THE LOGIC OF IDENTITY-FOCUSED ORGANIZATIONAL CHANGE:

RESEARCH BASED ON THE COMBINED FEDERAL CAMPAIGN

by

MEGAN LEPERE-SCHLOOP

(Under the Direction of Laurence J. O'Toole)

ABSTRACT

Whether intentional or not, identity-focused organizational change alters shared understandings of that which is central, distinctive, and continuous about an organization. Research into such change has practical and academic significance because it addresses core questions pertinent to organizational theory that have real-world ramifications. This dissertation leverages the dynamic context of workplace giving to examine identity-focused change processes across national fields of nonprofit organizations including the United Way system. In order to formulate hypotheses, this dissertation draws upon insights from existing research on the workplace giving context, organizational identity, and organizational change, most notably the institutional logics perspective. Hypotheses are tested using longitudinal data from the Combined Federal Campaign, the workplace giving campaign of the US Federal Government, and a variety of analytical methods. Each chapter of this dissertation examines identity-focused change in the workplace giving arena from a slightly different vantage point.

The fourth chapter of this dissertation considers the manner in which nonprofits may use various federated fund affiliation options to signal their alignment with distinct

collective identities and their associated communities. I use logistic regression to examine factors associated with variation in the fund affiliation choices of nonprofits over time. I find that despite the sea change unfolding in the workplace giving arena, nonprofit fund affiliation choices continue to be shaped by an enduring logic of community identification. The fifth chapter of this dissertation examines the multifaceted nature of identity across a national field of interconnected organizations: the United Way system. I use expert coding, supervised machine learning, and descriptive statistics to examine geographic and temporal variation in the use of different identity facets over time. The findings from this study provide preliminary evidence that contextual pressures at different levels of analysis shape the identity claims made by organizations across an interconnected field. The sixth chapter of this dissertation focuses on how the interaction of local and field level context affects identity-focused organizational change as it unfolds across an interconnected system. I find that identity facet usage varies depending on the characteristics of the local community in which individual organizations operate despite national field-level pressures.

INDEX WORDS: Organizational change; organizational adaptation; organizational identity; nonprofit organizations; workplace giving; United Way

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MEGAN LEPERE-SCHLOOP

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MPA, The University of Georgia, 2013

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MEGAN LEPERE-SCHLOOP

Major Professor:	Laurence J. O'Toole
Committee:	Robert K. Christensen
	Rebecca Nesbit
	Tyler Scott

Electronic Version Approved:

Suzanne Barbour
Dean of the Graduate School
The University of Georgia
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DEDICATION

This dissertation is dedicated to my daughter, Isabella. Dream big. Work hard.

Keep your sense of humor.

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CHAPTER 1

INTRODUCTION

For decades, organizational change has been a central topic of research in both the

generic organizational theory literature, and that focused specifically on nonprofits

(DiMaggio & Anheier, 1990; Hall, 2006). Despite the substantial body of research on

generic and nonprofit-specific organizational change, substantial gaps in our

understanding of the topic persist. One such area exists at the intersection of

organizational change, identity, and image; a domain that I will call identity-focused

organizational change. I define identity-focused change as organizational change that,

whether intentional or not, alters shared understandings of that which is central,

distinctive, and continuous about an organization.

As originally conceived, identity was understood to be a relatively stable

organizational attribute (Albert & Whetton, 1985). Indeed, scholars argued that identity

stability enhanced organizational legitimacy to the degree that it endured over time,

providing stakeholders with a sense of continuity and security (Albert & Whetton, 1985;

Gioia et al., 2013). More recent empirical work, however, suggests that while

organizational identity is continuous in nature it can also change over time and/or be used

as an important symbol to build support for changes in organizational praxis (Gioa,

Schultz, & Corley, 2000; Ravasi & Schultz, 2006; Boin et al, 2016). Empirical research

also suggests that there are limits on the new identity claims that organizations can

successfully make; they must align with the standards and norms that prevail in an

organization's external environment as well as in its internal culture (Dutton & Dukerich, 1991; Humphreys & Brown, 2002; Pedersen, & Dobbin, 2006). This emerging body of work at the intersection of organizational adaptation and identity contributes a great deal to our understanding of identity-focused change. However, across many of these recent studies the processes used to formulate and legitimize new identity claims and the manner in which these processes are both constrained and enabled by an organization's operating environment are often under-theorized.

The institutional logics perspective has begun to fill this theoretical gap, positing that organizational identity is embedded in nested institutional environments (e.g. local, regional, national) that are dominated by one or more logic. Actors can exploit shifts in the dominant logics at one or more of these nested levels to legitimize new identity claims (Thornton, Ocasio, & Lounsbury, 2012). The research presented in this dissertation empirically examines and finds support for aspects of the institutional logics perspective related to identity-focused organizational change.

Research into identity-focused organizational change has practical and academic significance because it addresses core questions pertinent to various streams of literature that have real-world ramifications. For example, how stabile/malleable is organizational identity over time? How do managers balance competing pressures favoring either change or stability in organizational identity? What are the long-term implications of identity-focused change for organizational legitimacy and performance?

What makes such questions salient to nonprofit managers? Nonprofit organizations operate in an environment marked by competing stakeholder priorities, increasing competition, and constant policy change (Herman & Renz, 1997; Frumpkin,

2002; Salamon, 2003; 2012). If nonprofits do not adapt to these changing environmental conditions then they risk failure. However, if they do not maintain the distinctiveness of their form-based and unique organizational identity then they may become indistinguishable from public and for-profit organizations and risk being viewed as obsolete. Nonprofits are therefore subject to competing pressures that either push them to adapt or pull them back toward stasis in terms of their organizational identity. Salamon (2003, 2012) has described this push-pull as the survival imperative versus the nonprofit-distinctiveness imperative. From a practical standpoint, research into identity-focused organizational change is relevant to nonprofit managers attempting to balance such competing forces. Given the size and scope of services provided by the sector, which constitutes 11 percent of the U.S. workforce and is larger than the financial and auto industries combined (Salamon, 2003; 2012), such research also has implications for the individuals and communities that benefit from the work of nonprofits.

From an academic standpoint, there are also a number of reasons why the research presented in this dissertation is salient. First, as stated earlier, research on identity-focused organizational change gets to the heart of a number of current debates in the literature on organizational change, identity, and image. Second, given that empirical work suggests that institutional pressures may play a more prominent role in shaping nonprofit and public organizations than for-profit firms (Heugens & Lander, 2009), identity-focused nonprofit change may be a particularly fruitful domain in which to examine identity-based organizational change processes. Third, a number of recent studies have pointed to significant gaps in our knowledge about the effect of community-level institutions on organizational change (Glynn & Abzug, 2002; Marquis & Battilana,

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2009), a gap that is directly addressed by this research. Finally, this dissertation capitalizes on recent advances in our ability to process and analyze textual data, highlighting methods that can facilitate additional research into change processes reflected in the language of organizational practice. Thus, from both a practical and academic perspective, the research on identity-focused organizational change presented here is both interesting and relevant.

This dissertation contributes to our understanding of identity-focused organizational change by examining identity-focused organizational change in the context of workplace giving. Workplace giving, where employees have the opportunity to contribute to nonprofit organizations through employer-sponsored fundraising campaigns, is an important aspect of philanthropy in the United States. Approximately 25% of workers in the US have access to payroll giving programs, which allow them to automatically deduct contributions from their paychecks over a period of time (NCRP, 2003). All told, Americans contribute over $4 billion through workplace campaigns each year (Giving USA, 2007), making this philanthropic arena an important source of revenue for the domestic nonprofit sector. In addition to its significance in terms of scope of donor participation and nonprofit revenue, for at least twenty years practitioners and scholars have noted that workplace giving is undergoing a transformation with important ramifications for the nonprofit sector (Brilliant, 1990; Marx, 1997).

In brief, workplace giving campaigns in the US traditionally focused almost exclusively on local United Way organizations, federated funds that channel employee donations to nonprofits providing direct services to local communities. Since the early 1980's however, a number of alternative funds have increasingly come to compete with

the United Way in workplace giving campaigns. Alternative funds are federated funds that channel donations to nonprofits serving non-local populations that share a particular purposive commitment (e.g. environmental protection, minority group interests, or health service provision). In her seminal book on the topic, *Contesting Communities*, Barman (2006) characterizes this competition between federated funds as one grounded in distinct collective identities based on a sense of shared place and/or purpose. One can also argue, as I do in chapter 3, that these competing understandings of community also reflect a shift in the institutional logic dominating the arena of workplace giving, and shaping the field of federated funds in the United States. Indeed, in response to increasing competition from alternative funds and the ascendance of a new dominant logic, the United Way worldwide began implementing a system-wide organizational change initiative called Community Impact in 2001 (Young, 2001; Brilliant & Young, 2004; Gallagher, 2005).

As nonprofits seek to maximize the share of employee donations they garner from workplace campaigns they align themselves with specific collective identities and institutional logics, engaging in a type of identity-focused change behavior that I term "identity framing." Organizations engage in identity framing when they attempt to shape understandings of that which is central, distinctive, and continuous about their organization through strategic signaling behavior. For example, in the context of workplace giving, nonprofits may use federated fund affiliation to signal their alignment with, and garner the support of, members of specific place and purpose-based communities. The Community Impact initiative mentioned earlier, which seeks to incorporate new facets into the identity of local United Way organizations across the system (Young, 2001; Brilliant & Young, 2004; Gallagher, 2005), can also be understood

as identity framing initiative. This makes the context of workplace giving an especially fruitful one in which to study identity-focused organizational change including identity framing.

Dissertation overview

Throughout this dissertation, I apply theories of organizational change based on resource dependence, network embeddedness, and institutionalist frameworks, most notably the institutional logics perspective, to examine and explain organizational identity framing in the workplace giving arena. I use longitudinal data from the Combined Federal Campaign, the workplace giving campaign of the US Federal government, to address a number of research questions related to nonprofit identity framing.

In the fourth chapter of my dissertation I examine the fund affiliation choices of nonprofits participating in a workplace giving campaign. Fund affiliation can be viewed as a strategy for signaling organizational alignment with distinct collective identities and their associated communities. In the context of workplace giving, federated funds are frequently organized around specific communities and function as organizational networks that provide both material and symbolic benefits to nonprofit affiliates. Nonprofits now have more federated fund affiliation options than ever before in unified campaigns, which prompts the following research questions: 1) How common is it for nonprofits to diverge from past fund affiliation decisions? 2) Is fund affiliation switching driven by material or symbolic resource considerations? I address these questions using data on fund affiliation choices over two periods of study and logistic regression.

In the fifth chapter of my dissertation I examine the multi-faceted and evolving

nature of organizational identity across a national-level field of nonprofits.

Organizational identity is that which is central, distinctive and continuous about an

organization, however research also suggests that it identity can by multi-faceted and

may evolve over time (Gioia et al., 2013). For example, existing research suggests that

federated funds have accumulated multiple facets to their identity over the course of the

last century (Young, 2001; Brilliant & Young, 2004), however, the prevalence of their

use in practice has yet to be studied across a representative sample of organizations. I use

longitudinal data on the descriptive organizational purpose statements of local United

Way organizations and machine learning to ask: 1) What facets of federated fund identity

are in use across the United Way system in the United States? 2) Is there geographic or

temporal variation in the use of these different identity facets as local United Way

organizations seek to align their distinct organizational identity with changing

environmental conditions? 3) Does this geographic and temporal variation suggest that

the identity claims made by local United Way organizations are shaped both by

implementation of Community Impact at the national level and by the local institutional

environment in which these organizations operate? To address these questions I use a

naïve Bayes classification, a supervised machine learning technique, to detect identity

facet usage across the United Way system. I then go on to conduct a preliminary

examination of temporal and geographic variance using chi-squared tests of

independence.

The sixth chapter builds on the analysis presented in chapter five by asking: how

does the interaction of local and field level context affect organizational change as it

unfolds across an interconnected system? Local United Way organizations are embedded in both local communities and a national field; these nested operating contexts may be dominated by different institutional logics. Given that federated fund identity has multiple facets, individual United Way organizations may choose to emphasize different facets of their identity in order to better fit with the nested local and national context in which they operate. In this chapter, I employ social network analysis techniques to examine the effect of local and national operating context on federated fund identity facet usage in the organizational purpose statements of local United Way organizations.

Data

The data that I use for my dissertation come from the Combined Federal Campaign, the workplace giving campaign of the US Government. In this section, I provide a short overview of the CFC to illustrate why these data are particularly appropriate for examining the research questions at hand.

The CFC is one of the largest and most successful workplace giving campaigns in the world. According to the CFC webpage (OPM, 2014), the campaign's mission is, "to promote and support philanthropy through a program that is employee focused, cost-efficient, and effective in providing all federal employees the opportunity to improve the quality of life for all." Each year, the CFC collects donations from federal civilian, postal and military personnel totaling millions of dollars. The campaign is organized into over 200 area campaigns geographically delineated along county lines, and covering the United States and its affiliated territories.

To participate in one of the area campaigns, an organization must be demonstrate a "substantial" program presence within the campaign's geographic boundaries. In order to be eligible to participate in the CFC, a nonprofit must have 501(c)(3) status, file an application the includes their most recent 990 form (many nonprofits are required to file a 990 form with the IRS on an annual basis), and provide detailed information about their auditing, governance and program functions. Nonprofits have the option to participate in the CFC as independent organizations, or as federated fund affiliates. Regulatory changes in 1980, 1991, and 1995 expanded participation in the CFC to alternative funds and additional nonprofits. As of 2004, the OPM reports that over 20,000 nonprofits worldwide participated in the CFC each year.

CFC data have a number of strengths in terms of addressing the research questions at hand. First, the national CFC office collects data from area campaigns across the country making it possible to study variance across time and space for a number of variables. Also, alternative funds have gained more ground in public as opposed to private workplace giving campaigns through litigation; this makes public campaigns such as the CFC particularly fruitful contexts in which to explore organizational change in response to increasing philanthropic competition in the workplace giving arena. Thirdly, CFC data includes a variety of organizational information including unique participation codes, IRS identification codes, and descriptive organizational purpose statements, all of which facilitate the kind of research presented here. Fourthly, the CFC is a relatively 'closed' campaign; nonprofits are forbidden from engaging in supplemental marketing directly to employees. This makes the organizational purpose statements published in the official CFC charity book, and

organized by federated fund affiliation, the most significant way that nonprofits can communicate with potential employee-donors. In turn, this suggests that if nonprofits participating in the CFC are engaging in identity framing, then this behavior will be reflected in the content of their organizational purpose statements, and their fund affiliation decisions over time. Finally, although Barman (2006) points to the CFC as an example of a large public workplace giving campaign, only Bowman (2006) has conducted research based on CFC data. In his 2006 study, Bowman examined trends in CFC data from 1995 to 2001 but did not investigate the kinds of questions proposed here. In addition to these strengths, however, CFC data also have a number of limitations.

Most significantly, the CFC is an outlier when compared to other workplace giving campaigns in terms of geographic scope and level of employee and nonprofit/federated fund participation. Furthermore, a thriving body of research on Public Service Motivation (PSM) suggests that public employees such as those participating in the CFC may be distinct from employees of private firms. These factors may limit the generalizability of some findings based on CFC data. I argue, however, that these factors pose less of a concern for the research questions proposed here for several reasons.

First, my research focuses on nonprofit change in the workplace giving arena rather than employee philanthropic decisions in the workplace, which downgrades issues related to PSM and the distinctiveness of public employees. Second, although the CFC was a forerunner in opening up participation to alternative funds and additional nonprofits, this increase in competition in the CFC reflects a broader trend across public and private workplace giving campaigns in the US. In this sense, it is actually beneficial

that alternative fund participation in the CFC may be somewhat higher than in the workplace giving campaigns of private firms because CFC data reflect changes still unfolding in the broader workplace giving arena. Finally, nonprofits can affiliate with a federated fund across both public and private campaigns. Fund-affiliation switching behavior can thus be detected using CFC data, but is likely generalizable across workplace giving campaigns. Thus while these data have certain issues, overall their strengths more than outweigh their limitations given my research questions of interest.

Conclusion

By presenting findings related to nonprofit identity framing this dissertation contributes to our understanding of how organizations attempt to adapt to environmental changes while maintaining the core of their identity. Over the course of chapters two through three of my dissertation I will: further contextualize the contribution of my proposed research by providing an overview of relevant literature on organizational change, identity, and image, paying particular attention to work focused on nonprofit organizations; introduce the concept of framing from the literature on social movements and discuss its relevance to research on nonprofit identity-focused change; contextualize the research presented in later chapters by providing an overview and history of workplace giving in the United States; review the existing organization literature on workplace giving; and provide an overview of the empirical chapters of my dissertation. Chapters four through six of my dissertation present this empirical research in more detail, in the style of stand-alone manuscripts. My dissertation concludes with a broad discussion of my findings, a reflection on my research process, and a discussion of ideas for future research.

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CHAPTER 2

THEORETICAL FOUNDATIONS

This chapter provides a review of the generic and nonprofit-specific literature on

organizational change, particularly that focused on change related to organizational

identity and image. In the first section I present an overview of theories of organizational

change, specifically highlighting research grounded in institutionalist, resource

dependence, and network embeddedness perspectives. I elaborate on the evolution of

institutionalist perspectives on organizational change in order to distinguish the

institutional logics framework and make the case for its relevance to my research. I go

on to provide an overview of existing research on organizational identity and image, thus

highlighting work with implications for my own work on identity-focused change in

nonprofit organizations. Afterwards, I introduce the concept of organizational identity

framing, which draws heavily on the concepts of "framing" and "frame alignment" from

the literature on social movements. I then describe three manners in which organizations

might engage in identity framing: 1) by leveraging their membership in organizational

networks to signal alignment with specific collective identities; 2) by accumulating

distinct facets to the form-based collective identity they share with peers across an

organizational field; 3) by highlighting different aspects of this form-based collective

identity to legitimize their unique organizational identity when describing their mission

or purpose to stakeholders. I conclude this chapter with a brief discussion of the

academic and practical significance of the research presented in the following chapters

focused on nonprofit identity framing.

Theories of organizational change

As previously mentioned, organizational change has been a topic of interest to

organization theory and management scholars for decades. Barnett and Carroll define

organizational change as "transformation of an organization between two points in time"

(in Galaskiewicz & Bielefeld, 1998, 2). Based on this definition, it is important to note

that organizational change is not necessarily the result of deliberate strategic action on the

part of organizational stakeholders. Organizational adaptation, on the other hand, which

is a type of organizational change, is *consciously* initiated and/or implemented, usually

with the goal of improving performance or enhancing organizational legitimacy in some

way. A number of theories have been developed to explain the causes and consequences

of organizational change and adaptation over time.

While theories of organizational change differ in their conceptualization of

organizations, as well as the actors and mechanisms that shape organizational change,

they share a few common assumptions: 1) that organizational change occurs over time; 2)

that change is connected to organizational survival in some manner; and 3) that by

developing viable theories of organizational change we can better explain and predict

dynamics at the organization and/or population levels of analysis.

Beyond these points of convergence, however, there is considerable divergence

across theories of organizational change on a number of issues. Most significantly,

different theories posit that a diverse array of factors and actors play significant roles in

driving and/or constraining organizational change processes. For example, rational and

strategic choice theories conceive of organizations as more or less closed systems (Dutton

& Dukerich, 1991; Koch, Galaskiewicz, & Pierson, 2015). These theoretical perspectives

emphasize the influence that internal organizational actors such as managers, employees,

and board members, play in shaping processes of adaptation (Child, 1997; Peng, 2003;

Ashworth, Boyne, & Delbridge, 2007; Koch, Galaskiewicz, & Pierson, 2015). In

contrast, open-system theories emphasize the role of external pressures in driving and

constraining organizational change (Scott, 1992; Powell & Steinberg, 2006). This

dissertation draws upon three open-system perspectives to study change across a system

of nonprofit organizations. The decision to emphasize open rather than closed-system

perspectives to conduct this research is justified for a number of reasons.

First, an established body of research on nonprofit organizations suggests that

they are shaped by a variety of factors and actors external to the organization including:

the culture in which they emerge as distinct organizational forms (Salamon & Anheier,

1998; Clerkin et al, 2012); the policy and regulatory environment in which they operate

(Balassiano & Chandler, 2009, Hines, Horwitz, and Nichols, 2010; Salamon &

Sokolowski, 2016), and their dependence on revenue from various groups of funders

and/or clients (Guo, 2007; Lohman, 2007; Moulton & Eckerd, 2012). Second, nonprofits

are accountable to different groups of stakeholders that often have distinct perspectives

on how the organization should prioritize resources and strategies (Herman & Renz,

1997). Finally, the system of organizations that is the primary focus of this research, the

United Way, has itself pointed to evolving environmental factors as a driving forrce

behind the Community Impact organizational change initiative (Gallagher, 2005; United

Way, 2016). Overall, this suggests that it would be appropriate to focus on open-system theories of organizational change to conduct research on identity-focused nonprofit change.

While open-system theories of organizational change share a focus on external influences shaping organizations, these theories reflect a variety of perspectives on both the level of agency that actors may demonstrate in the face of broader environmental pressures, and on the mechanisms driving and constraining organizational change (Galaskiewicz & Bielefeld, 1998). For example, as originally conceived, population ecology and new institutionalist perspectives hold that internal organizational actors have little agency and instead emphasize the role of broader social pressures in shaping organizational change (Hannan & Freeman, 1984; Scott, 1987; Singh & Lumsden, 1990; Kelly, & Amburgey, 1991; Oliver, 1991). A wide variety of perspectives including resource dependence, old institutionalist, network embeddedness, neo-institutionalist, institutional logics and late population ecology do ascribe a degree of agency to organizational actors, although they posit that the behavior of such actors is shaped in significant ways by higher-level forces and connections to actors outside of the organization (Kelly, & Amburgey, 1991; Greenwood & Hinings, 1996; Kraatz, & Zajac, 1996; Brass, Galaskiewicz, Greve, & Tsai, 2004; Freeman & Audia, 2006; Scott, 2008). Over the course of this chapter, the organizational change perspectives most relevant to the research questions at hand will be described and evaluated in greater detail. The current discussion is simply intended to highlight the fact that different open-system theories have divergent perspectives on the agency of individual and organizational actors, and that organizational change scholars have changed their stance on actor agency

over time (Oliver, 1991; 1992; Greenwood & Hinings, 1996; Dacin, Goodstein, & Scott, 2002; Scott, 2008). In general, the trend across open-system theories of organizational change has been toward greater recognition of actor agency (Thornton, Ocasio, & Lounsbury, 2012).

While open-system theories make different assumptions about actor agency and the mechanisms that shape organizational change, they also have several points of convergence (Galaskiewicz & Bielefeld, 1998). First, these perspectives emphasize the significance of organizational fields. DiMaggio and Powell (1983, 148) define an organizational field as "those organizations that, in aggregate, constitute a recognizable area of institutional life." The mezzo-level concept of the organizational field is somewhat flexible, although it is generally understood to exist somewhere in-between the full organizational population of a given society, and small networks of interconnected organizations. The concept is often operationalized as the set of organizations belonging to a particular industry in a given country. Second, open-system perspectives hold that organizational change is affected by evolving conditions in one or more organizational fields, and is not based solely on the priorities and decisions of internal organizational actors (Ashworth, Boyne, & Delbridge, 2007). Finally, survival is determined by the degree to which an organization is a good fit for its environment.

This dissertation draws heavily from three open-system perspectives on organizational change in particular: resource dependence, network embeddedness, and the institutionalist tradition. These perspectives are particularly salient to the research questions at hand for two reasons. First, they recognize the agency of actors, meaning that adaptation is possible and even expected as organizations strive to (re)align

themselves with shifting environmental conditions. Second, they conceptualize

environment-organization alignment or fit as the degree to which an organization garners

legitimacy by conforming to one or more external standards or norms. For example,

from an institutional logics perspective, an organization will be perceived as legitimate to

the degree it develops a coherent rationale for its identity and practices that aligns with

the dominant logics of the field in which it operates . From a resource dependence

perspective, legitimacy is derived from organizational alignment with stakeholder goals

and priorities. Network embeddedness perspectives emphasize the significance of

relationships as both a source of organizational legitimacy, and a factor shaping

organizational adaptation to enhance or maintain legitimacy. While the importance of

identifying theoretical frameworks for this dissertation that account for actor agency is

fairly evident given that the research presented here focuses on organizational adaptation,

why the need for to identify theories that emphasize the significance of organizational

legitimacy?

Research suggests that legitimacy may be particularly important for nonprofits

because a number of factors make it difficult for stakeholders to assess organizational

performance outright. First, these organizations often exist to impact social issues over

which they have only partial control at best; this makes it difficult for nonprofits to

measure outcomes in the first place, and risky to overstate claims of responsibility when

conditions may dramatically change in the future (Campbell, 2002). Second, information

asymmetry makes it difficult for individuals and organizations that fund or purchase

nonprofit goods and services such as nursing home care, or international aid, to judge

their quality (Hansmann, 1980; Rose-Ackerman, 1996; Steinberg, 2006). Third, different

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stakeholders including staff, board members, volunteers, and clients, often have different perspectives on what intermediate measures are the best indicators of effectiveness (Herman & Renz, 1997; 1999). In the absence of clear and widely accepted measures of nonprofit performance and service quality, nonprofit legitimacy is critical to the ability of these organizations to elicit support and maintain access to resources.

Nonprofits may derive legitimacy from both their organizational form, as well as the perceived integrity of their organizational identity. Established economic theory posits that the non-distribution constraint (the fact that these organizations do not distribute profits to shareholders) undergirds the legitimacy nonprofits derive from their organizational form. Two trends, however, create pressure on non-profits to foster legitimacy based on their organizational identity rather than relying solely on form-based legitimacy. First, nonprofits are increasingly being held accountable for their individual organizational efficiency and effectiveness (Kearns, 2011); nonprofits that can successfully make the case that they are high performing organizations burnish their identity-based legitimacy, improving the odds that they will maintain access to resources, and creating a virtuous cycle. Second, the boundaries between the sectors are blurring due to trends such as nonprofit commercialization, new venture philanthropy, for-profit competition, and devolution (Gronbjerg & Salamon, 2012; Young, Salamon, & Grinsfelder, 2012). Such blurring undermines claims about the "distinctiveness" of the nonprofit sector (Eikenberry, & Kluver, 2004), and may further push individual nonprofits to cultivate identity-based legitimacy.

In this section, I have provided a broad overview of various theoretical perspectives on organizational change, and made the case for the application of three

open-system perspectives to my own research on identity-focused nonprofit change. Furthermore, I have justified the particular selection of the institutional logics, resource dependence, and network embeddedness frameworks due to their conceptualization of actor agency, and the emphasis they place on organizational legitimacy in nonprofit change processes. While complimentary, these perspectives are distinct from one another in important ways. In the following subsections I provide some background on each perspective; describe, compare and contrast its basic tenets; review relevant empirical work; and discuss its salience to my own research on identity-focused nonprofit change.

Institutionalist perspectives

As Scott (1987; 2008) points out, there is no single institutional theory but rather an institutionalist tradition that comprises several distinct theoretical perspectives. This dissertation draws most heavily upon the institutional logics perspective, however an overview of each of the major veins of institutionalist research is presented here in order to clarify the distinct contribution of Thornton, Ocasio, and Lounsbury's (2012) meta-theory of institutional logics to the study of identity-focused organizational change.

The overarching contribution of research in the institutionalist tradition is the idea that organizational structure and behavior are shaped by higher order environmental factors including but not limited to regulatory regimes, social and political context, and organizational history. For example, "old" institutionalism based on the grounded theoretical insights of Selznick, views institutionalization as a process through which inherent meaning and value are ascribed to organizational structure and practices. From this perspective, structures and practices can come to seem "natural", and endure long past the time when they served an obvious functional purpose (Scott, 1987; Oliver, 1992).

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According to old institutionalism, individuals possess a degree agency in shaping organizational structures and practices although it is limited to the pre-institutionalized stages of an organization's development. Scott describes work in the old institutionalist vein as mostly descriptive, stopping short of identifying causal mechanisms (1987).

New institutionalism shifts the focus of research from the organizational-level to the organizational field-level. New institutionalism posits that organizational fields are characterized by the dominance of particular norms and beliefs (DiMaggio & Powell, 1983; Oliver, 1991). These commonly shared norms and beliefs shape perceptions of organizational legitimacy. Organizations must cultivate legitimacy in order to survive; as they do so, field-level norms and beliefs create compliance pressures leading to isomorphism: the process by which organizations in a field become increasingly similar over time in terms of structure and practice (DiMaggio & Powell, 1983). From this perspective, an organizational field is institutionalized when norms and beliefs regarding organizational structures and practices are widely adopted, taken for granted, and cease to be questioned. An important indicator of institutionalization is field-level isomorphism, when the majority of organizations in a field have certain structures or practices in common regardless of whether or not they serve a clear functional purpose in individual organizations. In contrast to the old institutionalism, the new institutionalism posits that individuals have little conscious influence over organizational change processes, which are instead understood to be driven by higher order mechanisms.

DiMaggio and Powell (1983) identify a number of higher order mechanisms that shape organizational change and lead to field-level isomorphism. Coercive isomorphism stems from formal and informal pressures placed upon organizations by society and/or

other organizations on which they depend for material and symbolic resources. Normative isomorphism is based primarily on professionalization; shared professional standards and communities lead to common socialization experiences, inter-personal networks, and cognitive structures that shape organizational structures and practices (Ashworth, Boyne, & Delbridge, 2007). Finally, mimetic isomorphism stems from organizational imitation in environments characterized by uncertainty; organizations look for models when goals, technologies, or environmental factors are ambiguous.

When it first emerged, new institutionalism emphasized institutional consistency and continuity, as well as organizational isomorphism (Scott, 1987; 2008; Oliver, 1991; Dacin, Goodstein, & Scott, 2002). New institutionalist scholars also argued that organizational change could be decoupled from performance since change was driven by the need to signal legitimacy through the use of accepted templates and schemas, which would not necessarily improve substantive outcomes (Kraatz and Zajac, 1996; Ashworth, Boyne, & Delbridge, 2007; Heugens, & Lander, 2009). Several important developments in theoretical and empirical research spurred institutionalist scholars to reconsider the agency of actors, the inevitability of isomorphism, and the decoupling of symbolic and substantive performance.

For example, scholars recognized that competing interpretive schema can co-exist in a given social context and that this diversity can be exploited by actors seeking to legitimize favored structures and practices, leading to organizational variation and change over time (Scott, 1987; Oliver, 1992; Greenwood & Hinings, 1996; Dacin, Goodstein, & Scott, 2002). Other scholars pointed out that organizations may also select from a range of strategies when reacting to isomorphic pressures, meaning that institutional effects can

produce differentiation as well as isomorphism over time (Oliver, 1992; Ashworth, Boyne, & Delbridge, 2007). Finally, findings from empirical research suggested that isomorphism is in some cases positively and significantly associated with (rather than decoupled from) both symbolic and substantive performance (Heugens & Lander 2009). A study by Kraatz and Zajac (1996), for example, supports this insight suggesting that despite strong isomorphic pressure to maintain the status quo, nonprofit liberal arts colleges the changed core organizational features reaped performance benefits over time. Theoretical insights and empirical findings such as those referenced above prompted debate amongst institutional scholars, and were eventually incorporated into a distinct institutionalist perspective known as neo-institutionalism.

Neo-institutionalism draws upon both old and new institutionalist scholarship recognizing: 1) the agency of actors in (re)institutionalization processes (Davis, Goodstein, & Scott, 2002; Rey & Hinings, 2005); 2) the importance of context and field-level institutional mechanisms in driving and constraining organizational change (Greenwood & Hinings, 1996); and 3) the role competing institutional schemas can play in shaping both institutional and organizational change processes (Reay & Hinings, 2005; Suddaby, et. al, 2010; Schneiberg & Clemens, 2006). Over time, a significant body of empirical research supporting the key tenets of neo-institutionalism has accumulated (Dacin, Goodstein, & Scott, 2002; Schneiberg & Clemens, 2006; Ashworth, Boyne, & Delbridge, 2007; Suddaby, et. al, 2010).

Several of these studies are particularly relevant to the research presented here. First, Glynn and Abzug (2002) conducted a study of symbolic isomorphism, examining organizational naming patterns and their effect on legitimacy. The authors describe

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symbolic isomorphism as field-level convergence on a symbolic as opposed to material dimension of organizational practice such as naming, logo use, branding, etc. They find that organizations change their names in ways that conform to contemporary as opposed to historical norms in their field, and that conformity to modern naming patterns increases organizational legitimacy. This work suggests institutional pressures may be historically contingent. It also has direct bearing on my own work examining the manner in which nonprofits may alter descriptions of their organizational purpose over time in an effort to foster legitimacy by conforming to traditional and/or ascendant norms shaping identity and practice.

Ashworth, Boyne, and Delbridge (2007) study a variety of types of organizational change across a field of public organizations; the authors examine the proposition that core organizational features such as identity and values (operationalized respectively as organizational culture and strategy) may be more impervious to isomorphic pressure in comparison to peripheral organizational features such as processes and structures. They find evidence that isomorphic pressures have a *stronger* effect on core features such as culture and strategy than on features that are more peripheral to public organizations. The authors offer a number of causal stories to explain this finding including the possibility that: 1) Regulators applied coercive pressure with extra vigor in the context of the study in order to shape change related to culture and strategy; 2) Public organizations, the subject of the study, have distinct characteristics that lead to greater isomorphism across core facets than would be observed in private organizations; and 3) Culture and strategy in the organizations studied was decoupled from other organizational activities and served to signal compliance so that the organizations could avoid implementing

substantive change. Whatever the "true" causal story might be, these findings are relevant to research questions at hand since they suggest that "core" organizational features, such as identity, can change over time as a result of isomorphic pressures.

Two additional studies highlight the effect of local institutional context on organizations. Bielefeld and Corbin (1996) examine the effect of local institutional factors on government munificence for nonprofit provision of human services. They find that the decisions local governments make regarding nonprofit funding/contracting are shaped by regional political-philanthropic culture as conceptualized by Elazar (1994) and Schneider (1996). In a related piece, Marquis, Glynn, and Davis (2007) study the effect of community norms on patterns of corporate social action, an aspect of corporate philanthropy that often co-exists with workplace giving. The authors examine differences in the ways in which corporate actors in two cities prioritize community needs and understand the role of "corporate philanthropist." They find evidence that understandings and norms of corporate philanthropy are institutionalized in a distinct manner in each community, suggesting that local normative pressures shape the philanthropic choices of individual firms. These studies are salient to the research presented here because if local institutional factors shape philanthropic and nonprofit-contracting decisions then they are also likely to shape the identity framing choices nonprofits make to align themselves with their local operating environment.

