931	California Community Foundation
1961	California Community Foundation
1991	California Community Foundation
1931	University of Southern California
1961	University of Southern California
1991	University of Southern California
1931	Family Services of Los Angeles
1961	Family Services of Los Angeles
1991	Family Services of Los Angeles

1931	Catholic Charities
1961	Catholic Charities
1991	Catholic Charities
1931	Jewish Family Services
1961	Jewish Family Services
1991	Jewish Family Services
1931	YMCA
1961	YMCA
1991	YMCA
1931	YWCA
1961	YWCA
1991	YWCA

Bibliography

- AAFRC Trust for Philanthropy (2003). *Giving USA 2003*. Indianapolis, IN: Author.
- Abrahamson, E. and Rosenkopf, L. (1993). 'Institutional and competitive bandwagons: Using mathematical modeling as a tool to explore innovation diffusion.' *Academy of Management Review*, **18**, 487-518.
- Abzug, R. (1994). *Variations in Trusteeship: A Six City, Comparative Historical Study of the Evolution of Nonprofit Boards*. Unpublished dissertation. Yale University.
- Abzug, R. (1995). 'Different cities, different trustees: Geographic variation in the composition of the fund-raising board.' In Hamilton, C. H. and Ilchman, W. F. [Eds.]. *New Directions for Philanthropic Fundraising*, San Francisco: Jossey-Bass, 31-48.
- Abzug, R. (1996). 'The evolution of trusteeship in the United States: A round-up of findings.' *Nonprofit Management and Leadership*, **7**, 101-111.
- Abzug, R. (1999). 'A diversity of board women: A study of nonprofits in six cities over a 60-year time span.' In Johnston, J. [Ed.]. *Perspectives on Nonprofit Board Diversity*, Washington, DC: National Center for Nonprofit Boards, 25-35.
- Abzug, R., Derryck, D., Srinivas, N., and Rodriguez, A. (2002). 'Effectiveness during crisis: New York City nonprofit organizations in the aftermath of September 11th.' Paper prepared for 'Nonprofit Organizational Effectiveness and Performance: Challenges and Advances in Theory and Practice' Conference, April 18-19, Kansas City, MO.
- Abzug, R., DiMaggio, P. J., Gray, B. H., Kang, C. H., and Useem, M. (1993). 'Variations in trusteeship: Cases from Boston and Cleveland, 1925-1985.' *Voluntas*, **4**, 217-300.
- Abzug, R. and Galaskiewicz, J. (2001). 'Nonprofit boards: Crucibles of expertise or symbols of local identities?' *Nonprofit and Voluntary Sector Quarterly*, **30**, 51-73.
- Abzug, R. and Mezias, S. J. (1993). 'The fragmented state and due process protections in organizations: The case of comparative worth.' *Organization Science*, **4**, 433-453.
- Abzug, R., Simonoff, J. S., and Ahlstrom, D. (2000). 'Nonprofits as large employers: A city-level geographical inquiry.' *Nonprofit and Voluntary Sector Quarterly*, **29**, 455-470.
- Abzug, R. and Turnheim, J. (1998). 'Bandwagon or Band-Aid? A model of nonprofit incorporation by state.' *Nonprofit and Voluntary Sector Quarterly*, **27**, 300-322.

- Akaike, H. (1973). 'Information theory as an extension of the maximum likelihood principle.' In Petrov, B. N. and Csaki, F. [Eds.]. *Second International Symposium on Information Theory*. Budapest: Akademiai Kiado, 267-281.
- Alexander, J. A. (1989). *The Changing Character of Hospital Governance*. Chicago: The Hospital Research and Educational Trust.
- Alexander, J. A. and Weiner, B. J. (1998). 'The adoption of the corporate governance model by nonprofit organizations.' *Nonprofit Management and Leadership*, **8**, 223-242.
- Anderson, H. J. (1987). 'Changes in board composition, size are occurring very slowly.' *Modern Healthcare*, **17**(3), 30, 33.
- Austin, D. M. and Woolever, C. (1992). 'Voluntary association boards: A reflection of member and community characteristics?' *Nonprofit and Voluntary Sector Quarterly*, **21**, 181-193.
- Baldrige, J. V., Curtis D. V., Ecker, G. P., and Riley, G. L. (1977). 'Alternative models of governance in higher education.' In Baldrige, J. V. and Riley, G.L. [Eds.]. *Governing Academic Organizations*. Berkeley, CA: McCutchan, 2-25.
- Baltzell, E. D. (1958). *Philadelphia Gentlemen: The Making of a National Upper Class*. New York: Free Press.
- Baron, J. N., Dobbin, F. R., and Jennings, P. D. (1986). 'War and peace: The evolution of modern personnel administration in U.S. industry.' *American Journal of Sociology*, **92**, 350-383.
- Baron, J. N., Jennings, P. D., and Dobbin, F. R. (1998). 'Mission control? The development of personnel systems in U.S. industry.' *American Sociological Review*, **53**, 497-514.
- Baum, J. A. C. and Powell, W. W. (1995). 'Cultivating an institutional ecology of organizations: Comment on Hanna, Carroll, Dundon, and Torres.' *American Sociological Review*, **60**, 529-538.
- Beatty, R. and Ritter, J. (1983). 'Investment banking, reputation and the underpricing of initial public offerings.' *Journal of Financial Economics*, **15**, 213-232.
- Beaudin, C. (1994). 'The real L.A. story: Emergence of nonprofit organizations and trusteeship in 20th century Los Angeles.' Unpublished manuscript.
- Beggs, J. J. (1995). 'The institutional environment: Implications for race and gender inequality in the U.S. labor market.' *American Sociological Review*, **60**, 612-633.
- Ben-Ner, A. and Van Hoomissen, T. (1989). 'The relative size of the nonprofit sector in the mixed economy: Theory and estimation.' Unpublished manuscript. University of Minnesota, Minneapolis.
- Ben-Ner, A. and Van Hoomissen, T. (1993). 'A portrait of the nonprofit sector in the mixed economy: New York, 1981-1987.' In Ben-Ner, A. and Gui, B. [Eds.]. *The Nonprofit Sector in the Mixed Economy*. Ann Arbor, MI: University of Michigan Press, 243-266.

- Bhaduri, S. N. (2002). 'Determinants of corporate borrowing: Some evidence from the Indian corporate structure.' *Journal of Economics and Finance*, **26**, 200-216.
- Bielefeld, W. (1992). 'Non-profit funding environment relations: Theory and application.' *Voluntas*, **3**, 48-70.
- Bielefeld, W. (2000). 'Metropolitan nonprofit sectors: Findings from the NCCS data.' *Nonprofit and Voluntary Sector Quarterly*, **29**, 297-315.
- Bielefeld, W. and Corbin, J. J. (1996). 'The institutionalization of nonprofit human service delivery: The role of political culture.' *Administration and Society*, **28**, 362-389.
- Blau, J. R., Heying, C., and Feinberg, J. R. (1993). 'An Atlanta replication of Zald's study of the Chicago YMCA.' Unpublished manuscript.
- Blau, J. R. and Rabrenovic, G. (1991). 'Interorganizational relations of nonprofit organizations: An exploratory study.' *Sociological Forum*, **6**, 327-347.
- Block, S. R. (1998). *Perfect Nonprofit Boards: Myths, Paradoxes, and Paradigms*. Needham Heights, MA.: Simon and Schuster.
- Boeker, W. (1988). 'The permanence of organizational strategy.' *Proceedings of the Academy of Management*, **48**, 2-6.
- Boeker, W. and Goodstein, J. (1991). 'Organizational performance and adaptation: Effects of environment and performance on changes in board composition.' *Academy of Management Journal*, **34**, 805-826.
- Bograd, H. (1994). 'The role of the state Attorneys General in relation to troubled nonprofits.' *Working Paper #206*. Yale University Program on Non-Profit Organizations, August.
- Boris, E. T. (1999). 'The nonprofit sector in the 1990s.' In Clotfelter, C. T. and Ehrlich, T. [Eds.]. *Philanthropy and the Nonprofit Sector in a Changing America*. Bloomington, IN: Indiana University Press, 1-33.
- Bradley, K. and Moles, P. (2002). 'Managing strategic exchange rate exposures: Evidence from UK firms.' *Managerial Finance*, **28** (11), 28-42.
- Bradshaw, P., Murray, V., and Wolpin, J. (1992). 'Do nonprofit boards make a difference? An exploration of the relationships among board structure, process, and effectiveness.' *Nonprofit and Voluntary Sector Quarterly*, **21**, 227-249.
- Bradshaw, P., Murray, V., and Wolpin, J. (1996). 'Women on boards of nonprofits: What difference do they make?' *Nonprofit Management and Leadership*, **6**, 241-254.
- Brilliant, E. (1990). *The United Way: Dilemmas of Organized Charity*. New York: Columbia University Press.
- Brody, E. (1998). 'Of sovereignty and subsidy: Conceptualizing the charity tax exemption.' *Journal of Corporation Law*, **23**, 585-629.
- Brody, E. (2002). *Property-Tax Exemption for Charities: Mapping the Battlefield*. Washington, DC: Urban Institute Press.
- Brown, C. C. (1976). *Putting the Corporate Board to Work*. New York: Macmillan

