



# Issues in Nonprofit Organizations

## *A Bibliography*

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**Championing and Strengthening the  
Global Response to Child Abuse**

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## Scope

This bibliography lists publications related to issues facing nonprofit organizations including board composition, fundraising, use of media, organizational capacity and more.

## Organization

Publications include articles, book chapters, reports, and research briefs and are listed in date descending order. Links are provided to full text publications when possible. However, this collection may not be complete. More information can be obtained in the Child Abuse Library Online.

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# Issues in Nonprofit Organizations

## A Bibliography

Feng, N. C., & Greenlee, J. S. (2024). [Governance, performance, and compensation in nonprofit organizations: A review of recent empirical nonprofit research](#). *Journal of Governmental & Nonprofit Accounting*, 13(1), 1–27. DOI:10.2308/JOGNA-2023-006

In recent years, nonprofit empirical research has experienced substantial growth, warranting a comprehensive overview of the most recent empirical research on governance, performance, and compensation of nonprofit organizations. This paper provides a detailed review of recent representative empirical studies within each accounting topic, organized chronologically by major accounting areas. By offering a comprehensive and organized overview, we intend to fill a gap in the existing literature and provide valuable insights for scholars and professionals seeking to understand the dynamics of these major accounting topics in the nonprofit sector. Additionally, Appendix A includes an annotated bibliography of empirical research on nonprofit accounting published since 2016, encompassing both references and major findings. This study serves as a crucial resource for researchers, as well as for board members and professionals, interested in staying abreast of recent developments in these major nonprofit sector accounting topics.

Geib, N., & Boenigk, S. (2024). [Nonprofit talent recruitment: An online experiment on new ways of working and leadership development opportunities](#). *Nonprofit Management and Leadership*, 35(2), 461–490. DOI:10.1002/nml.21626

Recruiting talented employees is challenging for nonprofit organizations. This study examines the effects of two possible human resource recruitment practices—offering new ways of working and leadership development opportunities—on the intention of talent to apply for a position at a nonprofit organization. Building on the self-determination theory, the authors conducted an online survey experiment ( $n = 389$ ) with aspiring employees in Germany. The results show that, of the offered practices, only “new ways of working” significantly increase individuals' intention to apply. Regarding work sector preferences, nonprofits are in a war for

talent, as only 13.6% prefer the nonprofit sector, with most participants (47.8%) preferring to find a job with a for-profit company or in the public sector (38.6%). As a key nonprofit management implication, recruiters should develop and implement new ways of working to attract talented employees to the nonprofit sector.

Lamothe, M., Ter-Mkrtchyan, A., Ruddle, T. B., & Kuyon, K. (2023). [Examining the efficacy of accountability systems in preventing nonprofit misconduct: A look beyond financial fraud](#). *Nonprofit and Voluntary Sector Quarterly*, 52(1), 106–129.  
DOI:10.1177/08997640211073750

The purpose of our study is to broaden the investigation of nonprofit misconduct beyond financial fraud perpetrated by individual actors and to identify structural features that are more or less likely to be associated with actual misconduct. We utilize the Charity Navigator Advisory System and related press releases to identify 215 nonprofit organizations with confirmed or alleged misconduct. We also collect the IRS Form 990 information for 133 out of the 215 organizations with known misconduct and 150 organizations without known misconduct to compare their accountability structures. Our findings suggest that, while financial fraud committed by individual perpetrators against their organizations is the most frequently identified type of misconduct, a substantial number of other types of misbehaviors also commonly occur. Our comparison analysis indicates that organizations with known misconduct deviate significantly from scandal-free charities in several structural aspects.

Searing, E. A., Wiley, K. K., & Young, S. L. (2023). Resiliency tactics during financial crisis: The nonprofit resiliency framework. In L. A. Dicke & J. S. Ott (Eds.), *Understanding nonprofit organizations* (pp. 275–289). Routledge.

The ability of nonprofits to weather hard times is a popular theme in the academic and practitioner literature, this chapter provides insights into resiliency tactics used by publicly funded nonprofits during a revenue crisis. The 2015–2017 Illinois Budget Impasse provided an excellent, if unfortunate example of resiliency demonstrated by resource-dependent

nonprofits during a fiscal starvation of their organizations. The concept of resiliency describes an entity's ability to survive change, and the formal study of the term stems back to the bioecological systems work of Holling. Resiliency is a more appropriate concept than either vulnerability or survival to study nonprofit operations during periods of crisis or change. Nonprofit managers employed six distinct tactics when responding to the Illinois budget crisis. Some were treated as emergency measures, while others were often used as a means of ensuring a better future. Due to these different needs, most organizations employed at least half of the financial tactics in their responses.

Mumford, S. (2022). [Doing more with less: Racial diversity in nonprofit leadership and organizational resilience](#). *Journal of Public and Nonprofit Affairs*, 8(1), 29–57.  
DOI:10.20899/jpna.8.1.29–57

Racial diversity in nonprofit leadership presents a variety of benefits crucial for responding to the COVID-19 pandemic. However, leadership remains predominately white. Practitioner-oriented studies decry racial disparities in nonprofit funding, but academic literature offers mixed conclusions on how diversity influences resource acquisition. This article examines associations between racial composition of nonprofit leadership and organizational resilience to the pandemic, based on a survey of New Orleans-based nonprofits in winter 2021. Logistic regressions assess whether leadership diversity increases the likelihood of organizational resilience in both service delivery and financial health, finding that greater board diversity is associated with targeted programming and advocacy to support racially diverse communities, and expanded service delivery. However, greater Black board representation is associated with lack of reserves, threatening financial sustainability. The analysis uncovers disparate effects of racial diversity on resilience for service delivery versus finances, suggesting diverse nonprofits are “doing more with less” in response to the pandemic.

Wang, R. (2022). [Organizational commitment in the nonprofit sector and the underlying impact of stakeholders and organizational support](#). *Voluntas*, 33, 538–549. DOI:10.1007/s11266-021-00336-8

This study addresses a major challenge the nonprofit sector is facing: low organizational commitment from employees. In response to the call to take into consideration contextual and institutional factors, it draws from the stakeholder theory and the organizational support theory to investigate how internal and external organizational processes could influence organizational commitment. The quantitative data collected from over 200 nonprofit employees revealed that organizational commitment was positively related to engaged leadership, community engagement effort, degree of formalization in daily operations, and perceived intangible support for employees. Further analysis showed that tangible support measured as perceived fair pay has an indirect effect, which is contingent upon how well the nonprofits engage with internal and external stakeholders. Findings suggest that nonprofit employees' personal tangible gains may come second when assessing their commitment to the organization; instead, how well their employer manages stakeholder relationships in a larger community plays a more significant role.

Ashikali, T., Groeneveld, S., & Kuipers, B. (2021). [The role of inclusive leadership in supporting an inclusive climate in diverse public sector teams](#). *Review of Public Personnel Administration*, 41(3), 497–519. DOI:10.1177/0734371X19899722

In organizations with a diverse workforce, inclusive leadership is assumed to be required to support the full appreciation and participation of diverse members. To date, studies identifying how leadership enables an inclusive climate in diverse teams are scarce. The aim of this study, therefore, is to examine how inclusive leadership fosters inclusiveness in diverse teams. Hypotheses were tested on a sample of 293 team members clustered in 45 public sector teams using structural equation modeling. The results showed that inclusive leadership positively moderates the negative relation between team ethnic–cultural diversity and inclusive climate. This study shows that greater team diversity does not automatically yield an inclusive climate.

Inclusive leadership is needed to support an inclusive climate in which different team members are valued for what they bring to work practices. Inclusive leadership is crucial for fostering inclusiveness in diverse teams. Limitations are discussed and recommendations for future research are proposed.

Molk, P., & Sokol, D. D. (2021). [The challenges of nonprofit governance](#). *Boston Common Law Review*, 62, 1497.

The stakes for proper nonprofit governance are extremely high. Over 1.5 million nonprofits are registered with the IRS, collectively employing 12 million people and accounting for 5.4% of US GDP. Yet while for-profit companies have significant checks on the behavior of boards and management, nonprofit firms lack many of the same types of internal and external governance control mechanisms. Covid-19 is just the latest shock to expose the lack of preparedness and capability of many nonprofit boards in fulfilling their essential governance functions. This Article contributes to the corporate governance literature by identifying aspects of nonprofit governance that create unnecessary risk to nonprofit entities and to society overall. Currently many governance failures that would be corrected in traditional for-profit entities go unaddressed among nonprofits. We make unique contributions to addressing these governance shortcomings by suggesting an enforcement reorientation by both public and private actors. Our novel solutions encompass disclosure, certification, oversight by state attorneys general, and federal actors.

Riforgiate, S. E., & Kramer, M. W. (2021). [The nonprofit assimilation process and work-life balance](#). *Sustainability*, 13(11), 5993. DOI:10.3390/su13115993

Nonprofit organizations are a context where workers' passion and commitment to their work may make it more difficult to negotiate between professional work and private life demands. Challenges in navigating work and life are important issues for individual sustainability and influence organizational sustainability in terms of retention and organizational commitment.



As new employees join an organization, they are socialized into the rhythm and norms of the workplace; therefore, early employment provides an important juncture to study how new employees come to understand work-life expectations. This qualitative study considers 55 interviews with new employees (employed six months or less) at a nonprofit social welfare organization which was concerned with high employee turnover. Participants described how they came to the organization, how they learned the expected behaviors for their positions and messages received from organizational members (e.g., supervisors and coworkers) and social groups outside of the organization (e.g., family and friends) pertaining to managing work and life responsibilities. Findings highlight the importance of communication, extend organizational assimilation concepts, and offer practical implications to enhance sustainability for organizations and employees.

Slatten, L. A., Bendickson, J. S., Diamond, M., & McDowell, W. C. (2021). [Staffing of small nonprofit organizations: A model for retaining employees](#). *Journal of Innovation & Knowledge*, 6(1), 50–57. DOI:10.1016/j.jik.2020.10.003

Small nonprofit organizations (SNPOs) are a large part of the growing nonprofit sector. These nonprofit organizations (NPOs) generally receive \$100,000–\$250,000 in annual revenue. These entities operate similarly to for-profit businesses, with a mission, values, and dependable employees. One factor that sets SNPOs apart from for-profit organizations is the ability that for-profit entities have to provide higher, more competitive wages and better benefit packages for employees. NPOs often lack this ability, which can result in staffing challenges and high turnover rates. This study explores the different ways these NPOs attract employees, the types of incentives or benefits offered, and what can help retain employees once they are hired. The concept of employee commitment is also explored in the context of SNPOs. This information can provide SNPOs with a better understanding of talent acquisition and retention strategies that can lead to improved operational and strategic planning.

Walters, J. E. (2021). [More than meets the eye: Organizational capacity of nonprofits in the poor, rural South](#). *Journal of Rural Studies*, 86, 497–507. DOI:10.1016/j.jrurstud.2021.07.017

The physical, social, economic, and political contexts in which organizations operate influence their mission and organizational capacity – the available resources nonprofits use to carry out their purpose. The current study examines organizational capacity by uncovering strengths and challenges of rural human service organizations (HSOs) in rural, persistently poor counties in the South. Also considered is the impact of the environmental context. Through a qualitative, multiple case study approach, nine HSOs in Georgia, Kentucky, and Mississippi were studied using semi-structured interviews with high-level administrators and thematic analysis. HSOs were skilled at enduring change in their communities, problem-solving, worker retention, fundraising, financial accountability processes, and partnership-building. Challenges included formal assessment and evaluation, quantity of communications, staff and volunteer recruitment, and minimal formal planning. The communities involved presented contextual barriers such as racism, limited workers, and transportation. The present study establishes connections between environmental context and organizational capacity that have been minimally explored. The identification of barriers, strengths, and challenges allows for future research and informs policy and practice that is critical to addressing the systemic problem of underinvestment in rural areas.