Finally, a meta-analysis by Heugens and Lander (2009) suggests that while coercive, normative, and mimetic mechanisms do lead to isomorphism across organizations in a field, these pressures are moderated by field characteristics. For example, the authors find that fields populated with public organizations, or organizations

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with permeable boundaries are more subject to isomorphic pressures. Research on nonprofits suggests that these organizations are indeed permeable (Callen, Klein, & Tinkelman, 2003; 2010; Guo, 2007; Handy, Mook, & Quarter, 2008; Moulton & Eckerd, 2012). Based on the findings of Heugens and Lander (2009), nonprofits may therefore be particularly susceptible to isomorphic pressures.

In this subsection I have described the early evolution of the institutionalist perspectives, made the case for why key tenets of neo-institutionalism are relevant to the research questions at hand, and highlighted several studies with questions and findings relevant to my own research. All told, this subsection underscores the applicability of a more contemporary institutionalist perspective to the research questions examined here. Scott's (1995; 2001; 2008; 2013) typology of cultural-cognitive, social-normative, and regulatory institutional pillars is perhaps the most widely recognized framework for classifying neo-institutional mechanisms and their effects. Ostrom's (2009) Institutional Analysis and Development (IAD) framework offers an alternative theoretical lens for conducting work in the institutionalist vein. Given that I wish to examine how individual United Way organizations are shaped by institutional pressures at both the local and the field-level of analysis, the IAD framework is preferred over Scott's typology in that it conceptualizes institutional environments as nested across multiple levels of analysis. Both Scott's and Ostrom's frameworks have been criticized, however, for being largely descriptive. The institutional logics perspective of Thornton, Ocasio, and Lounsbury (2012) goes beyond institutional description and classification by integrating research across several disciplines to offer a meta-theory of institutions. The institutional logics

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perspective is the most salient institutionalist framework for the research presented here on a number of counts.

First, while neo-institutionalism has attempted to account for actor agency over time, in general it continues to privilege a conceptualization of social structure as continuous and its effect on actors as constraining. In contrast, by building on the concept of embedded agency, the institutional logics perspective posits that social structure constrains action while simultaneously providing actors with the means to challenge and even reshape institutions over time. What is more, by conceptualizing a multiplicity of institutional orders with decomposable elements, the institutional logics perspective provides a helpful framework for theorizing and discussing the precise manner in which such change processes unfold. Finally, the institutional logics perspective explicitly theorizes the relationship between institutions, collective identities, and language, greatly facilitating the research presented here. I therefore conclude this subsection with a brief description of the institutional logics perspective.

The institutional logics perspective builds on the key tenets of neo-institutionalism to develop a meta-theory not simply of organizational change, but of the role that higher-order social structures play in shaping the identities, understandings, and behaviors of actors at multiple levels of analysis (Thornton, Ocasio, & Lounsbury, 2012). An institutional logic is a "socially constructed, historical pattern of cultural symbols and material practices…by which individuals and organizations provide meaning to their daily activity, organize time and space, and reproduce their lives and experiences" (Thornton & Ocasio in Thornton, Ocasio, & Lounsbury, 2012). Several principles form the core of the institutional logics perspective: 1) The identities, understandings, and

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interests of actors are embedded within prevailing institutional logics, such that actors are both shaped by and have some agency to shape institutions; 2) Institutions have both material and symbolic elements, which are interrelated; 3) Institutions are historically contingent; and 4) Institutions operate at multiple levels of analysis such that individuals are embedded in communities and organizations, which are in turn embedded in fields, and societies (Thornton, Ocasio, & Lounsbury, 2012).

Perhaps the most significant contribution of the institutional logics perspective is the concept of an interinstitutional system of ideal types (see **Table 1**). This framework facilitates comparison between abstract institutional orders with their respective elemental categories, and specific instantiations of interinstitutional systems that shape actors at different levels of analysis. Each of the institutional orders listed on the X-Axis of **Table 1** is a social domain constructed around a cornerstone institution (e.g. Religion) and governed by multiple institutional instantiations (e.g. in the case of Religion: churches, mosques, temples, etc.). The Y-Axis contains elemental categories or building blocks that make it possible to distinguish different institutional logics from one another. The content of the cells in **Table 1** reflect the cultural symbols and material practices of ideal institutional orders. The ideal institutional logics reflected in the columns of **Table 1**, serve as frames of reference for individuals and organizations as they interpret how to use power. Depending on which institutional orders are cognitively invoked by actors, they may have very different interpretations of which sources and uses of power are legitimate. What is more, actors that have the capacity to cognitively invoke multiple ideal institutional logics can recombine their categorical elements in innovative ways to create new societal or field-level logics. For example, Haveman and Rao (cited in

Thornton, Ocasio, & Lounsbury, 2012, p 151) have argued that the logic of Progressivism that rose to prominence at the turn of the nineteenth century contained aspects of the ideal orders of State, Profession, and Market logics.

Thus, like the other institutionalist perspectives described earlier in this section, the institutional logics perspective holds that institutions structure the perceptions and behavior of actors. Unlike the perspectives described earlier, however, the institutional logics perspective: 1) Theorizes a broader range of institutional types (i.e. seven orders as opposed to the three pillars identified by Scott), 2) Underscores the principle that actors are simultaneously embedded in multiple and inter-connected institutional orders, 3) Posits that actors deeply embedded in multiple institutional orders are more likely to be able to invoke a variety of institutional logics in a given situation, 4) Leverages the theoretical capacity of actors to invoke multiple logics to explain institutional cross-pollination and the development of new logics at different levels of analysis, and 5) Argues that the co-existence of multiple logics at different levels of analysis leads to symbolic and material variation across individuals, organizations, fields, and even institutions and institutional orders (Thornton, Ocasio, & Lounsbury, 2012). I expect that individual United Way organizations are subject to institutional pressures at the local as well as the field-level of analysis, and that these organizations may be making divergent choices about how to adapt in response to these different nested contextual pressures. These distinguishing features of the institutional logics perspective described above thus make this framework a particularly powerful one for analyzing identity-focused change across the United Way system.

Another advantage of the institutional logics perspective for the research presented here is that it explicitly links institutional logics, collective and organizational identities, and language. Thornton, Ocasio, and Lounsbury (2012, p. 130) define collective identity as groups or categories, that are strategically constructed yet fluid, and organized around a shared purpose or similar outputs. Individual and organizational identities are embedded in one or more field-level logics, and changes in identities often go hand in hand with shifts in field-level logics. Field-level logics and collective identities are also reflected in language (Thornton, Ocasio, & Lounsbury, 2012). Thus, the vocabularies of practice organizations use to describe their work, as well as the frames of "schemas of interpretation" that organizations use to cultivate group identification and mobilize resources, reflect distinct field-level logics. This insight lies at the heart of the research presented here, and leads me to make the institutional logics perspective the theoretical center piece of my dissertation research.

Finally, the institutional logics perspective recognizes the importance of resource flows and concrete social systems, such as networks, in which organizations and other actors are embedded. For example, resources are theorized to: 1) Serve as a catalyst to focus organizational attention on the need to reexamine identity in times of scarcity, and 2) Enable or constrain action to (re)align organizational identity with new and existing field-level logics. The principle of embedded-agency that Thornton, Ocasio, and Lounsbury (2012) describe as foundational to the institutional logics perspective stems directly from research in the network embeddedness tradition, which has developed unique methods and insights in the study of social systems such as groups of individuals and fields of organizations. This suggests that a thoughtful integration of the institutional

logics perspective with insights from resource dependence theory and network embeddedness perspectives could be fruitfully applied to the research questions of interest. I therefore offer a description of resource dependence theory before discussing key tenets of the network embeddedness perspective relevant to a study of organizational change.

Resource dependence theory

Resource dependence theory (RDT) is one of the earliest open-systems theories of organizational change. In fact, RDT provides a kind of conceptual bridge from earlier closed-system perspectives to later open-system theories of organizational change; like early closed-system theories RDT emphasizes the significance of managers and other leaders in planning and implementing organizational change, and like later open-system perspectives RDT conceptualizes external environmental pressures as the drivers of change processes. Specifically, RDT suggests that organizational leaders plan and implement strategic change in order to maintain access to important resources in their environment (Pfeffer & Salanick, 2003; Oliver, 1991).

According to RDT, organizations are dependent on different kinds of resource providers in their environment, including but not limited to funders and financiers, HR suppliers, and other organizations that provide key organizational inputs (Pfeffer & Salanick, 2003). Managers wish to cultivate organizational stability, which requires ongoing access to essential resources. Due to their dependence on external resource providers, managers must scan their environment in order to anticipate and respond to environmental shifts, especially those that may alter the priorities of key resource suppliers. Key resource providers can also exert direct pressure on organizations and

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managers to change in particular ways by leveraging their resource-based power. Based on coercive pressures and perceived environmental change, managers seek to adapt their organizations in ways that foster legitimacy in the eyes of resource providers by signaling goal, action, and output alignment (Pfeffer & Salancik, 2003). More recent work in the resource dependence vein also posits that resource endowments can have long term effects on the trajectory of organizational change even after immediate concerns for signaling alignment with resource providers have been met. For example, Kraatz and Zajac (2002) examine the effect of initial resource endowments on strategic change across liberal arts colleges over a twenty year period. They find that over the full time period of study, colleges that had larger endowment funds in the initial period of study were less likely to adopt strategic changes prevalent across the organizational field than colleges that were more dependent on earned revenue in earlier periods.

In both the generic management and nonprofit specific literature, a good deal of empirical evidence has accumulated in support of RDT. For example, nonprofit scholars consistently find that resource dependence shapes core features of nonprofit organizations including their governance structures (Guo, 2007), the roles they play that define their public value (Moulton & Eckerd, 2012), and their mission focus (Bennett, & Savani, 2011; Pedrini, & Ferri, 2016). Of particular relevance to my own work on federated funds and their nonprofit affiliates are early studies testing for evidence of RDT using data on nonprofit and voluntary organizations.

For example, the resource dependence perspective, under the moniker of "resource mobilization" was highly influential in the study of nonprofit social movement organizations such as the Southern Christian Leadership Conference and the Student

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Nonviolent Coordinating Committee (Clemens & Minkoff, 2004). The accumulated

work of scholars such as McCarthy, Zald, and Jenkins highlights the effect of resource

dependence on identity-focused change processes in nonprofit social movement and

advocacy organizations. Specifically, their research suggests that dependence on

particular types of financial resources can lead social movement organizations to abandon

more controversial advocacy platforms, adopt centralized structures, and lose some of the

legitimacy they derive from their identity as facilitators of a grass-roots movement

(McCarthy & Zald, 1977). Piven and Cloward (1979) posit that movements that aim to

disrupt existing class structures and that accept financial resources from foundations and

supporters outside of the movement will inevitably be coopted, and lose their identity-

based legitimacy. This early work highlights the connection between resource

dependencies and identity-focused nonprofit change.

Other early work on RDT explicitly focuses on resource dependencies between

local United Way organizations and their nonprofit affiliates, and has direct bearing on

the research presented in later chapters (Pfeffer & Leong, 1977; Provan, Beyer, &

Kruytbosch, 1980; Provan, 1982; Provan, 1983). These studies collectively suggest that,

while nonprofit affiliates are dependent on federated funds to varying degrees for

financial support, local United Way organizations are also dependent on their affiliates

for legitimacy. This finding is significant given the research questions at hand because it

suggests that federated funds and their affiliates are mutually dependent in ways that may

shape the federated fund affiliation choices of local nonprofits participating in workplace

giving campaigns. These early pieces also bridge the RDT and inter-organizational

network research traditions by conceptualizing inter-organizational linkages as

dependencies based on resources such as funding, legitimacy, and shared board members (interlock). They both provide early support for RDT, and serve as a foundation for what came to be known as the network embeddedness perspective.

Even as RDT has proven valuable in identifying inter-organizational dependencies, it has been criticized for conceptualizing inter-organizational networks in terms of transactional relationships and ignoring the higher-level political, social, and cultural pressures that structure organizational fields. This has prompted scholars in more recent work to combine insights from the RDT, institutionalist, and network embeddedness perspectives to enhance our understanding of organizational change processes. For example, Sherer and Lee (2002) find that resource scarcity drove prestigious law firms to adopt new HR practices, while mimetic isomorphism drove less prestigious firms facing resource uncertainty to adopt the newly legitimatized practices. Kraatz (1998) finds that while resource constraints prompted organizational change in nonprofit liberal arts colleges, strategic decisions about how to adapt were made based on information gathered from peers in inter-organizational networks.

This highly selective review of research grounded in the resource dependence perspective highlights several important points. First, it underscores the utility of RDT in the study of nonprofit organizations, and more specifically the federated funds and nonprofit affiliates that are the focus of this dissertation. Secondly, the research cited here provides some evidence that resource dependencies shape core organizational features including identity, which in turn shape perceptions of organizational legitimacy. Finally, it points to the confluence of the open-system theories of organizational change that undergird this dissertation, providing further evidence that RDT, neo-institutionalist,

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and network embeddedness frameworks can be used in a complimentary manner. I have thus far presented an overview of theory and relevant empirical work in the institutionalist and RDT traditions; next we turn to an overview of network embeddedness research that has direct bearing on this dissertation.

Network embeddedness

The network embeddedness perspective emphasizes the effect of inter-organizational relationships on organizational change (Galaskiewicz & Bielefeld, 1998). Rather than focusing on the attributes and behavior of independent actors, network embeddedness posits that actors both shape and are shaped by the network context in which they operate (Brass et. al, 2004). Actor interdependence is explicitly modeled using social network analysis (SNA) techniques and other methods that account for mutuality (Brass et al, 2004; Galaskiewicz & Bielefeld, 1998). In SNA, actors may be operationalized as individuals, countries, or in our case, organizations. The linkages that they share can be operationalized as measures of social distance or similarity such as individual race, organizational goal alignment, or national culture, as well as relationships based on ties such as friendship, resource exchange, or geographic proximity.

Research in the organizational network embeddedness tradition overlaps with, and draws upon key insights from the RDT and institutionalist traditions, while making distinct contributions to our understanding of organizational change processes. For example, one common means of conceptualizing and operationalizing inter-organizational linkages has its roots in early research in the RDT tradition. Organizations share a linkage when they depend on one another for one or more types of resources

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(Pfeffer & Leong, 1977; Provan, Beyer, & Kruytbosch, 1980; Provan, 1982; Provan, 1983).

Both institutionalist and network embeddedness perspectives recognize the influence of higher-order phenomena such as culture and social structure on actor characteristics and behavior (Schneiberg & Clemens, 2006). For example, the neo-institutionalist concept of normative isomorphism holds that professional socialization shapes actor cognition, perceptions of norms and schema, and ultimately the behavior of actors. Neo-institutionalism also posits that in times of uncertainty, organizations are likely to mimic the behavior of peers. These principles align well with the concepts of homophily and co-evolution from network embeddedness research. Homophily predicts that actors with similar characteristics, experiences, and behavior are more likely to develop linkages. Co-evolution predicts that existing linkages are likely to influence actor experiences, behavior, and characteristics over time, which can in turn shape the incidence of future linkages in an iterative cycle (Brass et al, 2004).

The network embeddedness research tradition also makes a number of distinct contributions to our understanding of organizational change. One contribution is methodological; SNA techniques and other methods for explicitly modeling interdependence facilitate the study of resource dependencies, and institutional pressures, as well as network effects. Social network theories of contagion and diffusion, which posit the mutual influence of actors in a network, have also significantly shaped on research on organizational change and adaptation processes (Kraatz, 1998; Kenis & Knoke, 2002; Koch, Galaskiewicz, & Pierson, 2015).

Finally, the network embeddedness perspective introduces the insight that linkages at one level of analysis structure relationships at other levels of analysis (Galaskiewicz & Wasserman, 1989; Galaskiewicz & Burt, 1991; Kraatz, 1998). In the parlance of network embeddedness, this concept is known as the duality of (multi-level) ties. For example, organizational networks may emerge based on relationships between individual managers, while relationships between managers may be based on alumni status from the same university. This insight makes a significant contribution to the study of organizational change in two ways. First, it suggests a means of operationalizing the idea of embeddedness in nested levels of analysis in a more concrete manner (Scott, 2008; Marquis & Battliana, 2009). Second, by highlighting the need for multi-level models it has prompted additional methodological breakthroughs, opening up new avenues of research into complex systems (Dacin, Goodstein, & Scott, 2002; Kenis & Knoke, 2002; Brass et. al, 2004; Schneiberg & Clemens, 2006).

As noted earlier, there is a long tradition of research on nonprofit organizations in the network embeddedness literature beginning in the 1970's (Pfeffer & Leong, 1977; Provan, Beyer, & Kruytbosch, 1980; Provan, 1982; Provan, 1983). In a well-known series of articles, Galaskiewicz and co-authors have shown that managerial and organizational networks in a metropolitan area play an important role in shaping discreet philanthropic choices, as well as the overall philanthropic culture of the local community (Galaskiewicz, & Wasserman, 1989; Galaskiewicz, & Burt, 1991; Galaskiewicz, 1997; Galaskiewicz & Bielefeld, 1998). For example, Galaskiewicz and Burt (1991) find that corporate philanthropy officers that occupy similar positions in their professional networks share similar assessments of local nonprofit effectiveness. Revisiting his

findings from earlier studies, Galaskiewicz (1997) finds that ties to local philanthropic leaders have an enduring effect on corporate giving decisions. These findings align with those from studies cited earlier examining the effect of local institutional context on the philanthropic choices of local governments and for-profit firms (Bielefeld & Corbin, 1996; Marquis, Glynn, & Davis 2007).

While scholars have typically studied the effect of inter-organizational networks as facilitators of change through contagion and diffusion mechanisms (e.g. Kraatz, 1998; Koch, Galaskiewicz, & Pierson, 2015), Kim, Oh, and Swaminathan (2006a) posits that inter-organizational networks can also constrain organizational adaptation. This last proposition has direct relevance to the study of nonprofit fund affiliation switching in chapter four of this dissertation.

Finally, a very recent study by Koch, Galaskiewicz, and Pierson (2015) specifically examines the effect of inter-organizational networks on identity-focused nonprofit change. The authors use data on inter-organizational networks, organizational program information, and mission statements from nonprofits in a metropolitan area. They find that when nonprofits make changes to their mission statements, the language they use resembles the content of the mission statements of peer organizations. They also find that nonprofit mission statements tend to be accurate reflections of organizational priorities, values and programs. These findings are important for the research presented here because they suggest that the mission statements of peer organizations are likely to be isomorphic, and that changes in the content of nonprofit mission statements is likely to have substantive as well as symbolic significance.

While each of the three theoretical perspectives discussed in the sections above has its own distinct research tradition, these frameworks can be used concurrently to compensate for the blind spots particular to each theoretical perspective, and to bolster the explanatory power of research findings. Galaskiewicz and Bielefeld (1998), for example, take just such an approach in their seminal book on *Nonprofit Organizations in an Age of Uncertainty: A Study of Organizational Change* in order to test hypotheses based on all three theoretical traditions. This dissertation is in this vein of research, drawing from each of the theoretical frameworks described in more detail above to better understand organizational change processes across fields of nonprofit organizations. **Table 2** presents a summary of the key concepts and insights drawn from the perspectives described above, and their contribution to my own research on identity-focused organizational change.

Each of the theories described thus far were developed to enhance our understanding of organizational change processes. In addition to considering overarching change process, however, it is important to consider the nature of the specific kind of change taking place. In this case, I am interested in identity-focused change. While the topic of organizational identity change has been a central topic of research in the generic management literature (Gioia et al., 2013), it has received less attention from nonprofit scholars. Recently, Young (2001) and Young and Brilliant (2004) issued a call for more research on the topic, and pointed to the workplace giving context as a fruitful arena in which to examine identity change as nonprofit adaptation in response to environmental shifts. This dissertation answers this call. In order to anticipate how organizational

change might play out along the dimension of organizational identity, however, it is first essential to clarify the concepts of organizational identity and image.

Organizational identity and image

Since Albert and Whetton (1985) first broached the topic of organizational identity, it has been conceptualized in a number of different ways; while debate still rages around the construct, there are some points of convergence in the literature on organizational identity (Corley et al., 2006). For example, scholars generally agree that identity is at least in part based on the shared understanding of organization members about that which is central, distinctive, and continuous about an organization (Gioia et al., 2013, p 123). Even as scholars agree that organizational identity is continuous in nature, they also hold that it can be an important symbol and source of organizational change (Gioa, Schultz, & Corley, 2000; Ravasi & Schultz, 2006; Boin et al, 2016). Identity is internally focused, yet comparative since it is defined relative to other more or less similar organizations (Corley et al., 2006). Finally, although scholars debate the unitary nature of organizational identity, some empirical research suggests that it can be multifaceted (Corley et al., 2006; Gioia et al., 2013).

One important debate centers on the nature of organizational identity: is it a metaphor or a phenomenon (Corley et al., 2006)? At the heart of this debate are distinctions between the social constructivist and "social actor" view of organizational identity. Social constructivists conceptualize identity as resulting from social processes. From this perspective, organizational identity can be an ongoing social construction, or an institutional/organizational claim, but in either case it arises in discourse (Corley et al., 2006; Ravasi & Schultz, 2006). In contrast, from the social actor perspective

organizations are entities with social and legal status whose identity is delimited by their contractual relationships (Corley et al., 2006). The research presented here builds on the conceptualization of organization identity as a social construct, operationalized as a claim grounded in shared understandings of organizational "essence."

The concept of organizational image is intimately connected to that of organizational identity, but the two differ in important ways. Like identity, organizational image is defined in relation to other organizations but unlike identity, image has a distinct external quality. Organizational image has been variously described by scholars as the perception of an organization by outsiders; the internal understanding of how an organization is perceived from the outside; and fabricated projection or how an organization wishes it was perceived from the outside (Gioia, et al., 2000). In the research presented here, organizational image is conceptualized as shared understandings of organizational identity held by external stakeholders.

Both organizational identity and image have emerged as important concepts explaining behavior at both the individual and organizational levels of analysis (Gioia, et al., 2000). Increasingly, identity and image are also recognized as reciprocal concepts; they are two sides of the same coin (Dutton & Dukerich, 1991; Gioa, et al., 2000; Hatch & Schultz, 1997). In fact, empirical research suggests that discrepancies between organizational image and identity can prompt adaptation as organizations seek to better align external and internal understandings of organizational essence (Dutton & Dukerich, 1991; Ravasi & Schulz, 2006).

Research also suggests, however, that there are significant constraints on the new identity claims that organizations can successfully make as they seek to align their image

and identity because claims must align with conceptualizations perceived by both internal and external stakeholders as legitimate (Dutton & Dukerich, 1991; Humphreys & Brown, 2002; Pedersen, & Dobbin, 2006). The process of building support for new organizational identity claims can thus be fraught. Organizations and managers seeking to legitimize new identity claims must concern themselves with both how such claims create narrative (mis)alignment between the organization and its environment, as well as how claims create (mis)alignment with collective understandings of organizational history, tradition, and culture (Dutton & Dukerich, 1991; Humphreys & Brown, 2002; Ravasi & Schultz, 2006). In other words, new identity claims must conform to the kinds of social, political, cultural, and network-based norms described earlier while simultaneously affirming stakeholder understandings of organizational distinctiveness. To better understand how such identity-focused adaptation processes unfold, I draw upon the concept of framing from the social movement literature.

Organizational identity framing

Benford, Snow, and co-authors introduced the concept of a "frame" to the study of social movements from the social psychology literature (Benford, 1997; Benford & Snow, 2000). Goffman originally conceptualized of a frame as an interpretive schemata used by individuals to "locate, perceive, identify, and label," occurrences in life (in Snow et al, 1986, 1). In the literature on social movements, researchers study frame alignment processes, or efforts made by social movement organizations to align movement goals, ideology, and activities with the values, beliefs, and interests of individuals. Framing processes are of interest because frame alignment is considered a necessary condition for

the mobilization and sustained engagement of individuals in collective action (Snow et al, 1986).

Frame alignment processes are interactive and communicative. By "framing" an issue in a particular way, social movements seek to focus public attention and legitimate particular interpretations of information in ways that mobilize individuals to a cause. Social movements engage in issue framing in order to shape individual and collective understandings around issue diagnosis (What is going on? Who or what is to blame?), prognosis (What is to be done?), and to create rationales for action. Successful framing efforts tend to draw upon institutionalized/resonant frames and/or discursive repertoires taken from the broader social, cultural, and political context because these tactics enhance the probability of frame alignment and mobilization across a larger spectrum of individuals (Snow et al, 1986; Steinberg, 1998).

Why apply the concept of framing to the study of identity-focused organizational change as opposed to, for example, concepts from the marketing literature? First of all, the use of the concept of framing is not new to research on identity-focused organizational change. For example, Fiss and Zajac (2006) employ the concept to help explain how managers shape the manner in which various audiences interpret identity-focused organizational change processes. In their study, framing is used to legitimize new identity claims. Similarly, Chreim (2005) examines the discursive strategies used by an elite group of managers at a Canadian Bank to construct a new consensus around the organization's identity. These strategies include the use of juxtaposition, expansive labels that reference traditional identity facets while constructing new ones, and themes from the broader business discourse.

Dutton and Dukerich (1991, p. 520) posit that organizational identity itself can be an important frame that, "filters and molds an organization's interpretation and action on an issue." In their study of the New York Port Authority's evolving response to the issue of homelessness, they find that collective understandings of organizational identity frame which strategies and tactics are perceived as legitimate by organization members. Initially, for example, employee were unwilling to adapt in ways that accommodated homeless individuals because their understanding of the Port Authority as an efficient and prestigious public institution did not align with the identity of "homeless shelter." The authors also find, however, that poor alignment between organization's negative external image and positive internal understandings of organizational identity disrupted the use of organizational identity as the sole frame for vetting legitimate organizational action. In this case, ongoing public criticism regarding the Port's "homelessness problem" eventually led the organization to offer new social service programs even though such programs did not mesh well with established internal understandings of organizational identity.

In addition to the research cited above that highlights the utility of the framing concept in the study of identity-focused organizational change, there is also reason to believe that the concept of framing may be especially relevant to the study of identity-focused change in nonprofit organizations. While public, for-profit, and non-profit organizations all face the challenge of leveraging the legitimacy of their identity to induce individuals to act (e.g. to donate, volunteer, comply with the law, or purchase a good), nonprofits are somewhat distinct in the type of action they may seek to induce. Public organizations can coerce individuals to act based on their legal authority. For-

profits can rely on customer's direct experiences of the quality of their goods and services

to help market their products. As described earlier, nonprofits often hope to spur

individuals to purchase or support the provision of a good or service, the quality of which

may be difficult if not impossible to judge (Hansmann, 1980; Rose-Ackerman, 1996;

Herman & Renz, 1997; 1999; Campbell, 2002; Steinberg, 2006). Nonprofits thus

leverage the legitimacy of their form-based and organization-based identity in order to

mobilize individuals to donate, volunteer, advocate, purchase, etc. The framing

perspective from the literature on social movements focuses on the discursive processes

used to align movement identity with individual identity in order to mobilize individuals

to engage in collective action. This suggests that a framing perspective might be useful

when examining identity-focused change in nonprofit organizations that must mobilize

the support of individuals whose values align with the organization's mission.

A case has been made for why it would be appropriate to use the concept of

framing when examining identity-focused nonprofit change, which prompts the question:

in what ways might we expect nonprofits to engage in identity framing to garner

donations in workplace giving campaigns? While there are a number of possible answers

to this question, this dissertation makes the case that organizations engage in identity

framing by: 1) Leveraging their membership in organizational networks to signal their

alignment with specific collective identities; 2) Accumulating distinct facets to the form-

based collective identity they share with peers across an organizational field; 3) by

highlighting different aspects of this collective form-based identity to legitimize their

unique organizational identity when describing their mission or purpose to stakeholders.

Fund affiliation switching as evidence of identity framing

Recall that organizational identity is commonly held to be relational; an organization defines itself in comparison to more and less similar organizations. From this perspective, federated fund affiliation can therefore be viewed as a symbolic affirmation of nonprofit alignment with particular collective identity and its associated community; by affiliating with fund X a nonprofit can frame its identity as aligned with the collective identity shared by community members of fund-network X and their supporters. Chapter four of this dissertation examines the incidence and drivers associated with changes in nonprofit fund affiliation over time. If fund switching is associated with a decline in revenue then it is most likely driven by material resources concerns. However, if fund switching behavior is not associated with revenue decline but does serve to symbolically align nonprofits with different collective identities, then this suggests that nonprofits use fund affiliation to frame their identity for external stakeholders.

Variation in identity dimension usage as evidence of identity framing

As mentioned earlier, the institutional logics perspective explicitly theorizes relationships between institutional logics, field and organizational-level change, organizational identity, and language (Thornton, Ocasio, & Lounsbury, 2012). One of the points they make when elaborating on the theoretical connections between these concepts is that identity-focused change at the organizational level can lead to shifts in field-level logics as new collective identities are legitimized across fields of organizations. We might therefore expect that the collective identity shared by organizations across a field will accumulate different facets over time, each of which reflects one or more historically dominant field-level logics. Individual organizations can then draw upon these various

facets to their collective identity in order to (re)frame their own distinct organizational

identity in ways that align with prevalent field-level logics. To illustrate how a field of

organizations may incorporate new facets to their collective identity over time I offer an

example of a field-level change process that began with a new initiative at the

Environmental Defense Fund (EDF).

The EDF, like other environmental groups active in the 1970's, cultivated

organizational practices and an identity that reflected the dominant field-level logics of

the era: "Sue the bastards" and engage in aggressive advocacy (Crutchfield & Grant,

2012, p 74). In the mid-1980's, however, the EDF began to pioneer a new organizational

identity: that of market-based problem solver. Fred Krupp, then president of the EDF,

wrote a piece for the New York Times in 1986 in which he states, "The American Public

does not want conflict between improving our economic well-being and preserving our

health and human resources. The early experience suggests that it can have both."

(Krupp cited in Crutchfield & Grant, 2012, p 74). Throughout the 1980's and 1990's, the

EDF pioneered new market-based solutions to environmental degradation including the

first cap-and-trade approach to clean air protection, and corporate partnerships with

McDonald's and FedEx (Crutchfield & Grant, 2012). At the time, other environmental

organizations criticized the EDF for "selling out." For example, David Brower of the

Sierra Club opined in 1986 that, "There is too much movement away from the ideals and

too much emphasis on bottom lines." (Sale cited in Crutchfield & Grant, 2012, p 74).

Over time, however, the new field-level logic of "cross-sector collaboration", and the

new "market-based problem solver" facet to the collective identity of environmental

organizations gained legitimacy. This evolution is evidenced by the fact that while in the

past the Sierra Club criticized the EDF for taking a market-based approach to environmentalism, the Sierra Club website now describes its methods as follows, "We partner with individual and institutional donors to align financial resources with strategic outcomes, provide flexible funding for innovation, build capacity in the environmental movement, and create partnerships with a broad spectrum of allied organizations around shared values and goals." (Sierra Club, 2017).

This example illustrates the process by which identity-focused change at the organizational level can lead to changes in field-level logics and collective identities. As new collective identity facets are legitimized, older facets grounded in historically dominant field-level logics may phase out, or continue to be leveraged only in certain contexts and not others. Organization names, mission statements, and other symbols of purpose encode central features of organizational meaning and identity (Glynn & Abzug, 2002). Such symbols exist at the intersection of organizational image and identity; they reflect organizational essence, yet also serve as a kind of external communication intentionally crafted to shape outside perceptions of organizational image (Swales & Rogers, 1995; Williams, 2008). This suggests that nonprofit identity-focused change can be studied by observing variation in organizational symbols such as mission statements and names that reflect identity claims. If an examination of the identity claims made by organizations across a field suggests that their collective identity has accumulated multiple facets over time, and that use of these identity dimensions varies across the organizational field, this would provide evidence of organizational identity framing.

Recently, Young (2001) and Young and Brilliant (2004) have posited the existence of a number of federated fund identity facets rooted in both current and

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historically dominant field-level logics. Chapter five of this dissertation examines whether these facets are reflected in descriptive purpose statements of local United Way organizations across the system.

Multi-level contextual pressures and identity variation as evidence of identity framing
As noted earlier, the process of building support for new organizational identity claims can be challenging; organizations must align new identity claims with both broader environmental pressures, and more localized stakeholder understandings of organizational distinctiveness. If such nested local and national institutional pressures do indeed organizational identity, then we can expect to find variation in identity facet usage across an interconnected system such as the United Way.

As previously mentioned, Young (2001) and Young and Brilliant (2004) have identified a number of federated fund identity facets. Chapter six of this dissertation examines descriptive organization purpose statements over the United Way system to see if variation in the use of identity facets can be observed, and if this variation can be explained by the interaction of local and national environmental pressures. If such variation is detected and partially explained by the theories of organizational change described earlier, this would suggest that nonprofit identity framing, operationalized as variation in the use of identity facets in statements of purpose, is an effective framework for understanding nonprofit identity-focused change.

Table 3 provides an overview of the research questions, hypotheses, and methods that form the backbone of the empirical chapters of this dissertation described above.

Conclusion

This chapter has addressed a number of topics. The first section provided a review of theories of organizational change from the generic literature; discussed empirical work particularly relevant to my own research; and made the case for using the theories of resource dependence, institutional logics, and network embeddedness in a complimentary manner in order to study identity-focused organizational change. In the second section, I offered an overview of the concepts of organizational identity and image to better conceptualize organizational change related to organizational image and identity. In the third section I introduced the concept of frame alignment from the literature on social movements; made the case for examining identity-focused nonprofit change through the lens of framing; and described three distinct kinds of identity framing behavior that might be observed across a field of nonprofits experiencing significant environmental changes.

Understanding the relationship between nonprofit identity and processes of organizational change is critical since nonprofit identity directly effects organizational legitimacy, which has practical implications for fundraising, the recruitment of volunteers, and other core organizational activities. From an academic standpoint, research on nonprofit identity framing can contribute to our understanding of organizational change, identity, and image. Before presenting my research in this vein, I make the case for why the arena of workplace giving is a fruitful context in which to examine organizational identity framing.

