

Department of Business Administration
Business Administration Student Research

Tennessee State University

Year 2008

Strategic Planning and Governance
Issues in Civil Society Organizations

Alan Enzo
Tennessee State University, aenzo@comcast.net

Strategic Planning and Governance Issues in Civil Society Organizations

by:

**Alan Enzo, M.B.A. and Ph.D. Student
Tennessee State University**

For:

Dr. Arie Halachmi

PA 7220: Seminar in Administrative Management
Spring 2008

Introduction:

The history of nonprofit and civil society organizations has been characterized by both growth in numbers and scope of services provided, primarily as a result of increases in federal social welfare spending (in the case of the United States), and also as a result of increased populations and demand for services (worldwide). According to Evelyn Brody of the Aspen Institute's Nonprofit Sector Research Fund: "In the U.S., some 40,000 organizations a year apply for recognition of their section 501(c)(3) tax-exempt status from the IRS, on top of more than 725,000 existing exempt charities." (Brody, 2004).

Growth in the sector has also been fueled by fiscal difficulties at all levels of government, such that services traditionally provided by government entities are increasingly being shifted to civil society based organizations to meet the needs of local communities. Unfortunately, the extreme growth of the nonprofit sector in the U.S. has also been accompanied by increasing occurrences of financial scandal and abuse of tax-exempt nonprofit status. These facts raise questions about the validity of current governance and accountability structures existing in civil society organizations. According to Evelyn Brody, recent developments, including financial scandals (inside and outside of the nonprofit sector), the pressures of September 11, and the emergence of many new nonprofits have increased scrutiny of the nonprofit sector. She adds: "Calls for greater nonprofit accountability are coming not only from government, but also from the press, the public and nonprofits themselves." (Brody, 2004).

Discussion of governance and accountability issues in nonprofits is not a new trend. But as Halachmi notes, “Issues of accountability became a hot issue in the aftermath of scandals such as Enron and WorldCom in the for-profit sector, and The American Red Cross and Canadian Red Cross in the nonprofit sector.” (Halachmi, 2007). The approaches adopted to improve governance and accountability range the spectrum from top-down board-centered approaches, to bottom-up citizen-based approaches. As this paper will show, there is no one-size-fits all solution to addressing governance and accountability issues in civil society organizations. In this new competitive governance and accountability-driven environment, what strategic planning and governance methods are being used by organizations in the nonprofit sector? How effective are agencies and civil society organizations when it comes to oversight and strategic management? Is the structure of the organization itself a strategic factor in this context? How are civil society-based organizations influencing government strategies? This paper attempts to provide some answers to these questions by surveying the literature, outlining the existing arguments and trends, and concluding by providing recommendations that governments and civil society-based organizations can take to improve governance and accountability.

Oversight and Strategic Management:

How effective are agencies and civil society organizations when it comes to oversight and strategic management? One approach to increasing performance in nonprofits is to adopt one or more of the methods and techniques used in the private sector. However, several authors caution against this practice, citing the operational

differences that exist in nonprofits as opposed to private sector businesses, as well as the lack of qualified management-level personnel. Zeitlow (2001) conducted surveys of large and well-established religious nonprofits to determine what financial management and planning tools they employed, and cited similar survey work by Hertzlinger & Gambino and Reardon, in which they found:

“Management is generally poor, few organizations use recommended tools such as zero-base budgeting (ZBB) or Planning, Programming, Budgeting Systems (PPBS), and little effort is made to measure performance – partly due to intangibility of the benefits being provided.” (Zeitlow, 2001)

Zeitlow also notes some surprising findings from his own survey. He learned that most of the favored sophisticated financial management techniques used in the private sector (Payback method, Accounting Rate of Return, the Internal Rate of Return (IRR), Net Present Value (NPV), Cost-Benefit Analysis, and PPBS), are largely ignored by nonprofits. When asked why they do not use these perfectly legitimate techniques, the single largest response he received was “lack of training in this area”. (Zeitlow, 2001)

Zeitlow argues that there is no class of financial management tools seen in corporate finance theory that cannot be applied to nonprofit organizations. He adds that the principles from private business that apply most directly to the nonprofit sector are: cash management, budgeting and strategic planning, and financial investments. All of these activities are associated with liquidity management or strategic planning, and the need for such tools is universal, no matter what sector is under consideration. Unfortunately, Zeitlow found that only 6 of the 46 responding

nonprofits performed even informal risk analysis of prospective capital projects, and only 5 respondents had a five-year financial plan. Corresponding to findings in other studies of nonprofits, he found that PPBS has not caught on as expected – only 3 of 47 respondents use the technique. (Zeitlow, 2001)

