THE SOCIAL CAPITAL EFFECT IN NONPROFIT HUMAN SERVICE ORGANIZATIONS: AN EXAMINATION OF POTENTIAL OUTCOMES OF ORGANIZATIONAL SOCIAL CAPITAL RELATED TO EFFECTIVENESS

By

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ABSTRACT

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The study provided for a more complete understanding of social capital theory and its applicability to nonprofit human service organizations (NPHSOs). The initial analysis included an examination of potential outcomes of social capital (e.g., human capital, financial capital, volunteerism, and program effectiveness); and secondly, the study examined possible mediating effects between social capital and program effectiveness in NPHSOs, while controlling for demographic differences.

Primary data was collected through a self-administered questionnaire distributed to a sample of NPHSOs, United Way partner agencies in the eight most populated regions in the State of Texas. The survey response rate, after attrition resulted in 42.7% with a sample size of n = 163 NPHSOs. A four-step approach to modeling was selected to examine the data, which required the use of two statistical softwares: SPSS version 15 and Amos version 7. The main statistical technique utilized for hypotheses testing was Structural Equation Modeling (SEM).

The SEM approach involved an exploratory rather than confirmatory approach to model specification. The factor analytic model approach consisted of an EFA that extracted four main constructs of interest (social capital, human capital, volunteerism, and program effectiveness),

and a CFA to statistically test how and the extent to which the observed variables were linked to their underlying latent factors. An integrated SEM was then proposed which incorporated the potential outcomes of social capital as mediating the relationship between social capital and program effectiveness, while controlling for demographic differences. The factor-analytic model, utilizing both a CFA and EFA approach provided valuable insight for model modification to achieve a better data-to-model fit, and helped to determine the most relevant indicators for the study constructs to test the structural model.

The model respecification resulted in a final SEM reflective of the results from the EFA and CFA, and was validated by various goodness-of-fit indices. The hypotheses testing resulted in four direct relationships which were statistically supported. Three direct relationships were interpreted as outcomes of social capital, with increased social capital being positively related to total revenue, volunteerism, and program effectiveness. A significant path was also detected from total revenue to human capital in the hypothesized direction. The control variables (age of the organization, size of the organization, and size of region) were positively correlated to total revenue, and size of the organization was positively related to social capital. No mediating effects were supported by the sample data.

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CHAPTER 1

INTRODUCTION

The social capital effect in nonprofit human service organizations (NPHSOs) is unknown, though one can theoretically hypothesize the potential positive outcomes that may result from effective networking and collaboration, both of which are recognized in the social capital literature as core elements of social capital. Social capital theory has been deemed compatible and useful to NPHSOs (King, 2004) and has, in recent years, gained momentum in various disciplines (Adler & Kwon, 2002; Mayer, 2003; and Portes, 1998, 2000). Though social capital theory is more commonly being applied to groups and organizations (Adler & Kwon, 2002; Nahapiet & Ghoshal, 1997; Oh, Chung & Labianca, 2004; and Smith, Stoker, & Maloney, 2004), empirical studies on organizational social capital, especially in the area of nonprofit human services, are lacking. More importantly, empirical research on social capital is needed to help clarify and strengthen the concept theoretically in order to appropriately apply it within specific context. By doing so, a greater understanding of social capital theory will surface, and research across disciplines will be better able to compare and contrast findings.

The level of analysis regarding social capital has posed a particular problem for social scientists. Researchers have defined *social capital* as relevant at the individual level, the informal social group, the formal organization, the community, the ethnic group, and even the nation (Coleman, 1988; Portes, 1998; Putnam, 1995; and Sampson et al., 1999). The study therefore provides an analysis of the various components of social capital at the organizational level and in particular for NPHSOs, and contributes towards the clarification and application of social capital theory for the formal organization.

The dissertation focused primarily on the relationship between social capital and program effectiveness. The initial analysis included an examination of potential outcomes of social capital (e.g., human capital, financial capital, volunteerism, and program effectiveness); and secondly, examined possible mediating effects between social capital and program effectiveness in NPHSOs, while controlling for demographic differences that may impact the structural relationships and account for possible variance outside of the central constructs. The study extends social capital research by examining its impact and effects on the formal organization, such as NPHSOs.

Study Rational and Problem Statement

Social capital theory has become an area of increased interest in various disciplines (Adler & Kwon, 2002; Mayer, 2003; Portes, 1998, 2000) including the social sciences, education and business sectors. Despite the field of study, social capital theory maintains a "relational dimension" (Nahapiet & Ghoshal, 1997) which is often embedded in the structural make up and associations of organizations. Networks of relationships have been critical to understanding social capital theory in multi-level analysis and are a complex, but essential component when applying the theory to NPHSOs. Social capital development is particularly important to NPHSOs because it enhances organizational effectiveness (Ford, 1999; King, 2004; Prusak & Cohen, 2001), yet few empirical studies have been conducted to examine the particular outputs or effects of social capital in NPHSOs. Furthermore, Backman and Smith (2000) report that network relationships created by organizational activities and programs can help build social support. It is thus predicted that the more an organization can extend social ties, and thus generate greater social capital, the more likely the organization will experience positive outcomes.

Generally speaking, the primary purpose of NPHSOs is to reach and serve the intended population of interest and address a social issue of concern. Networks of relationships, in particular funder/grantee relationships and board members, can assist NPHSOs by providing social resources to the organization and signal to stakeholders that the organization is credible. This is especially important to NPHSOs since future revenues and resources partially depend on how others view the credentials of key players (Callen, Klein & Tinkelman, 2003; Florin, Lubatkin, & Schulze, 2003), inclusive of key employees, board of directors, and current funders or sponsoring organizations. Furthermore, the structure of NPHSOs is commonly such that those individuals receiving the goods and/or services of the organization are often not the benefactors. From this perspective, it is advantageous for organizations to form many linkages with external, competent and credible partners with diverse experiences (Burt, 1997). It is evident that social capital theory can apply across various levels of analysis, inclusive of the formal organization such as NPHSOs, and may be employed by executives and administrators as the premise to strategic planning. Nonetheless, networks of relationships in terms of social capital of NPHSOs have not been extensively empirically studied, nor have the outcomes of these relationships.

Much research utilizing social capital theory has been conducted from the individual or community perspective, but more recent studies have begun to explore the applicability of social capital theory to groups and organizations (Adler & Kwon, 2002; Nahapiet & Ghoshal, 1997; Oh, Chung & Labianca, 2004; Smith, Stoker, & Maloney, 2004). However, a comprehensive review of the literature on social capital theory, specifically on community social capital and organizational social capital reveals mainly descriptive studies regarding the presence or absence of social capital. This study addresses the gap in the social capital literature by expanding the research to include more of an analysis of what constitutes social capital for the formal organization and its relationship to outcomes important to NPHSOs, such as the level of financial capital, human capital, volunteerism and program effectiveness. Overall, little is known about the social capital effect in NPHSOs as no known empirical studies exists which examine the outcomes or benefits of social capital relevant to NPHSOs. The relevance of social capital theory in NPHSOs is an area of interest with much yet to be empirically investigated.

Aims of the Study

The primary purpose of the research was to examine social capital in NPHSOs and to establish the relationship between social capital and program effectiveness. Mediating effects between social capital and program effectiveness were also examined and demographic differences were controlled for to account for possible variance outside of the central constructs that may impact the structural relationships. The study informs nonprofit executives on the meaning and value of social capital for NPHSOs. Social capital theory served as the foundation for the study, and its key elements were used to operationalize *social capital* for the formal organization, and in particular in the context of NPHSOs. To investigate this issue adequately, there were two presenting research questions that guided the dissertation.

RQ1: What are the potential outcomes of social capital in NPHSOs?

RQ2: What are the mediating effects between the level of social capital and program effectiveness in NPHSOs?

Relevance of Study to Social Work

In general, the objective of social work is to help people make use of social resources such as family members, friends, neighbors, community organizations, social service agencies, and so forth to solve problems (Specht & Courtney, 1994). As professionals, social workers are initially trained as generalists, which means as practitioners our clients may be individuals, families or groups, organizations or communities depending on where we work and our specific practice area. Kirst-Ashman and Hull, Jr. (2001) speak of generalist practice as “the application of an eclectic knowledge base, professional values, and a wide range of skills to target any size system for change within the context of three primary processes;” which are 1) working within an organizational structure; 2) requires the assumption of a wide range of professional roles; and 3) involves the application of critical thinking skills to the planned change process.

In light of social work’s historical mission of serving the most disadvantaged, the trend away from traditional social services and towards private practice, plus a declining government role is considered a problem (Brilliant, 1995). Social capital theory exhibits similar characteristics to that of the generalist approach, such as having a relational dimension that is critical to its effectiveness. According to Specht (1994), “social work’s original objective was to enable people to create and use a healthful and nurturing social environment” (p. 7). Specht (1994) goes on to say that “social work’s mission should be to build a meaning, a purpose, and a sense of obligation for the community” (p. 27). Much like social capital theory, the primary focus of social work is centered on constructive outcomes as a result of the process of social interactions/interventions, social relations, roles and organizational structure and systems.

Despite its ambiguity, social capital theory has been applied nationally and internationally as a framework for the alleviation of poverty and the enhancement of social justice (World Bank, 2007). Moreover, social work has a long tradition of using social capital interventions at multiple levels, although it has not typically been labeled as such (Loeffler, et al., 2004), which limits our professional contribution to the development of social capital theory. Disguised as capacity building, empowerment or strength-focused practiced, social work has utilized many of the core elements of social capital theory such as the focus on cooperative relationship, productive or functional outcomes, and generating resources to assist communities, individuals, and vulnerable or at-risk populations. It is imperative social workers be fully cognizant of how social capital can be used as an intervention tool at the micro, mezzo, and macro practice level and begin to contribute to the literature by disseminating empirical findings through publications. Social capital theory seems like a natural fit for social work practice, policy, administration, and research, especially when taking into account the application of social capital in the context of human services.

NPHSOs are a vehicle for social work interventions and are generally structured to be more flexible, more responsive, and more participative than other organizations (McDonald & Warburton, 2003). Thus, NPHSOs, because of the natural social environment in which they exist, present a unique opportunity for social workers and especially social work administrators to utilize social capital theory and apply the concept to help meet organizational goals and positively impact effectiveness. Social workers can further utilize social capital theory to support a strength-based approach to practice.

Organization of the Study

In the introductory chapter, the research was presented in terms of the study rationale and problem statement, the specific aims of the study, and the relevance of the study to the social work profession. Chapter One concludes with an overview of key terms and definitions to be discussed in further detail in the chapters to follow. Chapter Two proceeds with a comprehensive review of the literature on social capital theory and related literature. A brief overview of the relationship between networks and social capital are first presented, followed by a more detailed and comprehensive analysis of the related literature on social capital theory inclusive of various contributions to the definition of social capital and emerging themes. Literature on volunteerism and the organizational advantage are also discussed as they relate to NPHSOs and the present study. The conceptual framework and research hypotheses are presented in Chapter Three. Chapter Four presents the research design and methods inclusive of a description of the study sample, data collection procedures, measurements, and data analyses. The results of the data analyses are presented in Chapter Five, including descriptive statistics for understanding the context of the study, results and appropriate indices of the factor-analytic models and the SEM results including model modification. The final chapter presents a summary of the research, discussion of the hypotheses testing results, implications for social work practice, assumptions and limitations of the study, recommendations for future research, and concluding remarks.

Definitions of Terms

Definitions of terms are provided to give the reader an overview of the general concepts and their application throughout the manuscript. Further discussion and analysis of the terms are described in Chapter 2: Review of the Literature.

Social Capital

Social capital for the purpose of this study will be referred to as, "the process of building trusting relationships, mutual understanding, and shared actions that bring together individuals, communities, and institutions. The process enables cooperative action that generates opportunity and/or resources realized through networks, shared norms, and social agency" (Loeffler et al., 2004). *Social capital* and *organizational social capital* are used interchangeably throughout the manuscript.

Human Capital

Human capital is embodied by the skills and knowledge acquired by the individual (Coleman, 1988) and refers to individual ability (Burt, 1997), independent of networks of relationships. In organizations, human capital is the total amount of skills and knowledge available to it via employees, board members, or other stakeholders.

Volunteers

Individuals who perform a variety of tasks (Brilliant, 1995), inclusive but not limited to: fundraising; tutoring or teaching; collecting, preparing, distributing or serving food; engaging in general labor; providing information, and whose activities are unpaid and through a formal organization (U.S. Dept. of Labor, 2004). Volunteers may also be considered a form of human capital, but of a different sort.

Volunteerism

The participation in civil society and expression of the operations of social capital (Van Til, 2000; McDonald & Warburton, 2003). The participation and contributions of volunteers that entail a commitment of time and effort, and which are given freely to benefit another person, group, or organization (Wilson, 2000).

Network

Refers to any interconnected group or system. More specifically, is a method of sharing information between two systems (Wikipedia, 2008), which can be between individuals, groups, or organizations.

Nonprofit Human Service Sector or Organizations (NPHSOs)

The formal incorporated structures of the nonprofit sector which may be secular or religious (Brilliant, 1995), but limited to the systems of services that concentrate on improving or maintaining the physical and mental health and general well-being of individuals, groups, or communities in our society (Zastrow, 2004).

CHAPTER 2

LITERATURE REVIEW

Introduction

The concept of social capital is very applicable to the field of social work, human services and organizations in general. Research, however, has traditionally focused on social capital and individuals, families, neighborhoods and communities. Though there is considerable organizational research which implicitly incorporates "social capital" concepts, without calling it that, it has generally limited the measures to organizational culture, staff satisfaction, etc. Similarly, the area of human services typically utilizes groups, networks, and inter-agency collaboration and referral networks which are conduits for the development of social capital, but again research in this area does not always apply the principles of social capital theory nor does it empirically examine outcomes pertinent to the agency itself.

Literature and resources for the purpose of this study were primarily collected from the management literature, international social welfare, sociology and social welfare, and community development. Within the past decade, the term *social capital* has gained popularity and is increasingly used in the social sciences and in various academic disciplines. Nonetheless, researchers continue to struggle with the definition and how it can be used to inform the understanding of social issues (Briggs, 1997; Earls & Carlson, 2001; Edwards & Foley, 1998; Foley & Edwards, 1998; Portes, 1998). Moreover, social capital's popularity is largely due to its flexibility in being applied to various levels of analysis; however defining and measuring the concept continues to be investigated by scholars.

The term "social capital" first appeared in community studies where the focus was on personal relationships developed over time to serve as the basis for trust, cooperation, and collective action for the community (Jacobs, 1965). Even in the early usage of the term, the concept of social capital had significance for the individual as well as for the collective group. Increasingly, scholars have begun to empirically examine social capital from the collective group, or from the formal organization's perspective. However, empirical research regarding social capital development and implications for NPHSOs within the context of social welfare in the United States is lacking.

The research of Nahapiet and Ghoshal (1998) later refer to "the organizational advantage" of creating social capital. From this perspective organizations are thought to have particular capabilities for creating and sharing knowledge, which is distinctive from other settings. Organizational social capital can thus be described as the process of social interaction leading to constructive outcomes (Bankston & Zhou, 2002) which may be in the form of actual or potential resources which become available to the entity through social and network relationships (Bourdieu, 1986, 1993; Nahapiet & Ghoshal, 1998; Putnam, 1995). In order to properly examine social capital theory from a collective perspective, we must appreciate the influence of network relationships. Recognizing the role networks play in the development of organizational social capital will help clarify the importance of the relational dimension of social capital and why the theory is both beneficial and applicable to NPHSOs.

Social Capital Theory and Related Literature

Overview

The ability to innovate through collaboration and utilize the social capital available to them has become more attractive to NPHSOs over the last decade as resources to fulfill missions and reach organizational goals are limited. Clearly, networking and social capital are interrelated (Coleman, 1990; Portes, 1998; Putman, 2000). Networks of relationships play a key role in understanding the connection between social capital and NPHSOs. Social capital theory is inclusive of social networks, the benefits accrued from memberships in those networks, and the network's norms (Saxton & Benson, 2005). However, it is the norms, expectations and benefits that engender social capital and not the societal network alone that enhance productivity (Saxton & Benson, 2005). Thus, social capital theory maintains a relational focus and those relationships become the basis for commitments, trust, information exchange, and resources (Bourdieu, 1986; Brower, Schoorman & Tan, 2000; Loeffler et al. 2004; Smith, Stoker & Maloney, 2004). Furthermore, the structure of the network appears to define the relationships and fosters cooperation and information exchange. Social capital is undoubtedly fundamental to the way organizations work.

The literature review focused on major contributions to the development of social capital theory, centered on emerging themes in the social capital literature, and lastly an in-depth look at contributions towards developing social capital as a construct for the collective group. A comprehensive table of the review of empirical literature, conducted over the last decade, was developed focused on social capital research at the community, group, or organizational level of analysis (see Appendix A: Review of empirical literature of social capital theory: 1997-2007). Primary research data bases and resources utilized for the purpose of surveying the social capital literature for the present study included: Academic Search Premier, Business Source Complete, Social Work Abstracts, Philosophical Index, Psychological and Behavioral Sciences Collection, World Bank's website, and Management Alternatives for Human Services website. Search terms for the literature review included various combinations of the following: social capital theory, social capital, organizational social capital, networks, collaboration, nonprofit organization, human service organizations, organizations, effectiveness, program evaluation, volunteers, volunteerism, financial capital, funding, and human capital.

The review of the literature includes a brief overview of the influence of networks followed by a more detailed and comprehensive analysis of the related literature on social capital theory. Various contributions to the definition of social capital theory are examined and differences between forms of *capital* are distinguished, with particular attention to financial capital and human capital as it pertains to NPHSOs. The volunteer factor will also be discussed as an outcome of social capital, and as a unique asset of NPHSOs.

The Influence of Networks

In its most general form, networking theory "focuses upon the placement and context of other socio-economic factors as determinants of interdependence, asset specificity and opportunism, and therefore, directly addresses the social and procedural elements of interorganizational governance" (Wareham, 2003, p. 338). In other words, networks of relationships are crucial to the development, operations, maintenance and growth of organizations. The commonality between networking and social capital theory stems from a relational dimension; therefore, an analysis of networks is incorporated throughout the discussion on social capital theory and focuses on the social relationships and social interactions that connects the two concepts. Research on networks, however, has primarily examined the strategy, structure and management processes of organizations (Birley, 1985; Kulmala & Uusi-Rauva, 2005; Lechner & Dowling, 2003; Miles & Snow, 1986; Miles, Snow, & Miles, 2000). Therefore, we will briefly review the effective process of collaboration through networks which serves as the brewing ground for social capital development.

The 3 Ts: Time, Trust, and Territory

According to Miles, Snow, and Miles (2000), the effective process of collaboration through networks can be grouped into three broad categories: time, trust and territory, otherwise known as the 3 Ts. Investing time to discuss ideas is essential to the collaborative process. A sense of cohesiveness and collectivity among members in a network may lead to information exchange and additional resources which may have otherwise not become available to the organization. In addition, there must be trust among members, among all parties who are involved in some capacity in the collaborative relationship. With increasing trust among members, new insights and information exchange are more likely to occur (Knack & Keefer, 1997; Miles, Snow, & Miles, 2000; Portes, 1998; Putnam, 1995; Schneider, 2006). In fact, Bullen and Onyx (2005) define trust as "a willingness to take risks in a social context based on a sense of confidence that others will respond as expected and will act in mutually supportive ways, or at least that others do not intend harm". Networks, collaborative agreements, coalitions, etc., are common in NPHSOs and are based on trusting relationships to function productively. Trust and increased communication among members help produce better outcomes and allow innovation to flourish. Territory, the last of the 3 Ts, is less definitive as it is more than just a sense of belonging, but "implies real evidence" in terms of outcomes achieved (Miles, Snow, & Miles, 2000). For example, NPHSOs' territory is typically guided and restrained by their mission statement. The mission statement of NPHSOs is usually developed based on the organization's area of practice, or territory in which they plan to operate from or address. Overall, the benefits from networks of relationships and social interactions appear greater when the process is voluntary and when the preconditions of collaboration have been established. The 3 Ts are crucial not only to help establish a positive and productive working environment for the networks themselves, but also to help members reap the most benefits (e.g., social capital) as outcomes of those established relationships.

Networks and Human Capital

Networks are created to acquire new knowledge, skills and abilities which will hopefully lead to successful outcomes benefiting the collectivity. Zahra and George (2002) discuss an organization's absorptive capacity as 1) "potential", comprised of knowledge acquisition and assimilation capabilities, and 2) "realized", which centers on knowledge transformation and exploitation. Both forms of knowledge are important to acquire if the organization is to benefit from the network relationships and social interactions. Human capital, distinct from social capital, is viewed as a resource obtained from social relationships. Previous research suggests that an organization's social capital is partly determined by the identity resources and personal attributes of its members (Haslam, Eggins, & Reynolds, 2003). Moreover, studies have demonstrated human capital attributes (including education, experience, and skills) to influence organizational outcomes (Finkelstein & Hambrick, 1996; Huselid, 1995; Pennings et al., 1998; Wright, Smart, & McMahon, 1995). Therefore, it would be to the organization's advantage to network, formally and informally, as much as possible to capitalize on social capital. Since NPHSOs typically must compete and collaborate with others in pursuit of attaining their mission (Bryson, Gibbons, &

Shaye, 2001), networking capability is essential for building social capital in the nonprofit human service sector. The *relational dimension* of social capital warrants discussion as social capital theory is ingrained in the context, structure and role of social relations and interactions.

Networks and Social Capital: The Relational Dimension

Social capital theory is based on the premise that networks of relationships are a valuable resource for the individual and the organization (Bourdieu, 1986; Inkpen & Tsang, 2005; Loeffler et al., 2004; Seibert, Kraimer, & Liden, 2001). Social capital may be viewed as resulting from these networks of relationships (Inkpen & Tsang, 2005; Wareham, 2003); however, the ability to network effectively can impact the quantity and quality of social capital. Furthermore, the complex, reciprocal interdependencies of networks (Human & Provan, 1997) permit organizations to share resources, enhance their competitive position, and internalize the appropriate strengths of their partners (Hefner, 1994). Networks and social capital are congruent with NPHSOs, mainly because such organizations exist within open, natural systems (Scott, 1987; Stone & Bryson, 2000). The legal status of NPHSOs makes them open to scrutiny by the public and therefore have relatively permeable boundaries. In general, NPHSOs rely on formal and informal coalitions and networks for resources in order to grow, prosper and achieve missions (Bryson, Gibbons & Shaye, 2001). Overall, NPHSOs appear to have an organizational advantage when it comes to developing social capital because of their natural environment of relationships, interactions, and networks with the community at large.

Defining Social Capital

Social capital theory has gained momentum across disciplines (Adler & Kwon, 2002; Mayer, 2003; Portes, 1998, 2000) and in recent years is more commonly being applied to groups and organizations (Adler & Kwon, 2002; Nahapiet & Ghoshal, 1997; Oh, Chung & Labianca, 2004; and Smith, Stoker, & Maloney, 2004). The broad use of the theory is of great interest to researchers in various fields of practice such as in the social sciences, education and business sectors; however, its wide use also poses methodological challenges when it comes to operationalizing the concept. In terms of collective social capital, or as this study seeks to define organizational social capital, the definition unravels as we examine the works of important scholars and contributors to the development of social capital theory and theoretical debate, discuss emerging themes in the literature as they contribute to the definition of social capital, and lastly discuss the development of social capital theory based on empirical research focused on communities, groups and organizations.

The Theoretical Debate

Three major contributors of social capital theory, Bourdieu, Coleman, and Putnam are often credited with stirring the theoretical debate on the increasingly popular philosophy for understanding the world (Schuller, Baron, & Field, 2000). The work of Portes (1998, 2000) further contributes to the literature by questioning the applicability of social capital to individuals verses the collectivity and builds on the work of Bourdieu and Coleman, and the definition developed for social work as presented by Loeffler et al. will be used as a means of comparison to the above noted influential contributors (See Table 2.1), and will be used as the guiding definition for this research.

The early work of Pierre Bourdieu argued that the economic orthodoxy was limiting and called attention to another form of capital, that of social capital for the importance of social and economic life. Bourdieu (1986) defines social capital as a resource for those who have access to it and presents it as an attribute of individuals, but states it is essentially acquired through the aggregate. This highlights one of the main differences between Bourdieu's early work and that of other scholars. Bourdieu's conceptualization of social capital does not account for the shared investments and benefits of mutuality (Kilpatrick, Field, & Falk, 2003).

Coleman's definition of social capital emphasizes the benefits accruing to individuals, yet is also concerned with understanding how individuals come to cooperate in groups in order to advance their individual interests. The assets acquired by the individual are viewed as generalizable and productive, making possible the achievement of certain ends that in their absence would not be possible (Coleman, 1988). Portes draws on both Bourdieu and Coleman's definition of social capital; however, he stresses the dependency on "enforceable trust" for the development of social capital (1998), and begins to explicitly discuss the application of social capital to individuals verses the collective group (2000).

Putnam's contribution to social capital theory, on the other hand, is focused on the networks and norms that are capable of being used for mutual or collective benefit. Putnam's (1993, 1995) civic associations, foster social capital because they make possible network connections among sets of individuals. The network connections consecutively foster social capital due to their goal-oriented interactions of sufficient frequency and depth to produce and maintain productive normative direction for the collectivity.

Similarly, Loeffler et al. (2004) propose a definition of social capital for social work in hopes of building consensus in practice and research by working from the same definitional framework in order to be a more effective change agent and service provider. The definition of social capital for social work provided by Loeffler et al. states, "social capital is the process of building trusting relationships, mutual understanding, and shared actions that bring together individuals, communities, and institutions. The process enables cooperative action that generates opportunity and/or resources realized through networks, shared norms, and social agency" (p. 24). This definition mirrors that of the emerging themes and core elements inherent in the literature regarding the development of social capital and may be applied at multiple levels of analysis.

The upsurge interest in social capital theory is largely attributed to the possibilities of constructive outcomes associated with the development of social capital. Coleman's (1988, 1990) and Putnam's (1993, 2000) definitions are among the most widely cited and extensive empirical research on the subject. Despite the various attempts by scholars to develop a universal definition of social capital, a consensus has not been reached but most discussions appear to have in common the idea that trust and norms of civic cooperation are an essential element to well-functioning societies, and to the economic progress of those societies (Knack & Keefer, 1997). The trust and norms of "civic minded behavior" as referred to by both Coleman and Putnam is engrossed in the social relations, structures and roles which establish norms.

Portes (1998) further observed that social capital, unlike economic or human capital, is created through the structure of relationships. Therefore, discussion of the social structures (e.g. strong or weak ties, and hierarchical relations) and the sources of social capital (e.g. emerging from opportunity, motivation, and ability) are presented to draw upon the relational dimension of social capital theory. The benefits and limitations (or risks) of social capital are also discussed.

Table 2.1. Major contributions to the theoretical foundation and definition of social capital

Author/ Contributor	**Definition of Social Capital**	**Dimension: Individual, Group, or Organization**	**Core Elements of Definition / Focus**
Bourdieu (1984, 1986); Bourdieu & Wacquant (1992)	The sum of resources, actual or virtual, that accrue to an individual or a group by virtue of possessing a durable network of more or less institutional relationships of mutual acquaintance and recognition.	Multidimensional (attribute of the individual, but socially constructed); Focus on individual benefit	• Resources • Relational • Primary Focus: outcomes
Coleman (1988)	A variety of different entities… that facilitate certain actions of actors – whether persons or corporate actors – within the structure…is productive, making possible the achievement of certain ends that in its absence would not be possible…inheres in the structure of relations between actors and among actors.	Multidimensional (individuals in cooperation with groups); Focus on individual benefit, but concerned with how collective action and how individual benefit influences or affects the larger social systems	• Productive/ functional • Relational based on trust and norms • Primary Focus: network
Portes (1998); Portes & Sensennbrenner (1993)	Depends on enforceable trust…those expectations for action within a collectivity that affect the economic goals and goal seeking behavior of its members, even if these expectations are not oriented toward the economic sphere.	Multidimensional Benefit = collective	• Expectations • Relational based on trust and norms • Primary Focus: enforced trust
Putnam (1995)	The features of social organizations such as networks, norms and social trust that facilitate the coordination and cooperation for mutual benefit.	Multidimensional; Focus on collective benefit	• Productive • Relational based on trust and norms • Primary Focus: civic engagement

Table 2.1 Continued

Loeffler et. al (2004)	Social capital is the process of building trusting relationships, mutual understanding, and shared actions that bring together individuals, communities, and institutions. The process enables cooperative action that generates opportunity and/or resources realized through networks, shared norms, and social agency	Multidimensional Focus on both individual and collective benefits within context of the larger social system	• Relational based on trust and norms • Resource generating • Primary Focus: cooperative relationships

Emerging Themes

There have been many contributions to the literature on social capital theory with early references to social capital dating back as early as 1957 with a publication by the Royal Commission on Canada's Economic Prospects. Social capital in this early stage of development was referred to generally as the public physical infrastructure of a nation. Since then, the term has evolved as scholars have attempted to depict a more precise definition and conceptualization of what social capital *actually is* and where it is located (the source), under what conditions (the structure), and to what extent the benefits flow (individual verses collective benefits).

Numerous scholars across disciplines have contributed to the literature in attempts to provide clarity and direction for the wide use of social capital theory. Despite differences among researchers, emerging themes around trust and norms developed by social interactions and relationships which ultimately lead to cooperative behavior and constructive outcomes, be it well-functioning societies or individual success, appears at the foundation of social capital theory. Nonetheless, theoretical confusion is evident in the literature as debates continue between process and outcome centered approaches to conceptualizing and measuring social capital.

In examining the works and contributions to the theoretical foundation and definition of social capital by Bourdieu (1986), Coleman (1988, 1990), Portes (1998), Putnam (1993, 1995, 2000), and Loeffler et. al (2004), the analysis of social capital theory focuses on the "relational dimension" as referred to by Nahapiet & Ghoshal (1997) which is a core element across definitions and conceptualizations. Networks of relationships have been critical to understanding social capital theory in multi-level analysis and are a complex, but essential component when applying the theory to NPHSOs. Thus, this focus is appropriate for this research as relationships, both formal and informal, are often embedded in the structural make up and associations of NPHSOs.

Social Structures. Social capital theory primarily suggests that the social ties and relationships developed through work or friendship are valuable resources that can be utilized for various purposes (Alder & Kwon, 2002). Indeed, it is the advantageous outcomes of social capital which are developed through social interactions and relationships that attracts researchers to investigate its specific outcomes and influences within their population of interest. Coleman (1988) refers to this as the "appropriability" of social structure. This implies that social structures encompass multiplex relations where individuals are linked in more than one context (e.g., friend, co-worker, fellow parent, fellow parishioner, neighbor, etc.). Coleman equates social capital with social relationships, ties, and networks established among people and within the context of the wider social systems. Putnam (2000) also described social capital as embedded in social structure through the connections among individuals, social networks and the norms of reciprocity and trustworthiness that arise from them. Trust, reciprocity, and social norms appeared to be emerging themes from the social capital literature related to the structure of relationships.

Social capital theory is usually inclusive of social networks, the benefits accrued from memberships in those networks, and the network's norms (Saxton & Benson, 2005). However, it is the norms, expectations and benefits that engender social capital and not the societal network alone, that enhance productivity (Saxton & Benson, 2005). This supports the rationale for social capital theory as a process leading to advantageous outcomes. The research on social capital theory is generally supportive of including social structures that from which benefits may transpire.

Social networks consist of both strong and weak ties (Granovetter, 1973). The structure of intraorganizational and interorganizational networks is crucial to the formation of social capital (Backman & Smith, 2000). Strong and weak ties, or what Putnam (2000) defines as the important distinction between "bonding" and "bridging" to create social capital, are central to organizational survival as they can have powerful social effects. Strong ties are usually characterized by emotional bonds of friendship, intimacy, and reciprocity as they develop and strengthen over time (Granovetter, 1973). These relationships are based on similar social identities (e.g., profession, ethnicity, family, status, recreational interest, etc.) which allow people with the opportunity to more easily interact with one another (Ashman, Brown, & Zwick, 1998). Putnam (2000) refers to these relationships as creating "bonding social capital" consistent of strong in-group loyalty, with primary focus on the internal structure to form cohesiveness and pursue collective goals (Adler & Kwon, 2002). Homogenous networks tend to have relatively common values and goals, and have previous experience in cooperating for common interests (Ashman, Brown & Zwick, 1998). The disadvantage is that strong ties may create strong "out-group antagonism" (Putnam, 2000) and this social structure is less likely to benefit from external relationships in the broader community (Edwards & McCarthy, 2004). Nonetheless, the importance of strong social ties and bonding experiences serves as the lubricant of organizational cohesion and co-operation, with implication for communication, motivation, and control (Staber, 2003).

Weak ties, by contrast tend to provide a broader range and access to information and other resources (Edwards & McCarthy, 2004; Putnam, 2000) with various points of contacts. Weak ties are considered to be less frequent and less intimate, yet more instrumental (Ashman, Brown & Zwick, 1998). Putnam (2000) describes weak ties as being more common among those that are unequal and heterogeneous in their social identities. That is, people with different values, interests, and degrees of power are able to connect to bring new information and resources that would otherwise not be available. This form of social capital Putnam (2000) refers to as "bridging social capital" and focuses on external relations (Adler & Kwon, 2002). Putnam

(2000) argues that bridging social capital is crucial for “getting ahead” as it provides linkages to external assets, is a good source for information diffusion, and generates broader identities and reciprocity.

Obviously, NPHSOs are influenced by both internal and external linkages and their capacity for effectiveness is typically a function of both bridging and bonding views (Adler & Kwon, 2002). Though many NPHSOs tend to be governed by socially homogeneous and interconnected individuals recruited through formal and informal social networks (Ashman, Brown, & Zwick, 1998), organizations should be conscious of their organizational structure and work towards sustaining a healthy balance between homogeneous and heterogeneous ties. An over alignment with one group can be problematic and fail to bridge the two environments effectively (Ashman, Brown, & Zwick). Thus, both strong and weak ties are important and the relationships they build are a source of social capital for the organization. Strong ties provide the social cohesion and weak ties provide the new resources for successful implementation (Ashman, Brown & Zwick, 1998). Similarly, some scholars have discussed social structures in terms of horizontal and vertical networks.

Hierarchy is an important dimension of social structure which indirectly influences social capital by shaping the structure of social relations (Adler & Kwon, 2002). Putnam (1993) identifies two types of networks: horizontal and vertical which vary in their level of density, connectivity, and power. Research indicates that horizontal ties and relationships are more conducive to the development of trust, cooperation, and social support than vertical networks (Backman & Smith, 2000; Oh, Chung, & Labianca, 2004). The reason for this may be because weak ties allow heterogeneous groups to align themselves strategically. Horizontal networks have the capacity to bridge different groups together (Oh, Chung, & Labianca, 2004), and nurture cooperation between groups for society’s benefit (King, 2004).