Svensson, P. G., Andersson, F. O., & Faulk, L. (2020). Organizational capacity and entrepreneurial behavior. *Nonprofit Management and Leadership*, 30(4), 693–707. DOI:10.1002/nml.21407

In this research note, we examine the relationship between organizational capacity and entrepreneurial behavior in a global sample of 165 nonprofit organizations operating in a single, rapidly growing field of nonprofit activity. Our findings show a strong relationship between organizations' entrepreneurial behavior and levels of organizational capacity. We discuss our results relative to the importance of both organizational capacity and entrepreneurial behavior in a rapidly growing nonprofit subsector. The results contribute to the continued development

and refinement of theoretical and empirical work on the causal links between organizational capacity and entrepreneurial behavior more generally.

Campbell, D. A., & Lambright, K. T. (2020). Terms of engagement: Facebook and Twitter use among nonprofit human service organizations. *Nonprofit Management and Leadership*, 30(4), 545–568. DOI:10.1002/nml.21403

This study uses Lovejoy and Saxton's (2012) hierarchy of engagement to analyze how nonprofit human service organizations use Facebook and Twitter to engage stakeholders. Their framework has not been applied to this nonprofit subgroup, and most previous scholarship on this topic focuses on just one platform. We also contribute by drawing on organizational theory to better understand variation in the modes of engagement organizations emphasize. Based on our analysis, we add new subcategories to the hierarchy of engagement. In addition, we find that compared to other nonprofit subgroups examined in previous research, the organizations in our sample placed a greater emphasis on using social media messages to ask stakeholders to take action. We report only modest variations in how organizations were using Facebook and Twitter. Finally, according to our results, resource dependence and stewardship theories help explain the modes of engagement organizations prioritize.

Dula, L., Nicholson-Crotty, J., & Gazley, B. (2020). Female leaders and board performance in member-serving nonprofit organizations. *Nonprofit Management and Leadership*, 30(4), 655–676. DOI:10.1002/nml.21402

Despite an active stream of “good governance” research, there is not yet much nonprofit scholarship examining how the gender composition of a board or its leadership relates to board performance. This article helps to fill this gap, focusing on the governance practices of US-based nonprofits serving a domestic or international membership. A structural equation model finds that the presence of female leaders relates to the performance of nonprofit boards both directly and indirectly through these leaders' presumed influence on board

characteristics and operation. This research advances the field by empirically testing a longstanding theory that board performance is both multidimensional and contingent on the market and labor environment, organizational capacity and other characteristics—in this case, gender dynamics. We find there are some positive relationships between female board leadership and clearly defined measures of board performance. These findings also suggest that a strategy to balance a board's gender may serve many nonprofits, but gender representation works in tandem with other board characteristics.

Ely, T. L., Katz, J., & Calabrese, T. D. (2020). Starting from scratch: Building of meaningful endowments by public charities. *Nonprofit Management and Leadership*, 31(1), 33–55. DOI:10.1002/nml.21410

Most nonprofits lack a true endowment and endowment wealth is concentrated in a relatively small number of organizations and subsectors. This study supports an operational definition of material endowment, equal to or greater than annual expenses, and investigates how common it is for a nonprofit to establish a meaningful endowment over time. Specifically, we address whether the sector's enthusiasm over the potential of endowment building is reflected in charitable organizations' experiences. Using financial data, we find that building a meaningful permanent endowment is a rare achievement among public charities over a period of two decades. Meaningful endowment creation, achieved by less than 2% of the sample, is more common for organizations with donor attachments, the need for subsidization of mission services, those with more fundraising costs, and those with more donative revenue portfolios.

Silard, A. (2020). Interpersonal leader responses to secondary trauma in nonprofit human service organizations. *Nonprofit Management and Leadership*, 30(4), 635–653. DOI:10.1002/nml.21398

Secondary trauma is concerned with the intrapersonal affective responses an individual can experience during or subsequent to an interaction(s) with another person who recounts his or

her personal stories of abuse, trauma, or disempowerment. Secondary trauma can engender a host of detrimental intrapersonal effects on nonprofit staff who express empathy toward clients experiencing primary trauma. I explore the interpersonal-level responses to secondary trauma-affected staff available to the leaders of nonprofit human service organizations. These secondary trauma-sensitive leader behaviors, I theorize, will reduce the prevalence of secondary trauma in nonprofit organizations and generate follower engagement.

Svensson, P. G., Andersson, F. O., & Faulk, L. (2020). Organizational capacity and entrepreneurial behavior. *Nonprofit Management and Leadership*, 30(4), 693–707.  
DOI:10.1002/nml.21407

In this research note, we examine the relationship between organizational capacity and entrepreneurial behavior in a global sample of 165 nonprofit organizations operating in a single, rapidly growing field of nonprofit activity. Our findings show a strong relationship between organizations' entrepreneurial behavior and levels of organizational capacity. We discuss our results relative to the importance of both organizational capacity and entrepreneurial behavior in a rapidly growing nonprofit subsector. The results contribute to the continued development and refinement of theoretical and empirical work on the causal links between organizational capacity and entrepreneurial behavior more generally.

van Teunenbroek, C., Bekkers, R., & Beersma, B. (2020). [Look to others before you leap: A systematic literature review of social information effects on donation amounts.](#) *Nonprofit and Voluntary Sector Quarterly*, 49(1), 53–73. DOI:10.1177/0899764019869537

People are often influenced by information about other people's behavior, that is, social information. Social information is frequently used by practitioners hoping to increase charitable giving, while the precise mechanisms through which social information works are unknown. We conducted a systematic literature review of 35 studies reporting on the effects of social information on charitable giving. We show that several studies report no or even negative

effects and that a theoretical understanding of social information effects is lacking. We integrate the empirical findings in the wider fields of social psychology and behavioral economics and propose an integrative theoretical model. The model includes four mediators and three moderators that can explain positive and negative effects of social information. This theoretical framework can assist researchers to obtain a deeper understanding of social information and support practitioners in implementing giving tools in donation campaigns.

AbouAssi, K., Faulk, L., Tran, L., Shaffer, L., & Kim, M. (2019). Use and perceptions of the availability of local government and nonprofit services in diverse urban settings. *Nonprofit and Voluntary Sector Quarterly*, 48(5), 975–997. DOI:10.1177/0899764019845521

This analysis tests fundamental nonprofit theory using individual-level demand-side data, which complements existing studies that have relied on organizational- and community-level variables alone. We use survey and administrative data to test the relationship between individuals' perceptions and use of local government services and their reported use of nonprofit services, controlling for the density of organizations around respondents' addresses. Individuals who report being better served by government services are significantly more likely to report using nonprofit services—while individuals who report being unserved by government are also less likely to report access to nonprofits, despite the actual density of organizations around them. These findings support theories of interdependence between government and nonprofit sectors. However, income- based disparities in perceived access to nonprofit services highlight persistent gaps in serving all individuals on the local level.

Bhati, A., & McDonnell, D. (2019). [Success in an online giving day: The role of social media in fundraising](#). *Nonprofit and Voluntary Sector Quarterly*, 49(1), 74–92. DOI:10.1177/0899764019868849

Social media platforms offer nonprofits considerable potential for crafting, supporting, and executing successful fundraising campaigns. How impactful are attempts by these

organizations to utilize social media to support fundraising activities associated with online Giving Days? We address this question by testing a number of hypotheses of the effectiveness of using Facebook for fundraising purposes by all 704 nonprofits participating in Omaha Gives 2015. Using linked administrative and social media data, we find that fundraising success—as measured by the number of donors and value of donations—is positively associated with a nonprofit's Facebook network size (number of likes), activity (number of posts), and audience engagement (number of shares), as well as net effects of organizational factors including budget size, age, and program service area. These results provide important new empirical insights into the relationship between social media utilization and fundraising success of nonprofits.

Bodem-Schrötgens, J., & Becker, A. (2019). [Do you like what you see? How nonprofit campaigns with output, outcome, and impact effectiveness indicators influence charitable behavior](#). *Nonprofit and Voluntary Sector Quarterly*, 49(2), 316–335.  
DOI:10.1177/0899764019868843

This study contributes to recent discussions on voluntary disclosure as a signaling approach among nonprofit organizations and its effects on stakeholders' decision-making. Focusing on nonprofit program effectiveness, we test how nonprofit campaigns providing information on three effectiveness indicators—outputs, outcomes, and impacts (as part of the logic framework)—influence donation and lending behavior. An online survey experiment (N = 271) reveals that donors value outcome and impact indicators more than output information, without any differences between the two. Moreover, the three indicators have no statistical influences on lending behavior. We also consider the moderating role of reflective decision-making and find no influence on either donation or lending behavior.

Brimhall, K. C. (2019). Inclusion and commitment as key pathways between leadership and nonprofit performance. *Nonprofit Management and Leadership*, 30(1), 31-49.  
DOI:10.1002/nml.21368

Given the projected growth of workforce diversity in the United States and the fact that heterogeneous workforces result in both positive (increased retention and performance) and negative (increased conflict and turnover) organizational outcomes, nonprofit leaders are faced with the challenge of effectively managing their workforces. Findings ways to ensure positive workplace outcomes, such as employee commitment (an emotional attachment to the organization) and performance, is especially critical for the overall functioning of nonprofit organizations. Using longitudinal multilevel path analyses, this study examined whether transformational leadership influenced work group performance through both creating a climate for inclusion and increasing employee affective commitment in a diverse nonprofit health care organization. Results indicate that transformational leaders help increase perceptions of inclusion, which improves employee commitment to the organization, and ultimately enhances perceived work group performance. This suggests inclusion and affective commitment as key factors for how leaders can increase nonprofit performance.

Brimhall, K. C. (2019). Inclusion is important... But how do I include? Examining the effects of leader engagement on inclusion, innovation, job satisfaction, and perceived quality of care in a diverse nonprofit health care organization. *Nonprofit and Voluntary Sector Quarterly*, 48(4), 716-737. DOI:10.1177/0899764019829834

Nonprofit leaders and managers are recognizing the benefits of creating inclusive organizations in which everyone feels valued and appreciated, yet little is known about how leaders can foster workplace inclusion. This study examined the relationships among leader engagement, inclusion, innovation, job satisfaction, and perceived quality of care in a diverse nonprofit health care organization. Data were collected at three points in 6-month intervals from a U.S. nonprofit hospital. Multilevel path analysis indicated significant direct associations between leader engagement, inclusion, and innovation. Innovation was directly linked to improved job satisfaction and perceived quality of care. Significant indirect effects were found



from leader engagement to increased job satisfaction and perceived quality of care through increased climates for inclusion and innovation. Findings suggest that nonprofit leaders who engage others in critical organizational processes can help foster an inclusive climate that leads to increased innovation, employee job satisfaction, and perceived quality of care.

Bryan, T. K. (2019). Toward a contingency model for the relationship between capacity and effectiveness in nonprofit organizations. *Nonprofit and Voluntary Sector Quarterly*, 48(4), 885–897. DOI:10.1177/0899764018815617

This article synthesizes the literature on organizational capacity in an effort to improve our understanding of the relationship between capacity and various measures of nonprofit effectiveness. I define capacity as the means by which organizations achieve effectiveness, and propose a contingency model to explain how different measures of nonprofit effectiveness (via goal attainment, system resources, and the multiple constituencies models) suggest distinct ways of conceptualizing and assessing nonprofit capacity. Drawing from organizational theory, I consider capacity in terms of resource streams and operational activities. The article proposes a contingency model that will assist researchers in examining the extent to which particular organization capacity variables relate to different measures of organizational effectiveness. It also provides practitioners a useful tool for understanding and assessing nonprofit capacity and effectiveness in different scenarios, in light of various internal and external factors.