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Table 1: Interinstitutional System Ideal Types

Y-Axis	X-Axis						
Categories	**Family**	**Community**	**Religion**	**State**	**Market**	**Profession**	**Corporation**
Root Metaphor	Family as firm	Common boundary	Temple as bank	State as redistribution mechanism	Transaction	Professional as relational network	Corporation as hierarchy
Sources of Legitimacy	Unconditional loyalty	Unity of will Belief in trust and reciprocity	Importance of faith & sacredness in economy & society	Democratic participation	Share price	Personal expertise	Market position of firm
Sources of Authority	Patriarchal domination	Commitment to community values & ideology	Priesthood charisma	Bureaucratic domination	Shareholder activism	Professional association	Board of directors Top management
Sources of Identity	Family reputation	Emotional connection Ego-satisfaction & reputation	Association with deities	Social & economic class	Faceless	Association with quality of craft Personal reputation	Bureaucratic roles
Basis of Strategy	Increase family honor	Increase status & honor of members & practices	Increase religious symbolism of natural events	Increase community good	Increase efficiency & profit	Increase personal reputation	Increase size & diversification of firm
Informal Control Mechanisms	Family politics	Visibility of actions	Worship of calling	Backroom politics	Industry analysts	Celebrity professionals	Organizational culture

Adapted from Thornton, Ocasio, and Lounsbury (2012, p 73)

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Table 2: Theoretical Integration of Perspectives on Organizational Change

Perspective	Key concepts	Contributions to Dissertation
Institutionalist	Institutional Logics • Legitimacy based on organizational alignment with dominant logics • Institutional logic • Embedded agency • Institutions: as material and symbolic; operate a multiple levels; historically contingent • Interinstitutional system comprised of orders and decomposable orders • Co-evolution of identity and field-level logics • Identity and logics reflected in language Other Institutionalist Perspectives • Institutional mechanisms that shape actors: coercive, normative, and mimetic	• Concept of embedded agency provides theoretical explanation for co-evolution of actors and structures • Field-level logics and collective identities provide conceptual bridge between identity-focused change at the organizational and field levels of analysis • Justifies use of textual data for research on identity-focused nonprofit change • Institutional mechanisms provide conceptual bridge with other theoretical perspectives and contribute to hypothesis development
Resource Dependence	• Legitimacy based on organizational alignment with goals of key resource providers • Resources drive and constrain organizational adaptation • Resource dependencies can undermine identity-based legitimacy over time	• Resource environment shapes organization attentiveness to changing environmental conditions, which may lead to identity-focused change • Pitfalls of failing to align identity claims with both context and collective understandings of organizational essence
Network Embeddedness	• Legitimacy based on relationships and/or network membership • Relationships drive and constrain organizational change • Embedded agency • Homophily • Duality of (multi-level) ties	• Identity-focused change shaped by behavior of other actors in network • Method for operationalizing and analyzing co-influence/evolution of actors and structures • Ties as legitimizing resource; Network membership as signal of organizational alignment with different field-level logics and collective identities

Table 3: Dissertation Research Questions, Hypotheses, and Methods

Research Questions	Hypotheses & Findings	Methods
Chapter 4: Fund Affiliation Switching as Evidence of Identity Framing		
Descriptive & Study of Associations: 1) How common is it for nonprofits to diverge from past fund affiliation decisions? 2) Is fund affiliation switching driven by material or symbolic resource considerations?	H1: Nonprofits with a mission focus on advocacy, the arts, environmental and animal rights issues, health, human services, and/or religious charity will be more likely to affiliate with purpose-based funds than to affiliate with generic funds or participate as independent organizations. H2: Nonprofits affiliated with a purpose-based fund will be more likely to maintain rather than switch their affiliation over time regardless of the change in donation revenue they receive from one campaign year to the next. H3: Nonprofits that begin a period as a generic fund affiliate or independent organization, and whose campaign revenue declines over time will be more likely to make a different fund affiliation choice from one period to the next than their counterparts whose revenue remains stable or increases. H4: Nonprofits power will meditate the effect of revenue change from one period to the next on nonprofit fund switching decisions.	• Chi-squared tests of independence • Logistic regression

Table 3: Dissertation Research Questions, Hypotheses, and Methods (cont.)

Research Questions	Hypotheses	Methods
Chapter 5: Variation in Identity Facet Usage as Evidence of Identity Framing		
Descriptive: 1) What facets of federated fund identity are in use across the United Way system in the United States? 2) Is there geographic or temporal variation in the use of these different identity facets as local United Way organizations seek to align their distinct organizational identity with changing environmental conditions? 3) Does this geographic and temporal variation suggest that the identity claims made by local United Way organizations are shaped both by implementation of Community Impact at the national level, and the local context in which these organizations operate?	The purpose statements of local United Way organizations will reflect the federated fund identity facets of fiscal intermediary, community problem solver, economic regulator, and social change agent. H1: Across the national-level United Way system, use of the social change agent identity facet will increase over time, while use of the traditional identity facets will diminish. H2: Local United Way organization use of different identity facets will vary based on political-philanthropic subculture. H3: Local United Way organizations operating in large metropolitan areas will use different identity facets in their organizational purpose statements than their counterparts operating in less urban areas.	• Data cleaning and processing • Hand-coding • Naïve Bayes classification • Chi-squared test of independence

Table 3: Dissertation Research Questions, Hypotheses, and Methods (cont.)

Research Questions	Hypotheses	Methods
Chapter 6: Multi-level Contextual Pressures and Identity Variation as Evidence of Identity Framing		
Study of Associations: How does the interaction of local and field level context affect organizational change as it unfolds across an interconnected system?	H1: United Way organizations that operate in consolidated local fields will have organizational purpose statements that reflect the traditional identity facets of traditional community problem solver, fiscal intermediary and economic regulator. H2: United Way organizations that operate in competitive local fields will have organizational purpose statements that reflect the identity facet of social change community problem solver. H3: Local United Ways will have organizational purpose statements that reflect the same identity facets as the organizational purpose statements of geographically-proximate peers.	ERGM

CHAPTER 3

THE WORKPLACE GIVING CONTEXT

This chapter offers an overview of the context of workplace giving, its evolution over time, and a review of academic literature focused on this philanthropic arena. This discussion is designed to make the case that workplace giving is a fruitful context in which to explore a particular type of identity-focused organizational change that I have termed identity framing. In the first section of this chapter, I introduce the context of workplace giving and explain several concepts essential to understanding this philanthropic arena. In the second section, I provide a brief history of the evolution of workplace giving in the United States, ending with a description of the current environment characterized by increased competition between traditional and alternative federated funds, and the co-existence of a number of what Thornton, Ocasio, and Lounsbury (2012) have termed "field-level logics." To recap, a field-level logic is a "socially constructed, historical pattern of cultural symbols and material practices…by which…organizations [in a given field] provide meaning to their daily activity, organize time and space, and reproduce their lives and experiences" (Thornton & Ocasio in Thornton, Ocasio, & Lounsbury, 2012). Throughout this historical overview, I trace the roots of the federated fund identity facets described by Brilliant and Young (2004), which reflect current and historically dominant field-level logics. Furthermore, I identify environmental factors based on the theories of organizational change discussed in the previous chapter that have played an important role in shaping the arena of workplace

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giving for the past 140 years. In the final section of this chapter I review the academic

literature on workplace giving in order to draw out important context-specific insights

that can inform my own research, to be presented in the three empirical chapters of this

dissertation.

Overview of workplace giving

Before providing an historical overview of the subject, it is first essential to define the

concept of workplace giving. Workplace giving describes individual employee

philanthropy in the workplace in response to solicitation either by individual peers or

through formal employer-endorsed campaigns. Most workplace giving in the US has

come to involve highly coordinated efforts by nonprofit organizations to solicit all of the

employees of a given firm through a single workplace giving campaign. Modern

workplace giving in the US thus often involves employer-endorsed fundraising

campaigns, federated funds, payroll deduction, donor designation, and other donor choice

options, all of which are described in more detail below:

- *Employer-endorsed campaigns* give employers control over which charities can
  solicit employees in the workplace, as well as how and when that solicitation
  takes place. Employers often designate a limited number of charities or federated
  funds that can exclusively operate campaigns and/or garner employee donations
  made at work.

- *Federated funds*, such as the United Way, are voluntary coalitions of nonprofit
  organizations that collectively solicit employees during workplace giving
  campaigns; they have become the principal facilitators and beneficiaries of most

such campaigns. Traditionally, federated funds controlled decisions about how donations were re-allocated to affiliated charities although this is no longer true in all cases.

- *Payroll giving* describes a mechanism for collecting contributions made by employees during employer-sponsored campaigns. With payroll giving, employees give permission for an employer to deduct a small amount from each of their paychecks that is then paid out to a charity or federated fund.

- *Donor designation* is the mechanism that allows employees to specify the charity that will receive their contribution. Undesignated gifts give discretion to a federated fund to allocate contributed monies to affiliated nonprofits as they see fit. Designated gifts have become more common in workplace giving campaigns over time.

- *Donor choice* describes the diversity of options available to employee donors in terms of the variety of individual charities and federated funds to which they can contribute, and the level of control employee donors have in designating their gift (i.e. to a campaign, a fund, or an individual nonprofit)

From a practical standpoint, workplace giving is a significant form of philanthropy due to the prevalence of workplace giving campaigns in the US and the scale of contributions collected through such campaigns. One-fourth of US workers have access to payroll giving programs (NCRP, 2003), and Giving USA (2007) estimates that Americans contribute over $4 billion annually through workplace giving campaigns. From the perspective of nonprofit organizations, workplace giving campaigns may be a particularly

attractive venue for donor solicitation because they are relatively cost-effective;

nonprofits can reduce marketing expenses through joint workplace solicitation, and the

cost of contribution collection through payroll deduction (Bowman, 2003; Nonprofit

Overhead Cost Project, 2004; America's Charities, 2014). In the next section, I move

beyond a description of the mechanics and practical significance of workplace giving to

discuss the historical evolution of this philanthropic area.

History of workplace giving

In this section, I provide an historical overview of the arena of workplace giving in order

to synthesize several domains of knowledge and theory pertinent to the empirical

research presented in later chapters. First, I trace the origins of the federated fund

identities described by Brilliant and Young (2004), which correspond to a number of

currently and historically dominant field-level logics. Second, I identify various

environmental factors that have played an important role in shaping the arena of

workplace giving over time based on the theories of organizational change discussed in

the previous chapter. **Table 4** provides a summary of the historical events,

environmental pressures, field-level logics, and identity facets described in this section.

Over the course of this section, I also highlight both: 1) the Combined Federal

Campaign (CFC), the annual workplace giving campaign of the federal government and

the source of most of the data used in this dissertation; and 2) the United Way. I do so in

order to underscore the fact that changes in the CFC reflect broader changes in the

workplace giving arena, and to illustrate the manner in which these changes have affected

traditional federated funds like the United Way.

Historical origins of federated fundraising in the workplace

According to the United Way Worldwide, the first federated fundraising campaign, which benefitted 10 local health and welfare agencies, was conducted in 1887 in Denver (United Way, 2016a). Federated fundraising thus emerged during what is known as the Progressive era, which began at the end of the 19th century in the United States. The society-level logic of progressivism combined elements of the ideal institutional logics of the State, Market, and Profession discussed in the previous chapter (Thornton, Ocasio, & Lounsbury, 2012, p 73). During the Progressive era, reformers sought to restructure government, and the voluntary organizations helping communities address social issues, according to the values of rational management and efficiency (Hall, 2006). As **Table 4** indicates, the society-level logic of Progressivism had a profound effect in shaping the field-level logics that historically dominated the workplace giving arena, as well as a number of the federated fund identity facets described in previous studies (Young, 2001; Brilliant & Young, 2004).

For example, Progressive values are reflected in the federated fund identity of "fiscal intermediary" in at least two respects (Young, 2001; Brilliant & Young, 2004). Before the twentieth century, most workplace giving involved the ad-hoc solicitation of local business elites by employees and other community members raising funds for a variety of causes (Hall, 2006). One could argue that these practices reflect a societal-level logic of philanthropy grounded in the ideal logics of Family, Community, and Religion (Thornton, Ocasio, & Lounsbury, 2012, p 73). Elites wished to rationalize workplace giving by eliminating duplication and competition in local fundraising (Barman, 2006; Hall, 2006). They therefore used their financial leverage over local

charities to push these groups to organize their fundraising drives into a single campaign

for the local "community chest" (Young, 2001; Brilliant & Young, 2004; Barman, 2006).

Community chests, the first federated funds, were thus designed to serve as

intermediaries between business elites and local charities; the core federated fund identity

of fiscal intermediary emerged out of the role community chests played in rationalizing

the charitable solicitation of local elites and community members. Resource

dependencies, and coercive institutional pressures, appear to have played an important

role in the formation of the first federated funds.

A second way in which the federated fund identity of fiscal intermediary reflects

the Progressive values of rational management and efficiency has to do with the concept

of economies of scale. As voluntary organizations began to centralize their fundraising

efforts and elites to channel their donations through the community chest, employers also

began to encourage their employees to donate to local charities through the community

chest (Barman, 2006). One of the rationales used to justify this new philanthropic

behavior to employees was the idea that, through the community chest, the hundreds of

small contributions made by individuals combined with the larger donations made by

business leaders could be leveraged to great effect (Pfeffer & Leong, 1977; Barman,

2006). Thus, in addition to serving as fiscal intermediaries between elites and local

charities, community chests came to serve the same function between individual

employees and local charities (Young, 2001; Brilliant & Young, 2004). The Progressive

values of rational management and efficiency appear to have played a pivotal role in

shaping the federated fund identity of fiscal intermediary; they were equally important in

shaping the federated fund identity facet of "community problem solver" (Young, 2001; Brilliant & Young, 2004, Barman, 2006).

During the Progressive era, management, social work, and policy analysis came to be viewed as professional occupations for trained experts (Hall, 2006). Reformers argued that community issues should be studied, and solutions identified and implemented by qualified experts rather than voluntary groups and elected officials working in an ad-hoc manner (Barman, 2006; Hall, 2006). Community chests aligned with the logic of progressivism in that they often allocated resources based on a professional social worker's assessment of community needs (Young, 2001; Brilliant & Young, 2004; Barman, 2006). In line with the identity facet of community problem solver, community chests assessed, prioritized, and channeled community resources to address community needs.

In order to leverage the efficiency of a professionally managed philanthropic system, donors were encouraged to make undesignated contributions to the community chest that could later be reallocated where the need was "greatest" (Barman, 2006). This approach required individual employee donors to subsume their philanthropic preferences to the "best interests" of the community (Barman, 2006). To foster buy-in from potential contributors, community chests framed their work in terms of a conceptualization of community that was both local and inclusive, and framed the act of contributing to the community chest as a kind of civic duty (Barman, 2002; 2006). The field-level logic of civic-community thus contains elements of the ideal logics of Community, and the State as a redistributive mechanism that exists to increase the community good (Thornton, Ocasio, & Lounsbury, 2012, p 73). Normative pressures thus played a pivotal role in

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helping to legitimize the new organizational form known as the community chest by institutionalizing a new field-level logics of individual and community philanthropy. What is more, this historical analysis highlights the importance of the conceptualization of a local and inclusive civic community to support the legitimization of the community chest as a new organizational form. As the organizational form of the community chest gained legitimacy, it was replicated in other communities, and acquired a new facet to its organizational identity: that of economic regulator.

Institutionalization of federated funds

The new organizational form of the community chest diffused across the United States from approximately 1920-1960 (Barman, 2006; Hall, 2006). As this organizational form gained widespread legitimacy, and became more formalized, individual community chests garnered financial and normative leverage over local charities. This led to the emergence of another facet of federated fund identity reflecting the logic of progressivism: that of "economic regulator" (Young, 2001; Brilliant & Young, 2004).

During this time period, local community chests, which were rather loosely coupled coalitions of local nonprofits, evolved into United Funds managed by the United Way (Barman, 2006; Hall, 2006). The transition from community chest to United Fund came with a greater formalization of roles for both local United Way organizations and the affiliated nonprofits that ultimately received the monies collected through local campaigns (Pfeffer & Leong, 1977). This formalization of roles made the United Way a highly efficient fundraiser (CFC Today, 2016), able to diminish financial uncertainty for its nonprofit affiliates (Provan, 1982). Its effectiveness as a fundraiser also gave local United Way organizations greater leverage over their nonprofit affiliates (Pfeffer &

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Leong, 1977; Provan, 1982). Federated funds therefore began to serve as economic

regulators, proscribing local charities from certain fundraising activities, and requiring

that organizations share data for monitoring purposes (Pfeffer & Leong, 1977; Provan,

1982; Barman, 2006). United Way affiliation came to serve as a kind of "good

housekeeping seal of approval" for nonprofits, increasing their legitimacy in the eyes of

potential donors (Provan, 1982; Barman, 2006). The identity facet of economic regulator

is thus based on the financial and normative power accumulated by federated funds,

particularly the United Way, by the middle of the twentieth century. This discussion of

the identity facet of economic regulator illustrates how, over the course of their history,

federated funds have (re)shaped their institutional environment while simultaneously

being driven to adapt based on various normative and coercive pressures.

By the middle of the twentieth century, the field-level logics of progressivism and

local civic-community dominated activity in the workplace giving arena, and the shaped

the collective identity of federated funds across the United States. For example, by 1960

most communities across the United States had a United Fund managed by the local

United Way organization (Barman, 2006; CFC Today, 2016). Local United Way

organizations were eventually incorporated into what is now known as the United Way

system. By the 1960's, the United Way system held a virtual monopoly on workplace

giving campaigns (Barman, 2002; 2006). In fact, when the federal government reformed

its workplace solicitation criteria in 1958, only four federated funds were given

permission to solicit federal workers: the American Red Cross, the United Way, National

Health Agencies now known as Community Health Charities, and International

Voluntary Agencies (CFC Today, 2016). Federated funds other than the United Way and

nonprofits that were not affiliated with the United Way, were excluded from many workplace giving campaigns. The United Way monopoly skewed the distribution of funds raised through workplace giving campaigns in favor or local human service nonprofits affiliated with the United Way.

United Way affiliates traditionally included nonprofits focused on the direct delivery of social services; these organizations appealed to both the conservative business elites that controlled entry into workplace giving campaigns, and the broad community base solicited during campaigns (Barman, 2006). Nonprofits that did not fit this profile, or agree to affiliate with the United Way, could not benefit from contributions made during workplace giving campaigns. More often than not, by limiting their affiliates to human service nonprofits with broad appeal, local United Way campaigns failed to address the interests of marginalized groups (Carter cited in Barman, 2006, 23).

There was little chance that this dynamic would change as long as workplace giving campaigns continued to operate based on the assumptions that 1) employees identified with a local place-based conceptualization of community, and 2) rational management and bureaucratic efficiency were the primary principles upon which workplace giving campaigns and federated funds should be organized (Barman, 2006). In other words, as long as the field-level logics of progressivism and civic-community dominated the identities and practices of organizations across the field of federated funds, the United Way monopoly would endure. In the 1970's however, a number of alternative funds were able to successfully challenge these dominant logics and the monopoly of the United Way (Barman, 2006).

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Rise of alternative funds and new institutional logics

Before describing the historical context in which alternative funds gained legitimacy in the workplace giving arena, it is first important to understand what we mean by the term itself. Alternative funds are federated funds that differ in important ways from their traditional counterparts (i.e. the United Ways). First, alternative fund identities align with the field-level logic of collective-governance that combines elements of the ideal logics of Community and the State, but in a manner distinct from the field-level logic of civic-community (Thornton, Ocasio, & Lounsbury, 2012, p 73). For example, according to the collective-governance logic, community membership is based on shared purpose and experience, rather than shared locale. Alternative funds are thus organized around issues that supersede geographic delimitation such as the environment, LGBTQ rights, health, and animal welfare (Barman, 2002; 2006; NCRP, 2003; CFC Today, 2016).

What is more, while both the civic-community and the community-governance logics draw upon the redistributive and "community good" elements of the ideal State logic, the civic-community logic emphasizes bureaucratic efficiency while the collective governance emphasizes democratic participation (Thornton, Ocasio, & Lounsbury, 2012, p 73). Thus while local United Way affiliates are generally social service nonprofits structured as bureaucracies and engaged in direct service provision, alternative fund affiliates represent a plurality of nonprofit subsectors and often employ advocacy in addition to direct service tactics (Brilliant & Young, 2004; Barman, 2002; 2006; 2007a; 2007b; CFC Today, 2016). Alternative fund affiliates include nonprofits whose missions align with the goals of the "new" post-industrial and identity-based social movements of the 1970's (Brilliant & Young, 2004; Barman, 2002; 2006; 2007a; 2007b), as well as

established nonprofits who struggled to gain entrance into workplace campaigns because they were not affiliated with the United Way (Barman, 2002; 2006).

According to the CFC, as late as the mid 1970's, few federated funds applied to participate in the campaign, and fund/nonprofit participation decisions were relatively uncontroversial (CFC Today, 2016). However, beginning in the late 1970's alternative funds began to sue and advocate to gain entry in public-sector workplace giving campaigns, like the CFC (Barman, 2002; 2006; CFC Today, 2016).[1] Coercive isomorphism through regulatory changes thus played an important role in the restructuration of the federated fund field.

After successfully opening up public sector workplace giving campaigns, alternative funds turned their attention to private sector campaigns (Barman, 2002; 2006; 2007a; 2007b; Brilliant & Young, 2004; Cordes et al., 1999; NCRP, 2003). They framed a normative case for entry that aligned with the new field-level logic of collective-governance by: 1) tapping into equity concerns stemming from the perception of the United Way as a conservative monopolist in the workplace giving arena; and 2) promoting a new understanding of philanthropic pluralism known as "donor choice" (Barman, 2006; 2007a; 2007b). Once alternative funds had successfully gained entry into public and private sector workplace giving campaigns, they framed their solicitation messages to potential donors based on the purpose-based collective identities described earlier (Barman, 2002; 2006).

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[1] Natural Resources Defense Council v. Campbell in which the United States District Court

Since the early 1980's, alternative funds have gained traction in both public and private sector workplace giving campaigns (Barman, 2006; 2007a; 2007b; Brilliant & Young, 2004; Cordes et al., 1999; NCRP, 2003). The National Committee for Responsive Philanthropy (NCRP, 2003) reports that pledges to alternative funds totaled $222 million in 2001, a 35% increase over 1996. The results of a 2009 study (Consulting Network cited in Lester, 2010) suggest that as few as 25% of companies conduct traditional United Way centered workplace giving campaigns. The number of local United Way organizations has dramatically declined from 2300 in 1996 (Oster, 1995) to 1800 in 2016 (United Way, 2016b) during this period of increasing competition. Growing competition between the United Way and alternative funds has fundamentally altered the dominant field-level logics and re-shaped the arena of workplace giving in other ways as well.

First, the rise of alternative funds has changed the design of workplace giving campaigns by expanding 'donor choice.' Many employees have come to expect that workplace giving campaigns will benefit a plurality of place and purpose-based federated funds, reflecting the diverse philanthropic preferences of individual donors (Barman 2007a; 2007b). Second, the rise of alternative funds is correlated with an increase in donor designated contributions to workplace giving campaigns (Barman 2007a; 2007b; Cordes et al., 1999; Haski-Levanthal, 2012; Romney-Alexander, 2001). When an employee designates a contribution, they assert greater control over how their workplace contribution is allocated, in a manner similar to the way in which individuals assert greater control over policy by voting in a democracy. These trends challenge the traditional logics of progressivism and civic-community reflected in the federated fund

identities of fiscal intermediary and economic regulator; greater donor choice and higher

rates of designated contributions signal a prioritization of philanthropic pluralism over

professional expertise (Barman 2006; 2007a; 2007b; Cordes et al., 1999).

Alternative funds have also challenged the logic of progressivism reflected in the

community problem solver facet of federated fund identity. As described earlier,

alternative funds exist to channel support to nonprofits addressing issues that did not

typically receive a broad base of support in local communities (Barman, 2006).

However, over a larger population (i.e. across one or more states or the entire country)

these same causes can amass substantial support. Alternative funds reflect the collective

identity of groups united in common purpose to address such issues. In so doing,

alternative funds have redefined the meaning of community to encompass both place and

purpose-based forms of collective identity (Barman, 2002; 2006). What is more, by

legitimizing the use of advocacy in addition to direct service provision as a means of

addressing community needs, alternative funds have expanded the repertoire of activities

that could/should be funded by community members (Barman, 2002; 2006).

The new understandings of community and the appropriate means of addressing

community needs discussed above reflect a new field-level logic: collective-governance

(see **Table 4**). This logic venerates philanthropic pluralism, and action to address the

root causes of social problems through advocacy and social change as opposed to treating

the symptoms of a given problem by providing direct services on an ongoing basis. In

turn, this new field-level logic corresponds to a new facet of federated fund identity: that

of social change agent (Young, 2001; Brilliant & Young, 2004). This identity facet

aligns with collective identification based on shared purpose, and a strategic orientation geared toward pluralism, advocacy and social change.

This discussion has focused on the manner in which increasing competition between federated funds has coincided with the ascendance of field-level logics and federated fund identity facets in the arena of workplace giving. It is worth noting, however, that traditional federate funds like those in the United Way system also face a number of additional challenges outside of this contested domain of workplace giving. For example, Paarlberg and Hwang (forthcoming) have shown that local United Way organizations face increasing competition in local fundraising from community foundations. Identity-focused change is not the focus of the study by Paarlberg and Hwang (forthcoming). However, based on their research one could argue that because community foundations and local United Way organizations both align with the logics of progressivism and civic-community, community foundations threaten to usurp the legitimacy the United Way derives from its traditional identity dimensions. This further increasing the pressure on organizations across the United Way system to align themselves with the newly legitimized logic of collective-governance and identity facet of social change agent described earlier.

Anecdotal evidence also suggests that United Way philanthropic share is threatened by the emergence of donor advised funds; individual philanthropic "accounts" managed by investment specialists at banks. For example, in 2016 the Chronicle of Philanthropy reported that Fidelity Investments raised more from private sources than the United Way Worldwide (Lindsay, Olsen-Phillips, & Stiffman, 2016). The advent of donor advised funds reflects a new philanthropic field-level logic of venture philanthropy

that draws on elements of the ideals logics of the Market, and Profession (Thornton, Ocasio, & Lounsbury, 2012, 74). In a 2004 piece, Brilliant and Young observed that federated funds were beginning to develop donor managed funds in an effort to compete with investment banks, and in the process cultivating another new identity facet: that of charitable fund manager. While this federated fund identity facet is less of a focus in the subsequent empirical chapters since it is not directly related the arena of workplace giving, it is never the less important to note that local United Way organizations face competition from banks, and that they may use this additional identity facet to signal their alignment with the newly legitimized logic of venture philanthropy.

While traditional federated funds face heightened competition on a number of fronts, as well as the challenge of aligning with new logics governing the arenas of philanthropy broadly and workplace giving specifically, the United Way Worldwide remains a force to be reckoned with. Currently, the United Way Worldwide is the umbrella organization for approximately 1800 local United Ways around the globe (United Way, 2016b). The United Way system receives more in private donations than any other nonprofit in the United States (Hall et al., 2013). All told, the system distributes close to $4 billion each year, making it the most significant private funder of human services in many local communities across the U.S. (Hall et al, 2013; Gronbjerg et al., 1996).

In response to increasing competition from alternative funds and the legitimization of new field-level logics, however, the United Way system has adapted core systems to better fit with its evolving environment through the Community Impact initiative (Gallagher, 2005; Barman, 2007a; Paarlberg & Meinhold, 2011; United Way,

2016a). While the Community Impact initiative is grounded in the traditional identity

facets of community problem solver, fiscal intermediary, and economic regulator, it also

promotes the use of the new identity facet of social change agent (Young, 2001; Brilliant

& Young, 2004; Gallagher, 2005). For example, one aspect of the Community Impact

initiative requires local United Way organizations to change the way they measure their

accomplishments, or, as the United Way puts it, "Rather than measuring our success in

dollars raised, we measure our success in actual lives changed" (United Way, 2016a).

Forthcoming research suggests that the Community Impact initiative has also shaped the

grant allocation choices of local United Way organizations (Paarlberg & Moulick,

forthcoming) and other strategic choices made by this important nonprofit system

(Paarlberg & Meinhold, 2011).

In this section, I have described changes to the arena of workplace giving

including the evolution of field-level logics, and the restructuration of the federated fund

field as a result of shifting environmental forces. The level of competition that now

characterizes the workplace giving arena has amplified the significance of adaptation for

federated funds and their would-be nonprofit affiliates (Barman, 2006). For example,

individual nonprofits can now make a range of fund-affiliation choices in order to align

with a variety of place and/or purpose-based communities. Federated funds can draw

upon various facets of their identity that reflect traditional and newly ascendant field-

level logics in order to align their distinct organizational identity with their operating

environment. As stated in the previous chapter, I term such choices regarding identity-

focused organizational change identity framing. Identity framing decisions merit

research because they may have important consequences for nonprofits and the local

communities in which they operate. Research on this kind of adaptive behavior can also

provide us with important insight into identity-focused organizational change outside of

the workplace giving context and the nonprofit sector. New research on nonprofit

identity framing, however, must take into account existing work. The next section

therefore provides an overview of the literature on workplace giving at various levels of

analysis.

State of workplace giving research

The final section of the chapter provides a review of the academic literature on workplace

giving, makes connections between this body of work and the historical overview of

field-level logics and corresponding federated fund identities offered above, and situates

my research questions in the workplace giving literature. Despite the fact that workplace

giving is increasingly recognized by scholars as an important philanthropic arena, in

general this dynamic context is under-researched (Nesbit, Christensen, & Gossett, 2012).

A growing body of individual-level research examines employee giving behavior in the

workplace (Smith & Sypher, 2010; Osili, Hurt, & Raghavan, 2011; Agypt, Christensen,

& Nesbit, 2012; Leslie, Snyder, & Glomb, 2012; Haski-Levanthal, 2013; Smith, 2013;

Du, Zhao, & Zhang, 2014; Borden, Shaker, & Kienker, 2014; Knight, 2004). A subset of

this research examines the effect of increased federated fund diversity and donor choice

on employee contribution decisions and workplace campaign outcomes (Romney-

Alexander, 2001; NCRP, 2003; Barman, 2006; Barman, 2007; Nesbit et al., 2012). A

number of scholars have also studied nonprofit adaptation in the dynamic context of

workplace giving (Pfeffer, & Leong, 1977; Provan, Beyer, & Kruytbosch, 1980; Provan,

1982; Barman, 2002; 2006a; 2006b; 2007; Brilliant & Young, 2004; Paarlberg &

Meinhold, 2011; Paarlberg & Hwang, forthcoming; Paarlberg & Moulick, forthcoming; Paarlberg, Moulick, & Van Puyvelde, forthcoming).

Scholars have studied the workplace giving arena because the significant changes described in the previous section reflect a number of themes broadly relevant to the field of nonprofit studies. Specifically, research on modern workplace giving campaigns illuminates: 1) the emergence of contesting conceptualizations of community in the US that shape individual philanthropic choices; 2) the effect of factors and mechanisms shaping individual philanthropic choice across different contexts; and 3) nonprofit adaptation in the competitive arena of donor solicitation. These orientations to workplace giving research focus on different levels of analysis. While research on individual philanthropy in the workplace focuses on the micro-level, research on federated fund and nonprofit-affiliate adaptation is concerned with the mezzo (organizational) and macro (field or population) levels.

The research presented in later chapters focuses on identity framing by federated funds and their nonprofit affiliates at the organizational and field levels of analysis. However, it is informed by findings from workplace giving research at the micro-level since organizational adaptation in the workplace giving arena is often prompted by shifts in individual philanthropic behavior in the workplace. To contextualize my research I therefore provide an overview of the existing micro-level literature on workplace giving, before describing the body of work focused on nonprofit adaptation in the context of workplace giving. Throughout each subsection, I also incorporate insights from the discussion of the evolution of field-level logics and federated fund identities from the previous section.

Individual-level research: Philanthropic choice in the workplace

In a seminal series of articles, Bekkers and Wiepking (2010; 2011; 2012) synthesize the literature on philanthropic choice and identify eight micro and mezzo-level philanthropic mechanisms that shape the contribution choices of potential donors. The eight mechanisms identified by Bekkers & Wiepking (2010) are: 1) awareness of need, 2) solicitation, 3) costs and benefits, 4) altruism, 5) reputation, 6) psychological benefits, 7) values, and 8) efficacy. An examination of the individual-level literature suggests that these mechanisms are significant in the context of workplace giving, although the manner in which they function is shaped by the distinct characteristics of workplace philanthropy.

More specifically, these mechanisms may be shaped by factors endemic to the work environment such as organizational characteristics, workgroup composition, employee rank and position, the design of workplace giving campaigns, and the institutional logics that inform individual philanthropic decisions. Since the influence of context on philanthropic mechanisms may have implications for a study of identity framing in workplace giving campaigns, I highlight findings from research related to each mechanism in turn.

1. *Awareness of Need*: the advocacy and educational efforts of employers and nonprofits during workplace campaigns increase employee awareness of community needs, and lead employees to make larger contributions both inside and outside of the workplace (Smith, 2013).

2. *Solicitation*: Du, Zhao, and Zhang (2014) find that the status differential between the initiator and target of workplace solicitation shapes employee contribution decisions. Other research suggests that organizational characteristics such as firm

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size and industry are significantly associated with the outcome of solicitations directed at corporations and employees (Barman, 2007a; Marx, 1997; Osili, Hirt, & Raghavan, 2011). Finally, Barman (2006) concludes that field-level characteristics (i.e. corporate philanthropic culture and local nonprofit ecology) structure workplace giving campaigns, in large part determining nonprofit solicitation activities and donor choice options.

3. *Costs and Benefits*: employees may be particularly motivated to contribute at work because of the simplicity of payroll giving, the benefit of making their contributions pre-tax, and/or employer contribution-matching schemes (Haski-Levanthal, 2012; Romney-Alexander, 2001). Marx and Carter (2008) found that Hispanics living in the US were eight times more likely to contribute to human service nonprofits through payroll deduction that through other contribution schemes.

4. *Altruism*: this mechanism is probably the most difficult to assess since research on altruism must take into account donor perceptions of the impact of contribution decisions on beneficiaries, and there is not currently much workplace giving research in this vein. Still, a study by Smith (2013) suggests that participation in workplace campaigns raises the salience of charitable giving for employees.

5. *Donor reputation*: a number of studies suggest that an employee's rank and peer-network shape their workplace giving behavior. Leslie, Snyder, and Glomb (2013) find that the gender and racial composition of employee workgroups shape individual contribution decisions in workplace campaigns. Carman (2003) also finds evidence of social influence on workplace giving decisions. Agypt,

Christensen, and Nesbit (2011) and Romney-Alexander (2001) find that

organizational tenure and rank are significantly associated with workplace

contribution, but in different ways. Employer facilitation of workplace campaigns

and other activities intended to demonstrate corporate social responsibility also

shape employee perceptions of their employer (Smith & Sypher, 2010).

6. *Psychological benefits*: Nesbit, Christensen, and Gossett (2012) point to a body of

work on organizational commitment that suggests that employees who more

closely identify with their employer may be more likely to give because they

derive additional satisfaction from contributing to workplace campaigns.