- Burnham, K. P. and Anderson, D. R. (2002). *Model Selection and Multimodel Inference: A Practical Information-Theoretic Approach*, 2nd. ed. New York: Springer-Verlag.
- Calhoun, C. (1993). 'Civil society and the public sphere.' *Public Culture*, **5**, 267-280.
- Campbell, D. (2002). 'Beyond charitable choice: The diverse service delivery approaches of local faith-related organizations.' *Nonprofit and Voluntary Sector Quarterly*, **31**, 207-230.
- Carver, J. (1990). *Boards That Make a Difference: A New Design for Leadership in Nonprofit and Public Organizations*. San Francisco: Jossey-Bass.
- Carver, J. and Carver, M. M. (1997). *Reinventing Your Board: A Step-by-Step Guide to Implementing Policy Governance*. San Francisco: Jossey-Bass.
- Chait, R. P., Holland, T. P., and Taylor, B. E. (1991). *The Effective Board of Trustees*. New York: Macmillan Publishing.
- Chait, R. P., Holland, T. P., and Taylor, B. E. (1993). *The Effective Board of Trustees*. Phoenix, AZ: Oryx.
- Chait, R. P., Holland, T. P., and Taylor, B. E. (1996). *Improving the performance of governing boards*. Phoenix, AZ: Oryx.
- Chait, R. P. and Taylor, B. E. (1989). 'Charting the territory of nonprofit boards.' *Harvard Business Review*, **67** (1), 44-54.
- Chaves, M. (1994). 'Secularization as declining religious authority.' *Social Forces*, **74**, 749-774.
- Chaves, M. (1998). 'Denominations as dual structures: An organizational analysis.' In Demerath III, N. J., Hall, P. D., Schmitt, T., and Williams, R. H. [Eds.]. *Sacred Companies: Organizational Aspects of Religion and Religious Aspects of Organizations*. New York: Oxford University Press, 175-194.
- Chaves, M. (2002). 'Religious organizations: Data resources and research opportunities.' *The American Behavioral Scientist*, **45**, 1523-1549.
- Chisolm, L. (1995). 'Accountability of nonprofit organizations and those who control them: The legal framework.' *Nonprofit Management and Leadership*, **6**, 141-156.
- Chui, A. C. W., Lloyd, A. E., and Kwok, C. C. Y. (2002). 'The determination of capital structure: Is national culture a missing piece to the puzzle?' *Journal of International Business Studies*, **33**, 99-127.
- Clark, R. (1986). *Corporate Law*. Aspen, CO: Aspen Publishers, Inc.
- Cohen, W. M., Levin, R. C., and Mowery, D. C. (1987). 'Firm size and R & D intensity: A reexamination.' *The Journal of Industrial Economics*, **35**, 543-565.
- Cole, R. L. (1980). 'Constituent involvement in non-profit organizations: A study of twelve participation experiments.' *PONPO Working Paper No. 18*, Yale University.
- Colwell, A. C. (1993). *Private Foundations and Public Policy: The Political Role of Philanthropy*. New York: Garland.
- Corbin, J. J. (1999). 'A study of factors influencing the growth of nonprofits in social services.' *Nonprofit and Voluntary Sector Quarterly*, **28**, 296-225.

- Cormode, D. S. (1998). 'Does institutional isomorphism imply secularization: Churches and secular voluntary associations in the turn-of-the-century city.' In Demerath III, N. J., Hall, P. D., Schmitt, T., and Williams, R. H. [Eds.]. *Sacred Companies: Organizational Aspects of Religion and Religious Aspects of Organizations*. New York: Oxford University Press, 116-131.
- Cornforth, C.J. (2003). 'Introduction: The changing context of governance — Emerging issues and paradoxes.' In Cornforth, C.J. [Ed.]. *The Governance of Public and Non-profit Organizations: What Do Boards Do?* London: Routledge, 1-21.
- Covelli, L. (1989). 'Class, culture, and legitimation: Female volunteer directors.' In Herman, R. D. and Van Til, J. [Eds.]. *Nonprofit Boards of Directors: Analysis and Applications*. New Brunswick, NJ: Transaction Books, 24-35.
- Dain, P. (1991). 'Public library governance and a changing New York City.' *Libraries and Culture*, 26, 219-250.
- Daley, J. M. and Angulo, J. (1994). 'Understanding the dynamics of diversity within nonprofit boards.' *Journal of the Community Development Society*, 25 (2), 172-188.
- Dalton, D. R., Daily, C. M., Johnson, J. L., and Ellstrand, A. E. (1999) 'Number of directors and financial performance: A meta-analysis.' *Academy of Management Journal*, 42, 674-686.
- Dane, P. (1998). 'The corporation sole and the encounter of law and church.' In Demerath III, N. J., Hall, P. D., Schmitt, T., and Williams, R. H. [Eds.]. *Sacred Companies: Organizational Aspects of Religion and Religious Aspects of Organizations*. New York: Oxford University Press, 50-61.
- Daniels, A. K. (1988). *Invisible Careers: Women Civic Leaders for the Volunteer World*. Chicago: The University of Chicago Press.
- Dart, R., Bradshaw, P., Murray, V., and Wolpin, J. (1996). 'Boards of directors in nonprofit organizations: Do they follow a life-cycle model?' *Nonprofit Management and Leadership*, 6, 367-379.
- D'Aunno, T., Succi, M., and Alexander, J. A. (2000). 'The role of institutional and market forces in divergent organizational change.' *Administrative Science Quarterly*, 45, 679-704.
- Davies, A. (1999). *A Strategic Approach to Corporate Governance*. London: Gower, Aldershot.
- Davis, G. F. and Greve, H. R. (1997). 'Corporate elite networks and governance changes in the 1980s.' *American Journal of Sociology*, 103, 1-37.
- Dayton, C. M. (2003). 'Model comparisons using information measures.' *Journal of Modern Applied Statistical Methods*, 2, 281-292.
- Demerath III, N. J., Hall, P. D., Schmitt, T., and Williams, R. H. (1998). *Sacred Companies: Organizational Aspects of Religion and Religious Aspects of Organizations*. New York: Oxford University Press.
- Denison, D. R. (1990). *Corporate Culture and Organisational Effectiveness*. New York: John Wiley and Sons.
- DiMaggio, P. J. (1986). 'Cultural entrepreneurship in nineteenth-century Boston: The creation of an organizational base for high culture in America.' In

- Collins, R. [Ed.]. *Media, Culture and Society: A Critical Reader*. London: Sage Publications, 196-211.
- DiMaggio, P. J. (1991). 'Constructing an organizational field as a professional project: U.S. art museums, 1920-1940.' In Powell, W. W. and DiMaggio, P. J. [Eds.]. *The New Institutionalism in Organizational Analysis*. Chicago: University of Chicago Press, 267-292.
- DiMaggio, P. J. (1998). 'The relevance of organization theory to the study of religion.' In Demerath III, N. J., Hall, P. D., Schmitt, T., and Williams, R. H. [Eds.]. *Sacred Companies: Organizational Aspects of Religion and Religious Aspects of Organizations*. New York: Oxford University Press, 7-23.
- DiMaggio, P. J. and Anheier, H. K. (1990). 'The sociology of nonprofit organizations and sectors.' *Annual Review of Sociology*, **16**, 137-159.
- DiMaggio, P. J. and Powell, W. W. (1983). 'The iron cage revisited: Institutional isomorphism and collective rationality in organizational fields.' *American Sociological Review*, **48**, 147-160.
- DiTomaso, N. (1980). 'Organizational analysis and power structure research.' In Domhoff, G. W. [Ed.]. *Power Structure Research*. Beverly Hills: Sage Publications, 255-268.
- Dobbin, F. R. (1992). 'The origins of private social insurance: Public policy and fringe benefits in America, 1920-1950.' *American Journal of Sociology*, **97**, 1416-1450.
- Dobbin, F. R., Edelman, L., Meyer, J., Scott, W. R., and Swidler, A. (1988). 'The expansion of due process in organizations.' In Zucker, L. [Ed.]. *Institutional Patterns and Organizations: Culture and Environment*. Cambridge, MA: Ballinger Publishing Co., 71-98.
- Dobris, J. C. (2000). 'The death of the rule against perpetuities, or the rap has no friends—an essay.' *Real Property, Probate and Trust Journal*, **35**, 601-666.
- Domhoff, G. W. (1967). *Who Rules America?* Englewood Cliffs, NJ: Prentice Hall.
- Domhoff, G. W. (1970). *The Higher Circles: The Governing Class in America*. New York: Vintage Books.
- Domhoff, G. W. (1987). 'Where do government experts come from: The CEA and the policy-planning network.' In Domhoff, G. W. and Dye, T. R. [Eds.]. *Power Elites and Organizations*. Newbury Park, CA: Sage Publications, 189-200.
- Douglas, J. (1987). 'Political theories of nonprofit organization.' In Powell, W. W. [Ed.]. *The Nonprofit Sector: A Research Handbook*. New Haven: Yale University Press, 43-54.
- Drucker, P. (1989). 'What business can learn from nonprofits.' *Harvard Business Review*, **67** (July-August), 88-93.
- Duca, D. J. (1986). *Nonprofit Boards: A Practical Guide to Roles, Responsibilities, and Performance*. Phoenix, AZ: Oryx.
- Duca, D. J. (1996). *Nonprofit Boards: Roles, Responsibilities, and Performance*. New York: Wiley.