Budgeting as a Strategic Planning and Governance Tool:

With regard to budgeting practices specifically, Zeitlow (2001) found that over 50 percent of the nonprofits surveyed used only a very basic incremental budgeting method. Less than 2 percent used zero-base budgeting, and a significant minority used no budgeting system at all. Regarding the applicability of traditional financial techniques to pure nonprofits, Player (2004) argues that in private companies the entire budgeting process as traditionally practiced is based on a game of “liar’s poker”:

“The corporate personnel lie to leverage up the field’s budget target. Corporate is motivated to stretch the targets upward so that the overall corporate goal can be met. The field personnel lie to negotiate a lower target that is easier to reach so that bonuses will be paid and executives will continue advancing. The focus is on negotiating targets....a chilling question is if the planning and performance management process starts with a game of liar’s poker, how will employees know when to tell the truth?” Player (2004)

Player (2004) cautions that using this traditional budget process can destroy the ethical foundation of your organization. He suggests that nonprofits especially should base their strategic planning and budgeting practices on an approach forwarded by The Beyond Budgeting Round Table, a nonprofit research consortium:

“The fundamental principles of the Beyond Budgeting process outline how companies can end the game of liar’s poker, reduce budgeting dilemmas, and become lean, adaptive, and ethical organizations. The principles center around six essential elements of sound budget performance: goals, rewards, planning, resources, coordination, and control. Budgets that balance these six elements perform well beyond the capacities of traditional budgets. Each of the six elements integrates principles for sustainable, ethical performance from year to year.”

(Player, 2004)

The Beyond Budgeting process promotes participatory governance at all employee levels. It provides clear governance principles and boundaries that bind people to a common purpose and shared values. This adds an ethical component to the budgeting process and promotes what Player calls “ethical competitiveness”.

“The Beyond Budgeting process outlines six frontline budget-related dimensions that promote ‘ethical competitiveness’: Governance, climate, freedom to act, capacity to act, responsibility, and access to information.” (Player, 2004)

Nonprofits have a responsibility, unlike private companies, to balance competitive behaviors with ethical actions, and a dedication to mission. If responsibility is shared downstream with the front-line personnel, a supportive structure can be created in which each level has the capacity to act and create value.

Player adds:

“Most traditional budgets assume that people will act irresponsibly and increase organizational risk if left to choose and act alone. However,

when the strategy replaces the budget as the primary means of directing employee attention and behavior, each employee learns how to interpret and act upon strategy more locally and as a part of the team.

Strategically informed employees empowered to interpret strategy have the freedom to act quickly and capture these important frontline opportunities.” (Player, 2004)

Pineno and Tyree (2006) also argue for expanded use of the principles suggested by The Beyond Budgeting Roundtable. They argue that nonprofits need to consider budgeting and strategic planning just as seriously as for-profit organizations. However, they advocate for an enhancement of the Beyond Budgeting process to include application of activity-based costing (ABC). By separating cost into smaller categories, the organization can identify costs related to service, support, and administration. Pineno and Tyree (2006) feel that the inclusion of ABC can assist management within a particular unit as well as the common management team and also those that may be responsible for oversight of nonprofits. Merrill Cassell (1999) also supports the use of the principles forwarded by The Beyond Budgeting Roundtable. Her particular recommendation for using the method would include addition of “a mandatory, detailed budget review every five years that would lead to reorganization and realignment of processes and positions and convert this budget into a long range financial and budget plan (in short, a rolling budget plan).” She adds: “Operationally, managers should be allowed to get the job done and be judged on cost/performance rather than by budget lines.” (Cassell, 1999)

The Strategic Use of Information Technology in Nonprofits:

Gamvros and Raghavan (2006) developed a strategic financial planning system specifically for Catholic Relief Services (CRS). With expenses in 2003-2004 of nearly half a billion dollars, nearly half went toward relief efforts in response to emergency situations. The nature of their business makes for a challenging budget allocation problem. The agency's unrestricted funds amount to around \$70 million per year. This amount must be directed toward development programs and humanitarian relief efforts in more than 90 countries. "The allocation of these funds must be done in a fair and simple way that is in line with CRS's objective of delivering assistance to people in need." (Gamvros and Raghavan, 2006)