Findings by Haski-Levanthal (2012), and Nesbit, Christensen, and Gossett (2012)

suggest that employee organizational commitment has a more complex

relationship with workplace solicitation.

7. *Values*: Smith (2013) finds that participation in a workplace giving campaign

shapes employee philanthropic identity; both Smith (2013) as well as Nesbit,

Christensen, and Gossett (2012) find that workplace giving reinforces and

enhances employee philanthropic values and behaviors.

8. *Nonprofit Efficacy*: a 2012 piece suggests that employees base their decision to

contribute to workplace campaigns in part on their perception of the United Way,

even if the United Way is not the focus of the campaign (Nesbit, Christensen, &

Gossett). Osili et al. (2011) similarly found that employee perceptions of the

United Way have a significant effect on workplace giving behavior.

Together, this body of work suggests that while the philanthropic mechanisms identified

by Bekkers and Wiepking (2010) function both within and outside of the work

environment, context matters (Christensen, Nesbit, Agypt, 2015); solicitation strategies and contribution decisions made in the workplace are shaped by the institutional, organizational, and relational environment in which they are made. How might institutional logics and collective identities shape individual philanthropic choices in the arena of workplace giving? Current research does not explicitly examine the manner in which field-level logics and collective identities interact with or moderate these individual-level mechanisms. However, Thornton, Ocasio, and Lounsbury (2012) do present a model of the micro-foundations of institutional logics, and highlight several areas for future research.

According to Thornton, Ocasio, and Lounsbury (2012), individuals are likely to cognitively induce some logics more than others based on the aspects of their identity they view as most salient. The logics that are induced by individuals shape the events and messages to which they subsequently attend. Thus, organizations whose identity and practices best align with the communities and logics most salient to an individual are more likely to be attended to, and to mobilize that person to act in support of the organization. This suggests several ways in which the federated fund identity facets described earlier may trigger, moderate, or amplify the effect of the philanthropic mechanisms listed above.

First, the degree to which an individual identifies with either a local or purpose-based community is likely to alter the effect of the philanthropic mechanisms of awareness of need, solicitation, altruism, psychological benefits, and values. For example, if an individual identifies strongly as a local community member, they are more likely to: attend to messages describing the needs of the local community; positively

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respond to solicitation appeals that communicate how their donation will help positively affect local problems; experience the "warm glow" of knowing that their donation made a difference and aligned with their values. This suggests that the federated fund identity facets of community problem solver and social change agent may play a particularly important role in shaping the effect of philanthropic mechanisms during workplace giving campaigns; these facets are most likely to help an organizations signal their alignment with the communities and collective identities salient to their support base. When alignment between organizational identity and donor identity occurs, these mechanisms are likely to be triggered and/or their effect amplified. In cases of poor alignment, however, the use of the community problem solver or social change agent identity facets may actually dampen the effect of these mechanisms.

Second, the cost and benefits mechanism seems organically connected to the federated fund identity facets of fiscal intermediary and economic regulator. Individuals that tend to cognitively induce the ideal Market logic, for example, may be more attentive to the cost-effectiveness of the donation process. In this case, we might expect to find that federated funds that frame their identity in terms of the fiscal intermediary and economic regulator facets may be more successful in garnering donations because they can trigger or even amplify the effect of the costs and benefits mechanism.

It is likely that the effect of the efficacy mechanism is also shaped by the use of the economic regulator facet. By highlighting the economic regulator facet of their identity, a federated fund can signal that it monitors the quality of the nonprofit affiliates that receive the monies it raises during workplace giving campaigns. Such signaling is likely to activate the efficacy mechanism in individuals that tend to cognitively induce

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the ideal Profession and State logics, which stress expertise and bureaucratic efficiency respectively.

Finally, research suggests that the image individuals hold of the United Way also shapes the effect of the efficacy mechanism. A number of the studies cited above find that individual perceptions of United Way efficacy directly shape philanthropic choices at work. Individuals that hold a positive image of the United Way are more likely to participate in workplace giving campaigns than those that hold a negative image of this organizational system. This suggests that research on nonprofit identity framing in the context of workplace giving must be cognizant of the symbolic importance of the United Way system, even if the research is not directly focused on the United Way itself. In the context of workplace giving in the US, the United Way seems to serve as *the* frame of reference for workplace giving decisions; employees are more likely to give, and give more when they have positive perceptions of the United Way. This suggests that nonprofits participating in workplace giving campaigns may engage in identity framing in order to either emphasize their alignment with or differentiate themselves from the United Way.

Institutional logics and the use of different federated fund identity facets may thus trigger or mediate the philanthropic mechanisms that shape the donation decisions of individuals at work. Future research should continue to explore the ideas presented here in order to empirically verify their veracity. From this discussion of the existing research on workplace giving at the individual-level of analysis we now turn to research at the organization and field levels of analysis, much of which is directly relevant to the research presented in later chapters.

Organizational-level research: Nonprofit adaptation in the context of workplace giving

A number scholars have examined nonprofit change in the context of workplace giving. As mentioned in the previous chapter, some of the earliest work in the RDT tradition focuses on the effect that resource dependencies between local United Way organizations and their nonprofit affiliates have on organizational priorities and decisions (Pfeffer & Leong, 1977; Provan, Beyer, & Kruytbosch, 1980; Provan, 1982; Provan, 1983). A key finding across these studies is that, while nonprofit affiliates are dependent on the United Way for financial support to varying degrees, local United Way organizations are also dependent on their affiliates for legitimacy and community linkages. In terms of the identity facets discussed throughout this chapter, these findings suggest that local United Way organizations may be particularly dependent on their nonprofit affiliates to legitimize the community problem solvers and social change agent facets of their identity.

Brilliant and Young have made significant contributions to the organization and field-level workplace giving literature. Much of their work focuses on the strategic response of the United Way to the growth of competition in the arena of workplace giving. Brilliant (1990) was one of the first scholars to highlight the challenges posed by alternative funds to the United Way monopoly in the arena of workplace giving, and to begin to explore the organization's response to these environmental changes. The work of Young (2001) and Brilliant and Young (2004) on the evolving identity of federated funds operating in the dynamic context of workplace giving was referenced throughout the preceding section.

Barman has also made important contributions to the literature on nonprofit adaptation in the face of increasing competition in the workplace giving arena, focusing primarily on the United Way. Beginning in 2002, Barman published a series of articles and a seminal book on nonprofit adaptation in the competitive domain of workplace giving, *Contesting Communities* (2006). Both her 2002 article and her 2006 book use in-depth case studies of organizational fields in Chicago and San Francisco to examine local United Way adaptation to competition from alternative funds. She proposes a contingency theory of organizational change and a new type of nonprofit adaptation strategy called differentiation.

Her contingency theory draws from the theoretical traditions of neo-institutionalism and RDT (Barman, 2006); recall that neo-institutionalism posits that organizations tend to conform to dominant norms in their environment, while RDT suggests that organizations adapt in a variety of ways in order to cultivate legitimacy in the eyes of supporters and retain access to key resources. Barman posits that nonprofits are prone to conform to dominant norms in less competitive environments, and seek to differentiate themselves from competitors in more contested arenas. Based on the previous discussion of the evolution of field-level logics and federated fund identity facets as well as Barman's insights, one might expect that local United Way organizations operating in less competitive environments are more likely to highlight traditional identity facets that reflect historically dominant logics (i.e. fiscal intermediary, community problem solver, and economic regulator). In contrast, those in areas where there is more competition for resources will be more attentive to new field-level logics,

and/or apt to differentiate themselves by adopting newer identity facets (i.e. social change agent, and possibly even charitable fund manager).

Barman has also argued that other local environmental characteristics (e.g. local corporate culture and the local organizational ecosystem) shape nonprofit strategic response to competition. The influence of these local institutional factors on organizational adaptation across the United Way system is a focus of some of Barman's later work. In her research examining factors shaping local United Way adoption of donor choice, for example, Barman (2007a; 2007b) finds that while the entire United Way system is under pressure to expand donor choice options, variation in local community characteristics moderates the effect of this pressure. Specifically, the composition of the local organizational population shapes corporate and donor expectations, leading to variation in the adoption of donor choice across the United Way system. This findings are in line with the institutional logics perspective that holds that institutional pressures operate at multiple levels of analysis creating variation in organizational identity and practice across fields of similar organizations. In turn, this suggests that in addition to considering the effect of the immediate resource environment on nonprofit identity framing behavior, it would also be worthwhile to consider the effect of multiple and nested institutional environments in which organizations operate.

The importance of considering institutional effects at multiple levels of analysis is further reinforced by findings from research by Beene (2001), as well as Paarlberg and Meinhold (2011). This work examines variation in local United Way adoption and adaptation of the Community Impact initiative developed by the United Way Worldwide in response to increasing competition in workplace campaigns. Based on a case studies

of 6 communities, Paarlberg and Meinhold (2011) find that local context mediates the influence of national field-level pressures to adapt, creating variation in the degree to which local United Way organizations implement the initiative. In some communities, local United Way organizations limit their implementation of the Community Impact initiative because their traditional identity and practice are still perceived as legitimate by stakeholders.

Despite the fact that the organization-level research presented thus far has gone a long way toward increasing our understanding of organizational change in the context of workplace giving, much of it has limited generalizability because it uses data on a small set of organizations. In contrast, recent work by Paarlberg and co-authors uses large data sets to examine variation across local United Way organizations (Paarlberg & Hwang, forthcoming; Paarlberg & Moulick, forthcoming; Paarlberg, Moulick, & Van Puyvelde, forthcoming). For example, Paarlberg, Moulick and Van Puyvelde (forthcoming) test for evidence of a two stage affiliate grant allocation process across local United Ways. They find that local United Way organizations initially screen potential affiliates by examining their mission and financial statements in line with the traditional identity facet of economic regulator. Nonprofits perceived by local United Way organizations as "legitimate", based on an assessment of the additional resources an affiliate brings to the partnership, are allocated larger shares to incentivize their continued affiliation.

Paarlberg and Hwang (forthcoming) examine the effect of competition on local United Way fundraising success across the United States. Consistent with the tenets of population ecology, organizations that have the greatest niche overlap with local United Way organizations have a negative effect on the fundraising success of local United

Ways. Community foundations, in addition to alternative funds, thus pose significant competition to local United Way organizations.

Finally, Paarlberg and Moulick (forthcoming) revisit the work cited earlier on resource dependencies between local United Way organizations and their affiliates (Pfeffer & Leong, 1977; Provan, Beyer, & Kruytbosch, 1980; Provan, 1982; Provan, 1983). They find that the interdependence illuminated by this early research still holds, however, the capacity of local United Way organizations to adapt in response to these dependencies may be diminishing. Affiliates are still dependent on the United Way for financial support to one degree or another, and the United Way remains dependent on its affiliates for legitimacy and credibility. Local United Way organizations are therefore still less likely to drop powerful, long-term partners from their roster of affiliates, but they may no longer have the financial capacity to incentivize the continued affiliation of these organizations as in the past. As stated earlier, these findings suggest that the legitimacy of the community problem solver and/or social change agent identity facets may in part be dependent on the prestige of the nonprofits affiliated with local United Way organizations. It also suggests, however, that powerful local organizations may be more loosely coupled to the United Way than in the past, which may in turn lead them to make different fund affiliation decisions over time.

The work cited in this subsection has made valuable contributions to our understanding of nonprofit change and adaptation in the arena of workplace giving. For the most part however, it ignores federated fund affiliates and funds other than the United Way. Several exceptions to this rule exist. In a 1999 article, Cordes et al. examine the impact of the Metropolitan Area United Way's adoption of donor choice and the strategic

adaptation it precipitated across the population of D.C. area nonprofits. They find that most United Way affiliates experienced funding cuts as a result of new allocation policies, and that all affiliates increased their fundraising and marketing efforts consistent with RDT. They conclude that adaptive behavior in the face of competition has become an integral facet of modern nonprofit management. The findings of this study and the institutional logics perspective suggest that nonprofit affiliates may not be able to rely on United Way financial support as in years past, making them more attentive to opportunities to alternative fund affiliation options. Given that the local United Way is no longer the only federated fund operating in many communities, and that more firms are allowing nonprofits to participate in campaigns as independent organizations, these nonprofits may choose to change their fund affiliation status over time.

Finally, in a piece published in 2000 that is part of a larger study, Brilliant examines the historical evolution of the Women's Funding Network (WFN), which counts 70 distinct alternative funds as member organizations. Brilliant's piece is one of the only to specifically examine the evolution of alternative funds, and underscores the need for future research on these interesting and important organizations.

The previous two sub-sections provide a review of research on workplace giving at different levels of analysis. Although it has not yet been widely applied to research in this increasingly competitive arena, the institutional logics perspective offers a fruitful framework for examining the connection between changes in workplace giving and collective identities at the individual and organizational levels of analysis. The following three chapters build on the theoretical and contextual groundwork that has been developed up until this point to empirically examine nonprofit identity framing in the

workplace-giving context. Before moving on to present this research in detail, I therefore

conclude with an assessment of the potential contribution my research makes to this area

of research.

Conclusion

This chapter has provided an historical overview of the context of workplace giving that

traced the roots of significant field-level logics and their associated federated fund

identity facets. It has furthermore presented a review of the existing workplace giving

research at various levels of analysis. The work presented in the three following

empirical chapters further contributes to our understanding of nonprofits and workplace

giving in a number of ways.

First, the research presented in this dissertation makes a contribution by

enhancing our understanding of an under-studied dimension of nonprofit adaptation:

identity-focused change. As the discussion above illustrates, the context of workplace

giving has undergone radical transformation over the past forty years, during which time

new logics have been institutionalized, and the field of federated funds in the United

States has been restructured. These changes have prompted the United Way to initiate

fundamental reforms in order to incorporate new facets into the identity of organizations

across its system through the Community Impact initiative. These environmental

changes have also greatly expanded the range of federated funds that nonprofits can

affiliate with in workplace giving campaigns, which may prompt some nonprofits to

make different fund affiliation decisions than in years past. Both the implementation of

the Community Impact initiative and the phenomenon of fund affiliation switching

provide opportunities to study organizational identity framing. Identity framing and other

kinds of identity-focused organizational change have been largely neglected by scholars studying nonprofit organizations and workplace giving. What research exists on identity-focused nonprofit change and/or workplace giving tends to use data from a small sample of organizations. This research uses a large dataset across multiple communities to examine nonprofit identity framing in the workplace-giving context.

A second but related contribution of this research relates to the type of data I use to study nonprofit identity framing in the context of workplace giving context. This dissertation leverages recent advances in data mining and machine learning to process textual data in order to analyze nonprofit identity framing. Other scholars have used large data samples that include textual data to study the naming practices of private firms (Glynn & Abzug, 2002), variation in mission statement rhetoric across institutes of higher education (Morphew & Hartley, 2006), and changes to mission statements across U.S. federal independent agencies (Boin, et al., 2016). As cited throughout this chapter, Young (2001) and Brilliant and Young (2004) have used qualitative data from a small sample of federated funds to study the evolution of federated fund identity over time. This research, however, uses a large N dataset that includes textual data to examine variation in organizational identity across a national field of nonprofits. Finally, by building on the historical analysis presented above describing the evolution of institutional logics, environmental pressures, and federated fund identity facets (see **Table 4**), this dissertation contributes to our understanding of identity-focused organizational change more broadly.

In the introductory chapters of my dissertation I have presented an overview of my research, reviewed pertinent theoretical and empirical work, and contextualized my

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research questions. Over the course of the next three chapters I will use CFC data and a variety of analytical methods to enhance our understanding of identity-focused organizational change, nonprofit identity framing, and the effect of competition in the workplace giving arena.

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Table 4: Historical Events, Pressures, Institutional Logics, Identity Facets

Historical Period	Major Developments	Environmental Pressures	Field-level Logics	New Federated Fund Identity Facets
Prior to 1900	• Individuals and voluntary groups solicit ad-hoc donations from local business elite based on personal/religious/professional/ community relationships.	• Normative Isomorphism • Network ties as basis for fundraising	Sacred-community logic dominates at the field level • Charitable giving is a private activity that expresses a person's patriarchal duty, faith and/or community connection	
Historical Origins (1900 – 1940)	• Progressive logic emphasizing rational management and efficiency dominates at the society-level • Business elites pressure voluntary groups to collectively solicit donations through community chest fundraising campaigns to eliminate duplication and increase efficiency. • Employees are encouraged to donate to community chests to create economies of scale. • Experts including professional social workers allocate community chest funds to maximize community benefit.	• Resource Dependence • Coercive Isomorphism • Normative Isomorphism • Mimetic Isomorphism	Progressivism and civic-community logics dominate at the field-level • Charity is a community and civic duty • Professionals are best equipped to make strategic philanthropic decisions • Community is based on local identification • Community needs are best addressed through the direct provision of human services	• Fiscal intermediary • Community Problem Solver

Table 4: Historical Events, Pressures, Institutional Logics, Identity Facets (cont.)

Historical Period	Major Developments	Environmental Pressures	Field-level Logics	New Federated Fund Identity Facets
Structuration & Institutional-ization (1940 – 1975)	• Federated fund structure diffuse across the United States. • Federated fund field becomes highly structured with clearly defined roles. • Federated funds, especially the United Way, gain financial and normative leverage over nonprofit affiliates.	• Mimetic Isomorphism • Resource Dependence • Coercive Isomorphism • Normative Isomorphism	Progressivism and civic-community logics continue to dominate at the field-level and are elaborated as follows: • Federated funds are the optimal means of community fundraising • Federated funds should guarantee the quality of nonprofit services through monitoring	• Economic Regulator

Table 4: Historical Events, Pressures, Institutional Logics, Identity Facets (cont.)

Historical Period	Major Developments	Environmental Pressures	Field-level Logics	New Federated Fund Identity Facets
Rise of Alternative Funds (1975 – Present)	• Rise of identity-based social movements • Alternative funds successfully sue to open access to public workplace giving campaigns. • Alternative funds use new institutional logics to open access to private workplace giving campaigns. • Alternative funds gain traction in terms of donation share collected through campaigns. • Donor choice and designation increase as employees assert more control over contribution allocation decisions.	• Mimetic Isomorphism • Resource Dependence • Coercive Isomorphism • Normative Isomorphism	Progressivism, and civic-community logics continue to dominate at the field-level. Collective-governance logic also dominates at the field-level • Community needs are best addressed through social change • Charitable giving is an expression of collective identity Venture-philanthropy logic dominated the broader philanthropic arena • Charitable investment should maximize social impact. • Donors should rely on professional charitable fund managers to help them make strategic philanthropic decisions	• Social Change Agent • Charitable Fund Manager

CHAPTER 4

FUND AFFILIATION SWITCHING AS EVIDENCE OF IDENTITY FRAMING

Federated fundraising has traditionally been an important aspect of philanthropy in the

United States. In federated fundraising, a group of nonprofits join together under an

umbrella organization, known as a federated fund, to collectively solicit potential donors

through a unified campaign held at a particular worksite or in a given local community.

Giving USA (2007) estimates that Americans contribute over $4 billion annually through

workplace giving campaigns alone. However, for at least the past twenty years federated

fundraising has been undergoing a sea change with important implications for the

domestic nonprofit sector and the people it serves (Brilliant, 1990; Gronbjerg, Harmon,

Olkkonen, & Raza, 1996; Marx, 1997; Beene, 2001; Young, 2001; Barman, 2002; 2006;

Brilliant & Young, 2004; Paarlberg, & Meinhold, 2012).

The United Way is perhaps the best known federated fund. For many years, the

United Way held a virtual monopoly in local unified campaigns, and served as a

significant and relatively stable source of revenue for human service nonprofits serving

communities across the U.S. (Brilliant, 1990; Gronbjerg, Harmon, Olkkonen, & Raza,

1996; Marx, 1997; Beene, 2001; Young, 2001; Barman, 2002; 2006; Brilliant & Young,

2004; Paarlberg, & Meinhold, 2012). Since the 1980's, however, a number of alternative

funds have risen to prominence and now garner a significant portion of the donations

made during unified fundraising campaigns (Young, 2001; Barman, 2002; 2006; Brilliant

& Young, 2004).

What distinguishes alternative funds from traditional federated funds like the United Way? Traditional funds are typically associated with a specific city or county and reallocate donations collected during unified campaigns to nonprofit affiliates providing human services to this local community. Alternative funds channel contributions to nonprofit affiliates addressing issues such as minority rights, medical research, and animal welfare that tend to transcend the geographic boundaries of local communities. As such, alternative funds reflect new conceptualizations of community identification based on shared purpose rather than geographic locale (Barman 2002; 2006). The rise of alternative funds and the relative decline in the United Way monopoly thus signal a significant shift in the philanthropic identities and priorities of donors across the U.S. with important implications for local and purpose-based communities, individual nonprofit organizations, and the nonprofit sector as a whole (Barman 2002; 2006).

Past research has examined the adaptive responses of federated funds, particularly the United Way, to the environmental changes described above (Brilliant, 1990; Gronbjerg, Harmon, Olkkonen, & Raza, 1996; Marx, 1997; Beene, 2001; Young, 2001; Brilliant & Young, 2004; Barman, 2002; 2006; 2007a; 2007b; Paarlberg & Meinhold, 2011; Paarlberg & Moulick, forthcoming; Paarlberg, Moulick & Van Puyvelde, forthcoming). Less research has focused on the strategic behavior of nonprofits, which now have more fund affiliation options than ever before when it comes to participating in unified fundraising campaigns (exceptions include Cordes, 1999; Brillaint, 2000). Such fund affiliation choices may have significant material and symbolic ramifications for individual nonprofits and the people they serve.

For example, the National Committee for Responsive Philanthropy (NCRP, 2003) reports that pledges to alternative funds totaled $222 million in 2001, a 35% increase over 1996. The results of a 2009 study (Consulting Network cited in Lester, 2010) suggest that as few as 25% of companies conduct traditional United Way-centered workplace giving campaigns. This suggests that the philanthropic priorities of donors are shifting, and that fund affiliation choice may now be an important factor in the fundraising calculus of nonprofit participating in unified campaigns. Given that nonprofit fundraising success determines the scope of services an organization can provide to community members, nonprofit fund affiliation choices can also have important implications for communities of place and purpose across the United States.

In addition to the immediate financial ramifications of fund affiliation choice, nonprofits must also consider the way in which affiliation decisions shape external perceptions of the organization that can affect its capacity to build a solid base of support over the long run. The perceptions external stakeholders hold of a nonprofit's legitimacy and mission are important because a number of factors make it difficult to measure nonprofit performance and service quality outright (Hansmann, 1980; Rose-Ackerman, 1996; Herman & Renz, 1997; 1999; Campbell, 2002; Steinberg, 2006). In the absence of clear and widely accepted measures of nonprofit performance and service quality, positive external perceptions of a nonprofit's mission and legitimacy are critical to the ability of these organizations to elicit support and maintain access to resources in the long term.

Research suggests that individuals are more likely to attend to and take action based on information that aligns with the social/collective identities most salient to their

own individual identity (Thornton, Ocasio, & Lounsbury, 2012). Fund affiliation can serve as a signal to align a nonprofit with the distinct collective identities rooted in the place and purpose-based notions of community described earlier (Barman 2002; 2006). This alignment can in turn focus the attention of the individuals most likely to perceive the mission of a nonprofit as legitimate, helping the organization to foster a base of loyal supporters over time. Fund affiliation choice can therefore have both immediate financial ramifications as well as longer-term implications for a nonprofit's capacity to foster a strong base of support.

Given that evolving conditions in the arena of federated fundraising, nonprofits may choose to make different fund affiliation choices over time based on either the short-term financial performance or long-term symbolic benefits they associate with different fund affiliation options. The research presented here therefore asks: 1) How common is it for nonprofits to diverge from past fund affiliation decisions? 2) Is fund affiliation switching driven by material or symbolic resource considerations? Broadly, the findings of this study suggest that even in the midst of a sea change in unified fundraising, the traditional logic that undergirds federated fundraising and shapes the behaviors of nonprofit actors endures. Nonprofit fund affiliation decisions appear to be driven by longer-term resource considerations and signaling rather than immediate financial outcomes; nonprofits affiliate with federated funds to signal their alignment with specific collective identities, which may help these organizations to foster a strong and enduring base of support.

The remainder of this paper is organized as follows. The section immediately following this introduction provides an historically grounded discussion of unified

campaigns and federated fundraising to highlight the costs and benefits associated with

federated fund affiliation. Next, I develop a number of testable hypotheses. In the data

section I describe the Combined Federal Campaign, the unified workplace giving

campaign of the U.S. federal government, and the source of the data used for this study.

In the methods section, I describe the approach to variable operationalization and analysis

used to conduct this study. In the final sections of this manuscript I present my findings

and discuss their implications for federated fundraising specifically, and the domestic

nonprofit sector more broadly. I conclude by presenting several ideas for future research

and practice.

Material and symbolic costs and benefits of fund affiliation

Unified fundraising campaigns emerged around the turn of the twentieth century in the

United States (United Way, 2016). Unified campaigns were originally championed by

local business leaders and elites who were weary of receiving ad-hoc solicitations from

any number of distinct voluntary organizations throughout the year (Hall, 2006). In order

to firmly establish an annual unified campaign in their local community, however, leaders

had to ensure the participation of two other groups: local voluntary organizations, and

other donors from the community. It is important to understand the arguments framed by

local elites early on to justify individual and organizational participation in unified

fundraising campaigns because they continue to undergird the material and symbolic

benefits of federated fund affiliation to this day.

There have always been relatively obvious costs to nonprofits for participating in

unified fundraising campaigns. First, participation in unified campaigns often preempts

at least some of the fundraising efforts of individual organizations. Second, a portion of

the donations collected during a unified campaign are typically used to cover the costs of centralized fundraising administration.

When unified campaigns initially began, local elites therefore leveraged their personal control of important financial resources in order to guarantee the participation of local voluntary groups; they promised that only organizations participating in the local unified campaign would receive their contributed support (Young, 2001; Brilliant & Young, 2004; Barman, 2006). Similarly, in modern unified campaigns, only nonprofits affiliated with a federated fund have access to the donations contributed to the fund for reallocation to member organizations (Young, 2001; Brilliant & Young, 2004; Barman, 2006). Nonprofits unaffiliated with a federated fund are excluded from reallocation processes.

Elites also argued that participating organizations would reap the benefits of fundraising efficiency; volunteer groups would waste less time and money managing separate fundraising initiatives if they solicited donors collectively because a single highly visible campaign would attract more donations from community members (Young, 2001; Brilliant & Young, 2004; Barman, 2006). In modern unified campaigns, the financial benefits ascribed to fund affiliation similarly include economies of scale in donor solicitation and unified campaign management (Young, 2001; Bowman, 2003; Brilliant & Young, 2004; Nonprofit Overhead Cost Project, 2004; Barman, 2006; America's Charities, 2014).

The symbolic benefits of fund affiliation stem from the argument initially framed by elites to foster the participation of other donors in local unified campaigns. Elites had to convince community members to participate in unified fundraising campaigns as

opposed to (or in addition to) contributing directly to their favorite voluntary groups in order to make good on their promise of economies of scale in solicitation. Elites argued that a unified campaign was a more efficient means for donors to help address community needs since their contributions could be collected in a centralized manner and reallocated where they would have the greatest impact (Pfeffer & Leong, 1977; Barman, 2006). Without such centralized administration, individual donors would simply support their pet organizations and there would be no guarantee that contributions would go where they were most needed. In line with this rationale, a donation to the annual unified campaign came to symbolize support for and membership in a particular community (Barman, 2002; 2006). As this logic of federated fundraising gained widespread acceptance, nonprofit affiliates of local federated funds, and the funds themselves, became so closely associated with particular communities that they came to be viewed as essential local institutions (Provan, 1982; Barman, 2002; 2006).

The symbolic benefits of unified campaign participation and fund affiliation were further extended as federated funds implemented new vetting and evaluation standards later in the twentieth century. By the middle of the century, some federated funds began to require nonprofit affiliates to meet certain criteria that were assessed based on annual reports submitted to the fund (Pfeffer & Leong, 1977; Provan, 1982; Barman, 2002; 2006). These new standards meant that nonprofits affiliated with the local federated fund had a kind of "good housekeeping seal of approval." These additional symbolic benefits were not without material costs, however; In order to meet screening and monitoring standards, nonprofits had to use staff or volunteer time to collect and provide information

to fund representatives on their organizational performance (Pfeffer & Leong, 1977; Provan, 1982; Barman, 2002; 2006).

As alternative funds rose to prominence in the 1990's, they framed a case for nonprofit affiliation based on many of the same material and symbolic benefits which traditionally stemmed from association with local federated funds while simultaneously distinguishing themselves from these traditional funds in important ways. Most importantly, alternative funds modified the argument originally made by elites that intimately linked donor and nonprofit participation in unified campaigns to local community identification; rather than framing their case for participation in terms of a collective identity based on membership in a local community, alternative funds framed their philanthropic case in terms of purpose-based community identification (Barman 2002; 2006). By donating to, or affiliating with, an alternative fund, individuals and organizations could symbolically affirm their membership in a community based around an issue such as environmental degradation, human rights, or animal welfare.

How much does a donor's identification with a given community shape their actual philanthropic behavior? Research on individual identity and philanthropic choice suggests that community identification may play a significant role in shaping donation decisions. A large body of research from the fields of social psychology and sociology suggests that individuals have multiple social/collective identities based on both group and category membership, and that these identities are hierarchically organized (see synthesis in Thornton, Ocasio, and Lounsbury, 2012). This body of work further suggests that, because the cognitive capacity of individuals is limited, individuals are more likely to attend to messages, problems, and issues relevant to their most salient

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identities. Research on individual contribution decisions suggests that donation behavior is shaped by eight philanthropic mechanisms including: awareness of need, solicitation, altruism, psychological benefits, and donor values (Bekkers & Wiepking, 2010; 2011; 2012). A synthesis of findings across the work cited here suggests that the philanthropic mechanisms are more likely to be triggered, and their effect amplified, when an individual is asked to donate to a nonprofit that aligns with the social identities most salient to that person.

For example, if the identity of "environmentalist" is particularly salient to a donor, then they are more likely to perceive the mission of an environmental nonprofit as legitimate and: attend to messages from the organization describing environmental issues, positively respond to solicitation appeals from the nonprofit, and experience the satisfaction of knowing that their donation made a difference and aligned with their values. By using fund affiliation to signal alignment with distinct collective identities and communities, nonprofits can thus focus the attention of their most likely supporters, and build a solid base of support that can help them maintain access to needed resources over the long term.

This discussion highlights the fact that the symbolic and material costs and benefits of fund affiliation decisions are intertwined. Symbolic costs and benefits have material ramifications since positive perceptions of nonprofit mission and legitimacy are critical to mobilizing potential supporters over time. Material costs and benefits also have symbolic implications because they can shape external perceptions of a nonprofit's legitimacy and capacity to fulfill on its mission.

This historically grounded overview highlights the material and symbolic costs and benefits to nonprofits of federated fund affiliation. I now develop a number of hypotheses predicting how the fund affiliation decisions of different groups of nonprofits may be shaped by the material and symbolic costs and benefits they associate with different fund affiliation options.

Theorizing fund affiliation decisions in the CFC

In most modern unified campaigns, nonprofits now have a number of different participation options. This study relies on data from the Combined Federal Campaign (CFC), the unified workplace campaign of the federal government. For the purposes of hypothesis development it is important to understand some of the nuances of the CFC; in particular, the specific fund affiliation options available to participating nonprofits, and the campaign rules governing nonprofit solicitation of potential employee donors.

Nonprofits can participate in the CFC as a local or national organization (to qualify as a national organization they are required to demonstrate that they provide services that benefit a large region of the country); and as either an affiliate of a federated fund or as an independent organization (OPM, 2014). Nonprofits can also decide not to participate in the campaign from one year to the next. This study focuses on the fund affiliation decisions of nonprofits that participate in the CFC at the national level. There are a number of different funds affiliation options available to nonprofits at the national level. Nonprofits can affiliate with a purpose-based fund, a generic fund (one that does not belong to a clearly identifiable community of purpose), or participate as an independent organization. Currently, a number of alternative funds participate in the CFC, each of which belongs to one or more of the following communities of purpose:

advocacy, the arts, environmental and animal rights issues, health, human services, and religious charity.

In terms of campaign rules governing nonprofit solicitation of potential employee donors, it is important to note that the CFC is a relatively "closed" campaign (OPM, 2014); nonprofits and federated funds are forbidden from engaging in supplemental solicitation of employees beyond the information published in the official CFC charity book. The CFC charity book is organized by federated fund; individual nonprofits are listed under the federated fund with which they are affiliated (OPM, 2014). This suggests that federated fund affiliation is an important means of signaling alignment with the social identities most salient to potential donors.

Given the fact that fund affiliation is not a trivial means of signaling to potential donors, nonprofits must strategically consider the costs and benefits of the various fund affiliation options available to them as participants in the CFC. **Table 5** provides a breakdown of the costs and benefits identified by previous research that are likely to be associated with each of the fund affiliation options available to nonprofits participating in the CFC at the national level.

Across all fund affiliation options, nonprofits will reap the material benefits of participation in the CFC, although the amount of donations they collect may vary depending on their fund affiliation choice. A nonprofit might reap additional material benefits from affiliating with either a generic or purpose-based fund as opposed to participating in the CFC as an independent organization because affiliation: 1) Reduces the direct management costs of campaign participation (Young, 2001; Bowman, 2003; Brilliant & Young, 2004; Nonprofit Overhead Cost Project, 2004; Barman, 2002; 2006;

America's Charities, 2014), and 2) Allows nonprofit affiliates to reap a portion of the monies contributed to their federated fund for reallocation to its members (Young, 2001; Brilliant & Young, 2004; Barman, 2006).

Symbolically, a nonprofit might benefit from affiliating with a purpose-based or generic fund as opposed to participating as an independent organization because affiliation may enhance the nonprofit's legitimacy by signaling adherence to external vetting and evaluation standards (Pfeffer & Leong, 1977; Provan, 1982; Barman, 2002; 2006). Given that the CFC charity book is organized by federated fund, a nonprofit might reap additional symbolic benefits from affiliating with a purpose-based fund because it increases the visibility of the nonprofit to likely donors by signaling alignment with salient social identities (Barman, 2002; 2006; Bekkers & Wiepking, 2010; 2011; 2012; Thornton, Ocasio, and Lounsbury, 2012).