- Eadie, D. C. (2001). *Extraordinary Board Leadership: The Seven Keys to High-Impact Governance*. Gaithersburg, MD: Aspen.
- Edelman, L. (1990). 'Legal environments and organizational governance.' *American Journal of Sociology*, **95**, 1401-1440.
- Edelman, L. (1992). 'Legal ambiguity and symbolic structures: Organizational mediation of civil rights law.' *American Journal of Sociology*, **97**, 1531-1576.
- Edie, J. A. (1993). *Directors and Officers Liability Insurance and Indemnification*. Washington, DC: Council on Foundations.
- Elazar, D. J. (1984). *American Federalism: A View From the States*, 3rd ed. New York: Harper and Row.
- Elazar, D. J. (1986). 'Marketplace and commonwealth and the three political cultures.' In Gittell, M. [Ed.], *State Politics and the New Federalism*. White Plains, NY: Longman, 172-179.
- Fennell, M. L. and Alexander, J. A. (1989). 'Governing boards and profound organizational change in hospitals.' *Medical Care Review*, **46**, 157-187.
- Fink, J. (1989). 'Community agency boards of directors: Viability and vestigiality, substance and symbol.' In Herman, R. D. and Van Til, J. [Eds.], *Nonprofit Boards of Directors: Analyses and Applications*. New Brunswick, NJ: Transaction Books, 89-117.
- Fischer, D. H. (1989). *Albion's Seed: Four British Folkways in America*. New York: Oxford University Press.
- Fisher, D. (1983). 'The role of philanthropic foundations in the reproduction and production of hegemony: Rockefeller Foundation and the social sciences.' *Sociology*, **17**, 206-233.
- Fishman, J. J. (1985). 'The development of nonprofit corporation law and an agenda for reform.' *Emory Law Journal*, **34**, 617, 657-667.
- Fletcher, K. B. (1989). 'A study of nonprofit boards of directors from the Chief Executive Officer's point of view.' *Working paper No. 6*, Institute for Nonprofit Organization Management, University of San Francisco.
- Fletcher, K. B. (1992). 'Effective boards: How executive directors define and develop them.' *Nonprofit Management and Leadership*, **2**, 283-293.
- Fletcher, K. B. (1999). 'Building diverse boards: Lessons from a case study of Planned Parenthood affiliates.' In Johnston, J. [Ed.], *Perspectives on Nonprofit Board Diversity*. Washington, DC: National Center for Nonprofit Boards, 13-24.
- Fligstein, N. (1985). 'The spread of the multidivisional form among large firms, 1919-1979.' *American Sociological Review*, **50**, 377-391.
- Forbes, D. P. (1998). 'Measuring the unmeasurable: Empirical studies of nonprofit organization effectiveness from 1977 to 1997.' *Nonprofit and Voluntary Sector Quarterly*, **27**, 183-202.
- Forbes, D. P. and Milliken, F. J. (1999). 'Cognition and corporate governance: Understanding boards of directors as strategic decision-making groups.' *Academy of Management Review*, **24**, 489-506.

- Frumkin, P. (1998). 'The long recoil from regulation: Private philanthropic foundations and the Tax Reform Act of 1969.' *American Review of Public Administration*, **28**, 266-286.
- Galaskiewicz, J. (1979). 'The structure of community organizational networks.' *Social Forces*, **57**, 1346-1364.
- Galaskiewicz, J. (1991). 'Making corporate actors accountable: Institution-building in Minneapolis-St. Paul.' In Powell, W. W. and DiMaggio, P. J. [Eds.]. *The New Institutionalism in Organizational Analysis*. Chicago: University of Chicago Press, 293-310.
- Galaskiewicz, J. (1997). 'An urban grants economy revisited: Corporate charitable contributions in the Twin Cities, 1979-81, 1987-89.' *Administrative Sciences Quarterly*, **42**, 445-71.
- Galaskiewicz, J. and Bielefeld, W. (1998). *Nonprofit Organizations in an Age of Uncertainty*. New York: Aldine de Gruyter.
- Galaskiewicz, J. and Sosin, L. (1993). 'Nonprofit boards as vehicles for social integration: The case of the Twin Cities.' Paper presented at the Annual Meeting of the Association for Research in Nonprofit Organizations and Voluntary Action, Toronto, Ontario, Canada.
- Gilman, M. E. (2002). "'Charitable Choice" and the accountability challenge: Reconciling the need for regulation with the First Amendment religion clauses.' *Vanderbilt Law Review*, **55**, 799-888.
- Glynn, M. A. and Abzug, R. (2002). 'Institutionalizing Identity: Symbolic isomorphism and organizational names.' *Academy of Management Journal*, **45**, 267-280.
- Golden-Biddle, K. and Rao, H. (1997). 'Breaches in the boardroom: Organizational identity and conflicts of commitment in a nonprofit organization.' *Organization Science*, **8**, 593-611.
- Golensky, M. (1994). *Governance and Decision-Making in Nonprofit Organizations: An Exploration of the Board-Executive Relationship*. Unpublished Dissertation, City University of New York.
- Gray, B. H. (1991). *The Profit Motive and Patient Care: The Changing Accountability of Doctors and Hospitals*. Cambridge, MA: Harvard University Press.
- Gray, B. H., Lammers, J. C., Abzug, R., and Beaudin, C. (1993). 'Board characteristics as indicators of the development of organizational fields: Hospitals and other elite nonprofits between 1931 and 1991.' Paper presented at the Annual Meeting of the Association for Researchers in Nonprofit Organizations and Voluntary Action, Toronto, Ontario, Canada.
- Green, J. C. and Griesinger, D. W. (1996). 'Board performance and organizational effectiveness in nonprofit social service organizations.' *Nonprofit Management and Leadership*, **6**, 381-402.
- Grewal, R. and Dharwadkar, R. (2002). 'The role of the institutional environment in marketing channels.' *Journal of Marketing*, **66** (3), 82-97.

- Gronbjerg, K. A. (1993). *Understanding Nonprofit Funding: Managing Resources in Social Services and Community Development Organizations*. San Francisco: Jossey Bass.
- Gronbjerg, K. A., Kimmich, M., and Salamon, L. M. (1985). *The Chicago Nonprofit Sector in a Time of Government Retrenchment*. Washington, DC: The Urban Institute Press.
- Gutowski, M., Salamon, L. M., and Pittman, A. (1984). *The Pittsburgh Nonprofit Sector in a Time of Government Retrenchment*. Washington, DC: The Urban Institute Press.
- Hall, P. D. (1987). 'A historical overview of the private nonprofit sector.' In Powell, W. W. [Ed.]. *The Nonprofit Sector: A Research Handbook*. New Haven, CT: Yale University Press, 3-26.
- Hall, P. D. (1990). 'Conflicting managerial cultures in nonprofit organizations.' *Nonprofit Management and Leadership*, **2**, 153-165.
- Hall, P. D. (1992). 'Cultures of trusteeship.' In Hall, P. D. *Inventing the Nonprofit Sector and Other Essays on Philanthropy, Voluntarism, and Nonprofit Organizations*. Baltimore, MD: The Johns Hopkins University Press, 135-206.
- Hall, P. D. (1994). Personal correspondence.
- Hall, P. D. (1997). *Research in Action: A History of Nonprofit Boards in the United States*. Washington, DC: National Center for Nonprofit Boards.
- Hall, P. D. (1998). 'Religion and the organizational revolution in the United States.' In Demerath III, N. J., Hall, P. D., Schmitt, T., and Williams, R. H. [Eds.]. *Sacred Companies: Organizational Aspects of Religion and Religious Aspects of Organizations*. New York: Oxford University Press, 99-115.
- Hall, P. D. (1999). 'Vital signs: Associational populations and ecologies in New Haven, Connecticut, 1850-1990.' In Skocpol, T. and Fiorina, M. [Eds.]. *Civic Engagement in American Democracy*. Washington, DC: Brookings Institution / Russell Sage Foundation, 211-248.
- Halpern, C. (1997). 'Preface.' In Salamon, L. M. *Holding the Center: America's Nonprofit Sector at a Crossroads*. New York: Nathan Cummings Foundation.
- Hannan, M. T. and Freeman, J. H. (1977). 'The population ecology of organizations.' *American Journal of Sociology*, **82**, 929-964.
- Hannan, M. T. and Freeman, J. H. (1984). 'Structural inertia and organizational change.' *American Sociological Review*, **49**, 149-164.
- Hannan, M. T. and Freeman, J. H. (1989). *Organizational Ecology*. Cambridge, MA: Harvard University Press.
- Hansmann, H. (1980). 'The role of nonprofit enterprise.' *Yale Law Journal*, **89**, 835-901.
- Hansmann, H. (1985). 'The effect of tax exemption and other factors on competition between nonprofit and for-profit enterprise.' *Yale Program on Nonprofit Organizations working Paper #65*.
- Hansmann, H. (1987). 'The effect of tax exemption and other factors on the market share of nonprofit versus for-profit firms.' *National Tax Journal*, **40**, 71-82.