Bünzli, F., & Eppler, M. J. (2019). Strategizing for social change in nonprofit contexts: A typology of communication approaches in public communication campaigns. *Nonprofit Management and Leadership*, 29(4), 491–508. DOI:10.1002/nml.21346

Public communication campaigns aim to create social change by influencing audiences' behaviors and thus help nonprofit organizations fulfill their mission. These campaigns, however, often fail to deliver their anticipated impact. Using public relations research as a theoretical lens,

this paper's contribution is twofold: first, we develop a typology that classifies the different communication approaches used in public communication campaigns. Based on one of the most prominent public relations theories, the Four Models of Public Relations, we differentiate communication approaches along the dimensions of communication purpose and communication style. Combining these two dimensions in a typology, we identify the following communication approaches: directing, platforming, mobilizing, and involving. We provide numerous real-life examples of public campaigns for each one. Second, we formulate propositions about these communication approaches' effectiveness relying on a key concept of public relations research: namely, audience segmentation. Using the transtheoretical model, we show that audiences can be segmented along five "stages of readiness to adopt a promoted behavior." Conceptualizing behavior change as an iterative, dynamic process that entails stage progresses as well as backdrops, we derive how audiences' "stage of readiness" relates to the effectiveness of the identified communication approaches.

Campbell, D. A., & Lambright, K. T. (2019). Are you out there? Internet presence of nonprofit human service organizations. *Nonprofit and Voluntary Sector Quarterly*, 48(6), 1296–1311. DOI:10.1177/0899764019852673

Using a sample of nonprofit human service organizations in South Central New York, this article analyzes the nature and extent of their Internet presence by examining their adoption of various Internet-based tools as well as their activity and visibility on the Internet. Nearly all organizations had websites but few provided interactive features, beyond the opportunity to donate. Many organizations also used at least one form of social media, although level of adoption, activity, and visibility varied. High capacity organizations and those with members had higher levels of Internet presence while those reliant on program service fees and government funding had lower levels. In addition, our results suggest distinct aspects of Internet presence are related and organizations can increase their visibility on the Internet by being more active.

Coupet, J., & Berrett, J. L. (2019). Toward a valid approach to nonprofit efficiency measurement. *Nonprofit Management and Leadership*, 29(3), 299–320. DOI:10.1002/nml.21336

Past literature in nonprofit management uses the overhead ratio of nonprofits as a measure of efficiency. Although the overhead ratio might measure top-heaviness, we argue that it does not measure nonprofit efficiency. To investigate this, we use financial and operational data to rank the efficiency of Habitat for Humanity affiliates with the overhead and administrative ratio, as well as data envelopment analysis (DEA) and stochastic frontier analysis (SFA), two of the most popular efficiency measures. While the DEA and SFA rankings are statistically correlated, overhead ratio rankings are negatively correlated with both SFA and DEA rankings. We argue that nonprofit scholars, managers, and donors should move away from concepts and measures of efficiency based on financial ratios, and toward ones that embrace maximizing what nonprofits are able to make and do.

Fredette, C., & Sessler Bernstein, R. (2019). Ethno-racial diversity on nonprofit boards: A critical mass perspective. *Nonprofit and Voluntary Sector Quarterly*, 48(5), 931–952. DOI:10.1177/0899764019839778

The need for greater diversity among organizational leaders and directors remains a challenge for organizations within the third sector, and beyond. This study examines diversity through a critical mass lens; that is, we examine an alternative approach to understanding the relationship between the ethno-racial composition of boards of directors and their perceived ability to engage stakeholders, improve organizational responsiveness, and effectively manage fiduciary responsibilities. Our study, drawing on a survey of 247 boards, clarifies the need for a critical mass approach to leadership diversity by highlighting the uneven impact of diversity on performance demonstrated by periods of accelerating and decelerating effect. We find that boards achieving a critical mass of ethno-racial diversity improved board performance among three governance activities—fiduciary performance, stakeholder engagement, and organizational responsiveness— with our critical mass approach illustrating the uneven impact of diversity on performance for each governance activity.

Hung, C., & Hager, M. A. (2019). The impact of revenue diversification on nonprofit financial health: A meta-analysis. *Nonprofit and Voluntary Sector Quarterly*, 48(1), 5–27.  
DOI:10.1177/0899764018807080

This study reviews the influence of revenue stream diversification on financial health. It is a meta-analysis of previous studies that have studied the relationship. This literature variously demonstrates that nonprofit financial health is improved, not influenced or harmed by diversifying reliance on different revenue streams. Our analysis of 40 original studies reporting 296 statistical effects demonstrates a small, positive, yet statistically significant association between revenue diversification and nonprofit financial health. In addition, we show that granularity of measurement of revenue diversification influences effect size, that this effect has shifted over time, and that studies on U.S. nonprofits demonstrate weaker (or more negative) effects. However, few other prominent suspects, including diversity of financial health measure or methodology choices explain variations in effects across the literature on revenue diversification. Overall, the study supports the contention that both analysts and practitioners should make strategic considerations that have generally escaped scholarship on revenue diversification or shift attention to revenue optimization considerations that have been raised by portfolio theory.

Ihm, J., & Shumate, M. (2019). [How does a board of directors influence within-and cross-sector nonprofit collaboration?](#) *Nonprofit Management and Leadership*, 29(4), 473–490.  
DOI:10.1002/nml.21343

Board members play a significant, yet largely unexamined, role in nonprofit collaboration. Processes, such as finding prospective partners, creating common ground with a partner, and establishing appropriate collaborative governance implicate nonprofit board members. In contrast to the scholarship of the role of interlocking directorates as potential networks for nonprofit collaboration, this paper examines the role of board members' social and human capital on nonprofit collaboration with other nonprofits, businesses, and government agencies. Drawing on online survey data from 636 nonprofit organizations, this paper finds that board

social capital— but not board human capital—is positively related to the presence and number of within-sector and cross-sector nonprofit collaboration. However, board human capital enhances nonprofit- government collaboration, when board social capital is also high. The results provide a novel perspective in nonprofit collaboration and board management research.

Lee, S., & Woronkiewicz, J. (2019). Nonprofit cash holdings and spending: The missing role of government funding. *Nonprofit Management and Leadership*, 29(3), 321–340.  
DOI:10.1002/nml.21342

Charitable nonprofit organizations have long been under scrutiny with regard to how they manage excess funds, particularly cash holdings. Given previous empirical evidence, agency problems have been treated as an effective lens to explain the consequences of cash holdings among nonprofits. That is, nonprofit managers spend cash holdings for their own interests as opposed to the social interests of the organization. This study revisits the question of how charities manage extra cash and further examines the role of government funding in nonprofits' spending decisions. The results suggest that nonprofit managers make decisions on how to manage extra cash in accordance with the level of cash holdings; therefore, agency problems do not effectively explain how nonprofits manage extra cash. Furthermore, the results illustrate two contrasting roles of government funding in nonprofits' financial behavior: government funding may be used to monitor unscrupulous behaviors among managers, but it may also restrain nonprofits from investing in human capital.

Li, H. (2019). Leadership succession and the performance of nonprofit organizations: A fuzzy-set qualitative comparative analysis. *Nonprofit Management and Leadership*, 29(3), 341–361. DOI:10.1002/nml.21339

Leadership succession is critical to the performance of nonprofit organizations. Existing research has mostly treated leadership succession as an instantaneous event, and it has

examined the independent effects of certain factors on organizational performance. However, little research has focused on the combinations of causally relevant factors. This article integrated organizational life cycle, resource dependence, and institutional theories, as well as the organizational fit literature, to explain how contextual and strategic factors combine to affect postsuccession performance. A fuzzy-set qualitative comparative analysis (fsQCA) was used to analyze 15 succession events in Chinese environmental nongovernmental organizations (NGOs). The study identified four pathways to good NGO performance after succession. It also highlighted that it is not succession per se but the succession context (i.e. founders' control, board governance, professionalization, and political environment) and the strategic orientations of the successor that affect postsuccession performance in nonprofit organizations.

Millesen, J. L., & Carman, J. G. (2019). [Building capacity in nonprofit boards: Learning from board self-assessments](#). *Journal of Public and Nonprofit Affairs*, 5(1), 74–94.  
DOI:10.20899/jpna.5.1.74–94

Boards of directors of nonprofit charitable organizations have long been responsible for serving essential purposes and performing critical agency functions. Given these responsibilities, it seems reasonable to expect that a periodic review of a board's capacity to effectively govern a nonprofit charitable organization be conducted. Using data collected from 800 individuals serving as board members of 42 different performing arts nonprofits, this study reports on board member evaluations of their individual and collective participation in the governance process through a self-assessment undertaken to inform decision-making and build capacity at both the board and organizational levels. Findings suggest the need for more (or better) training/orientation opportunities; focused, intentional, and tailored recruitment processes; clear communication, greater role clarity, and specificity regarding board performance expectations; greater understanding about best practices and the need to add value; and time to cultivate openness and collegiality among the board members and between the board and staff.

Newman, G. E., Shniderman, A., Cain, D. M., & Sevel, K. (2019). Do the ends justify the means? The relative focus on overhead versus outcomes in charitable fundraising. *Nonprofit and Voluntary Sector Quarterly*, 48(1), 71–90. DOI:10.1177/0899764018794903

Prospective donors are often sensitive to the amount of overhead in charitable fundraising. The present studies examine how differences in one's personal commitment to a cause moderate the relative focus on overhead versus outcomes in charitable fundraising. Three experiments find that donors who are more committed to the cause are, in fact, accepting of higher levels of overhead. Experiment 1 demonstrates that people are willing to accept a higher level of overhead for causes that are more (vs. less) important to them. Experiment 2 provides process evidence by showing that perceptions of cause importance generally influence how people evaluate the intentions behind charitable fundraising versus its outcomes. Experiment 3 directly manipulates cause importance and demonstrates a downstream effect on actual donations. Together, these studies suggest a more general framework whereby differences in personal commitment change the relative focus on the intentions behind pro-social behavior versus the outcomes achieved.

Shang, J., Sargeant, A., & Carpenter, K. (2019). [Giving intention versus giving behavior: How differently do satisfaction, trust, and commitment relate to them?](#) *Nonprofit and Voluntary Sector Quarterly*, 48(5), 1023–1044. DOI:10.1177/0899764019843340

This research quantifies for the first time in the literature how strong the direct and indirect relationships are between satisfaction, trust, and commitment and giving intention versus giving behavior. We constructed a unique data set of over 17,000 donors from five large charities. We applied the latest mediation framework for categorical variables from consumer behavior. We found that at a group level, most of the direct and indirect effects that exist between satisfaction, trust, commitment, and giving intention also exist between these factors and giving behavior, but the effect sizes are between 3 to 8 times larger in modeling giving intentions than in modeling giving behavior. When giving intention and giving behavior are matched at an individual level, all group-level findings are replicated. In addition, we found 27%

of the donors with no intention to give, actually gave. Theoretical, empirical, methodological, and practical implications are discussed.