Gamvros and Raghavan developed a mathematical formulation and a powerful spreadsheet tool that allocates the agency's available funds based on managerial input and the CRS's mission objectives. A linear mathematical model is first created based on the number of people in need (and various other factors) in a given country. A "need quotient" is then calculated based on the percentage of people in need with respect to that country's total population. The countries are then sorted and ranked by "investment impact" (function of serving the most people in need). The resulting financial modeling system empowers managers to set boundaries and limits on each country's budget allocations and uses weighting to reflect the agency's priorities. This model's implementation has been very successful, and is being used to allocate funds of future budgets at Catholic Relief Services.

Hackler and Saxton (2007) argue that information technology (IT) is a way for nonprofit organizations to address the new strategic challenges of the operating environment in a systematic way. However, they note that there exists a large gap between the current uses of IT and the potential uses of IT in nonprofit organizations. Hackler and Saxton based their article on a survey conducted by Gifts In Kind International in 2001. The findings showed a strong correlation between organizational wealth and the capacity to successfully translate IT resources into improved organizational performance. The findings also showed a link between strategy and engaging in intra-sectoral partnerships. Organizations who invested in IT routinely used those resources to diversify their funding bases and to help form partnerships with government units and private firms, which translated into increases in long-term organizational stability.

The authors argue that nonprofit leaders need to obtain a better appreciation for IT's full potential, and to link the acquisition of IT resources to advancing the organization's mission. IT has the capability to transform an organization's structure and working relationships, in addition to the simple benefits of increasing efficiency and organizational learning. On the negative side, IT can add complexity, and adversely change working conditions, increasing workloads and isolating workers. Interpersonal relationships can suffer and job satisfaction can be eroded by new IT implementation. However, Hackler and Saxton are quick to note that technology can level the playing field in terms of competition for resources. They argue that the bar has been raised in terms of the quality expected in grant proposals:

“This makes it complicated for nonprofits without adequate resources to compete with more technologically sophisticated organizations.

Nonprofits that cannot effectively use IT resources lose out on funding opportunities because they cannot meet expectations for proposal quality and record-keeping systems that both private and governmental funders now expect.” (Hackler and Saxton, 2007)

In for-profit companies, the strategic goal is to make a profit. In nonprofit organizations, the goal is fulfillment of some social mission, or a service to the public. Information Technology can be used as a strategic tool in furthering the organization’s mission by increasing effectiveness, productivity, and communication. Instead of being relegated to a back-room function, Hackler and Saxton argue that IT should be moved to a more central strategic function for public, private, and nonprofit organizations alike. They note two important components of organizations’ strategic use of IT:

- 1. The organizational and IT-related assets, capabilities, and practices that seem to be critical prerequisites for or antecedents of the successful strategic employment of IT resources; and*
- 2. The ways in which technology can be used to help an organization reach its strategic aims – that is, the efficacy of the actual mission-related uses of the technology. (Hackler and Saxton, 2007)*

Unfortunately for many nonprofits, financial barriers make most IT acquisitions next to impossible. A limitation of financial resources, IT equipment, expertise, and training translated directly into losses in government funding opportunities and private giving. And since many nonprofits now use the internet to locate donors and grant opportunities, the decision to invest in IT resources may play an important role in an organization's future financial sustainability.

Governance Structure:

Is the governance structure of the organization itself a strategic factor in civil society-based organizations? Although the structure and specific functions of nonprofits vary with environment and the societal needs being addressed, it is recognized that nonprofits worldwide share one characteristic that distinguishes them from the private business sector. This characteristic is the lack of a profit-motive. Arie Halachmi (2007) argues (quoting Bradshaw, et al., 1998) that there is no single best governance structure that would meet the needs of all nonprofit organizations. Bradshaw recommends the use of a contingency approach to select a governance structure. Halachmi continues: “[nonprofits] may all have only one thing in common: lack of a profit orientation. They are different in all other important respects such as the complexity of their operations, financial resources and their source, the size and characteristics of the public they aim to serve, their organizational structure, legal base/ownership, the technology they use to conduct their business, or the dynamics of their life cycle, etc.” (Halachmi, 2007)

Despite the wide range and types of nonprofit organizations, Halachmi adds that the governance structure in the nonprofit setting is the exact opposite of the governance structure in the private sector.