- Harder, W. P., Musselwhite, J. C., and Salamon, L. M. (1984). *Government Spending and the Nonprofit Sector in San Francisco*. Washington, DC: The Urban Institute Press.
- Harlan, S. L. and Saidel, J. R. (1994). 'Board members' influence on the government-nonprofit relationship.' *Nonprofit Management and Leadership*, **5**, 173-196.
- Harris, M. (1989). 'The governing body role: Problems and perceptions in implementation.' *Nonprofit and Voluntary Sector Quarterly*, **18**, 317-323.
- Harris, M. (1993a). 'Clarifying the board role: A total activities approach.' In Young, D., Hollister, R. M., Hodgkinson, V. A., and Associates [Eds.]. *Governing, Leading, and Managing Nonprofit Organizations: New Insights From Research and Practice*. San Francisco: Jossey-Bass, 17-31.
- Harris, M. (1993b). Exploring the role of boards using total activities analysis. *Nonprofit Management and Leadership*, **3**, 269-281.
- Harrison, G. L., McKinnon, J. L., Panchapakesan, S., and Leung, M. (1994). 'The influence of culture on organizational design and planning and control in Australia and the United States compared with Singapore and Hong Kong.' *Journal of International Financial Management and Accounting*, **5**, 242-261.
- Harrison, I. R., Torres, D. L., and Kukalis, S. (1988). 'The changing of the guard: Turnover and structural change in the top-management positions.' *Administrative Science Quarterly*, **33**, 211-232.
- Haveman, H. A. (1995). 'The demographic metabolism of organizations: Industry dynamics, turnover and tenure distributions.' *Administrative Science Quarterly*, **40**, 586-618.
- Herman, R. D. (1989). 'Concluding thoughts on closing the board gap.' In Herman, R. D. and Van Til, J. [Eds.]. *Nonprofit Boards of Directors: Analysis and Applications*. New Brunswick, NJ: Transaction Books, 193-199.
- Herman, R. D. and Heimovics, R. D. (1991). *Executive Leadership in Nonprofit Organizations: New Strategies for Shaping Executive-Board Dynamics*. San Francisco: Jossey-Bass.
- Herman, R. D. and Renz, D. O. (1997). 'Multiple constituencies and the social construction of nonprofit organization effectiveness.' *Nonprofit and Voluntary Sector Quarterly*, **26**, 185-206.
- Herman, R. D. and Renz, D. O. (1998). 'Nonprofit organizational effectiveness: Contrasts between especially effective and less effective organizations.' *Nonprofit Management and Leadership*, **9**, 23-38.
- Herman, R. D. and Renz, D. O. (1999). 'Theses on nonprofit organizational effectiveness.' *Nonprofit and Voluntary Sector Quarterly*, **28**, 107-126.
- Herman, R. D. and Renz, D. O. (2000). 'Board practices of especially effective and less effective local nonprofit organizations.' *American Review of Public Administration*, **30**, 146-160.
- Herman, R. D., Renz, D. O., and Heimovics, R. D. (1997). 'Board practices and board effectiveness in local nonprofit organizations.' *Nonprofit Management and Leadership*, **7**, 373-385.

- Herman, R. D. and Tulipana, P. F. (1985). 'Board-staff relations and perceived effectiveness in nonprofit organizations.' *Journal of Voluntary Action Research*, **14** (4), 48-59.
- Hirsch, P. M. (1972). 'Processing fads and fashions: An organization-set analysis of cultural industry systems.' *American Journal of Sociology*, **77**, 639-659.
- Hodgkinson, V. A., Weitzman, M. S., Abrahams, J. A., Crutchfield, E. A., and Stevenson, D. R. [Eds.]. (1996). *Nonprofit Almanac 1996-1997: Dimensions of the Independent Sector*. San Francisco: Jossey-Bass.
- Hofstede, G. (1984). *Culture's Consequences*. Newbury Park, CA: Sage Publications.
- Hofstede, G. (1991). *Cultures and Organizations: Software of the Mind*. London: McGraw Hill.
- Hodgkinson, V., Weitzman, M., Toppe, C., and Noga, S. (1992). *Nonprofit Almanac 1992-1993: Dimensions of the Independent Sector*. San Francisco: Jossey-Bass.
- Holland, T. P., Chait, R. P., and Taylor, B. E. (1989). 'Board effectiveness: Identifying and measuring trustee competencies.' *Research in Higher Education*, **30**, 435-453.
- Holland, T. P., Leslie, D., and Holzhalb, C. (1993). 'Culture and change in nonprofit boards.' *Nonprofit Management and Leadership*, **4**, 141-155.
- Hone, M. C. (1989). 'Aristotle and Lyndon Baines Johnson: Thirteen ways of looking at blackbirds and nonprofit corporations—The American Bar Association's Revised Model Nonprofit Corporation Act.' *Case Western Reserve Law Review*, **39**, 751-763.
- Houle, C. O. (1977). *Governing Boards*. San Francisco: Jossey-Bass.
- Houle, C. O. (1989). *Governing Boards: Their Nature and Nurture*. San Francisco: Jossey-Bass.
- Humphrey, C. R. and Erickson, R. A. (1997). 'Public accountability in non-profit industrial development outcomes.' *Voluntas*, **8**, 39-63.
- Hunter, F. (1953). *Community Power Structure*. Chapel Hill, NC: University of North Carolina Press.
- Hurvich, C. M. and Tsai, C.-L. (1989). 'Regression and time series model selection in small samples.' *Biometrika*, **76**, 297-307.
- Inglis, S., Alexander, T., and Weaver, L. (1999). Roles and responsibilities of community nonprofit boards. *Nonprofit Management and Leadership*, **10**, 153-167.
- Ingram, R. T. (1988). Ten basic responsibilities of nonprofit boards. NCNB Governance Series Paper. Washington, DC: National Center for Nonprofit Boards.
- Jackson, D. K. and Holland, T. R. (1998). Measuring the Effectiveness of Nonprofit Boards. *Nonprofit and Voluntary Sector Quarterly*, **27**, 159-182.
- Jacobs, M. T. (1991). *Short-Term America: The Causes and Cures of Our Business Myopia*. Cambridge, MA: Harvard Business School Press.
- Jaher, F. C. (1982). *The Urban Establishment*. Champaign, IL: University of Illinois Press.