Fund affiliation, however, is not without its potential costs, which can also be thought of as benefits to independent participation in the CFC. Nonprofits that participate in the CFC as independent organizations do not have to forego individual fundraising initiatives during unified campaigns, and do not have to pay out a portion of the donations they receive to cover the cost of centralized management (Pfeffer & Leong, 1977; Provan, 1982; Young, 2001; Brilliant & Young, 2004; Barman, 2002; 2006). In addition, independent organizations do not have to use staff or volunteer time to supply information on their organizational performance to fund representatives (Pfeffer & Leong, 1977; Provan, 1982; Young, 2001; Brilliant & Young, 2004; Barman, 2002; 2006). In terms of the potential symbolic benefits associated with independent participation, if no fund exists that can help a nonprofit signal alignment with its most

likely donors, then fund affiliation could actually hurt a nonprofit's capacity to garner donations during the campaign (Barman, 2002; 2006; Bekkers & Wiepking, 2010; 2011; 2012; Thornton, Ocasio, and Lounsbury, 2012). In this case, the nonprofit would be better off participating as an independent organization, or possibly as a generic fund affiliate rather than as a purpose-based fund affiliate.

Nonprofits now have more fund affiliation options than ever before in unified campaigns like the CFC, and, as the previous discussion illustrates, their fund affiliation decisions have material and symbolic ramifications. What fund affiliation choices will these strategic actors make over time? Based on the previous discussion summarized in **Table 5**, the material and symbolic benefits of fund affiliation appear to be greatest for nonprofits with a mission-focus that aligns with one of the purpose-based funds currently participating in the CFC. We thus expect that:

> **H1**: Nonprofits with a mission focus on advocacy, the arts, environmental and animal rights issues, health, human services, and/or religious charity will be more likely to affiliate with purpose-based funds than to affiliate with generic funds or participate as independent organizations.

If nonprofits affiliated with a purpose-based fund did indeed make this fund affiliation choice in order to signal alignment with the collective identities most salient to their base of support (Barman, 2002; 2006; Bekkers & Wiepking, 2010; 2011; 2012; Thornton, Ocasio, and Lounsbury, 2012), then we would expect that the symbolic benefits of their purpose-based fund affiliation would continue to carry greater weight in future fund affiliation decisions than the material benefits associated with fund affiliation from year to year. In other words, these organizations will maintain their affiliation with

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a purpose-based fund even if the amount of donations they receive from one campaign year to the next declines. We thus expect that:

> **H2**: Nonprofits affiliated with a purpose-based fund will be more likely to maintain rather than switch their affiliation over time regardless of the change in donation revenue they receive from one campaign year to the next.

Nonprofits whose mission focus does not align well with one of the purpose-base funds currently participating in the CFC can still reap some symbolic benefits from affiliation with a generic fund because it may help these nonprofits cultivate legitimacy in the eyes of potential supporters by signaling that they have met external vetting and performance evaluation standards (Pfeffer & Leong, 1977; Provan, 1982; Barman, 2002; 2006). Still, they may judge the value of such symbolic benefits based on the material benefits associated with generic fund affiliation from year to year. After all, both within and outside of the context of a unified campaign, nonprofits fundraise in order to increase or maintain their organizational revenue levels over time. Nonprofits that participate as independent organizations are similarly likely to weigh the material benefits of their fund affiliation options more than the associated symbolic benefits. Given that a nonprofits that begin a period as an independent organization or a generic fund affiliate value material over symbolic benefits when making fund affiliation decisions, the choices they make in subsequent periods will likely be shaped by the change in donation revenue they receive from one year to the next. We would therefore expect that:

> **H3:** Nonprofits that begin a period as a generic fund affiliate or independent organization, and whose campaign revenue declines over time will be more likely

to make a different fund affiliation choice from one period to the next than their counterparts whose revenue remains stable or increases.

Finally, based on past research, there is reason to believe that nonprofit power may also shape their fund affiliation decisions over time. Past research on resource dependencies between nonprofit affiliates and the United Way suggests that, just as nonprofits rely on federated funds for financial and symbolic resources, federated funds depend on their more powerful affiliates for legitimacy (Provan, Beyer, & Kruytbosch, 1980; Provan, 1982; Provan, 1983; Paarlberg & Moulick, forthcoming; Paarlberg, Moulick, & Van Puyvelde, forthcoming). The legitimacy of the national federated funds in question is most likely to be enhanced by affiliates that are afforded a great deal of respect in their shared community of purpose. Nonprofits that are highly regarded purposive community "institutions" will augment the reputation of their associated federated fund, prompting the fund to prioritize and incentivize the continued affiliation of the nonprofit in question. In contrast, less respected or well-known nonprofits are not as likely to provide their associated federated fund with such symbolic resources, and their continued affiliation may thus not be as a high of a priority to the fund in question. We might therefore expect that:

> **H4**: Nonprofits power will meditate the effect of revenue change from one period to the next on nonprofit fund switching decisions.

Data

The data used for this analysis come from the Combined Federal Campaign (CFC), the workplace giving campaign of the US federal Government. The CFC is one of the largest

and most successful unified workplace campaigns in the world (CFC Today, 2016). The mission of the campaign is "to promote and support philanthropy through a program that is employee focused, cost-efficient, and effective in providing all federal employees the opportunity to improve the quality of life for all." (OPM, 2014). Each year, federal civilian, postal and military personnel make donations to the CFC totaling millions of dollars (OPM, 2014). The campaign is organized into over 200 geographic area campaigns (CFC Today). A nonprofit organization must demonstrate a "substantial" program presence across multiple area campaigns in order to participate as either an independent national charity, or as an affiliate of a national federated fund.

CFC data have a number of strengths in terms of addressing the research questions of this study. First, each area campaign collects detailed information on nonprofit participants and the donations they ultimately receive. Secondly, as previously mentioned, the CFC is a "closed" campaign; nonprofits and federated funds are forbidden from engaging in supplemental marketing directly to employees beyond the information published in the official CFC charity book. This makes federated fund affiliation an important means of signaling alignment with the philanthropic identities of potential donors.

The CFC data specifically used for this study come from the national CFC office, and three area campaigns of 2013 to 2016. Data from the national office include the name, unique organization code, fund affiliation, and National Taxonomy of Exempt Entities (NTEE) codes of all nonprofits participating in the CFC during the period of study. NTEE codes classify nonprofit organizations based on their core activities or mission, and are organized into 10 broad such as Environment, Health Care, and Civil

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Rights, Social Action and Advocacy. Nonprofit organizations are required to specify the three NTEE codes that best describe their organizational purpose every year when they apply to participate in the CFC. NTEE codes are salient to the analysis presented here because they provide a means of coding organizational mission focus.

Area campaign data used in this study come from campaigns encompassing San Francisco, Chicago, and Washington, DC. Most important for the purposes of this study, these data include information on the amount paid out to participating nonprofits and federated funds by each area campaign at the end of annual unified campaigns. From this broad discussion of the data used for this analysis we now turn to a more detailed discussion of the analytical methods used in this study including variable operationalization.

Variable operationalization and analytical methods

Data on nonprofits that participated in the CFC as national organizations in 2013, 2014, 2015, and 2016 were obtained. Each observation originally included a unique organization identification code, organization name, and fund name (listed as independent for organizations with no fund affiliation). The unique identification code for each national federated fund was determined or created (in the case of "independent" nonprofit participation). For each year of the study, nonprofits were associated with the code of their chosen fund.

Data on disbursements made to nonprofit participants by the area campaigns encompassing San Francisco, Chicago, and Washington, D.C. were also obtained.

Organization information was then matched to disbursement data for the three area campaigns. Disbursements were aggregated by organization and year.

This process resulted in a database containing annual observations for the 2952 unique nonprofits that participated in the CFC for at least one year between 2013 and 2016. These data were used to operationalize the following variables.

- *Nonprofit:* unique organization identification number used by the CFC

- *Year:* CFC campaign year

- *Fund affiliation:* unique federated fund code associated with a nonprofit for a given campaign year.

- *Fund type (factor):* based on an examination of national fund names, fund type was coded as "ind" if a nonprofit participated in the CFC as an independent organization, "gen" (the reference level) if the fund associated with a nonprofit could not easily be identified as associated with particular a community of purpose, and "purpose" if the fund could easily be identified as associated with a community of purpose. **Table 6** presents the coding for the factor level associated with each national fund.

- *Fund change type Y1Y2 (factor):* the fund codes associated with a nonprofit from one year to the next were compared and fund change type was coded as "0" if the nonprofit stayed in the CFC from one year to the next and fund codes matched, "1" if the nonprofit entered the CFC from one year to the next, "2" if the nonprofit stayed in the CFC from one year to the next and fund codes differed, and "3" if the nonprofit left the CFC from one year to the next, "10" if the nonprofit did not participate in the CFC for either of the two years in question.

- *Nonprofit revenue change Y1Y2 (natural log/continuous):* was operationalized as the natural log of the nonprofit's CFC revenue in year 2 minus the natural log of the nonprofit's CFC revenue in year 1.

- *Nonprofit mission areas (dummy):* were coded based on the first of the NTEE codes organizations provided to the CFC in 2012. If the first NTEE code for an organization was "R" the dummy variable *Advocacy* was coded "1"; otherwise it was coded "0". If the first NTEE code for an organization was "A" the dummy variable *Arts* was coded "1," or else it was coded "0". If the first NTEE code for an organization was "C" or "D" the dummy variable *Environment/Animal* was coded "1" or else it was coded "0". If the first NTEE code for an organization was "E", "G" or "H" the dummy variable *Health* was coded "1" or else it was coded "0". If the first NTEE code for an organization was "P", "B", "J" or "O" the dummy variable *Human Service* was coded "1" or else it was coded "0". If the first NTEE code for an organization was "X" the dummy variable *Religious* was coded "1" or else it was coded "0". The mission focus areas operationalized for this study were selected based on a review of the national federated fund names presented in **Table 6**, many of which clearly indicate particular programmatic orientations.

- *Nonprofit power (factor):* was conceptualized as associated with nonprofit success in garnering financial resources on a regular basis during annual CFC campaigns, and operationalized based on the average of the natural log of a nonprofit's CFC revenue over every year of their participation in the CFC. If the average logged revenue of a nonprofit was in the fourth quartile it was coded as

"high," if it was in the second or third quartile it was coded as "medium" (the reference category), and if it was in the first quartile it was coded as "low."

Summary statistics, counts of categorical variables, and results of chi-squared time independence tests at the 95% confidence level are presented in **Table 7**. The results of these test suggest that Year and Nonprofit power are marginally dependent.

A number of controls for operational context, campaign context, and organizational resources that are often used in studies of nonprofit fundraising were not deemed necessary in this case due to the nature of the CFC. Recall that all of the nonprofits included in this analysis were allowed to participate in the CFC as national organizations because they were able to successfully make the case that their services benefit the national population of the United States. In other words, all of these organizations operate in the same national context, the United States of America, and it is not necessary to consider variation in nonprofit operating context.

Also recall that the CFC is a nationwide workplace giving campaign with uniform solicitation and donation collection procedures, and that the data on nonprofit CFC revenue used in this study come from three distinct area campaigns in different regions of the country. These data were thus collected using similar procedures and encompass the variance in local philanthropic preferences that shape donation behavior and for which one would normally need to account in research. For these reasons, measures of campaign context also do not need to be included in the models presented here.

Organizational resources are typically a concern in nonprofit fundraising research because marketing and solicitation capacity are a product of organizational resources.

CFC rules, however, forbid nonprofits from engaging in marketing and solicitation beyond the information they provide in their application that is included in the official CFC charities list. For this reason, additional indicators of organizational resources were not included in the models presented here.

Chi-squared tests of categorical independence and logistic regression were used to analyze these data, and test the hypotheses developed in an earlier section. The conceptual model undergirding the logistic regression models used to analyze these data is as follows:

Fund change type Y2Y3 ~ Nonprofit revenue change Y1Y2 + Fund type Y2 + Nonprofit

power + Nonprofit revenue change Y1Y2 X Fund type Y2 X Nonprofit power

Findings and discussion

This study addresses two research questions: 1) How common is it for nonprofits to diverge from past fund affiliation decisions? 2) Is fund affiliation switching driven by material or symbolic resource considerations? In this section, we describe findings related to each of these questions and their associated hypotheses in turn.

Table 8 presents the results of a series of chi-squared independence tests at the 95% confidence level for Fund change type (no change, fund switch, exit CFC) and fund type (purpose, generic, and independent) versus campaign year. The first finding of note from this initial analysis is that nonprofits do not change their fund affiliation status at a very high rate. The percentage of organizations that do not change their fund affiliation status is above sixty percent regardless of whether an organization begins a campaign

year as an affiliate of a purpose-based or generic fund, or as an independent organization. There appears to be a good deal of inertia shaping fund affiliation decisions over time.

The findings presented in **Table 8** also suggest, however, that switching behavior is not independent of the type of fund from which a nonprofit is switching. Nonprofits appear to be more likely to maintain their affiliation with purpose-based and generic funds than to maintain their status as independent organizations in the CFC, which provides initial support for **H2**. Nonprofits appear to be more likely to exit the CFC if they participate as an independent organization than if they are affiliated with a purpose-based or generic fund. In general, they also appear to be less likely to switch their fund affiliation from one year to the next if they begin the period as an affiliate of a purpose-based or generic fund than as an independent organization. This suggests that the inertia shaping fund affiliation decisions described earlier is amplified when a nonprofit is a fund affiliate as opposed to an independent campaign participant. It should also be noted that these dynamics fluctuate a little over the two waves of this study suggesting that it would be worthwhile to consider fund affiliation switching behavior over a more extended period of time.

The second research question asks if fund switching behavior is driven by material or symbolic resource considerations. A number of hypotheses related to this question were developed earlier in this paper. For example, the first hypothesis predicts that:

> **H1**: Nonprofits with a mission focus on advocacy, the arts, environmental and
> animal rights issues, health, human services, and/or religious charity will be more

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likely to affiliate with purpose-based funds than to affiliate with generic funds or participate as independent organizations.

Table 9 presents the results of a chi-squared test of independence for the relationship between nonprofit mission area and fund type in year 2014. As mentioned earlier, the mission areas operationalized for this study were selected based on a review of the national federated fund names presented in **Table 6**, many of which clearly indicate particular area of focus. The chi-squared test results presented in **Table 9** suggest that mission area is not independent of fund type. Nonprofits whose mission focuses on advocacy, the arts, environment/animal welfare, health, human services, or religious charity are more likely to participate in the CFC as affiliates of purpose-based funds than as generic fund affiliates or as independent organizations. This findings provides support for **H1**. These results are consistent across campaign years. A number of logistic regression models were specified to test the next three hypotheses:

> **H2**: Nonprofits affiliated with a purpose-based fund will be more likely to maintain rather than switch their affiliation over time regardless of the change in donation revenue they receive from one campaign year to the next.
>
> **H3:** Nonprofits that begin a period as a generic fund affiliate or independent organization, and whose campaign revenue declines over time will be more likely to make a different fund affiliation choice from one period to the next than their counterparts whose revenue remains stable or increases.
>
> **H4**: Nonprofits power will meditate the effect of revenue change from one period to the next on nonprofit fund switching decisions.

Logistic regression models were used to analyze observations for nonprofits that either maintained or switched their fund affiliation status from one year to the next. These analyses therefore exclude observations for nonprofits that entered or exited the CFC during the period in question. This decision was made because a key independent variable in each model is change in revenue from one year to the next, which in the case of nonprofit exit is negative infinity and in the case of entrance is positive infinity. It therefore does not make sense to include these types of fund affiliation changes in our models.

The results of models specified using data predicting fund changes made from 2014 to 2015 and 2015 to 2016 are presented in **Table 10**. The marginal effects for the primary independent variables are presented in **Table 11** and their interactive effects are visualized in **Figures 1 and 2**. The main effect of change in revenue in the previous period on probability of switching fund affiliation is not statistically significant in either of the models. In contrast, coefficients on nonprofit power and fund type are statistically significant in both models. To gain a more nuanced understanding of the interaction between change in revenue, nonprofit power and fund type, we examine the marginal effects plots displayed in **Figures 1 and 2**.

We begin by considering the effect of revenue change in the previous period on future fund affiliation decisions. **Figures 1 and 2** suggest that the effect of revenue on future affiliation decisions changes based on nonprofit power and past fund affiliation status. For example, low and medium power nonprofits that participated in the CFC as generic fund affiliates or independent organizations were more likely to change their affiliation status if their revenue *decreased* in the previous period than if their revenue

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increased. This suggests that low and medium power nonprofits affiliated with generic funds or participating as independent organizations may switch affiliation based on immediate material resource considerations; they believe that the financial benefits of affiliation may improve of they change their affiliation status. This provides support for **H3** in reference to low and medium power organizations.

In contrast, high power nonprofits with any type of fund affiliation status were more likely to change their affiliation if their revenue *increased* in the previous period than if it decreased. The one exception to this pattern was high power nonprofits affiliated with generic funds in the first wave of the study (2014 to 2015). These results suggest that high power nonprofits may be strategically leveraging their ability to garner resources when making fund affiliation decisions over time. This provides support for **H4**, which predicted that nonprofit power would mediate the effect of financial concerns on nonprofit fund switching decisions over time.

Finally, the marginal effects plots for nonprofits that began a period affiliated with a purpose-based fund seem to be flatter and closer to zero across all levels of nonprofit power and variation in revenue change in the previous period. The coefficients predicting the effect of generic fund and independent affiliation status in comparison to the reference category of purpose-based fund affiliation were also positive and statistically significant in both models. Nonprofits that participated in the CFC as a generic fund affiliate or an independent organization were more likely to change their fund affiliation in the next year than those that participated as a purpose-based fund affiliate. This finding provides support for **H2** because it suggests that purpose-based fund affiliation is more stable over time than generic or independent affiliation status

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regardless of revenue change from one period to the next. While the immediate *material* outcomes of past decisions appear to influence fund affiliation choices when nonprofits begin a period as independent organizations or generic fund affiliates, the *symbolic* benefits of fund affiliation may outweigh short-term financial considerations when a nonprofit begins a period as an affiliate of a purpose-based fund.

All together, these results suggest that, while unified fundraising is undergoing a sea change in the sense that traditional powerhouses such as the United Way are losing ground to new alternative funds, the logic of federated fundraising that shapes the understandings and behaviors of nonprofits actors in unified campaigns endures. Nonprofits that can leverage fund affiliation to signal alignment with the collective identities salient to their base of support, do so. What is more, when nonprofits affiliate with a purpose-based fund that signals membership in and commitment to a specific purpose-based community, they are likely to maintain their fund affiliation status over time. In contrast, nonprofits that affiliate with generic funds or participate as independent organizations appear to make choices based on the immediate financial outcomes of their past fund affiliation choices.

Conclusion

This study was designed to illuminate the fund affiliation decisions of nonprofits participating in unified campaigns. As such it has made a number of contributions. First, it contributes to our understanding of the strategic behavior of nonprofits in unified fundraising campaigns. Although past research has investigated the response of federated funds, particularly the United Way, to changes in unified fundraising, there is little research focused on the manner in which fund affiliation decisions are shaped by

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associated costs and benefits to nonprofits (exceptions include Cordes, 1999; Brillaint, 2000).   Unified campaigns continue to be an important source of revenue for the nonprofit sector, and the costs and benefits of different options for nonprofit participation in campaigns therefore merit future research (NCRP, 2003).

In addition to enhancing our understanding of the dynamics of unified fundraising, this study contributes to the growing body of work based on the institutional logics perspective (Thornton, Ocasio, & Lounsbury, 2012). By examining the evolution of the symbolic and material benefits of community identification for nonprofit organizations, this study provides further support for the idea that enduring field-level logics shape the identity and practice of organizations even through periods of disruptive change.

This study also answers the call to research federated networks on their own terms, therefore contributing to the literature on organizational networks. A growing body of work in the generic management literature examines the creation, maintenance, and destruction of inter-organizational linkages (for example see Kim, Oh, & Swaminathan, 2006). The majority of this work, however, focuses on for-profit organizations and thus is unable to consider behavioral variation that might result from distinct nonprofit sectoral characteristics. Furthermore, the inter-organizational networks in the empirical studies in this vein are based on dyadic collaborative ties, strategic alliances, and principal-agent relationships (for example, Kenis, & Knoke, 2002; Hoffman, 2007). As Provan (1983) argued more than thirty years ago, however, networks based on nonprofit federated fund affiliation have certain distinct characteristics and should be studied on their own terms and not as generic inter-organizational

networks. This research contributes to our understanding of networks based on federated fund affiliation.

This study also has a number of limitations. The data used in the analysis presented here come from a single unified campaign, and a relatively short time span. The data on revenue come from a subset of the area campaigns that comprise the CFC. Still, these archival data document the fund affiliation choices of nonprofits, as well as their financial outcomes, and as such have a number of unique strengths.

Future research should continue to delve into the questions raised here using data collected from a longer period of study. It would also be interesting to examine the fund affiliation choices of nonprofits over a number of different unified campaigns. Do nonprofits make different fund affiliation choices based on the perceived preferences of donors across different unified campaigns? Although the importance of traditional federated funds may be changing or diminishing, the results of this study suggest that federated fundraising provides symbolic as well as material benefits to nonprofits, making it a worthwhile domain for future research.

The fundraising behavior of nonprofits and its associated outcomes have practical significance in addition to being theoretically interesting: nonprofits face increasing competition on all fronts, and are often asked to do more with less. The organizations that are able to garner resources are those that will endure and maintain the capacity to serve their core communities. Organizations that are less successful in cultivating key material and symbolic resources may fail, leaving significant service gaps for the communities they were designed to serve.

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Table 5: Comparison of Costs and Benefits associated with Fund Affiliation Options

	Purpose-based fund affiliation	Generic fund affiliation	Independent participation (unaffiliated)
Material Benefits			
Leverage economies of scale in donor solicitation; garner donations through participation in unified campaign	X	X	X
Reduce management costs of individual participation	X	X	
Reap a portion of monies contributed to funds for reallocation to affiliates	X	X	
Symbolic Benefits			
Enhanced visibility by signaling alignment with salient identities	X	X	
Enhanced legitimacy based on adherence vetting and evaluation standard	X	X	
	X		
Material Costs			
Forego some individual fundraising efforts	X	X	
Portion of donations used to cover centralized management costs	X	X	
Supply information on organizational performance to fund	X	X	
Symbolic costs			
Potential misalignment with salient identities of most likely supporters if nonprofit has poor fund choices	X	X	

Table 6: Fund Type level by Federated Fund Name

Fund type Level	Federated Fund Name	
Independent	-	
Generic fund	america's charities build a better world charities under 1% overhead charities under 5% overhead do unto others: america's charities without borders unique noteworthy charities	

Purpose-based fund	aging and disabilities charities of
	    america
	aid for africa
	american red cross
	animal charities of america
	arts federation
	cancercure america: care, understand,
	    research, fund
	catholic service organizations of
	    america
	child aid usa
	childaid international
	children first america's charities
	children's charities of america
	children's medical research charities
	    of america
	christian aid usa
	christian charities usa
	christian children's charities
	christian service charities
	community health charities
	conservation and preservation
	    charities of america
	diabetes charities of america
	earthshare national
	educate america!
	fund for the arts
	global impact
	haiti aid
	health medical research charities of
	    america
	health first: america's charities
	heart health charities
	hispanic and latino charities us
		human and civil rights
		    organizations of america
		human care charities of america
		human service charities of
		    america
		jewish aid worldwide
		jewish charities of america
		lgbt charities
		lifesaving children's hospitals
		    and clinics
		medical research charities
		mental health addiction network
		military family and veterans
		    service organizations of
		    america
		military support groups of
		    america
		national black united fund
		military and civilians for peace
		sports charities usa
		united service organizations
		wild animals worldwide

Table 7: Descriptive Statistics and Counts

	2013	2014	2015	2016	Chi-Sq Tests of Time Independ.
Nonprofits with Fund code***					
Complete	2567	2498	2498	2245	df = 3, p-value < 2.2e-16 ***
NA	385	454	454	707	
Fund Type (factor)					
Purpose	1878	1846	1845	1677	df = 6, p-value = 0.067
Generic	251	251	248	255	
Independent	438	401	405	313	
Nonprofit Mission Areas (dummy)					
Advocacy	153	165	151	129	
Arts	86	67	57	53	
Environment/ Animal	273	270	287	270	df = 18, p-value = 0.620
Health	627	637	635	569	
Human Service	717	715	722	665	
Religious	128	120	117	99	
Nonprofit power (factor)					
High	702	705	712	685	df = 6, p-value = 0.053 ***
Med	1295	1271	1282	1184	
Low	570	522	504	418	

	2013 - 2014	2014 - 2015	2015-2016	
Fund change type (factor)				
No change		2147	2094	df = 6, p-value < 2.2e-16 ***
Enter CFC		256	13	
Change fund		95	138	
Exit CFC		256	266	
Nonprofit revenue change YaYb (natural log/continuous)				
	Min: -7.783 Max: 7.696 Mean: -0.248	Min: -7.003 Max: 7.824 Mean: 0.154	NA	

Table 8: Fund Change type Year1-Year2 by Fund type Year1

	Fund Type			Chi-squared Test
	Purpose	**Generic**	**Independent**	
Fund Change Type 2014 - 2015				
No change	1651	213	283	df = 4, p-value < 2.2e-16 ***
	89%	85%	71%	
Fund switch	43	20	32	
	2%	8%	8%	
Exit CFC	152	18	86	
	8%	7%	21%	
Fund Change Type 2015 - 2016				
No change	1606	203	285	df = 4, p-value < 2.2e-16 ***
	87%	82%	70%	
Fund switch	91	24	23	
	5%	10%	6%	
Exit CFC	148	21	97	
	8%	8%	24%	

Table 9: Nonprofit Mission Area by Fund type 2014

	Fund Type			Chi-squared Test
Mission Area	**Purpose**	**Generic**	**Independent**	
Advocacy	112	24	19	
	61%	18%	21%	
Arts	55	3	13	
	72%	15%	12%	
Environment/Animal	237	17	15	df = 12, p-value < 2.2e-16 ***
	77%	4%	18%	
Health	508	39	81	
	81%	6%	13%	
Human Service	495	70	136	
	71%	10%	19%	
Religious	100	1	22	
	81%	1%	18%	
Other	339	97	115	
	61%	18%	21%	

Table 10: Results of Logistic Regressions

	Fund change made from 2014 - 2015	Fund change made from 2015 - 2016
Change in revenue previous period	-0.069 (0.170)	-0.256 (0.149)
generic Fund type previous period	0.231 (0.346)	0.291 (0.299)
Ind. Fund type previous period	0.833*** (0.237)	0.837*** (0.210)
High power nonprofit	-1.422*** (0.342)	-0.804*** (0.210)
Low power nonprofit	1.087*** (0.184)	0.324 (0.198)
Period 2014-2015	-	-
Interaction: Revenue X generic	-0.060 (0.523)	1.325** (0.415)
Interaction: Revenue X Ind.	-0.323 (0.362)	-0.044 (0.311)
Interaction: Revenue X High power	0.411 (0.939)	0.447 (0.515)
Interaction: Revenue X Low power	0.068 (0.177)	0.383* (0.165)
Interaction: generic X High power	1.322* (0.609)	0.457 (0.480)
Interaction: Ind. X High power	-0.146 (0.762)	-0.424 (0.539)
Interaction: generic X Low power	-0.338 (0.581)	-0.223 (0.608)
Interaction: Ind. X Low power	0.143 (0.364)	0.261 (0.431)
Interaction: Revenue X generic X High power	-0.779 (1.346	-0.919 (1.046
Interaction: Revenue X Ind. X High power	2.668 (2.547)	0.245 (1.427)
Interaction: Revenue X generic X Low power	-0.237 (0.606)	-1.571** (0.504)
Interaction: Revenue X Ind. X Low power	0.278 (0.373)	-0.149 (0.359)
Signif. codes: 0 '***' 0.001 '**' 0.01 '*' 0.05		
Null deviance	1661 on 2272	1718 on 2074
Residual deviance	1487 on 2255	1628 on 2057
AIC	1523	1665

Table 11: Marginal Effects for Logistic Regression Models

	Fund change made from 2014 - 2015	Fund change made from 2015 - 2016
Change in revenue previous period	-0.003 (0.003)	0.006 (0.006)
generic Fund type previous period	0.052* (0.026)	0.077* (0.030)
Ind. Fund type previous period	0.105*** (0.023)	0.119*** (0.029)
High power nonprofit	-0.082*** (0.013)	-0.082*** (0.015)
Low power nonprofit	0.120*** (0.021)	0.0465* (0.022)
Signif. codes: 0 '***' 0.001 '**' 0.01 '*' 0.05 '.' 0.1 ' ' 1		
Null deviance	1661 on 2272	1718 on 2074
Residual deviance	1487 on 2255	1628 on 2057
Degrees of freedom	1523	1665

Figure 1: Probability of Switching Affiliation from 2014 to 2015
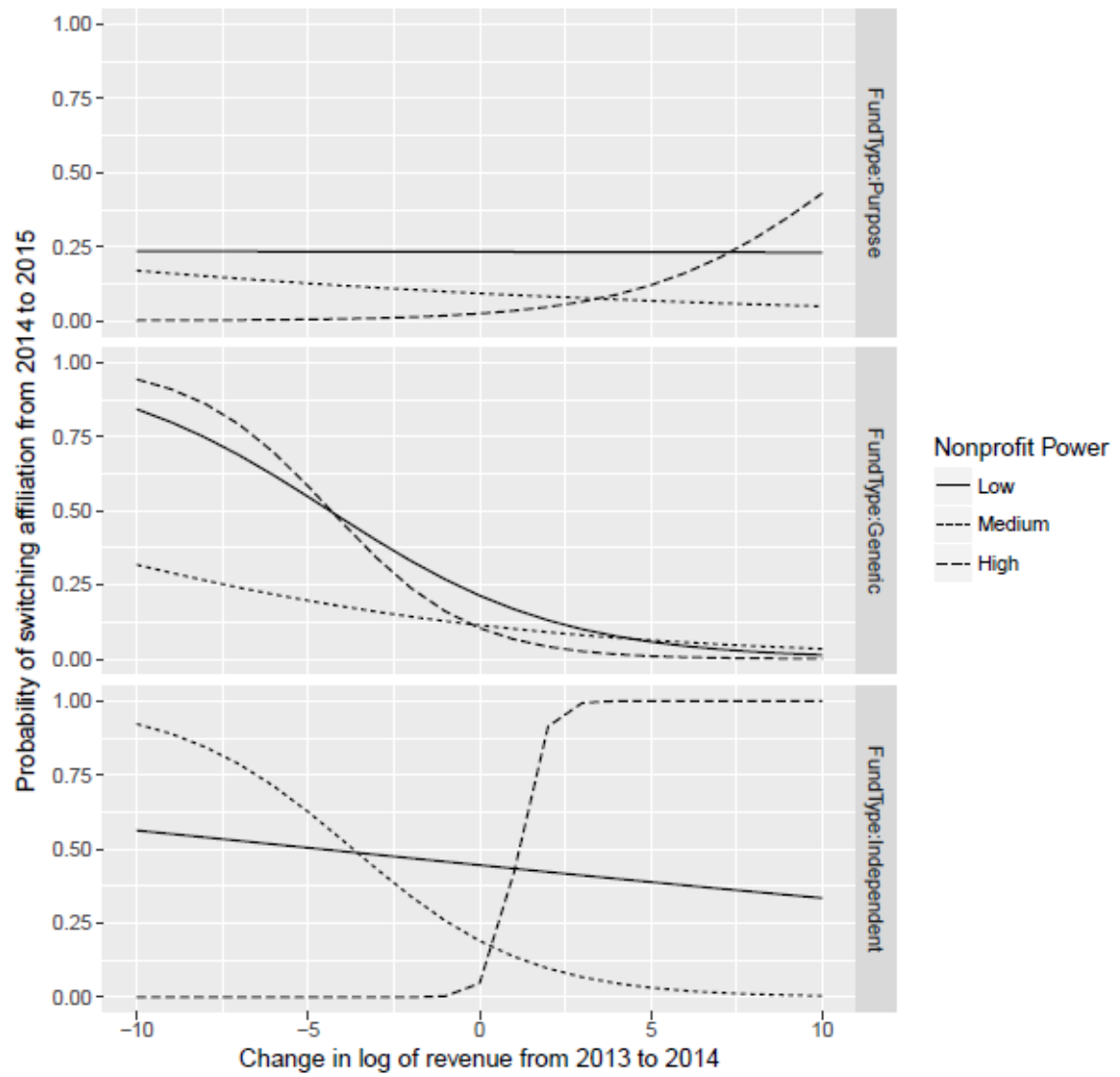
Figure 2: Probability of Switching Affiliation from 2015 to 2016
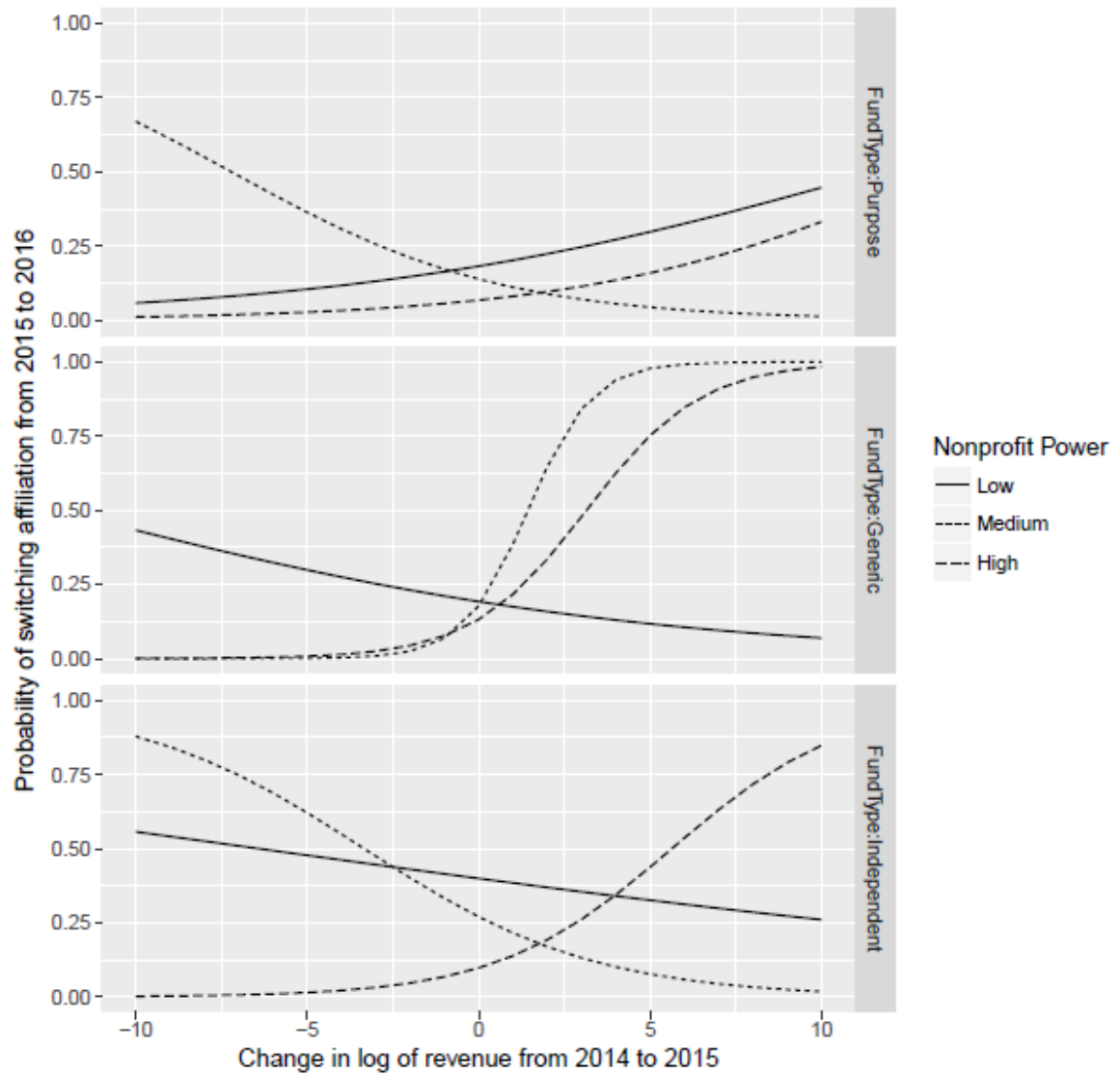
CHAPTER 5

VARIATION IN IDENTITY FACET USAGE

AS EVIDENCE OF IDENTITY FRAMING

Existing research suggests that organizational identity reflects shared understandings about that which is central, distinctive, and continuous about an organization (Gioia et al., 2013, p 123). Yet identity can also be an important dimension of change for organizations striving to adapt to their environment; that is, as long as new identity claims are perceived as legitimate by important stakeholders (Dutton & Dukerich, 1991; Gioa, Schultz, & Corley, 2000; Humphreys & Brown, 2002; Pedersen, & Dobbin, 2006; Ravasi & Schultz, 2006; Boin et al, 2016). The process of building support for new organizational identity claims can therefore be fraught. Organizations and managers must concern themselves with how new claims (mis)align an organization both with its external environment, and with established understandings of organizational distinctiveness (Dutton & Dukerich, 1991; Humphreys & Brown, 2002; Ravasi & Schultz, 2006).