“While in theory governance and accountability occur at the top, in reality they occur at the point that the organization interfaces with its ‘owners’.” (Halachmi, 2007) In the private sector, the owners are the shareholders, who deal only with the top levels of the organization. In nonprofits and civil society organizations, the owners are the members and citizens of the community. In this case, governance and accountability should ideally occur at the bottom-most level.

Another approach to thinking about the governance structure as a strategic factor in nonprofits comes from research on “national federated organizations”, or nonprofits with a nationwide presence. Candace Widmer and Susan Houchin (1999), of the Aspen Institute, note that “federated organizations include nonprofits such as the Boy Scouts of America and The American Red Cross, who are among the most visible nonprofits and whose structure includes a national organization and affiliates, branches, or some form of local and/or regional bodies, and like all nonprofit organizations are governed by a board of directors.” (Widmer and Houchin, 1999)

Widmer and Houchin argue that national federated organizations adopt any number of governance structures ranging from top-down board of directors governance, to bottom-up, extensive membership representation models in which all local chapters have a say in the operations of the organization. Some organizations also choose to adopt “dual governance structures” which is a balance of both the highly-centralized governance model and the representative model. The authors

mention that there are problems with both extremes. The more centralized governance structures are likely to be more flexible and responsive in the face of organizational crises, but their membership may at times feel disenfranchised. The decentralized model can make any type of organizational change impossible to orchestrate. Their research showed that “there is clearly no one size fits all governance structure for national federated organizations, and organizations performed well at every point on the governance continuum.” (Widmer and Houchin, 1999)

Bottom-Up Governance in Civil Society Organizations:

In investigating the literature on strategic planning and governance issues in nonprofits, I found several authors who report on a new approach by starting the process from the bottom, or the citizen-level, and creating mechanisms by which civil society organizations oversee local government budgeting and policymaking practices. In this same spirit, civil society organizations are also performing governance functions by attempting to audit the work performed on their behalf by local governments and international aid organizations.

One such practice, Participatory Budgeting, originated (arguably) in Porto Alegre, Brasil in the late 1980s and early 1990s as a system of bottom-up governance for municipal and state budgeting. What was once an obscure process of popular participation, has blossomed into a social movement that includes municipalities across Latin America, Asia and Africa. The movement introduces participatory mechanisms into local government budgeting processes. The most common definition of participatory budgeting is: “a process through which citizens may contribute to

decision-making over at least part of a governmental budget.” (Goldfrank, 2006) The idea is that the process is open to any citizen who wishes to participate, and this includes hearings on the public budget.

The process “combines direct and representative democracy, involves deliberation (and not merely consultation), is redistributive towards the poor, and is self-regulating, such that participants help define the rules governing the process, including the criteria by which resources are allocated.” (Goldfrank, 2006) The participatory budgeting process has now been adopted in cities across Latin America, Africa and Asia as a result of the United Nations Habitat II Conference in Istanbul – 1996. This conference recognized Porto Alegre’s public budgeting process as one of 42 best practices in urban governance.

The public budgeting method adopted in Porto Alegre can best be described as a “radical democracy” approach which includes:

“1) Direct citizen participation in government decision-making processes and oversight; 2) Administrative and fiscal transparency to prevent corruption; 3) Concrete improvements in urban infrastructure and services, with emphasis on aiding the poor; and 4) Changing political culture, conceived as the transformation of city residents into citizens, or from political objects of clientelist practices into political subjects cognizant of democratic rights.” (Goldfrank, 2006)

Governance and Accountability Issues in International Civil Society Organizations:

Paolo de Renzio (2007) calls for a similar bottom-up governance movement by all countries who receive aid from the International Monetary Fund (IMF), the World

Bank, and other international banks and donors. de Renzio argues that the IMF and World Bank are historically “not very open and transparent institutions”, and that its negotiations with low-income countries are secretive – which is not compatible with the principles of democratic governance and accountability.

Both the IMF and the World Bank negotiate only with the elite in a given country, pressuring them to approve policies that are not necessarily in the public interest. In response to decades of these highly-centralized and secretive negotiation processes, civil society groups claim that the elite are taking most of the money, and the poor are *not* being helped, as was the original intent of the aid. The International Budget Project (2007) and similar studies draw attention to these facts by engaging civil society groups as monitors to act as a balance against international donor agencies’ significant influence on countries’ budget systems and policies.