Vertical networks on the other hand are characterized of strong bonds, closure, and solidarity (King, 2004). Vertical networks are congruent with strong ties in that they help breed cohesion and trust within a network and may be viewed as being more important because of their influential power (Oh, Chung, & Labianca, 2004). However, vertical networks can have both positive and negative effects. Though vertical relationships can produce valuable resources such as funding for operations, technical assistance, administrative support and contact with influential community leaders, the imbalances of power and information access within this relationship structure may offset the norms of reciprocity (Backman & Smith, 2000). Overall, NPHSOs must maintain a high level of trust among their stakeholders and balance vertical and horizontal relationships to communicate needs and gain support for their mission. It is the investment in sufficient bonding and bridging social capital that are more likely to yield the most productive outcomes for NPHSOs.

Sources of Social Capital. There is basic consensus that social capital is derived from social relations and social interactions created through formal and informal social structures within our society. However, the debate continues in regards to how to measure and empirically test the theoretical concept of social capital. The literature on social capital theory is generally divided into two branches which locates the source of social capital in the formal structure of the social ties and the second of which focuses on the content of those ties (Adler & Kwon, 2002). Previously, the role of social structures in defining social capital was examined. The focus now concentrates on how the social structures and social interactions generate commonly shared norms, beliefs and abilities.

Network relations create opportunities for social capital transactions. While internal ties can create the opportunity for collectivity, external ties to others offer opportunities to leverage contacts' resources (Adler & Kwon, 2002). Opportunities vary depending on the degree to which the social network is open or closed, maintains strong or weak ties, or is internal or external. For example, Nahapiet and Ghoshal (1998) discuss the opportunity for social capital in the form of cohesiveness, trust, and norms in networks of closure, interdependence, and interaction. Adler and Kwon (2002), report open networks have more opportunity to link to other sources to obtain information, access, and resources. Opportunity however ultimately rests on the frequency, intensity and multiplexity of the networks of relationships.

Portes (1998) distinguishes between consummatory and instrumental motivations of others to make resources available. Consummatatory motivations equate with a feeling of obligation to behave in certain ways. For example, individuals may contribute to secular or religious organizations in the form of service, monetary contributions or other tangible or intangible resources. The internalized norms that make such behaviors possible can then be exploited by others and made into a resource (Portes, 1998). This prescriptive norm constitutes an important form of social capital because it stipulates that individuals should forgo self interest and act in the interests of the collectivity (Coleman, 1988). In general, consummatory motivation can be viewed as an act of good will whereby the norm is either internalized or supported through external rewards for selfless actions.

Instrumental motivation on the other hand, can be described as cultivating social capital in the act of self-interest (Adler & Kwon, 2002). Social capital from this perspective is an accumulation of obligations from others according to the norm of reciprocity (Portes, 1998). For instance, donors will provide privileged access to resources with the expectation that they will eventually be paid back. However, “repayment” is not always specified and may occur in a different form than what it was originally incurred (Portes, 1998). It may be tangible in the form of product, material or money, or it may be less tangible such as knowledge, information, granting of approval or allegiance. The cumulative capability of social capital relies heavily on trust. Putnam (1993) writes that trust breeds trust and leads to stocks of social capital which are reinforcing and cumulative. Overall, members are motivated on the basis of shared interest, a commitment to the common good and enforced trust (Portes, 1998; Adler & Kwon, 2002), and thus allows for the formation of social capital.

The importance of ability in relation to social capital theory is largely debated by scholars. Adler and Kwon (2002) discuss narrow and broad perspectives presented by theorists in their attempt to clarify the extent to which ability should be considered in the context of social capital theory. First of all, ability is defined as the competencies and resources of the network. Burt (1997) excludes ability as a source of social capital and argues that human capital refers to individual ability, whereas social capital refers to opportunity. Others argue that abilities are a source of social capital in addition to motivation and opportunity (Gabbay & Leenders, 1999; Leana & Van Buren, 1999; Lin, 1999; Nahapiet & Ghoshal, 1998). The narrow perspective as demonstrated by Portes (1998) argues that abilities are complements to social capital and are more restrictive in their definition, which gives a more distinct view of social capital theory. Adler and Kwon (2002) assert that though proponents of the narrow approach argue that the broad approach threatens social capital theory by subsuming other forms of capital, excluding "abilities" as a source of social capital would deflate the causal powers of the theory since value cannot be derived from social ties that lack the ability to help us. In this respect, reciprocity is central to the development of social capital, and clarifies the general purpose of networks of relationships.

Therefore, in their analysis of social capital, Adler and Kwon (2002) propose an opportunity-motivation-ability framework which suggests all three as active sources of social capital and further claim: "A prospective donor without the network ties to the recipients, without the motivation to contribute, or without the requisite ability would not be a source of social capital. A lack of any of the three factors will undermine social capital generation" (p.27). This heuristic model should be viewed as proximate causes of social capital exchange and does not substitute the research that is required to better understand the features of the structure of social relations that create high opportunity, motivation, and ability.

Benefits and Limitations of Social Capital. In recent years, researchers have begun to examine social capital theory as a resource with both positive and negative effects (Adler & Kwon, 2002). The discussion on the limitations of social capital, in terms of benefits and risks, stems from the work of Sandefur and Laumann (1998) who identify information, influence, and solidarity benefits. These benefits are also evaluated as limitations or potential risks to provide a more balanced view of the outcomes that may result from the investment in social capital.

Information, influence and solidarity benefits exist not only for the focal group as Sandefur and Laumann (1998) suggest, but can also be expanded to analyze the positive outcomes for the broader aggregate. Information, the first of social capital's direct benefits lies in its ability to acquire information and serves as a method for information dissemination (King, 2004). Burt (1997) demonstrates that social capital enables "brokering activities" which allow the focal group and aggregate group to benefit from information dissemination and acquisition. Information sharing has also been reported beneficial for forecasting demands and identifying trends (Uzzi, 1997). This can be vital information for nonprofit human service organizations growth and survival. For example, if funding priorities change or trends with the client population emerge, members can better prepare to address the issues or seek additional resources. The transfer of and access to information and knowledge is one of the most considerable benefits of social capital.

Secondly, influence, control and power are considered a valuable benefit of social capital for a variety of reasons. Influence refers to the degree to which someone can enhance, induce, or restrain the actions of another (King, 2004). This is seen as beneficial to the focal group and broader aggregate because power helps get things done (Adler & Kwon, 2002) and those with greater influence can take action faster and overcome barriers. In NPHSOs, having the capacity to utilize the power from networks may help obtain organizational and programmatic goals. Furthermore, the more power individual members possess, the more the aggregate group is seen to be in a leadership role. Social capital is often sought after because it is equivalent with "power" and power breeds prestige. In NPHSOs, prestige may be considered equivalent with a good reputation and may help validate the credibility of the organization. This is especially important in NPHSOs since obtaining resources, both tangible and intangible, for the organization is partially dependent on how the external community views the credentials of key players (Florin, Lubatkin, & Schulze, 2003).

The third benefit of social capital is solidarity, which refers to the ability to bring groups of people together with connectedness, cohesion, and the ability to work toward a common goal (King, 2004). Solidarity is associated with a high degree of closure of the social network, encourages compliance, and reduces the need for formal controls (Adler & Kwon, 2002). Thus, solidarity benefits are in the form of high commitment and lower monitoring costs, both of which are fundamental values in NPHSOs. Solidarity leads to frequent interactions and richer exchange of information (Adler & Kwon, 2002). The benefits of increased levels of social capital are rarely questioned as social capital is understood as a resource to individuals, groups, communities and organizations with beneficial outcomes.

There are several potential risks or limitations associated with social capital that originate from the benefits. Building social capital requires maintenance of the relationships and an investment of time and commitment (Adler & Kwon, 2002); plus the benefits may not always outweigh the costs (Adler & Kwon, 2002; Staber, 2003). As with many things, too much of one thing can cause an imbalance in the relationship and result in negative effects. It is important to be familiar with the benefits, as well as the risks to strengthen the chance of capitalizing on social capital.

Information sharing, though portrayed as a valuable outcome of social capital has its disadvantages too. For example, excessive information exchange can lead to a loss of proprietary information or the potential to play one group off against another (King, 2004). In this regard, an overinvestment in information exchange can be risky and cost the organization to lose its competitive advantage. Though NPHSOs want to maintain the spirit of collaboration, information exchange is best utilized within the norms of balanced reciprocity. Weak ties are therefore preferable because they are less costly to maintain and provide access to non-redundant information (Adler & Kwon, 2002).

Influence, power and control are attractive components of social capital. However beneficial they may be, influence should be used with caution particularly because exclusion of others, abuse of power and conflicts of interest may arise (King, 2004). Asserting power, influence and control can become a liability if used improperly or perceived to be utilized inappropriately. Furthermore, the power benefits of social capital may, in some cases, trade off against its information benefits (Adler & Kwon, 2002). In other words, power benefits diminish exponentially as the contact reference becomes further detached from its original source of power. Although increased access to power may be gained through many contacts, the effectiveness may be greater through less, more direct contacts.

Though the inappropriate use of power can have detrimental effects, the risks associated with solidarity are potentially greater. These include free-rider behavior, exclusivity, or diminished critical or creative thinking (King, 2004). For instance, strong solidarity may cause overembeddedness and reduce the flow of new ideas into the group (Adler & Kwon, 2002), and reduce the incentives for entrepreneurial activity and innovative behavior (Staber, 2003).

Summarized simply by Powell and Smith-Doerr (1994), the risk of solidarity is that "the ties that bind may also turn into ties that blind" (p. 393). Thus, caution needs to be taken when the network of relationships is extremely homogenous as it may impede innovation and result in idle use of social capital. Solidarity also has the risk of breeding "special interest" groups (Adler & Kwon, 2002; and Staber, 2003). The negative effects of high social capital groups are that special interest advocates may consume precious resources in unproductive competitive rivalry (Staber, 2003). For example, when NPHSOs do not collaborate or network together to address a particular social problem, duplication of services or a gap in service availability are plausible and are detrimental to the collectivity. The analysis of the benefits and risks, or limitations of social capital are important to consider in any level of analysis utilizing social capital theory.

It is evident that social capital theory is centered on the emerging theme of social relations and networks. The literature on social capital has been examined from the perspective of the formal structure of the social ties as well as the content of those ties, both of which are relevant to NPHSOs. In addition to the literature on social capital, an overview of the literature on volunteerism in relation to social capital, and the organizational advantage in creating social capital are presented as they contribute to the conceptual framework of this study.

The Volunteer Factor

Overview

Volunteers are known to be a valuable resource for many NPHSOs. Dess et al. (1995), support the idea of engaging in multiple networks to take advantage of technological development, to penetrate new markets, and to break down barriers to enhance flexibility. In addition, Dess et al. (1995) report that outsourcing through networks is the best method to reduce cost, increase quality, and produce mutually benefiting outcomes. Interestingly, the literature on volunteerism reports similar findings for the use of volunteers (McDonald & Warburton, 2003; Mook, Sousa, Elgie, & Quarter, 2005; Whitford & Yates, 2002). Volunteers play an integral role in NPHSOs and are utilized in a variety of ways. Moreover, volunteers and volunteer activities are closely aligned with the concept of social capital.

The participation in civil society and expression of the operations of social capital (Van Til, 2000; McDonald & Warburton, 2003) is generally referred to as volunteerism. This includes the participation and contributions of volunteers that entail a commitment of time and effort, and which are given freely to benefit another person, group, or organization (Wilson, 2000). Many NPHSOs would attest that they are "volunteer driven" or have a "tremendous use for volunteers" (Nuno, 2006). The uniqueness of volunteers is that they bring to the organization a vast diversity of experience, knowledge, skills, and contacts (Nuno, 2006). The volunteer contribution is of particular interest to the study on NPHSOs and is expected to be an outgrowth of the level of social capital and influence the productivity and effectiveness of NPHSOs. An overview of volunteers in the United States will be presented, a summary of the contributions of volunteers in NPHSOs, and the relationship between volunteers and social capital are examined to enhance our understanding of the unique advantageous outcomes social capital may have on NPHSOs related to volunteerism.

Volunteer Profile

Voluntarism is the general term for all that is done voluntarily in a society as well as the outcome of that philosophy (Brilliant, 1995). Voluntarism and voluntary organizations are the basis of a civil society and play a key role in the provision of social welfare (Brilliant, 1995; Zastrow, 2004). Voluntarism is a unique and well known aspect of American Society in terms of its array of services provided by voluntary organizations, and the support in both time and money that is given to them by its citizens (Commission on Private Philanthropy and Public Needs, 1975). Volunteers are generally individuals who perform a multiplicity of unpaid tasks (Brilliant, 1995) and their activities commonly include, but are not limited to: fundraising; tutoring or teaching; collecting, preparing, distributing or serving food; engaging in general labor; and providing professional services and information free of charge to organizations (The Grantmaker Forum, 2003; United States Department of Labor, 2004). Volunteer contributions to the voluntary or nonprofit sector, specifically human service organizations, are an impressive phenomenon in the United States. The general profile of a volunteer in the United States will be described for a better understanding of who they are, what they do, and where they are.

Who are they

Volunteer human service activities were historically provided by members of the clergy, were white, and wealthy “do-gooders” (Zastrow, 2004), and up until approximately 40 years ago, volunteers were mainly housewives that could commit to a regular volunteer schedule and be relied upon to take on significant organizational responsibilities (The Grantmaker Forum on Community & National Service, 2003). The classic volunteer was white, middle to upper class and female.

Though women continue to volunteer at a higher rate than men across age groups, education levels, and other major characteristics, the presence of men in the voluntary sector is becoming more common. The United States Department of Labor, Bureau of Labor Statistics (2004) reported that between September 2003 and September 2004, about one-fourth of men and one-third of women performed volunteer work for organizations across the nation. Approximately 28.8 percent (estimated 64.5 million people) of the civilian, noninstitutional population age 16 and over reported doing volunteer work for an organization at least once between September 2003 and September 2004 (United States Department of Labor, 2004). Volunteer rates were highest for those that were white, married, had children under the age of 18, and were at least partially employed. Though persons age 35 to 44 reported the highest volunteer rate (34.2 percent), other age groups closely followed; 32.8 percent were age 45 to 54 and 30.1 percent were age 55 to 64. Teenagers as well reported a relatively high volunteer rate, 29.4 percent, which could be a reflection of the recent emphasis schools are placing on community service and volunteer activities. Volunteer rates were lowest among persons in their early twenties and among those age 65 and over, 20 percent and 24.6 percent respectively (U.S. Dept. of Labor, 2004). However, volunteering among seniors, age sixty and over, has nearly doubled in the last quarter century (Putnam, 2000). Factors such as a significant growth in free time due to earlier retirement, marked improvements in the health and finances of the elderly, and possibly due to a sense of “strong civic engagement” of this cohort has afforded them to participate more actively in volunteer activities passed the age of sixty (Putnam, 2000). Therefore, even though seniors may appear to volunteer less often than their younger colleagues, they may actually be more readily accessible. Moreover, the Grantmaker Forum on Community and National Service (2003) reported that professionals with skills to share seek to volunteer in short-term assignments with high level of personal reward (motivation). Because the majority of volunteers today are either part-time or fully employed (U.S. Dept. of Labor, 2004), volunteer opportunities need to be specific, time-limited and interesting in order to retain them as a resource.

What do they do?

As mentioned previously, volunteers perform various activities including fundraising, tutoring or teaching, assisting with donated items, preparation and distribution of items, general labor activities, and professional services (The Grantmaker Forum, 2003; U.S. Dept. of Labor, 2004). Volunteer activities and skill requirements are as diverse as the volunteers themselves. However, some demographic groups are more likely to participate in certain activities than are others (U.S. Dept. of Labor, 2004). For example, college graduates provide professional or management assistance three times more than individuals with a high school diploma or less; and parents with children under the age of 18 are more likely to be involved in teaching, tutoring or coaching activities. The Grantmaker Forum on Community and National Service (2003) reported that organizations utilize volunteers across many, if not all, of the primary organizational functions. This includes governance, such as board of directors and advisory councils, administration, direct services, management and supervision. What activity the volunteer performs, intensity of service and time commitment is also partially dependent on the organization in which they serve. Volunteers are clearly a resource for NPHSOs and contribute to the overall performance of the organization.

Where are they?

According to the study performed by the United States Department of Labor, Bureau of Labor Statistics (2004), most volunteers were involved with one or two organizations. The data collected by the Bureau of Labor Statistics again demonstrated differences by demographic groups. For instance, volunteers with higher educational attainment were more likely to volunteer at more than one organization. Older volunteers were more likely to contribute time and service to religious affiliated organizations than were their younger counterparts, and younger volunteers were more likely to volunteer at educational or youth service organizations. Moreover, for parents with children 18 years or younger, both women and men were more likely than adults with no children to volunteer at educational and youth-service related organizations, whereas their counterparts were more likely to be found volunteering at other types of organizations such as social or community organizations (U.S. Dept. of Labor, 2004). Overall, volunteers contributed more hours to religious, educational and youth service related organizations, while fewer hours were dedicated to performing activities for social or community service organizations, hospitals or other health organizations.

Being aware of the statistics and recent trends of volunteers and volunteer activities summarized above can be beneficial for NPHSOs in a variety of ways. Knowing the general volunteer profile can assist organizations with recruiting and strategizing approaches to increase volunteers and social capital. NPHSOs can further use the information to help assess the organization's current volunteer profile and provide appropriate incentives to retain and further engage their volunteers to capitalize on the existing and potential social capital available to the organization.

Volunteers and NPHSOs: A Social Capital Perspective

Philanthropy and volunteering are both longstanding traditions in American Society. The act of volunteering has stood as an expression of commitment to community which brings value to the nation (The Grantmaker Forum, 2003). In fact, The Independent Sector (2006) reported that the total dollar value of volunteer time for 2005 in the United States was estimated at $280 billion dollars. Though it is difficult to put a dollar value on volunteer time, many NPHSOs frequently use the value of volunteer time for recognition events and communications to quantify the community support an organization receives from "volunteers". The network relationship created by nonprofit activities and programs can thus help build social support (Backman & Smith, 2000). It is also not surprising that those that volunteer time and service to an organization are also more generous with their money and contribute financially in higher amounts than compared to those who do not volunteer (Brilliant, 1995; Putnam, 2000). Therefore, there are various ways in which NPHSOs can benefit from social capital theory; and the literature on volunteerism enhances the evidence that social capital can have extremely functional and productive outcomes in NPHSOs.

NPHSOs also contribute to the social capital in their community by providing formal and informal opportunities for community interactaction (Backman & Smith, 2000). Volunteer opportunities that are geared towards the appropriate target audience within their community are a good example of how NPHSOs can draw upon their local social capital to build collective capital for their organization. Because of the vast knowledge and skills of the community, NPHSOs can engage volunteers that will complement the needs of the organization. The literature reveals that volunteer contributions can be a key determinant of organizational and program success (Kiger, 2003; McDonald & Warburton, 2003; Whitford & Yates, 2002). However, positioning of volunteers within the organizational structure needs to be a win-win situation whereby the volunteer feels a personal sense of reward and the organization fills a need. Studies have illustrated how NPHSOs utilized volunteers as a result of social capital to benefit the organization and help meet organizational goals.

In a study by Whitford and Yates (2000), volunteers were utilized to help increase program effectiveness in a long-term care (LTC) ombudsman program. Together, staff and volunteer ombudsmen advocated on the behalf of older residents of long-term care facilities and the study demonstrated that volunteerism had a measurable impact on the productivity and effectiveness of the LTC ombudsman program. In addition, an article published by Kiger (2003) reported on three model projects utilizing professional and volunteer staff. The organization offered a vast variety of volunteer opportunities for paraprofessional volunteers and further appealed to both short-term and long-term volunteers. The NPHSO reported evidence of utilizing volunteers in a meaningful and paraprofessional role to efficiently meet its overall agency and program goals. Clearly, organizations can strategically utilize social capital theory based on their natural, relationship-centered structure to efficiently meet their needs.

Overall, volunteerism and social capital are closely aligned. The connections among community residents who serve as volunteers for and donate to an organization can be utilized for various functions and help solve problems. The extent and value of volunteerism can be viewed as a productive outcome of social capital in NPHSOs developed through the social relations and interactions within the larger social structure. The volunteer contribution in NPHSOs is an excellent example of how the opportunity-motivation-ability framework, as presented by Adler and Kwon (2002) can be put into action to reap the benefits of social capital.

The Organizational Advantage

Networks of relationships and social capital are clearly interrelated (Bourdieu, 1986; Inkpen & Tsang, 2005; Seibert, Kraimer, & Liden, 2001; and Wareham, 2003). It seems almost impossible to have one without the other, as networks of relationships serve as a foundation for the development of social capital. Organizations in general, and NPHSOs in particular, have unique capabilities or one might even say an organizational advantage for creating and sharing knowledge which derive from a variety of key factors (Nahapiet & Ghoshal, 1998). First and foremost, as pointed out by Nohria and Eccles (1992), “all organizations are in important respects social networks and need to be addressed and analyzed as such”. The nature of organizations as social communities (Kogut & Zander, 1992; 1996), primarily because they exist within open, natural systems (Scott, 1987; Stone and Bryson, 2000) is conducive to the development of social capital. In addition, organizations typically have either a facility or a special meeting space where the creation and transfer of tacit knowledge occurs (Kogut & Zander, 1993; 1996; Nonaka & Takeuchi, 1995; Spender, 1996). Organizations further tend to be more structured, coordinated, and facilitate communication which enhances cooperation for effective networking (Conner & Prahalad, 1996; Kogut & Zander, 1992; Zander & Kogut, 1995), which in turn permits organizations to more readily share resources, enhance their competitive position, and internalize the appropriate strengths of their partners (Hefner, 1994). Overall, NPHSOs can strategically use their organizational advantage to exploit social capital to ultimately benefit their constituency.

Social Capital and Organizations

It is evident that NPHSOs are a natural environment for the development of social capital. Banks (1997) argued that voluntary organizations (e.g. nonprofit organizations) are successful in promoting their goals when the organizations serve to link members to each other and thereby develop shared norms of collective action. As a result of trust and shared norms, organizations further benefit from social capital because it enhances organizational effectiveness (Ford, 1999; King, 2004; Midgley & Livermore, 1998; Prusak & Cohen, 2001). Studies have shown a relationship between higher levels of social capital and stability over time (Mayer, 2003), and higher degrees of social capital associated with functionality of the social network and institutional effectiveness (Coleman, 1988).

Moreover, network relationships created by the organization's activities and programs can help build social support (Backman & Smith, 2000). Social support at the community level is seen as a product of social capital, which is itself an outgrowth of the broader social networks (Backman & Smith, 2000). Generally, the structure of NPHSOs is heavily reliant on social capital for revenues since income is derived from persons other than the recipients of the goods and/or services of the organization. In order to sustain the organization, NPHSOs must be resourceful.

Forming many linkages with external, competent and credible partners with diverse experiences is one way for NPHSOs to enhance their capacity to draw upon quality social capital.

On the other hand, it is important to remember that NPHSOs were formed with some form of initial social capital. Since NPHSOs are in a sense social communities (Kogut & Zander, 1992; 1996), they must sustain their original social capital with which they were formed, as well as broaden it into a variety of key areas. For example, nonprofit executives must foster social capital in order to recruit and develop board members, raise philanthropic support, develop strategic partnerships, engage in advocacy, enhance community relations, and create a shared strategic vision and mission within the organization and its employees (King, 2004). Organizations that have more social capital are more likely to have a competitive advantage over organizations that have less social capital (Nahapiet & Ghoshal, 1998). Organizations must further strengthen their connections to influential leaders in their domestic societies and strengthen formal networks to gain legitimacy that validates their role in society (Ashman, Brown & Zwick, 1998). The social resources provided by such networks legitimatize the organization and signals to stakeholders that the organization is credible. This is especially important to NPHSOs since future revenues and resources partially depend on how they view the credentials of key players (Florin, Lubatkin, & Schulze, 2003) such as members of the board of directors and current funders or sponsoring organizations.

Human Capital and Organizations

In social science research, as with comparative research in many fields, economic performance has been found to depend on a variety of non-economic factors (Mayer, 2003) such as social and human capital. Organizations utilize networks to create and acquire new knowledge, skills and abilities which will hopefully lead to successful outcomes. One of the benefits of networks is human capital. Human capital and social capital are considered to be valuable resources to organizations, and especially for NPHSOs, since they typically rely on the community for financial support and resources. Whereas social capital can be viewed as the changes in the relations among persons to facilitate action (Coleman, 1988), and the resources available as the outcome of networks of relationships (Bourdieu, 1986; 1993; Nahapiet & Ghoshal, 1998; Putnam, 1995), human capital is embodied by the skills and knowledge acquired by the individual (Coleman, 1988). Human-based resources have been argued to be especially important intangible resources that impact organizational performance (Barney & Wright, 1998; Florin, Lubatkin & Schulze, 2003; Hitt, Bierman, Schimizu & Kochhar, 2001) and facilitate productive activities (Coleman, 1988). Moreover, human capital has many positive benefits but often comes at a price that many NPHSOs may not be able to afford. For instance, the value of graduates from top institutions command more compensation and their salaries are usually commensurated based on their value to the organization (Hitt et. al., 2001). However, organizations that pay more in compensation expect that their investment will yield highly productive employees (Hitt et. al., 2001). Thus, human capital and social capital are important factors to gaining and sustaining a competitive advantage.

Though NPHSOs are usually seen as noncompetitive in nature (e.g. non-profit making) by the general society, competition for tangible resources (e.g., revenue) is stiff and results in competitive as well as cooperative behaviors within practice areas, or primary social issue addressed. For example, advocates of child welfare are likely to align with one another independently from those that pursue a mental health initiative. Since revenues mainly come from government sources, private foundations, civic organizations, individuals, or corporations, sources of human and social capital become particularly important to NPHSOs to gain a competitive and economic advantage.

CHAPTER 3

CONCEPTUAL FRAMEWORK AND RESEARCH HYPOTHESES

Overview

A comprehensive review of the related literature on social capital theory was examined from a collective perspective and was applied to the formal organization. The analysis demonstrates that social capital theory is compatible and useful to NPHSOs and suggests constructive outcomes may result from high organizational social capital. Some of the expected outcomes resulting from high social capital include increased human capital, financial capital, volunteerism, and program effectiveness in NPHSOs. The conceptual model (see Figure 3.1) depicts the direct relationship expected between social capital and outcomes in NPHSOs while controlling for demographic variables that may impact the relationship.

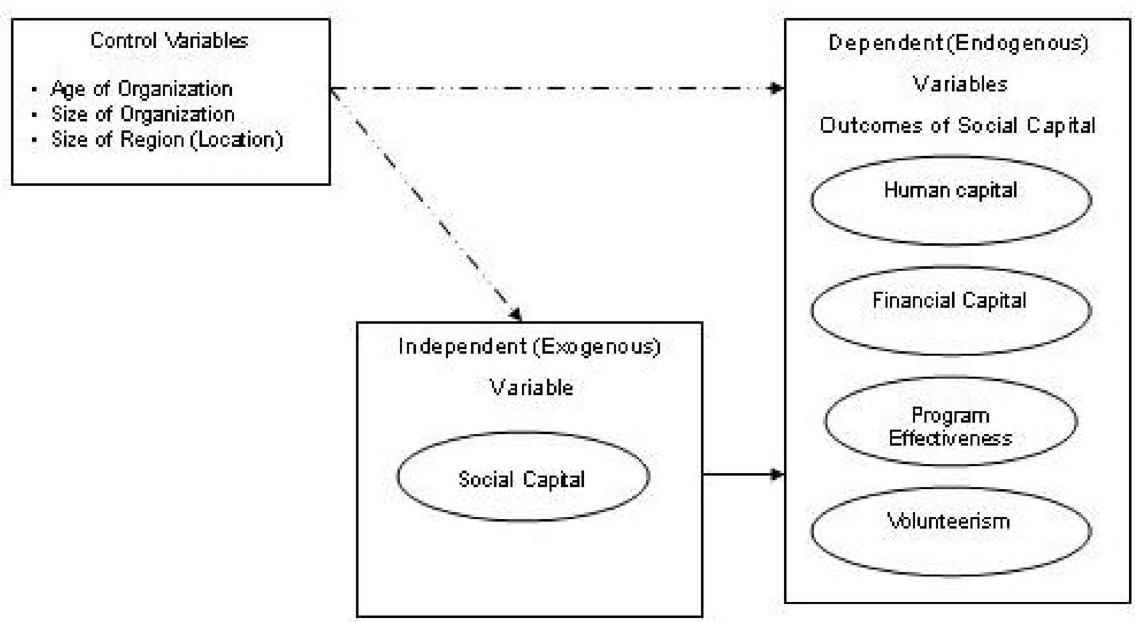

Figure 3.1. Conceptual Model, direct relationship between social capital and outcome variables.

Networks of relationships appear fundamental in understanding the development of social capital in NPHSOs. Therefore, the ability to network effectively is vital to NPHSOs since social capital created through organizational contacts serve as important resources to the organization. Organizations use their social capital network to attract funding, establish policies, win contracts, and recruit program participants (Schneider, 2006), among numerous other possibilities. Overall, organizational social capital relies on reciprocal trust developed over time and is expected to result in positive outcomes for the organization. Therefore, the impact of control variables such as the age of the organization, size of the organization, and size of region where the organization is located may be meaningful to the model and are included in the structural model to account for possible variance outside the central constructs of primary interest.

Social Capital

Social capital has been largely applied to multi-level analysis ranging from individuals to communities, formal organizations and institutions, and to nations worldwide. However, this multi-level analysis has caused problems in terms of defining and measuring *social capital*, and has stimulated theoretical debates among researchers. Bankston and Zhou (2002) refer to the "philosophical confusion of language" rather than a consequence of excessively wide application of the concept which has caused difficulty in defining, locating, and measuring social capital. Social capital is best described as a metaphorical construction, consisting of the processes of social interaction and investment in social relations, which leads to constructive outcomes (Bankston & Zhou, 2002). Therefore, social capital is not necessarily located in any one level of analysis, but rather emerges across various levels of analysis.

Formal participation has been noted in the literature as an important process to the development of social capital. Banks (1997) argued that voluntary or nonprofit organizations are successful in promoting their goals when the organizations serve to link members to each other and thereby develop shared norms of collective action. Zhou (1997) considered community-based organizations as means of generating social capital, and Putnam (1993, 1995) frequently equated social capital with participation in formal associations. Portes (1998) further described social networks and social structures as sources of social capital.

In NPHSOs, networks and social relations of importance typically include relationships with funding sources, employees and volunteers, members of the board of directors, and collaborative partnerships with other organizations and agencies. NPHSOs are usually structured such that revenues are derived from external resources such as grant funding agencies, both private and public, and external contributions from the larger community other than those individuals receiving the goods and/or services of the organization. From this perspective, social capital theory can be an asset to the organization by building on the many linkages with external, competent and credible partners with diverse experiences to help increase their financial capital and support organizational growth. Social capital generated through formal and informal social relationships may also provide NPHSOs with the capacity to solve problems more efficiently. The social resources provided by informal and formal networks may further result in productive outcomes and ultimately build social support and enhance the organization's reputation. Since future revenues and resources partially depend on how credible the organization is viewed by key stakeholders, networking becomes instrumental in marketing the organization. Internal and external relationships and social interactions offer opportunities for NPHSOs to increase their reputation and validate their role in society.

Since there have been various contributions to the conceptualization of social capital theory, it is imperative that future research focus on similarities and emerging themes to allow ample room for discussion and comparison of research. Despite difficulty in defining the concept, there is growing consensus in the literature that social capital stands for the "ability of actors to secure benefits by virtue of memberships in social networks or other social structures" (Portes, 1998, p. 3). Moreover, social capital refers to a relational process (Bankston & Zhou, 2002; Loeffler et al., 2004; Schneider, 2006; Onyx & Bullen, 2000; Bullen & Onyx, 2005), and is multidimensional applying to individuals, groups, communities, organizations and institutions (Bankston & Zhou, 2002; Bullen & Onyx, 2005; World Bank, 2007) whereby all can engage in its production (Bullen & Onyx, 2005). Consensus on the definition of social capital may emerge if scholars look to social capital *theory* in terms of emphasis on the relational process, sources, and structures which generates constructive outcomes. However, similar to any type of research, measuring social capital remains subjective based on the definition provided and indicators used to examine the area of interest.

The definition of social capital developed for social work by Loeffler et al. (2004) presented earlier in Chapter 2 was used as the primary theoretical foundation for the conceptualization of social capital and guided the dissertation in data collection and analysis. Loeffler's definition states "social capital is a process of building trusting relationships, mutual understanding, and shared actions that bring together individuals, communities, and institutions;" and refers to social capital as "a process enabling cooperative action that generates opportunity and/or resources realized through networks, shared norms, and social agency" (p.24). Like the primary contributors to the definition of social capital, Loeffler et al. incorporates the relational dimension as a core element of the definition and sets the theoretical foundation of social capital in terms of a "process" of social interactions with multi-level systems, and includes components of trust and mutuality to generate constructive outcomes.

Overall, social capital in essence is an investment in relationship building with expected benefits to sprout from those relationships. In NPHSOs, increased social capital may result in benefits such as increased financial capital, human capital, volunteerism, or program effectiveness. Coleman (1988) noted that economic development, human capital, and increased effectiveness is most likely to occur in social systems characterized by a high degree of civic trust resulting from those relationships. The structure of the network further appears to define the relationship and fosters cooperation and information exchange. The literature on social capital is generally supportive of including social structures and the benefits that stem from those relationships as core concepts of social capital theory.

Potential Outcomes of Social Capital Related to NPHSOs

Overall, the literature on social capital theory indicates a basic consensus that social capital is derived from social relations; however the process that links the effects of social capital in NPHSOs to program effectiveness has not been researched. As a comprehensive review of the empirical literature of social capital on communities, groups and organizations demonstrates, there is little documentation from an empirical research perspective on the outcomes of collective social capital as it relates to NPHSOs. Despite intentions of researchers to examine the effect or outcomes of social capital, the majority of the research focuses more on critical analysis of the process (Bankston & Zhou, 2002; Falk & Kilpatrick, 2000; Larance, 2001; Luckin & Sharp, 2005; Oh, Chung, & Labianca, 2004; Onxy & Bullen, 2000; Schneider, 2006; Smith, Stoker, & Maloney, 2004); key components of social capital (Ashman, Brown, & Zwick, 1998; Brehm & Rahm, 1997; Lelieveldt, 2004; Putnam, 2000); the levels and perceptions of social capital and contribution to social capital development (Bagley, Ackerley, & Rattray, 2004; Knotts, 2006; Livermore, 2004; Zacharakis & Flora, 2005); and to some extent impact and performance related to social capital development (Bagley, Ackerley, & Rattry, 2004; Diaz et al., 2000; Edwards & MCCarthy, 2004; Florin, Lubatkin, & Schulze, 2003; Hagar, Galaskiewicz, & Larson, 2004;); as well as outcomes such as economic development (Jurik, Cavender, & Cowgill, 2006; Knack & Keefer, 1997; Midgley & Livermore, 1998) and human capital (Hitt et al., 2001; Kilpatrick & Falk, 2003).

The process of social capital development is highly dependent on its definition and conceptualization; however, once defined empirical research is needed to address the gap in the literature regarding the applicability to and impact on organizations. Moreover, when social capital is viewed as a form of investment in relationships that will result in increased benefits, possible outcomes for NPHSOs may be in the form of increased human capital, financial (economic) capital, volunteerism, and program effectiveness.