Shier, M. L., Handy, F., & Jennings, C. (2019). Intraorganizational conditions supporting social innovations by human service nonprofits. *Nonprofit and Voluntary Sector Quarterly*, 48(1), 173–193. DOI:10.1177/0899764018797477

Social innovation is a distinct type of innovation that refers to the efforts of individuals and organizations that help to create opportunities that have a broader impact on a social system and/or the experiences of a vulnerable social group as a whole. This research identifies the intraorganizational conditions that support or hinder efforts by human service nonprofits to undertake social innovations. Utilizing a cross-sectional research design with a random sample of human service nonprofits (N = 165) in Pennsylvania, the study identifies internal organizational conditions related to cohesion, procedures, and staff engagement that positively predict product, process, and socially transformative social innovations. This study provides empirical evidence of specific internal organizational characteristics that are supportive of social innovations in human service nonprofits. Furthermore, areas for organizational development related to leadership, staff and volunteer engagement, and procedures and processes are identified that support the development and undertaking of social innovations.

Valeau, P., Eynaud, P., Chatelain-Ponroy, S., & Sponem, S. (2019). Toward a reassessment of the role of rank-and-file stakeholders in nonprofit organizations. *Nonprofit and Voluntary Sector Quarterly*, 48(1), 146–172. DOI:10.1177/0899764018794898

This study examines the relationships between the influence of different stakeholders and mission-based strategic planning, community development, and economic effectiveness. Our purpose is to highlight the unique and incremental contribution of rank-and-file stakeholders, that is, stakeholders without any specific grade or status, such as nonboard volunteers or



beneficiaries. We analyze reported data from 227 nonprofit organizations (NPOs) using structural equation modeling and bootstrap mediation analysis. Our results show that when rank-and-file stakeholders manage to remain influential, strategic planning tends to be more directly rooted in the mission, which contributes to both perceived community and economic effectiveness. These results are discussed with regard to the utility, legitimacy, and urgency of more direct forms of democratic governance giving rank-and-file stakeholders the power to contribute to mission-based strategic planning.

Zhao, J., & Lu, J. (2019). The crowding-out effect within government funding: Implications for within-source diversification. *Nonprofit Management and Leadership*, 29(4), 611–622. DOI:10.1002/nml.21351

The benefits and risks of revenue diversification lead scholars to propose within-source diversification as a possible compromise. Although this revenue strategy sounds promising, no scholarly attention has been devoted to empirically examining it. This study explores within-source diversification across government funding, specifically whether nonprofit receipt of support from a major government funder affects support from other government funders. Using a panel dataset of U.S.-based international development nonprofits from 1995 to 2014, we find that nonprofits with more funding from the major funder are associated with significantly less funding from other funders. This crowding-out effect weakens as organization size grows. The findings imply that the within-source diversification strategy might be more desirable for larger organizations with the capacity to manage multiple funding relationships.

Allen, S., Winston, B. E., Tatone, G. R., & Crowson, H. M. (2018). Exploring a model of servant leadership, empowerment, and commitment in nonprofit organizations. *Nonprofit Management and Leadership*, 29(1), 123–140. DOI:10.1002/nml.21311

This study examined a model of servant leadership's relationship to organizational commitment through structural and psychological empowerment, focusing on leader–

follower dyads in a nonprofit organization. Survey data was collected from 128 employees of a nonprofit organization in a northeastern U.S. city. After model re-specification, a well-fitting model emerged, indicating that structural empowerment mediates the relationship between servant leadership and organizational commitment. Moreover, the model suggests that structural empowerment's effect on organizational commitment is both direct and indirect—the latter occurring through the meaning dimension of psychological empowerment. This study provides initial support for structural empowerment being a mechanism through which servant leadership impacts organizational commitment in nonprofits. In addition, the role of meaningful work is highlighted as an antecedent to organizational commitment for nonprofit employees. Servant leaders are suggested to create structurally empowering working environments, which support employees' stronger commitment to the organization.

Becker, A. (2018). An experimental study of voluntary nonprofit accountability and effects on public trust, reputation, perceived quality, and donation behavior. *Nonprofit and Voluntary Sector Quarterly*, 47(3), 562–582. DOI:10.1177/0899764018756200

Voluntary accountability carried out by nonprofit organizations seeks to ensure organizational adherence to financial and ethical standards beyond legal regulations, thereby sending signals of quality and trustworthiness. Yet, insights into whether and how different forms of voluntary nonprofit accountability influence the public's attitude are limited, and recent calls emphasize the need for further empirical investigation. Building on the combination of three different research streams, this article presents a conceptual framework that distinguishes between four forms of (voluntary) nonprofit accountability within the theoretical context of the principal-agent theory. In an online experiment with 407 participants, the author demonstrates that externally certified voluntary accountability demonstrates higher reputation and perceived quality among nonprofit organizations, but not relating to donation behavior (relative to the other accountability conditions). Internal voluntary accountability has no effect, whereas no accountability is associated with less public trust, reputation, perceived quality, and donation behavior (compared with legal minimum accountability).

Calabrese, T. D. (2018). Do operating reserves stabilize spending by nonprofit organizations?. *Nonprofit Management and Leadership*, 28(3), 295–311. DOI:10.1002/nml.21282

The public budgeting literature has a long and rich tradition that examines the role of budget stabilization funds as fiscal stabilizers for state and local governments during periods of declining revenues and deteriorating economic conditions. Similarly, nonprofit organizations may accumulate operating reserves that allow them to smooth out annual imbalances between revenues and expenses, especially when facing a fiscal shock. Agency theory, on the other hand, indicates that managers might use these reserves to enrich themselves at the expense of the organization. This article is a step toward addressing a gap in our knowledge by analyzing the implications of reserves on nonprofit spending in general and also on particular functions (program versus overhead spending). Using a long panel of data from 1995 to 2011 and controlling for sample selection bias, the empirical results suggest that operating reserves held by nonprofit organizations do reduce expense gaps during downturns, but the effect is small. The results also suggest that nonprofit managers value current spending more than reserving funds for the future. Further, operating reserves are not associated with agency problems as predicted by theory. The empirical results suggest that the current rule of thumb—that nonprofits ought to hold up to 6 months of operating reserves—is inadequate if these pools of savings are intended to maintain all spending at trend during poor fiscal times. If, however, reserves are intended to only offset trend deviations partially while alternative strategies are sought, then the current rule of thumb may be sufficient.

Gazley, B., & Nicholson-Crotty, J. (2018). What drives good governance? A structural equation model of nonprofit board performance. *Nonprofit and Voluntary Sector Quarterly*, 47(2), 262–285. DOI:10.1177/0899764017746019

The study of nonprofit governance is coming into its theoretical heyday by incorporating a sophisticated understanding of its contingent and multidimensional nature. A systems view of governance acknowledges the interplay of internal and external dynamics on board performance. But empirically, large-scale, generalizable data that can test these concepts on

board performance have been scarce. This study helps to fill that gap with a structural equation analysis of a national representative survey of member-serving organizations. The results suggest that board performance is associated with complex organizational and labor dynamics, and that performance metrics themselves are multidimensional. Furthermore, not all relationships with strong boards are directly measurable. Some appear related to indirect external market dynamics or healthy internal dynamics such as learning and self-evaluation.

Guo, C., & Saxton, G. D. (2018). Speaking and being heard: How nonprofit advocacy organizations gain attention on social media. *Nonprofit and Voluntary Sector Quarterly*, 47(1), 5-26. DOI:10.1177/0899764017713724

The social media era ushers in an increasingly “noisy” information environment that renders it more difficult for nonprofit advocacy organizations to make their voices heard. How then can an organization gain attention on social media? We address this question by building and testing a model of the effectiveness of the Twitter use of advocacy organizations. Using number of retweets and number of favorites as proxies of attention, we test our hypotheses with a 12-month panel dataset that collapses by month and organization the 219,915 tweets sent by 145 organizations in 2013. We find that attention is strongly associated with the size of an organization’s network, its frequency of speech, and the number of conversations it joins. We also find a seemingly contradictory relationship between different measures of attention and an organization’s targeting and connecting strategy.

Meyer, M., & Leitner, J. (2018). Slack and innovation: The role of human resources in nonprofits. *Nonprofit Management and Leadership*, 29(2), 181-201. DOI:10.1002/nml.21316

Resources are often seen as a key factor in innovation. For business organizations, it has been shown that there is a relation between the lack or abundance of resources and the innovativeness of organizations. It is specifically abundance that fosters innovations, not shortage. We investigated this relationship for nonprofits based on a cross-sectional survey of

250 Austrian nonprofit organizations (NPOs). According to levels of disposability, we differentiate between available slack, recoverable slack, and potential slack. Turning to the type of resources, we distinguish financial slack from different types of HR slack: levels of motivation and qualification and levels of compensation, addressing the level of employees' wages. Our results indicate that in NPOs human resources slack rather than financial slack has a positive impact on innovativeness.

Searing, E. A. (2018). Determinants of the recovery of financially distressed nonprofits. *Nonprofit Management and Leadership*, 28(3), 313–328. DOI:10.1002/nml.21296

Financial ratios are traditionally used to predict and diagnose financial vulnerability; this is helpful, but leaves unanswered how the vulnerable nonprofit should prioritize this information in order to survive. Using panel data, this empirical study observes the financial behaviors of distressed nonprofits for 4-year periods where the first 2 years are financially vulnerable. Two definitions of vulnerability are tested: when liabilities exceed assets (insolvency) and when net assets shrink by more than 25% annually (financial disruption). In determining which nonprofits recover during the final 2 years, we find that the type of vulnerability impacts which financial indicators a nonprofit should target, and that common tactics such as improving profitability may be counterproductive. Finally, we do not find evidence for liabilities of newness or smallness in the statistical analysis.

Sharp, Z. (2018). Existential angst and identity rethink: The complexities of competition for the nonprofit. *Nonprofit and Voluntary Sector Quarterly*, 47(4), 767–788. DOI:10.1177/0899764018760399

This article explores the concept of competition as perceived by the nonprofit organization (NPO). Based on a series of case studies, the article examines the NPO's response to competitive analysis within a strategic planning process. The findings suggest that despite behaving competitively, both for funding and in the marketplace, the NPO's direct, mindful encounter with

a distinctly market orientation engenders a reinterpretation of the concept of competition, aligning it with a nonprofit, value-centric mindset. In parallel, the imposition of competitive demands on the NPO may trigger a counterreaction in which the nonprofit launches a reexamination of its organizational identity. This process, in which the NPO may question the justification of its very existence, can generate significant emotional turmoil. The case study findings suggest that the outcome of this process may be the reinforcement and amplification of the organization's social orientation.

Vallaster, C., & von Wallpach, S. (2018). Brand strategy co-creation in a nonprofit context: A strategy-as-practice approach. *Nonprofit and Voluntary Sector Quarterly*, 47(5), 984-1006. DOI:10.1177/0899764018776373

Literature increasingly acknowledges stakeholders' voluntary involvement in formerly internal processes and structures of nonprofit organizations. This article contributes to extant literature by investigating how stakeholders get involved in and co-create brand strategy, a core intangible asset for nonprofit organizations. To this end, the article conceptualizes the process of nonprofit brand strategy co-creation from a strategy-as-practice perspective and empirically investigates this process in the context of a child care facility. The article identifies four processes characterizing strategic branding praxis—informing, relating, caring, and reassuring—that manifest in a variety of situated practices and foster the maintenance of a strategic status quo. The data further show a dynamic interplay of stability and adaptation shaped by individual, organizational, and market contexts. These findings provide the basis for proposing a model of brand strategy co-creation that synthesizes the social and contextual dynamics characterizing brand strategy development in a nonprofit context.