De Renzio concludes by suggesting that the IMF make its negotiations with poor countries more accessible to civil society organizations and increase transparency in the international aid process to ensure that the money really does go to helping those in need, and not into the pockets of the warlords and elite of low-income countries.

Ramkumar (2007) supports the expanded use of bottom-up budgeting and bottom-up governance by civil based society organizations in low-income countries. His paper detailed more findings from the International Budget Project of 2006, which pointed to the lack of transparency in public budgeting and audit processes employed in low-income countries. Ramkumar argues that civil society organizations should work directly with audit institutions to ensure that public funds (including funds from

international donor agencies, IMF and World Bank) are used properly. These civil society organizations can augment the efforts of public auditors by following these recommendations:

1. Civil society organizations can build citizen literacy on public financial management.
2. Civil society organizations have the networks and expertise to detect potential cases of corruption and to report these to audit institutions.
3. Civil society organizations can augment limited capacity in audit institutions to undertake performance and procurement audits.
4. Civil society organizations (together with legislatures/parliaments) can monitor and build pressure on the executive to implement audit recommendations. (Ramkumar, 2007)

Hayes (2008) also calls for increased bottom-up governance in public policymaking worldwide, but especially in low-income countries. Since foreign aid makes up a significant amount of income for low-income countries, accountability has shifted from accountability to the people to that of outside donor agencies. Heavy reliance on external assistance often is accompanied by corruption and misuse of aid funds, due to the secretive closed-door negotiations that characterize the activities of organizations such as the International Monetary Fund and the World Bank. Aid often comes with attached administrative requirements and sometimes up to 80% of aid money is “off budget”, or not traceable through the government budget. Hayes notes numerous successful efforts by African countries in demanding that aid support be

given in increasing amounts designated as “budget support”. These funds are put directly into the general budget where civil society organizations can influence directly how the money is spent, ensuring that the poor are helped (which, after all is the main reason for receiving the support). Hayes cautions us regarding this “budget support” method:

“Budget support is not a magic bullet. Channeling money directly through the national budget assumes that there are domestic accountability structures – such as parliamentary oversight and audit procedures – to ensure that money gets spent well.” (Hayes, 2008) Hayes concludes by arguing for action by international donor agencies:

“Donors are in a very privileged position – with significant influence and power – and they need to ensure they do not displace parliaments and civil society voices. With budget support, donors have become more involved in everyday politics and policymaking which can, perversely, make governments respond more to the wishes of donors than to the needs of the people.” (Hayes, 2008)

Influencing Government Strategies:

How do civil society-based organizations influence government strategies? In the “bottom-up governance” models described above, civil society-based organizations have a tremendous amount of influence on government strategies. By exercising bottom-up oversight, they can ensure that budgets are transparent and that money is spent in a manner agreed-upon by the members of the community. In addition, by providing

services formerly provided by government, these groups can help free governments to focus their strategies on larger problems.

In his 2005 article, “Governance and risk management: challenges and public productivity”, Arie Halachmi calls for a shift from “governing to governance”, in which governments engage private industry and the multitudes of civil society based organizations to help elected officials address accountability issues, improve productivity, and provide monitoring of their environments to improve government response to emergencies. Halachmi’s 2005 paper recounted a recent case in which extreme management challenges resulted from government network oversight failures during the Great Blackout of August, 14, 2003, occurring in the Northeastern United States. Oversight becomes a complicated issue when government “devolves” responsibility and distributes power to networks of nongovernmental entities. It can be argued that extreme events like this cannot be guarded against because there are too many areas under different commands, making oversight and risk management impossible. However, according to Halachmi, increasing decentralization and devolution is a very effective way of accomplishing the service work of government. It involves a paradigm shift from “governing to governance”.