However, researchers often blend concepts together using various combinations of human capital, financial capital, and social capital in their analysis of “social capital”. This confusion appears to be largely due to the lack of definitional clarity concerning various types of "capital". In actuality the term "capital" refers to resources for investment; whereas, "financial capital" consists of specific quantities of assets (Bankston & Zhou, 2002) and is commonly measured by wealth or income (Wong, 1998; Ferguson, 2006). On the other hand, human capital is a metaphorical extension of financial capital, also consisting of specific quantities of assets, but in the form of acquired knowledge, skills, abilities or credentials (Bankston & Zhou, 2002; Coleman, 1990). Empirical studies suggest that human capital attributes (including education, experience, and skills) and in particular, the characteristics of top managers affect organizational outcomes (Finkelstein & Hambrick, 1996; Huselid, 1995; Pennings et al., 1998; Wright, Smart, & McMahon, 1995).

The conceptual framework for the dissertation distinguished between social capital and other forms of capital, such as human and financial. Aside from examining what constitutes social capital at the organizational level for NPHSOs, an examination of potential outcomes of social capital including examining the concepts of human capital, financial capital, volunteerism, and program effectiveness, in addition to analyzing the relationships among these concepts are what guided the dissertation. The conceptual model 3.2 illustrates the hypothesized mediating effects between social capital and program effectiveness while controlling for demographic differences among NPHSOs. The literature on social capital theory which referred to the "process" of social interactions with multi-level systems, and included components of trust and mutuality among those relationships used to generate productive outcomes, assisted the researcher in developing the conceptual model and designing the structural relationships.

In order to accurately assess the effects of social capital in NPHSOs, human capital, financial capital, and volunteerism must be examined individually and separated from the core elements that make up the definition and conceptualization of general social capital. Program effectiveness is further examined as the ultimate outcome, or primary dependent variable, resulting from the social capital in NPHSOs. Indicators for each study construct are further discussed in Chapter 4, Methodology.

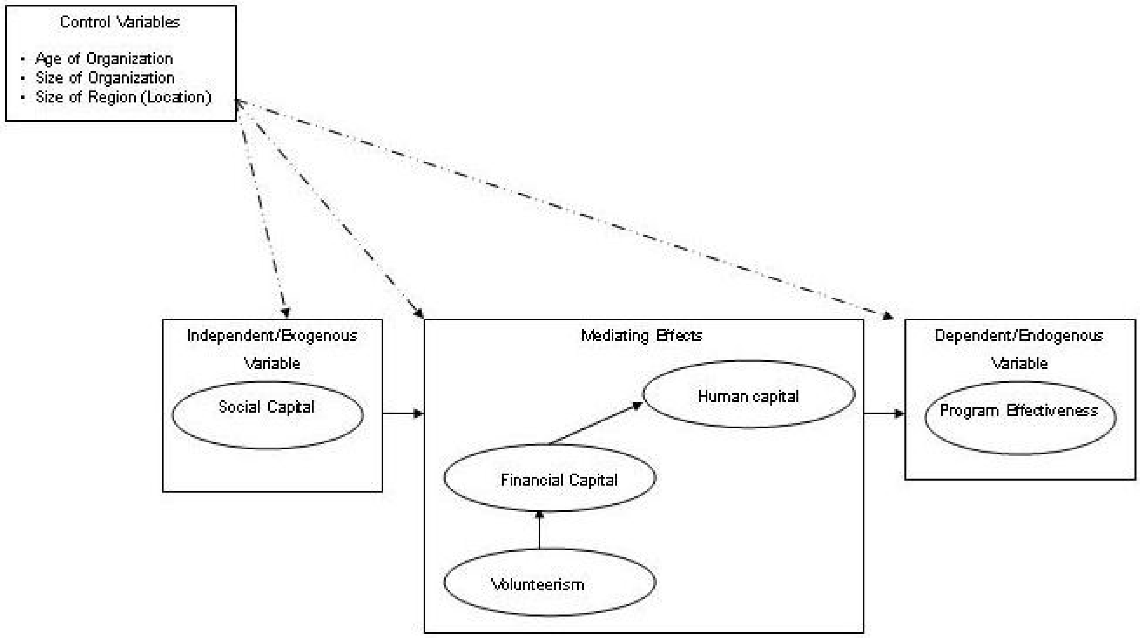

Figure 3.2. Conceptual Model, mediating effects between social capital and program effectiveness.

Empirical studies support the social capital effect in strengthening levels of human capital (Ferguson, 2006; Hitt et al., 2001; Kilpatrick & Falk, 2003; Wong, 1998), and suggest that human capital attributes (including education, experience, and skills) and in particular, the characteristics of top managers affect organizational outcomes (Finkelstein & Hambrick, 1996; Huselid, 1995; Pennings et al., 1998; Wright, Smart, & McMahon, 1995). There is also evidence and support for the conversion of social capital into economic means (Alder & Kwon, 2002; Anheier, Gerhards, & Romo, 1995; Coleman, 1988; Jurik, Cavender, & Cowgill, 2006; Knack & Keefer, 1997; Midgley & Livermore, 1998; Smart, 1993), and empirical links between service availability/delivery and the financing of programs have been demonstrated by Gerstein et al. (1997), Heinrich and Fournier (2005), and Heinrich and Lynn (2002). Though the conversion of social capital into direct economic capital is considered low, social capital can be a substitute for and complement other resources (Alder & Kwon, 2002). The expectation, however, is that investment in social capital and increased social capital will eventually produce the needed resources for the organization.

Moreover, because “volunteerism” is perceived as being a critical and unique component in the administration and operation of NPHSOs, it is examined as a separate construct for the purpose of this study. “Volunteerism” is also examined independently from the “human capital” construct for the purpose of specifically examining the volunteer contribution in NPHSOs. The literature on volunteerism lends empirical support for the use of volunteers as a method to reduce cost, increase quality, and produce mutually benefiting outcomes (McDonald & Warburton, 2003; Mook, Sousa, Elgie, & Quarter, 2005; Whitford & Yates, 2002). The volunteer profile further indicates that volunteers can contribute to NPHSOs in various capacities and in functional ways. Previous researchers have examined the contributions that volunteers make to the economy, how income and other factors influence the likelihood of volunteering, and what volunteers get back in return for their contributions (Govekar, P.L. & Govekar, M.A., 2002). However, research is recently emerging to include more empirical analysis on the extent to which the social capital of individuals affects whether or not one engages in volunteer activities (Mattis, Jagers Hatcher, Lawhon, Murphy & Murray, 2000; Wilson, 2000), the extent to which social capital possessed by the community effects volunteer rates (Whitford & Yates, 2002), the relationship between volunteer contributions and organizational performance/effectiveness (Kiger, 2003; McDonald & Warburton, 2003; Whitford & Yates, 2002), the relationship between the social capital of the community and organizational performance/effectiveness (Backman & Smith, 2000; King, 2004), and the effects of social capital on organizational performance (Ashman, Brown & Zwick, 1998; Edwards & McCarthy; 2004; Oh, Chung & Labianca, 2004; Staber, 2003). Thus, the dissertation examined the relationship between volunteerism and social capital, financial capital, and program effectiveness in NPHSOs.

It is evident that networks of relationships and social capital theory are interrelated; however, empirical research that demonstrates the effects of social capital theory in NPHSOs is sparse. Ultimately, the study herein is concerned with the impact social capital may have in NPHSOs especially in relationship to program effectiveness. It is predicted that human capital, financial capital and volunteerism will likely mediate the relationship between social capital and program effectiveness in in NPHSOs. However, since no organization is the same, especially in regards to the management and administration of programs in addressing social issues, methodological challenges exist in capturing “program effectiveness” across multi-purpose programs and organizations. Nonetheless, “program effectiveness” of NPHSOs is typically based on the intention of service provision and delivery compared to outcomes achieved.

Research Hypotheses

The impact of networks of relationships, as a result of social capital, warrants further research. Empirical research regarding the application of social capital is needed to provide additional insight to the general make up of the theoretical concept. The dissertation therefore focused on social capital at the organizational level and in particular in NPHSOs, and contributed towards the clarification and application of social capital theory for the formal organization. It was hypothesized that NPHSOs can benefit from a critical analysis of the potential outcomes of social capital given this organizational perspective. The primary purpose of the dissertation remained to provide for a more complete understanding of social capital theory as it relates to NPHSOs. The study explored some potential outcomes of social capital and examined the relationship between social capital and program effectiveness in NPHSOs.

Hypotheses were generated to answer the research questions presented in Chapter 1 of the dissertation. The general expectation of the study is that beneficial outcomes are expected as a result of increased levels of social capital in NPHSOs and contribute to overall program effectiveness. Acquiring higher levels of social capital is predicted to be beneficial to NPHSO’s success in obtaining higher levels of human capital, financial capital, volunteerism, and ultimately program effectiveness. In addition, financial capital, human capital, and volunteerism are predicted to have a mediating effect on the relationship between social capital and program effectiveness. Demographic/control measures were also considered in the analysis to account for possible variance outside the central constructs of primary interest which may be meaningful in understanding the structural relationships.

Hypotheses 1-1 through 1-4 correspond to Figure 3.3 regarding the relationship between outcome variables and increased social capital in NPHSOs, while controlling for demographic differences, and address research question 1: *What are the potential outcomes of social capital in NPHSOs?*

Hypothesis 1-1: A higher level of social capital in NPHSOs is positively related to human capital.

Hypothesis 1-2: A higher level of social capital in NPHSOs is positively related to financial capital.

Hypothesis 1-3: A higher level of social capital in NPHSOs is positively related to volunteerism.

Hypothesis 1-4: A higher level of social capital in NPHSOs is positively related to program effectiveness.

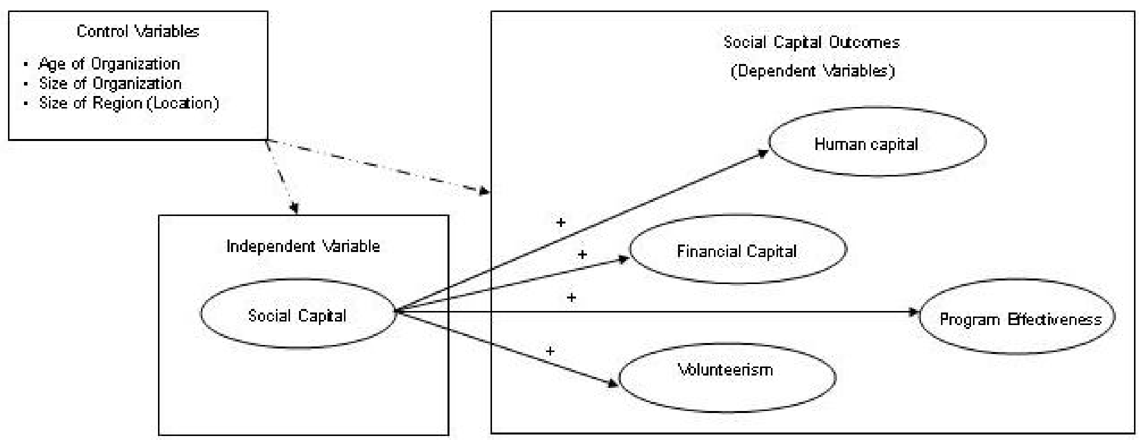

Figure 3.3. Relationships between outcome variables and increased social capital in NPHSOs.

Hypotheses 2-1 through 2-10 address research question 2: *What are the mediating effects between the level of social capital and program effectiveness in NPHSOs?* (See Figure 3.4).

Hypothesis 2-1: Increased human capital partially mediates the relationship between the level of social capital and program effectiveness in NPHSOs.

Hypothesis 2-2: Increased financial capital partially mediates the relationship between the level of social capital and program effectiveness in NPHSOs.

Hypothesis 2-3: Increased volunteerism partially mediates the relationship between the level of social capital and program effectiveness in NPHSOs.

Hypothesis 2-4: Increased human capital is positively related to program effectiveness.

Hypothesis 2-5: Increased financial capital is positively related to program effectiveness.

Hypothesis 2-6: Increased volunteerism is positively related to program effectiveness.

Hypothesis 2-7: Increased financial capital partially mediates the relationship between the level of social capital and human capital.

Hypothesis 2-8: Increased volunteerism partially mediates the relationship between the level of social capital and financial capital.

Hypothesis 2-9: Increased financial capital is positively related to human capital.

Hypothesis 2-10: Increased volunteerism is positively related to increased financial capital.

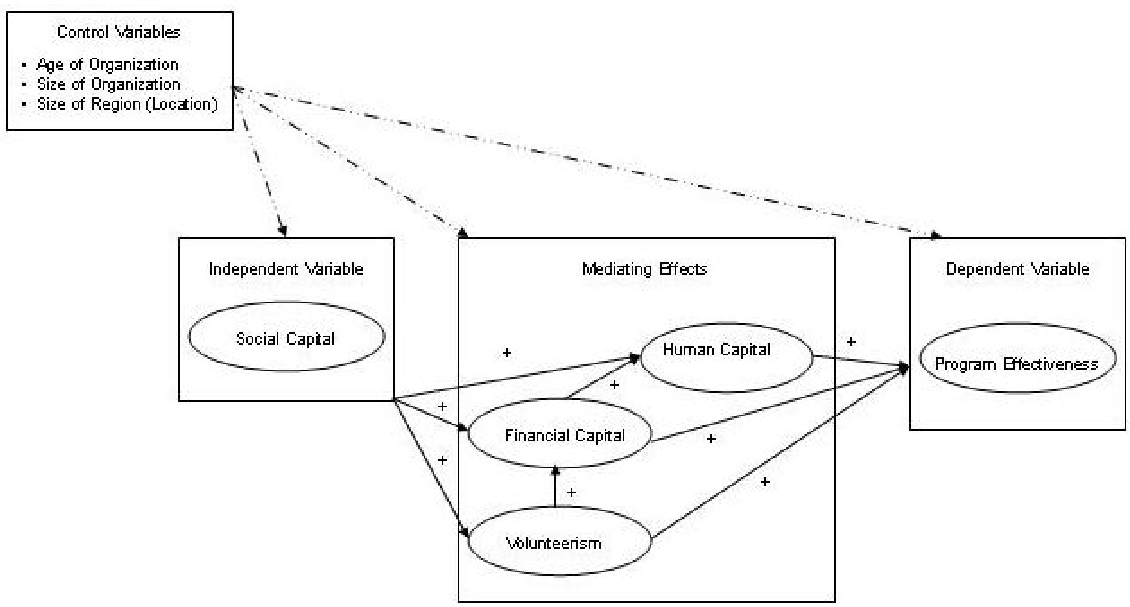

Figure 3.4. Mediating effects between the level of social capital and program effectiveness.

The research findings were predicted to be helpful to NPHSO's executives in strategic planning related to capacity building, development, and increasing program effectiveness. It was further anticipated that NPHSOs could strategically use the information divulged from the study herein to their advantage to strengthen supportive networks and resources for the organization. The results from the dissertation were also expected to enhance our knowledge and understanding of social capital as applied to the formal organization, and make known potential outcomes of social capital and its relationship to program effectiveness in NPHSOs.

CHAPTER 4

METHODOLOGY

Research Design and Methods

The study provides for a more complete and theoretical understanding of social capital theory and its relevance to NPHSOs. Mediating variables were incorporated in the conceptual model to better understand how the phenomenon of social capital, directly or indirectly, impacted program effectiveness in NPHSOs. A descriptive, nonexperimental cross-sectional survey research design was implemented. It was also an ex post facto study to examine the relationship between the exogenous, independent variable (social capital) and four endogenous, dependent variables (human capital, financial capital, volunteerism, and effectiveness), and controlled for age of the organization, size of the organization, and size of region where organization is located.

Primary data was collected through a self-administered questionnaire distributed to the sample of NPHSOs. Additional information came from supporting documents received from NPHSOs and available IRS Forms 990s. A four-step approach to modeling was selected to examine the data, which required the use of two statistical softwares: SPSS version 15 and Amos version 7. The main statistical technique utilized for hypotheses testing was Structural Equation Modeling (SEM). SEM was utilized to analyze the data since multiple observed variables were used as indicators to construct the latent variables and study the area of scientific inquiry.

Study Sample

In this study, the sample included NPHSOs who were also United Way partner agencies in the State of Texas. The study sample encompassed 414 United Way partner agencies, considered to be NPHSOs, and were associated with eight United Way organizations in Texas. There is a total of ninety United Way organizations registered in Texas. However, a purposive sampling procedure was utilized to capture a sufficient number of partner agencies to participate in the study, and maintain a representative sample of the major regions in Texas. Information from the U.S. Census Bureau (2000) identifying the population for the largest counties and incorporated places in Texas was utilized to select the most appropriate United Way organizations in Texas for this study. The eight United Way organizations for obtaining the study sample population of United Way partner agencies include: United Way Capital Area (Austin, TX); United Way Metropolitan Dallas, Inc. (Dallas, TX); United Way of El Paso County (El Paso, TX); United Way of Metropolitan Tarrant County (Fort Worth, TX); United Way of the Texas Gulf Coast (Houston, TX); Lubbock Area United Way, Inc. (Lubbock, TX); United Way of the South Texas (McAllen, TX); United Way of San Antonio and Bexar County (San Antonio, TX).

There were two main criteria in order for organizations to be included in the study. First, organizations must have been considered a United Way partner agency by United Way. The partner agencies included in the study had a formal relationship with United Way and were listed on United Way's roster of partner agencies for the current year. Secondly, the organizations must have been a nonprofit organization or agency which addressed human needs or social issues as their primary area of practice (e.g., child and family welfare, public health, mental health/mental retardation/disabilities, homelessness, senior well-being, crisis relief, education, substance abuse, youth development, etc.). The two prerequisites above were imposed to ensure a similar level of comparison between the NPHSOs in terms of examining the level of social capital and the related indicators to be examined. United Way partner agencies from the pre-selected regions were contacted to participate in the study.

Data Collection

The data was collected through a social capital survey questionnaire customized for NPHSOs and combined with supplemental documents. Existing documents such as IRS Form 990, the NPHSO's annual report or progress reports, and supplemental literature such as organizational brochures, pamphlets, and fact sheets were also requested from the NPHSOs. This information was requested from 414 United Way partner agencies polled from the identified eight United Way organizations previously discussed under "Study Sample". A letter requesting completion of the survey questionnaire and request for supporting documents were sent to NPHSOs either by direct mail or email pending the availability of information on United Way partner agencies as provided by the United Way organization. The researcher first obtained a letter of support from each of the United Way organizations and requested their roster or directory on partner agencies for the purpose of contacting organizations to participate in this study. The researcher provided United Way organizations with a copy of the letter that was to be mailed to partner agencies (see Appendix B) along with a project abstract to inform United Way organizations about the research and assist them in developing a letter of support. Once the letter of support was obtained, the researcher mailed the letter of support along with the questionnaire cover letter and survey instrument to all partner agencies.

To help increase the response rate, the researcher emailed agency contacts immediately following the initial mail outs of the survey packets to inform agency executives that they had been sent a survey packet and that their cooperation and participation in the research would be appreciated. After the initial distribution of survey packets, the researcher made three attempts to follow up with non-respondents. Follow up contacts were made via telephone or email to both non-respondents and to those who had incomplete returned surveys. As an incentive, NPHSOs were initially offered a free seminar on Systems of Care for all participating agencies. The researcher worked collaboratively with the local United Way organizations, DFPS agencies, and university contacts to select an appropriate training location in each region to conduct the free seminar. Lastly, the researcher created a short-version of the survey which was made available online to non-respondents via survey monkey. Of the 414 questionnaires sent out, 32 were returned as undeliverable, 105 usable long-version questionnaires were completed and returned via direct mail, and an additional 58 usable short-version questionnaires were completed online. Thus, a usable response rate of 42.7% was obtained, which resulted in 163 usable questionnaires for analysis.

Survey Instrument

The survey instrument was developed and tailored specifically for NPHSOs utilizing questions that were adapted with permission from the social capital index developed by Bullen and Onyx (1998; 2005) on communities. Specific questions were selected from the 36 best questions from the social capital index by Bullen and Onyx (see Appendix C) and were revised to pertain to NPHSOs. The survey instrument "Social Capital Questionnaire for NPHSOs" (see Appendix D) was developed in the form of a self-administered questionnaire to allow participants to provide aggregate data and respond directly to statements regarding the research constructs. The short version of the questionnaire (see Appendix E) was created to attract non-respondents with limited time to complete the survey while still capturing the central constructs pertinent to the research. The questionnaires were completed as a self-report by the NPHSO's executive, primarily by the organization's Executive Director, Chief Executive Director, or President.

The survey instrument developed was designed to capture the central constructs and variables of interest regarding the social capital process and potential outcomes in relationship to NPHSOs (see Appendix F). Specifically, the questionnaire elicited information about: (1) the organization, background, and its employees; (2) board of directors, roles, and activities; (3) budget and revenue sources; (4) unpaid staff and volunteer roles and activities; (5) network relationships and collaborative partnerships; (6) program development, implementation, impact, and evaluation. The information was obtained directly from the study participants (e.g. NPHSOs/United Way partner agencies) who were asked to mail the questionnaire directly back to the researcher at the university's address or submit their responses online via survey monkey. No client information was requested; the survey instrument requested solely aggregate data with no identifying information other than who was completing the survey instrument on behalf of the organization. Moreover, the information was treated as confidential and each participating organization was given an identification number. A key code list of the participating organizations was kept separately from the collected data and survey responses. The dataset used for the research analysis was created from the 163 usable, completed surveys and supporting documents from NPHSOs. Supplemental information received through fact sheets, brochures, and IRS Form 990s were used to obtain additional data of interest or in order to fulfill missing data.

Data Analysis

Overview

Structural Equation Modeling (SEM) with AMOS was utilized to test the relationships among the latent constructs since multiple observed variables were selected as indicators of the constructs. The SEM process broadly consisted of two main steps, which included the creation and empirical testing of the (1) measurement or factor models; and (2) structural model. The researcher utilized a Confirmatory Factor Analysis (CFA) approach to test the measurement models, or factor models, which examined the relationships among the measured (observed) variables and the underlying construct. The indicators for each of the latent constructs are described under “Measurements” in the following section. The measurement models, which were confirmatory factor models, also suggested ways to improve the fit of the measures of the constructs which was done before testing the structural model.

In addition, Exploratory Factor Analysis (EFA) was also utilized to test the homogeneity of the variables and the correlation among the survey questions, and to identify a minimal number of factors that accounted for the covariation among the observed variables. The factor-analytic models, utilized both a CFA and EFA approach, provided additional insight for model modification to achieve a better data-to-model fit. The hypothesized structural model was then tested with specified relationships among the latent variables (e.g. study constructs) and with their best-fit indicators. Overall, SEM was utilized to test the theoretical relationships between certain hypothesized structural conditions as posited by theory.

The proposed structural model (see Figure 4.1) was developed based on the conceptual models which encompassed one independent, exogenous variable (e.g. social capital), and four dependent, endogenous variables (e.g. human capital, financial capital, volunteerism and effectiveness) with mediating effects predicted between social capital and program effectiveness while controlling for demographic differences among organizations. Though the relationships among the constructs were formulated based on the prior literature on social capital theory related to communities, groups and organizations, it was expected that some model modification would be required in order to reach a best-fit model for the data. Model modification was conducted based on examination of the regression weights, Chi-Square and other fit indices while considering the possible theoretical relationships.

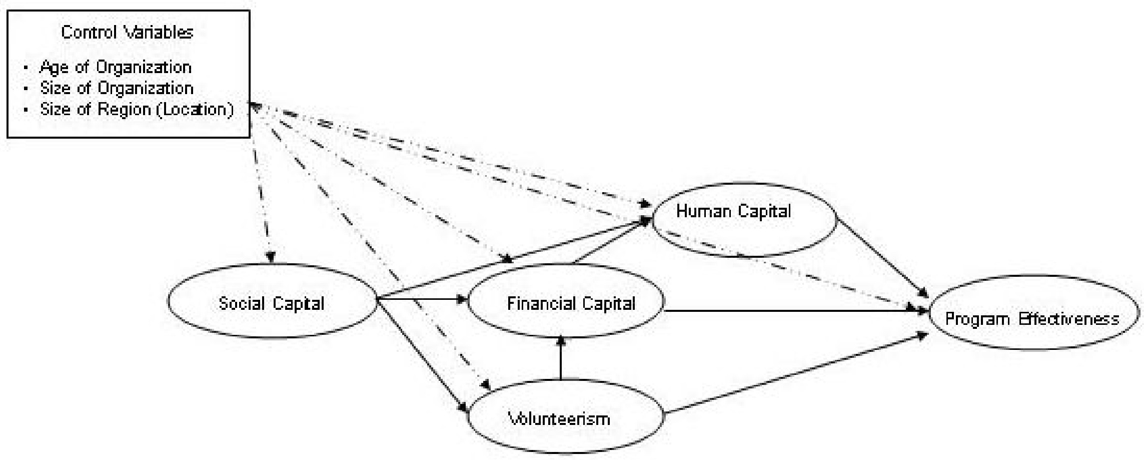

Figure 4.1. Structural model posited by theory while controlling for demographic differences among NPHSOs.

Measurements

Figures 4.2 and 4.3 depict the measurement models for the independent, exogenous variable (e.g. social capital) and the dependent, endogenous variables (e.g. social capital outcomes: volunteerism, financial capital, human capital, and program effectiveness) respectively. The measurement models further provided for an assessment of convergent and discriminant validity. The CFA approach confirmed which set of variables were the best indicators for each of the central constructs. It was expected that some of the indicators for each construct would be dropped in order to formulate a best-fit model for each latent construct.

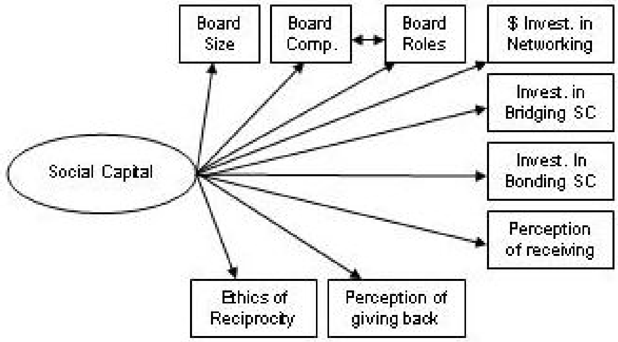

Figure 4.2 Proposed CFA measurement model for independent, exogenous variable social capital.

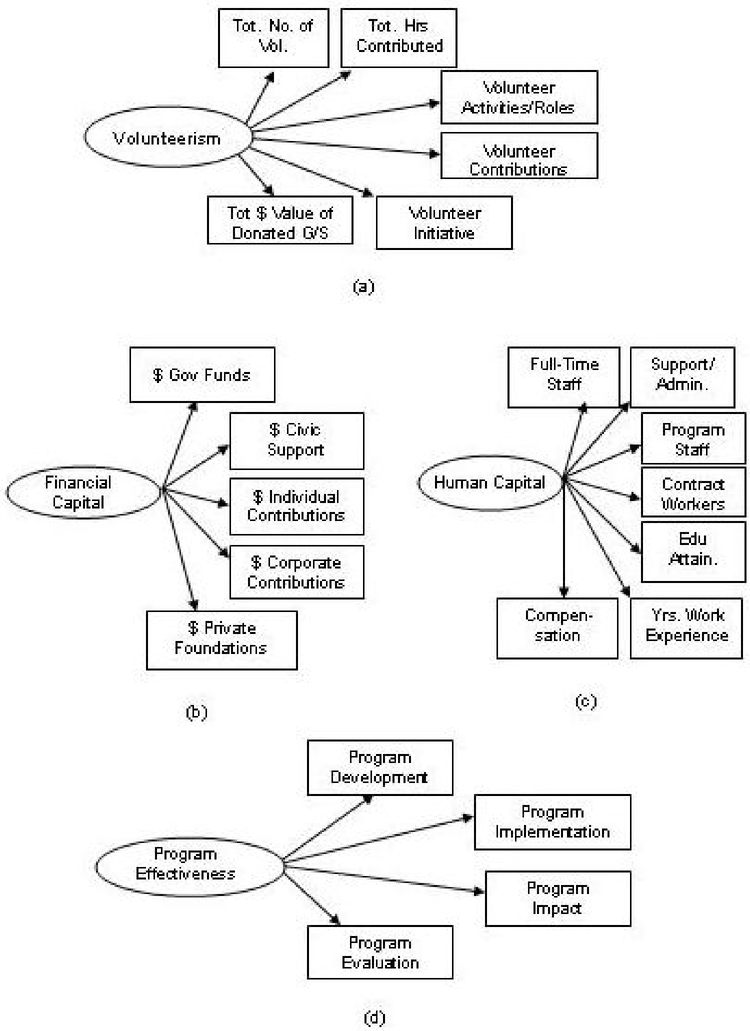

Figure 4.3 Proposed CFA measurement models for dependent, endogenous variables (e.g. social capital outcomes): (a) volunteerism, (b) financial capital, (c) human capital, and (d) program effectiveness.

Social Capital

Utilizing the definition of social capital by Loeffler et al. (2004) developed for the use of social work practice, research and policy, the operationalization of “social capital” for NPHSOs was formulated based on the core elements of the definition which are: building relationships through cooperative behavior inclusive of trust, mutual understanding and reciprocity; and structural relationships and roles across multi-level systems (e.g. individuals, groups, organization, institutions) which are expected to generate opportunities for productive outcomes. Social capital of NPHSOs will be measured by variables and indicators around *1) board influence* – board size, board composition, board activities and responsibilities; *2) investment in networking; 3) civic engagement* – sense of connectedness (e.g. bonding social capital), and proactivity in a social context and participation in the local community (e.g. briding social capital). *4) Norms of reciprocity* – reception of receiving assistance, reception of giving back to other organizations and assisting others in general, and the ethics of reciprocity.

Board Influence. The observed variables related to board of directors and indicators for social capital included: board size, board composition/diversity, and board roles and responsibilities. Board diversity in NPHSOs is desired since a greater variety of skills and backgrounds can lead to greater opportunities to generate resources; and as Provan (1980) argued, larger boards facilitate wider community representation. Research on boards of directors demonstrates limited evidence of board size (Olson, 2000; Yermack, 1996), composition/diversity in terms of primary reason why individuals were selected to the board (Callen, Klein & Tinkelman, 2003; Siciliano, 1996) and activities and role responsibilities (Green & Griesinger, 1996; Klein, 1998) related to better performing organizations (effectiveness). However, since nonprofit boards function differently than for-profit boards, with nonprofit boards often filling both a monitoring role and resource acquisition role (Olson, 2000), various aspects of board contributions and influence in NPHSOs were observed as a measurement of organizational social capital.

The literature on board of directors in nonprofit research further indicates that boards of directors serve to legitimize the organization and are crucial in resource acquisition (Callen, Klein

& Tinkelman, 2003; Florin, Lubatkin, & Schulze, 2003). Board composition and diversity were measured as the primary reason why individual members were selected to the board. Categories for the selection to the board were: a) status as an employee or external member; b) a major donor; c) a person with a useful professional skill (e.g. professional fundraiser, accountant, legal advisor, medical doctor, etc.); d) a well-known person who enhances the organization's image (e.g. celebrity, government or city official, etc.), and e) other reason.

The observed measurement for primary board roles and responsibilities were the extent to which board of directors assist the organization in various capacities. These primary roles and responsibilities were categorized as: strategic planning, board development, resource development, financial management, and conflict resolution. NPHSO administrators were asked to rate the extent to which members of the board of directors participated in these roles and responsibilities. A composite score was calculated and reported as the observed variable for participation in these primary roles and responsibilities.

Investment in Networking. The literature on social capital theory demonstrated that networks play a key role in understanding the connection between social capital and NPHSOs, thus networking capability was included in the measure of social capital for this study. NPHSOs typically must compete and collaborate with others in pursuit of attaining their mission (Bryson, Gibbons, & Shaye, 2001). Therefore, networking capability is essential for building social capital in the nonprofit human service sector. "Investment" in networking activities was measured by the dollar amount NPHSOs report on IRS Form 990 under line 39: Travel, and line 40: Conferences, conventions, and meetings, which were summated to determine the total dollar amount invested in networking activities. Line 39. Travel, asked organizations to enter the total travel expenses, including transportation costs (fares, mileage allowances, and automobile expenses), meals and lodging, and per diem payments. Line 40. Conferences, conventions, and meetings, refered to the total expenses incurred by the organization in conducting meetings related to its activities. Included in such expenses were the rental of facilities, speakers' fees and expenses, and printed materials. Registration fees (but not travel expenses) paid for sending any of the organization's staff to conferences, meetings, or conventions conducted by other organizations were also included in the total amount (Department of the Treasury, 2005).

IRS Form 990 (see Appendix G) was completed by the NPHSOs that were tax exempt organizations and did not meet any of the exceptions and whose annual gross receipts were in excess of $25,000. However, if the organization's annual gross receipts were less than $100,000 and its total assets at the end of the year were less than $250,000, it may have filed Form 990-EZ (short version), instead of Form 990 (Department of the Treasury, 2005). Thus, not all organizations had a Form 990 with the appropriate information to share with the researcher, which resulted in missing data. An organization's IRS Form 990, for those NPHSOs who were required to file, is usually available for public inspection to provide information about the organization. How the public perceives an organization may be influenced by the information presented on its return, especially in the cases where organizations have little published material concerning its activities.

Moreover, organizations tend to structure, coordinate, and facilitate communication which enhances cooperative networking behavior (Conner & Prahalad, 1996; Kogut & Zander, 1992; Zander & Kogut, 1995). Utilizing IRS Form 990 in the form of line 39 and 40 was predicted to be a good proxy for networking capability (Nuno & Payne, 2006). Organizations that invest greater amounts in networking are more likely to benefit from shared resources, enhance their competitive position, and internalize the appropriate strengths of their partners (Hefner, 1994).

Civic Engagement and Norms of Reciprocity. To capture the investment in bridging and bonding social capital, in addition to measuring the financial investment in developing social capital, questions were included in the survey instrument to target specific behaviors and activities that contribute to the investment in bridging and bonding social capital, as well as items that measured the attitudes and perceptions about networking activities and associations. Putnam (1993, 1995) often referred greatly to "civic engagement" and participation in the local community, sense of connectedness to the community, and proactivity in a social context. Civic associations which involve multi-level interaction are considered to foster social capital and develop cooperative behavior among sets of individuals. Putnam (1993) also suggested that societies with strong social capital based on civic culture thrive, while those that lack social capital are at risk. The network connections based on civic-minded principles are consecutively fostering social capital due to the sense of mutual understanding and norms of reciprocity.

In addition, financial donors are often viewed as an indicator of organizational efficiency (Callen, Klein & Tinkelman, 2003) and contribute a vital tangible resource to the organization. The relationships with funders are therefore an important source of social capital since the organization receives something beneficial from these relationships. The perception of the relationship with financial supporters and the benefits gained from those relationships are therefore considered as indicators of social capital since the relationship is formal and one that produces actual and potential resources. Financial donors often serve as a resource to the organization in other capacities such as with technical assistance, knowledge and information exchange. Therefore, questions regarding technical assistance and perceptions of assistance, other than financial, which may be perceived to be available through the funder were also indicators of social capital in the form of "the perception of receiving".