Van Puyvelde, S., Brown, W. A., Walker, V., & Tenuta, R. (2018). Board effectiveness in nonprofit organizations: Do interactions in the boardroom matter?. *Nonprofit and Voluntary Sector Quarterly*, 47(6), 1296–1310. DOI:10.1177/0899764018762318

This study explores how perceived interactions in the boardroom are associated with perceptions of board effectiveness in nonprofit organizations. The relationships between board chair leadership, board meeting practices, board group dynamics, and the perceived effectiveness of the board in several governance roles and responsibilities are investigated. The results show that interactions in the boardroom matter: they are generally positively associated with both board chairs' and chief executives' perceptions of board effectiveness. Based on these results, several practical implications are formulated for boards seeking to improve their effectiveness.

Ward, J., & Greene, A. M. (2018). Too much of a good thing? The emotional challenges of managing affectively committed volunteers. *Nonprofit and Voluntary Sector Quarterly*, 47(6), 1155–1177. DOI:10.1177/0899764018783276

This article presents the emotional challenges of managing affectively committed volunteers and the associated impacts on the managerial task. Through a qualitative arts-based study at a U.K. nonprofit organization, the National Trust, dominant rhetoric positioning volunteering as positive is problematized. Paid managers find managing affectively committed volunteers emotionally demanding and are often reluctant to address what they perceive to be difficult volunteer behavior. This study conceptualizes the emotionally challenging behaviors of volunteers and the reluctance of their paid managers to address them, as a consequence of a variation in adherence to the organizational display and feeling rules that define their shared emotional arena. This is influenced by the existence or lack of an employment contract within the context of their affective commitment. Suggestions are made for further research and practice regarding the management of volunteers.

Burde, G., Rosenfeld, A., & Sheaffer, Z. (2017). Prediction of financial vulnerability to funding instability. *Nonprofit and Voluntary Sector Quarterly*, 46(2), 280–304.  
DOI:10.1177/0899764016655618

Financial vulnerability of nonprofit organizations arising from governmental funding instability is examined using hazard analysis. Funding instability is characterized by time-at-risk, and vulnerability is expressed by hazard rate measuring the speed of nonprofit organizations closure. The analysis provides estimation of instantaneous probability of a nonprofit organization failure at a given point in time. Drawing on 2,660 Israeli nonprofit organizations, we found that the relationship between hazard rate and time-at-risk has an inverted U-shape curve; hazard rate increases with time-at-risk, reaches a maximum then descends.

Campbell, D. A., & Lambricht, K. T. (2017). [Struggling to get it right: Performance measurement challenges and strategies for addressing them among funders of human services.](#) *Nonprofit Management and Leadership*, 27(3), 335–351. DOI:10.1002/nml.21249

This article examines the challenges public and nonprofit human service funders face in the performance measurement process and the strategies they use to address these challenges. We use survey and interview data to compare funders' experiences across a region. Common challenges included dissatisfaction with formal data collection procedures, difficulty getting providers to comply with reporting requirements, provider performance problems, and lack of capacity to use performance information. Capacity issues were a greater concern for smaller funders. Funders used a variety of strategies to address challenges. Use of some strategies depended on context. Practices were relatively consistent across funder groups.



Despard, M. R. (2017). Can nonprofit capacity be measured?. *Nonprofit and Voluntary Sector Quarterly*, 46(3), 607-626. DOI:10.1177/0899764016661425

Organizational capacity is the set of structures and functions a nonprofit organization needs to effectively serve the community. Although capacity is defined in the nonprofit literature, no standardized measures exist, making it difficult to accurately assess organizational capacity. Data from a survey of nonprofit human service organizations (N = 1,221) that participated in a capacity-building demonstration project are used to assess the fit of two conceptual models of capacity using confirmatory factor analysis. Results indicated that a model that measured capacity with more than 40 performance-related indicators did not fit the data well. However, a model using fewer (19) indicators of organizations' self-assessed capacity-building progress fit the data well and was invariant by tenure. Implications for measuring nonprofit organizational capacity are discussed.

Duquette, N. J. (2017). Spend or save? Nonprofits' use of donations and other revenues. *Nonprofit and Voluntary Sector Quarterly*, 46(6), 1142-1165. DOI:10.1177/0899764017728368

Panel regression methods are used to estimate the links between nonprofits' revenues by source and the uses of those revenues. While charities spend most types of revenue on program services, they overwhelmingly save revenue from donations. This is true for all types of charity by National Taxonomy of Exempt Entities code. This saving is not driven by donor restrictions or by short-term strategic shifts but is consistent with expense smoothing over time. Policy makers should consider effects of donation incentives and government grants on the timing of outputs that result from different revenue sources.

Ecer, S., Magro, M., & Sarpça, S. (2017). The relationship between nonprofits' revenue composition and their economic-financial efficiency. *Nonprofit and Voluntary Sector Quarterly*, 46(1), 141-155. DOI:10.1177/0899764016649693

We study financial efficiency in the nonprofit sector and document that organizations that rely mainly on commercial revenues are more efficient in managing their overhead and administrative expenses compared with nonprofits that rely mainly on donations. We also record a positive relationship between the extent of a nonprofit's reliance on donations and its efficiency in generating them. Our findings suggest economies of scale in the nonprofit sector and also a positive (negative) relationship between receiving government grants (membership income) and overall efficiency. We discuss what our findings imply for social enterprises and traditional nonprofits.

Faulk, L., & Stewart, M. J. (2017). As you sow, so shall you reap? Evaluating whether targeted capacity building improves nonprofit financial growth. *Nonprofit Management and Leadership*, 27(3), 317-334. DOI:10.1002/nml.21247

Foundations' capacity-building grant programs strive to bolster performance and outcomes for their nonprofit grantees. Yet with few outcome evaluations of such programs, we have limited understanding of whether these capacity-building efforts achieve their intended result. This study evaluates fifteen years of data for one foundation's capacity-building grant program to understand whether targeted capacity building for financial management and development contributes to nonprofit financial growth. The authors examine the management-performance link in this context and inform sector leaders who dedicate resources to capacity-building programs about the outcomes of these efforts.

Felix, R., Gaynor, G., Pevzner, M., & Williams, J. L. (2017). Societal trust and the economic behavior of nonprofit organizations. *Advances in Accounting*, 39, 21–31.  
DOI:10.1016/j.adiac.2017.09.003

This study explores the impact of societal trust on the economic behavior of nonprofit organizations. Although prior studies reveal that trust has a positive impact on the economic behavior of for-profit firms, the institutional differences between the two organization types make it unclear whether trust plays a similar role in nonprofits. Our results show that nonprofits operating in higher trust areas are more likely to overspend on administrative expenses. This positive relationship between trust and overspending is primarily driven by service organizations, as opposed to public charities. Moreover, within service organizations, we find that the positive trust–administrative overspending association is most prevalent in situations of weaker monitoring or governance. Additional tests show trust has a similar impact on excess compensation and abnormal accruals in service organizations. Overall, our findings suggest that trust may provide opportunities for nonprofit managers, particularly in service-oriented organizations, to engage in opportunistic behavior that may be exacerbated by weaker forms of oversight.

Knapp, J. R., Smith, B. R., & Sprinkle, T. A. (2017). Is it the job or the support? Examining structural and relational predictors of job satisfaction and turnover intention for nonprofit employees. *Nonprofit and Voluntary Sector Quarterly*, 46(3), 652–671.  
DOI:10.1177/0899764016685859

We examine the relative efficacy of two theoretically distinct variables for predicting job satisfaction and turnover intentions for workers in nonprofit organizations. The first, perceived job characteristics, reflects the structure of jobs in terms of autonomy, skill variety, task identity, task significance, and feedback. The second, perceived organizational support, reflects the quality of the employee–organization relationship. We collected data from 196 full-time, nonprofit employees across two time periods, and we tested hypotheses using hierarchical regression and relative importance analysis. Results emphasize the significance of managing

employees in a supportive manner and structuring jobs so that employees can work autonomously.

Parsons, L. M., Pryor, C., & Roberts, A. A. (2017). Pressure to manage ratios and willingness to do so: Evidence from nonprofit managers. *Nonprofit and Voluntary Sector Quarterly*, 46(4), 705–724. DOI:10.1177/0899764017692037

We survey 200 nonprofit executives to investigate the pressure they experience to manage so-called efficiency ratios, and their reactions to that pressure. Specifically, we investigate whether managers' perceptions of donor pressure are influenced by (a) the degree to which they rely on contributions and government grants, (b) the existence of restricted gifts, (c) oversight by monitoring institutions that may affect donor giving decisions, and (d) the sophistication of management. We then examine factors that affect the likelihood that managers will engage in ratio management. Interestingly, we find no evidence that nonprofits that rely more heavily on donor support feel greater donor pressure. Instead, we provide evidence that specific donors, such as those who make restricted gifts and government grantors, influence perceptions of pressure. Furthermore, more sophisticated managers perceive less pressure to manage ratios. When facing pressure to manage ratios, monitors and sophisticated managers reduce the likelihood of ratio management.

Perez Jolles, M., Collins-Camargo, C., McBeath, B., Bunger, A. C., & Chuang, E. (2017). Managerial strategies to influence frontline worker understanding of performance measures in nonprofit child welfare agencies. *Nonprofit and Voluntary Sector Quarterly*, 46(6), 1166–1188. DOI:10.1177/0899764017728366

In response to demands of funders and interorganizational competition, nonprofit human service organizations have invested in performance measurement to demonstrate the effectiveness and efficiency of internal operations. Literature suggests that frontline workers' involvement in performance measurement is critical in supporting organizational efforts to improve performance. Yet, we lack information on how nonprofit managers convey

performance standards to frontline workers and promote their engagement in performance measurement. This study draws on data from the 2011 National Survey of Private Child and Family Serving Agencies to identify strategies nonprofit managers used to engage frontline workers in performance measurement. Findings indicate that less than half of managers reported that their workers had a strong or very strong understanding of the agency's performance measures. Managerial communication and board involvement in performance measurement were associated with greater worker understanding of performance measures. These managerial approaches may be key factors in frontline understanding of performance measures.

Rimes, H., Nesbit, R., Christensen, R. K., & Brudney, J. L. (2017). Exploring the dynamics of volunteer and staff interactions: From satisfaction to conflict. *Nonprofit Management and Leadership*, 28(2), 195–213. DOI:10.1002/nml.21277

The quality of the relationships between volunteers and paid staff can have far-reaching consequences for organizations that utilize volunteer programs to support service delivery. We utilize a mixed methods case study design to explore volunteer and staff perceptions of their mutual interactions within a large library system in the southeastern United States. We consider which areas of these interactions might be vulnerable to conflict. Our findings suggest that conflict is likely to arise due to communication problems, behavioral or attitudinal issues, perceptions of job vulnerability, divergent expectations, lack of trust, and workflow integration hurdles. We argue that to avoid these tensions and promote effective service delivery, staff members must have appropriate training and preparation to interact successfully with volunteers.

Shaker, G. G., Christensen, R. K., & Bergdoll, J. J. (2017). [What works at work? Toward an integrative model examining workplace campaign strategies](#). *Nonprofit Management and Leadership*, 28(1), 25–46. DOI:10.1002/nml.21270

Many US employees are regularly asked to give charitable donations through work. The techniques used to solicit workplace donations vary. Drawing on a nationally representative survey, the study used a sample of donor responses to examine the effectiveness of several widely used campaign strategies: donor choice, company matching, public recognition, and solicitation support. The theoretical framework built on workplace research by Barman (2007) and established charitable giving mechanisms (Bekkers and Wiepking 2011a, 2011b). The research question was, “Do workplace campaign strategies lead employees to participate and to make (larger) donations in the workplace?” The positive outcomes of the strategies, aside from donor choice, were limited, suggesting that tried-and-true workplace fundraising strategies warrant additional scrutiny. The findings are meaningful to campaign managers seeking to identify approaches that generate workplace giving. For researchers, the results confirm growing attention to the importance of purpose-based giving in comparison with community-based giving.