“... ‘governance’ is now used to depict an effort to meet the welfare needs of citizens in a better way through partnerships with other elements of the ‘civil society’ for the purpose of overcoming limits on action due to governmental structures, legal issues, or administrative procedures. While some of these partnerships are explicit (official designation of authority delegated to a nongovernmental organization), others are implicit (examples in the U.S.

include church-based programs for adoption and placement of children or the sponsorship and settlement of refugees). (Halachmi, 2005)

Halachmi argues that by enlisting the help of civil based society organizations, information is more effectively and efficiently gathered and transmitted to agencies and local governments. By incorporating street-level organizations and companies into the management chain of government service delivery, government can take best advantage of local-level knowledge and ideas. Halachmi (2005), adds that the network of small and large organizations is far more efficient in monitoring the environment, which translates into improved government oversight. Adopting this civil society-based approach to government service delivery allows government agencies to re-align their strategies to focus on the larger and more pressing matters facing society.

Conclusion:

As we have seen from the variety of approaches outlined above, there is no one-size-fits all solution to addressing strategic planning and governance issues in civil society organizations. Hackler and Saxton (2007) argue that information technology (IT) is a way for nonprofit organizations to address strategic planning challenges in a systematic way. Player, (2004), Pineno and Tyree (2006), and Cassell (1999) all support the use of the principles forwarded by the Beyond Budgeting Roundtable for budgeting and strategic planning purposes. The distinct advantage of this approach is that it is tailor-made for nonprofit organizations, includes features for

strategic planning and, unlike models borrowed from the private-sector, incorporates features that assure adherence to mission.

With regard to governance and accountability, Halchmi (2005, 2007) argues for a shift from “governing to governance”, and calls for implementation of “proper” governance and accountability structures. Halachmi also notes that since there is no current way to classify the multitudes of nonprofit organizations, “we may have a problem in the way we think about governance and accountability when it comes to NPOs.” (Halachmi, 2007) Widmer and Houchin (1999) argued that national federated nonprofit organizations adopt a wide range of governance structures, and should try to remain flexible to changes in the governance structure while taking care to manage tensions between the extremes of centralized efficiency and full representation structures. Also covered were the “bottom-up” approaches to governance of international nonprofits forwarded by de Renzio (2006), Ramkumar (2007), and Hayes (2008). These revolutionary practices, seen throughout Latin America, Asia and Africa have evolved to form a very successful bottom-up governance model, which is currently forcing governments and international donor agencies to be more transparent in their financial planning and budgeting policies. A natural extension of the bottom-up governance approach would be an arrangement in which civil society organizations oversee (perform the governance function as authorized by the local government) the work and outcomes of *other* civil society organizations performing public works. With shrinking governments and increases in contracting-out of government services, we may find that the best way to oversee nonprofits in the future is by empowering

citizen-based organizations to oversee audits and budgeting practices in *both* local government *and* other civil society organizations.

One large and looming problem for government and area for future research with regard to governance of civil society organizations is the continuing blurring of the lines that have traditionally demarcated the boundaries between for-profit, government and nonprofit organizations. In the U.S., nonprofits are increasingly adopting entrepreneurial and traditionally private-sector initiatives in order to stay afloat financially. This “nonprofit entrepreneurship” has become necessary as government funding sources continue to dwindle and demands for services from nonprofits increase. However, these practices are adding fuel to the debate about the fairness of nonprofits’ direct competition with for-profits, organizations’ abuse of their nonprofit tax-exempt status, and the general standards regarding the boundaries between the for-profit, government and nonprofit sectors. As discussed in Travaglini, et al. (2008), supra-national government institutions such as the European Union are currently debating on the exact definition of “nonprofit” and “civil society-based organization”, as well as ironing-out mandatory accounting and reporting requirements for this class of organization (to be enforced EU-wide). Knubel (2004) argues that the Sarbanes-Oxley Act should be followed by nonprofits because it represents the best industry practices, and chances are that adherence to it (or some adapted form of it) will become mandatory for them in the future anyway. Mismanagement and abuse of power are problems common to all organizations, including nonprofits. As standardized governance and accountability practices spread,

transparency should greatly improve and we should expect to see a corresponding decrease in corruption and abuse of nonprofit status.

Sources:

The Aspen Institute. (1999). "The Federal Budget and the Nonprofit Sector". *Snapshots – Research Highlights from the Nonprofit Sector Research Fund*, The Aspen Institute, October, No. 7.

The Aspen Institute. (2003). "Improving Nonprofit Performance: Key Issues and Promising Approaches", *Snapshots – Research Highlights from the Nonprofit Sector Research Fund*, The Aspen Institute, September/October, No. 31.