The survey questions that served as indicators of bridging and bonding social capital, the perception of receiving and giving, and the overall norms and ethics of reciprocity are listed below and were adapted, with permission, from the social capital index developed by Bullen & Onyx (1998; 2005) on communities to pertain to the research herein on organizations. Respondents were asked a series of questions related to civic engagement and the norms of reciprocity and were asked to objectively evaluate each Likert item based on their level of engagement. The number in parenthesis refers to the number on the Social Capital Questionnaire developed by Bullen & Onyx (1998; 2005) based on the 36 best questions:

- (14) How many <u>local</u> networks, coalitions, or task forces does the organization belong to?
- (9) Does the organization often receive help or benefit from these networks?
- (17) Do key employees (for example CEO, program administrator and managers) often attend networking meetings?

- (18) Do key employees (for example, CEO, program administrators and managers) often have working lunches/dinners with people <u>outside</u> the organization?
- (18) Do key employees (for example, CEO, program administrators and managers) often have working lunches/dinners with people <u>inside</u> the organization?
- (16) How often does the organization's board of directors meet?
- (34) How often do key employees (for example, CEO, program administrators and managers) engage in team work to accomplish tasks and projects?
- (9) How helpful are funding agencies in providing assistance other than financial, such as technical assistance, information, and providing additional resources?
- (5) Does the organization contribute helpful information, resources, and assistance to other organizations?
- (13) Has the organization been represented at a local community event (e.g. health or human service fair, job fair, etc.) within the past 6 month?
- (36) Does the organization collaborate often with other entities even if there is no formal contract or memorandum of agreement?
- (4) Some say that by helping others you help yourself in the long run. Do you agree?

Human Capital

The human capital construct revolved around specific quantities of assets in the form of personnel, acquired knowledge, skills, abilities and credentials (Bankston & Zhou, 2002; Coleman, 1990). Social and human capital are distinct concepts though some prior research has blended the concepts together when accounting for social capital. Burt (1997) argues that human capital refers to individual ability, whereas social capital refers to opportunity. Human capital is encapsulated by the attributes of individuals' capabilities in terms of talent, education and abilities. Social capital on the other hand refers to the structure of relationships and interactions among individuals that lead to constructive outcomes. For the purpose of this study, social capital and human capital were examined independently from one another with human capital being a possible outcome of social capital. Social capital was examined from the perspective of relationship networks, structure of social ties and civic engagement, and the norms of reciprocity. Human-based resources, on the other hand, have been argued to be especially important intangible resources that impact organizational performance (Barney & Wright, 1998; Florin, Lubatkin & Schulze, 2003; Hitt et al., 2001) and facilitate productive activities (Coleman, 1988). Thus, in the conceptual model, human capital was illustrated as an endogenous, dependent variable that is influenced by social capital, and in turn, may impact program effectiveness in NPHSOs.

The construct “human capital” was operationalized by the observed variables: the total full-time equivalent number of staff, total number of contract workers, total number of program staff, total number of support/administrative staff, the years work experience of management and key program staff, the educational attainment of management and key program staff, and the total compensation of employees and directors as reported on IRS Form 990. Line item 25, “Compensation of officers, directors, etc.” will be combined with Line item 26, “Other salaries and wages” to develop the variable on employee compensation. Line item 25 requests organizations to enter the total compensation paid to current and former officers, directors, trustees, and key employees for the year. Line 26 requests organizations to enter the total amount of employees’ salaries and wages, fees, bonuses, severance payments, and payments of compensation deferred in a prior year to all employees not reported in line 25 (Department of the Treasury, 2005).

Financial Capital

Financial capital often consists of specific quantities of assets (Bankston & Zhou, 2002) and is commonly measured by wealth or income (Wong, 1998; Ferguson, 2006). The notion of financial or economic capital refers to the physical and material resources that, depending on the specific amount, can either stimulate or thwart future outcomes (Coleman, 1988). Moreover, the financing of NPHSOs generally rely on the community for financial support and resources to sustain the organization and its programs. Since revenues of NPHSOs can generally be broken down into five main revenue generating categories, analysis of financial capital was to be examined by the source of revenues generated for the year of study, inclusive of total revenue received from civic organizations, government sources, private foundations, individual contributions, and corporate contributions. In social science research, as with comparative research in many fields, performance was found to depend on a variety of non-economic factors (Mayer, 2003) such as social and human capital. Therefore, an examination of the relationship between financial capital and social capital, human capital, volunteerism, and program effectiveness in NPHSOs and how financial capital is either influenced by or impacted by these constructs was analyzed.

Volunteerism

Volunteers are known to be a valuable resource for many NPHSOs. Voluntarism is a unique and well known aspect of American Society in terms of its array of services provided by voluntary organizations, and the support in both time and money that is given to them by its citizens (Commission on Private Philanthropy and Public Needs, 1975). The literature further revealed that volunteer contributions can be a key determinant of organizational and program success (Kiger, 2003; McDonald & Warburton, 2003; The Grantmaker Forum, 2003; Whitford & Yates, 2002). It is also not surprising that those that volunteer time and service to an organization are also more generous with their money and contribute financially in higher amounts than compared to those who do not volunteer (Brilliant, 1995; Putnam, 2000).

As supported by a survey conducted by The Grantmaker Forum (2003) on high quality volunteer programs, volunteers are generally individuals who perform a variety of unpaid tasks commonly inclusive of professional activities (fundraising, website development, pro-bono services, etc.); clerical or administrative tasks (stuffing envelopes, answering the telephone, making copies, etc.); program related (tutoring or teaching, mentoring, assisting with intakes, etc.), and general labor (collecting, preparing, distributing or serving food or other items, etc.)

The literature on volunteerism revealed that the use of volunteers can help reduce cost, increase quality, and produce mutually benefiting outcomes (McDonald & Warburton, 2003; Mook, Sousa, Elgie, & Quarter, 2005; Whitford & Yates, 2002). Thus, volunteerism was expected to influence the economic prosperity (e.g. financial capital) and productivity (e.g. program effectiveness) of NPHSOs, and be influence by the level of social capital of the organization. The concept of volunteerism was captured by six indicators: (1) total number of volunteers for the study year (how many?); (2) total number of volunteer hours contributed; (3) volunteer activities and roles; (4) volunteer contributions in terms of donated items, goods, and services to the organization; (5) volunteer initiative; and (6) total value of donated goods or services as reported by the NPHSOs on IRS Form 990, line 82b. The total amount of donated services or facilities is defined as contributions the organization received in the form of donated services or the use of materials, equipment, or facilities at less than fair rental value (Department of the Treasury, 2005). In addition, the respondents were asked to objectively evaluate their degree of agreement with each Likert item regarding the utilization and capacity of volunteers using survey questions adapted from the social capital index developed by Bullen & Onyx (1998; 2005) on communities adapted to pertain to the research herein on organizations:

- (35) How often do volunteers engage in professional activities (pro bono services, etc.)?
- (35) How often do volunteers engage in clerical/administrative activities (answering phones, stuffing envelopes, making copies, etc.)?
- (35) How often do volunteers engage in program or paraprofessional roles (tutoring or teaching, mentoring, assisting with intakes, etc.)?
- (35) How often do volunteers engage in general labor activities (collecting, preparing, distributing or serving food or other items, etc.)?
- (35) Do community members, including students, retirees, corporate groups, civic groups, and/or non-paid employees often take the initiative to volunteer at your organization?
- (22) Do others outside your organization contribute donated items, goods, or services?

Program Effectiveness

Though differences among NPHSOs are expected in terms of measuring program effectiveness, United Way partner agencies are required to demonstrate how they will evaluate their programs based on criteria, provided by United Way, for demonstrating program impact and effectiveness in order to continue receiving financial support from United Way. In general, United Way evaluates and selects partner agencies based on the NPHSO’s program description, performance standards, indicators and measures, data collection methods, results and explanations, and implications to improve program planning, management, and/or service delivery. Thus, program effectiveness was based on the NPHSO’s intention of service provision and delivery compared to what was accomplished at the end of the program year.

Despite some measurement challenges, program effectiveness was conceptualized based on the criteria United Way used to select and evaluate their partner agencies since funding sources such as the United Way are forced to evaluate and compare the intention and outcomes of numerous and sometimes vastly different programs to determine who will receive funding and support and who will not. Considering that the study sample composition was United Way partner agencies, the measurement of program effectiveness incorporated key components from the United Way "Score Sheet," and primary characteristics of empirical practice research and program evaluation such as specifying problems, goals, and objectives; developing measurement and recording plan; and behavioral observation such as client change/recidivism; and client access and satisfaction (Bloom, Fischer, & Orme, 2006; Pecora et al., 1990).

Indicators of program effectiveness in NPHSOs were captured by having respondents indicate their degree of agreement with each of the Likert items regarding the categories: (1) program development; (2) program implementation; (3) program impact; and (4) program evaluation as measured by the following survey questions:

- Does the organization clearly state the program goals to be achieved in relation to the specific social problem(s)?
- Does the organization state concrete objectives with indicators that can be measured to evaluate if program goals have been achieved?
- Did the organization/program provide the intended services or interventions for the target population?
- Did the services or interventions provided by the organization produce evident and positive changes regarding client problem(s)/concerns?
- Was program progress monitored by the organization utilizing data collection methods and reports (such as intake forms, completion of surveys or scales, program progress reports, etc.)?
- Does the organization utilize results to improve program planning, management and service delivery?
- Do clients who obtain assistance from the organization typically require additional services or assistance from the agency after six months?
- Do clients openly express satisfaction with the services and assistance available through the organization?

Control Variables

There were three control variables that were thought to be meaningful to the model and thus included in the structural model to account for possible variance outside the central constructs of primary interest. The control variables examined were: 1) the age of the organization, 2) size of the organization, and 3) size of region where the NPHSO is located. The age of the organization was calculated based on the organization's ruling year. The ruling year is defined as the year the IRS granted an organization 501(c)(3) status; or the year founded as reported by the organization which served as a proxy for the ruling year. The size of the organization was measured by the total number of employees as reported by the NPHSO. The size of region was determined based on the population reported to the U.S. Census regarding the county and incorporated places where the NPHSO was located.

Structural Equation Modeling Technique

The goal of SEM analysis is to determine the extent to which the theoretical model is supported by sample data and the contribution of each of the IVs to the DVs (Byrne, 2001; Schumacker & Lomax, 2004; Tabachnick & Fidell, 2001). However, before SEM could be utilized to examine the sample data, the measurement models required testing to ensure that the observed variables were appropriate indicators of the underlying constructs. The measurement models, with their appropriate indicators, were then tested together in a five factor model to determine whether, and which of the constructs were correlated before the structural model could be developed and tested.

A brief overview of the statistical concepts of SEM and related methods and techniques are first discussed to gain a better comprehension of SEM, the main statistical tool used for testing the hypotheses in the present study. SEM is a collection of statistical techniques that, like factor analysis, some of the variables can be latent and others can be directly observed; like canonical correlation, there can be many independent variables (IVs) and many dependent variables (DVs); and like multiple regression, the goal may be prediction (Tabachnick & Fidell, 2001). "The term SEM conveys two important aspects of the procedure: (a) that the causal processes under study are represented by a series of structural (e.g., regression) equations, and (b) that these structural relations can be modeled pictorially to enable a clearer conceptualization of the theory under study" (Byrne, 2001, p. 3). Based on theory and empirical research, sets of variables define the constructs (interchangeably called latent variables, unobserved variables or factors) that are hypothesized to be related in a certain way. SEM uses various types of models to illustrate relationships among observed variables, with the same goal of providing a quantitative test of a theoretical model hypothesized by a researcher (Schumacker & Lomax, 2004). If the sample data supports the theoretical model, then more complex theoretical models can be hypothesized. If however, there is not sufficient support of the theoretical model, then either the original model can be modified and tested or other theoretical models need to be developed and tested (Schumacker & Lomax, 2004). Moreover, comparisons among alternative models are also possible, as well as evaluation of differences between groups (Tabachnick & Fidell, 2001). Therefore, SEM was the statistical technique utilized to test the theoretical models using the scientific method of hypothesis testing to advance our understanding of the complex relationships among the primary study constructs.

Benefits of Using SEM

There are at least four major reasons why SEM is preferable to using other methods of statistical analysis and reasons for its recent popularity. First, researchers are becoming more aware of the need to use multiple observed variables to better understand the area of scientific inquiry (Schumacker & Lomax, 2004). Whereas former methods of analyses are based on observed measurements only, those using SEM procedures can incorporate both unobserved and observed variables (Byrne, 2001; Schumacker & Lomax, 2004). In addition, basic statistical methods limit the number of variables which does not allow for proper analysis of sophisticated theories being developed. SEM techniques therefore are becoming the preferred method for confirming (or disconfirming) theoretical models utilizing a quantitative approach (Schumacker & Lomax, 2004), and takes a confirmatory, rather than exploratory, approach to the data analysis (Byrne, 2001).

There is also a greater recognition given to the validity and the reliability of observed scores from measurement instruments. Measurement error has become a major issue in many disciplines, but measurement error and statistical analyses of data have been treated separately

(Schumacker & Lomax, 2004). SEM techniques explicitly take measurement error into account when statistically analyzing data (Byrne, 2001; Schumacker & Lomax, 2004), whereas traditional multivariate procedures are incapable of either assessing or correcting for measurement error. SEM analysis includes latent, observed and measurement error terms in certain SEM models (Schumacker & Lomax, 2004).

Furthermore, SEM techniques have the ability to analyze more advanced theoretical SEM models inclusive of multivariate relations, testing for group differences, multi-level data, or testing main effects and interaction effects (Byrne, 2001; Schumacker & Lomax, 2004). Advanced SEM models and techniques provide researchers with an alternative method of data analysis, thus requiring less reliance on basic statistical methods which may lead to serious inaccuracies when examining more complex phenomena.

Lastly, SEM software programs have become increasingly user-friendly (Schumacker & Lomax, 2004), which allows for a wider range of users without specialized knowledge of the application. Up until the early 1990s, researchers had to seek external help in using SEM because of their complex programming requirement and knowledge of the SEM syntax that was needed to properly use the program (Schumacker & Lomax, 2004). Running an SEM or interpreting one was extremely difficult and beyond most researcher's ability largely because of the required knowledge of matrix algebra, Greek and other requirements. Since then, SEM software programs are Windows-based and use pull-down menus or drawing programs to generate the program syntax internally. Nonetheless, statistical training in SEM modeling and software via courses, workshops, or textbooks to avoid mistakes and errors in analyzing sophisticated theoretical models is necessary (Schumacker & Lomax, 2004); however, researchers are able to use the software without having prior specialized knowledge and extensive training to use the statistical software.

Thus, SEM is deemed a proper statistical technique to test the proposed relationships among the five latent constructs of this study that involved the examination of direct effects as well as the indirect effects of the mediating endogenous variables. However, it should be noted that conducting SEM with cross-sectional data does not determine causality among latent variables, but should be understood rather as a statistical approach to test any proposed theoretical relationships in a model (Mittal, 1993). The primary task of the model-testing procedure is to determine the goodness of fit between the hypothesized model and the sample data to obtain a more complete theoretical understanding of the phenomenon.

Four-Step Approach to Modeling

The researcher utilized a four-step model-building approach to test the SEM model. Step 1 pertained to specifying an unrestricted measurement model, by conducting an EFA to determine the number of factors that fit the variance-covariance matrix of the observed variables. Step 2 involved a CFA model that tested hypotheses about certain relations among indicator variables and latent variables. The measurement model, or factor model, specified the relationship among measured (observed) variables underlying the latent variables (Schumacker & Lomax, 2004). In the measurement model, the construct predicts the measured variables; thus, the relationship is depicted by connecting the construct (factor) to its indicators. The measurement model is a confirmatory factor model, basically a hypothesis testing technique, and also suggests ways to improve the fit of the indicators of the constructs. Step 3 encompassed testing a four factor model, basically to examine the correlations among the study constructs; and finally, Step 4 involved designing and examining the structural model whereby specified relationships among the latent variables, as posited by theory, were empirically tested. The structural model implied a description of more or less permanent or fixed relationships between various interconnected social conditions or social facts that could be uncovered and tested by statistical techniques.

Some researchers recommend the Mulaik and Millsap (2000) approach to modeling whereby the measurement models for latent variables are first established and then structural models that establish relationships among the latent independent and dependent variables are then formed. EFA is recommended as a precursor to CFA when the researcher does not have a substantive theoretical model (Schumacker & Lomax, 2004). It is suggested that model generation begin by using an EFA on a sample of data to find the number and type of latent variables in a plausible model. Then, once a plausible model is identified, a CFA can be used to confirm or test the model. Thus, the researcher chose the four-step modeling approach described herein to test the theoretical relationships between the hypothesized structural conditions.

Goodness-of-Fit Criteria

Validity & Reliability

The Kaiser-Meyer-Olkin (KMO) measure of sampling adequacy is an index for comparing the magnitudes of the observed correlation coefficients to the magnitudes of the partial correlation coefficients. Large values for the KMO measure indicate that a factor analysis of the variables is a good idea. A measure of homogeneity of variables over .70 is generally recommended. Another indicator of the strength of the relationship, when conducting an EFA, among variables is Bartlett's test of sphericity. Bartlett's test of sphericity is used to test the null hypothesis that the variables in the population correlation matrix are uncorrelated. A significance level of .05 or less is desired to indicate that the correlations among the survey questions are significant and the strength of the relationship among variables is strong. When these tests are met, it is recommended to proceed with a factor analysis for the data. Moreover, the measurement model also provides an assessment of convergent and discriminant validity while the structural model provides an assessment of the nomological validity (Schumacker & Lomax, 2004). CFA is used for the measurement model assessment to corroborate the validity and reliability of a hypothesized measurement model. Once the latent variables are proposed and tested through CFA, and the measurement model represents a good fit between the indicators selected and the construct, the structural model which depicts the latent variables in a relational way can then be tested using SEM.

Convergent and discriminate validity are generally referred to as construct validity (Rubin & Babbie, 2001). Construct validity is a more complex form of validity that refers to the degree to which a measure relates to other variables within a system of theoretical relationships. To ensure convergent validity, factor loadings that relate each indicator to a priori specified construct of interest should have significant t-values greater than 1.96 ($p<0.05$). In addition, interpretation of the standardized regression weights also provides insight on the importance of the items to the factor. For example, the larger the size of the coefficient, the more a particular item is contributing to the understanding of that construct. Moreover, another test for convergent validity is to analyze the Average Variance Extracted (AVE) which indicates the strength of the variance for the specified indicators accounted for by the construct (Hair, Anderson, Tatham, & Black, 1998). Higher communalities (e.g. 0.30 or above) indicate less unique variance, thus less unexplained variance while low communalities indicate that the variable has so little to do with the other variables, it is not worth having in the analysis. Discriminant validity on the other hand refers to the degree to which measures of different concepts are distinct. The EFA was conducted to illustrate the number of factors relevant for the items, observed variables of interest. The pattern matrix and eigenvalues were also examined as evidence of discriminant validity.

Reliability is defined, in the classic sense, as the proportion of true variance relative to total variance (e.g., true plus error variance). Cronbach's alpha is a commonly used measure testing the extent to which multiple indicators for a latent variable belong together. In the study herein, Cronbach's alpha will be reported for each of the scales representing the latent constructs. Cronbach's alpha varies from 0 to 1.0, with a general rule that indicators should have a Cronbach's alpha of .7 to judge the set reliable. However, it is possible to have a set of items below .7 on Cronbach's alpha, and yet have various fit indices in CFA above the cutoff (usually .9) levels. In such cases, alpha may be low because of lack of homogeneity of variances among items and may also result in a low alpha if there are fewer items representing the factor.

Fit Indices

Goodness-of-fit tests determine if the model being tested should be accepted or rejected. However, overall fit tests do not establish that particular paths within the model are significant. Interpretations of path coefficients should only be reported for good-fit models, as "significant" path coefficients in poor fit models are not meaningful. Good-fitting models produce consistent results on many different indices (Ullman, 2001); however, there is wide disagreement on just which fit indexes to report. If the results of the fit indices are inconsistent, the model should probably be re-examined; however, if the inconsistency cannot be resolved, the researcher may consider reporting multiple indices. The issue of which indices to report is largely a matter of personal preference; and perhaps the preference of a journal editor. However, the comparative fit index (CFI) and root mean square error of approximation (RMSEA) are conceivably the most frequently reported fit indices. It is generally recommended that at least three fit indexes, choosing at least one from each of the three categories (absolute fits, incremental fits, and parsimonious fits) be reported in order to reflect diverse criteria (Jaccard & Choi, 1996). For the present study, the Chi-Square, RMSEA, GFI, CFI, Tucker-Lewis index (TLI), Parsimony Goodness-of-Fit index (PGFI), and Hoelter's (1983) critical N (CN) were examined and reported as evidence of goodness-of-fit.

Chi-square. The model Chi-Square is the most common fit test as it is printed by all SEM computer programs. The Chi-Square can be better understood as a "badness of fit" measure in that finding significance means the given model's covariance structure is significantly different from the observed covariance matrix. The Chi-Square value should not be significant if there is a good model fit. Thus, a small, nonsignificant Chi-Square equates to a good fit, indicating no significant difference; and a large and significant Chi-Square ($P<0.05$) translates to a bad fit, demonstrating a significant difference (Hu & Bentler, 1995). However, Chi-Square used in SEM must be interpreted with caution since it is extremely sensitive to large sample sizes (Byrne, 2001). Therefore, it is recommended that Chi-Square statistic in a study should not be the only means of assessing the model fit.

RMSEA. Root mean square error of approximation (RMSEA), like Chi-Square, is a badness-of-fit measure but also takes into account parsimony. By convention, there is good model fit if RMSEA is less than or equal to .05, and there is adequate fit, or accordingly, an "acceptable fit" if RMSEA is less than or equal to .08 (Byrne, 2001). It is further said that RMSEA corrects for model complexity, but should be interpreted in the light of the parsimony ratio.

GFI. Goodness-of-fit index (GFI) measures the relative amount of variances and covariances that are accounted for by the model. The GFI can be classified as an absolute index of fit because it essentially compares the hypothesized model with no model at all (Hu & Bentler, 1995). The index ranges from zero to 1.00 with values closest to 1.00 (e.g., values greater than .90) as being indicative of good fit (Byrne, 2001).

CFI and TLI. Comparative fit index (CFI) is considered incremental and derived from a comparison of the hypothesized model with an independence model where all observed indicators are uncorrelated (Byrne, 2001). The CFI and TLI depend on the average size of the correlations in the data. Thus, if the average correlation between variables is not high, then the CFI and TLI will not be very high. Values for the CFI and TLI range from zero to 1.00, where scores >.90 indicate an acceptable fit. The CFI further takes into account sample size.

PGFI. Parsimony goodness-of-fit index (PGFI) takes into account the complexity (e.g., number of estimated parameters) of the hypothesized model in the assessment of overall model fit (Byrne, 2001). Therefore, "two logically interdependent pieces of information," the goodness-of-fit of the model (as measured by the GFI) and the parsimony of the model, are represented by a single index (the PGFI), thereby providing a more realistic evaluation of the hypothesized model (Mulaik et al., 1989, p.439). PGFI adjusts the GFI for the degrees of freedom in the model. Typically, parsimony based indexes have lower values than the threshold level generally perceived as "acceptable" for the other normed indices of fit (Byrne, 2001). Mulaik et al. (1989) suggested that a nonsignificant Chi-Square statistic and goodness-of-fit indexes in the .90s, accompanied by parsimonious-fit indices in the .50s are not uncommon.

Hoelter's Critical N. The last goodness-of-fit statistic appearing on the AMOS output is Hoelter's (1983) critical *N* (CN). This fit statistic differs substantially from the previously discussed indices in that it focuses directly on the adequacy of sample size, rather than on model fit. Its purpose is to estimate a sample size that would be sufficient to yield an adequate model fit for a ChiSquare test (Hu & Bentler, 1995). The CN reports the sample size at which the maximum likelihood fit function value leads to a rejection of the null hypothesis. The critical N will be interpreted and reported for the final SEM.

Power and Sample Size

Most social science research is conducted with the hope of rejecting the null hypothesis in favor of an alternative, which would indicate that the phenomenon does exist. The power of a statistical test is the probability that it will reject a false null, or stated differently, power is the probability that the test will accept a true research hypothesis (Rosenthal, 2001). Generally, statistical power is determined by effect size, significance level (alpha), and sample size. Effect size is the proportion of explained variance, alpha is the level of risk of making a Type I error that is acceptable to the researcher (usually $< .05$), and sample size is the number of observations in the test. If any three of the four are known, then the fourth can be calculated. Such a power analysis is applicable to more common multivariate procedures such as multiple regression and discriminate analysis because they assume that the observed variables are without error and have statistical tests with known distributions.

SEM has no single statistical test of significance, but rather uses multiple fit indices to determine overall model fit which allows for the interpretation of path coefficients, and therefore do not typically involve power calculations. While the chi-squared test is often utilized, the goal is to compare the chi-square value as it relates to the saturated model (value of 0) to achieve a nonsignificant parsimonious model. This has a number of limitations associated with it and has led to the conclusion that no model can meet all the criteria independent of sample size, accurate reflection of fit differences, penalty imposition for inclusion of additional parameters and support the true model choice when known (Marsh, Balla & McDonald, 1988; McDonald & Marsh, 1990). Hence, multiple fit indices are used to assess model fit, model comparison, and model parsimony and why a traditional statistical power analysis is not meaningful or warranted (Bollen, 1990; MacCullum, Browne & Sugawara, 1996; Kaplan, 1995). Indeed, MacCallum and Hong (1997) show that for GFI-based power analyses "power decreases as degrees of freedom increase, which is counter-intuitive and undesirable" (p. 193) while AGFI-based analyses have power increasing with increases in degrees of freedom. They conclude that RMSEA is the preferred basis for power analysis and model evaluation.

More germane to this study is determining if there is adequate sample size to detect relationships among the hypothesized constructs. A key way to determine an appropriate sample size in SEM is to compute a Hoelter's critical N statistic. Hoelter's CN uses chi-square, degrees of freedom, and the number of subjects in its computation. In this study, Hoelter's CN value was 186, which was deemed adequate based on Schumaker and Lomax (2004) since the sample size obtained (n = 163) afforded several good model fit indices, a nonsignificant chi-square, and met the recommended sample size cutoff for testing the model.

Descriptive and Inferential Statistics

Univariate analyses were conducted to describe the basic features of the organizations surveyed, including: age of the organizations, size of the organizations (total number of employees), size of region where organizations were located, total revenue and primary practice area of the organizations surveyed.

Multivariate analysis was utilized to examine the factorial and structural relationships among the variables of interest. A four-step modeling strategy which utilized both an exploratory and confirmatory approach to SEM helped to refine the study constructs and establish the relationships between constructs, given a theoretical perspective. The SEM approach involved developing measurement models to define factors or constructs, and established structural relationships among the constructs of primary interest. EFA, using SPSS version 15, was conducted to test the homogeneity of the variables and the correlation among the survey questions, and to identify a minimal number of factors that accounted for the covariation among the observed variables. SEM techniques were also performed using AMOS version 7.0, employing Maximum Likelihood (ML) estimation method. ML is the most common method of estimating the best fitting parameters for SEM (Schumacker & Lomax, 2004). This method generated a set of parameter estimates that were most likely to have been produced from non-chance relationships. The hypothesized relations between the observed variables and the underlying factors were also tested utilizing CFA based on a priori assumptions and empirical research on the study constructs. The study constructs were individually tested using a factor-analytic model approach to statistically test how and the extent to which the observed variables were linked to their underlying latent factors. The measurement models assessed the overall factorial structures utilizing fit indexes, and if necessary, ruled out any misspecifications which resulted in poor measurement. After the fit of the models were deemed appropriate, SEM was conducted to test the structural relationships among the latent variables as posited by theory. However, respecification of the model was necessary to obtain the best fitting model to the data under theoretical assumptions.

The factor-analytic models, utilizing both an EFA and CFA approach provided valuable insight for model modification to achieve a better data-to-model fit, and helped to determine the most relevant indicators for the study constructs to test the structural model. The integrated model examined constructs as potential outcomes of social capital and tested for mediating effects between social capital and program effectiveness. The modified model incorporated demographic variables pertinent to the structural equations and was validated by evidence of fit indices.

CHAPTER 5

RESULTS AND FINDINGS

This chapter presents the results and findings of the "Social Capital Questionnaire for Nonprofit Human Service Organizations". The sample characteristics are first presented followed by the results from the EFA and the results from the CFA models. This chapter concludes with the presentation of the results and findings of the SEM and the statistical hypotheses test results.

Sample Characteristics

The "Social Capital Questionnaire for Nonprofit Human Service Organizations" was distributed by direct mail and also available for completion online via Survey Monkey. A total of 414 United Way partner agencies were targeted to complete the questionnaire. Of the 414 NPHSOs (e.g. United Way partner agencies), 32 organizations were unable to be reached by either mail or email, thus resulting in a target sample of 382 potential respondents. A total of 163 returned and usable questionnaires were obtained for analysis of which 105 organizations completed the long version questionnaire, while 58 respondents completed the short-version questionnaire resulting in a usable response rate of 42.7 percent.

Demographic Characteristics

The sample of NPHSOs surveyed represented a variety of organizational types that reflect the diversity of NPHSOs typically available in urban Texas. Table 5.1 depicts the sample characteristics of the organizations according to the primary practice area, total revenue, size of the organization (total number of employees), age of the organization, and size of region where the organization is located. Overall, there were 163 respondents from NPHSOs that represented organizations from various practice areas, the largest percentage of which considered themselves to be child and family focused (38%), and the smallest percentage of respondents targeted programs and services towards the homeless (3.7%) and also towards senior wellbeing

(3.7%). Organizations also varied by size, as measured by the total revenue of each NPHSO. Total revenue ranged from zero dollars, of which only one NPHSO reported no revenue for the study period, to $555 million, again only of which one reported such large revenue base, with the most common total revenue being reported at approximately 2.1 million for the sample of NPHSOs surveyed. In addition, the organizations also differed by size in terms of total number of employees with a range of 1 to 4,288. However, at least 50% of organizations reported having a minimum of 50 employees whereas only 10% reported having more than 200 employees. The mean for total number of employees was 120 and the median was equal to 45, with the most commonly reported staff size equal to 9 employees for the NPHSOs surveyed. The age of the organizations ranged from 2 years to 143 years in existence as a 501(c)(3) organization. The age mean, median and mode were between 31 and 48 years, indicating fairly experienced organizations in their practice area and as operating as a NPHSO. The majority of the organizations sampled (37.4%), however, had over 51years experience. Lastly, the NPHSOs targeted where located in the most populated regions in the State of Texas. The majority of the respondents (24.5%) came from the second most populated region, the Greater Dallas Metropolitan Area, and the smallest sample (3.7%) came from the second smallest region, South Texas, Lower Rio Grande Valley. Despite the discrepancies in the number of respondents per location, the return rate ranged from 26.1% to 48.8% based on the initial targeted population for each region. Thus, each region appeared to be fairly represented.

Table 5.1 Descriptive Statistics of Demographic Characteristics

Practice Area	Practice Area Frequency	Practice Area Percentage
Child and Family Wellbeing	62	38.0%
Public Health	22	13.5%
Education	15	9.2%
Mental Health/Mental Retardation/Special Needs-Disabilities	14	8.6%
Crisis Relief	12	7.4%
Substance Abuse	10	6.1%
Youth Development	9	5.5%
Homelessness	6	3.7%
Senior Wellbeing	6	3.7%
Other	7	4.3%
Total	*N = 163*	100%

Size (Revenue Range)	Size (Rev.) Frequency	Size (Rev.) Percentage	Statistics
$20,000,000-560,000,000	6	3.7%	Range = $0 - $555 million
$10,000,000-19,999,999	14	8.6%	Mean = 8.0 million
$5,000,000-999,999,999	24	14.7%	Median = 2.1 million
$1,000,000-4,999,999	78	47.9%	Mode = 2.1 million
$500,000-999,999	13	8.0%	
$200,000-499,999	22	13.5%	
$0-199,999	6	3.7%	
Total	*N = 163*	100%	

Size (No. Employees)	Size Frequency	Size Percentage	Statistics
300 +	9	5.5%	Range = 1- 4,288
100-299	33	20.3%	Mean = 120
50-99	38	23.3%	Median = 45
10-49	55	33.7%	Mode = 9
1-9	28	17.2%	
Total	*N = 163*	100%	

Age of Organization (Range)	Age Frequency	Age Pecentage	Statistics
Wise/Expert (51 + years)	61	37.4%	Range = 2 years - 143 years
Experienced (26-50 years)	54	33.1%	Mean = 48.1
Adolescent/Seasoned (11-25 years)	40	24.5%	Median = 38.0
Young/New (1-10 years)	8	4.9%	Mode = 31
Total	*N = 163*	100%	

Size of Region (Location)	Frequency of NPHSOs Respondents per Region	Percentage of Respondents per Region (Location)	Return Rate Percentage Based on Target Population per Region (Location)
Houston	30	18.4%	43.5%
Dallas	40	24.5%	38.8%
Fort Worth	21	12.9%	48.8%
San Antonio	26	16.0%	40.0%
Austin	14	8.6%	31.8%
El Paso	17	10.4%	37.8%
South Texas	6	3.7%	26.1%
Lubbock	9	5.5%	40.9%
Total	*N = 163*	100%	

Exploratory Factor Analysis

Though SEM is intrinsically a confirmatory technique, it is often used in practice in an exploratory way. Thus, the model generation began with EFA followed by a CFA approach to confirm or test the measurement models for each factor identified. Based on the hypothesized measurement models presented in Chapter 3 Methodology, the initial EFA included all 31 indicators proposed for the five study constructs of primary interest. A principal component factor analysis with oblique rotation extracted eight factors explaining 70.7% of the total variance. Though the KMO measure of sampling adequacy was met with a value of .75, and the Bartlett's Test of Sphericity was significant at the .01 level, which indicated that the correlations among the survey questions were significant and the strengths of the relationships among the variables were strong, an examination of the pattern matrix revealed some correlation among the survey questions intended to measure financial capital and human capital. However, since financial capital was primarily made up of the total revenue of the organization, factor 1 was removed from the analysis which included the following variables:

- How much of last year's budget came from government sources? (Q28$Gov)
- IRS Form reported compensation of officers, directors, etc. L25 and other salaries and wages L26. (IRSEmpComp)
- How much of last year's budget came from private foundation support? (Q30$Private)
- Total number of support staff. (Q6cSupport)
- Total number of contract workers. (Q6dContract)
- IRS Form reported investment in travel, conferences, meetings. (IRSNetworking)
- How much of last years budget came from individual contributions? (Q32$Individual)

In addition, factors 3 and 6 also demonstrated some correlation between the survey questions intended to measure "volunteerism", thus, factor 3 was eliminated from the analysis and factor 6 was reserved since it included more of the variables based on the volunteer literature. The two variables dropped were: Total number of hours contributed by volunteers (Q8VolHrs), and Total value dollar amount of donated goods and services/line item 82b from IRS Form 990 (Q9AmtDon82b).

Lastly, the two variables from factor 4 which were related to budgetary questions were also removed from the analysis. These variables were: How much of last year's budget came from civic sources/organizations? (Q29$Civic), and How much of last year's budget came from corporate donations? (Q31$Corporate). An EFA was rerun with the remaining 20 items. In examining the pattern matrix in this analysis, the board variables: board composition score (BODCompSCore), board roles score (BODRoleScore), and total number of board members on the board of directors (Q10NoBOD) were eliminated from the final analysis since variables related to the board were divided between factors 1, 5 and 6. Besides the board variable, factor 5 only had one other variable, total number of volunteers for the past year (Q7Volunteers), thus the variable was also removed.