Shumate, M., Cooper, K. R., Pilny, A., & Pena-y-lillo, M. (2017). [The nonprofit capacities instrument](#). *Nonprofit Management and Leadership*, 28(2), 155–174. DOI:10.1002/nml.21276

Nonprofits are guided by internal efforts and external mandates to build capacity. However, scholars and grant makers are hampered by varied definitions of the concept, competing but untested models, and the lack of a reliable and valid measure. This research defines nonprofit capacity as the processes, practices, and people that the organization has at its disposal that enable it to produce, perform, or deploy resources to achieve its mission. An inductive-confirmatory two- study approach introduces and validates the Nonprofit Capacities Instrument, a 45-item measure of eight nonprofit capacities derived from existing instruments. The capacities are (1) financial management, (2) adaptive capacity, (3) strategic planning, (4)

external communication, (5) board leadership, (6) operational capacity, (7) mission orientation, and (8) staff management. Intriguingly, this research demonstrates that nonprofit capacity is not a singular or second-order concept, but better described in its plural form, nonprofit capacities.

Tacon, R., Walters, G., & Cornforth, C. (2017). [Accountability in nonprofit governance: A process-based study](#). *Nonprofit and Voluntary Sector Quarterly*, 46(4), 685–704. DOI:10.1177/0899764017691637

Accountability is a crucial element of governance. Nonprofit organizations are typically accountable to multiple stakeholders and often “do” accountability in multiple ways. But what happens when a nonprofit organization is highly dependent on a single source of funding? This article provides an empirical exploration of this issue. It draws on a longitudinal case study of one nonprofit organization in the United Kingdom that is highly dependent on a single funder to examine how accountability is constructed and enacted, with a focus on the board. It critically examines accountability processes through direct observation of board and committee meetings and in-depth interviews with board members. The analysis shows how board members work to construct broader forms of accountability beyond accountability to the funder, but then struggle to enact them. This article provides in-depth insight into the challenges that nonprofit board members face and offers a rare example of observational research on board behavior.

Yoshioka, T. (2017). The relationship between provision of membership benefits and fulfillment of representational roles in nonprofit advocacy membership organizations. *Nonprofit Management and Leadership*, 28(2), 215–235. DOI:10.1002/nml.21281

This article explores the ways nonprofit advocacy membership organizations can manage their resource dependence on members and fulfill the organizations' representational roles, focusing on the provision of membership benefits. Membership organizations rely on financial

or other resources from members and thus are constrained by them. For a nonprofit that aims to primarily speak for members, constraints by members may help to focus organizational attention on members' interests. Contrarily, for a nonprofit that aims to mainly represent broader constituents, members' constraints may hamper an organization's ability to advocate for broader constituents because members do not necessarily share the same policy goals with broader constituents. The provision of membership benefits can be a useful strategy for organizations to fulfill their representational roles and to satisfy and engage members, because people often join an organization to enjoy certain membership benefits. For an empirical analysis, this study collected a large-scale data set through web and mail surveys of nonprofit advocacy organizations across the United States. The mixed-mode surveys achieved a 57.5 percent response rate (729 responses). The survey and regression analysis results show that member-serving nonprofits providing members with opportunities to participate in advocacy work are more likely to represent members' interests directly. Although broader constituency-serving nonprofits tend to prioritize members' opinions, these organizations are more likely to adhere to the mandates of broader constituents when providing selective material membership benefits. However, when providing purposive membership benefits, these nonprofits are more likely to represent members' opinions.

AbouAssi, K., Makhlouf, N., & Whalen, P. (2016). [NGOs' resource capacity antecedents for partnerships](#). *Nonprofit Management and Leadership*, 26(4), 435-451.  
DOI:10.1002/nml.21200

Nonprofit organizations strive for continuous improvement in their programs' effectiveness and sustainability, service efficiency, and accountability. Typically, managers face the need to attain these objectives despite limited or declining resources. For that reason, collaboration with other organizations has become an increasingly favored tactical strategy. However, even with the extensive literature on collaboration, there is a lack of empirical testing of elements or characteristics essential to collaboration. Using survey data from environmental organizations, we find that organizations that have sufficient human resource capacity, more technological



resources, and employ females at the leadership level would more likely seek collaboration than would other organizations. Organizations that generate higher internal revenues are less likely to seek collaboration.

Bernstein, R., Buse, K., & Bilimoria, D. (2016). [Revisiting agency and stewardship theories: Perspectives from nonprofit board chairs and CEOs](#). *Nonprofit Management and Leadership*, 26(4), 489–498. DOI:10.1002/nml.21199

Using principal–agent theories, this study examined differences in the perceptions of nonprofit chief executive officers (CEOs) and board chairs on key governance aspects, including board performance, leadership, satisfaction with diversity, and board meetings. Using data from the CEOs and board chairs of 474 nonprofit organizations, we found statistically significant differences in the governance perceptions of these leaders of nonprofit organizations. The findings provide support for an agency theory explanation about the differing interests of principals (board chairs) and agents (CEOs). The findings suggest that these two sets of nonprofit actors frequently operate from different perspectives, potentially affecting the governance of their organizations.

Bromley, P., & Orchard, C. D. (2016). Managed morality: The rise of professional codes of conduct in the US nonprofit sector. *Nonprofit and Voluntary Sector Quarterly*, 45(2), 351–374. DOI:10.1177/0899764015584062

Calls for accountability in the nonprofit sector have never been stronger, and the rise of various forms of self-regulation represents a profound shift for nonprofits. Existing studies tend to focus on effective design and implementation of accountability policies, with an eye toward improving nonprofit efficiency and reducing instances of misconduct. Against this backdrop, we draw on sociological institutionalism to theorize an alternative view of one form of self-regulation, formal codes of conduct or ethical codes. In this view, formal policies, such as codes, are assumed to be adopted as a response to pressures in an organization's institutional

environment, beyond their purported instrumental value. Using a quantitative analysis of code adoption by 24 of 45 state nonprofit associations over the period 1994 to 2011, we provide evidence that codes arise due to general environmental conditions, particularly related to the influences of neoliberalism and professionalization, net of the functional demands of any particular context.

Fredette, C., Bradshaw, P., & Krause, H. (2016). [From diversity to inclusion: A multimethod study of diverse governing groups](#). *Nonprofit and Voluntary Sector Quarterly*, 45(1S), 28S–51S. DOI:10.1177/0899764015599456

This article explores the dynamics of diversity and inclusion in the context of boards of directors in the nonprofit sector. Our multimethod study builds on current diversity research by exploring social microprocesses of inclusion in diverse governing groups. We consider functional and social approaches to inclusion within boards, and address the potential for more transformative inclusion. Our findings suggest significant opportunities for meaningful change by shifting focus from diversity to inclusive practices within diverse groups.

Garven, S. A., Hofmann, M. A., & McSwain, D. N. (2016). [Playing the numbers game: Program ratio management in nonprofit organizations](#). *Nonprofit Management and Leadership*, 26(4), 401–416. DOI:10.1002/nml.21201

Nonprofit organizations are often evaluated using the program ratio: the proportion of mission-related program expenses to total expenses. Nonprofit managers have incentives to manipulate the reporting of financial information to enhance the program ratio. This article reviews the scholarly literature on program ratio management in nonprofit organizations. Prior research has identified several motivations for and methods of program ratio management and provided limited evidence that it occurs. Researchers have explored the consequences of program ratio management and provided a list of factors mitigating such behaviors. The

emerging consensus is that the program ratio is of limited usefulness in evaluating nonprofit performance.

Lecy, J., & Thornton, J. (2016). [What big data can tell us about government awards to the nonprofit sector: Using the FAADS](#). *Nonprofit and Voluntary Sector Quarterly*, 45(5), 1052–1069. DOI:10.1177/0899764015620902

This article reviews the Federal Assistance Award Data System (FAADS), a comprehensive online archive of federal grant activity. Relatively few nonprofit scholars have used this extensive data source due to significant structural limitations in the data. This article aims to describe and mitigate those limitations while stimulating new research on government awards to nonprofits. The article profiles the process of federal award flows and reporting. We also identify the primary advantages and shortcomings in the current data structure. Finally, we post an electronic matching algorithm that links individual federal award records to recipient Form 990 financial data. This process allows researchers to analyze the influence of federal awards with greater fidelity than has been previously accomplished in the literature.

Lee, Y. J. (2016). Comparison of job satisfaction between nonprofit and public employees. *Nonprofit and Voluntary Sector Quarterly*, 45(2), 295–313. DOI:10.1177/0899764015584061

The dissimilarities in governance, clientele, and organizational imperatives between the nonprofit and public sectors suggest that understanding employee job satisfaction requires distinction between the two. This study examines similarities and differences in what affects managers' job satisfaction in nonprofit and public organizations, focusing on managers' perception of their organization, job, and top management. While the results suggest that pride in the organization is a determining factor of managers' job satisfaction in both sectors, they also reveal that certain attributes of job satisfaction influence managers' job satisfaction differently between the two sectors. In particular, the findings suggest that nonprofit

organizations should establish clear definitions of employees' tasks and roles and allow employees more autonomy to increase their job satisfaction.

Lee, Y. J. (2016). What encourages nonprofits' adoption of good governance policies?. *Nonprofit Management and Leadership*, 27(1), 95–112. DOI:10.1002/nml.21226

This study examines how nonprofits' external environments and organizational characteristics explain their likelihood of having written policies for good governance. Findings from the 2010 data of the National Center for Charitable Statistics show that state requirements for registration and annual reporting are not related to a nonprofit's likelihood of adopting such written policies. The results instead indicate that organizations that engage in lobbying activities and operate in metropolitan areas are more likely to have good governance standards. Most of all, the analysis shows that organizational resources, both financial and human, explain differences in the adoption of these policies. These findings suggest that the nonprofit community should collectively invest in building the infrastructure that helps smaller organizations develop good governance policies and, hence, stay competitive.

LeRoux, K., & Langer, J. (2016). What nonprofit executives want and what they get from board members. *Nonprofit Management and Leadership*, 27(2), 147–164. DOI:10.1002/nml.21234

In theory, nonprofit boards of directors exist to perform mission-setting and oversight functions that help to ensure organizational accountability. Yet there is evidence that board behavior often falls short of this ideal. Using survey data from a sample of 241 executive directors of nonprofit agencies, we investigated whether nonprofit boards are meeting executive directors' expectations, and if not, what factors explain this? We find that although board behavior tends to align closely with executive directors' preferences for involvement in administration and management tasks, there is a greater disconnect between board behavior and executive directors' preferences for involvement in mission-setting and oversight duties. Factors that

mitigate this gap include organizational professionalization and stability, whereas more extensive reliance on government funding exacerbates it. Female executive directors experience a greater disconnect in their preferences for board involvement and actual board involvement than male executive directors. We conclude by discussing the implications of our findings for both theory and practice.