- Jakobson, L., Koushtanina, E., Rudnik, B. (2000). 'The emergence of the nonprofit sector in the sphere of culture in Russia.' *Journal of Arts Management, Law, and Society*, **30**, 19-28.
- James, E. (1982). 'The nonprofit sector in international perspective: The case of Sri Lanka.' *Journal of Comparative Economics*, **6**, 99-129.
- James, E. (1987a). 'The public/private division of responsibility for education: An international comparison.' *Economics of Education Review*, **6**, 1-14.
- James, E. (1987b). 'The nonprofit sector in comparative perspective.' In Powell, W. W. [Ed.]. *The Nonprofit Sector: A Research Handbook*. New Haven, CT: Yale University Press, 43-54.
- James, E. [Ed.] (1989). *The Nonprofit Sector in International Perspective: Studies in Comparative Culture and Policy*. New York: Oxford University Press.
- Jeavons, T. H. (1998). 'Identifying characteristics of "religious" organizations: An exploratory proposal.' In Demerath III, N. J., Hall, P. D., Schmitt, T., and Williams, R. H. [Eds.]. *Sacred Companies: Organizational Aspects of Religion and Religious Aspects of Organizations*. New York: Oxford University Press, 79-95.
- Kang, C. H. and Cnaan, R. (1995). 'New findings on large human service organization board of trustees.' *Administration in Social Work*, **19**(3), 17-44.
- Kanter, R. M. and Brinkerhoff, D. (1981). 'Organizational performance: Recent developments in measurement.' *Annual Review of Sociology*, **7**, 321-349.
- Karst, K. L. (1960). 'The efficiency of the charitable dollar: An unfulfilled state responsibility.' *Harvard Law Review*, **73**, 433-483.
- Kearns, K. P. (1995). 'Effective nonprofit board members as seen by executives and board chairs.' *Nonprofit Management and Leadership*, **5**, 337-358.
- Kennedy, S. S. (2003). 'Privatization and prayer: The challenge of charitable choice.' *American Review of Public Administration*, **33**, 5-19.
- Kohn, P. and Mortimer, K. (1983). 'Selecting effective trustees.' *Change*, **15** (5), 30-37.
- Koven, S. G. and Mausolff, C. (2002). 'The influence of political culture on state budgets: Another look at Elazar's formulation.' *American Review of Public Administration*, **32**, 66-77.
- Kramer, R. M. (1985). 'Towards a contingency model of board-executive relations in nonprofit organizations.' *Administration in Social Work*, **9** (3), 15-33.
- Kullback, S. and Leibler, R. A. (1951). 'On information and sufficiency.' *Annals of Mathematical Statistics*, **22**, 79-86.
- Lippert, P. G., Gutowski, M., and Salamon, L. M. (1984). *The Atlanta Nonprofit Sector in a Time of Government Retrenchment*. Washington, DC: The Urban Institute.
- Lounsbury, M. and Ventresca, M. [Eds.] (2002). *Social Structure and Organizations Revisited. Research in the Sociology of Organizations* (vol. 19). New York: JAI/Elsevier Science.
- Luoma, P. and Goodstein, J. (1999). 'Stakeholders and corporate boards: Institutional influences on board composition and structure.' *Academy of Management Journal*, **42**, 553-563.

- Magat, R. [Ed.] (1989). *Philanthropic Giving: Studies in Varieties and Goals*. New York: Oxford University Press.
- Marcus, G. E. with Hall, P. D. (1992). *Lives in trust: The fortunes of dynastic families in late twentieth-century America*. Boulder, CO: Westview Press.
- Mathiasen, K. (1990). 'Board passages: Three key stages in a nonprofit board's life cycle.' *NCNB Governance Series Paper*. Washington, DC: National Center for Nonprofit Boards.
- McCloskey, D. N. and Ziliak, S. T. (1996). 'The standard error of regressions.' *Journal of Economic Literature*, **34**, 97-114.
- Meier, A. (1992). 'How does your board compare?: Highlights from a new study designed by the American Symphony Orchestra League designed to help board members consider their policies and procedures.' *Symphony*, January/February, 28-31.
- Meyer, J. and Rowan, B. (1977). 'Institutionalized organizations: Formal structure as myth and ceremony.' *American Journal of Sociology*, **83**, 340-363.
- Meyer, J. and Scott, W. R. (1983). *Organizational Environments: Ritual and Rationality*. Beverly Hills, CA: Sage Publications.
- Meyer, M. and Gupta, V. (1994). 'The performance paradox.' In Staw, B. M. and Cummings, L. L. [Eds.]. *Research in Organizational Behavior*, **16**, Greenwich, CT: JAI Press, 309-369.
- Mezias, S. J. (1990). 'An institutional model of organizational reporting practices: Financial reporting at the Fortune 200.' *Administrative Science Quarterly*, **35**, 431-457.
- Middleton, M. (1987). 'Nonprofit boards of directors: Beyond the governance function.' In Powell, W. W. [Ed.]. *The Nonprofit Sector: A Research Handbook*. New Haven, CT: Yale University Press, 141-153.
- Miller, A. J. (2002). *Subset Selection in Regression*, 2nd. ed. Boca Raton, FL: Chapman and Hall/CRC.
- Miller, J. L. (1999). 'Managing board diversity: The importance of differentiating between diversity and representativeness.' In Johnston, J. [Ed.]. *Perspectives on Nonprofit Board Diversity*. Washington, DC: National Center for Nonprofit Boards, 3-12.
- Miller, L. E., Weiss, R. M., MacLeod, B. V. (1988). 'Boards of directors in nonprofit organizations: Composition, activities, and organizational outcomes.' *Journal of Voluntary Action Research*, **17** (3-4), 81-89.
- Mills, C. W. (1956). *The Power Elite*. New York: Oxford University Press.
- Milofsky, C. (1987). 'Neighborhood-based organizations: A market analogy.' In Powell, W. W. [Ed.]. *The Nonprofit Sector: A Research Handbook*. New Haven, CT: Yale University Press, 277-295.
- Milofsky, C. (1997). 'Strategic management for nonprofit organizations: Theory and cases.' *Academy of Management Review*, **22**, 568-570.
- Mizruchi, M. and Stearns, L. B. (1988). A longitudinal study of the formation of interlocking directorates. *Administrative Science Quarterly*, **33**, 194-210.
- Moody, L. (1984). 'State statutes governing directors of charitable corporations.' *University of San Francisco Law Review*, **18**, 749-799.

- Moore, G., Sobieraj, S., Whitt, J.A., Mayorova, O., and Beaulieu, D. (2002). "Elite interlocks in three U.S. sectors: Nonprofit, corporate, and government." *Social Science Quarterly*, **83**, 726-744.
- Nason, J. (1977). *Trustees and the Future of Foundations*. New York: Council on Foundations.
- Nevarez, L. (2000). 'Corporate philanthropy in the new urban economy: The role of business-nonprofit realignment in regime politics.' *Urban Affairs Review*, **36**, 197-228.
- Newman, K. L. and Nollen, S. D. (1996). 'Culture and congruence: The fit between management practices and national culture.' *Journal of International Business Studies*, **27**, 753-780.
- O'Connell, B. (1985). *The Board Member's Book*. New York: Foundation Center.
- Omoto, A. M. and Snyder, M. (2002). 'Considerations of community.' *The American Behavioral Scientist*, **45**, 846-870.
- Oster, S. (1999). *Strategic Management for Nonprofit Organizations*, 3rd ed. Oxford: Oxford University Press.
- Ostrander, S. A. (1984). *Women of the Upper Class*. Philadelphia: Temple University Press.
- Ostrower, F. and Stone, M. M. (2001). 'Governance: research trends, gaps, and future prospects.' Draft paper prepared for the Annual Conference of Association for Research in Nonprofit Organizations and Voluntary Action, Miami, Florida. November.
- Peregrine, M. W. and Schwartz, J. R.. (2000). 'The business judgment rule and other protections for the conduct of non-for-profit directors.' *Journal of Health Law*, **455**, 459-471.
- Perrow, C. (1963). 'Goals and power structures: A historical case study.' In Freidson, E. [Ed.]. *The Hospital in Modern Society*. New York: Free Press, 112-145.
- Perrow, C. (2002). *Organizing America: Wealth, Power, and the Origins of Corporate Capitalism*. Princeton, NJ: Princeton University Press.
- Pfeffer, J. (1973). 'Size, composition, and functions of hospital boards of directors: A study of organization-environment linkage.' *Administrative Science Quarterly*, **18**, 349-363.
- Plambeck, D. L. (1985). 'The implication of board member composition for fund-raising success.' *Journal of Voluntary Action Research*, **14** (4), 60-66.
- Porter, M. E. (1980). *Competitive Strategy*. New York: Free Press.
- Powell, W. and DiMaggio, P. J. [Eds.]. (1991). *The New Institutionalism in Organizational Analysis*. Chicago: University of Chicago Press.
- Rao, H. (1994). 'The social construction of reputation: Certification contests, legitimation, and the survival of organizations in the U.S. automobile industry; 1895-1912.' *Strategic Management Journal*, **15** (Special issue), 29-44.
- Robertson, N. M. (1993). 'The new woman, the new Negro, and the new state: Education, legislation, and justice in the 1920s and 1930s.' Paper presented at