While it is incumbent upon all organizations to balance these competing pressures to one degree or another, successfully finding an equilibrium between identity-focused change and continuity may be particularly important for nonprofit organizations. Nonprofits face unique challenges in terms of measuring their impact, demonstrating accountability to diverse groups of stakeholders, and remaining mission-focused in the face of what has been called the "survival imperative" (Herman & Renz, 1998; Salamon,

2003; Moulton, & Eckerd, 2012; Flynn, & Hodgkinson, 2013). This increases the importance for nonprofits of cultivating legitimacy based on the perceived integrity of their organizational identity (Hansmann, 1987; Eikenberry, & Kluver, 2004). How can nonprofits successfully balance environmental pressures to adapt with the need to cultivate an enduring organizational identity?

Scholars have identified at least two strategies that organizations may utilize to support the legitimization of new identity claims. First, research suggests that while the labels and symbols reflecting organizational identity may remain relatively constant over time, their underlying meanings may change (Gioia, Schultz, & Corley, 2000; Chreim, 2005; Corley et al., 2006; Gioia et al., 2013). Second, studies also suggest that organizations can incorporate new facets to their identity over time (Dutton & Dukerich, 1991; Gioia, Schultz, & Corley, 2000; Corley et al., 2006; Gioia et al., 2013). These strategies make it possible for an organization to remain true to its essence while simultaneously adapting its identity to align with its dynamic environment

This study examines how these strategies come into play during a period of significant identity-focused change across an important field of nonprofit organizations: the United Way system. The United Way Worldwide is the focal organization for United Way system, which is comprised of approximately 1800 local United Way organizations around the globe (United Way, 2016b). Each local United Way is a federated fund, an umbrella organization that collects community contributions and channels them to affiliated human service nonprofits. The United Way system receives more in private donations than any other nonprofit in the United States (Hall et al., 2013). All told, the system distributes close to $4 billion each year, making it the most significant private

funder of human services in many local communities across the U.S. (Hall et al, 2013; Gronbjerg et al., 1996). For at least twenty years, however, practitioners and scholars have noted that a key revenue stream for the United Way system, workplace giving, is undergoing a transformation with important ramifications for the United Way, as well as local communities across the US (Barman 2002; 2006).

Workplace giving, where employees have the opportunity to contribute to nonprofit organizations through employer-sponsored fundraising campaigns, is an important aspect of philanthropy in the United States. Workplace giving campaigns in the US traditionally focused almost exclusively on local United Way organizations. Since the early 1980's however, a number of alternative funds have increasingly come to compete with the United Way in workplace giving campaigns (Barman 2002; 2006). Alternative funds are federated funds that channel donations to nonprofits serving non-local populations that share a particular purposive commitment (e.g. environmental protection, minority rights, or medical research). The rise of alternative funds has created an unprecedented level of competition for the United Way, and legitimized both a new dominant institutional logic shaping the field of federated funds in the US, and a new facet to the identity of the federated fund as a distinct organizational form (Young, 2001; Brilliant & Young, 2004; Barman, 2002; 2006).

In response to these environmental changes, since 2001 the United Way Worldwide has attempted to incorporate this new facet of federated fund identity through a system-wide organizational change initiative known as Community Impact (Barman, 2002; 2006; 2007a; Paarlberg & Meinhold, 2011; Paarlberg & Moulick, forthcoming). This study uses data on descriptive organizational purpose statements from the Combined

Federal Campaign (CFC), the workplace giving campaign of the federal government, to examine how such identity-focused change is playing out across the United Way system by asking: 1) What facets of federated fund identity are in use across the United Way system in the United States? 2) Is there geographic or temporal variation in the use of these different identity facets as local United Way organizations seek to align their distinct organizational identity with changing environmental conditions? 3) Does this geographic and temporal variation suggest that the identity claims made by local United Way organizations are shaped both by implementation of Community Impact at the national level, and the local context in which these organizations operate?

This study makes several contributions. First, it examines whether the federated fund identity facets described in earlier qualitative research can be detected across a large sample of United Way organizational purpose statements. Second, it enhances our understanding of identity-focused organizational change by examining how individual organizations embedded in both a national field and distinct local communities incorporate new facets into their organization identity over time. Third, given that the national field in question is the United Way system, the most important private funder of local social services in the country, this study provides insight into organizational changes that will affect many local communities for years to come. Finally, this study makes a methodological contribution to the field of nonprofit studies by employing an under-utilized technique for analyzing textual data such as mission statements: supervised machine learning.

The balance of this manuscript is organized as follows. The first section provides a brief overview of existing research on identity-focused organizational change and

mission statements. This section includes a discussion of the degree to which we might expect mission statements and other public statements of organizational purpose to accurately reflect the organizational identity of nonprofits such as the United Way. The subsequent section provides an overview of the historical origins and meanings of the various federated fund identity facets referenced above. Next, the CFC data and analytical methods based on supervised machine learning are described in greater detail. Finally, the results of analysis are discussed along with their implications for future practice and research. In brief, several of the federated fund identity facets described in earlier research are in use across the United Way system; temporal and geographic variation in the use of these facets is readily apparent; and the nature of this variation suggests that local United Way organizations face a variety of pressures at different levels of analysis due to the fact that they are simultaneously embedded in national, regional, and local organizational fields.

Identity-focused organizational change and mission statements

Since Albert and Whetton (1985) first broached the topic of organizational identity, it has been conceptualized in a number of different ways. This study builds on the conceptualization of organization identity as a social construct, or more specifically, as a claim about an organization's essence grounded in collective understandings about its distinct history, and culture (Corley et al., 2006; Ravasi & Schultz, 2006). Although scholars debate the multi-faceted nature of organizational identity, several empirical studies suggest that it can have multiple facets (Young, 2001; Brilliant & Young, 2004; Corley et al., 2006; Gioia et al., 2013).

While organizational identity is continuous in nature, research suggests that it can also be an important dimension of organizational change (Gioa, Schultz, & Corley, 2000; Glynn, & Abzug, 2002; Ravasi & Schultz, 2006; Boin et al, 2016). There are, however, significant constraints on the new identity claims that organizations can successfully make; specifically, new claims must align with conceptualizations perceived by both internal and external stakeholders as legitimate (Dutton & Dukerich, 1991; Humphreys & Brown, 2002; Pedersen, & Dobbin, 2006). Organizations and managers seeking to legitimize new identity claims must therefore concern themselves with both how new identity claims create narrative (mis)alignment between the organization and its environment, as well as how these claims create (mis)alignment with collective understandings of organizational history, tradition, and culture (Dutton & Dukerich, 1991; Humphreys & Brown, 2002; Ravasi & Schultz, 2006).

This study uses data on descriptive organizational purpose statements to examine geographic and temporal variation in identity claims made by local organizations across the United Way system. It is therefore important to discuss how such statements of organizational purpose relate to the concept of organizational identity. To do so, we consider the literature on mission statements and their connection to organizational identity.

Mission statements and other succinct descriptions of organizational purpose purportedly reflect organizational identity, yet also serve as a kind of external communication intentionally crafted to shape external perceptions of organizational image (Swales & Rogers, 1995; Williams, 2008). Public statements of organizational purpose can therefore be viewed as organizational identity claims made by leaders

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targeting external audience to at least some extent. Scholars disagree on the extent to which the identity claims articulated by leaders align with those socially-constructed by a broader range of organization members (Koch, Galaskiewicz, & Pierson, 2015; Swales & Rogers, 1995). Interestingly, to a large degree this debate seems to fall along sectoral lines; researchers whose work focuses on for-profit firms tend to argue that mission statements are so generic and decoupled as to be almost meaningless artifacts that should be ignored (Bartkus, Glassman, & McAfee, 2006; Fairhurst, Jordan, & NeUnited Wayirth, 1997), while nonprofit scholars take a different view.

Namely, nonprofit scholars tend to see mission statements as important symbols that reflect and reinforce organizational identity, helping nonprofits to formulate strategy, attract and maintain the support of key internal and external stakeholders, and achieve organizational goals (see discussion in Koch, Galaskiewicz, & Pierson, 2015, p.510-511). For example, Bart and Tabone (1998) find that mission alignment in nonprofit hospitals positively affects organizational performance. Based on a longitudinal study of a diverse panel of nonprofit organizations, Koch, Galaskiewicz, and Pierson (2015) find that mission statements do in fact reflect the programmatic activities of nonprofit organizations, and that changes to nonprofit mission statements are consistent with changes in program offerings.

Existing research thus suggests that nonprofit mission statements are more than just claims made by organizational leaders targeting external audiences; they align with collective understandings of core activities and shape performance outcomes. This suggests that mission statements reflect nonprofit identity to at least some degree, and that changes to these public descriptions of organizational purpose may signal a

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nonprofits evolving understanding of its organizational identity. From this general discussion of identity-focused organizational change and mission statements, we now turn to the specific case of identity-focused change across the United Way system.

Identity-focused change at the United Way

As mentioned earlier, the workplace giving context, which is dominated by federated funds like the United Way, has witnessed dramatic change. Existing research on nonprofit adaptation in the context of workplace giving suggests that there are multiple facets to federated fund identity have accumulated over time (Young, 2001; Brillaint & Young, 2004). The five contemporary federated fund identities described by Brilliant and Young (2004) include: fiscal intermediary, economic regulator, community problem solver, social-change agent, and charitable fund manager. Their work uses archival data, as well as qualitative data collected from a limited number of organizations to inductively build theory, which has yet to be tested over a large sample of federated funds (Young, 2001; Brilliant & Young, 2004). Among its other contributions, this study is a first step toward testing their theory of multi-faceted federated fund identity over a large sample of local United Way organizations.

The United Way system is one of the oldest fields of federated funds in the country. As such, traditional federated fund identity facets are integral to many local United Way organizations across the system. In response to increasing competition, the United Way Worldwide has undertaken an extensive campaign of identity-focused change since 2001 through the Community Impact initiative (Barman, 2007; Paarlberg & Meinhold, 2011). While the Community Impact initiative is grounded in the traditional federated fund identity facets of community problem solver, fiscal intermediary, and

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economic regulator, it also promotes the incorporation of the new identity facet of social

change agent (Young, 2001; Brilliant & Young, 2004; Gallagher, 2005). We would

therefore expect to find evidence of each of these identity facets in the descriptive

organizational purpose statements of a large sample of local United Way organizations.

Before we can determine whether or not this is the case, we first need to understand each

identity facet in more detail.

Fiscal intermediary

Federated funds emerged during the Progressive era, during which reformers stressed the

values of rational management and efficiency (Hall, 2006). Federated funds were created

to eliminate duplication and competition in local fundraising by efficiently collecting and

re-allocating community resources (Barman, 2006; Hall, 2006). Fiscal intermediary is

probably the oldest facet to federated fund identity.

Community problem solver

Also during the Progressive era, management, social work, and policy analysis came to

be viewed as professional occupations for trained experts (Hall, 2006). Reformers argued

that community issues should be studied, and solutions formulated and implemented by

qualified experts rather than voluntary groups and elected officials working in an ad-hoc

manner (Barman, 2006; Hall, 2006). The federated fund identity facet of community

problem solver originally reflected this normative logic (Young, 2001; Brilliant &

Young, 2004; Barman, 2006). It has evolved to include an emphasis on a more

collaborative identification of community problems and possible programs/services to

address these community needs. For example, the Community Impact initiative requires

local United Way organizations to work with local human services nonprofits and

community members to set community service priorities to guide their work as community problem solvers.

Economic regulator

The identity facet of economic regulator is based on the financial and normative power accumulated by federated funds, particularly the United Way, by the middle of the twentieth century. By the 1960's, United Way affiliation had come to serve as a kind of "good housekeeping seal of approval" for nonprofits, increasing their legitimacy in the eyes of potential donors (Pfeffer, & Leong, 1977; Provan, 1982; Barman, 2006). This normative leverage allowed federated funds to become economic regulators. In this role, federated funds serve as watchdogs by collecting data on their nonprofit affiliates, evaluating their performance, and adjusting their resource allocations based on performance indicators.

Social change agent

Since the early 1980's, alternative funds have gained traction in both public and private sector workplace giving campaigns (Barman, 2006; 2007; Brilliant & Young, 2004; Cordes et al., 1999; NCRP, 2003). As described earlier, alternative funds exist to channel support to nonprofits addressing issues important to a variety of purpose rather than place-based communities (Barman, 2006). By uniting groups around a common purpose such as environmental protection, minority rights, or animal welfare, and helping to foster a sense of collective identity, alternative funds have redefined the meaning of "community" to encompass more than identification with a particular geographic locale (Barman, 2002; 2006).

What is more, by framing advocacy as a "solution" to the problems faced by community members, alternative funds have expanded the repertoire of legitimate "community problem solving" activities beyond direct service provision to a local area (Barman, 2002; 2006). This strategic orientation venerates action to address the root causes of social problems through advocacy and social change as opposed to treating the symptoms of a given problem by providing direct services on an ongoing basis.

The new identity facet of social change agent reflects these new understandings of community as collective identity based on shared purpose, and community problem solving as advocacy, mobilization, and sustainable change (Young, 2001; Brilliant & Young, 2004). Through the Community Impact initiative, the United Way Worldwide is attempting to incorporate this new federated fund identity facet into its core essence. For example, the Community Impact initiative requires local United Way organizations to change the way they measure their impact; or, as the United Way puts it, "Rather than measuring our success in dollars raised [to fund social services], we measure our success in actual lives changed" (United Way, 2016a).

Up until this point, this discussion has focused on describing number of federated fund identity facets in order to address our first research question: What federated fund identity facets are in use across the United Way system in the United States? Use of federated fund identity facets across the United Way system can examined by hand coding a portion of local United Way organizational purpose statements and then using supervised machine learning to code the remaining statements. This methodology is described in more detail in the following section.

First, however, it is important to note that use of these identity facets is not mutually exclusive. A federated fund can be both a community problem solver and an economic regulator. In fact, it is possible variation in the *combined* use of multiple federated fund identity facets that prompts two additional research questions: 2) Is there geographic or temporal variation in the use of these different identity facets as local United Way organizations seek to align their distinct organizational identity with changing environmental conditions? 3) Does this geographic and temporal variation suggest that the identity claims made by local United Way organizations are shaped both by implementation of Community Impact at the national level, and the local context in which these organizations operate?

Why might we expect to find temporal and geographic variation in the use of federated fund identity facets across the United Way system? Because existing research underscores the significance of context in shaping organizational change processes across which unfold across organizational fields.

Temporal and geographic variation

Open-system theories of organizational change (i.e. resource dependence theory, population ecology, institutional theories, etc.) emphasize the role of environmental factors in driving and constraining change across organizational fields (Scott, 1995; Powell & Steinberg, 2006). DiMaggio and Powell (1983, 148) define an organizational field as, "those organizations that, in aggregate, constitute a recognizable area of institutional life." Organizational change can simultaneously be shaped by evolving conditions in one or more organizational fields (Ashworth, Boyne, & Delbridge, 2007). For example, existing empirical work suggests that macro, mezzo, and local context can

concurrently shape organizational change processes (Marquis, & Battilana, 2009; Marquis, Glynn, & Davis, 2007).

Each local United Way is embedded in organizational fields at the national, regional, and local levels of analysis. We would therefore expect that each local United Way organization may be subject to somewhat different contextual pressures depending on the specific combinations of organizational fields in which it is embedded. For example, the United Way Worldwide has been leading the implementation of Community Impact initiative across the US system since 2001. This creates a national-level pressure across the field of local United Way organizations to implement identity-focused organizational change in line with Community Impact over time. We would therefore expect that:

> **H1**: Across the national-level United Way system, use of the social change agent identity facet will increase over time, while use of the traditional identity facets of fiscal intermediary, community problem solver, and economic regulator will diminish.

At the mezzo level Elazar, Schneider, and Lieske argue that regional political and philanthropic culture shapes the behavior of individual and organizational actors. In his classic book, *The American Mosaic,* Elazar (1994) posits that spatial, historical, and cultural factors have shaped political culture in the United States. Elazar described three distinct subcultures that shape citizen perspectives on government and civil society across the United States: individualistic, moralistic, and traditionalistic.

Building on Elazar, Schneider (1996) argues that just as subculture shapes citizen preferences for the balance between public and private service delivery, it also shapes the philanthropic norms of nonprofit and voluntary service provision. For example, Schneider posits that individualistic regions value philanthropic choices that further personal goals, and expect nonprofits to monitor and report on the efficiency of their administrative practices. Regions dominated by moralistic cultures tend to believe that government, nonprofits, and individuals all have a moral duty to address social injustices. Finally, traditionalistic regions concentrated in the South are more likely to support nonprofits that provide charity in a manner that does not disturb the existing social order.

Elazar and Schneider's operationalization of political-philanthropic subculture is outdated due to ongoing immigration and migration. However, Lieske (2010; 2012) has developed an up-to-date operationalization of eleven regional subcultures using census data and measures of local religious practice. A detailed explanation of each of the eleven subcultures identified by Lieske is beyond the scope of this study, however, Lieske's operationalization is employed as a means of assessing variation in the use of different identity facets across the United Way system based on the regional political-philanthropic subcultures in which local United Way organizations are embedded.

H2: Local United Way organization use of different identity facets will vary based on political-philanthropic subculture.

Finally, there is also good reason to expect that the use of federated fun identity facets across the United Way system will differ due to variation in alternative fund competition at the local level. There are at least two reasons why we might expect alternative funds, and federated fund competition, to cluster in large urban centers as

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opposed to being equally distributed across the country. First, new organizational forms, such as alternative funds, are more likely to be founded in resource-rich areas such as large cities (Hannan, & Freeman, 1984; Singh, & Lumsden, 1990). Second, alternative funds are designed to serve nonprofit affiliates engaged in advocacy. These organizations are more likely to operate in political hubs, which tend to be located in large urban areas. If alternative funds do cluster in large cities, then this would suggest that local United Way organizations that operate in metropolitan areas face more competition and will therefore be subject to different local contextual pressures than their rural counterparts. We might therefore expect that:

> **H3:** Local United Way organizations operating in large metropolitan areas will
> use different identity facets in their organizational purpose statements than their
> counterparts operating in less urban areas.

In order to test the hypotheses developed above, we use data from a national workplace giving campaign, and a combination of methodological approaches that facilitate the analysis of textual data. From this discussion of theory, context, and descriptive hypothesis development, we therefore turn to a description of our data before moving on to a discussion of our methods of analysis and findings.

Data

As previously mentioned, the data used for this analysis come from the Combined Federal Campaign (CFC), the workplace giving campaign of the US federal Government. The CFC is one of the largest and most successful workplace giving campaigns in the world. Each year, the CFC collects donations from federal civilian, postal and military

personnel totaling millions of dollars. The campaign is organized into over 200 area campaigns geographically delineated along county lines, and covering the entire geographic US as well as its affiliated territories. To participate in one of the area campaigns, an organization must be demonstrate a "substantial" program presence within the campaign's geographic boundaries. In order to be eligible to participate in the CFC, a nonprofit must have 501(c)(3) status, and file an application that includes detailed information on their financial, governance and programmatic operations. As of 2004, the OPM reports that over 20,000 nonprofits worldwide participated in the CFC each year.

As this overview suggests, CFC data have a number of strengths in terms of addressing the research questions at hand. First, the national CFC office collects data from area campaigns across the country making it possible to study variance across time and space on a number of different facets. Secondly, the CFC is a relatively "closed" campaign; participating organizations are forbidden from engaging in supplemental marketing directly to employees, beyond the information published in the official CFC charity book. The CFC charity book is organized by federated fund (individual nonprofits are listed under the federated fund with which they are affiliated). Each organization listing also includes a 25 word organizational purpose statement. This suggests that both federated fund affiliation and the content of organizational purpose statements are important pieces of information in terms of communicating with potential employee-donors. In turn, this suggests that nonprofits and federated funds are likely to pay attention to their fund affiliation choices and/or the content of their organizational purpose statements.

From this broad discussion of the data used for this analysis, we now turn to a more detailed discussion of analytical methods including variable operationalization.

Variable Operationalization and Methods

Phase I: Identifying local United Way organizations that participated in the CFC

Data was acquired on the nonprofits that participated in the CFC between 2012 and 2016. The website of the United Way Worldwide (United Way, 2016b) was then scraped to create a database of local United Way organizations, their Employee Identification Numbers (EINs) and their operating addresses. EIN's were used to match information on local United Way organizations identified through the United Way website with organizations participating in the CFC between 2012 and 2016.

As of 2015, a number of local United Way organizations had been eliminated and/or consolidated by the United Way Worldwide. In order to identify these organizations in earlier years, CFC data were mined. Thirty local United Ways were identified in addition to those listed on the 2015 United Way Worldwide website. Google was used to identify the former operating addresses of these now defunct local United Way organizations. The Texas A&M University GeoInnovation Center website were then used to geocode each United Way observation.

This process resulted in a database containing the EIN, legal name, geolocation, and 25 word statement for local United Way organizations that participated in the CFC between 2012 and 2016. Several United Way observations were missing 25 word statements, and were dropped for the purposes of the analysis. A total of 3080 United Way observations were used to conduct the analysis presented here.

Phase II: Hand coding of random sample

A random sample of 350 United Way observations (approximately ten percent) was drawn across all years for all observations with complete data. The decision to draw a sample across all years rather than within each year was made to help maintain a level of consistency in coding across observations from different years. Each observation was separately coded for the presence or absence of each of the identity facets described earlier (i.e. fiscal intermediary, community problem solver, economic regulator, and social change agent). For example, an observation was coded as "1" for *fiscal intermediary* if its associated organizational purpose statement reflected this identity facet, and "0" otherwise. The presence or absence of each identity facet was coded separately for all observations in the sample since, as previously mentioned, the use of one identity facet does not necessarily negate the use of additional identity facets.

Table 12 presents exemplary statements coded as reflecting four of the identity facets described earlier. As expected, the identity facets of fiscal intermediary, community problem solver, economic regulator, and social change agent were readily apparent in the descriptive purpose statements of local United Way organizations.

Phase III: Pre-processing of textual data

The organizational purpose statements from the full United Way data set were processed to remove non-alphabetical characters, stop words, punctuation and blank spaces. Stop words are often removed when working with textual data since they occur frequently across all documents (in our case statements) in a corpus, and do not help to distinguish one document from another. The remaining terms were reduced to their stem (or root) to create as much term consistency as possible across observations. The statements were

then tokenized, meaning they were parsed into individual terms. The full set of terms (minus the stop words removed earlier) across the entire corpus of statements could then be identified.

A document term matrix was created that contained United Way observations as rows, and terms as columns. Each column contained the number of times a particular term appeared in the statement associated with a particular United Way observation. Document term matrices are typically very large and sparse, and it is often helpful to reduce their sparsity by removing terms/columns that are mostly empty across observations. This step is justified since terms that only appear once across a corpus of documents are unlikely to be helpful in classifying documents into different sets, which is the goal here. The document term matrix was therefore reduced by removing columns containing predominantly zeros. Finally, the document term matrix was transformed into a binary matrix, where a "1" indicates that a term is present in a particular statement, and a "0" indicates that it is absent from the statement. This final step was taken in order to train a series of naïve Bayes classifiers, which use proportions of words to identify the class to which a given document most likely belongs.

Phase IV: Supervised machine learning using naïve Bayes

The pre-processed textual data in the form of a binary document-term matrix, as well as the subset of statements hand-coded for the presence of absence of each identity facet were then used to train four naïve Bayes classifiers. Naïve Bayes classifiers can be used to classify documents (statements in this case) into two or more groups (Friedman, Hastie, & Tibshirani, 2001; James, Witten, & Hastie, 2014). In this case, binary-classifiers were used to categorize organizational purpose statements as either containing

or not containing a particular identity facet. Naïve Bayes classifiers can use both continuous and categorical predictors to categorize an observation (Friedman, Hastie, & Tibshirani, 2001; James, Witten, & Hastie, 2014). In this case, the words included in the document term matrix were used as predictors to categorize an organizational purpose statement as either containing or not containing a particular identity facet. Four distinct naïve Bayes models were developed for each of the identity facets of interest.

In supervised machine learning, such as naïve Bayes classification, pre-coded data are typically divided into "training" and "test" sets. The training set is used to develop a model with weights that can predict the (known) class of a document given the terms in the document. The model is then applied to the test set in order to compare the classes predicted by the model with the known classes based on pre-coding. In this case, the pre-coded data sample was divided into a training set of 263 observations and a test set of 87 observations.

The strength of a naïve Bayes classifier can be assessed using a confusion matrix to compare the classes predicted by the model with those known to be accurate based on the hand-coded test set. The strength of the model can then be assessed by considering the number of true and false positives and negatives, and indicators including:

- *Accuracy*: percentage of documents that are correctly classified

- *Sensitivity*: percentage of positives that are correctly classified

- *Specificity*: percentage of negatives that are correctly classified

Several naïve Bayes classifiers were trained on the data using document term matrices with different levels of sparsity (i.e. matrices containing up to 198 terms and as few as 74

terms). Using fewer terms in a model can sometimes improve the predictive accuracy of models. **Table 13** presents the number of terms used as predictors, the confusion matrices, and the indicators described above for the four final models used to classify statements for presence/absence of each of the identity facets. A classifier is considered strong if it simultaneously has moderate to high accuracy, sensitivity, and specificity. Across all of the final models used in this study, performance indicators are acceptable, meaning that the models can be expected to perform reasonably well on data similar to, but distinct from the training and test sets. The models were therefore used to predict the classes of the un-coded observations for all of the identity facets.

Phase V: Analysis of fully coded data set

Once all data were coded using the naïve Bayes classification method described above, they were analyzed using standard descriptive statistical approaches to examine differences in the distribution of observations across different categorical variables (e.g. cross tabulation and chi-squared test). The purpose of this analysis was not to draw conclusions about causality or make population-level inferences, but simply to describe temporal and geographic variation in the use of identity facets by local United Way organizations across the system.

In order to test hypotheses on temporal and geographic variation, a number of variables were operationalized. Year was operationalized as CFC campaign year rather than calendar year. The mezzo-level organizational field variable of political-philanthropic subculture was coded using Lieske's (2010; 2012) updated operationalization of political-philanthropic subculture. The local-level organizational

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field variable of proximity to metropolitan area was operationalized as location within a twenty-five mile radius to of one of the 100 most populous cities in the United States.

Findings and Discussion

Use of identity facets in organizational purpose statements

The results of the hand-coding process suggest that the four federated fund identity facets related to workplace giving identified in previous research (Young, 2001; Brilliant & Young, 2004) are reflected in organizational purpose statements across the United Way system. As previously mentioned, **Table 12** presents exemplary statements that reflect the identity facets of fiscal intermediary, community problem solver, economic regulator, and social change agent. Terms indicative of each of the four identity facets are also noted in **Table 12**.

The specific terms associated with the community problem solver and economic regulator facets provide evidence that local United Way organizations may be giving new meaning to these traditional identity facets. These findings are in line with past research on identity-focused organizational change that suggests that, while the labels and symbols reflecting organizational identity may remain relatively constant over time, their underlying meanings may evolve (Gioia, Schultz, & Corley, 2000; Chreim, 2005; Corley et al., 2006; Gioia et al., 2013). How exactly might the understandings of the identity facets of community problem solver and economic regulator be evolving?

As noted earlier, the logic of professional expertise undergirding the traditional meaning of the community problem solver facet held that professional social workers and managers were best equipped to assess and address community needs. The Community

Impact initiative reflects a more inclusive logic of community problem solving that emphasizes collaboration between local United Way staff, human service nonprofits, and community members. Hand-coding revealed a number of instances where this new understanding of community problem solver was explicitly emphasized (see **Table 12**). Less anticipated, however, was a similar emphasis on community inclusion and transparency associated with the use of the economic regulator identity facet.

Traditionally, federated funds like the United Way monitored member organizations *for* the community; professional staff members were considered best equipped to monitor local charities. On a number of occasions, organizational purpose statements reflecting the economic regulator facet emphasized the fact that local United Way organizations were monitoring member agencies *with* community members (see **Table 12**). These findings suggest that the meaning of the federated fund identity facets of economic regulator as well as that of community problem solver may be evolving to reflect contemporary understandings of nonprofit accountability based on transparency rather than bureaucratic efficacy.

Temporal variation

Temporal variation in the use of the fiscal intermediary, community problem solver, economic regulator, and social change agent identity facets was assessed using cross tabulation and a chi-squared test for independence of two categorical variables, in this case the count of organizational purpose statements containing/not containing each identity facet, and the CFC campaign year. **Table 14** presents the distribution of statements (not) containing each of the four identity facets from 2012 to 2016. Tests for

independence at the 95% confidence level were conducted for each identity facet over this four-year period.

The results of these analyses suggest that use of the fiscal intermediary identity facet is independent of year, while use of the community problem solver, economic regulator, and social change agent identity facets are *not* independent of year. A closer examination of the count and percentage data presented in **Table 14** suggests that use of the community problem solver, and economic regulator facets across the United Way system has decreased from 2012-2016, while use of the social change agent facet increased during the same period.

To begin to assess what might be driving these changes in identity facet usage, local United Way observations were grouped by changes made to their organizational purpose statement between 2012 and 2016. The variable *change* was coded "0" if an organization's 2012 and 2016 purpose statements were equivalent, "1" if its purpose statements in 2012 and 2016 were different, and "2" if the organization participated in the CFC in 2012 but not in 2016. It should be noted that at least some of the local United Way organizations that dropped out of the CFC from 2012 to 2016 ceased to exist entirely during this period as they were disbanded or consolidated. These changes illustrate the true threat of changing environmental conditions to the United Way system.

Table 15 presents the distribution of 2012 observations across these three groups for each of the four identity facets, as well as the results of each associated independence test at the 95% confidence level. The results of this analysis suggest that in 2012 there was no significant difference in the use of the four identity facets between groups of

organizations that: dropped out of the CFC by 2016, changed their purpose statement by 2016, or continued to use the same purpose statement through 2016.

Table 16 compares the distribution of identity facet use in 2012 and 2016 for the group that made changes to their organizational purpose statements in this time period. The analysis presented in **Table 16** suggests that the organizations that changed their purpose statements from 2012 and 2016 decreased their use of the traditional facets of fiscal intermediary, community problem solver, and economic regulator, while increasing their use of the social change agent facet. Unfortunately, the cell counts in **Table 16** were so small that it was not possible/appropriate to use a chi-squared test to statistically assess the relationship between year and identity facet use for this group. Tentatively, however, it appears that the distribution of local United Way organizations using the different identity facets might be changing over time as some organizations using traditional facets drop out of the CFC, while a portion of the remaining organizations cease using traditional facets and begin to use the new facet of social change agent.

These findings are in line with research positing that organizational identity is an important source of both stability and change (Dutton & Dukerich, 1991; Gioia, Schultz, & Corley, 2000; Humphreys & Brown, 2002; Pedersen, & Dobbin, 2006; Ravasi & Schultz, 2006; Gioia et al., 2013; Boin et al, 2016). For example, the fact that the social change agent facet is reflected in 43% of the local United Way purpose statements for the 2016 CFC is evidence that this new identity facet is being incorporated across the United Way system; the organizational identity of individual local United Way organizations, as well as the United Way system as a whole, is evolving in response to changing environmental conditions. This finding provides further support for the notion that

organizations can integrate new facets into their identity over time; remaining true to their essence while adapting to changing environmental conditions (Young, 2001; Brilliant & Young, 2004; Corley et al., 2006; Gioia et al., 2013). Still, a large proportion of local United Way organizational purpose statements continue to reflect the traditional identity facets of fiscal intermediary, community problem solver, and economic regulator. This continuity in traditional identity facet usage is a good illustration of the enduring quality of organizational identity.

Geographic variation

As described earlier, two variables were operationalized to assess geographic variation in identity facet usage across the United Way system: regional political-philanthropic subculture, and proximity to a large city. **Table 17** presents the distribution of identity facet usage across the eleven regional subcultures identified by Lieske (2010; 2012). Tests for independence at the 95% confidence level were conducted for the proportional use of each of the identity facets across nine of the eleven regional subcultures. There are no local United Way organizations located in counties dominated by Native subculture. Including use of identity facets by United Way organizations in counties dominated Mormon subculture undermined the results of chi-squared tests of independence. The Native subculture was therefore completely dropped from analysis, while counts for identity facet use in Mormon subcultural regions are presented but were not included in chi-squared tests of independence. The results of tests for independence at the 95% confidence level suggest that use of all four of the identity facets is *not* independent of subculture.