Lu, J. (2016). The philanthropic consequence of government grants to nonprofit organizations: A meta-analysis. *Nonprofit Management and Leadership*, 26(4), 381– 400.  
DOI:10.1002/nml.21203

Do government grants displace or leverage private donations to nonprofit organizations? Although research on this topic is flourishing, the findings remain extremely contradictory, creating difficulty in developing a cumulative knowledge available to scholars and practitioners. This study employs a meta-analysis to systematically synthesize the competing findings from the existing literature. Using a sample of sixty original studies with 637 effect sizes, this study finds government grants have almost no correlation with private donations. In addition, this study demonstrates, through meta-regression, that nonprofit subsector variation, organizational age as a control, longitudinal data structure, and endogeneity correction help explain the effect size heterogeneity within and across original studies. Nonprofits should be more concerned about the capacity of competing for different funding sources rather than tradeoff among them.

Maier, F., Meyer, M., & Steinbereithner, M. (2016). Nonprofit organizations becoming business-like: A systematic review. *Nonprofit and Voluntary Sector Quarterly*, 45(1), 64–86.  
DOI:10.1177/0899764014561796

By now, the becoming business-like of nonprofit organizations (NPOs) is a well-established global phenomenon that has received ever-growing attention from management and organization studies. However, the field remains hard to grasp in its entirety, as researchers use

a multitude of similar, yet distinct, key concepts. The considerable range and complexity of these overlapping notions create major challenges: Scholars struggle to position their work in a larger context; it is not easy to build on previous findings and methodological developments; and research gaps are difficult to identify. The present article presents the first systematic literature review to confront those challenges by reviewing 599 relevant sources. In a first step, various key concepts are clarified. Second, the field is mapped according to three research foci: causes of NPOs becoming business-like, organizational structures and processes of becoming business-like, and effects of becoming business-like. From this, we draw conclusions and make suggestions for further research.

Mason, D. P. (2016). Common agency in nonprofit advocacy organizations. *Nonprofit Management and Leadership*, 27(1), 11-26. DOI:10.1002/nml.21211

Most theories of nonprofit organizations and nonprofit leadership recognize the multitude of stakeholders—including board members, donors and volunteers, funders, the media, and policy makers—that organizational leaders must contend with in doing their work. For nonprofits engaged in advocacy, demands from stakeholders may be even more challenging to meet. Although stakeholder theory recognizes the effect of various groups on an organization, it does not explain how leaders manage the preferences of their often-competing stakeholders while they make choices for the organization. This study develops a common agency framework, evaluating the roles of three groups crucial to nonprofit advocacy organizations: the organization's board of directors, elected officials, and donors/members. The common agency framework is then illustrated with interviews with leaders of nonprofit advocacy organizations in California. Findings suggest that the leaders of these groups have a significant amount of discretion in guiding their organizations' activities and operations.

Prentice, C. R. (2016). Understanding nonprofit financial health: Exploring the effects of organizational and environmental variables. *Nonprofit and Voluntary Sector Quarterly*, 45(5), 888–909. DOI:10.1177/0899764015601243

Using Internal Revenue Service Form 990 information for all filing 501(c)(3) organizations from 1998 to 2003, this article explores the organizational and environmental factors that affect nonprofit financial health in two subsectors—human services and higher education. The results yield three noteworthy findings. First, theory and empirical data converge when four commonly used financial indicators are combined to form a single financial health construct. Second, accounting measures and revenue variables are not as clearly related to financial health as the literature suggests. Third, environmental variables including macroeconomic factors (gross domestic product and state product), community factors (median household income), as well as a nonprofit's financial prominence in their policy area (revenue share) are strong predictors of nonprofit financial health. This research contributes to the literature in several ways, most notably by incorporating a more open-systems approach to the study of nonprofit financial health with the inclusion of several environmental variables.

Siddiki, S., & Lupton, S. (2016). Assessing nonprofit rule interpretation and compliance. *Nonprofit and Voluntary Sector Quarterly*, 45(4S), 156S–174S. DOI:10.1177/0899764016643608

Nonprofit organizations operate within the confines of formalized agreements structured by parent organizations, funders, and partners. Compliance with the rules comprising these agreements leads to organizational legitimacy and the resulting access to resources. At times, compliance can be challenging because internal and external stakeholders exert pressures on nonprofits that can sometimes dissuade rule adherence. These pressures can be amplified when a nonprofit is an affiliate. Affiliate nonprofits must meet accountability demands of their local constituencies while aligning missions, organizational structures, governance, and programmatic activities with parent organizations that might be geographically distant. Affiliate status thus adds a layer of complication to an already complex environment. We

conduct an institutional analysis as a basis for assessing how nonprofit affiliates interpret global rules for maintaining affiliate status and factors most important to them in maintaining continued compliance with such rules. Our research is conducted in the context of United Way (UW) affiliate organizations in Indiana.

Stewart, A. J. (2016). Exploring nonprofit executive turnover. *Nonprofit Management and Leadership*, 27(1), 43–58. DOI:10.1002/nml.21225

Projections of executive turnover loom over the three sectors with aging baby boomers filling many executive-level positions, and research into causes, outcomes, and processes of turnover are timely inquiries. Yet, scholarly attention into nonprofit executive turnover has been limited to date and has not sufficiently examined actual turnover events. To help address this gap, forty nonprofit organizations that had recently experienced executive turnover were selected from a national random sample, and the current executives participated in an interview. This qualitative data was analyzed to identify factors and dynamics that define nonprofit executive turnover. These findings both confirm practical knowledge and offer new insights relevant to future research and practitioners alike.

Woronkiewicz, J. (2016). Is bigger really better? The effect of nonprofit facilities projects on financial vulnerability. *Nonprofit Management and Leadership*, 27(1), 79–94. DOI:10.1002/nml.21209

This study investigates the effect of a capital facilities project on nonprofit financial vulnerability metrics. The author employs a difference-in-differences technique to model the relationship between facilities investments and financial vulnerability indicators using data for a matched-pair sample of nonprofit organizations that invested and did not invest in a facilities project. Overall the findings suggest that investments in facilities are associated with temporary increases in an organization's net assets ratio and decreases in its surplus ratio after a project is completed, and that the costs associated with facilities projects (for example, debt)



place strain on nonprofit finances. The study's findings have implications for the financial management of nonprofit organizations, particularly in regard to the associated costs of capital expansion.

Yıldız, I. G., & Şimşek, Ö. F. (2016). Different pathways from transformational leadership to job satisfaction: The competing mediator roles of trust and self-efficacy. *Nonprofit Management and Leadership*, 27(1), 59–77. DOI:10.1002/nml.21229

Transformational leaders are known to inspire and motivate their followers, thereby leading to enhanced job satisfaction. Job satisfaction is an intellectual concept regarding individuals' attitudes toward their jobs. This study asserts that the underlying mechanisms for transformational leadership to affect employee satisfaction are trust in the community, including the leader (that is, organization) and trust in the self, namely self-efficacy. Leadership is specifically associated with continual transformations in the higher educational context, and collectivist cultures may manifest different processes underlying the transformational leadership–satisfaction relationship. This study investigated the mediating effects of trust and self-efficacy on the relationship between transformational leadership and job satisfaction. The study sample included academicians from a nonprofit higher education institution in Turkey. The data were analyzed using structural equation modeling. The results showed that the relationship between transformational leadership and job satisfaction is fully mediated by both trust and self-efficacy. The mediator effect of trust was shown to be stronger than self-efficacy, which is assumed to be the result of the cultural context. The results are discussed in the context of employee satisfaction and cultural determinants of employee satisfaction.

Coule, T. M. (2015). [Nonprofit governance and accountability: Broadening the theoretical perspective](#). *Nonprofit and Voluntary Sector Quarterly*, 44(1), 75–97.  
DOI:10.1177/0899764013503906

Drawing on comparative case studies, this article critiques the positioning of accountability as a benign and straightforward governance function. From a critical management studies perspective, I offer a conceptualization of the relationship between governance and accountability in which issues of power, beliefs about the nature of organizing, and social relations are integral features. The article clarifies how principal-agent governance assumptions, based on a central logic of unitarism, can drive narrow compliance-based interpretations of accountability. Such an approach appears at odds with the values embedded in the social missions of many nonprofits insofar as they prioritize small sections of powerful stakeholders over sustained periods of time. Conversely, a pluralist logic appears to create space for broad accountability to multiple stakeholders. Here, expressive, values-based accountability is seen as a source of legitimacy and can produce complex relationships, which challenge the instrumental orientation to social relations that principal-agent theories assume.

Cumberland, D. M., Kerrick, S. A., D'Mello, J., & Petrosko, J. M. (2015). Nonprofit board balance and perceived performance. *Nonprofit Management and Leadership*, 25(4), 449–462. DOI:10.1002/nml.21135

Based on prior literature, this article offers a reconciliation of the core roles of nonprofit boards and aligns these role-sets with organizational theories. A survey instrument was developed and validated to measure each of four role-sets (monitoring, supporting, partnering, and representing) to assess whether emphasis on specific roles affects board members' perception of performance. Our study of nonprofit boards in a midsized midwestern city found that balance across the role-sets was associated with effective organizational performance. Furthermore, when board members describe any of the four role-sets as deficient, they perceive the organization as less effective. The results of the study provide practitioners with a

validated survey tool that provides nonprofit boards with a method to identify which roles their board emphasizes.

Harrison, Y. D., & Murray, V. (2015). The effect of an online self-assessment tool on nonprofit board performance. *Nonprofit and Voluntary Sector Quarterly*, 44(6), 1129–1151. DOI:10.1177/0899764014557361

This article reports on perceptions of the effectiveness of nonprofit organization boards of directors and changes in governance behavior obtained from the first 1,446 users of a free online board performance self-assessment tool known as the Board Check-Up ([www.boardcheckup.com](http://www.boardcheckup.com)), Board Effectiveness Survey Application (BESA). Respondents came from 122 organizations in Canada, the United States, Australia, and other countries. The article describes the conceptual framework for the study and the underlying theory of change on which it is based. It presents findings on the types of governance issues respondents perceived as most problematic in their boards. It also describes changes in governance behavior and practices reported by respondents, who completed an impact assessment some time after the use of the online self-assessment tool. The results provide empirical support for the value of utilizing the online board performance self-assessment application and insights into its impact as a means of making changes in the governance process. Next steps in this international longitudinal research study are discussed.

Lecy, J. D., & Searing, E. A. (2015). [Anatomy of the nonprofit starvation cycle: An analysis of falling overhead ratios in the nonprofit sector](#). *Nonprofit and Voluntary Sector Quarterly*, 44(3), 539–563. DOI:10.1177/0899764014527175

The nonprofit starvation cycle is a debilitating trend of under-investment in organizational infrastructure that is fed by potentially misleading financial reporting and donor expectations of increasingly low overhead expenses. Since its original reporting in 2004, the phenomenon has been referenced several times, but seldom explored empirically. This study uses 25 years

of nonprofit data to examine the existence, duration, and mechanics behind the nonprofit starvation cycle. Our results show a definite downward trend in reported overhead costs, reflecting a deep cut in administrative expenses partially offset by an increase in fundraising expenses. The organization's size is instrumental to its behavior, with a sharp rise in reported overhead occurring when revenues equal \$100,000, but diminishing at \$550,000. Finally, the brunt of the cuts have fallen on nonexecutive staff wages and professional fees, which heightens the concern of potentially ill effects derived from a fixation on overhead cost reduction.