Table 5.2. Final EFA of NPHSO's Questionnaire Variables

Variable	Component			
	Factor 1: Social Capital	Factor 2: Human Capital	Factor 3: Program Effectiveness	Factor 4: Volunteerism
Giving Back (Perception)	**0.749**	-0.023	0.136	0.022
Bridging Social Capital	**0.693**	0.130	0.124	0.192
Bonding Social Capital	**0.689**	0.050	0.003	-0.061
Ethics of Reciprocity	**0.656**	-0.142	-0.092	0.044
Receiving Assistance (Perception)	**0.631**	0.045	0.195	0.129
Full-Time Staff	-0.090	**0.885**	0.042	0.069
Program Staff	-0.229	**0.847**	0.095	0.081
Staff Work Experience	0.106	**0.711**	0.019	-0.035
Staff Educational Attainment	0.321	**0.467**	-0.186	-0.050
Program Implementation	-0.048	0.043	**0.804**	0.029
Program Development	0.041	-0.047	**0.689**	0.092
Program Impact	0.006	0.017	**0.654**	-0.169
Program Evaluation	0.237	0.030	**0.438**	0.066
Volunteer Initiative	-0.028	0.081	-0.036	**0.889**
Volunteer Activities	0.080	-0.112	-0.028	**0.839**
Volunteer Contributions	0.013	0.071	0.010	**0.814**
Eigenvalues	**4.132**	**2.095**	**1.725**	**1.376**
% of Variance	**25.83%**	**13.09%**	**10.78%**	**8.60%**

The final EFA, Run 3, included the remaining 16 variables which resulted in 4 factors with eigenvalues over 1.0 that explained 58% of the total variance (see Table 5.2). Eignevalues ranged from 4.1 to 1.4 for all factors extracted. In addition, factor loadings ranged from .44 to .89 with factor 1, social capital, identified as the strongest factor represented. The pattern matrix identified four factors consistent with the primary constructs of interest and are further substantiated by theory and related literature. Communalities for all variables were fairly high ranging from .32 to .79 (see Table 5.3), indicating variables contained adequate variance in common with other variables through the common factors, allowing for interpretation of the constructs identified. Moreover, the component correlation matrix indicates that the composition (or measurement) of the factors are distinct and independent from each other. The component correlation matrix was reproduced with the AVE replacing the diagonal elements (see Table 5.4). The AVE for each construct is larger than the standardized correlation of the given construct with any other construct in the analysis, which validates the presence of discriminant validity. Lastly, the KMO measure of sampling adequacy was met with a value of .76, and the Bartlett's Test of Sphericity was significant at the .01 level, which indicated that the factorability was feasible and appropriate for interpretation.

Table 5.3. Final EFA Communalities

Variables	Initial	Extraction
Volunteer Activities	1.00	0.73
Bridging Social Capital	1.00	0.71
Bonding Social Capital	1.00	0.47
Program Development	1.00	0.51
Program Evaluation	1.00	0.32
Program Impact	1.00	0.43
Giving Back (Perception)	1.00	0.62
Receiving Assistance (Perception)	1.00	0.57
Staff Work Experience	1.00	0.54
Full-Time Staff	1.00	0.79
Volunteer Initiative	1.00	0.79
Volunteer Contributions	1.00	0.69
Program Implementation	1.00	0.65
Program Staff	1.00	0.74
Staff Educational Attainment	1.00	0.36
Ethics of Reciprocity	1.00	0.43

Table 5.4. Final EFA Reproduced Component Correlation Matrix with AVE

Component	1. Social Capital	2. Human Capital	3. Program Effectiveness	4. Volunteerism
1. Social Capital	0.314 *			
2. Human Capital	0.148	0.369 *		
3. Program Effectiveness	0.192	0.064	0.228*	
4. Volunteerism	0.306	0.135	0.133	0.543 *

Reliability of Scale Items

Following the factor analysis, Cronbach's reliability alpha was calculated to assess the internal consistency for all scales. The four factors extracted were tested as individual scales to measure the extent to which the multiple indicators represented the constructs. Cronbach's reliability alpha ranges from zero to one, with values of .60 to .70 deemed the lower limit of acceptability (Hair, Anderson, Tatham and Black, 1998). The alphas for the main study constructs are presented in Table 5.5. The alpha on standardized items for all scales met the minimum level of acceptability. Alphas ranged from .60 to .82, with a sample size of 163 for each of the variables in the scales.

Table 5.5. Reliability for All Scales (Constructs)

Scale/Construct	Items/Variables	Sample Size	Alpha on Standardized Items
Social Capital (5 items)	Bridging Social Capital (Q39, Q41-42) Bonding Social Capital (Q43-45) Receiving Assistance (Q40, Q46) Giving Back (Q47-49) Ethics of Reciprocity: Some say that by helping others you help yourself in the long run. Do you agree? (Q50)	163	0.791
Human Capital (4 items)	Full-Time Staff (Q6a) Program Staff (Q6b) Staff Work Experience (Q24-26) Staff Educational Attainment (Q22-23)	163	0.73
Program Effectiveness (4 items)	Program Development (Q51-52) Program Implementation: Did the org/program provide the intended services or interventions for the targeted population? (Q53) Program Impact: (Q54, Q57-58) Program Evaluation (Q55-56)	163	0.603
Volunteerism (3 items)	Volunteer Activities (Q33-36) Volunteer Intiative: Do community members including students, retirees, coprorate groups, civic groups, and other nonpaid employees often take the initiative to volunteer at your org? (Q37) Volunteer Contributions: Do others outside your organization typically contribute donated items, goods, or services? (Q38)	163	0.823

Confirmatory Factor Analysis

The factors extracted as a result of the EFA provided evidence for a plausible model to be identified and tested. A CFA approach was next utilized to confirm or test the measurement models for each study construct, before running a four factor model, and before ultimately creating and examining the structural model. Of the five initial study constructs hypothesized for inclusion in the SEM one construct, financial capital, was dropped from the study as a result of the EFA which indicated multicollinearity between the variables intended to measure the constructs financial capital and human capital. Upon further analysis of the variables, the researcher believed it appropriate to drop the construct “financial capital” as it was primarily captured by the total revenue reported by the NPHSOs. Thus, the construct “financial capital” was replaced with the single observed variable “total revenue”. Thus, CFA were run to test the measurements for the four factors.

Table 5.6 and 5.7 report the results from the initial and modified CFA for each of the four study constructs. The initial CFA which included the hypothesized indicators as initially predicted (see Chapter 4, Measurements) by the researcher based on theoretical underpinnings and related literature for each construct revealed non-significant ChiSquares for two constructs “social capital” and “program effectiveness”, with probability levels at .362 and .067 respectively. The non-significant ChiSquare indicated an initial good fit, meaning no significant difference between the model’s covariance structure and the observed covariance matrix. On the other hand, the constructs “human capital” and “volunteerism” reported significant Chi-Squares at the .001 level, which translates to a bad initial fit. Since the Chi-Square is sensitive to sample size, it is not recommended to interpret model fit solely based on the Chi-Square statistic. Therefore, regression weights (unstandardized and standardized coefficient estimates) were also examined to determine appropriate modification for the construct measurements and in attempt to improve fit indices.

Table 5.6 illustrates that the measurement models could be improved by dropping variables with insignificant regression weights, where the probability level exceeds .05 for any given indicator, and variables with coefficient estimates lower than .3 if the researcher believes the indicator to not be sufficiently substantiated by prior research. Thus, for the construct social capital, the variables “board composition”, “board roles”, and “investment in networking” were dropped due to insignificance and low coefficients. In addition, “board size” was also dropped due to a standardized coefficient estimate of .202, which was deemed not to be conceptually contributing to the understanding of the overall construct, social capital. In essence, the board variables were removed from the construct in an effort to improve model fit and capture the core elements of social capital based on the theoretical definition and empirical research available.

Table 5.6. CFA Insignificant Indicators of Hypothesized Study Constructs

Construct	**Regression Weights (Insignificant Variables p >.05)**	**Standardized Regression Weights < 0.3**
Social Capital ChiSquare = 28.97 Probability = .362	Board Composition Score (.753) Board Roles Score (.060) Investment in Networking (.068)	Board Size (.20) Board Composition Score (.034) Investment in Networking (.286)
Human Capital ChiSquare = 198.155 Probability = .000	Staff Educational Attainment (.088)	Staff Educational Attainment (.172)
Volunteerism ChiSquare = 55.290 Probability = .000	Total Dollar Value of Donated Goods/Services (.273) Volunteer Hours (.879)	Total Dollar Value of Donated Goods/Services (.093) Volunteer Hours (.013) Total Number of Volunteers (.171)
Program Effectiveness ChiSquare = 5.416 Probability = .067	All indicators significant at the .001	All indicators have estimates greater than 0.3

In addition, the CFA on the construct human capital resulted in one insignificant variable, “staff educational attainment”, which also happened to have a low coefficient estimate of .172 indicating a contribution of less than 2% towards the understanding of the construct. Thus, “staff educational attainment” was dropped from the final human capital CFA. Furthermore, despite the variables “total number of support/administration staff” and “total number of contract workers” which demonstrated statistical significance in the initial CFA, the variables did not load as part of the human capital construct in the EFA. Moreover, due to weak empirical support for these measurements, the variables were dropped from the final human capital CFA in order to improve fit indices and provide for a better measurement model fit. The variable “employee compensation” was further not represented in the final EFA; however, the researcher decided to keep the variable for further examination in the rerun of the CFA since it proved to be a significant indicator in the initial run of the CFA and is supported in the human capital literature (Hitt et. al, 2001), but was eventually dropped after the second CFA demonstrated the size of the coefficient (.23) to be a weak indicator of human capital for the sample data.

Next, the construct volunteerism required modification since two variables “total dollar value of donated goods and/or services” and “total volunteer hours” proved to be insignificant with probability levels of .273 and .879 respectively. The standardized coefficient estimates for these indicators provided little evidence of contributing towards the construct conceptualization with standardized coefficient estimates of approximately 1% each. Though the size of the coefficient for the indicator “total number of volunteers” provided only 2% towards understanding the construct, this variable was however kept in the CFA rerun for further examination since the literature on volunteerism typically ties the number of volunteers to voluntary activities and outcomes, but was also removed from the final measurement model since it represented only .17 towards the understanding of the construct.

Lastly, the construct “program effectiveness” required no modification based on the hypothesized indicators and as evidenced by the final EFA. The CFA confirmed that the construct measurements were a good fit based on an insignificant Chi-Square, regression weights significant at the .001 level for all indicators, and standardized coefficient estimates were all greater than .3. Table 5.7 illustrates the significance of the modified CFA for the measurement models and the size of the standardized coefficients.

Table 5.7. CFA Second Run: Regression Weights for Measurement Models

Construct	Regression Weights	Standardized Regression Weights	Indicators
Social Capital (5 indicators)	All indicators Significant at 0.001	0.839	Bridging Social Capital
		0.553	Bonding Social Capital
		0.713	Receiving Assistance (Perception)
		0.719	Giving Back (Perception)
		0.461	Ethics of Reciprocity
Human Capital (4 indicators)	All indicators Significant at 0.01	0.942	Full Time Staff
		0.820	Program Staff
		0.485	Staff Work Experience
		0.233	Employee Compensation
Volunteerism (4 indicators)	All indicators significant at .05	0.751	Volunteer Activities
		0.897	Volunteer Initiatives
		0.695	Volunteer Contributions
		0.172	Total Number of Volunteers
Program Effectiveness (4 indicators)	All indicators Significant at 0.001	0.563	Program Development
		0.808	Program Implementation
		0.424	Program Impact
		0.332	Program Evaluation

Table 5.8 illustrates the goodness-of-fit indices for the modified constructs. The fit indices reported for the rerun of the CFA for the four study constructs included an examination of the ChiSquare statistic and its related probability level, GFI, CFI and RMSEA. All constructs were composed of 4 indicators, with the exception of social capital which was measured based on five indicators. The ChiSquare statistic proved to be insignificant at the .05 level of acceptability for three out of the four constructs, which equated to a good fit between the measures and its construct. The construct “volunteerism” had a significant ChiSquare at the .05 level; however, since interpretation of model fit should not be based on ChiSquare alone, additional fit indices were examined and revealed adequate fit for the construct with a GFI = .98 and CFI = .97, both of which reflected a good fit. Likewise, the GFIs and CFIs for the remaining constructs were also indicative of good fit with levels above .95. The RMSEA for the constructs social capital and human capital further represented a good model fit with values less than .05; however the constructs volunteerism and program effectiveness did not, both of which had RMSEA of approximately 0.1, with acceptable fit being a cut-off of 0.8.

Table 5.8. CFA Second Run Fit Indices for Measurement Models

Construct	ChiSquare	Probabilty Level > 0.05	GFI	CFI	RMSEA
Social Capital (5 indicators)	4.564	0.471	0.989	1.000	0.000
Human Capital (4 indicators)	0.525	0.769	0.998	1.000	0.000
Volunteerism (4 indicators)	0.789	0.019 *	0.977	0.969	0.135
Program Effectiveness (4 indicators)	5.416	0.067	0.984	0.953	0.103

Nonetheless, the rerun of the CFA were appropriate for interpretation as evident by several fit indices and led to the final measurements of the constructs which were then included in a four factor model CFA, Step 3 of the modeling approach. Thus, step three of the modeling approach was performed via a four factor model to examine the correlations among the study constructs identified. The four factor model resulted in a nonsignificant ChiSquare probability value = .263 (p> .05), GFI, CFI, and TLI all in the .90s, and a RMSEA = .024. All fit indices were indicative of goodness-of-fit levels appropriate for model interpretation. Figure 5.1 illustrates the four factor model with estimated correlations among the constructs and the standardized coefficients of its indicators. An analysis of the correlations indicated that a three factor model, whereby human capital is not directly correlated to the other constructs, would be more appropriate for the sample data since estimated correlations between human capital and the remaining constructs were .20 or below suggesting a weak direct relationship between the constructs. In addition, the estimated correlation between volunteerism and program effectiveness was also equal to .20 and therefore the direct correlation between the two study constructs was also removed from the three factor model.

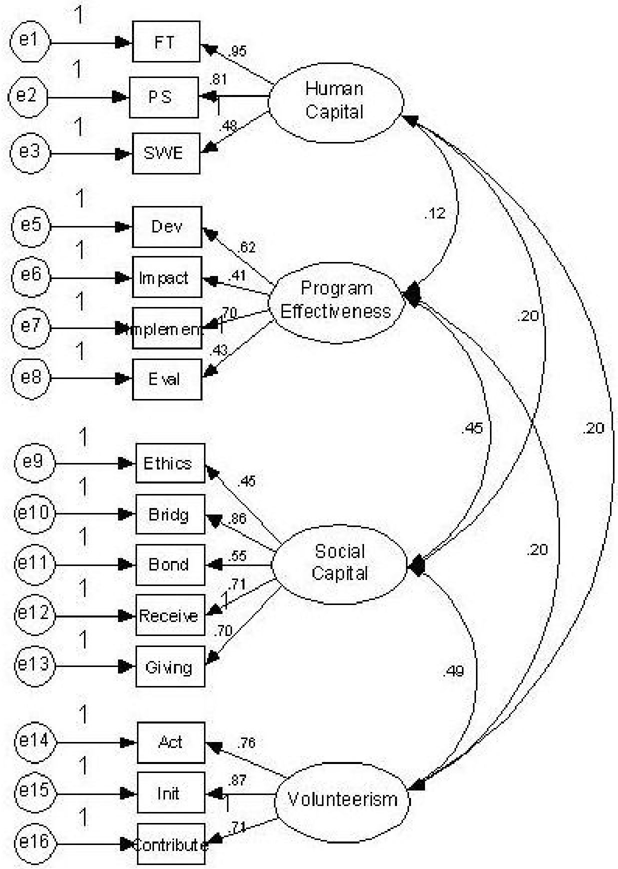

Figure 5.1. Four Factor Model with Estimated Correlations and Standard Coefficients.

The three factor model was then tested without the direct relationship between the human capital construct and the remaining constructs, and without the direct correlation between program effectiveness and volunteerism (see Figure 5.2). The three factor model resulted in a GFI = .94, CFI = .98, TLI = .97, and RMSEA = .036 with a nonsignificant ChiSquare of 62.933 and a probability level = .142 indicating good fit for the model and feasibility of interpretation. Moreover, the three factor model demonstrated an estimated correlation of .38 between program effectiveness and social capital and an estimated correlation of .45 between volunteerism and social capital.

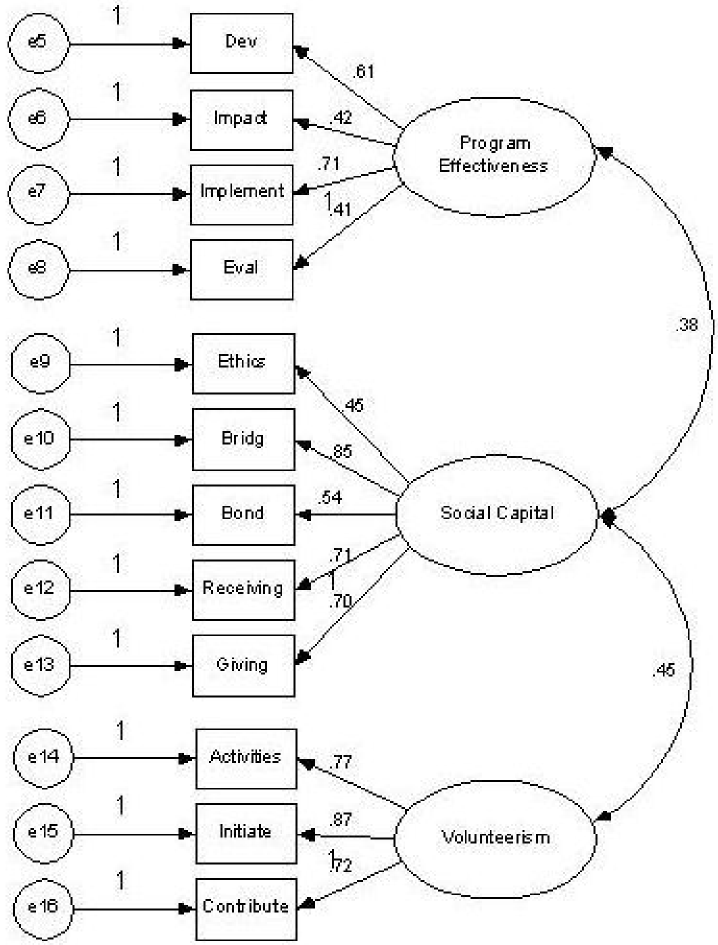

Figure 5.2. Three Factor Model with Estimated Correlations and Standard Coefficients

Structural Model Assessment

The fourth and final step of the modeling approach is the testing of the structural model. Based on the information provided through the factor analytic models, involving both EFA and CFA approach, the structural model was developed to further examine the interconnectedness of the constructs while controlling for demographic differences among the NPHSOs.

The Initial Model Test and Respecification

The initially proposed structural model (see Figure 4.1) required modification based on the EFA which extracted four main factors associated with the survey questions and variables of interest. Thus, the structural model was initially tested based on the hypothesized relationships;

excluding the financial capital construct which was dropped from the study since the single observed variable “total revenue” captured the researcher’s primary interest related to financial capital of NPHSOs. The exogenous, independent variable “social capital” was therefore predicted to have a direct, positive relationship on the endogenous, dependent variables “human capital”, “volunteerism”, and “program effectiveness”, and upon the observed variable “total revenue”. The relationship between the exogenous, independent variable social capital and the endogenous, dependent variable program effectiveness was also predicted to be mediated by endogenous variables: human capital and volunteerism, and by the observed variable total revenue. The relationship between social capital and program effectiveness was hypothesized to be multifaceted with three specified mediating variables that were predicted to directly and indirectly impact program effectiveness. In addition, the control variables were also expected to be meaningful to the model and were included in the structural model to account for possible variance outside the central constructs. The hypothesized SEM (see Figure 5.3) was initially tested and provided an acceptable fit to data, meeting all the criteria fit indexes (see Table 5.9) but had several insignificant paths (see Table 5.10) which were then removed for model modification to improve the model fit and demonstrate only significant paths of the true model (see Figure 5.4). In conclusion, when compared with one another, Model 3 proved to be the best fit model for the data, which was retained for evaluation of the final model and hypotheses testing.

Table 5.9. Comparison of Fit Indices between Initial Model and Revised Models.

Index	ChiSquare	df	p value	GFI	CFI	TLI	PGFI	RMSEA	Hoelter's CN
cut-off	-	-	n.s.	>.90	>.90	>.90	>.50	<.08	CN value > 163
Model 1	154.478	132	0.088	0.908	0.977	0.971	0.631	0.032	182
Model 2	166.082	147	0.134	0.900	0.981	0.978	0.696	0.028	186
Model 3	166.708	148	0.139	0.900	0.981	0.978	0.701	0.028	186

Table 5.10. SEM Model Respecification

Hypothesized Path	p value	Size of Coefficient
Model 1 (Hypothesized)		
Social Capital <-- Age of Organization	0.759	0.026
Social Capital <-- Size of Region	0.149	0.122
Volunteerism <-- Age of Organization	0.680	-0.032
Volunteerism <-- Size of Region	0.261	0.088
Volunteerism <-- Size of Organization	0.441	0.061
Revenue <-- Volunteerism	0.471	-0.058
Human Capital <-- Social Capital	0.386	-0.050
Human Capital <-- Age of Organization	0.355	0.050
Human Capital <-- Size of Region	0.401	0.047
Human Capital <-- Size of Organization	0.445	0.042
Program Effectiveness <-- Volunteerism	0.552	-0.070
Progarm Effectiveness <--Age of Organization	0.905	0.012
Program Effectiveness <--Size of Region	0.364	0.093
Program Effectiveness <-- Human Capital	0.087	0.357
Program Effectiveness <-- Size of Organization	0.822	0.022
Model 2		
Program Effectiveness <-- Revenue	0.455	-0.070
Model 3		
No hypothesized paths were insignificant	All significant at .05 or better	Range from .15 to.94

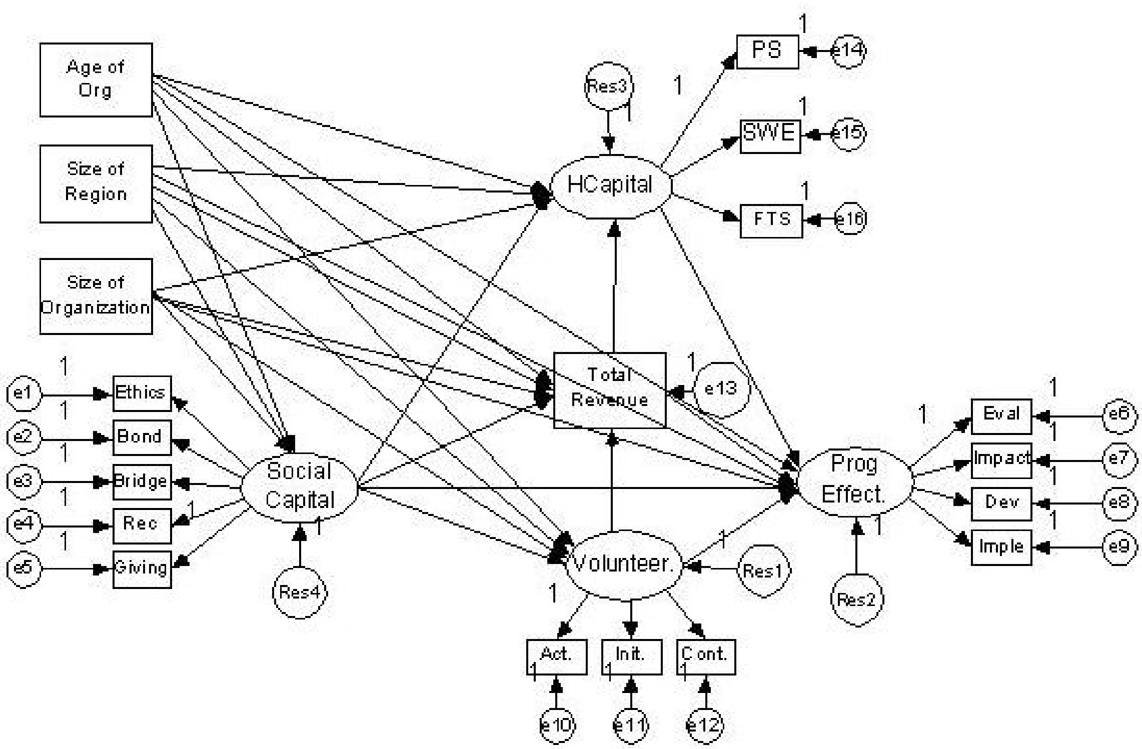

Figure 5.3. Model 1 Hypothesized Structural Model

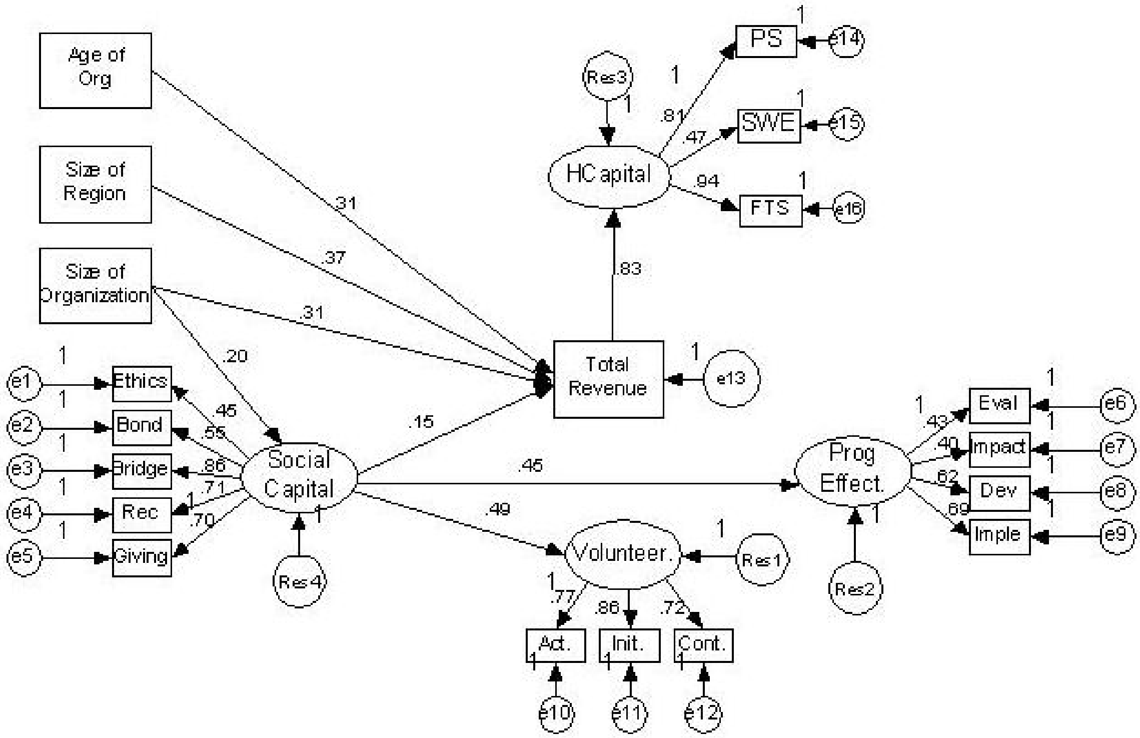

Figure 5.4. Model 3 Final SEM

The final SEM resulted in goodness-of-fit indices appropriate for model interpretation with a nonsignificant Chi-Square and probability value greater than .05, GFI equal to .90, CFI and TLI both in the high .90s, PGFI at a .70, RMSEA equal to .028 which is well below the .08 for acceptable fit and below the recommended .05 for good fit, and Hoelter's Critical N fit statistic which revealed adequate sample size to test and interpret the model. Furthermore, the regression weights for all hypothesized paths were significant at the .05 level or better, with estimated coefficients ranging from .15 to .94 (see Table 5.11).

Table 5.11. Model 3 Final SEM Regression Weights

Hypothesized Path		Estimate	S.E.	C.R.	P	Coefficient Size (Beta)
Social Capital	<--- Size of Organization	.001	.000	2.344	.019*	.200
Total Revenue	<--- Social Capital	.153	.071	2.146	.032*	.151
Total Revenue	<--- Age of Organization	.443	.088	5.039	***	.314
Total Revenue	<--- Size of Region	.224	.038	5.889	***	.367
Total Revenue	<--- Size of Organization	.001	.000	4.924	***	.314
Human Capital	<--- Total Revenue	.713	.062	11.547	***	.831
Program Effectiveness	<--- Social Capital	.166	.051	3.249	.001***	.446
Volunteerism	<--- Social Capital	.958	.196	4.891	***	.489
Program Evaluation	<--- Program Effectiveness	1.000				.433
Program Impact	<--- Program Effectiveness	.912	.277	3.296	***	.402
Program Development	<--- Program Effectiveness	1.627	.406	4.011	***	.623
Program Implementation	<--- Program Effectiveness	.801	.198	4.039	***	.693
Perception of Giving	<--- Social Capital	1.000				.704
Perception of Receiving	<--- Social Capital	.793	.098	8.080	***	.714
Bridging Social Capital	<--- Social Capital	1.311	.144	9.107	***	.856
Bonding Social Capital	<--- Social Capital	.621	.099	6.298	***	.546
Ethics of Reciprocity	<--- Social Capital	.166	.032	5.229	***	.450
Staff Work Experience	<--- Human Capital	.805	.134	5.997	***	.467
Program Staff	<--- Human Capital	1.000				.801
Full Time Staff	<--- Human Capital	1.113	.085	13.123	***	.943
Volunteer Initiative	<--- Volunteerism	.341	.036	9.461	***	.862
Volunteer Contributions	<--- Volunteerism	.288	.033	8.714	***	.721
Volunteer Activities	<--- Volunteerism	1.000				.767

$p \leq .001$, ** $p < .01$, * $p < .05$

Hypotheses Testing of Direct Structural Relations

Hypotheses 1-1 through 1-4 pertained to the first research question whereby social capital is positively related to human capital, total revenue, volunteerism, and program effectiveness. Hypotheses 2-4 through 2-6, 2-9 and 2-10 also predicted a direct and positive relationship between human capital and program effectiveness; total revenue and program effectiveness; volunteerism and program effectiveness; total revenue and human capital; and volunteerism and total revenue. The nine hypothesized direct structural relationships were tested using AMOS version 7.0. The results of the hypotheses testing indicated 4 of the 9 were supported, three of which were significant at the p<.001 level and one at the p<.05 level (see Table 5.12). Total revenue directly and positively affects human capital with a standardized path coefficient of .83 that is the strongest among the entire path coefficients (Hypothesis 2-9). Social capital was directly and positively associated with volunteerism in the hypothesized direction with a standardized path coefficient of .49 (Hypothesis 1-3). In addition, social capital directly and positively affects program effectiveness with a standardized path coefficient of .45 (Hypotheses 1-4). Lastly, social capital was also directly and positively related to total revenue with a standardized path coefficient of .15 (Hypothesis 1-2).

Overall, the first subset or primary hypotheses related to outcomes of social capital, which predicted that increased social capital in NPHSOs would result in beneficial outcomes such as increased total revenue, volunteerism, and program effectiveness was supported by the sample data while human capital as a result of social capital was not supported. The secondary hypotheses related to direct effects between the outcome variables were not supported with the exception of one, total revenue positively related to human capital (Hypothesis 2-9). Hypothesis 2-4, human capital positively related to program effectiveness, though found to be statistically nonsignificant had a standardized path coefficient of .36 indicating that human capital impacts program effectiveness to some extent but is not statistically supported by the sample data possibly due to sample size.

Table 5.12. Hypotheses Testing Results of Direct Relationships

Hypotheses	Hypotheses Path	P value	Coefficient Size	Test Result
H 1-1	Social Capital --> Human Capital	0.386	-0.050	Not Supported
H 1-2	Social Capital --> Total Revenue	0.032 *	0.151	Supported
H 1-3	Social Capital --> Volunteerism	0.000 ***	0.489	Supported
H 1-4	Social Capital --> Program Effectiveness	0.001 ***	0.446	Supported
H 2-4	Human Capital --> Program Effectiveness	0.087	0.357	Not Supported
H 2-5	Total Revenue --> Program Effectiveness	0.455	-0.070	Not Supported
H 2-6	Volunteerism --> Program Effectiveness	0.552	-0.070	Not Supported
H 2-9	Total Revenue --> Human Capital	0.000 ***	0.831	Supported
H 2-10	Volunteerism --> Total Revenue	0.471	-0.058	Not Supported

*** $p \leq .001$, ** $P < .01$; * $p < .05$

Hypotheses Testing of Mediating Effects

Hypotheses 2-1 through 2-3, 2-7 and 2-8 were related to mediating effects of the endogenous variables human capital, volunteerism, and the observed variable total revenue. If a mediating effect is present, then the direct and indirect paths between the hypothesized structural relationships would be significant. The total effects of an independent variable on a dependent variable are the summation of direct and indirect effects. A direct effect is the effect of an independent variable on a dependent variable directly without any mediator. On the other hand, an indirect effect is an effect of an independent variable over a dependent variable that is mediated by one or more intervening variables. However, no hypothesized mediating relationships were detected (see Table 5.13). Since either a direct or indirect path was insignificant, Hypotheses 2-1 through 2-3, 2-7 and 2-8 were rejected.

Table 5.13. Hypotheses Testing Results of Mediating Effects

Hypotheses	Hypotheses Path	Test Result of Direct Relationship	Test Result of Mediation
H 2-1	Social Capital --> Human Capital	H 1-1 (NS)	
	Human Capital--> Program Effectiveness	H 2-4 (NS)	NS
	Social Capital --> Program Effectiveness	H 1-4 (S)	
H 2-2	Social Capital --> Total Revenue	H 1-2 (S)	
	Tot. Revenue--> Program Effectiveness	H 2-5 (NS)	NS
	Social Capital --> Program Effectiveness	H 1-4 (S)	
H 2-3	Social Capital --> Volunteerism	H 1-3 (S)	
	Volunteerism --> Program Effectiveness	H 2-6 (NS)	NS
	Social Capital --> Program Effectiveness	H 1-4 (S)	
H 2-7	Social Capital --> Tot. Revenue	H 1-2 (S)	
	Total Revenue --> Human Capital	H 2-9 (S)	NS
	Social Capital --> Human Capital	H 1-1 (NS)	
H 2-8	Social Capital --> Volunteerism	H 1-3 (S)	
	Volunteerism --> Total Revenue	H 2-10 (NS)	NS
	Social Capital --> Total Revenue	H 1-2 (S)	

NS = Not Supported
S = Supported

Control Variables

The three control variables examined were age of the organization, size of the organization, and size of region where the NPHSO was located. These control variables were thought to be meaningful to the model and were included in the structural model to account for possible variance outside the central constructs. The hypothesized structural model included paths from the control variables to all four latent constructs and the observed variable, total revenue. The three control variables (age of the organization, size of the organization, and size of region) were positively related to total revenue and significant at the $p < .001$ level. Age of the organization and size of the organization were both directly and positively related to total revenue with standardized path coefficients equal to .31, whereas size of region was positively related to total revenue with a standardized path coefficient of .37. Size of the organization was also positively related to social capital with a standardized path coefficient of .20 and significant at the $p<.05$ level. The control variables were not significantly related to any of the other latent constructs.