- Conference on Private Action and the Public Good, November, Indianapolis, Indiana.
- Rose, K. W. (1992). 'Philanthropy and civil rights at the local level: The case of Cleveland, Ohio in the 1960s.' Unpublished Manuscript.
- Rudney, G. (1987). 'The scope and dimensions of nonprofit activity.' In Powell, W. W. [Ed.], *The Nonprofit Sector: A Research Handbook*. New Haven, CT: Yale University Press, 55-63.
- Ruef, M. (2000). 'The emergence of organizational forms: A community ecology approach.' *American Journal of Sociology*, **106**, 658-714.
- Saidel, J. (1993). 'The board role in relation to government: Alternative models.' In Young, D., Hollister, R. M., Hodgkinson, V. A., and Associates [Eds.], *Governing, Leading, and Managing Nonprofit Organizations: New Insights From Research and Practice*. San Francisco: Jossey-Bass, 32-51.
- Salamon, L. M. (1987). 'Partners in public service: The scope and theory of government-nonprofit relations.' In Powell, W. W. [Ed.], *The Nonprofit Sector: A Research Handbook*. New Haven: Yale University Press, 99-117.
- Salamon, L. M. (1997). *Holding the Center: America's Nonprofit Sector at a Crossroads*. New York: Nathan Cummings Foundation.
- Salamon, L. M. and Anheier, H. K. (1996). *The Emerging Nonprofit Sector: An Overview*. New York: Manchester University Press.
- Salamon, L. M., Anheier, H. K., List, R., Toepler, S., Sokolowski, S. W., and Associates [Eds.]. (1999). *Global Civil Society: Dimensions of the Nonprofit Sector*. Baltimore, MD: Johns Hopkins Comparative Nonprofit Sector Project.
- Salamon, L. M. and Siegfried, J. J. (1977). 'Economic power and political influence: The impact of industry structure on public policy.' *American Political Science Review*, **71**, 1026-43.
- Schneider, J. C. (1996). 'Philanthropic styles in the United States: Toward a theory of regional differences.' *Nonprofit and Voluntary Sector Quarterly*, **25**, 190-210.
- Schuler, R. and Rogovsky, N. (1998). 'Understanding compensation practice variations across firms: The impact of national culture.' *Journal of International Business Studies*, **29**, 159-177.
- Scott, W. R. and Meyer, J. W. (1983). 'The organization of societal sectors.' In Meyer, J. W. and Scott, W. R. [Eds.], *Organizational Environments: Ritual and Rationality*. Beverly Hills, CA: Sage Publications, 129-153.
- Sealand, J. (1997). *Private Wealth and Public Life: Foundation Philanthropy and the Reshaping of American Social Policy From the Progressive Era to the New Deal*. Baltimore, MD: Johns Hopkins University Press.
- Seashore, S. E. (1983). 'A framework for an integrated model of organizational effectiveness.' In Cameron, K. S. and Whetten, D. A. [Eds.], *Organizational Effectiveness: A Comparison of Multiple Models*. San Diego: Academic Press, 55-70.
- Seashore, S. E. and Yuchtman, E. (1967). 'Factorial analysis of organizational performance.' *Administrative Science Quarterly*, **12**, 377-395.

- Selznick, P. (1949). *TVA and the Grass Roots*. New York: Harper Torchbooks.
- Selznick, P. (1996). 'Institutionalism "old" and "new."' *Administrative Science Quarterly*, **41**, 270-282.
- Siciliano, J. L. (1997). 'The relationship between formal planning and performance in nonprofit organizations.' *Nonprofit Management and Leadership*, **7**, 373-385.
- Sider, R. J. and Unruh, H. R. (2001). 'Evangelism and church-state partnerships.' *Journal of Church and State*, **43**, 267-295.
- Siegel, D. and Yancey, J. (1992). *The Rebirth of Civil Society: The Development of the Nonprofit Sector in East Central Europe and the Role of Western Assistance*. New York: Rockefeller Brothers Fund.
- Silber, N. I. (2001). *A Corporate Form of Freedom: The Emergence of the Nonprofit Sector (New Perspectives on Law, Culture, and Society)*. Boulder: Westview Press.
- Simon, K. (1995). 'Privatization of social and cultural services in Central and Eastern Europe: Comparative experiences.' *Boston University International Law Journal*, **13**, 383-393.
- Simonoff, J. S. (2003). *Analyzing Categorical Data*. New York: Springer-Verlag.
- Singh, J. V., Tucker, R. J., and House, R. J. (1986). 'Organizational legitimacy and the liability of newness.' *Administrative Science Quarterly*, **31**, 171-193.
- Smith, D. H. (1991). 'Four sectors or five? Retaining the member-benefit sector.' *Nonprofit and Voluntary Sector Quarterly*, **20**, 137-150.
- Smith, D. H. (1997). 'The rest of the nonprofit sector: Grassroots associations as the dark matter ignored in prevailing flat earth maps of the sector.' *Nonprofit and Voluntary Sector Quarterly*, **26**, 114-131.
- Smith, D. H. and Shen, C. (1996). 'Factors characterizing the most effective nonprofits managed by volunteers.' *Nonprofit Management and Leadership*, **6**, 271-289.
- Smith, S. R., (1994). 'Managing the challenges of government contracts.' In Herman, R. D. and Associates [Eds.]. *The Jossey-Bass Handbook of Nonprofit Leadership and Management*. San Francisco: Jossey Bass, 325-341.
- Smith, S. R. and Sosin, M. R. (2001). 'The varieties of faith-related agencies.' *Public Administration Review*, **61**, 651-670.
- Stinchcombe, Arthur L. (1965). 'Social structures and organizations.' In March, J. G. [Ed.]. *Handbook of Organizations*. Chicago: Rand McNally, 142-193.
- Stone, M. M. and Cutcher-Gershenfeld, S. (2001). 'Challenges of measuring performance in nonprofit organizations.' In Hodgkinson, V. A. and Flynn, P. [Eds.]. *Measuring the Impact of the Nonprofit Sector*. San Francisco: Jossey-Bass, 33-58.
- Stout, H. S. and Cormode, D. S. (1998). 'Institutions and the story of American religion: A sketch of a synthesis.' In Demerath III, N. J., Hall, P. D., Schmitt, T., and Williams, R. H. [Eds.]. *Sacred Companies: Organizational Aspects of Religion and Religious Aspects of Organizations*. New York: Oxford University Press, 62-78.

- Strang, D. and Meyer, J. W. (1993). 'Institutional conditions for diffusion.' *Theory and Society*, **22**, 487-511.
- Street, S. C. (1985). 'Board powers, responsibilities and liabilities.' In Anthes, E., Cronin, J., and Jackson, M. [Eds.]. *The Nonprofit Board Book: Strategies for Organizational Success*. West Memphis and Hampton, AK: Independent Community Consultants, 9-27.
- Sutton, J. R., Dobbin, F., Meyer, J. W., and Scott, W. R. (1994). 'The legalization of the workplace.' *American Journal of Sociology*, **99**, 944-971.
- Swartz, D. (1998). 'Secularization, religion, and isomorphism: A study of large nonprofit hospital trustees.' In Demerath III, N. J., Hall, P. D., Schmitt, T., and Williams, R. H. [Eds.]. *Sacred Companies: Organizational Aspects of Religion and Religious Aspects of Organizations*. New York: Oxford University Press, 323-339.
- Tocqueville, A. (1945). *Democracy in America*. 2 volumes. New York: Alfred A. Knopf.
- Tolbert, P. S. and Zucker, L. G. (1983). 'Institutional sources of change in the formal structure of organizations: The diffusion of civil service reform 1880-1935.' *Administrative Science Quarterly*, **28**, 22-39.
- Useem, M. (1984). *The Inner Circle: Large Corporations and the Rise of Business Political Activity in the U.S. and U.K.* New York: Oxford University Press.
- Waldo, C. N. (1986). *A Working Guide for Directors of Not-For-Profit Organizations*. Westport, CT: Greenwood.
- Warren, R. L. (1963). *The Community in America*. Chicago: Rand McNally.
- Weitzman, M. S., Jalandoni, N. T., Lampkin, L. M., and Pollak, T. H. (2002). *The New Nonprofit Almanac and Desk Reference: The Essential Facts and Figures for Managers, Researchers, and Volunteers*. San Francisco: Jossey-Bass.
- Westphal, J. D. (1999). 'Collaboration in the boardroom: Behavioral and performance consequences of CEO-board social ties.' *Academy of Management Journal*, **42**, 7-24.
- Wheeler, S. M. (2002). 'The new regionalism: Key characteristics of an emerging movement.' *Journal of the American Planning Association*, **68**, 267-279.
- Whitt, J.A., Moore, G., Negrey, C., White, D. and King, K. (1995). 'Social and organizational ties among nonprofit boards of directors.' In Turner, R.C. [Ed.]. *Taking Trusteeship Seriously*. Bloomington, IN: Center for Philanthropy, Indiana University, 81-90.
- Widmer, C. and Houchin, S. (2000). *The Art of Trusteeship: The Nonprofit Board Member's Guide to Effective Governance*. San Francisco: Jossey-Bass.
- Wolch, J. R. (1990). *The Shadow State: Government and Voluntary Sector in Transition*. New York: The Foundation Center.
- Wolpert, J. (1992). 'Fragmentation in America's nonprofit sector.' Paper presented at the Independent Sector 1993 Spring Research Forum, March, San Antonio, TX.
- Wolpert, J. (1993). *Patterns of Generosity in America: Who's Holding the Safety Net?* New York: Twentieth Century Fund.