Lu, J. (2015). [Which nonprofit gets more government funding? Nonprofits' organizational attributes and their receipts of government funding.](#) *Nonprofit Management and Leadership*, 25(3), 297–312. DOI:10.1002/nml.21124

Government represents one of the most important funding sources for nonprofit organizations. However, the literature has not yet provided a systematic understanding of nonprofits' organizational factors that are associated with their receipts of government funding. This study combines interorganizational relationships and organizational institutionalism literature to examine the determinants of nonprofits' obtainment of government funding. Based on a survey of human service nonprofits in Maryland, this research finds that nonprofits with higher bureaucratic orientation, stronger domain consensus with government, and longer government funding history are more likely to receive government contracts and grants. Nonprofits' revenue diversification, professionalization, and board co-operation might have very limited impacts.

Mook, L., Maiorano, J., Ryan, S., Armstrong, A., & Quarter, J. (2015). Turning social return on investment on its head: The stakeholder impact statement. *Nonprofit Management and Leadership*, 26(2), 229–246. DOI:10.1002/nml.21184

This article undertakes a critique of social return on investment (SROI), combining the existing research literature with an analysis of six case studies of supported social enterprises employing people with disabilities and other challenges that affect their access to the conventional labor market. The critique of SROI focuses on its positivist roots and its emphasis on one number, the SROI ratio. It also discusses the technical challenges in producing that number, including concerns about its reliability. The article presents the stakeholder impact statement, an approach that is rooted in interpretivism and attempts to understand the impact of enterprises through the eyes of multiple stakeholders. Unlike SROI, which is a supplement to conventional accounting statements, the stakeholder impact statement integrates financial and social impact data, thereby placing them on the same level of importance.

Shea, M., & Hamilton, R. D. (2015). Who determines how nonprofits confront uncertainty?. *Nonprofit Management and Leadership*, 25(4), 383–401. DOI:10.1002/nml.21136

This study examines the impact of managers, board members, beneficiaries, donors, and government entities on nonprofit strategic decisions. Using data collected from GuideStar, the National Center for Charitable Statistics, and surveys, we provide evidence that strategic decisions of nonprofits are shaped by the ability of the aforementioned stakeholders to diversify their interests. Our findings offer nonprofits another means by which they can understand and therefore manage their strategic decisions. In addition, our framework suggests future applications of stakeholder theory conceive of stakeholder salience as a bidirectional phenomenon.

Saxton, G. D., & Wang, L. (2014). The social network effect: The determinants of giving through social media. *Nonprofit and Voluntary Sector Quarterly*, 43(5), 850–868.  
DOI:10.1177/0899764013485159

Social networking applications such as Facebook, Twitter, and Crowdrise offer new ways for nonprofits to engage the community in fundraising efforts. This study employs data from Facebook Causes to examine the nature and determinants of charitable giving in social networking environments. Our findings suggest donations on these sites are not driven by the same factors as in “off-line” settings. Instead, a social network effect takes precedence over traditional economic explanations. Facebook donors do not seem to care about efficiency ratios, their donations are typically small, and fundraising success is related not to the organization’s financial capacity but to its “Web capacity.” Moreover, online donors are prone to contribute to certain categories of causes more than others, especially those related to health. Given the growth in social media-driven fundraising—and the increase in crowdfunding, slacktivism, impulse donating, and other new practices this entails—these findings carry notable theoretical and practical implications.

Calabrese, T. (2013). [Running on empty: The operating reserves of US nonprofit organizations](#). *Nonprofit Management and Leadership*, 23(3), 281–302. DOI:10.1002/nml.21064

Operating reserves allow nonprofit organizations to smooth out imbalances between revenues and expenses, helping to maintain program output in the presence of fiscal shocks. We know surprisingly little about why nonprofits might save operating reserves and what factors explain variation between organizations' savings behavior. Findings suggest that operating reserves are reduced in the presence of concentrated public funds, access to debt, fixed assets, and endowment. However, size is not an important predictor, indicating that the lack of reserves is not limited to small nonprofit organizations but is instead a sectorwide issue. Significant numbers of nonprofits maintain no operating reserves at all. One potential explanation is that organizations discount the benefits of reserves because they are evaluated on spending,

focusing instead on the “benefits of costs.” This preference for spending over reserving may also help explain the general lack of liquidity in the sector beyond operating reserves alone.

Moulton, S., & Eckerd, A. (2012). Preserving the publicness of the nonprofit sector: Resources, roles, and public values. *Nonprofit and Voluntary Sector Quarterly*, 41(4), 656–685. DOI:10.1177/0899764011419517

Nonprofit organizations are increasingly advised to become fiscally self-sufficient and reduce resource dependence to preserve autonomy. However, little is known empirically about the relationships between particular resource streams and the roles espoused by nonprofit organizations that define their public value, including service delivery, innovation, advocacy, individual expression, social capital creation, and citizen engagement. To address this gap in the literature, we collect and analyze survey data from more than 100 nonprofit organizations, developing and testing a new “Nonprofit Sector Public Role Index” that assesses their perceived performance on six different roles simultaneously. Furthermore, we evaluate characteristics that make nonprofits more or less likely to fulfill various roles, with primary emphasis on financial resources. We find evidence that particular resource streams are strongly associated with particular nonprofit roles. Therefore, resource dependence—particularly dependence on public support— may play an important value preservation role in the nonprofit sector.

Van Puyvelde, S., Caers, R., Du Bois, C., & Jegers, M. (2012). The governance of nonprofit organizations: Integrating agency theory with stakeholder and stewardship theories. *Nonprofit and Voluntary Sector Quarterly*, 41(3), 431–451. DOI:10.1177/0899764011409757

The purpose of this article is to provide a more comprehensive principal–agent theory of nonprofit organizations by combining agency theory with aspects of stakeholder theory, stewardship theory, and empirical literature on the governance and management of nonprofit organizations. First, the use of a stakeholder perspective allows us to identify the principals of a nonprofit organization and to divide nonprofit principal–agent relationships into different

categories. Next, we discuss the assumptions and prescriptions of agency theory and stewardship theory and suggest that a complementary use of these theories can contribute to the research of principal-agent relationships. By discussing empirical literature from a stewardship-agency perspective, we are able to address issues of nonprofit accountability. We conclude by giving suggestions for further research and by stressing the importance of a recruitment policy to avoid internal agency problems.

Carroll, D. A., & Stater, K. J. (2009). Revenue diversification in nonprofit organizations: Does it lead to financial stability?. *Journal of Public Administration Research and Theory*, 19(4), 947-966. DOI:10.1093/jopart/mun025

This article investigates whether revenue diversification leads to greater stability in the revenue structures of nonprofit organizations. Our findings suggest that nonprofits can indeed reduce their revenue volatility through diversification, particularly by equalizing their reliance on earned income, investments, and contributions. This positive effect of diversification on revenue stability implies that a diversified portfolio encourages more stable revenues and consequently could promote greater organizational longevity. Despite any additional complexity or crowding out, nonprofit managers may increase the financial stability of their organizations by adding additional revenue streams. However, our analysis also reveals several other important factors that contribute to nonprofit revenue stability. In particular, increasing a nonprofit organization's total expenses and fund balance reduces volatility, suggesting larger nonprofits and organizations with greater growth potential experience greater revenue stability. Finally, the results suggest nonprofits relying primarily on contributions will experience more volatility, whereas nonprofits located within urban areas will have more stable revenue structures over time.



O'Regan, K., & Oster, S. M. (2005). [Does the structure and composition of the board matter? The case of nonprofit organizations](#). *Journal of Law, Economics, and Organization*, 21(1), 205–227. DOI:10.1093/jleo/ewi009

This article discusses some of the key differences in board behavior between nonprofit organizations and for-profit firms using a relatively new dataset from New York City nonprofits. We provide evidence on the broader role that nonprofit boards play for their organizations and then give some suggestive results on the relationship between board structure and composition, and individual board member performance. The results provide some evidence that the executive directors of nonprofits may use their power to push boards toward fundraising in place of monitoring activity. Using a fixed-effects framework, we also find no systematic relationship between board personal demographics and performance, although both tenure on a board and multiple board service do seem to matter.

Jaskyte, K. (2004). [Transformational leadership, organizational culture, and innovativeness in nonprofit organizations](#). *Nonprofit Management and Leadership*, 15(2), 153–168. DOI:10.1002/nml.59

This is an exploratory study of leadership, organizational culture, and organizational innovativeness in a sample of nonprofit human service organizations: Associations of Retarded Citizens. Although leadership has been held out as one of the most important predictors of innovation, this study found it was not correlated with organizational innovativeness. Examination of the relationships between leadership and cultural variables provided some alternative explanations for this finding. Positive relationships among transformational leadership, organizational values, and cultural consensus (degree of agreement among employees on those values) indicate that leadership practices employed in this sample created strong cultural consensus around values that may inhibit innovation. These findings suggest that examining the link between leadership and organizational culture is important for understanding how leadership and innovation are related. This article sets out practical

implications, based on the results of the study, that may help nonprofit managers create workplaces supportive of innovation.

Brown, W. A. (2002). Inclusive governance practices in nonprofit organizations and implications for practice. *Nonprofit Management and Leadership*, 12(4), 369-385.  
DOI:10.1002/nml.12404

An inclusive board seeks information from multiple sources, demonstrates an awareness of the community and constituents that benefit from and contribute to the organization's services, and establishes policies and structures to foster stakeholder contributions. This research investigated the prevalence of inclusive governance practices and its relationship to board composition, diversity attitudes, and recruitment practices. Fifty-six executive directors and forty-three board members representing sixty-two nonprofit organizations returned a mailed survey (29 percent response rate). The study profiled two organizations that represented different styles of inclusive governance. The survey, part of a larger study, contained questions about inclusive practices, board composition, attitudes toward diversity, and recruitment practices. Most organizations indicated that they operate with inclusive governance practices. The organizational profiles provide a picture of boards that used different strategies to accomplish the goal of inclusivity. Boards that use more inclusive practices were not necessarily heterogeneous in board member composition. Inclusive boards were more inclined to be sensitive to diversity issues and used recommended board recruitment practices. The existence of a task force or committee on diversity was also significantly associated with a more inclusive board. Nonprofit organizations must consider their philosophy on stakeholder involvement, recognizing that different strategies lead to different levels of stakeholder involvement.

Froelich, K. A. (1999). [Diversification of revenue strategies: Evolving resource dependence in nonprofit organizations](#). *Nonprofit and Voluntary Sector Quarterly*, 28(3), 246–268.  
DOI:10.1177/0899764099283002

This article examines the effects of three major revenue strategies in nonprofit organizations. Evolving resource dependence is demonstrated by the shifting reliance on each source of funds: private contributions, government funding, and commercial activities. A wide-ranging literature review is condensed into summary profiles comparing revenue volatility, goal displacement, process, and structure effects of each strategy. The profiles are drawn upon to anticipate potential advantages and disadvantages of increasingly diversified revenue strategies employed by nonprofits to combat resource dependence. The potential interaction effects raise critical but unanswered questions about nonprofit performance, legitimacy, and public policy issues.

Markham, W. T., Johnson, M. A., & Bonjean, C. M. (1999). [Nonprofit decision making and resource allocation: The importance of membership preferences, community needs, and interorganizational ties](#). *Nonprofit and Voluntary Sector Quarterly*, 28(2), 152–184.  
DOI:10.1177/0899764099282003

Data on 12 local chapters of a high status women's community service organization and their communities are used to assess the relative impact of community needs, members' perceptions and preferences, and interorganizational ties on decisions about how to allocate volunteers and funds among 17 community problem areas. Quantitative analysis indicates that the distribution of volunteer time and funds was unrelated to community needs as measured by objective indicators. Instead, members' and leaders' perceptions of the severity of community problems and their willingness to work in some problem areas more than others were the most important determinants of resource allocation. Qualitative evidence also suggests that members' ties to other organizations played a role in the chapter' decisions about project selection.