Summary of Results and Findings

In summation, the SEM approach was a four-step process that involved an exploratory rather than confirmatory approach to model specification primarily due to the lack of substantive theory regarding social capital outcomes as applied to organizations, and specifically empirical research on NPHSOs. The factor analytic model approach consisted of an EFA that extracted four main constructs of interest (social capital, human capital, volunteerism, and program effectiveness), and a CFA which provided assistance in refining the construct measurements. In addition, a four factor and three factor CFA were run with estimated correlations providing evidence for a three factor model. The structural model was initially tested via the hypothesized relationships. Insignificant paths and weak standardized path coefficients were removed. The model respecifications resulted in a final SEM reflective of the results from the EFA and CFA. The four latent constructs identified through the EFA were reflected in the final model, with significant structural paths between social capital and program effectiveness, and between social capital and volunteerism as was demonstrated in the three factor CFA model. The observed variables, total revenue, age of the organization, size of the organization, and size of region provided limited insight to the overall model, with the control variables (age of the organization, size of the organization, and size of region) being positively correlated to total revenue, and size of the organization positively impacting social capital. The hypotheses testing resulted in four direct relationships which were statistically supported. Three direct relationships were interpreted as outcomes of social capital, with increased social capital being positively related to total revenue, volunteerism, and program effectiveness. A significant path was also detected from total revenue to human capital in the hypothesized direction. Thus, increased social capital was positively correlated to increased revenue, which in turn was positively correlated to human capital. No mediating effects were supported by the sample data.

CHAPTER 6

DISCUSSION, IMPLICATIONS AND CONCLUSIONS

Overview of the Study

The purpose of the dissertation was to primarily explore the relevance of social capital theory in NPHSOs. A comprehensive review of the literature on social capital theory, specifically on community social capital and organizational social capital was conducted to identify emerging themes and core elements of social capital. Major contributors to the development of social capital theory were examined and the definition by Loeffler et al. (2004) was identified as the basis to guide the research. The definition by Loeffler et al. states, "social capital is the process of building trusting relationships, mutual understanding, and shared actions that bring together individuals, communities, and institutions. The process enables cooperative action that generates opportunity and/or resources realized through networks, shared norms, and social agency" (p. 24). This definition mirrored that of other major contributors and reflected the emerging themes and core elements inherent in the social capital literature. Moreover, the literature on volunteerism, human capital, resources on program effectiveness, and organizational effectiveness in general were reviewed and discussed as relevant to social capital for the purpose of this research. The literature and resources were primarily obtained from the management literature, international social welfare, sociology and social welfare, and community and urban development.

The dissertation expanded the research on social capital from the individual to the collective group by examining the core elements of social capital theory and applying them to the formal organization. Furthermore, predictions were made about the social capital effect in NPHSOs. The study surveyed 163 NPHSOs, which were United Way partner agencies located in the eight most populated regions in the State of Texas. Questionnaires with Likert items that addressed social capital concepts and variables that would be used to measure the primary constructs of interest were sent via direct mailed and email to 414 NPHSOs. After attrition, a usable response rate of 42.7% was obtained for analysis. A four-step approach to modeling was selected and the statistical softwares SPSS version 15 and Amos version 7 were utilized for running the analysis.

Two specific research questions were presented, with the primary interest being the examination of social capital outcomes in NPHSOs. The study first sought to examine direct relationships between social capital and human capital, social capital and financial capital, social capital and volunteerism, and social capital and program effectiveness. As a result of the EFA, the financial capital construct was removed from the SEM and replaced with the single observed variable, total revenue. The comprehensive factor analytic approach to modeling solidified the measurements for the study constructs of primary interest and helped determine significant and insignificant relationships. The results from the SEM provided evidence for support of the direct relationships between social capital and program effectiveness, social capital and volunteerism, social capital and total revenue, and between total revenue and human capital. Three of the four supported hypotheses suggested that social capital in the NPHSOs surveyed, directly resulted in increased total revenue for the organization, greater volunteerism, and greater program effectiveness. None of the mediating hypotheses, which were presented as part of the secondary research question that called for the examination of mediating effects between social capital and program effectiveness, were empirically supported. The supported hypotheses confirmed theoretical assumptions about the direct relationships and suggested that social capital, as evidenced through the sample data, can be applied to NPHSOs and may further result in beneficial outcomes for organizations. Lastly, the research controlled for age of the organization, size of the organization, and size of region where the NPHSOs were located. Only size of the organization proved to be positively related to social capital. In addition, all three control variables were significantly and positively related to total revenue. Age of the organization and size of region did not appear to significantly impact the variance in any of the latent constructs.

Discussion

Significant Relationships

The hypotheses testing using SEM resulted in four significant relationships. Hypotheses 1-2, 1-3, 1-4, and 2-9 reflected significant direct, positive relationships. Hypotheses 1-2 through 1-4 supported evidence of social capital outcomes beneficial to NPHSOs, whereas Hypothesis 2-9 supported evidence of total revenue positively impacting human capital. The literature review suggested that increased income (e.g. revenue), volunteerism, and program effectiveness would likely be associated with social capital in NPHSOs.

Hypothesis 1-2: A higher level of social capital in NPHSOs is positively related to financial capital (e.g. total revenue), was supported by the sample data. Conceptually, this makes theoretical sense considering that NPHSOs' revenue base comes from various sources. Most common financial contributors for NPHSOs are individuals, government agencies, civic groups, private foundations, and often times corporations. Thus, social capital becomes very important to NPHSOs, especially as it relates to obtaining revenue for the organization. In addition, NPHSOs' executives profit from build trusting relationships with individuals in key positions from other entities, as those relationships are often called upon for letters of support, "pulling strings" such as putting in a good word or vouching for the organization's reputation, and connecting the organization's executives or managers to other people in key positions who might influence the process of obtaining financial capital. Moreover, the component of social capital that has to do with interagency collaboration (e.g. bridging social capital) and networking is especially important when considering the value that government agencies often place on collaborative relationships among organizations in an effort to obtain state or federal grants, which tend to make up a substantial portion of NPHSOs' budget. Therefore, increasing the social capital of the organization in an effort to increase revenue may be a viable strategy for NPHSOs.

Hypothesis 1-3: A higher level of social capital in NPHSOs is positively related to volunteerism, was proven to be statistically significant. The extent of publicity that organizations receive as a result of social capital exposes the organization to a larger audience which in turn may result in greater volunteerism for the organization. Social capital allows the organization to communicate their needs to various types of groups and individuals and in various ways such as through networking meetings, through the media, and by word of mouth. Volunteers typically surface after publicity of needs; therefore, it is not surprising that the relationship between social capital and volunteerism was supported by the sample data.

Hypothesis 1-4: A higher level of social capital in NPHSOs is positively related to program effectiveness, was also statistically supported by the sample data. Previous research demonstrates empirical evidence for the relationship between community social capital and organizational performance/effectiveness (Backman & Smith, 2000; King, 2004), and the effects of social capital on organizational performance (Ashman, Brown & Zwick, 1998; Edwards & McCarthy; 2004; Oh, Chung & Labianca, 2004; Staber, 2003). Since there is limited research examining the effects of social capital in NPHSOs, the research on communities and organizations was extended to apply to NPHSOs. In addition, program effectiveness was considered to be an appropriate outcome of social capital and served as a proxy for organizational success. NPHSOs generally rely on programmatic success to help sustain the organization. The relationship between social capital and program effectiveness makes conceptual sense when considering that increased social capital means increased exposure to external members, networks, and stakeholders, thus organizations may feel a greater sense of accountability to provide for a more comprehensive way to account for program effectiveness.

Hypothesis 2-9: Increased financial capital (e.g. total revenue) is positively related to human capital, was further reported to be statistically significant. Human capital, which includes the skills and knowledge acquired by the individual (Coleman, 1988), in a sense must be "purchased" by organizations. Employees cost organizations money in terms of compensation for their work and benefits provided to fulltime employees. In addition, the literature on human capital reports that compensation of salary is usually commensurated based on their value to the organization (Hitt et. al., 2001) inclusive of experience and education. Despite employees being a cost to the organization, they are also considered an investment since the return in compensation is expected in the form of highly productive employees (Hitt et. al., 2001). Thus, increased total revenue would naturally allow organizations to increase their human capital as necessary in order to maintain the organization's functionality.

Insignificant Relationships

Hypotheses 1-1, 2-1 through 2-8, and 2-10 were statistically nonsignificant for this sample data. The direct relationship between social capital and human capital was not supported, as were direct relationships between the hypothesized mediating variables and the dependent variable program effectiveness. Hypothesis 1-1: A higher level of social capital in NPHSOs is positively related to human capital, resulted in a low and negative standardized path coefficient and was statistically nonsignificant. Therefore, the hypothesis was rejected. The sample data in the study herein indicates that human capital is not an outcome of organizational social capital, and must be further examined to determine under what conditions organizations might be able to increase their human capital if not by means of social capital.

Hypothesis 2-4: Increased human capital is positively related to program effectiveness, was also found to be statistically non-significant. However, this was inconsistent with previous research on human capital which supported evidence of the relationship between human based resources and the impact on organizational performance (Barney & Wright, 1998; Florin, Lubatkin & Schulze, 2003; Hitt, et. al., 2001) and the facilitation of other productive activities (Coleman, 1988). The unsupported hypothesis may have been contributed to the way in which program effectiveness was measured since prior research targeted more organizational performance in terms of efficiency and productive activities rather than programmatic success.

Hypothesis 2-5: Increased financial capital (e.g. total revenue) is positively related to program effectiveness, was further not supported by the sample data. The insignificance of this hypothesis may be related to mediating variables unaccounted for in the structural model.

Human capital was initially expected to mediate the relationship between revenue and program effectiveness; thus the non-significance of human capital could have made the relationship between total revenue and program effectiveness disappear. However, since the relationship between human capital and program effectiveness may have been attributed to the small sample size, it is recommended that this relationship be retested with a larger sample size and additional possible mediating variables to examine whether or not an indirect relationship between total revenue and program effectiveness exists.

Hypothesis 2-6: Increased volunteerism is positively related to program effectiveness, was found to be statistically non-significant. However, based on the literature and prior research concerning volunteers and volunteer activities, volunteerism was expected to be related to organizational and program success (Kiger, 2003; McDonald & Warburton, 2003; Whitford & Yates, 2002). The non-significance of this hypothesis, again, may be contributed to how program effectiveness was measured. For the purpose of this dissertation the literature from other disciplines was extended to nonprofit management and specifically to human service agencies since empirical research in these areas were lacking. The difficulty is that effectiveness of organizations in the nonprofit human service sector is usually translated to program effectiveness rather than overall organizational efficiency. The construct program effectiveness was basically a general measurement involving the core concepts of program evaluation. Thus, given how the conceptual framework was translated to fit NPHSOs, it is not surprising that the relationship between volunteerism and program effectiveness was not supported by the data. Future research should consider including organizational efficiency as a construct to be examined in relationship to volunteerism rather than program effectiveness.

Hypothesis 2-10: Increased volunteerism is positively related to increased financial capital, was also not supported by the sample data. As evidenced in the literature, volunteers are known to contribute generously with their money as well as with their time (Brilliant, 1995; Putnam, 2000). However, the sample data indicates that the volunteer contribution is not significant enough to impact the relationship between volunteerism and total revenue.

Lastly, hypotheses 2-1 through 2-3, 2-7 and 2-8 described mediating effects predicted. However, no mediating effects were detected for the sample data. Therefore, future research should explore additional variables that may be meaningful to the model, and provide insight regarding mediating effects.

Implications for Social Work Administration

The research on social capital as applied to NPHSOs provides administrators as well as practitioners with insight as to how meaningful their relationships with other entities are and what outcomes may result from those relationships. In essence, the social capital of the organization which is gained from the interaction of its employees with other groups, networks and relationships becomes an asset for the organization and may result in increased financial capital (e.g. revenue), greater volunteerism, and ultimately more effective programs. The study results imply that human service administrators must get into the networking craze and publicize the organization's mission, promote their programs and services, and become more visible in the community and with viable stakeholders in order to increase the organization's social capital. By focusing on the development of social capital, NPHSOs will likely reap the rewards from those relationships with increased financial contributions, greater volunteerism and more effective programs being possible outcomes.

The relationship between social capital and total revenue indicates to NPSHOs that the social capital of the organization can be exploited for the purpose of increasing tangible resources such as revenue. Thus, if NPHSOs desire to increase their revenue base for various purposes or to expand their programs, leveraging on collaborative partnerships to go after substantial grants, or strategically targeting influential individuals, groups, or corporations to provide financial assistance would be a tactic to consider.

In addition, some NPHSOs depend heavily on their volunteers to accomplish various tasks that would otherwise be unfulfilled. For example, volunteers sometimes drive clients to and from appointments; assist with administrative tasks such as stuffing envelopes, making copies, answering phone calls; providing general labor such as packaging supplies, collecting, preparing, or distributing food or other items; or assist in paraprofessional roles such as doing client intakes, mentoring or tutoring, etc. Volunteers assist in various capacities depending on the organization's needs and programs. The significant relationship between social capital and volunteerism indicates that relying on the organization's social capital to promote organizational or programmatic needs may be an efficient way for the organization to recruit volunteers and help spread the word that volunteers are needed and wanted.

Moreover, the direct relationship between social capital and program effectiveness indicates the importance of having the ability to comprehensively evaluate the effectiveness of programs. Organizations must be accountable to their stakeholders and be able to demonstrate that their programs are effective. Thus, the more social capital the organization has, the more accountable they will need to be in order to retain that capital. Having a comprehensive plan to evaluate the success of their programs is one way in which organizations can help both maintain and increase their social capital. The indicators of program effectiveness involve having proper ways to develop program goals and objectives, being able to demonstrate that the program(s) have been properly implemented and have reached their target population, plus are demonstrating a positive impact on the target population, and can demonstrate to stakeholders that they are evaluating their programs and are using the results to improve practice. The indicators of program effectiveness parallel the guidelines for program evaluation. NPHSOs' administrators, as well as social work practitioners can use these indicators as a general guide to compare how they are currently evaluating the success of their programs and strategize on how they might be able to mend any gaps in the evaluative process.

Lastly, the measurement or indicators of social capital provide NPHSOs' administrators with a road map of how to obtain or increase social capital for their organization in an effort to produce positive results. Strategies of how to increase social capital for the organization can be developed by examining the indicators of social capital. For example, valuing the ethics of reciprocity would likely increase the organization's chance of strengthening their social capital. This could be accomplished for instance by consciously supporting other organizations (providing letters of support for grant applications, sharing of information, and providing client or resource referrals appropriate to the organization) who in the past have reciprocated the jester. Another strategic tactic as implied by the indicators of social capital is to invest time in both bridging and bonding activities. For example, increasing communication within the organization, valuing a team approach to solving problems, and possibly even cross-training employees would increase employees' knowledge about other aspects of the organizations besides their own. Furthermore, bonding activities would help reflect a united front to external stakeholders, demonstrate knowledgeable staff, and a capable agency which provides the organization with greater social capital. Bridging activities such as attending networking meetings, being involved with various coalitions, task forces, and representing the organization in various capacities, plus communicating with a broad spectrum of individuals can also strengthen the organizations social capital. Though the results from the study herein are not generalizable to all NPHSOs, the results are promising in that the social capital effect in NPHSOs was detected to produce positive results in the sample surveyed. Overall, the results from the study imply that NPHSOs can strategically use social capital to provide additional resources for the organization.

Assumptions and Limitations of the Study

The role and structure of networks of relationships inclusive of mutual understanding and the norms of reciprocity have been established to be essential in understanding social capital theory and more so for providing insight into the advantageous outcomes resulting from these social interactions and relationships. Social capital theory has been applied to individuals, groups, and to a limited extent, organizations (Adler & Kwon, 2002; Coleman, 1988; Nahapiet & Ghoshal, 1997; Oh, Chung & Labianca, 2004; Portes, 1998; Putnam, 1995; Sampson et al., 1999; Smith, Stoker, & Maloney, 2004). Given the multi-purpose level of analysis of social capital, it is not surprising that measurement challenges have posed a particular problem for social scientists.

Since social capital is not necessarily located in any one level of analysis, measurement challenges create debate among scholars regarding its definition and most appropriate form of measurement. This definitional limitation was addressed in the study herein by conducting an empirical review of the literature on social capital as it applied to the collectivity. In addition, a comparison of the primary contributors of social capital research and theory were examined to identify key definitional components and core elements. As a result, social capital was operationalized within the context of social interactions and investments in social relations, inclusive of trust and norms of reciprocity, which lead to constructive outcomes.

Another limitation of the study is that no known standardized scale could be obtained for the purpose of quantitatively assessing social capital of NPHSOs in the United States. Though, The World Bank (2003) has made available an integrated quantitative/qualitative Social Capital Assessment Tool with interview guides for organizational profile, the tool was designed primarily for use in developing countries. Thus, a questionnaire was developed specifically for NPHSOs and adapted questions from Bullen and Onyx (2005) Social Capital Quesitonnaire, 36 Best Questions.

The general expectation of the study was that social capital would be applicable to NPHSOs and result in positive outcomes for the organization. Since NPHSOs are in a sense social systems, it was presumed that these organizations would demonstrate a positive relationship between social capital of the organization and beneficial outcomes. Another major assumption of the research was that social capital would influence the overall performance and effectiveness of NPHSOs. This assumption was based on the social capital literature on communities, which empirically suggests that communities with higher levels of social capital are more likely to remain stable over time (Mayer, 2003); and that societies with higher levels of social capital thrive, while those that lack social capital are at risk (Putnam, 1995).

In addition, despite the inclusion of three control variables (age of the organization, size of the organization, and size of region where the organization is located), not accounting for differences among NPHSOs such as differences among practice area (e.g. type of organization), or demographic characteristics of the local citizens which may account for differences or influence the organization's social capital is another limitation of the study. Additional research regarding community/societal social capital is recommended to examine the influence of such factors on the organization.

Furthermore, social capital development is reportedly important to organizations because it enhances its effectiveness (Ford, 1999; King, 2004; Prusak & Cohen, 2001), yet few empirical studies have been conducted to examine the particulars of “how” social capital impacts organizations, and in particular have not traditionally conducted research on NPHSOs. This poses, again, measurement challenges for the social capital construct since no indexes or scales have been developed specifically for the use of organizations. Therefore, questions were adapted with permission from a social capital survey developed by Bullen and Onyx (1998, 2005) for the use of measuring social capital in five communities in New South Whales, Australia. The survey is often cited in the empirical literature on measuring community social capital, and was determined to be an appropriate source from which to adapt questions for the use of measuring social capital of NPHSOs.

The idea that trust and norms of civic cooperation are an essential element to well-functioning societies, and to the economic progress of those societies (Knack & Keefer, 1997), it was not within the scope of the research herein to examine the impact of societal differences upon the organization’s social capital, other than size of the region where the organization was located. This posed another limitation in that the research focused solely on the structural relationships among the study constructs of primary interest without accounting for external factors that may impact those relationships. In order to account for group differences, a larger sample size must be obtained.

The choice to limit the sample specifically to NPHSOs that were also United Way partner agencies, was deliberate for the purpose of examining organizations that would more than likely have multi-level connections with the local community in order to adequately examine the social capital effect in the sample of NPHSOs. However, this posed another limitation of the research since it did not allow for comparison of organizations; for example United Way partner agencies verses non-United Way partner agencies. Moreover, the study was dependent on the self-report of NPHSOs' executives and effectiveness and performance could only be determined to the extent evident by the responses to the survey questions, supplemental information as provided by the organization, and public information as available on their websites, fact sheets, pamphlets and IRS Form 990. Nonetheless, benefits of social capital in NPHSOs were projected based on theoretical assumptions and previous research on collective social capital.

Recommendations for Future Research

The study extended social capital research from the individual perspective and applied it to the formal organization. The primary focus of the research was to provide for a greater understanding of social capital as it applied to NPHSOs, and examine the effects of social capital in NPHSOs. As such, three direct outcomes of social capital were revealed. However, since none of the mediating hypotheses were supported in the sample data, additional research is recommended to examine possible external factors that may account for the unexplained variance in the model. It is recommended that future research consider using the Social Capital Questionnaire for NPHSOs in addition to including any pertinent questions from The World Bank (2003) Social Capital Assessment Tool: Organizational Profile Interview Guides to develop additional variables and constructs which may prove to provide additional insight and be meaningful to the study model discovered herein.

Though the true model in this study which resulted from the SEM provides future researchers with a starting ground for the application of social capital to NPHSOs, the model appears incomplete with questions still remaining, such as: What factors mediate or moderate the relationship between social capital and its outcomes? And, what factors impact (either positively or negatively) the social capital of NPHSOs? Thus, additional research that would include constructs and variables such as board contribution, employee motivation, public relations/marketing, organizational efficiency, and capacity building is recommended to provide additional insight to the conditions in which social capital occurs and other possible impacts social capital may have on the overall organization.

The study also included three control variables, age of the organization, size of the organization, and size of region where the organization was located. Future research should include multiple-group models to test for differences between types of organizations by practice area and also be able to compare NPHSOs by United Way partner agencies verses non-United Way partner agencies. Additional future research should also consider included these same control variables to provide for better study comparisons, as well as include additional control variables such as demographic characteristics of local population. For example, average income of local population, unemployment rate, and possibly voting ratio for the regions where the organizations are located since individual characteristics such as these are often associated with social capital (Putnam, 1993). Due to the sample size *(n=163)*, the study herein was not able to account for differences between types of organizations by practice area since a larger sample of the various practice areas is needed to adequately run the analysis on multiple group models. Lastly, the inclusion of NPHSOs that are United Way partner agencies in different states, but located in similar urban areas is also recommended to increase sample size and allow for multiple group analysis by practice area.

Concluding Remarks

Networks of relationships in terms of social capital of NPHSOs have not been extensively empirically studied, nor have the outcomes of such relationships. The majority of prior research has traditionally focused on social capital of individuals, families, neighborhoods and communities. Though there is considerable organizational research which implicitly incorporates “social capital” concepts, without calling it that, it has generally limited the measures to organizational culture, staff satisfaction, etc. Similarly, the area of human services typically utilizes groups, networks, and inter-agency collaboration and referral networks which are conduits for the development of social capital, but research in these areas have not explicitly applied the principles of social capital theory nor does it empirically examine outcomes of those relationships, especially in terms of impact on the organization.

In addition, the role and structure of networks of relationships were essential in understanding how social capital theory might apply to NPHSOs. Outcomes of social capital were hypothesized based on a practical approach to nonprofit management and as supported by the literature review on volunteerism, human capital, and to some extent the literature on organizational success. This study achieved its intended goal of examining the social capital effects in NPHSOs, and provided for a greater understanding of how social capital theory is relevant and applicable to NPHSOs. Specifically, the study provided evidence that social capital is positively related to increased revenue, greater volunteerism, and program effectiveness in NPHSOs surveyed, and that increased revenue is positively related to increased human capital. Based on these findings, NPHSOs' executives can strategically encourage the development of social capital by providing ample opportunities for employees to get involved in networking capacities, such as serve as representatives in coalition meetings, task forces, and community events to build external relationships, communicate organizational success, and promote organizational needs.

NPHSOs have the natural structural make up to leverage on social capital and produce positive outcomes for the organization. Applying the concept of social capital theory to NPHSOs is a natural fit since they commonly rely on collaborative partnerships and networking tactics to meet organizational and programmatic goals and objectives. The dissertation therefore examined what constitutes social capital at the organizational level and in particular for NPHSOs, and the effects of social capital in NPHSOs. The results of the study provided evidence for how social capital can apply to NPHSOs and identified three potential outcomes of social capital: increased total revenue, greater volunteerism, and greater program effectiveness. NPHSOs may use the prescriptive model to consider ways in which they can leverage their social capital to produce these and other possible outcomes.

In conclusion, NPHSOs are in a sense social systems which present a unique opportunity for employees to draw upon the social capital that the organization has accumulated over the years, and use it to their advantage to help meet organizational and programmatic goals and objectives. NPHSOs can interpret the information divulged from the study herein to develop strategically how they might be able to strengthen and expand their supportive networks to produce positive results for the organization. The results from the dissertation further enhanced the overall knowledge and understanding of social capital as applied to NPHSOs. Overall, the research contributed to the understanding of the core elements of social capital theory, provided clarity in defining and measuring social capital for the formal organization, and identified potential outcomes of social capital in NPHSOs.

APPENDIX A

REVIEW OF EMPIRICAL LITERATURE ON SOCIAL CAPITAL 1997-2007

Review of the empirical literature on social capital of communities, groups and organizations: 1997-2007

Study/SC level	Study Year(s)	Region	Purpose of Study	Definition of SC for Study Purpose	Research Method	Sample Method	Sample Size	Response Rate	Mode of Admin.	Statistical Analysis
Ashman, Brown, and Zwick (1998)/OSC	N/A	Africa, Asia and Latin America	To compare the founding and governance of eight resource-providing organizations, and to show how organizations can be created and sustained through the development of social capital	Social capital refers to the kinds of relationships, which undergird social cooperation among as well as within organizations, considered valuable for long-term effectiveness (Coleman, 1990; Putnam, 1993). The authors refer to two different forms of social capital, strong and weak ties, to describe the norms and networks of trust and coopeation in a society.	Qualitative, case studies	Purposive - organizations were chosen to represent examples of successful civil society resource organizations (CSROs) operating in developing countries in different regions.	8 civil society resource organizations	100%	Series of questions developed to guide the case studies; interviews, annual reports, newspaper articles, and other archival souraces to obtain data for case studies	Multiple case comparison approach (comparative analysis); identified emerging patterns; developed a series of matrices in which the cases could be compared on a muber of critical issues
Bagley, Ackerley, and Rattray (2004)/ Organizational Social Capital (OSC)	1997-2002	UK	To recover the experiences and views of professionals concerned with the delivery and implementation of a multi-agency program using an organizational social capital framework	Taken from Nahapiet and Ghosal (1998), which highlight the structural, relational and conginitve dimension of the buildng of social capital by facilitating networks, engendering collaborative cross-cultural professional inter-disciplinary connections, fostering relationships that build a sense of trust and mutual obligation, and creating a common professional language, ethos and value system shared by team members	Qualitative method with semi-structured interviews and analysis of documentation	Documentation from meetings from the Mazebrook program; and 32 members in the multi-agency interdiciplinary team	Total interviews = 32	N/A	Two stage data collection: (1) Analyses of documentation, attendance and observation at meetings, (2) semi-structured interviews with members of the inter-disciplinary team	Descriptive statistics; Interviews were recorded, transcibed and analysed using open coding from grouded theorizing

Study/SC level	Study Year(s)	Region	Purpose of Study	Definition of SC for Study Purpose	Research Method	Sample Method	Sample Size	Response Rate	Mode of Admin.	Statistical Analysis
Bankston and Zhou (2002)/SC	1995	United States	To illustrate empirically how social capital may be thought of as a process consisting of stages	Social capital defined as the process of social interactions leading to constructive outcomes; and emerges across different levels of analysis	Secondary data analysis from the Add Health study	Random, stratified sample of all high schools in the U.S.	6,504 cases from interviews (seventh-twelfth graders and their parents)	N/A	Interviews of the National Longitudinal Study of Adolescent Health	Descriptive statistics; OLS regression analyses
Brehm and Rahn (1997)/ CSC	1972-1994	United States	To identify specific causes for the variability of reciprocal relationship accross individuals; and to gain insight into dynamics affecting key components of social capital at the aggregate level	Social capital as the reciprocal relationship between civic participation and interpersonal trust	Secondary data; cross-sectional analysis combining latent variables and aggregate contextual data from pooled General Social Survey (GSS)	Population; analyzed data from GSS Cumulative File from 1972-1994	32,380	72-79% of GSS data	GSS sata and aggregate contextual data	Structural Equation Model: IV Factor 1 = Civic Engagment; IV Factor 2 = Interpersonal trust; IV Factor 3 = Confidence in government; DV Factor 4 = Life Satisfaction
Chaskin, Goerge, Skyles, and Guiltinan (2006)/CSC	1995; replicated in 2001	Chicago, United States	To understand issues related to the social fabric of different Chicago neighborhoods.	Concentrate of three dimensions of associational action: 1)collective efficacy, 2)neighborhood activism, 3)involvement in voluntary associations.	Survey Data - neighborhood residents over age of 18	strategic, nonrandom approach to neighborhood survey - convenience sampling methods through CBO survey administration	2 Communities (355 and 248 surveys completed)	N/A	Phone interviews; face-to-face interviews	Reliability Scores; Descriptive Statistics; T-tests

Study/SC level	Study Year(s)	Region	Purpose of Study	Definition of SC for Study Purpose	Research Method	Sample Method	Sample Size	Response Rate	Mode of Admin.	Statistical Analysis
Diaz, Drumm, Ramirez and Oidjarv (2002)/CSC	1999	Latin America - Peru's mountain region	To quantitatively test finding that Adventist Development and Relief Agency (ADRA) programme performed outstandingly in area of community confidence-building and mobilization	Social capital is comprised of social relationships, ties and networks characterizing human systems, and is a requisite for effective human functioning, high-quality social institutions and economic development (Midgley and Livermore, 1998). SC refers to the degree of participation in community (as identified by Onyx and Bullen, 1998)	Cross-sectional survey design with 10 experimental and 10 comparison communities in Peru	Random selection of subjects wtihin community. Experimental communities selcted at random from list of ADRA project communities; Comparison communities matched for demographic characteristics	789 persons within 20 communities	N/A	Interviews conducted in Spanish and/or Quechua; Social Capital Index developed by Onyx and Bullen translated to Spanish and validated for Indian and Mestizo Peruvians; Additional questionnaire used to collect demographic	Descriptive statistics; t-tests/compar-ison of means between two types of communities; Chi-Square; ANOVA to explore association between social capital and economic development
Edwards and McCarthy (2004)/OSC	1985-1988	United States	To describe and explain patterns of local social movement organization (SMO) persistence during the subsequent three years. To assess the impact of several forms of social capital on the short-term persistence of these small local SMOs.	Social capital is defined as the networked access to resources availabe in a specific setting (Foley & Edwards, 1999); a precondtion that facilitates the mobilization of organizations	Cross sectional data analysis from MADD Chapters nationwide during a key transitional phase	Sample drew from a survey of 376 MADD chapters in existence in 1985	Complete responses from 290 MADD Chapters	77%	1985 MADD chapter list, combined with 1986 county-level demographic data; 1985 survey, with telephone and mail follow-ups	Descriptive statistics; and multivariate logistic regression procedure

Study/SC level	Study Year(s)	Region	Purpose of Study	Definition of SC for Study Purpose	Research Method	Sample Method	Sample Size	Response Rate	Mode of Admin.	Statistical Analysis
Falk and Kilpatrick (2000)/CSC	N/A	Rural Australia	To answer the question: *What is the nature of the interactive productivity between the local networks in a rural community?* To examine and analyze community interactions to show aspects of the quality of the process that might build social capital.	Social capital referred to as the product of social interactions with the potential to contribute to the social, civic, or economic wellbing of a community of common purpose	Qualitative method: whole community case study using ethnographic techniques	Purposive technique checked with demographic variables; Social network map, first contact phoned and asked for 3 more contacts (snowball)	Populatin of community = 2,500; Interviews = 34; Tapes = 11; Diaries = 20; Meetings = 10	N/A	Data collected using four sources: 1) interviews; 2) audio-taping of spontaneous stretches of conversation and 3) self-maintained journal entries; 4) tape-recorded formal community meetings and group activities	Ethnographic techniques: 1) detailed conversation analyses; 2) manual thematic techniques-content analyses; 3) NUD*IST software package-identify frequency of mentions and help analyze related themes and trends; 4) linguistic principles; 5) indicator development
Farmer (2006)/Multi-level	2000-2001	Untied States	To contribute to the understanding of factors associated with prosocial community involvement of African American men.	Social networks and civic engagement.	Quantitative Study (secondary data analyses)	Random digit-dialing; porportionate sampling	1,055 subjects	Average 43%	Collected from 2000 Social Capital Benchmark Survey	Hierarchical Ordinary Least Squares Regression; Bivariate and Multivariate Analyses

Study/SC level	Study Year(s)	Region	Purpose of Study	Definition of SC for Study Purpose	Research Method	Sample Method	Sample Size	Response Rate	Mode of Admin.	Statistical Analysis
Florin, Lubatkin, and Schulze (2003)/ OSC	1996	United States	To propose and test a model that can explain relationships among types of resources and consequently provide a more fully specified empirical model of the relationship between social capital and firm performance	Study is grounded in a theory of social capital, drawn from the socioeconomic literature (e.g., Loury, 1987; Schiff, 1992). Social capital theory based on the premise that a network provides value to its members by allowing them access to the social resources that are embedded within the network (Bourdieu, 1985; Seibert, Kraimer, & Liden, 2001).	Quantitative Study (secondary data analyses)	Sample drew from the population of U.S. initial public offerings from 1996 and followed sampling criteria used in other studies of ventures with high-growth potential	275 ventures that went public (population, after exclusions)	N/A	Data obtained from S1 prspectuses, proxy statements, and year-end financial statements filed with the Securities and Exchange Commission (SEC) from inception to two years after their initial public offerings	Descriptive statistics and correlations; three-step moderated hierarchical regression analyses
Hagar, Galaskiewicz, and Larson (2004) / OSC	1980-1994	Minneapolis-St. Paul (Twin Cities) United States	To test hypothesis on the direct effects of particular organizational characteristics on survival, and to elaborate the age effect by incorporating neoinstitutional and social capital variables into the analysis	Social capital theory's reference to interpersonal and interorganizational networks being key in enabling actors to access resources that others control (Burt 1992; Amburgey and Rao 1996; Lin 2002)	Panel study of nonprofit organizations; Quantitative study	Stratified random sample resulting in 326 organizations	229 organizations	70%	Survey instrument administered through face-to-face interviews	Event history analysis (survival analysis); proportional hazards regression models

Study/SC level	Study Year(s)	Region	Purpose of Study	Definition of SC for Study Purpose	Research Method	Sample Method	Sample Size	Response Rate	Mode of Admin.	Statistical Analysis
Jurik, Cavender, and Cowgill (2006)/ SC	N/A	United States	To examine the relationship between microenterprise development and social capital	Social capital refers to the networks that bond people to each other, and connect them with their community	Qualitative method, combination of mail survey with requested follow-up telephone interviews	Combination of random and purposive sampling techniques, drawn from the Aspen Institute's national directory of U.S. programs supplemented by a list of participants at a national conference of MDP providers	50 U.S. Microenterprise development program (MDPs)	57% of eligible programs	Mail surveys and semi-structured interviews with practitioners from U.S. MDPs	Descriptive statistics; Criteria based analysis; Interviews were tape recorded and transcribed
Kilpatrick and Falk (2003)/CSC	N/A	Tasmania, Australia (island community)	To construct a model of the simultaneous building and use of social capital and learning interactions between individuals	Defines social capital in terms of "multi-level" - micro level of one-on-one interactions; interrelationship of micro-level ; and societal-level social capital resources. Refers to "elements of social capital" to improve outcomes: networks (internal/external), appropriate norms that generate trust, shared visions, appropriate organizational structures, rules and procedures and human infrastructure (self-confidence, leadership and social brokers).	Qualitative method; interviews	Population of farmers interviewed for Centre for Research and Learning in Regional Australia (CRLRA) projects	Farmers interviewed for CRLRA projects (number not specified)	N/A	Interviews (face-to face)	Theme analyses