Local United Way organizations operating in counties dominated by the Global subculture tend to use the identity facet of fiscal intermediary solver less than their counterparts in other areas. Local United Way organizations operating in counties dominated by Nordic and Global subcultures use the identity facets of community problem solver and economic regulator in their organizational purpose statements at a lower rate than their peers. Local United Way organizations operating in counties dominated by Nordic, Global, Rurban and Anglo-French subcultures use the identity facet of social change agent at a higher than their peers in other areas. These findings suggest that local United Way organizations may be facing different institutional pressures at the regional level that prompt them to make different decisions regarding the organizational identity claims they should make in order to maximize their legitimacy in the eyes of important stakeholders.

In addition to regional geographic variation based on political-philanthropic subculture, this study also examines variation in identity facet usage based on local United Way proximity to a large city. **Table 18** presents the distribution of identity facet usage for local United Way organizations located either within twenty-five miles, or at a greater distance from one of the one hundred more populous cities in the United States. The results of the tests for independence at the 95% confidence level presented in **Table 18** suggest that local United Way organizations that operate closer to large cities may be using different identity facets in their organizational purpose statements than their counterparts that are less proximate to a populous urban area. Local United Way organizations that are located more than twenty-five miles from a large city use the traditional identity facets of fiscal intermediary, community problem solver, and

economic regulator at a higher rate than their peers located closer to large cities. Local United Way organizations that operate within twenty-five miles of a populous city use the identity facet of social change agent in their organizational purpose statements at a higher rate than their peers in more rural areas. The results of this descriptive analysis suggest that local United Way organizations may be subject to different local-level field pressures, which in turn cause them to reach different conclusions as to what organizational identity claims they should make in order to garner legitimacy and support from the local community.

The geographic and temporal variation in the use of identity facets across the United Way system described here provides support for the idea that the identity claims made by local United Way organizations are shaped both by implementation of Community Impact at the national level, as well as the regional and local context in which these organizations operate. Recent academic articles on organizational change have called for more research at multiple levels of analysis, and for greater consideration of the effect of local institutional environment on organizational change (Marquis, & Battilana, 2009; Marquis, Glynn, & Davis, 2007). This study both responds to this call and highlights the need for more research in this vein. Future research should consider the effect of contextual pressures at multiple levels of analysis on organizational change processes. For example, under what conditions do local environmental pressures supersede contextual pressures at other levels of analysis? Do pressures at different levels of analysis have more or less influence in shaping organizational change processes along different facets (e.g. identity-focused change versus program or service offerings)? This study focuses on a field of nonprofit organizations. Does local context play a

greater role in shaping nonprofit organizations than public or for-profit organizations? Are the effect of local pressures mediated by organizational size?

In terms of future research focused specifically on the United Way system, the research presented here simply describes variation in the use of identity facets across the United Way system. Future studies should build on the research presented here to hypothesize and test for evidence of the effect of specific environmental pressures that may lead to variation in implementation of the Community Impact initiative across local United Way organizations. Future studies should also consider the relationship between the kind of identity-focused change examined here, and change along other facets such as United Way reallocation decisions, program offerings, and organizational structure.

Finally, this study highlights the opportunity of using textual data and machine learning to examine identity-focused change. Future research should continue in this vein. Language and discourse play an important role in shaping the implementation of organizational change broadly and identity-focused change specifically. For example, the results of a study by Fiss and Zajac (2006) suggest that the stakeholder perceptions of identity-focused organizational change processes are shaped by the manner in which change is framed by managers. Chreim (2005) finds that an elite group of managers at a Canadian Bank used a variety of discursive strategies to construct a new consensus around the organization's identity. These strategies included the use of juxtaposition, expansive labels that referenced traditional identity facets while constructing new ones, and themes from the broader business discourse. In their study of the New York Port Authority's evolving response to the issue of homelessness, Dutton and Dukerich (1991, p. 520) conclude that organizational identity itself can serve as a frame or lens that,

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"filters and molds an organizations' interpretation and action on an issue"; collective understandings of organizational identity frame which strategies and tactics are perceived as legitimate by organization members. The also find, however, that institutionalized discourses from the broader environment constrain use of organizational identity as a frame for vetting legitimate organizational action.

These examples point to the significance of language in advancing new organizational identity claims, and influencing stakeholder interpretations of broader organizational change processes. The methods employed in this study, which are suitable for working with large datasets containing textual data, can facilitate future empirical research and increase our understanding of the relationship between language, organizational identity, and change.

Conclusion

This study describes how a significant identity-focused change initiative is playing out across an important system of nonprofit organizations. It also provides preliminary evidence for the idea that contextual pressures at different levels shape the identity claims organizations make in order to cultivate legitimacy in the eyes of important stakeholders.

Like any research, this study has a number of limitations. First, the data used for this analysis come from the CFC, which is an outlier when compared to other workplace giving campaigns in terms of geographic scope, as well as level of employee and nonprofit/federated fund participation. This may limit the generalizability of some findings presented here. Also, the descriptive analytical approaches used in this study cannot be used to draw inferences about the full population of local United Way

organizations, or the factors causing the variation observed across the United Way system.

Nevertheless, this study makes several contributions. First, it provides empirical evidence that the federated fund identity facets described in earlier qualitative research are in use by a large sample of local United Way organizations. Second, it adds to our understanding of identity-focused organizational change by providing preliminary evidence that the identity claims made by individual organizations are simultaneously shaped by contextual factors at different levels of analysis. Third, given that the focus of this research is the United Way system, the most important private funder of local social services in the country, this study provides insight into organizational changes that will affect many local communities for years to come. This study also makes a methodological contribution by applying machine learning techniques to analyze textual data in order to better understand identity-focused organizational change. Future research should continue to examine this interesting and important topic, and to leverage the opportunities that machine learning applied to textual data afford to social scientists.

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Table 12: Exemplary Statements containing different Identity Facets

Statements	Associated Terms	
Fiscal Intermediary		
Raises and allocates funds to fourteen Cullman County agencies who provide health and human services. Local volunteer board monitors agencies for accountability and community impact. To efficiently raise and effectively distribute financial and volunteer resources to support community-determined initiatives which improve the lives of community members.	Allocate Collect Donation Efficient Fund Fundraise Gift	Campaign Distribute Donor Give Grant Invest(ment) Resource Support
Community Problem Solver		
Identifies critical community needs. Reviews, funds, monitors agencies providing programs and services addressing those needs and promoting an independent, educated, healthy and financially stable community. Ensures your gift goes farther/makes the greatest impact. Community volunteers review/evaluate programs and allocate funding impacting health and human services for all ages.	Collaboration Need Problem Program Service Solution	Critical Essential
Economic Regulator		
Raised and allocates funds to qualified programs addressing health and human service needs, engages volunteers and refers people to needed local assistance programs. A community based fundraising effort to raise funds supporting selected local charitable organizations interviewed annually by the Board of Directors.	Effective Evaluation Member or Partner (organization) Performance Quality	Accountable Govern Interview Monitor Review Worthy
Social Change Agent		
To mobilize and create sustainable and measureable results to improve lives through collaborative leadership to address community needs. A community impact organization that improves community conditions and lives by serving as a convener for systems change and a program investor with a results-based accountability commitment.	Advocate Change Impact Long-term (solution)	Community builder Cause Lasting Measurable Mobilize Results Sustainable

Table 13: Assessment of final Naïve Bayes Classifiers

Fiscal Intermediary: Terms = 198

Confusion Matrix

	Predicted +	Predicted -
True +	48	9
True -	6	25

Indicator	Value
Accuracy	82.95 %
Sensitivity	84.21 %
Specificity	80.65 %

Community Problem Solver: Terms = 198

Confusion Matrix

	Predicted +	Predicted -
True +	47	10
True -	10	21

Indicator	Value
Accuracy	77.27 %
Sensitivity	82.46 %
Specificity	67.74 %

Economic Regulator: Terms = 198

Confusion Matrix

	Predicted +	Predicted -
True +	23	6
True -	10	49

Indicator	Value
Accuracy	81.82 %
Sensitivity	79.31 %
Specificity	83.05 %

Social Change Agent: Terms = 74

Confusion Matrix

	Predicted +	Predicted -
True +	28	6
True -	9	45

Indicator	Value
Accuracy	82.95 %
Sensitivity	82.35 %
Specificity	83.33 %

Table 14: Identity Facet use by Year

		2012	2013	2014	2015	2016	Independence Test
Total observations		716	662	603	563	536	**-**
Fiscal Intermediary	Present	515 72%	464 70%	431 71%	392 70%	356 66%	df = 4, p-value = 0.267
	Absent	201 28%	198 30%	172 29%	121 30%	180 34%	
Comm Prob Solver	Present	489 68%	438 66%	398 66%	355 63%	321 60%	df = 4, p-value = 0.025
	Absent	227 32%	224 34%	205 34%	208 37%	215 40%	
Economic Regulator	Present	352 49%	315 48%	282 47%	242 43%	213 40%	df = 4, p-value = 0.007
	Absent	364 51%	347 52%	321 53%	321 57%	323 60%	
Socl Change Agent	Present	256 36%	252 38%	227 38%	231 41%	232 43%	df = 4, p-value = 0.061
	Absent	460 64%	410 62%	376 62%	332 59%	304 57%	

Table 15: Identity Facet use in 2012 by Group

		Unchanged Statement	Changed Statement	Dropped Out	Independence Test
Total		664	21	30	-
Fiscal Intermediary	Present	477 72%	19 90%	20 67%	df = 2, p-value = 0.136
	Absent	187 28%	2 10%	10 33%	
Comm Prob Solver	Present	451 68%	18 86%	20 67%	df = 2, p-value = 0.221
	Absent	213 32%	3 14%	10 33%	
Economic Regulator	Present	325 49%	15 71%	12 40%	df = 2, p-value = 0.075
	Absent	339 51%	6 29%	18 60%	
Socl Change Agent	Present	236 36%	7 33%	13 43%	df = 2, p-value = 0.665
	Absent	428 64%	14 67%	17 57%	

Table 16: Identity Facet use in 2012 and 2016 by "Changed Statement" Group

		2012	2016	Independence Test
Fiscal Intermediary	Present	19 90%	8 67%	Insufficient data
	Absent	2 10%	4 33%	
Comm Prob Solver	Present	18 86%	6 50%	Insufficient data
	Absent	3 14%	6 50%	
Economic Regulator	Present	15 71%	5 42%	Insufficient data
	Absent	6 29%	7 58%	
Socl Change Agent	Present	7 33%	5 42%	Insufficient data
	Absent	14 67%	7 58%	

Table 17: Identity Facet use in 2012 by Political-philanthropic Subculture

		Heartland	Latino	Nordic	Border	Global	Blackbelt	Germanic	Rurban	Anglo-French	Independ. Test (excluding Mormon)	Mormon
Total		38	43	23	75	51	50	160	207	49	-	7
Fiscal Intermediary	Present	30 80%	28 65%	18 78%	65 87%	25 49%	36 72%	128 80%	138 67%	38 78%	df = 8, p-value = 6.638e-05	0 0%
	Absent	8 20%	15 35%	5 22%	10 13%	26 51%	14 28%	32 20%	69 33%	11 22%		7 100%
Community Problem Solver	Present	29 76%	29 67%	13 57%	64 85%	26 51%	37 74%	117 73%	130 63%	33 67%	df = 8, p-value = 0.001421	3 43%
	Absent	9 24%	14 33%	10 43%	11 15%	25 49%	13 26%	43 27%	77 37%	16 33%		4 57%
Economic Regulator	Present	22 58%	19 44%	8 35%	49 65%	14 27%	26 52%	95 59%	87 42%	23 47%	df = 8, p-value = 8.947e-05	0 0%
	Absent	16 42%	24 56%	15 65%	26 35%	37 73%	24 48%	65 41%	120 58%	26 53%		7 100%
Social Change Agent	Present	8 21%	14 33%	10 43%	19 25%	27 53%	12 24%	47 29%	90 43%	21 43%	df = 8, p-value = 0.0007658	3 43%
	Absent	30 79%	29 67%	13 57%	56 75%	24 43%	38 76%	113 71%	117 57%	28 57%		4 57%

Table 18: Identity Facet use in 2012 by Proximity to Large City

		> 25 miles from Large City	< 25 miles from Large City	Independence Test
Total		2279	760	-
Fiscal Intermediary	Present	399	110	df = 1, p-value = 0.006
		75%	64%	
	Absent	134	63	
		25%	36%	
Comm Prob Solver	Present	382	102	df = 1, p-value = 0.002
		72%	59%	
	Absent	151	71	
		28%	41%	
Economic Regulator	Present	272	74	df = 1, p-value = 0.07183
		51%	43%	
	Absent	261	99	
		49%	57%	
Socl Change Agent	Present	174	77	df = 1, p-value = 0.006
		33%	45%	
	Absent	359	96	
		67%	55%	

CHAPTER 6

MULTI-LEVEL CONTEXTUAL PRESSURES AND IDENTITY VARIATION

Institutionalist scholars have long argued that organizational change is shaped by higher-order social structures. The immediate success and log-term sustainability of an organization, they posit, is influenced by its (mis)alignment with the context in which it operates. A large body of empirical research supports this tenet and illuminates the variety of distinct cultural, legal and normative pressures that shape organizational change over time depending on the field in which an organization operates (DiMaggio & Powell, 1983; Oliver, 1991; Oliver, 1992; Scott, 1995; 2001; 2008; 2013; Dacin, Goodstein, & Scott, 2002; Glynn & Abzug, 2002; Reay, & Hinings, 2005; Pedersen, & Dobbin, 2006; Schneiberg & Clemens, 2006; Ashworth, Boyne, & Delbridge, 2007; Suddaby, et. al, 2010). Recent work also highlights the importance of local community institutional context in shaping change processes (Marquis, Glynn, & Davis, 2007; Marquis & Battilana, 2009).

Building on this body of institutionalist research, Thornton, Ocasio and Lounsbury (2012) offer new insight into the manner in which institutional "logics" at multiple levels of analysis (i.e. local, field, societal) shape the unique and collective identities of organizational actors. An institutional logic is a "socially constructed, historical pattern of cultural symbols and material practices…by which individuals and organizations provide meaning to their daily activity, organize time and space, and reproduce their lives and experiences" (Thornton & Ocasio in Thornton, Ocasio, &

Lounsbury, 2012). The institutional logics perspective draws upon a core insight from research on networks to explain organizational and institutional change and variation: co-evolution. Organizational actors and the social structures in which they are embedded shape one another's development over time. Given that organizations are simultaneously embedded in both local communities and national fields and that institutional logics at both of these levels shape organizational identities, how does the interaction of local and field level context affect organizational change as it unfolds across an interconnected system? This study addresses this overarching research question by considering the effects of an environmental sea-change across an important field of organizations: the United Way system.

The United Way Worldwide is the umbrella organization for approximately 1800 local United Way organizations around the globe (United Way Worldwide). Each local United Way is a federated fund that coordinates large fundraising initiatives on behalf of social service nonprofits operating in a local geographic community. The United Way system receives more in private donations than any other nonprofit in the United States (Hall et al., 2013). All told, the system redistributes close to $4 billion each year, making it the most significant private funder of human services in many local communities across the U.S. (Hall et al, 2013; Gronbjerg et al., 1996). The United Way has accumulated several facets to its identity over time that are well-aligned with its traditional purpose and practice: the facets of (local) community problem solver, fiscal intermediary, and economic regulator. Workplace giving campaigns, employer sponsored fundraising initiatives, have traditionally been a key source of revenue for the United Way.

For over twenty years, however, practitioners and scholars have pointed out a transformation in workplace giving arena, including the ascendance of a new field-level logic that has important ramifications for the United Way system (Brilliant, 1990; Marx, 1997). Since the early 1980's, a number of alternative funds (federated funds focused on minority and women's issues, the environment, medical research, etc.) have formed, and have increasingly come to compete with the United Way in workplace giving campaigns (Barman, 2002; 2006). While the United Way system channels donations to human service nonprofits operating in local communities, alternative funds channel donations to nonprofits serving non-local populations, many of whom are engaged in advocacy as well as direct service provision.

Alternative funds thus reflect the collective identity of groups united in common purpose rather than by shared locale. In so doing, alternative funds have redefined the meaning of "community" in the context of workplace giving to encompass both place and purpose-based forms of collective identity (Barman, 2002; 2006). What is more, by legitimizing the use of advocacy in addition to direct service provision as a means of addressing community needs, alternative funds have expanded the repertoire of activities that could/should be funded by community members (Barman, 2002; 2006).

The new understandings of community and federated fund practice discussed above reflect a new dominant field-level logic shaping workplace giving. This logic venerates philanthropic pluralism, and action to address the root causes of social problems through advocacy and social change as opposed to treating the symptoms of a community problem by providing direct services on an ongoing basis. In turn, this new field-level logic corresponds to a new facet of federated fund identity: that of social

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change agent (Young, 2001; Brilliant & Young, 2004). This identity facet encompasses a collective identity based on shared purpose, and a strategic orientation geared toward pluralism, advocacy and social change.

One indicator of the ascendance of this new field-level logic is the fact that, as of 2009, as few as 25% of companies conduct traditional workplace giving campaigns focused solely on the United Way (Consulting Network cited in Lester, 2010). As the United Way Worldwide seeks to maintain its foothold in the workplace giving arena, it has therefore attempted to integrate this new logic and the associated identity facet of social change agent across its system through the Community Impact initiative (Paarlberg & Meinhold, 2011).

The Community Impact initiative is grounded in the traditional identity facets of the United Way: those of community problem solver, fiscal intermediary, and economic regulator. However, it also promotes the use of the new social change agent facet (Brilliant & Young, 2004; Gallagher, 2005; Young, 2001). Forthcoming research suggests that the Community Impact initiative has shaped both the grant allocation choices of local United Way organizations (Paarlberg & Moulick, forthcoming), as well as other strategic choices made by organizations across this nonprofit system (Paarlberg & Meinhold, 2011). Still, as voluntary members of the United Way system, local United Way organizations have room to adapt the tenets of the Community Impact initiative to align with their local operating context (United Way, 2016). This leaves room for individual United Way organizations to frame their organizational identity in different ways, emphasizing traditional or non-traditional identity facets, based on an assessment of their local environment.

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All together this makes workplace giving, and the identity-focused changes processes currently unfolding across the United Way system a particularly fruitful domain in which to examine the central research question of this study: how does the interaction of local and field level context affect organizational change as it unfolds across an interconnected system? The institutional logics perspective, with its emphasis on multi-level institutional systems, and their effect on unique and collective identities provides the theoretical backbone for this study. Textual data mining and social network analysis (SNA) techniques are used to analyze the effect of context on the use of identity facets in local United Way organizational purpose statements collected for a national workplace giving campaign.

By studying factors shaping the use of different identity facets by local United Way organizations this study contributes to our understanding of how organizations adapt to environmental change by incorporating new logics and identities into their core.   This paper begins by reviewing previous work on United Way adaptation in the arena of workplace giving in order to contextualize this research. The institutional logics perspective is then used to develop a number of testable hypotheses. The data and methodological approach used to test hypotheses are then described in detail. The paper concludes with a presentation of findings and a discussion of their implications for future research and practice.

Research on United Way adaptation in the workplace giving context

A number of scholars have studied nonprofit adaptation in the dynamic context of workplace giving (Provan, 1982; Brilliant, 1990; Marx, 1997; Cordes et al., 1999; Brilliant, 2000; Beene, 2001; Young, 2001; Barman, 2002; 2006a; 2006b; 2007; Brilliant

& Young, 2004; Paarlberg & Meinhold, 2011). Much of this work focuses on the United

Way's strategic response to increasing competition from alternative funds in workplace

giving campaigns. Existing research focused on United Way adaptation suggests that the

response of local United Way organizations to field-level change is mediated by local

contextual factors (Brilliant, 1990; Beene, 2001; Barman, 2002; 2006; Paarlberg &

Meinhold, 2011).

      For example, Barman (2002; 2006) posits that the volume of competition faced by

local United Way organizations (the sheer number of alternative funds competing for

workplace giving contributions in a local arena) does not in and of itself explain variation

in United Way strategic behavior. Local United Way organizations in both San Francisco

and Chicago face competition from a similar number of alternative funds; however, the

workplace giving arena in Chicago continues to be dominated by the traditional logic of

workplace giving, which emphasizes place-based community and direct service

provision, while the opposite is true in San Francisco. Barman concludes that variation in

the adaptive responses of local United Way organizations to increasing competition is a

result of the fact that dominant local logics differ across communities, shaping workplace

giving campaigns as well as federated fund practice in divergent ways.

      While the work of Barman and others makes valuable contributions to our

understanding of nonprofit adaptation in the context of workplace giving, it does not

specifically hone in on identity-focused organizational change. Other work, however,

suggests that identity-focused change across the field of federated funds, which includes

United Way organizations, suggests that the core identity facets of these organizations are

evolving in parallel to the changing conditions described earlier. Brilliant and Young

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(2004) draw upon organizational archives, websites, and data collected through interviews and participant observation to provide an account of the evolution of federated fund identity in the U.S. The authors describe five facets of federated fund identity, including the traditional facets of fiscal intermediary, economic regulator, community problem solver, as well as the non-traditional facet of social change agent. These identity facets are described in more detail in **Table 20**.

These identity facets are also reflected in the United Way's language of practice as in the following excerpt from a 2005 speech by Brian A. Gallagher, then CEO of United Way of America:

> "The new [Community Impact] Standards…reflect the organization's strategic shift from its traditional role as strictly a fundraiser…[with a] traditional service orientation…[Our] new mission [is] focused on identifying and addressing the long-term needs of communities…root causes, as well as system-level barriers and challenges."

Gallagher's statement illustrates use of both traditional and new facets of United Way identity and highlights the fact that, the Worldwide organization at least, is consciously incorporating the new dominant logic and its associated identity facet into its organizational core. It is unclear, however, how prevalent the use of the new identity facet of social change agent is across local United Way organizations. After all, existing research suggests that local conditions are important factors shaping the implementation of the Community Impact initiative at the community level. This review underscores the opportunity that the changes happening in the workplace giving arena provide to study the interaction of local and field-level context on identity-focused organizational change processes.

Theorizing the effect of context on identity facet usage

Traditionally, the generic management literature conceived of organizational identity as the central, distinctive, and enduring essence of an organization (Dutton & Dukerich, 1991; Hatch & Schultz, 1997). More recently however, scholars have argued that identity is actually fluid and adaptive (Gioa, Schultz, & Corley, 2000; Corley et al., 2006; Gioia et al., 2013, p 123). Some research also highlights the role of managers in shaping symbols of organizational identity in order to signal and catalyze organizational change on other dimensions (Gioia et al., 2013).

The institutional logics perspective links the dominance of certain field-level logics to the collective and unique identities of organizations across a field (Thornton, Ocasio, & Lounsbury, 2012). For example, Thornton et al. (2012) argue that organizational identities are embedded in one or more field-level logics, and that changes in identity often go hand in hand with shifts in these logics. This suggests that the identity of local United Way organizations will vary based on the interaction of the distinct combinations of local and field-level contexts in which they are embedded.

What is more, the institutional logics perspective anticipates that both field-level logics and collective identities are reflected in the language of practice, including the manner in which organizations describe their organizational purpose (Thornton, Ocasio, & Lounsbury, 2012). We would therefore expect that shared understandings of organizational identity will be reflected in the content of the descriptive purpose statements of local United Way organizations analyzed here.

Given that the organizational identity of each local United Way is embedded in a somewhat different nested contextual environment, we can expect that the descriptive

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purpose statements of organizations across the United Way system will differ in their use of the identity facets described earlier. In what way might we anticipate use of these identity facets to vary based on the interaction between local and field-level context?

The institutional logics perspective builds on a key insight of resource dependence theory (Pfeffer, & Salancik, 2003) and suggests that organizations are more likely to attend to and evolve in response to new logics when they notice changes in key resource streams (Thornton, Ocasio, & Lounsbury, 2012. Recall that the Community Impact initiative was designed to help the United Way respond to increasing competition from alternative funds for an important United Way revenue source: donations made during workplace giving campaigns. This suggests that local United Way organizations that face a higher level of competition will be more likely to seek to align themselves with the newly ascendant field-level logic by incorporating the identity facet of social change agent into descriptions of their organizational purpose. Also recall, however, that existing research by Barman (2002; 2006) suggests that the effects of resource competition on local United Way organizations are moderated by the degree to which the traditional logic of workplace giving that emphasizes place-based community and direct service provision continued to dominate the local context. How could one measure the enduring dominance of the traditional logic of workplace giving?

Local consolidation is one possible indicator of the enduring dominance of the traditional logic of workplace giving. A market is consolidated when a small number of organizations garner a large share of total revenue. In the case of workplace giving, a campaign is locally consolidated when a small number of local focused federated funds garner a large portion of donations compared to their national and international

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counterparts. Local United Way organizations that remain key players in locally

consolidated campaigns dominated by the traditional logic of workplace giving will be

most likely to use the traditional identity facets of *community problem solver*, *fiscal*

intermediary and *economic regulator.*

> **H1**: Local United Way organizations that operate in locally consolidated fields
>
> will have organizational purpose statements that reflect the traditional identity
>
> facets of community problem solver, fiscal intermediary and economic regulator.

In contrast, local United Way organizations that operate in less locally

consolidated fields are more likely to attend to, and to attempt to incorporate the newly

ascendant logic of workplace giving into their organizational core. As local United Way

organizations in less locally consolidated markets seek to align themselves with the

newly dominant field-level logic, they will be more likely to emphasize the new social

change agent facet of federated fund identity.

> **H2**: Local United Way organizations that operate in more competitive fields will
>
> have organizational purpose statements that reflect the identity facet of social
>
> change agent.

Finally, if local conditions are indeed mediating the effects of field-level pressures

to align with the new logic of workplace giving and adopt the new identity facet of social

change agent, then identity facet use will follow a geographic pattern. Local United Way

organizations that are geographically proximate are likely to be influenced by the same

local contextual pressures and logics. Thus, organizations that are geographically

proximate will have similar patterns of identity facet usage.

H3: Local United Way organizations will have organizational purpose statements that reflect the same identity facets as the organizational purpose statements of geographically-proximate peers.

Data

The data I use to test these hypotheses come from the 2011 and 2012 Combined Federal Campaign (CFC), the workplace giving campaign of the U.S. Federal Government. The CFC is one of the largest and most successful workplace giving campaigns in the world. According to the CFC webpage (OPM, 2014), the campaign's mission is "to promote and support philanthropy through a program that is employee focused, cost-efficient, and effective in providing all federal employees the opportunity to improve the quality of life for all." Each year, the CFC collects donations from federal civilian, postal and military personnel totaling millions of dollars. The campaign is organized into approximately 200 area campaigns geographically delineated along county lines, and covering the entire geographic are of the U.S.A. as well as its affiliated territories.

In order to be eligible to participate in the CFC, a nonprofit must have 501(c)(3) status and file an application that includes the 990 form it most recently filed with the IRS, as well as detailed information on its auditing, governance and program functions. To participate in a given area campaign, a nonprofit must also demonstrate a "substantial" program presence within the campaign's geographic boundaries. Nonprofits whose program presence is focused in a particular geographic area participate as local charities in one or more area campaigns; nonprofits whose programs are implemented across the geographic boundaries of many area campaigns participate in all area campaigns as national or international charities.

Alternative funds have gained more ground in public workplace giving campaigns than private workplace giving campaigns (Barman 2006). For example, regulatory changes in 1980, 1991, and 1995 expanded participation in the CFC to different types of alternative funds. This makes public campaigns such as the CFC particularly fruitful contexts in which to explore the effect of the ascendancy of the new logic of workplace giving on organizational identity-focused change. As of 2004, the Office of Personnel Management (OPM) reports that over 20,000 nonprofits worldwide currently participate in the CFC each year. At both the local and national levels, nonprofits have the option of participating in the CFC as either independent organizations, or as an affiliate of a particular federated fund.

Variable operationalization and methods

Text mining and social network analysis techniques are used to test the hypotheses developed above. Social network analysis (SNA) methods were developed to study patterns of relationships that were conceptualized as potentially interdependent (Wasserman & Faust, 1994). New methods were needed to study such patterns because those typically employed in quantitative social science studies assume actor independence (Wasserman & Faust, 1994). SNA techniques are applied in this study because they allow us to relax the assumption of independence. To be clear, while there is reason to think that organizational identity facet usage decisions *might* be interdependent, that is *not* the assumption that we are making here. The SNA technique used in this analysis simply relaxes the assumption of independence, and reverts back to a simple logit if no structural effects are present in the data.

There are two reasons why it is important not to assume independence in this case. First, organizations operating in close geographic proximity are likely to be shaped by the same field-level logics. These organizations may watch and imitate one another's behavior as they seek to align with their changing environment, thus introducing interdependence into the data generation process. Second, organizations may use certain combinations of identity facets more than others because their combined use, rather than the use of one or the other in and of itself, might be the best way to signal alignment with the dominant local logic. This kind of strategic behavior would also introduce interdependence. If such interdependence shapes data generation processes, then it is of interest, and we want to be able to detect it. Hence we employ methods that allow us to relax the assumption of independence.

In order to use a network model to study the use of different identity facets across organizations, two groups (or modes) of actors were conceptualized: organizations (local United Way organizations) and concepts extracted from descriptive organizational purpose statements. Local United Way organizations are linked to concepts if that concept appears in their descriptive organizational purpose statement. Organizations are not directly linked to one another. Similarly, concepts are not directly linked to one another. Vertices of the same node-type can only be linked through vertices of the opposite node-type.

Phase I: Identifying federated funds that participated in 2012 CFC area campaigns.
A database was acquired from the Office of Personnel Management office responsible for managing the CFC containing information on the 21,375 nonprofits that participated in the 2012 CFC as local organizations. The website of the United Way Worldwide (United

Way, 2016) was then scraped to create a database of local United Way organizations, their Employee Identification Numbers (EINs) and their operating addresses. EIN's were used to match local United Way organizations identified through the national website with organizations participating in the CFC. The OPM database was then mined through an iterative process to identify additional federated funds that participated in the CFC as local organizations. This process resulted in a database of 2012 CFC federated fund participation containing 860 unique funds, 710 of which were distinct local United Way organizations.

Phase II: Matching nonprofits to CFC area campaigns.

Using the description of area campaign boundaries available on the CFC website (OPM, 2014), a database containing all U.S. states, counties, and zip codes, and a combination of matching and hand-coding, a database of CFC area campaign boundaries by zip code was constructed. Federated funds that participated in the 2012 CFC were matched to area campaigns in two ways. First, United Way organizations were matched based on the zip code information scraped from the United Way Worldwide website. The area campaign participation of other federated funds was hand coded based on an examination of the information provided in the CFC database and on each fund's organizational website. This process resulted in a database of 2012 CFC federated fund participation by area campaign.

Phase III: Operationalizing local market consolidation.

Once fund participation across area campaigns was determined, a measure of local consolidation for each field (area campaign) was developed. First, recall that federated funds can participate in the CFC at either the local (one or more area campaigns) or the

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national/international levels (two or more area campaigns). The economic literature specifies a number of measures of market consolidation; one well-known measure is based on the sum of the individual market shares for the top four firms operating in a field. A market is highly consolidated when the top four firms control 80% of the market, consolidated when the top four firms control 50-80% of the market, and perfectly competitive when they control less than 50% of the market share. While it is not possible to calculate the market share for each individual federated fund participating in a given CFC area campaign based on the data at hand, it is possible to calculate the number of local (as opposed to national/international) federated funds competing in each area campaign, and the share of donations contributed to local (as opposed to national/international) funds and organizations by area campaign. Based on these data, it is then possible to use the thresholds detailed above to develop a proximate measure of whether or not a field (area campaign) was locally consolidated during the period in question. This process is explained in more detail below.

The volume of local federated fund competition for a given United Way was operationalized as the average number of local federated funds participating across all area campaigns in which the United Way in question was active in 2012 (exclusive of the local United Way itself). This measure was operationalized using data from the same period, since it was assumed that funds could reasonably gauge the number of local competitors in a given period.

Local donation share was operationalized using OPM data on the amount donated in the previous period (2011): it was assumed that local United Way organizations would struggle to gauge local donation share during an ongoing campaign, since results might

not be available until its conclusion. Local donation share for each area campaign was operationalized as the total dollars contributed to local funds and organizations divided by the total dollars collected for each area campaign. The local donation share for each United Way was operationalized as the average local donation share across all area campaigns in which the United Way in question was active.

The hypotheses presented earlier concern the level of local consolidation in the fields in which local United Way organizations operate. To test these hypotheses, standard thresholds used to operationalize market consolidation in the economic literature were used to set thresholds for local federated fund competition and local donation share. For a given United Way, if average local federated fund competition across area campaigns was four or fewer, then local federated fund competition level was coded as "low." Conversely, if average local federated fund competition across area campaigns for a given United Way was greater than four, then local competition level was coded as "high." For a given United Way, if average local donation share across area campaigns was 50 percent or more, then local donation share level was coded "high." If the average local donation share across area campaigns was less than 50, then local donation share level was coded "low." Local consolidation was operationalized using the four distinct combinations of these two level variables: 1) high competition and high share, 2) high competition and low share, 3) low competition and high share, and 4) low competition and low share. A visual representation of this variable operationalization process is presented in **Figure 1**. Descriptive statistics for each of the variables described in this section are included in **Table 20**.

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Phase IV: Operationalizing identity facets and peer influence.

In order to participate in the CFC, nonprofits are required to provide a 25 word description of their organizational purpose. These statements of purpose are then made available by the CFC, in print and on-line, so that potential employee donors can make an informed decision about how to allocate their contribution. The organizational purpose statements associated with local United Way organizations that participated in the 2012 CFC were used to operationalize the identity facets described by Brilliant and Young (2004).

First, United Way observations that did not include a statement of purpose were dropped, resulting in a final set of 710 local United Way organizations. Then all statements were spell-checked and cleaned to remove non-alphabetical characters, filler/stop words such as "a" or "the", punctuation and blank space. The remaining words were stripped down to their stems in order to create as much linguistic consistency across the statements as possible (e.g. "funding" and "funds" would become "fund"). A term-document matrix was then created, which counts the number of times each concept (term) appears in each organizational purpose statement (document). Bearing in mind the identity facets described by Brilliant and Young (2004), as well as descriptions of traditional and non-traditional United Way identity as described by the United Way Worldwide (Gallagher, 2005; United Way, 2001), the matrix was examined, and 39 concepts were identified and coded as associated with a particular United Way identity facet (see **Table 20**).

This process resulted in a final term-document matrix of 39 concepts used in the organizational purpose statements of 710 local United Way organizations. These data

were used to generate a bi-modal "network" (one with two different types of nodes) that could be analyzed using SNA techniques. The analysis process is further detailed in the following subsection.