- Wolpert, J. (1996). 'Nonprofit Adjustment to Neighborhood Change.' Paper presented at the 25th Anniversary Conference of the Association of Researchers of Nonprofit Organizations and Voluntary Action, New York.
- Wood, M. M. (1992). 'Is governing board behavior cyclical?' *Nonprofit Management and Leadership*, **3**, 139-163.
- Wood, M. M. (1996). *Nonprofit Boards and Leadership: Cases on Governance, Change, and Board-Staff Dynamics*. San Francisco: Jossey-Bass.
- Working Group on Human Needs and Faith-Based and Community Initiatives. (2003). *Harnessing Civic and Faith-Based Power to Fight Poverty* (www.affund.org/docs/images/pdfs/Faith_Based_Org/wgfullreport.pdf).
- Zahra, S. (1996). 'Governance, ownership and corporate entrepreneurship: The moderating impact of industry technological opportunities.' *Academy of Management Journal*, **39**, 1713-1735.
- Zahra, S. and Pearce, J. A. II. (1989). 'Boards of directors and corporate financial performance: A review and integrative model.' *Journal of Management*, **15**, 291-314.
- Zald, M. (1967). 'Urban differentiation, characteristics of boards of directors, and organizational effectiveness.' *American Journal of Sociology*, **73**, 261-273.
- Zald, M. N. (1969). 'The power and function of boards of directors: A theoretical synthesis.' *American Journal of Sociology*, **75**, 97-111.
- Zald, M. N. (1978). 'On the social control of industries.' *Social Forces*, **57**, 79-102.
- Zald, M. N. and Denton, P. (1963). 'From evangelism to general service: The transformation of the YMCA.' *Administrative Science Quarterly*, **8**, 214-234.
- Zald, M. N., and McCarthy, J. D. (1998). 'Religious groups as crucibles of social movements.' In Demerath III, N. J., Hall, P. D., Schmitt, T., and Williams, R. H. [Eds.]. *Sacred Companies: Organizational Aspects of Religion and Religious Aspects of Organizations*. New York: Oxford University Press, 24-49.
- Ziliak, S. T. and McCloskey, D. N. (2004). 'Size matters: The standard error of regressions in the *American Economic Review*.' *Journal of Socio-Economics*, **33**, to appear.

Index

- adaptation (to environment), 9, 10, 14, 16, 19, 25, 31, 32, 118
- Adelphi University, 38
- African-Americans, 27, 53, 70
- AIC*, 74-76, 78
- AIC_c*, 75-76, 78, 82, 83, 84, 95, 96, 111, 122
- Akaike Information Criterion, *see AIC*
- American Bar Association (ABA), 37, 38
- ascriptive characteristics, 16, 21, 28, 42
- Atlanta, 1, 3, 33, 42, 43, 63, 64, 65, 66, 69, 71, 72, 86, 88, 89, 90, 91, 92, 93, 94, 95, 96, 97, 98, 99, 100, 102, 103, 105, 106, 107, 108, 109, 110, 112
- Atlanta Symphony, 1, 69
- Attorney General, 38
- Augsburg College, 76
- Baltzell, E. Digby, 6, 91
- Bill of Rights, 60
- birth location, 30, 71, 72, 87, 107-108, 111
- Blue Books, 70
- board diversity, 16, 21-22, 23, 27, 32, 52, 72, 77, 88-90, 112, 114, 120
- board practices, 15, 17, 18, 122
- board sizes, 20, 27, 32, 52, 53, 72, 82, 84, 86, 87, 93, 94, 95, 96, 99, 100, 101-106, 108-110, 111, 112, 113, 123
- Boston, 1, 3, 18, 33, 42-43, 63, 65, 66, 69, 72, 86, 88, 89, 90, 91, 92, 93, 94, 96, 97, 98, 99, 100, 102, 103, 105, 106, 107, 108, 109, 110, 112, 119
- boundary-spanners, nonprofit boards as, 8, 9, 22, 45, 118
- Brahmin, 42
- Brown University, 24, 35, 71, 82
- bureaucratization (organizational), 11, 32, 51
- Bush, George W., 55
- Business Judgment Rule, 38
- Catholic, 37, 65, 66, 68, 69, 88, 92, 121
- Cedars-Sinai Medical Center, 65, 68, 69
- Changing Dimensions of Trusteeship, 3
- Chicago, 7, 66
- Civil Privatism, 42
- civil rights, 5, 26-27, 117
- civil society, 4, 5, 8
- classwide rationality, 6
- Cleveland, 3, 33, 42, 63, 69, 71, 72, 86, 89, 90, 91, 92, 93, 94, 95, 96, 97, 98, 99, 100, 102, 103, 105, 106, 107, 108, 109, 110, 112, 119
- coercive isomorphism, 45, 47, 48-50, 117, 119-120, 121
- Columbia University, 71
- Community Chest, 30, 67
- community foundation, 30, 49, 64, 67, 68, 71, 85, 89, 91, 92, 93, 94, 95, 97, 98, 99, 100, 101, 102, 103, 104, 105, 106, 107, 109, 110, 112, 119
- community representation, 16, 22, 26, 31
- Cornell University, 71

- corporate governance, 9, 19, 20, 21, 22, 46, 52, 54
- Cox Committee to Investigate Tax Exempt Foundations, 31
- cultures of trusteeship, 3, 17, 34-53, 118
- Dartmouth College, 5, 71
- demographics (board), 16, 21-22, 87, 88-90, 111, 112, 118, 123
- deviance, 79, 82, 84, 95
- DiMaggio, Paul, 3, 10, 22, 25, 34, 35, 45, 47, 50, 52, 53, 59, 60, 61, 89, 117, 119
- Domhoff, G. William, 6, 29, 71, 91
- Donee Group, 27
- Drucker, Peter, 9, 46,
- Durkheim, Emile, 55
- education (institutions), 2, 3, 49, 51, 57, 64, 66, 71, 72, 85, 89, 91, 92, 93, 94, 95, 97, 98, 99, 100, 101, 102, 103, 104, 105, 106, 107, 109, 110, 111, 112, 119, 120
- effectiveness
 - board effectiveness, 2, 13, 15-19, 20
 - organizational effectiveness, 13-15, 17-19, 59
- elites, 5-7, 16, 22, 23, 27, 29-30, 31, 32, 42, 43, 45, 47, 52, 53, 54, 63, 67, 70-71, 72, 87, 89, 90-95, 100, 107, 111, 112, 113, 114, 115, 118, 119, 120, 121, 123
- Episcopal, 6, 37
- ethnicity, 16, 20
- executive director, 2, 68, 70
- family/human services, 3, 17, 18, 49, 64, 66, 69, 72, 85, 86, 89, 91, 92, 93, 94, 95, 97, 98, 99, 100, 101, 102, 103, 104, 105, 106, 107, 109, 110, 112, 119, 120,
- feminism, 26, 27, 98
- Filer Commission, 27
- formalization (organizational), 11, 32
- Fortune 500, 101, 106-107
- foundations (philanthropic, other than community), 6, 11, 26, 27, 30, 31, 50, 51, 64, 120
- founding (organizational), 25
- Galaskiewicz, Joseph, 3, 7, 21, 22, 28, 34, 45, 52
- gender, 16, 22, 29, 46, 66, 67, 70, 71, 72, 77, 87, 88-90, 102, 112, 113, 118, 119, 120, 121, 123,
- generalized linear model, 77
- Giving USA*, 60
- golden age of trusteeship, 21, 22
- goodness-of-fit, 79-80, 82, 83, 122
- government
 - contracting, 26, 28, 36, 52, 119, 120
 - funding, 50, 52
- Great Depression, 30, 31
- Hall, Peter Dobkin, 3, 5, 7, 8, 22, 26, 27, 30, 31, 33, 38, 42, 43, 47, 56, 57, 119
- Hansmann, Henry, 7, 36, 38-39, 52, 53
- Harvard Business Review*, 9, 46
- Harvard University, 66, 71, 89, 93
 - health industry, 2, 3, 49, 51, 52, 64, 65, 72, 85, 88, 89, 90, 91, 92, 93, 94, 95, 97, 99, 100, 101, 102, 103, 104, 106, 107, 108, 109, 110, 112, 119, 120
- Hollywood, 43
- Hoover, Herbert H., 30, 31
- hospitals, 2, 4, 9, 20, 47, 51, 52, 59, 64-65, 66, 72, 88, 97
 - boards, 9, 16, 20, 21, 51, 52, 120
- independent sector, 4, 27
- Independent Sector*, 3, 64