Study/SC level	Study Year(s)	Region	Purpose of Study	Definition of SC for Study Purpose	Research Method	Sample Method	Sample Size	Response Rate	Mode of Admin.	Statistical Analysis
Klesner (2007)/CSC	1999-2001	Argentina, Chile, Mexico, Peru	To gain a better sense of the level of political activity in Latin American and to place that participation in comparative and global context.	Social networks, norms, and trust that allow citizens to act together more successfully to pursue shared goals.	Secondary data analysis, World Survey	Argentina, Chile, Mexico and Peru (purposive sampling)	4689 surveys	N/A	World Surveys	Comparative Analysis, Bivariate Statistics, Multivariate Model, Ordered Logit Regression
Knack & Keefer (2001)/SC	1980-1992	World-wide	To present evidence that "social capital" matters for measureable economic performance	Social capital described in relation to Putnam (1993) and Coleman (1990) definition regarding trust and civic norms to explain difference in the economic and government performance in nations	Quantitative method; secondary data analysis-Used indicators of trust and civic norms from World Values Surveys to examine 29 Market Economies	Sample taken from two survey ways by the World Values Surveys. Population in the 1981 survey = 21; second wave 1990 = 28	29 Market Economies (countries) represented in at least one of the two survey waves	N/A	World Value Surveys	Regression analysis; OLS; Correlations and descriptive statistics; log transforation
Knotts, G.H. (2006)/CSC	N/A	Atlanta, Georgia United States	To better understand the impact of Community Development Corporations (CDCs); and to compare perceptions of social capital in CDC and non-CDC neighbourhood s through surveys of neighbourhood activists	Social capital in terms of features of social organization, such as trust, norms, and networks, that can improve society by facilitating coordinated actions (Putnam, 1993)	Quantitative method; surveys of neighbourhood activitists	1990 census of population and housing - purposive sample of seven high poverty neighbourhoods	4 sample neighbourhoods = neighbourhood based CDC; 3 neighbourhoods = did not have a neighbourhood CDC	Responses varied per question; CDC neigh-bourhoods varied from 66 to 74 cases; non CDC neighbour-hoods varied from 62-71 cases	Questionnaires administered to community activists regarding perceptions of social capital and quality of life	Regression analysis; mean differences

Study/SC level	Study Year(s)	Region	Purpose of Study	Definition of SC for Study Purpose	Research Method	Sample Method	Sample Size	Response Rate	Mode of Admin.	Statistical Analysis
Larance (2001)/CSC	N/A	Bangledesh	To explore whether Grameen Bank (GB) membership promotes the formation of social capital	Social capital defined as the public good comprised of trust among a diverse group of citizens within the same community that facilitates cooperative networks among those citizens	Qualitative method; structured survey questionnaires, in-depth interviews and participant observation	Population of two GB centers	80 members (40 at each center)	Center A = 39 of 40 (97.5%); Center B = 33 of 40 (82.5%)	Structured survey questionnaires, in-depth interviews and participant observation.	Decriptive statistics; theme analyses
Lelieveldt (2004)/CSC	Spring 2002 and Spring 2003	Netherlands	To examine the link between social capital and the inolvement of residents in their neighborhood	Social capital is defined as a multi-dimensional concept that encompasses both a structural and a cultural (or attitudinal) dimension. Structural refers to all kinds of informal and formal networks; wheras cultural (or attitudinal) refers to personal and social trust, norms and values.	Qualitative (analysis of 140 ideas/plans to improve neighborhood) and Quantitative (Likart type survey)	Stratified/random sample; three adjacent neighborhoods considered the "worst-off" neighborhoods in Enschede, a city in east Netherlands and three other neighborhoods	Stratified sample of 600 names/residents (100 per neighborhood); random sample of 246 residents in Spring 2002; and 336 in Spring 2003	Spring 2002, response rate = 58.5% (144 completed interviews); Spring 2003, response rate = 48.5% (163 completed interviews). Total of 307 resident surveys.	Survey interviews	Descriptive and multivariate analyses
Luckin and Sharp (2005)/CSC	In progress - reported pre-liminary findings	UK	To probe the nature and extent to which Community Waste Projects (CWPs) contribute towards sustainable development; and to explore the mechanisms through which they promote growth in local social capital	Social capital is defined as a shared resource which is derived from and renewed through inter-personal networks, voluntary associations and trust-generating interaction amongst citizens (Gilchrist, 2003); SC is an important element of community capacity, and is a resource on which community development work can build	Survey Research	Population = Community Recycling Network (CRN) full member organizations	CRN's 195 full member organizations	44%	Questionnaire	Descriptive statistics

Study/SC level	Study Year(s)	Region	Purpose of Study	Definition of SC for Study Purpose	Research Method	Sample Method	Sample Size	Response Rate	Mode of Admin.	Statistical Analysis
Livermore (2004)/CSC	October 2001 - June 2002	Columbus, Ohio - United States	Explore the social capital of business owners and their contributions to CSC	Social capital defined in terms of civic engagement and social network resources. Refers to the norms and networks that allow people to act collectively (Woolcock and Narayan, 2000)	Quantitative Survey	Snowball sampling	69 for-profit businesses	43%	Structured telephone interviews	Descriptive statistics
Oh, Chung, and Labianca (2004)/Group Social Capital (GSC)	N/A	Korea	To introduce the concept of group social capital, and test the proposition that group effectiveness is maximized via optimal configurations of different conduits for such capital	Group Social Capital is the configuration of a group's members' social relationships within the social structure of the group itself, as well as in the broader social structure of the organization to which the group belongs, through which necessary resources for the group can be accessed	Quantitative Survey; cross-sectional	11 organizations in Korea ranging in size	60 team field study	73%	Questionnaires	Regression analysis

Study/SC level	Study Year(s)	Region	Purpose of Study	Definition of SC for Study Purpose	Research Method	Sample Method	Sample Size	Response Rate	Mode of Admin.	Statistical Analysis
Onxy and Bullen (2000)/SC	October 1995-1997	New South Whales Australia	Explore various dimensions of social capital; develop an empirically grounded definition of social capital	Social capital defined in terms of participation in networks, reciprocity, trust, social norms, the commons, and social agency (Coleman and Putnam)	Quantitative Survey	Non-probability purposive sampling	1,211 citizens between ages 18-65	N/A	Door-knocking procedure modeled on the census collection procedure; setting up stalls in public places such as shopping centers and local community centers	Factor analysis and inter-item reliability analysis; hierarchical factor analysis. Utilizing SPSS and STATISTICA
Putnam (2000)/CSC	1992-2000	United States	Collect, analyse, and interpret multiple sources of data regarding civic life in US to determine causes of civic engagement	Social capital refers to the connections among individuals- social networks and norms of reciprocity and trustworthiness that arise from them	Systematic, quantitative analysis of multiple sources of secondary data	Strategy: triangulate amond as many independent sources as possible	U.S. public from 1900-2000	N/A	Seondary data from instruments: Roper social and political trends dataset; DDB Needham Life Style surveys; Market Facts: Census data; GSS NES	Multiple regresesion and descriptive statistics
Smith, Stoker and Maloney (2004) /OSC	1998-1999	Birmingham - UK; Glasgow - Scotland	To explore the relations between voluntary organizations and the city administration in two British cities through the analysis of the impact of social capital	Definition and analysis of social capital from Putnam (1993), Coleman (1988), and Ostrom (1990, 1997, 1998). Social capital inheres in relations between actors and is a resource drawn upon to facilitate collaborative activities; shared knowledge, norms and sense of trust what makes activity more likely to succeed	Primarily Quantative study; with qualitative interviews to help explain quantitative findings	Respondents primarily come from the broad International Classification of Nonprofit Organizations (ICNPO), categories "social services", "development and housing", and "law and advocacy"	407 = Birmingham; and 324 = Glasgow	63% in Birmingham; 71% in Glasgow	Detailed questionnaire / quantitative data generated by survey instruments; qualitative data from small sample of interviews	Cross-tabulations; backward stepwise binary logistic regression (likelihood ratio)

Study/SC level	Study Year(s)	Region	Purpose of Study	Definition of SC for Study Purpose	Research Method	Sample Method	Sample Size	Response Rate	Mode of Admin.	Statistical Analysis
Schneider (2006)/CSC and OSC	1992-1997 1997-2000	United States - Philadelphia; Wisconsin	To address the following questions: *Why do some families in a community succeed in meeting their education, work, and lifestyle goals while others fail?; What is the role of community institutions in this process?*	Social capital refers to social relationships and patterns of reciprocal, enforeceable trust that enable people and institutions to gain access to such resources, which have value or can be used prductively, such as social services, jobs, and government contracts	Various studies combined for a more hoalistic picture of communities undergoing reform. Multi-method team projects combining quantitative and qualitative methods using surveys, demographic data, participant observation, life history interviews, focus groups and geographic mapping to create a view of a dynamic system as it changes.	Purposive; sampling methods vary for each of the 12 projects reviewed in three cities: Philadelphia in Pennsylvaia, Milwaukee and Kenosha in Wisconsin	Sample size and methodology varies for each project: 8 projects in Philadelphia (1992-1997); 4 projects in Wisconsin (1997-2000) [3 qualitative research interview studies: Philadelphia = 20; Neighborhood Settlement House Evaluation Project = 48; Kenosha Social Capital Study = 26]	N/A	1) Participant observation of gov. forums, coalitions, meetings; 2) qualitative interviews with gov. officials; 3) analysis of secondary source materials-gov. documents, agency reports, media; 4) analysis of gov. data sets - U.S. Census, Dept. of Labor statistics, & welfare dept.statistics; 5) survey research on particular populations	Ethnographic techniques; cross-tabulations of demographic variables; multivariate statistical techniques; cluster analysis; time-line analysis

Study/SC level	Study Year(s)	Region	Purpose of Study	Definition of SC for Study Purpose	Research Method	Sample Method	Sample Size	Response Rate	Mode of Admin.	Statistical Analysis
Zacharakis and Flora (2005)/CSC	1996-1999	United States - A community on the banks of the Mississippi River	To understand the dynamic relationship between social capital and cultural reproduction. Answer questions: *Is there an appropriate balance between social capital and cultural reproduction? How do these two concepts relate to leadership development as part of a community development project?*	Social capital refers to the institutions, relationships, and norms that shape the quality and quantity of a society's social interactions (World Bank, n.d.); Social capital measured in terms of 1) acquaintanceship; 2) trust; and 3) sense of community/community action	Participatory Research - Case Study/ combination of indepth interviews and surveys	Population: (1) Random sample of Riverside citizens to determine social capital in Riverside; (2) Snowball approach: series of in-depth inerviews; at the end of each interview, individuals were asked to list individuals in terms of representing the community, supportive of projects, effective in implmenting or stopping projects... any individual listed by two or more interviewees were then approached for an interview	Riverside population = 2,500 residents; 31 leaders interviewed; 32 organizations examined	N/A	1) Mail survey of Riverside citizens; 2) Series of in-depth inerviews with community leaders; organizational survey of key leaders in various community organizations; key positional leaders in local government	UNINET network analysis software; reputational leadership analysis; descriptive statistics

APPENDIX B

LETTER TO UNITED WAY PARTNER AGENCIES

DATE

Re: Participation in a dissertation research study, The University of Texas at Arlington, School of Social Work

Dear United Way Partner Agency:

My name is Delissa Garcia Nuno and I am currently a Ph.D. Candidate at The University of Texas at Arlington, School of Social Work. I would like to request your participation in completing a survey instrument on nonprofit human service organizations (NPHSOs). The primary purpose of the research is to provide a more complete theoretical understanding of the effect of organizational social capital on the level of human capital, financial capital, volunteerism, and effectiveness of NPHSOs. The research is supported by United Way (see enclosed Letter of Support) and The University of Texas at Arlington, and will take approximately 20-30 minutes to complete.

Your participation in this research project is voluntary and would entail completing the attached survey questionnaire, provide any supplemental material (such as the agency's annual report or progress reports, brochures, fact sheets, Form 990, etc.) which you would like to include, and mail to the address below <u>no later than <DATE TO BE RETURNED>.</u>

The University of Texas at Arlington
Delissa Garcia Nuno, LMSW
School of Social Work
211 S. Cooper, Box 19129
Arlington, TX 76019

Please know that your participation in this research project will be kept confidential. Any means of "reporting" will be made only in the aggregate with no identifying information attached.

I look forward to the possibility of conducting this research with the cooperation of your agency. As a small token of appreciation for the agency's participation in this research, all organizations that complete and submit the attached survey instrument and requested information will receive an invitation to attend a training seminar, <u>**FREE**</u> of charge, on *Effective Practice: A Systems of Care Approach* for up to two employees at a location near you, and will receive a complementary copy of the training curriculum. Through continued research and education we can continue to truly make a difference in the lives of the people we serve, your participation is greatly appreciated.

Should you have any questions regarding the research project, please feel free to contact me.

Regards,

Delissa Garcia Nuno, LMSW
Email: dnuno@uta.edu; Mobile: 956-454-3397

Cc: The Local United Way Agency < include contact info >
Dr. Joan Rycraft, Associate Dean and Major Supervising Professor, The University of Texas at Arlington. Tel: 817-272-5225

APPENDIX C

BULLEN & ONYX SOCIAL CAPITAL QUESTIONNAIRE, 36 BEST QUESTIONS

Social Capital Questionnaire

Social Capital

In the following questions **please circle the most appropriate response 1, 2 3 or 4**

1. Do you feel valued by society?

No, not much — *Yes, very much*

1 2 3 4

2. If you were to die tomorrow, would you be satisfied with what your life has meant?

No, not much — *Yes, very much*

1 2 3 4

3. Have you ever picked up other people's rubbish in a public place?

No, never — *Yes, frequently*

1 2 3 4

4. Some say that by helping others you help yourself in the long run. Do you agree?

No, not much — *Yes, very much*

1 2 3 4

5. Do you help out a local group as a volunteer?

No, not at all — *Yes, often (at least once a week)*

1 2 3 4

6. Do you feel safe walking down your street after dark?

No, not much — *Yes, very much*

1 2 3 4

7. Do you agree that most people can be trusted?

No, not much — *Yes, very much*

1 2 3 4

8. If someone's car breaks down outside your house, do you invite them into your home to use the phone?

No, not at all — *Yes, definitely*

1 2 3 4

9. Can you get help from friends when you need it?

No, not at all — *Yes, definitely*

1 2 3 4

10. Does your area have a reputation for being a safe place?

No, not at all — *Yes*

1 2 3 4

11. If you were caring for a child and needed to go out for a while, would you ask a neighbour or help?

No, not at all — *Yes, definitely*

1 2 3 4

12. Have you visited a neighbour in the past week?

No, not at all — *Yes, frequently*

1 2 3 4

13. Have you attended a local community event in the past 6 months (eg, church fete, school concert, craft exhibition)?

No, not at all — *Yes, several (at least 3)*

1 2 3 4

14. Are you an active member of a local organisation or club (eg, sport, craft, social club)?

No, not at all — *Yes, very active*

1 2 3 4

15. Does your local community feel like home?

No, not at all — *Yes, definitely*

1 2 3 4

16. In the past week, how many phone conversations have you had with friends?

None — *Many (at least 6)*

1 2 3 4

17. How many people did you talk to yesterday?

None at all — *Many (at least 10)*

1 2 3 4

18. Over the weekend do you have lunch/dinner with other people outside your household?

No, not much — *Yes, nearly always*

1 2 3 4

19. Do you go outside your local community to visit your family?

No, not much — *Yes, nearly always*

1 2 3 4

20. When you go shopping in your local area are you likely to run into friends and acquaintances?

No, not much — *Yes, nearly always*

1 2 3 4

21. If you need information to make a life decision, do you know where to find that information?

No, not at all — *Yes, definitely*

1 2 3 4

22. In the past 6 months, have you done a favour for a sick neighbour?

No, not at all — *Yes, frequently (at least 5 times)*

1 2 3 4

23. Are you on a management committee or organising committee for any local group or organisation?

No, not at all — *Yes, several (at least 3)*

1 2 3 4

24. In the past 3 years, have you ever joined a local community action to deal with an emergency?

No, not at all			*Yes, frequently (at least 5 times)*
1	2	3	4

25. In the past 3 years have you ever taken part in a local community project or working bee?

No, not at all			*Yes, very much*
1	2	3	4

26. Have you ever been part of a project to organise a new service in your area (eg, youth club, scout hall, child care, recreation for disabled)?

No, not at all			*Yes, several times(at least 3)*
1	2	3	4

27. If you disagree with what everyone else agreed on, would you feel free to speak out?

No, not at all			*Yes, definitely*
1	2	3	4

28. If you have a dispute with your neighbours (eg, over fences or dogs) are you willing to seek mediation?

No, not at all			*Yes, definitely*
1	2	3	4

29. Do you think that multiculturalism makes life in your area better?

No, not at all			*Yes, definitely*
1	2	3	4

30. Do you enjoy living among people of different life styles?

No, not at all			*Yes, definitely*
1	2	3	4

31. If a stranger, someone different, moves into your street, would they be accepted by the neighbours?

No, not easily			*Yes, definitely*
1	2	3	4

The following five questions are for those in paid employment. If you are not in paid employment go to Question 37 at the top of the next page.

32 Do you feel part of the local geographic community where you work?

No, not at all			*Yes, definitely*
1	2	3	4

33. Are your workmates also your friends?

No, not at all			*Yes, definitely*
1	2	3	4

34 Do you feel part of a team at work?

No, not at all			*Yes, definitely*
1	2	3	4

35. At work do you take the initiative to do what needs to be done even if no one asks you to?

No, not at all			*Yes, definitely*
1	2	3	4

36. In the past week at work, have you helped a workmate even though it was not in your job description?

No, not at all			*Yes, several times (at least 5)*
1	2	3	4

APPENDIX D

SOCIAL CAPITAL QUESTIONNAIRE FOR NONPROFIT HUMAN SERVICE ORGANIZATIONS

Social Capital Questionnaire for Nonprofit Human Service Organizations

Please tell us about yourself and the organization by answering the following questions:

1. What is the name of the organization? ___________________________________
Address: ____
physical address city state zip code

2. What year did the organization become an established 501c3, or what year was the organization founded? ____________

3. What is the primary mission statement and/or vision statement of your organizations?

____

____

____

____

____

4. What is the primary impact area, or social issue your organizations seeks to address?
(If the organization addresses a variety of social issues, please number according to priority 1, 2, 3….)

_____ Child and Family Welfare _____Senior well-being
_____ Homelessness _____ Education
_____ Crisis Relief _____ Mental Health
_____ Public Health _____ Other, please specify: _______________

5. Who is completing this survey on behalf of the organization?
Please provide your first and last name and contact information, in the case clarification is needed regarding the information submitted.

First Name: _________________________ Last Name: ____________________

Title: ______________________________

Email: _____________________________ Telepone No. __________________
6. What is the total number of employees? _______

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How many are employed full-time? _______
How many employees are considered "program staff"? _______
How many employees are considered "support staff"? _______
How many contract workers does the organization have? _______

7. Approximately, how many people volunteered at your agency in the past year? _______

8. Approximately, how many hours of volunteer time were contributed to the agency in the past year? Hours contributed: ___________________

9. What was the total dollar amount of donated goods and/or services? _______________

10. How many total board members currently serve on the board of directors? _______

11. How many of the current board members are also employed by the organization?_____

In the following questions, please circle the most appropriate response 1, 2, 3, or 4

12. How many of the current board members are considered a major donor of the organization?

No, not any	*Yes, a couple (at least two)*	*Yes, some (at least 5)*	*Yes, almost all*
1	2	3	4

13. How many of the current board members are considered to have a professional skill useful to the organization?

No, not any	*Yes, a couple (at least two)*	*Yes, some (at least 5)*	*Yes, almost all*
1	2	3	4

14. How many of the current board members are considered a well-known person in the community?

No, not any	*Yes, a couple (at least two)*	*Yes, some (at least 5)*	*Yes, almost all*
1	2	3	4

15. Is there any other reason why current board members were selected for the board of directors? If yes, please specify reason: ____

16. How often do board members engage in strategic planning for the organization?

No, not at all	*Yes, every 3 to 5 yrs*	*Yes, once a year*	*Yes, almost always*
1	2	3	4

In the following questions, please circle the most appropriate response 1, 2, 3, or 4

17. How often do board members engage in board development activities?

No, not at all	*Yes, every 3 to 5 years*	*Yes, once a year*	*Yes, almost always*
1	2	3	4

18. How often do board members engage in the acquisition of resources?

No, not at all	*Yes, every 3 to 5 years*	*Yes, once a year*	*Yes, almost always*
1	2	3	4

19. How often do board members engage in financial mangement activities?

No, not at all	*Yes, every 3 to 5 years*	*Yes, once a year*	*Yes, almost always*
1	2	3	4

20. How often do board members engage in conflict resolution?

No, not at all	*Yes, a little*	*Yes, to some extent*	*Yes, almost always*
1	2	3	4

21. Is there any other activity board members engage in? YES or NO
If yes, please specify activity: ____

22. Does the majority of the management staff (including key program staff) have a college degree?

No, not any	*Yes, a couple*	*Yes, some*	*Yes, almost all*
1	2	3	4

23. Does the majority of the management staff (including key program staff) have a graduate degree?

No, not any	*Yes, a couple*	*Yes, some*	*Yes, almost all*
1	2	3	4

24. Does the majority of key staff (including CEO, managers, and program staff) have more than <u>five</u> years working experience in this field?

No, not any	*Yes, a couple*	*Yes, some*	*Yes, almost all*
1	2	3	4

25. Does the majority of key staff (including CEO, managers, and program staff) have more than <u>ten</u> years working experience in this field?

No, not any	*Yes, a couple*	*Yes, some*	*Yes, almost all*
1	2	3	4

In the following questions, please circle the most appropriate response 1, 2, 3, or 4

26. Does the majority of key staff (including CEO, managers, and program staff) have more than twenty years working experience in this field?

No, not any	*Yes, a couple*	*Yes, some*	*Yes, almost all*
1	2	3	4

Please fill in the dollar amount $ and percentage % of total budget regarding the revenue sources for the past year:

27. What was the organization's total revenue (organizational budget) for the past year? _______

28. How much of last year's budget came from government sources?
Dollar Amt $___________________ % of Budget:___________________

29. How much of last year's budget came from civic organizations? *(for example: United Way, Rotary Clubs, Junior Leagues, Lion's Club, Knights of Columbus, etc.)*
Dollar Amt $_________________________ % of Budget:___________________

30. How much of last year's budget came from private foundations? *(for example: The Kellogg's Foundation, The Ford Foundation, ACS Foundation, etc.)*
Dollar Amt $_________________________ % of Budget:___________________

31. How much of last year's budget came from corporate donations?
Dollar Amt $_________________________ % of Budget:___________________

32. How much of last year's budget came from individual donations?
Dollar Amt $_________________________ % of Budget:___________________

In the following questions, please circle the most appropriate response 1, 2, 3, or 4 regarding unpaid staff/volunteers

33. How often do volunteers engage in professional activities ? *(pro bono services, etc.)*

No, not at all	*Yes, at least once a year*	*Yes, quarterly*	*Yes, almost always*
1	2	3	4

34. How often do volunteers engage in clerical/administrative activities ? *(answering phone, stuffing envelopes, making copies, etc.)*

No, not at all	*Yes, at least once a year*	*Yes, quarterly*	*Yes, almost always*
1	2	3	4

In the following questions, please circle the most appropriate response 1, 2, 3, or 4

35. How often do volunteers engage in program or paraprofessional roles ? *(tutoring or teaching, mentoring, assisting with intakes, etc.)*

No, not at all	*Yes, at least once a year*	*Yes, quarterly*	*Yes, almost always*
1	2	3	4

36. How often do volunteers engage in general labor activities ? *(collecting, preparing, distributing or serving food or other items, etc.)*

No, not at all	*Yes, at least once a year*	*Yes, quarterly*	*Yes, almost always*
1	2	3	4

37. Do community members, including students, retirees, corporate groups, civic groups, and/or other non-paid employees often take the initiative to volunteer at your organization?

No, not at all	*Yes, several times a year*	*Yes, at least monthly*	*Yes, weekly*
1	2	3	4

38. Do others outside your organization typically contribute donated items, goods, or services?

No, not at all	*Yes, several times a year*	*Yes, at least monthly*	*Yes, weekly*
1	2	3	4

39. How many <u>local</u> networks, coalitions, or task forces does the organization belong to?

No, not any	*Yes, a couple (≤ two)*	*Yes, some (≤ five)*	*Yes, many (>5)*
1	2	3	4

40. Does the organization often receive help or benefit from these networks?

No, not any	*Yes, a little*	*Yes, to some extent*	*Yes, nearly always*
1	2	3	4

41. Do key employees *(for example CEO, program administrator and managers)* often attend networking meetings?

No, not at all	*Yes, several times a year*	*Yes, at least monthly*	*Yes, weekly*
1	2	3	4

42. Do key employees *(for example, CEO, program administrators and managers)* have working lunches/dinners with people outside the organization?

No, not at all	*Yes, several times a year*	*Yes, at least monthly*	*Yes, weekly*
1	2	3	4

In the following questions, please circle the most appropriate response 1, 2, 3, or 4

43. Do key employees *(for example, CEO, program administrators and managers) often* have working lunches/dinners with people inside the organization?

No, not at all	*Yes, several times a year*	*Yes, at least monthly*	*Yes, weekly*
1	2	3	4

44. How often does the organization's board of directors meet?

No, not at all	*Yes, at least once a year*	*Yes, several times a year*	*Yes, monthly*
1	2	3	4

45. How often do key employees *(for example, CEO, program administrators and managers)* engage in team work to accomplish tasks and projects?

No, not at all	*Yes, several times a year*	*Yes, at least monthly*	*Yes, weekly*
1	2	3	4

46. How helpful are funding agencies in providing assistance other than financial, *such as technical assistance, information, and providing additional resources?*

No, not at all	*Yes, a little*	*Yes, to some extent*	*Yes, nearly always*
1	2	3	4

47. Does the organization often contribute helpful information, resources, and assistance to other organizations?

No, not often	*Yes, a little*	*Yes, to some extent*	*Yes, nearly always*
1	2	3	4

48. Has the organization been represented at a local community event *(e.g. health or human service fair, job fair, etc.)* within the past 6 month?

No, not at all	*Yes, a couple (at least two)*	*Yes, a few (at least three)*	*Yes, several*
1	2	3	4

49. Does the organization collaborate often with other entities even if there is no formal contract or memorandum of agreement?

No, not often	*Yes, a little*	*Yes, to some extent*	*Yes, nearly always*
1	2	3	4

50. Some say that by helping others you help yourself in the long run. Do you agree?

No, not really	*Yes, a little*	*Yes, to some extent*	*Yes, definitely*
1	2	3	4

In the following questions, please circle the most appropriate response 1, 2, 3, or 4

51. Does the organization clearly state the program goals to be achieved in relation to the specific social problem(s)?

No, not really	*Yes, a little*	*Yes, to some extent*	*Yes, definitely*
1	2	3	4

52. Does the organization state concrete objectives with indicators that can be measured to evaluate if program goals have been achieved?

No, not at all	*Yes, to some extent*	*Yes, mostly all*	*Yes, definitely all*
1	2	3	4

53. Did the organization/program provide the intended services or interventions for the target population?

No, not at all	*Yes, to some extent*	*Yes, mostly all*	*Yes, definitely all*
1	2	3	4

54. Did the services or interventions provided by the organization produce evident and positive changes regarding client problems/concerns?

No, not at all	*Yes, to some extent*	*Yes, mostly all*	*Yes, definitely all*
1	2	3	4

55. Was the program progress monitored by the organization utilizing data collection methods and reports (such as intake forms, completion of surveys or scales, program *progress reports, etc.)*?

No, not at all	*Yes, at least yearly*	*Yes, quarterly*	*Yes, at least monthly*
1	2	3	4

56. Does the organization utilize results to improve program planning, management and service delivery?

No, not at all	*Yes, a little*	*Yes, to some extent*	*Yes, nearly always*
1	2	3	4

57. Do clients who obtain assistance from the organization typically require additional services or assistance from the agency after six months?

No, not at all	*Yes, a little (< 10%)*	*Yes, to some (< 20%)*	*Yes, (>25%)*
1	2	3	4

58. Do clients openly express satisfaction with the services and assistance available through the organization?

No, not often	*Yes, a little*	*Yes, to some extent*	*Yes, nearly always*
1	2	3	4

Check List: Please return the following to the address below:
No later than August 1, 2007

_______ Completed Survey Questionnaire

_______ Supplemental materials such as the organization's annual report or progress reports, fact sheets, fliers or brochures regarding the organization and its programs.

_______ Please enclose a copy of your latest IRS Form 990.

The University of Texas at Arlington
Att: Delissa Garcia Nuno, LMSW
School of Social Work
211 S. Cooper Box, 19129
Arlington, TX 76019

Email: dnuno@uta.edu
Tel: 956-454-3397

* Social capital questionnaire adapted from Bullen & Onyx (2005)

APPENDIX E

SOCIAL CAPITAL QUESTIONNAIRE FOR NPHSOs – SHORT VERSION

Social Capital Questionnaire for NPOs (Short Version)

Survey Research Participation & Confidentiality Statement

Dear Agency Executive:

I would like to request your participation in completing a survey instrument (short version) on nonprofit human service organizations (NPHSOs) as part of my dissertation research study for the completion of obtaining my degree in Social Work from The University of Texas at Arlington.

The primary purpose of the research is to provide a more complete theoretical understanding of organizational social capital related to NPHSOs. The research is supported by The University of Texas at Arlington, and will take approximately 15-20 minutes to complete.

Your participation in this research project is voluntary and would entail completing the online survey questionnaire (Short version).

Thank you,

Delissa Garcia Nuno, LMSW
The University of Texas at Arlington
School of Social Work
211 S. Cooper, Box 19129
Arlington, TX 76019

Please know that your participation in this research project is voluntary and will be kept confidential. Any means of "reporting" will be made only in the aggregate with no identifying information attached.

Dr. Joan Rycraft, Associate Dean and Major Supervising Professor, The University of Texas at Arlington. Tel: 817-272-5225

*** 1. I agree to voluntarily participate in this survey research.**

◯ Yes
◯ No

Social Capital Questionnaire for NPOs (Short Version)

Please tell us about yourself and the organization by answering the followi...

*** 2. Please provide the name and address for the organization.**

Company:
Address:
Address 2:
City/Town:
State/Province:
ZIP/Postal Code:
Country:

*** 3. What year did the organization become an established 501c3, or what year was the organization founded?**

4. Who is completing the survey on behalf of the organization? Please provide your first and last name and contact information, in the case clarification is needed regarding the information submitted.

First Name:
Last Name:
Title:
Email:
Telephone No.

*** 5. Please provide information regarding the number of employees/staff at your organization.**

What is the total number of employees?
How many of these are employed full-time?
How many employees are considered "program staff"?

*** 6. How many total board members currently serve on the board of directors?**

Social Capital Questionnaire for NPOs (Short Version)

*** 7. Please select the most appropriate response to the questions below regarding the work experience of key employees at your organization:**

	No, not any	Yes, a couple	Yes, some	Yes, almost all
Does the majority of key staff (including CEO, managers, and program staff) have more than five (5) years experience in this field?	○	○	○	○
Does the majority of key staff (including CEO, managers, and program staff) have more than ten (10) years experience in this field?	○	○	○	○
Does the majority of key staff (including CEO, managers, and program staff) have more than twenty (20) years experience in this field?	○	○	○	○

8. What was the organization's TOTAL revenue (organizational budget) for the past fiscal year?

Social Capital Questionnaire for NPOs (Short Version)

Volunteers and Networking Activities

*** 9. Please provide the most appropriate response to the following questions regarding your unpaid staff/volunteer activities:**

	No, not at all	Yes, at least once a year	Yes, at least quarterly	Yes, almost always
How often do volunteers engage in professional activities? (pro bono services, etc.)	○	○	○	○
How often do volunteers engage in clerical/administrative activities? (answering phones, stuffing envelopes, making copies, etc.)	○	○	○	○
How often do volunteers engage in program or paraprofessional roles? (tutoring or teaching, mentoring, assisting with intakes, etc.)	○	○	○	○
How often do volunteers engage in general labor activities? (collecting, prapring distributing or serving food or other items, etc.)	○	○	○	○

*** 10. Please provide the most appropriate response to the following questions regarding general volunteer contributions:**

	No, not at all	Yes, several times a year	Yes, at least monthly	Yes, weekly
Do community members, including students, retirees, corporate groups, civic groups, and/or other non-paid employees often take the initiative to volunteer at your oganization?	○	○	○	○
Do others outside your organization typically contribute donated items, goods, or services?	○	○	○	○

*** 11. How many local networks, coalitions, or task forces does the organization belong to?**

○ No, not any
○ Yes, a couple (at least two)
○ Yes, some (three to five)
○ Yes, many (more than five)

Social Capital Questionnaire for NPOs (Short Version)

*** 12. Does the organization often receive help or benefit from these networks?**

- ◯ No, not any
- ◯ Yes, a little
- ◯ Yes, to some extent
- ◯ Yes, nearly always

*** 13. Please provide the most appropriate response to the following questions regarding networking activities:**

	No, not at all	Yes, several times a year	Yes, at least monthly	Yes, weekly
Do key employees (for example CEO, program administrators and managers) often attend networking meetings?	◯	◯	◯	◯
Do key employees (for example CEO, program administrators and managers) have working lunches/dinners with people outside the organization?	◯	◯	◯	◯
Do key employees (for example CEO, program administrators and managers) have working lunches/dinners with people inside the organization?	◯	◯	◯	◯

*** 14. How often does the organization's board of directors meet?**

- ◯ No, not at all
- ◯ Yes, at least once a year
- ◯ Yes, several times a year
- ◯ Yes, monthly

Other (please specify)

15. How often do key employees (for example CEO, program administrators, and managers) engage in team work to accomplish tasks and projects?