To further test for the influence of local context on identity facet sue, a measure of the number of concepts concurrently used by geographically proximate United Way organizations was also developed. The addresses for all United Way organizations participating in the 2012 CFC were first geo-coded. Using these geo-codes, a distance matrix was created to measure the number of miles separating local United Way organizations across the country. This distance matrix was then used to identify the three most geographically proximate peer organizations for each local United Way. A matrix was then created containing information on the concurrent use of each term for the set of first, second, and third most proximate peers for each local United Way; the matrix row for a given United Way contained the total number of peers who used each of the 39 concepts listed in **Table 20**. This peer concept-usage matrix was then used to assign a weight to all links in the organization-concept network. For example, a United Way that included the concept "fund" in their purpose statement would be linked to the concept "fund" in the network; this link would have the weight "3" if all three of that United Way's proximate peer organizations also used the concept "fund" in their organizational purpose statements. The model used to analyze these data is described in more detail in the next section.

Phase V: ERGM

In order to test hypotheses on local United Way identity facet use, an Exponential Random Graph Model (ERGM) was fit. ERGMs provide a method for making statistical

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inferences about ties between nodes in a network while taking into account the influence

of network structure (characteristic patterns of linkages between dyads and/or sets of

actors) as well as actor attributes (Robins et al., 2007a; 2007b). Given that ERGMs give

the probability of the presence or absence of a tie (a binary variable), they are logit

models that include network configuration statistics to account for interdependence

between ties. An ERGM is used here because links (the dependent variable) between

United Way organizations and concepts may be interdependent and it is therefore best to

relax the assumption of independence. If no interdependence between links is detected,

then the model reverts to a simple logit. The specification of the most appropriate ERGM

is based on assumptions regarding the dependencies of link-variables. Stochastic

simulation is then used to determine the probability distribution of the set of networks

with the same characteristics as the network of interest. Based on this probability

distribution, one can then infer the likelihood that the observed network occurs by

chance.

Recall that organizational use of terms associated with different identity facets

was operationalized as the bi-modal organization concept "network" described in Phase

IV. A United Way is connected to a given concept if that concept was used in the

organizational purpose statement of that particular United Way. Each United Way node

is associated with a number of variables: average local competition, average donation

share, local competition level, local share level, and market consolidation. Each concept

node is associated with an identity facet (community problem solver, social change agent,

fiscal intermediary, or economic regulator) as specified in **Table 20**. Summary statistics

for all variables are displayed in **Table 19**.

The ERGM form used for analysis includes parameters for network configurations based on bi-modal tie dependencies. Bi-modal data have specific characteristics that must be taken into account since links are only possible between nodes from different groups. In this case, for example, organizations can only be connected to concepts, and vice-versa. Several network configurations were identified that could be used to operationalize the tie dependencies predicted by hypotheses **H1** and **H2**. These are identified in **Table 21**, along with several other network parameters that were added to the ERGM to enhance goodness of fit.

For example, based on **H1**, the two-star configuration in which two different United Way organizations operating in locally consolidated fields (low competition – high share) use the same community problem solver concept is expected to occur more often than by chance in the network. If this configuration is characteristic of the network then it would suggest that United Way organizations operating in contexts that are similarly consolidated tend to use the same identity facets in their purpose statement. Based on **H2**, the low incidence of two-star configurations in which a single United Way organization operating in a less consolidated field (i.e. high competition – low share) is connected to a traditional identity facet term and a social change agent term is also expected to characterize the network. Other configurations expected to characterize the network are similarly listed in **Table 21**.

Network configurations that characterize an observed network may in part be theorized in advance in order to test hypotheses, however, additional configurations characteristic of the network may also be identified through trial and error using measures of fit. This process is unavoidable and important because the validity of

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ERGM findings are based on the degree to which the simulated networks are derived from the same universe of networks as the observed network. Configurations added to the final model for goodness of fit are identified as such in **Table 21**.

Monte Carlo Marcov Chain (MCM) diagnostic plots for this model were examined but are not presented here. Visually, MCMC diagnostic plots should present stationary, well-mixed chains. In this case, a visual inspection of the diagnostic plots indicates that the specification of the final model used for analysis is a good fit. After an ERGM is fit, statistics from a sample of networks simulated based on the model should be compared to the observed network to determine goodness of fit. The results of the goodness of fit diagnostic for the final model are presented in **Table 23** (p-values closer to 1 are desirable). An inspection of **Table 23** indicates that this model produces simulations that are a good fit for the observed network characteristics including those used to text hypotheses.

Findings

Table 22 presents the coefficients for network statistics, and their associated standard errors. Like log-linear models, ERGM coefficients are log-odds ratios. To interpret these results, we begin by considering the statistic for the number of edges in the network, which is equivalent to an intercept in a standard logit model. In this case, the coefficient for the number of edges statistic is equal to -2.57, meaning that the log-odds of any random new tie occurring is less than we would expect to occur by chance. This result reflects the fact that the ties in the network are sparse considering the number of possible ties that could occur across the network.

H1 predicts that local United Way organizations that compete for donations in more locally consolidated fields will have organizational purpose statements that reflect the traditional identity facets of *community problem solver*, *fiscal intermediary* and *economic regulator*. This hypothesis is tested in part using a two-star network configuration in which two United Way organizations operating in locally consolidated fields use the same community problem solver concept. This configuration is found to be positively and significantly associated with the log-odds of forming a new tie, meaning that it occurs more often than by chance across the network, which provides support for **H1**. The fact that the log-odds of forming a new tie decreases when that tie would link a United Way operating in a high competition – low share market to two traditional identity facets (fiscal intermediary concept and a community problem solver) provides further support for **H1**. Finally, we find that the log-odds of forming a new tie decreases when that tie would link a United Way operating in a more competitive market to one traditional identity facets and the new facet of social change agent. This also provides support for **H1.** However, we also find that a two-star centered on a United Way operating in high competition – low share market with links to two traditional identity facet concepts (one economic regulator and one fiscal intermediary) is more likely to occur than by chance. This finding contradicts **H1** in that it suggests that United Way organizations operating in the least locally consolidated markets (high competition – low share) are framing their identity in line with the traditional logic of workplace giving.

H2 anticipates that local United Way organizations that compete for donations in less consolidated fields will have organizational purpose statements that reflect the identity facet of *social change agent*. This hypothesis is tested using several two-star

network configurations identified in **Table 22**. We find support for **H2** in that: 1) a two-star where two United Way organizations operating in high competition – low share markets use the same social change concept is more likely to occur than by chance; and 2) two-star configurations where a United Way operating in a more competitive market uses one social change concept and either an economic regulator or fiscal intermediary concept is less likely to occur than by chance. Overall these findings provide support for **H2**.

H3 predicts that Local United Way organizations will have organizational purpose statements that reflect the same identity facets as the organizational purpose statements of geographically-proximate peers. These results suggest that the identity facet use of geographically close peers is positively and significantly associated with the identity facet use of focal United Way organizations. While these results should be interpreted with caution, they seem to suggest that local United Way organizations across the U.S. may be using different identity facets than in the past depending on the level of local field consolidation that characterizes their operating environment.

Discussion and conclusion

These findings suggest that local United Way organizations across the country are framing their organizational identity in different ways, and that identity facet use is associated with the characteristics of the local community in which each organization operates. While this study is cross-sectional, based on a comparison with previous research comparing use of the traditional identity facets of the United Way to that of the newer facet of social change agent (Young, 2001; Brilliant & Young, 2004) these findings suggest that at least some local United Way organizations may have used

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different identity facets in the past. Together this suggests that local United Way organizations are also integrating the new identity facet of social change agent in line with a new field-level logic of workplace giving. Both local and field level logics thus appear to shape the identities of local United Way organizations.

These findings have a number of practical and theoretical implications. For practice, this study suggests that leaders of large organizations may be wise to allow for some local variation and contextualization when seeking to implement large-scale identity-focused change. By allowing for identity localization, leaders can help ensure that local affiliates can align with dominant local logics and cultivate legitimacy in the eyes of the communities they serve. Organizations in communities dominated by traditional logics can continue to emphasize traditional facets of their identity, while those that function in areas where new logics are ascendant can emphasize newer identity facets.

In terms of theoretical implications, the major finding of this study is that future research on organizational change should consider identity-focused change as a change facet worthy of examination. Future work should consider identity facet use and other operationalizations of identity-focused change across organizational fields other than the United Way system. This study is cross-sectional. Future research using longitudinal data could hone in on the co-evolution processes that may be driving identity-focused change.

This research is a first step in examining identity-focused organizational change by applying SNA techniques to textual data. Like any research, the analysis presented here has a number of limitations. First of all, the data used for this study are archival, and

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may contain human and computer errors. To be fair, however, archival data also have a number of strengths, however, including their capacity to capture the actual behavior of organizational actors making strategic choices with concrete ramifications.

Second, the CFC is an outlier compared to other workplace giving campaigns in terms of geographic scope (again, this is also a strength), as well as level of employee and nonprofit/federated fund participation. However, although the CFC was a forerunner in opening up participation to alternative funds and independent nonprofits, this increase in competition in the CFC reflects a broader trend across public and private workplace giving campaigns in the U.S. In this sense, it is actually beneficial that alternative fund participation in the CFC may be somewhat higher that in the workplace giving campaigns of private firms because CFC data reflect changes still unfolding in the broader environment. Thus, while these data have certain issues, overall their strengths outweigh their limitations for this study.

This study bridges the literature on institutional logics and workplace giving to examine how the interaction of local and field level context affect organizational change as it unfolds across an interconnected system. This study contributes to the growing body of work in the institutional logics vein by examining some of the perspective's key tenets regarding logic-identity alignment across multiple levels of analysis. It also contributes to the literature on workplace giving. As previously mentioned, only a few scholars have studied nonprofit adaptation in the context of workplace giving (Provan, 1982; Brilliant, 1990; Marx, 1997; Cordes et al., 1999; Brilliant, 2000; Beene, 2001; Young, 2001; Barman, 2002; 2006a; 2006b; 2007; Brilliant & Young, 2004; Paarlberg & Meinhold, 2011). Many of these are in-depth studies of a limited number of organizations or local

fields; in contrast, this study uses data from local fields across the United States. Finally, by examining textual data using SNA techniques, this study makes a methodological contribution while increasing our understanding of identity-focused organizational change.

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Table 19: ERGM Summary Statistics

	Min	**Max**	**Mean**	**N**
United Way Variables				
Local federated fund competition (Continuous)	1	43	18.16	710
Local competition level (Categorical)	High (> 4)			672
	Low (≤ 4)			38
Local donation share (Continuous/ Percentage)	9.71	83.46	43.56	710
Local share level (Categorical)	High (≥ 50)			171
	Low (< 50)			539
Local market consolidation (Categorical)	High competition – High share			153
	High competition – Low share			519
	Low competition – High share			20
	Low competition – Low share			18
Concept Variables				
Identity facet (Categorical)	Trad problem solver			12
	Fiscal intermed			11
	Econ reg			6
	Social change			10
UW-Concept Link Weights				
UW Peer concept Usage (Integer)	0	3		2486
Network Statistics				
Nodes – UW				710
Nodes – Concepts				39
Nodes – Total				749
Links – UW	0	10	3.706	2486
Links – Concepts	10	346	67.46	2486
Links - Total				2486

Table 20: Identity Facets and Associated Concepts

Identity Facet	Description	Concept Stems	
Community problem solver (Comm problem solver)	Identifies and addresses basic needs and solve community problems. Prioritizes and coordinates efforts of local nonprofits to ensure access to programs and services. Promotes local programs and services. Refers clients to local organizations (e.g. 211 hotline).	"address" "basic_need" "coordin" "identifi" "need" "priorit" "problem" "program" "promot" "servic"	"solut" "refer"
Fiscal intermediary (Fiscal intermed)	Serves as community fund. Leads annual fundraising drive. Collects and distributes/reallocates donations/resources to local nonprofits.	"alloc" "annual" "campaign" "charit" "contribut" "donat" "distribut" "financ"	"fund" "fundrais" "gift"
Economic regulator (Econ reg)	Regulates quality of member organizations. Helps ensure efficient and effective services for community.	"impact" "effect" "effici" "measur" "qualiti" "member_agenc"	
Social change agent* (Social Change)	Collaborates/Partners with network of organizations to create lasting change. Measures and makes decisions based on long-term outcomes. Builds community. Mobilizes and engages individuals. Advocates for systemic change.	"advoc" "network" "build" "mobil" "chang" "creat" "collabor" "engag" "partner" "lasting"	

*Non-traditional identity facet

Table 21: Description of Fitted ERGM Statistics

Network Statistic	Purpose (sign)	Description
Identity Facets emphasized by two UW's		
Two-stars centered on Comm problem solver nodes	H1 (+)	Statistic equal to census of Comm problem solver nodes linked to two UW's in locally consolidated fields (Low competition – High share)
Two-stars centered on Social change nodes	H2 (+)	Statistic equal to census of Social change nodes linked to two UW's in competitive fields (High competition – High share)
Two-stars centered on Social change nodes	H2 (+)	Statistic equal to census of Social change nodes linked to two UW's in competitive fields (High competition – Low share)
United Way organizations linked to two different Identity Facets		
Two-stars centered on UW in competitive field (High competition – High share)	H1 & H2 (-)	Statistic equal to census of High competition – High share UW nodes linked to both an Econ reg and Social change node
	H1 (-)	Statistic equal to census of High competition – High share UW nodes linked to both a Fiscal intermed and Comm problem solver node
Two-stars centered on UW in competitive field (High competition – Low share)	H1 (-)	Statistic equal to census of High competition – Low share UW nodes linked to both an Econ reg and Fiscal intermed node
	H1 & H2 (-)	Statistic equal to census of High competition – Low share UW nodes linked to both an Econ reg and Social change node
	H1 & H2 (-)	Statistic equal to census of High competition – Low share UW nodes linked to both a Fiscal intermed and Social change node
	H1 (-)	Statistic equal to census of High competition – Low share UW nodes linked to both a Fiscal intermed and Comm problem solver node
Link weight statistics		
Link weights based on Peer concept usage matrix	H3 (+)	Statistic equal to sum of weights for all links appearing in network
Other statistics		
Number of edges	fit	Statistic equal to number of edges in network Equivalent to intercept in a logit model
Geometrically-weighted degree distribution for Organization nodes	fit	Statistic equal to geometrically-weighted degree distribution for UW nodes with fixed decay parameter of 0.4 (the degree of a node is the number of links associated with that node) Facilitates model convergence
Local competition	control	Main effect of average local federated fund competition across area campaigns where UW organization is active
Local donation share	control	Main effect of average local donation share across area campaigns where UW organization is active

Table 22: ERGM Results

		Purpose (sign)	Coefficient (Std. Error)
Identity Facets emphasized by two UW			
Comm Problem Solver nodes linked to	Two UW's in locally consolidated fields	H1 (+)	0.122 *** (0.030)
Social change nodes linked to	Two UW's in competitive fields (High competition – High share)	H2 (+)	0.008 (0.007)
Social change nodes linked to	Two UW's in competitive fields (High Competition – Low Share)	H2 (+)	0.008 *** (0.001)
United Way organizations linked to two different Identity Facets			
UW in competitive field (High competition – High share) linked to	Econ reg and Social change	H1 & H2 (-)	-0.364 * (0.144)
	Fiscal intermed and Comm problem solver	H1 (-)	0.043 (0.053)
UW in competitive field (High competition – Low share) linked to	Econ reg and Fiscal intermed	H1 (-)	-0.167 * (0.066)
	Econ reg and Social change	H1 & H2 (-)	-0.250 *** (0.076)
	Fiscal intermed and Social change	H1 & H2 (-)	-0.368 *** (0.051)
	Fiscal intermed and Comm problem solver	H1 (-)	0.157 *** (0.031)
Link weight statistics			
Link weights based on Peer concept usage matrix		H3 (+)	0.900 *** (0.029)
Other statistics			
Number of edges		fit	-2.57 *** (0.119)
Geometrically-weighted degree distribution		fit	-0.317 + (0.188)
Local competition		control	-0.000 (0.002)
Local donation share		control	-0.001 (0.002)

Significance. codes: 0 '***' 0.001 '**' 0.01 '*' 0.05 '+'
Null Deviance: 38386 on 27690 degrees of freedom
Residual Deviance: 15620 on 27676 degrees of freedom
AIC: 15648   BIC: 15763   (Smaller is better.)

Table 23: ERGM Goodness of Fit based on Comparison with Simulated Networks

		Obs	Mean	MC p-value
Identity Facets emphasized by two UW				
Comm Problem Solver nodes linked to	Two UW's in locally consolidated fields	98	99.89	0.900
Social change nodes linked to	Two UW's in competitive fields (High competition – High share)	845	826.5	0.760
Social change nodes linked to	Two UW's in competitive fields (High Competition – Low Share)	10076	10131.7	0.940
United Way organizations linked to two different Identity Facets				
UW in competitive field (High competition – High share) linked to	Econ reg and Social change	33	34.31	0.840
	Fiscal intermed and Comm problem solver	187	187.14	0.920
UW in competitive field (High competition – Low share) linked to	Econ reg and Fiscal intermed	151	150.32	1.000
	Econ reg and Social change	128	129.93	0.980
	Fiscal intermed and Social change	283	282.42	0.980
	Fiscal intermed and Comm problem solver	771	764.95	0.900
Link weight statistics				
Link weights based on Peer concept usage matrix		1644	1650.93	0.9
Other statistics				
Number of edges		2486	2482.26	0.900
Geometrically-weighted degree distribution		1032.803	1033.055	0.980
Local competition		44689	44628.4	0.920
Local donation share		108222	108072	0.960

Figure 3: Operationalizing Local Market Consolidation

Local Share of Donations

	Low (< 50%)	High (≥ 50%)
Low (≤ 4)	**Competitive Field**	**Locally Consolidated Field**
High (>4)	**Competitive Field**	**Competitive Field**

Local Competition for Donations

CHAPTER 7

CONCLUSION

This dissertation concentrated on identity-focused organizational change, a research

domain that can enhance our understanding of topics including: the stability/malleability

of organizational identity, the strategies managers use to balance competing pressures

favoring either change or stability in organizational identity over time, and the long-term

implications of identity-focused change for organizational legitimacy and performance.

In order to formulate hypotheses related to these topics I drew on insights from various

theories of organizational change (most notably the institutional logics perspective),

research on organizational identity, and the workplace giving literature. To test these

hypotheses I relied on longitudinal data from the Combined Federal Campaign, the

workplace giving campaign of the US Federal government. I employed a variety of

analytical methods including: logistic regression, textual data minding, naïve Bayes

classification, and social network analysis techniques. Each chapter of this dissertation

examined identity-focused change in the workplace giving arena from a slightly different

vantage point.

The fourth chapter of the dissertation considered fund affiliation as a strategy for

signaling organizational alignment with distinct collective identities and their associated

communities. In the context of workplace giving, federated funds are frequently

organized around specific communities and function as organizational networks that

provide both material and symbolic benefits to nonprofit affiliates. Nonprofits now have

more federated fund affiliation options than ever before in unified campaigns, which prompts the following research questions: 1) How common is it for nonprofits to diverge from past fund affiliation decisions? 2) Is fund affiliation switching driven by material or symbolic resource considerations? I addressed these questions by examining patterns in nonprofit fund affiliation choices over time. I find that nonprofit fund affiliation decisions are strongly associated with symbolic resource considerations. For example, nonprofits tend to affiliate with purpose-based funds that help them signal alignment with specific communities and collective identities, as opposed to opting to affiliate with generic funds or to participate in unified campaigns as independent organizations. What is more, when a nonprofit affiliates with a purpose-based fund they are likely to maintain their fund affiliation status over time. In contrast, nonprofits that affiliate with generic funds or participate in unified campaigns as independent organizations in one period seem to be more likely to make different fund affiliation choices in subsequent periods, and to base these decisions on the perceived financial, as opposed to symbolic, benefits associated with different fund affiliation options. All in all this suggests that despite the sea change unfolding in the workplace giving arena, nonprofit fund affiliation choices continue to be shaped by an enduring logic of community identification.

In the fifth chapter of the dissertation I examined the multifaceted nature of identity across a national organizational field: the United Way system. This study builds upon existing research suggesting that multiple facets to the collective identity of federated funds like the United Way have emerged over time (Brilliant & Young, 2004; Young, 2001). To conduct this research, I used longitudinal data including the content of descriptive organizational purpose statements and machine learning to ask: 1) What

facets of federated fund identity are in use across the United Way system in the United

States? 2) Is there geographic or temporal variation in the use of these different identity

facets as local United Way organizations seek to align their distinct organizational

identity with changing environmental conditions? 3) Does this geographic and temporal

variation suggest that the identity claims made by local United Way organizations are

shaped both by implementation of Community Impact at the national level and by the

local institutional environment in which these organizations operate? The findings from

this study provide preliminary evidence that contextual pressures at the local, regional

and national levels of analysis shape the identity claims made by organizations across an

interconnected field, leading in this case to geographic and temporal variation in

organizational identity across the United Way system.

In the sixth chapter of this dissertation, I built on the descriptive analysis

presented in chapter five to examine in more detail how the interaction of local and field

level context affects organizational change as it unfolds across an interconnected system.

The institutional logics perspective conceptualizes organizations as actors embedded in

both local communities and higher-level fields; the identity and practice of actors at these

different levels may be shaped by different institutional logics. Individual United Way

organizations may choose to emphasize different facets of their collective federated fund

identity in order to better fit with both the national and/or local context in which they

operate. While this study is cross-sectional, a comparison of current and historical

identity facet usage across the United Way system (Young, 2001; Brilliant & Young,

2004) suggests that some local United Way organizations have indeed incorporated the

new facet of social change agent into their organizational identity. The findings from this

study also suggest, however, that local United Way organizations are framing their identity in different ways depending on the local institutional environment in which they operate. Identity facet usage varies depending on the characteristics of the local community in which each organization operates despite pressure across the national field to align with the newly ascendant logic of workplace giving. Both local and national field logics thus appear to have shaped the identities of local United Way organizations during the period of study.

The research summarized above has a number of limitations. Most significantly, all of the research presented here is based on a few years' worth of archival data from a single workplace giving campaign. Like all archival data, that used to conduct this research may contain human recording or mathematical errors. Findings based on these data may have limited temporal generalizability given that different factors may be more significant in shaping identity-focused change processes in earlier or later periods that are outside the scope of this research. These findings may also have limited generalizability in that the CFC is an outlier when compared to other workplace giving campaigns in terms of its geographic scope and level of employee and nonprofit/federated fund participation. CFC data, however, also have a number of unique strengths that have been discussed throughout this dissertation.

Among these strengths are the fact that these data come from distinct geographic area campaigns conducted over time, and thus facilitate the study of variance across time and space on a number of dimensions. Also, since the CFC is a relatively "closed" campaign that forbids nonprofits from engaging in supplemental marketing to employees, the organizational purpose statements published in the official charity registry and

grouped by federated fund affiliation are a significant means of signaling to potential donors; if nonprofits are engaging in identity framing in the CFC, their strategic behavior will be reflected in these archival data. As a result of the strengths of these data, insights from the theories of organizational change that undergird this research, and the methodological approaches used in the empirical chapters of this dissertation, the work presented here makes a number of contributions.

As stated earlier, research such as that presented in this dissertation gets to the heart of a number of current debates in the literature at the intersection of organizational change and identity. As originally conceived, identity was understood to be a relatively stable organizational attribute (Albert & Whetton, 1985). Indeed, scholars argued that identity enhanced organizational legitimacy to the degree that it endured over time, providing stakeholders with a sense of continuity and security (Albert & Whetton, 1985; Gioia et al., 2013). More recent empirical work, however, suggests that while organizational identity is continuous in nature it can also be used as an important symbol to build support for changes in organizational practice, and a significant dimension on which change unfolds in its own right (Gioa, Schultz, & Corley, 2000; Ravasi & Schultz, 2006; Boin et al, 2016). Empirical research also suggests that the new identity claims that organizations can successfully make are constrained in that they must be perceived by internal and external stakeholders as legitimate; they must align with both the standards and norms of an organization's operating environment as well as its internal culture (Dutton & Dukerich, 1991; Humphreys & Brown, 2002; Pedersen, & Dobbin, 2006). This emerging body of work at the intersection of organizational adaptation and identity contributes a great deal to our understanding of identity-focused change.

However, across many of these recent studies the processes used to formulate and legitimize new identity claims and the manner in which these processes are both constrained and enabled by an organization's operating environment are often under-theorized.

The institutional logics perspective has begun to fill this theoretical gap by integrating key insights on co-evolution and actor embeddedness from the organizational networks literature with research on frame alignment processes from the social movements tradition and core tenets of neo-institutionalism. Specifically, Thornton, Ocasio, and Lounsbury (2012) posit that organizational identities are embedded in nested institutional environments (e.g. local, regional, national) that are dominated by one or more logic; actors can exploit shifts in the dominant logics at one of more of these nested levels to legitimize new identity claims. The research presented in this dissertation empirically examines and finds support for aspects of the institutional logics perspective.

First, the chapter on fund affiliation switching supports the idea that the dominant logics shaping an organizational field both evolve and endure over time; in this case, the community identification logic undergirding nonprofit fund affiliation choice has persisted over time even as the meaning of "community" has changed from place to purpose-based collective identification. The chapter examining identity facet usage over several years across the United Way system suggests that the distinct identities of local organizations reflect both traditionally dominant and newly ascendant institutional logics, providing further support for the idea that logics both persist and evolve over time. The final empirical chapter on the association between contextual factors and identity facet usage suggests that the identities and practices of organizational actors are shaped by the

institutional logics that dominate at both the local and national context in which they are embedded. Overall, this dissertation therefore indicates that the institutional logics perspective is a fruitful theoretical lens through which to examine identity-focused organizational change.

In addition, this dissertation highlights the need for future research using the institutional logics perspective to examine: 1) the co-evolution of dominant logics and distinct/collective organizational identities over time, and 2) the effect of variation in the dominant logics of nested institutional environments (local, nation, transnational) on organizational identity. For example, in chapter 2 on this dissertation I offered an anecdotal example of an organizational field, that populated by environmental advocacy organizations, in which a new identity claim was made and eventually legitimized as a new facet to the collective identity of organizations across the field. The field of environmental advocacy organizations may thus be a fruitful context in which to further examine the process by which new facets of collective identity are incorporated into collective organizational identity over time, as well as the manner in which both national and local context shapes usage of newly legitimized facets of collective identity.

Finally, this dissertation contributes to the development of the institutional logics perspective by distinguishing a number of identity framing strategies that organizations may employ to legitimize identity claims grounded in dominant logics. For example, organizations may import collective identities and language associated with the dominant logics of other fields (Thornton, Ocasio, & Lounsbury, 2012) as alternative funds were able to do in the context of workplace giving. Organizations can also leverage the various facets of collective organizational identity that have accumulated over time in

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their own organizational field to legitimize identity claims. Finally, they may use network affiliation to signal alignment with distinct collective identities and communities. Future theoretical work should continue to in this direction by distinguishing and classifying additional identity framing strategies.

In addition to contributing to the discussion of the malleability/stability of organizational identity, another debate in the literature on organizational identity addressed by this dissertation relates to the conceptualization of identity as either multifaceted or singular (Corley et al., 2006; Gioia et al., 2013). The research presented here suggests that organizational identity is indeed multifaceted. Future research should go farther in examining the complex nature of organizational identity. For example, are there limits to the number of identity facets aligned with dominant logics that an individual organization can claim and still remain legitimate in the eyes of important stakeholders? Organizations may emphasize different identity facets to different groups of stakeholders. Are there limits to this kind of identity framing even when each of the identity facets aligns with dominant logics? Research at the individual level posits that identities are hierarchical. Is this true for organizations as well? What factors shape an organization's hierarchy of identities? These are only a sample of the questions that could be examined in future research on the multifaceted nature of organizational identity.

Thus far I have primarily discussed the contributions that this dissertation makes to the field of organizational theory, however, it also makes a number of contributions to the field of nonprofit studies. First of all, this dissertation illustrates the utility of applying the institutional logics perspective to the study of nonprofit organizations.

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While scholars have already begun to apply this relatively new theoretical lens to the study of nonprofit and voluntary organizations (for example see Hammack & Heydemann, 2009; Garrow & Hasenfeld, 2014), additional research opportunities abound. For example, as Hammack and Heydemann (2009) have pointed out, the institutional logics perspective offers an alternative theoretical lens through which to examine cross-national variation in the nonprofit and voluntary sector. Future research should continue in this vein. An interesting trajectory for future research could be to apply the institutional logics perspective to the examination of service and/or advocacy organizations that operate in various countries in order to examine the effect of nested institutional environments and their dominant logics on organizational identity and practice over time.

Second, the institutional logics perspective also offers a valuable framework for examining the interplay of philanthropic choice and collective identities at both the individual and organizational levels of analyses. Bekkers & Wiepking (2010; 2011; 2012) have identified a number of individual level philanthropic mechanisms, many of which are likely shaped by the degree to which an individual's identity aligns with the organizational identity of a given nonprofit. As this dissertation makes clear, nonprofits appear to engage in identity framing in order to signal alignment with particular collective identities and identity facets in order to mobilize the support of individual members of a given community. While this dissertation focuses specifically on the arena of workplace giving, it thus offers a window into broader trends in philanthropy. Future research should continue to leverage the theoretical insights of the institutional logics

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perspective to study the relationship between individual and organizational identity, nonprofit identity framing, and philanthropy.

Thirdly, as this dissertation has illustrated, the institutional logics perspective could be helpful in understanding the relationship between identity-focused nonprofit change and organizational legitimacy. As mentioned earlier, legitimacy is critical for nonprofit organizations and is often intimately linked to form and organization-based nonprofit "distinctiveness" (Hansmann, 1980; Rose-Ackerman, 1996; Herman & Renz, 1997; 1999; Campbell, 2002; Eikenberry, & Kluver, 2004; Steinberg, 2006; Gronbjerg & Salamon, 2012; Kearns, 2012; Young, Salamon, & Grinsfelder, 2012). Future research should respond to the call for more work focused on nonprofit identity by examining the evolution of dominant logics, identity-focused change, and the effect of such environmental and organizational change on legitimacy (Young, 2001; Brilliant & Young, 2004).

This dissertation also makes a methodological contribution by leveraging recent advances in social network analysis techniques and machine learning to analyze textual data documenting organizational identity claims over time. In order to conduct the kinds of research described above, scholars should continue to apply these or similar methods to examine changes in the language used to describe and contest identity claims across organizational fields over time.

Finally, these findings make a practical contribution. Nonprofit organizations operate in an environment marked by competing stakeholder priorities, increasing competition, and constant policy change which often lead to organizational change (Herman & Renz, 1997; Frumpkin, 2002; Salamon, 2003; 2012). Research into identity-

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focused organizational change such as that presented here is relevant to nonprofit managers attempting to balance the survival imperative to adapt with the nonprofit-distinctiveness imperative to maintain a stable identity over time (Salamon, 2003; 2012) What is more, given the size and scope of services provided by the nonprofit sector, such research thus also has implications for the individuals and communities that benefit from the work of the nonprofits and federated funds that rely on unified fundraising to continue to operate.

In conclusion, it is my sincere hope that the work presented in this dissertation illuminates the opportunity for future research on identity-focused organizational change, the viability of machine learning and social network analysis techniques to the examination of textual data reflecting organizational identity and practice, the utility of the institutional logics perspective to the study of nonprofit organizations, and the importance of the nonprofit sector to place and purpose-based communities across the United States.

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Table 24: Dissertation Research Questions, Hypotheses, Methods, and Results

Research Questions	Hypotheses & Findings	Methods
Chapter 4: Network Affiliation Switching as Evidence of Identity Framing		
Descriptive & Study of Associations: 1) How common is it for nonprofits to diverge from past fund affiliation decisions? 2) Is fund affiliation switching driven by material or symbolic resource considerations?	H1: Nonprofits will affiliate with funds that signal alignment with the community of purpose most closely connected to their organizational identity. SUPPORTED H2: The financial benefits associated with past fund affiliation decisions will shape future nonprofit fund affiliation choices. SUPPORTED for high power nonprofits affiliated in period one with any type of fund, and for low and medium nonprofits affiliated with generic funds or participating as independent organizations. H3: Nonprofits are more likely to maintain their current affiliation regardless of the level of associated financial benefits it entails if they are currently affiliated with a purpose-based fund. SUPPORTED H4: Nonprofit power will meditate the effect of financial concerns on nonprofit fund switching decisions. SUPPORTED	• Chi-squared tests of independence • Logistic regression

Table 24: Dissertation Research Questions, Hypotheses, Methods, and Results (cont.)

Research Questions	Hypotheses	Methods
Chapter 5: Variation in Identity Dimension Usage as Evidence of Identity Framing		
Descriptive: 1) What federated fund identity dimensions are in use across the United Way system in the United States? 2) Is there geographic or temporal variation in the use of these different identity dimensions as local United Way organizations seek to align their distinct organizational identity with changing environmental conditions? 3) Does this geographic and temporal variation suggest that the identity claims made by local United Way organizations are shaped both by implementation of Community Impact at the national level, and the local context in which these organizations operate?	The purpose statements of local United Way organizations will reflect the federated fund identity dimensions of fiscal intermediary, community problem solver, economic regulator, and social change agent. SUPPORTED H1: Across the national-level United Way system, use of the social change agent identity dimension will increase over time, while use of the traditional identity dimensions will diminish. SUPPORTED H2: Local United Way organization use of different identity dimensions will vary based on political-philanthropic subculture. SUPPORTED H3: Local United Way organizations operating in large metropolitan areas will use different identity dimensions in their organizational purpose statements than their counterparts operating in less urban areas. SUPPORTED	• Data cleaning and processing • Hand-coding • Naïve Bayes classification • Chi-squared test of independence

Table 24: Dissertation Research Questions, Hypotheses, Methods, and Results (cont.)

Research Questions	Hypotheses	Methods
Chapter 6: Multi-level Contextual Pressures and Identity Variation as Evidence of Identity Framing		
Study of Associations: How does the interaction of local and field level context affect organizational change as it unfolds across an interconnected system?	H1: United Way organizations that operate in consolidated local fields will have organizational purpose statements that reflect the traditional identity dimensions of traditional community problem solver, fiscal intermediary and economic regulator. PARTIALLY SUPPORTED H2: United Way organizations that operate in competitive local fields will have organizational purpose statements that reflect the identity dimension of social change community problem solver. SUPPORTED. H3: Local United Ways will have organizational purpose statements that reflect the same identity dimensions as the organizational purpose statements of geographically-proximate peers. SUPPORTED	ERGM