- information-theoretic analyses, 74-86, 121
- institutional environment, 2, 10-11, 23, 25, 26, 28, 29, 45, 46, 97, 117, 122
- institutional fields, 23, 45, 57
- interlocking directorates (board interlocks), 6-7, 22-23, 32, 47, 100-107, 111, 112, 113, 115, 119, 123
- Internal Revenue Service (IRS), 4, 31, 35, 65, 64
- isomorphic pressures, 36, 45, 47, 48-50, 51, 54, 57, 59, 120, 121
- Ivy League, 30, 71, 72, 87, 89, 90, 92-94, 95, 97, 111, 112, 113, 114, 35, 81, 82, 83, 101, 103, 104, 107, 108, 109, 110, 113, 114
- Jewish (institutions), 65, 66, 69, 92, 121
- Johns Hopkins University, 4, 7, 40
- Junior League, 48, 52, 67, 69, 71, 72, 85, 88, 91, 92, 93, 94, 95, 97, 98, 99, 100, 101, 102, 103, 104, 105, 106, 107, 109, 110, 112, 114, 119, 120
- Kennedy, John F., 26, 31
- Kullback–Leibler information, 74
- least squares regression, 73-74, 75, 77, 78, 79, 108
- legitimacy (organizational), 10, 15, 21-22, 23, 32, 49, 50, 59-60, 118, 119
- likelihood ratio test of strength of model, 79, 82
- logistic regression, 73, 77, 78, 79, 80, 81, 82, 83, 88, 93, 96, 97
- Los Angeles, 3, 42, 43, 63, 65, 68, 69, 72, 86, 88, 89, 90, 91, 92, 93, 94, 95, 96, 97, 98, 99, 100, 102, 103, 105, 106, 107, 108, 109, 110, 112, 119, 121, 122, 123
- Marx, Karl, (Marxist), 22, 55
- Massachusetts, 37, 42
- Massachusetts General Hospital, 1
- mental health organizations, 58
- Midwest, 18, 41, 43, 63, 93
- Midwestern Federationism, 42
- Minneapolis Institute of Art, 63
- Minneapolis/St. Paul, *see* Twin Cities
- Minnesota, 37
- missing data, 68-69, 71, 87, 101, 104, 106, 107, 121
- mission (organizational), 8, 14, 15, 38, 52, 67, 68, 88
- Model Nonprofit Corporation Act, 37, 38, 44, 45
- model selection, 2, 72, 73-86, 87, 88, 90, 92, 94, 95, 97, 99, 100, 101, 104, 107, 109, 121, 122
- problems using hypothesis testing, 3, 74, 76, 121
- model selection uncertainty, 76
- multinomial logistic regression model, *see* nominal logistic regression model
- multiple constituencies, 14, 15, 17
- museum, 51, 63, 66, 72
- National Center for Charitable Statistics, 36, 64
- National Taxonomy of Exempt Entities (NTEE), 8, 48, 64
- natural systems, 14-15, 16, 19
- neo-institutionalism (theory), 3, 10, 11, 15, 20, 21, 22, 23, 25, 33, 34, 39, 45, 46, 48, 53, 55, 59, 114, 117-121, 122, 123
- New Deal, 30, 53
- New England, 39, 42, 43, 63
- New Haven, 7
- New York, 7, 20, 36, 37, 38, 56, 60

- nominal logistic regression model, 80-81, 96
- Non-Governmental Organizations (NGOs), 4, 8
- nonprofit sector, 1, 3, 4, 5, 7, 8, 30, 33, 34, 36, 40, 41, 47, 49, 50, 52, 56, 58, 63, 115, 199
 - historical studies, 7
 - effects on society, 4-5
 - size, 3-4
- Occam's razor, 98
- occupational positions, 3, 17, 23, 28, 29, 48, 70, 95-100, 111, 112, 119, 120, 123
- organizational inertia, 25-26, 32
- organizational structure, 3, 9, 10, 25, 32, 33, 34, 39, 40, 45, 46, 49, 50, 55, 61, 117, 118, 120
- overdispersion, 80, 82-83, 88, 90, 92, 94, 95, 96, 97, 99, 100, 101, 104, 107, 109
- Pearson statistic, 80, 82, 83
- Personal Responsibility and Work Opportunity Reconciliation Act of 1996, 55
- Philadelphia, 3, 6, 18, 33, 42, 43, 63, 68, 69, 72, 86, 88, 89, 90, 91, 92, 93, 94, 96, 97, 98, 99, 100, 102, 103, 105, 106, 107, 108, 109, 100, 112, 119
- philanthropy, 3, 30, 36, 39, 40, 41, 42, 43, 48, 50, 60
- Poisson regression, 73, 77, 81-83, 101, 102, 104, 108, 109
- political cultures, 36, 39-40, 43
- population ecologists, 25, 46, 50
- power elite, 6
- Princeton University, 30, 71
- principle of parsimony, *see* Occam's razor
- professionalization, 22, 23, 28, 29, 45, 47, 49, 50, 51, 52-53, 70, 72, 87, 90, 96, 97, 99, 111, 112, 114, 117, 118, 120
- Program on Nonprofit Organizations (PONPO), 3, 7, 56
- property tax exemption, 36, 37, 38
- Protestant, 37, 55, 65, 66, 92
- quasi- AIC_c ($QAIC_c$), 80, 83, 88, 90, 92, 94, 97, 99, 100, 101, 104, 107, 109, 111
- race, 16, 22, 29, 42, 43, 46, 51, 70, 72, 83-86, 87, 88-90, 113, 123
- Reagan, Ronald, 41, 50
- regional effects, 34, 41, 118
- regionalism, 33-43
- religiosity, 56, 57-58
- religious affiliation, 65, 66, 112
- religious identification, 16
- resource dependence, 11, 23, 36, 119
- Roosevelt, Franklin D., 30
- S.I.C. code, 47, 70
- Six Cities Trusteeship Project, 17, 19, 63-72, 73
- social clubs, 6, 30, 71
- social cohesion, 55
- social constructionist, 14, 15, 17, 18, 42
- Social Register (and Registrants), 1, 29, 30, 70, 71, 72, 87, 90-92, 94, 95, 100, 111, 112, 113
- social service, 4, 18, 36, 40, 41, 55, 56, 59, 61
- sociology, 5, 6, 10, 22, 25, 39, 45, 46, 47, 48, 55, 65
- South, 39, 41, 42, 43, 57, 90, 93
- stakeholder, 2, 17
- Standard & Poor's Register of Corporations, Directors, and Executives (S&P), 70, 71, 72, 87, 90, 99-100, 111, 112, 113
- statistical information, 74
- statistical significance versus practical importance, 74, 75, 122

- stewardship, 2, 7-9, 29, 31, 42, 89, 97
- strategic planning, 18
- structuration, 26, 32, 36, 37, 42, 45, 120
- suburbs, 18, 35
- supernatural, 59, 61
- Supreme Court, 5
- symphony orchestras, 2, 4, 66, 72

- third sector, 4, 8, 40
- Twin Cities (Minneapolis and St. Paul), 3, 7, 33, 42, 63, 64, 65, 66, 67, 68, 69, 70, 72, 86, 89, 90, 91, 92, 93, 94, 95, 96, 97, 98, 99, 100, 102, 103, 105, 106, 107, 108, 109, 110, 112, 119

- United Way, 18, 48, 63, 65, 66, 67, 68, 69, 72, 85, 89, 90, 91, 92, 93, 94, 95, 97, 98, 99, 100, 101, 102, 103, 104, 105, 106, 107, 109, 110, 112, 120
- universities, 2, 4, 6, 30, 31, 64, 66, 70, 72, 89, 91, 97
- University of Pennsylvania, 71, 89, 93
- University of St. Thomas, 66
- upper classes, 5-7, 29, 35, 42, 43, 52, 53, 90, 95, 107, 112, 115
- Urban Institute, 7

- validating a model, 76
- voluntary associations, 5

- Wald statistic, 79, 80, 82, 83
- Weber, Max, 22, 32, 55
- White House Office of Faith-Based and Community Initiatives, 55
- Who's Who, 29, 30, 70, 71, 72, 87, 90, 94-95, 100, 111, 112, 113
- women's rights, 5, 27, 117

- Yale University, 3, 7, 56, 71
- YMCA (Ys), 2, 18, 48, 53, 66, 69, 85, 88, 91, 92, 93, 94, 95, 97, 98, 99, 100, 101, 102, 103, 104, 105, 106, 107, 109, 110, 112, 113, 120
- YWCA, 48, 52-53, 66, 71, 85, 88, 112