- ◯ No, not at all
- ◯ Yes, several times a year
- ◯ Yes, at least monthly
- ◯ Yes, weekly

Social Capital Questionnaire for NPOs (Short Version)

*** 16. Please provide the most appropriate response to the following questions:**

	No, not at all	Yes, a little	Yes, to some extent	Yes, nearly always
How helpful are funding agencies in providing assistance other than financial, such as technical assistance, information, and providing additional resources?	◯	◯	◯	◯
Does the organization often contribute helpful information, resources, and assistance to other organizations?	◯	◯	◯	◯

*** 17. Has the organization been represented at a local community event (e.g. health or human service fair, job fair, etc.) within the past 6 months?**

◯ No, not at all
◯ Yes, a couple (at least two)
◯ Yes, a few (at least three)
◯ Yes, several (four or more)

*** 18. Does the organization collaborate often with other entities even if there is no formal contract or memorandum of agreement?**

◯ No, not often
◯ Yes, a little
◯ Yes, to some extent
◯ Yes, nearly always

*** 19. Some say that by helping others you help yourself in the long run. Do you agree**

◯ No, not really
◯ Yes, a little
◯ Yes, to some extent
◯ Yes, definitely

Social Capital Questionnaire for NPOs (Short Version)

Program Evaluation and Program Outcomes

*** 20. Please provide the most appropriate response to the following questions regarding program evaluation:**

	No, not really	Yes, to some extent	Yes, mostly all	Yes, definitely all
Does the organization clearly state the program goals to be achieved in relation to the specific social problem(s)?	◯	◯	◯	◯
Does the organization state concrete objectives with indicators that can be measured to evaluate if program goals have been achieved?	◯	◯	◯	◯
Did the organization/program provide the intended services or interventions for the target population?	◯	◯	◯	◯
Did the services or interventions provided by the organization produce evident and positive changes regarding client problems/concern?	◯	◯	◯	◯

Other comments regarding program outcomes for the past year (please specify)

*** 21. Was the program progress monitored by the organization utilizing data collection methods and reports (such as intake forms, completion of surveys or scales, program progress reports, etc.)**

- ◯ No, not at all
- ◯ Yes, at least yearly
- ◯ Yes, quarterly
- ◯ Yes, at least monthly

*** 22. Does the organization utilize results to improve program planning, management and service delivery?**

- ◯ No, not at all
- ◯ Yes, a little
- ◯ Yes, to some extent
- ◯ Yes, nearly always

Social Capital Questionnaire for NPOs (Short Version)

*** 23. Do clients who obtain assistance from the organization typically require additional services or assistance from the agency after six months?**

- ◯ No, not at all
- ◯ Yes, a little (less than 10%)
- ◯ Yes, to some extent (less than 20%)
- ◯ Yes, nearly always (more than 25%)

Comments on why clients require additional services from the organization (please specify)

*** 24. Do clients openly express satisfaction with the services and assistance available through the organization?**

- ◯ No, not often
- ◯ Yes, a little
- ◯ Yes, to some extent
- ◯ Yes, nearly always

Comment regarding client satisfaction (please specify)

THANK YOU for your participation. Should you have any questions regarding this survey (short version) please contact Delissa Nuno at dnuno@uta.edu, or at 972-292-3534.

APPENDIX F

LIST OF VARIABLES AND CONSTRUCTS BY SURVEY ITEMS

LIST OF VARIABLES AND CONSTRUCTS BY SURVEY ITEMS

Name (SPSS)	Item (Survey Question)	Variable	Construct
Q10NoBoD	Q 10. How many total board members currently serve on the board of directors?	***Board Size***	Social Capital
Q12MajorDon	Q 12. How many of the current board members are considered to be a major donor of the organization?	***Board Composition Score*** (added responses from Q12-14, and Q15 after transformation into numerical value to obtain variable "Board Composition Score")	Social Capital
Q13ProfSkill	Q 13. How many of the current board members are considered to have a professional skill useful to the organization?		
Q14WellKnown	Q 14. How many of the current board members are considered to be a well known person in the community?		
Q15BoDselect	Q 15. Is there any other reason why current board members were selected for the board of directors? If yes, please specify reason:		
(Q15) BoDaddpts	Q 15. Other reason why board members were selected to serve on the board of directors. *Qualitative responses were theme analyzed and additional points were added for responses related to the themes created. (Range 0 - 2 additional points)*		
Q16Strategic	Q 16. How often do board members engage in strategic planning for the organization?	***Board Roles Score*** (added responses from Q16-20, and Q21 after transformation into numerical value to obtain variable "Board Roles Score")	Social Capital
Q17BoDevelop	Q 17. How often do board members engage in board development activities?		
Q18Acquisition	Q 18. How often do board members engage in acqcuisition of resources?		
Q19Financial	Q 19. How often do board members engage in financial management activities?		
Q20ConflictRes	Q 20. How often do board members engage in conflict resolution?		
Q21BoDengage	Q 21. Is there any other activity board members engage in? If yes, please specify activity:		
(Q21) BRolesAddpts	Q 21. Other activities board members engaged in. *Qualitative responses were theme analyzed and additional points were added for responses related to the themes created. (Range 0 - 2 additional points)*		

Name (SPSS)	Item (Survey Question)	Variable	Construct
IRSNetworking	* Survey Checklist, asked participants to include a copy of their most recent IRS Form 990.	***Investment in Networking*** (Line 39. and 40 were summed and reported as the "total dollar amount invested in networking activities". (e.g. investment in travel, conferences, and meetings).	Social Capital
Q39LocalNet	Q 39. How many local networks, coalitions, or task forces does the organization belong to?	***Bridging Social Capital Score*** (added responses from Q39, Q41, and Q42 to obtain the variable "Bridging Social Capital Score")	Social Capital
Q41NetMtgs	Q 41. Do key employees (for example, CEO, program administrators and managers) often attend networking meetings?		
Q42LunchOut	Q 42. Do key employees (for example, CEO, program administrators and managers) have working lunches/dinners with people outside their organization?		
Q43LunchIn	Q 43. Do key employees (for example, CEO, program administrators and managers) often have working lunches/dinners with people inside their organization?	***Bonding Social Capital Score*** (added responses from Q43 - Q45 to obtain the variable "Bonding Social Capital Score")	Social Capital
Q44BoDMeet	Q 44. How often does the organization's board of directors meet?		
Q45TeamWk	Q 45. How often do key employees (for example CEO, program administrators and managers) engage in team work to accomplish tasks and projects?		
Q40BenefitNet	Q 40. Does the organization often receive help or benefit from these networks?	***Perception of Receiving*** (added responses from Q40 and Q46 to obtain the variable "Perception of Receiving")	Social Capital
Q46FundAsst	Q 46. How helpful are funding agencies in providing assistance other than financial, such as technical assistance, information, and providing additional resources?		
Q47OrgAsst	Q 47. Does the organization often contribute helpful information, resources, and assistance to other organizations?	***Perception of Giving*** (added responses from Q47-Q49 to obtain the variable "Perception of Giving")	
Q48Events	Q 48. Has the organization been represented at a local community event (e.g. health or human service fair, job fair, etc.) within the past 6 months?		

Name (SPSS)	Item (Survey Question)	Variable	Construct
Q49NoMOA	Q 49. Does the organiztion collaborate often with other entities even if there is no formal contract or memorandum of agreement?		
Q50Help	Q 50. Some say that by helping others you help yourself in the long run. Do you agree?	***Ethics of Reciprocity***	
Q6aFullTime	Q6a. Total number of full-time staff	***Full-Time Staff***	Human Capital
Q6bProgram	Q6b. Total number of program staff	***Program Staff***	
Q6cSupport	Q6c. Total number of support staff	***Administrative (Support) Staff***	
Q6dContract	Q6d. Total number of contract workers	***Contract Workers***	
Q22College	Q22. Does the majority of the management staff including key program staff have a college degree?	***Staff Educational Attainment Score*** (added responses from Q22-Q23 to obtain variable "SEA Score")	Human Capital
Q23Graduate	Q23. Does the majority of the magmt staff including key program staff have a graduate degree?		
Q24FiveYrsExp	Q24. Does the majority of the magmt staff including CEO, managers, and program staff have more then five yrs work experience in this field?	***Staff Work Experience Score*** (added responses from Q24-Q25 to obtain variable "SWE Score")	Human Capital
Q25TenYrsEx	Q25.. Does the majority of the magmt staff including CEO, managers, and program staff have more than ten yrs work exp in this field?		
Q26TwentyYrs	Q26. Does the majority of the magmt staff including CEO, managers, and program staff have more than twenty yrs work exp in this field?		
IRSEmpComp	* Survey Checklist, asked participants to include a copy of their most recent IRS Form 990. *Line 25. compensation of officers, directors, etc. and L26. other salaries and wages were summed and reported as the "total dollar amount invested in employee compensation".*	***Investment in Employee Compensation*** (added L25-26 of IRS Form 990 as reported by survey respondents to obtain the variable "Investment in Employee Compensation")	Human Capital
Q27TotRev	Q27. What is the total organizational budget, total revenue for the past year?	***Total Revenue***	Financial Capital
Q28$Gov	Q28. How much of last year's budget came from goverment sources?	***Government Contributions***	
Q29$Civic	Q29. How much of last year's budget came from civic sources/organizations?	***Civic Contributions***	

Name (SPSS)	Item (Survey Question)	Variable	Construct
Q30$Private	Q30. How much of last year's budget came from private foundation support?	***Private Foundations Contributions***	
Q31$Corporate	Q31. How much of last year's budget came from corporate donations?	***Corporate Contributions***	
Q32$Individual	Q32. How much of last year's budget came from individual support and donations?	***Individual Contributions***	
Q7Volunteers	Q7. Approximately, how many people volunteered at your agency in the past year?	***Total Number of Volunteers***	Volunteerism
Q8VolHrs	Q8. Approximately, how many hours of voluneer time were contributed to the agency ini the past year?	***Total Volunteer Hours Contributed***	Volunteerism
Q33VolProf	Q33. How often do volunteers engage in professional activities? (pro-bono services, etc.)	***Volunteer Activities*** (added responses from Q33-36 to obtain the variable "Volunteer Activities")	Volunteerism
Q34Admin	Q34. How often do volunteers engage in clerical/administrative activities? (answering phone, stuffing envelopes, making copies, etc.)		
Q35VolPara	Q35. How often do volunteers engage in program or paraprofessional roles? (e.g. tutoring or teaching, mentoring, assisting with intakes, etc.)		
Q36VolLabor	Q36. How often do volunteers engage in general labor activities? (e.g. collecting, preparing, distributing, or serving food or other items, etc.)		
Q37VolInitiative	Q37. How often do community members including students, retirees, coprorate grps, civic grps, and other nonpaid employees often take the initiative to volunteer at your org?	***Volunteer Initiative***	Volunteerism
Q38DonateOrg	Q38. How often do others outside your org typically contribute donated items, goods, or services?	***Volunteer Contributions***	Volunteerism
Q9AmtDon82b	Q9. What was the total dollar amount of donated goods and/or services? (or Line Item 82b on IRS Form 990)	***Total Dollar Value of Donated Goods/Services***	Volunteerism
Q51Goals	Q51. Does the organization clearly state the program goals to be achieved in relation to the specific social problems?	***Program Development*** (added responses from Q51-Q52)	Program Effectiveness
Q52Objectives	Q52. Does the organization state concrete objectives with indicators that can be measured to evaluate if program goals have been achieved?		

Name (SPSS)	Item (Survey Question)	Variable	Construct
Q53Services	Q53. Did the organization/program provide the intended services or interventions for the targeted population?	***Program Implementation***	Program Effectiveness
Q54PosChange	Q54. Did the services/interventions provided by the organization produce evident and positive changes regarding client problems/concerns?	***Program Impact*** (added responses from Q54, Q57recode, and Q58)	Program Effectiveness
Q57Recidivism	Q57. Do clients who obtain assistance from the organization typically require additional services or assistance from the agency after six months?		
Q58ClientSat	Q58. Do clients openly express satisfacation with the services and assistance available through the organization?		
Q55ProgMonitored	Q55. Was the program progress monitored by the organization utilizing data collection methods and reports (such as intake forms, completion of surveys or scales, program progress reports, etc.)?	***Program Evaluation*** (added responses from Q55-Q56)	Program Effectiveness
Q56Results	Q56. Does the organizationi utilize results to improve program planning, management and service delivery?		

APPENDIX G

IRS FORM 990

Form **990**

Department of the Treasury
Internal Revenue Service

Return of Organization Exempt From Income Tax

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung benefit trust or private foundation)

▶ The organization may have to use a copy of this return to satisfy state reporting requirements.

OMB No. 1545-0047

2007

Open to Public Inspection

A For the 2007 calendar year, or tax year beginning , 2007, and ending , 20

B Check if applicable:
- ☐ Address change
- ☐ Name change
- ☐ Initial return
- ☐ Termination
- ☐ Amended return
- ☐ Application pending

Please use IRS label or print or type. See Specific Instructions.

C Name of organization

Number and street (or P.O. box if mail is not delivered to street address) | Room/suite

City or town, state or country, and ZIP + 4

D Employer identification number

E Telephone number ( )

F Accounting method: ☐ Cash ☐ Accrual ☐ Other (specify) ▶

• **Section 501(c)(3) organizations and 4947(a)(1) nonexempt charitable trusts must attach a completed Schedule A (Form 990 or 990-EZ).**

H *and* **I** *are not applicable to section 527 organizations.*

H(a) Is this a group return for affiliates? ☐ **Yes** ☐ **No**

H(b) If "Yes," enter number of affiliates ▶

H(c) Are all affiliates included? ☐ **Yes** ☐ **No**
(If "No," attach a list. See instructions.)

H(d) Is this a separate return filed by an organization covered by a group ruling? ☐ **Yes** ☐ **No**

G Website: ▶

J Organization type (check only one) ▶ ☐ 501(c) ( ) ◀ (insert no.) ☐ 4947(a)(1) or ☐ 527

K Check here ▶ ☐ if the organization is not a 509(a)(3) supporting organization and its gross receipts are normally not more than $25,000. A return is not required, but if the organization chooses to file a return, be sure to file a complete return.

I Group Exemption Number ▶

M Check ▶ ☐ if the organization is not required to attach Sch. B (Form 990, 990-EZ, or 990-PF).

L Gross receipts: Add lines 6b, 8b, 9b, and 10b to line 12 ▶

Part I Revenue, Expenses, and Changes in Net Assets or Fund Balances *(See the instructions.)*

Revenue	1	Contributions, gifts, grants, and similar amounts received:		
	a	Contributions to donor advised funds	1a	
	b	Direct public support (not included on line 1a)	1b	
	c	Indirect public support (not included on line 1a)	1c	
	d	Government contributions (grants) (not included on line 1a)	1d	
	e	**Total** (add lines 1a through 1d) (cash $________ noncash $________)		1e
	2	Program service revenue including government fees and contracts (from Part VII, line 93)		2
	3	Membership dues and assessments		3
	4	Interest on savings and temporary cash investments		4
	5	Dividends and interest from securities		5
	6a	Gross rents	6a	
	b	Less: rental expenses	6b	
	c	Net rental income or (loss). Subtract line 6b from line 6a		6c
	7	Other investment income (describe ▶)		7

		(A) Securities		(B) Other	
8a	Gross amount from sales of assets other than inventory		8a		
b	Less: cost or other basis and sales expenses		8b		
c	Gain or (loss) (attach schedule)		8c		
d	Net gain or (loss). Combine line 8c, columns (A) and (B)				8d

Revenue	9	Special events and activities (attach schedule). If any amount is from **gaming**, check here ▶ ☐		
	a	Gross revenue (not including $________ of contributions reported on line 1b)	9a	
	b	Less: direct expenses other than fundraising expenses	9b	
	c	Net income or (loss) from special events. Subtract line 9b from line 9a		9c
	10a	Gross sales of inventory, less returns and allowances	10a	
	b	Less: cost of goods sold	10b	
	c	Gross profit or (loss) from sales of inventory (attach schedule). Subtract line 10b from line 10a		10c
	11	Other revenue (from Part VII, line 103)		11
	12	**Total revenue.** Add lines 1e, 2, 3, 4, 5, 6c, 7, 8d, 9c, 10c, and 11		12
Expenses	13	Program services (from line 44, column (B))		13
	14	Management and general (from line 44, column (C))		14
	15	Fundraising (from line 44, column (D))		15
	16	Payments to affiliates (attach schedule)		16
	17	**Total expenses.** Add lines 16 and 44, column (A)		17
Net Assets	18	Excess or (deficit) for the year. Subtract line 17 from line 12		18
	19	Net assets or fund balances at beginning of year (from line 73, column (A))		19
	20	Other changes in net assets or fund balances (attach explanation)		20
	21	Net assets or fund balances at end of year. Combine lines 18, 19, and 20		21

For Privacy Act and Paperwork Reduction Act Notice, see the separate instructions. Cat. No. 11282Y Form **990** (2007)

Part II **Statement of Functional Expenses** All organizations must complete column (A). Columns (B), (C), and (D) are required for section 501(c)(3) and (4) organizations and section 4947(a)(1) nonexempt charitable trusts but optional for others. *(See the instructions.)*

Do not include amounts reported on line 6b, 8b, 9b, 10b, or 16 of Part I.		(A) Total	(B) Program services	(C) Management and general	(D) Fundraising
22a Grants paid from donor advised funds (attach schedule) (cash $ ____ noncash $ ____) If this amount includes foreign grants, check here ▶ ☐	22a				
22b Other grants and allocations (attach schedule) (cash $ ____ noncash $ ____) If this amount includes foreign grants, check here ▶ ☐	22b				
23 Specific assistance to individuals (attach schedule)	23				
24 Benefits paid to or for members (attach schedule)	24				
25a Compensation of current officers, directors, key employees, etc. listed in Part V-A	25a				
b Compensation of former officers, directors, key employees, etc. listed in Part V-B	25b				
c Compensation and other distributions, not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)	25c				
26 Salaries and wages of employees not included on lines 25a, b, and c	26				
27 Pension plan contributions not included on lines 25a, b, and c	27				
28 Employee benefits not included on lines 25a – 27	28				
29 Payroll taxes	29				
30 Professional fundraising fees	30				
31 Accounting fees	31				
32 Legal fees	32				
33 Supplies	33				
34 Telephone	34				
35 Postage and shipping	35				
36 Occupancy	36				
37 Equipment rental and maintenance	37				
38 Printing and publications	38				
39 Travel	39				
40 Conferences, conventions, and meetings	40				
41 Interest	41				
42 Depreciation, depletion, etc. (attach schedule)	42				
43 Other expenses not covered above (itemize):					
a	43a				
b	43b				
c	43c				
d	43d				
e	43e				
f	43f				
g	43g				
44 **Total functional expenses.** Add lines 22a through 43g. (Organizations completing columns (B)–(D), carry these totals to lines 13–15)	44				

Joint Costs. Check ▶ ☐ if you are following SOP 98-2.

Are any joint costs from a combined educational campaign and fundraising solicitation reported in **(B)** Program services? ▶ ☐ **Yes** ☐ **No**

If "Yes," enter **(i)** the aggregate amount of these joint costs $ ____; **(ii)** the amount allocated to Program services $ ____; **(iii)** the amount allocated to Management and general $ ____ ; and **(iv)** the amount allocated to Fundraising $ ____

Part III **Statement of Program Service Accomplishments** *(See the instructions.)*

Form 990 is available for public inspection and, for some people, serves as the primary or sole source of information about a particular organization. How the public perceives an organization in such cases may be determined by the information presented on its return. Therefore, please make sure the return is complete and accurate and fully describes, in Part III, the organization's programs and accomplishments.

What is the organization's primary exempt purpose? ▶ All organizations must describe their exempt purpose achievements in a clear and concise manner. State the number of clients served, publications issued, etc. Discuss achievements that are not measurable. (Section 501(c)(3) and (4) organizations and 4947(a)(1) nonexempt charitable trusts must also enter the amount of grants and allocations to others.)	**Program Service Expenses** (Required for 501(c)(3) and (4) orgs., and 4947(a)(1) trusts; but optional for others.)
a (Grants and allocations $) If this amount includes foreign grants, check here ▶ ☐	
b (Grants and allocations $) If this amount includes foreign grants, check here ▶ ☐	
c (Grants and allocations $) If this amount includes foreign grants, check here ▶ ☐	
d (Grants and allocations $) If this amount includes foreign grants, check here ▶ ☐	
e Other program services (attach schedule) (Grants and allocations $) If this amount includes foreign grants, check here ▶ ☐	
f **Total of Program Service Expenses** (should equal line 44, column (B), Program services). . . . . ▶	

Part IV **Balance Sheets** *(See the instructions.)*

	Note: *Where required, attached schedules and amounts within the description column should be for end-of-year amounts only.*			(A) Beginning of year		(B) End of year
Assets	45 Cash—non-interest-bearing				45	
	46 Savings and temporary cash investments				46	
	47a Accounts receivable	47a				
	b Less: allowance for doubtful accounts	47b			47c	
	48a Pledges receivable	48a				
	b Less: allowance for doubtful accounts	48b			48c	
	49 Grants receivable				49	
	50a Receivables from current and former officers, directors, trustees, and key employees (attach schedule)				50a	
	b Receivables from other disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B) (attach schedule)				50b	
	51a Other notes and loans receivable (attach schedule)	51a				
	b Less: allowance for doubtful accounts	51b			51c	
	52 Inventories for sale or use				52	
	53 Prepaid expenses and deferred charges				53	
	54a Investments—publicly-traded securities ▶ ☐ Cost ☐ FMV				54a	
	b Investments—other securities (attach schedule) ▶ ☐ Cost ☐ FMV				54b	
	55a Investments—land, buildings, and equipment: basis	55a				
	b Less: accumulated depreciation (attach schedule)	55b			55c	
	56 Investments—other (attach schedule)				56	
	57a Land, buildings, and equipment: basis	57a				
	b Less: accumulated depreciation (attach schedule)	57b			57c	
	58 Other assets, including program-related investments (describe ▶)				58	
	59 **Total assets** (must equal line 74). Add lines 45 through 58				59	
Liabilities	60 Accounts payable and accrued expenses				60	
	61 Grants payable				61	
	62 Deferred revenue				62	
	63 Loans from officers, directors, trustees, and key employees (attach schedule)				63	
	64a Tax-exempt bond liabilities (attach schedule)				64a	
	b Mortgages and other notes payable (attach schedule)				64b	
	65 Other liabilities (describe ▶)				65	
	66 **Total liabilities.** Add lines 60 through 65				66	
Net Assets or Fund Balances	**Organizations that follow SFAS 117, check here** ▶ ☐ and complete lines 67 through 69 and lines 73 and 74.					
	67 Unrestricted				67	
	68 Temporarily restricted				68	
	69 Permanently restricted				69	
	Organizations that do not follow SFAS 117, check here ▶ ☐ and complete lines 70 through 74.					
	70 Capital stock, trust principal, or current funds				70	
	71 Paid-in or capital surplus, or land, building, and equipment fund				71	
	72 Retained earnings, endowment, accumulated income, or other funds				72	
	73 **Total net assets or fund balances.** Add lines 67 through 69 **or** lines 70 through 72. (Column (A) **must** equal line 19 and column (B) **must** equal line 21)				73	
	74 **Total liabilities and net assets/fund balances.** Add lines 66 and 73				74	

Part IV-A **Reconciliation of Revenue per Audited Financial Statements With Revenue per Return** *(See the instructions.)*

a	Total revenue, gains, and other support per audited financial statements			a	
b	Amounts included on line **a** but not on Part I, line 12:				
1	Net unrealized gains on investments	b1			
2	Donated services and use of facilities	b2			
3	Recoveries of prior year grants	b3			
4	Other (specify):	b4			
	Add lines **b1** through **b4**			b	
c	Subtract line **b** from line **a**			c	
d	Amounts included on Part I, line 12, but not on line **a**:				
1	Investment expenses not included on Part I, line 6b	d1			
2	Other (specify):	d2			
	Add lines **d1** and **d2**			d	
e	**Total revenue** (Part I, line 12). Add lines **c** and **d** ▶			e	

Part IV-B **Reconciliation of Expenses per Audited Financial Statements With Expenses per Return**

a	Total expenses and losses per audited financial statements			a	
b	Amounts included on line **a** but not on Part I, line 17:				
1	Donated services and use of facilities	b1			
2	Prior year adjustments reported on Part I, line 20	b2			
3	Losses reported on Part I, line 20	b3			
4	Other (specify):	b4			
	Add lines **b1** through **b4**			b	
c	Subtract line **b** from line **a**			c	
d	Amounts included on Part I, line 17, but not on line **a**:				
1	Investment expenses not included on Part I, line 6b	d1			
2	Other (specify):	d2			
	Add lines **d1** and **d2**			d	
e	**Total expenses** (Part I, line 17). Add lines **c** and **d** ▶			e	

Part V-A **Current Officers, Directors, Trustees, and Key Employees** (List each person who was an officer, director, trustee, or key employee at any time during the year even if they were not compensated.) *(See the instructions.)*

(A) Name and address	(B) Title and average hours per week devoted to position	(C) Compensation (If not paid, enter -0-.)	(D) Contributions to employee benefit plans & deferred compensation plans	(E) Expense account and other allowances

Part V-A Current Officers, Directors, Trustees, and Key Employees *(continued)*		Yes	No
75a Enter the total number of officers, directors, and trustees permitted to vote on organization business at board meetings . . . ▶ ______			
b Are any officers, directors, trustees, or key employees listed in Form 990, Part V-A, or highest compensated employees listed in Schedule A, Part I, or highest compensated professional and other independent contractors listed in Schedule A, Part II-A or II-B, related to each other through family or business relationships? If "Yes," attach a statement that identifies the individuals and explains the relationship(s) . .	75b		
c Do any officers, directors, trustees, or key employees listed in Form 990, Part V-A, or highest compensated employees listed in Schedule A, Part I, or highest compensated professional and other independent contractors listed in Schedule A, Part II-A or II-B, receive compensation from any other organizations, whether tax exempt or taxable, that are related to the organization? See the instructions for the definition of "related organization.". . . ▶	75c		
If "Yes," attach a statement that includes the information described in the instructions.			
d Does the organization have a written conflict of interest policy? . . .	75d		

Part V-B **Former Officers, Directors, Trustees, and Key Employees That Received Compensation or Other Benefits** (If any former officer, director, trustee, or key employee received compensation or other benefits (described below) during the year, list that person below and enter the amount of compensation or other benefits in the appropriate column. See the instructions.)

(A) Name and address	(B) Loans and Advances	(C) Compensation (if not paid, enter -0-)	(D) Contributions to employee benefit plans & deferred compensation plans	(E) Expense account and other allowances

Part VI Other Information *(See the instructions.)*		Yes	No
76 Did the organization make a change in its activities or methods of conducting activities? If "Yes," attach a detailed statement of each change . . .	76		
77 Were any changes made in the organizing or governing documents but not reported to the IRS? . . . . If "Yes," attach a conformed copy of the changes.	77		
78a Did the organization have unrelated business gross income of $1,000 or more during the year covered by this return? . . .	78a		
b If "Yes," has it filed a tax return on **Form 990-T** for this year? . . .	78b		
79 Was there a liquidation, dissolution, termination, or substantial contraction during the year? If "Yes," attach a statement . . .	79		
80a Is the organization related (other than by association with a statewide or nationwide organization) through common membership, governing bodies, trustees, officers, etc., to any other exempt or nonexempt organization? . . .	80a		
b If "Yes," enter the name of the organization ▶ ______ and check whether it is ☐ exempt **or** ☐ nonexempt			
81a Enter direct and indirect political expenditures. (See line 81 instructions.) . . | 81a |			
b Did the organization file **Form 1120-POL** for this year? . . .	81b		

Part VI Other Information *(continued)*

			Yes	No
82a	Did the organization receive donated services or the use of materials, equipment, or facilities at no charge or at substantially less than fair rental value?	82a		
b	If "Yes," you may indicate the value of these items here. Do not include this amount as revenue in Part I or as an expense in Part II. (See instructions in Part III.) **82b**			
83a	Did the organization comply with the public inspection requirements for returns and exemption applications?	83a		
b	Did the organization comply with the disclosure requirements relating to *quid pro quo* contributions?	83b		
84a	Did the organization solicit any contributions or gifts that were not tax deductible?	84a		
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	84b		
85a	*501(c)(4), (5), or (6).* Were substantially all dues nondeductible by members?	85a		
b	Did the organization make only in-house lobbying expenditures of $2,000 or less?	85b		
	If "Yes" was answered to either 85a or 85b, **do not** complete 85c through 85h below unless the organization received a waiver for proxy tax owed for the prior year.			
c	Dues, assessments, and similar amounts from members **85c**			
d	Section 162(e) lobbying and political expenditures **85d**			
e	Aggregate nondeductible amount of section 6033(e)(1)(A) dues notices **85e**			
f	Taxable amount of lobbying and political expenditures (line 85d less 85e) **85f**			
g	Does the organization elect to pay the section 6033(e) tax on the amount on line 85f?	85g		
h	If section 6033(e)(1)(A) dues notices were sent, does the organization agree to add the amount on line 85f to its reasonable estimate of dues allocable to nondeductible lobbying and political expenditures for the following tax year?	85h		
86	*501(c)(7) orgs.* Enter: **a** Initiation fees and capital contributions included on line 12 **86a**			
b	Gross receipts, included on line 12, for public use of club facilities **86b**			
87	*501(c)(12) orgs.* Enter: **a** Gross income from members or shareholders **87a**			
b	Gross income from other sources. (Do not net amounts due or paid to other sources against amounts due or received from them.) **87b**			
88a	At any time during the year, did the organization own a 50% or greater interest in a taxable corporation or partnership, or an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? If "Yes," complete Part IX	88a		
b	At any time during the year, did the organization, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," complete Part XI ▶	88b		
89a	*501(c)(3) organizations.* Enter: Amount of tax imposed on the organization during the year under: section 4911 ▶ ____ ; section 4912 ▶ ____ ; section 4955 ▶ ____			
b	*501(c)(3) and 501(c)(4) orgs.* Did the organization engage in any section 4958 excess benefit transaction during the year or did it become aware of an excess benefit transaction from a prior year? If "Yes," attach a statement explaining each transaction	89b		
c	Enter: Amount of tax imposed on the organization managers or disqualified persons during the year under sections 4912, 4955, and 4958 ▶ ____			
d	Enter: Amount of tax on line 89c, above, reimbursed by the organization ▶ ____			
e	*All organizations.* At any time during the tax year, was the organization a party to a prohibited tax shelter transaction?	89e		
f	*All organizations.* Did the organization acquire a direct or indirect interest in any applicable insurance contract?	89f		
g	*For supporting organizations and sponsoring organizations maintaining donor advised funds.* Did the supporting organization, or a fund maintained by a sponsoring organization, have excess business holdings at any time during the year?	89g		

90a List the states with which a copy of this return is filed ▶ ____

b Number of employees employed in the pay period that includes March 12, 2007 (See instructions.) **90b** ____

91a The books are in care of ▶ ____ Telephone no. ▶ ( ) ____

Located at ▶ ____ ZIP + 4 ▶ ____

			Yes	No
b	At any time during the calendar year, did the organization have an interest in or a signature or other authority over a financial account in a foreign country (such as a bank account, securities account, or other financial account)?	91b		
	If "Yes," enter the name of the foreign country ▶ ____			
	See the instructions for exceptions and filing requirements for **Form TD F 90-22.1,** Report of Foreign Bank and Financial Accounts.			

Part VI Other Information *(continued)*

		Yes	No
c At any time during the calendar year, did the organization maintain an office outside of the United States? If "Yes," enter the name of the foreign country ▶	91c		

92 *Section 4947(a)(1) nonexempt charitable trusts filing Form 990 in lieu of* **Form 1041**—Check here . . . . ▶ ☐
and enter the amount of tax-exempt interest received or accrued during the tax year . . ▶ | 92 |

Part VII Analysis of Income-Producing Activities *(See the instructions.)*

Note: *Enter gross amounts unless otherwise indicated.*	Unrelated business income		Excluded by section 512, 513, or 514		**(E)** Related or exempt function income
	(A) Business code	**(B)** Amount	**(C)** Exclusion code	**(D)** Amount	
93 Program service revenue:					
a					
b					
c					
d					
e					
f Medicare/Medicaid payments					
g Fees and contracts from government agencies					
94 Membership dues and assessments . . .					
95 Interest on savings and temporary cash investments					
96 Dividends and interest from securities . .					
97 Net rental income or (loss) from real estate:					
a debt-financed property					
b not debt-financed property					
98 Net rental income or (loss) from personal property					
99 Other investment income					
100 Gain or (loss) from sales of assets other than inventory					
101 Net income or (loss) from special events .					
102 Gross profit or (loss) from sales of inventory					
103 Other revenue: a					
b					
c					
d					
e					
104 Subtotal (add columns (B), (D), and (E)) .					

105 **Total** (add line 104, columns (B), (D), and (E)) . . . . ▶

Note: *Line 105 plus line 1e, Part I, should equal the amount on line 12, Part I.*

Part VIII Relationship of Activities to the Accomplishment of Exempt Purposes *(See the instructions.)*

Line No. ▼	Explain how each activity for which income is reported in column (E) of Part VII contributed importantly to the accomplishment of the organization's exempt purposes (other than by providing funds for such purposes).

Part IX Information Regarding Taxable Subsidiaries and Disregarded Entities *(See the instructions.)*

(A) Name, address, and EIN of corporation, partnership, or disregarded entity	**(B)** Percentage of ownership interest	**(C)** Nature of activities	**(D)** Total income	**(E)** End-of-year assets
	%			
	%			
	%			
	%			

Part X Information Regarding Transfers Associated with Personal Benefit Contracts *(See the instructions.)*

(a) Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? . ☐ **Yes** ☐ **No**
(b) Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract? ☐ **Yes** ☐ **No**
Note: *If "Yes" to* **(b)**, *file Form 8870* **and** *Form 4720 (see instructions).*

Part XI **Information Regarding Transfers To and From Controlled Entities.** *Complete only if the organization is a controlling organization as defined in section 512(b)(13).*

		Yes	No
106	Did the reporting organization **make** any transfers **to** a controlled entity as defined in section 512(b)(13) of the Code? If "Yes," complete the schedule below for each controlled entity.		

	(A) Name, address, of each controlled entity	(B) Employer Identification Number	(C) Description of transfer	(D) Amount of transfer
a				
b				
c				
	Totals			

		Yes	No
107	Did the reporting organization **receive** any transfers **from** a controlled entity as defined in section 512(b)(13) of the Code? If "Yes," complete the schedule below for each controlled entity.		

	(A) Name, address, of each controlled entity	(B) Employer Identification Number	(C) Description of transfer	(D) Amount of transfer
a				
b				
c				
	Totals			

		Yes	No
108	Did the organization have a binding written contract in effect on August 17, 2006, covering the interest, rents, royalties, and annuities described in question 107 above?		

Please Sign Here

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Signature of officer Date

Type or print name and title

Paid Preparer's Use Only

Preparer's signature	Date	Check if self-employed ▶ ☐	Preparer's SSN or PTIN (See Gen. Inst. X)
Firm's name (or yours if self-employed), address, and ZIP + 4		EIN ▶	
		Phone no. ▶ ( )	

Form **990** (2007)

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BIOGRAPHICAL INFORMATION

Delissa Garcia Nuno received her undergraduate degree in Social Work from St. Edward's University in Austin, Texas and her Masters degree in Social Work from The University of Michigan, Ann Arbor. While pursuing her Ph.D. from The University of Texas at Arlington, she was recognized as a UTA University Scholar and received numerous scholarships and awards including the Dean's Merit Scholarship, Dean's Promising Ph.D. Student Award, Outstanding Ph.D. Student Award, Hermann's Ph.D. Fellowship, and was selected as the first recipient of the Charles H. Mindel Graduate Research Scholarship. Her background includes nine years experience working with diverse populations, mainly Latino children and families, in the area of community health and child welfare. Her research interests include administration and management of nonprofit human service organizations, and issues of cultural competence and the Latino population utilizing theories of empowerment and social capital. Other interests include the development, implementation and evaluation of human service programs. Dr. Nuno looks forward to joining academia at a local university and expanding her business as an independent consultant to nonprofit human service organizations on strategic planning, curriculum development, and program evaluation.