Barman, Emily A. (2002). "Asserting Difference: The Strategic Response of Nonprofit Organizations to Competition", *Social Forces*, 80(4), 1191-1222.

Brody, Evelyn (2004). "Nonprofit and Foundation Accountability: What Are the Roles of Government, the Nonprofit Sector Itself, and Boards of Directors?", *Snapshots – Research Highlights from the Nonprofit Sector Research Fund*, The Aspen Institute, June/July, No. 35.

Cassell, Merrill (1999). "Budgeting and More", *Management Accounting*, 77(8), 22.

De Renzio, Paolo, Bocci, Matteo and Kamarek, Kristy (2006). "Behind Closed Doors: The Role of the IMF in Shaping Budget Policies and Processes in Low-Income Countries", *The International Budget Project*, Washington, D.C.
<http://www.internationalbudget.org/resources/library/RoleofIMF.doc>

Fredericksen, Patricia and London, Rosanne (2000). "Disconnect in the Hollow State: The Pivotal Role of Organizational Capacity in Community-Based Development Organizations", *Public Administration Review*, 60(3), 230-239.

Frumkin, Peter and Kim, Mark T. (2001). "Strategic Positioning and the Financing of Nonprofit Organizations: Is Efficiency Rewarded in the Contributions Marketplace?", *Public Administration Review*, 61(3), 266-275.

Gamvros, Ioannis, Nidel, Richard and Raghavan, S. (2006). "Investment Analysis and Budget Allocation at Catholic Relief Services", *Interfaces* 36(5), 400-406.

Goldfrank, Benjamin (2006). "Lessons from Latin American Experience in Participatory Budgeting". In *Latin American Studies Association Meeting*, San Juan, Puerto Rico, March.

- Hackler, Darrene and Saxton, Gregory D. (2007). "The Strategic Use of Information Technology by Nonprofit Organizations: Increasing Capacity and Untapped Potential", *Public Administration Review*, May/Jun 67(3), 474-487.
- Halachmi, Arie (2005). "Governance and Risk Management: Challenges and Public Productivity", *The International Journal of Public Sector Management*, 18(4/5), 300-317.
- Halachmi, Arie (2007). "Where the Rubber Meets the Road: Governance and Accountability Issues in Civil-Society-Based Organizations", *The Innovation Journal: The Public Sector Innovation Journal*, 12(3), Article 3.
- Hayes, Lucy, Van Zyl, Albert (2008). "Linking Budget Analysis with Aid Advocacy: How Civil Society Groups can Monitor Donor Budget Support", *Eurodad and The International Budget Project*, Washington, D.C.
<http://www.internationalbudget.org/resources/briefs/eng1.pdf>
- Hunsaker, Johanna (2007). "American Red Cross: Under Fire", *Journal of the International Academy for Case Studies*, 13(4), 95-106.
- Kearns, Kevin P. (1994). "The Strategic Management of Accountability in Nonprofit Organizations: An Analytical Framework", *Public Administration Review*, 54(2), 185-192.
- Knubel, John (2004). "Relevance of the Sarbanes-Oxley Act to Nonprofit Organizations", Balanced Scorecard Institute, a Strategy Management Company,
<http://www.balancedscorecard.org/RelevanceoftheSarbanesOxleyAct/tabid/111/Default.aspx>
- Kong, Eric (2007). "The Strategic Importance of Intellectual Capital in the Nonprofit Sector", *Journal of Intellectual Capital*, 8(4), 721-731.
- O'Regan, Katherine and Oster, Sharon (2002). "Does Government Funding Alter Nonprofit Governance? Evidence from New York City Nonprofit Contractors", *Journal of Policy Analysis and Management*, 21(3), 359-379.
- Pineno, Charles J. and Tyree, L. Mark (2006). "Appropriate Budget Accounts and Activity-based Costing for Decision Making in Non-Profit Organizations: A Comparative Study", *Competition Fourm*, 4(2), 354-370.
- Player, Steve (2004). "How Does Your Budgeting System Impact Ethical Behavior?", *Cost Management*, May/June, 15-21.
- Ramkumar, Vivek (2007). "Expanding Collaboration Between Public Audit Institutions and Civil Society", *The International Budget Project*, Washington, D.C.
<http://www.internationalbudget.org/SAIsandCSOs.pdf>

Ramkumar, Vivek, Krafchik, Warren (2006). "The Role of Civil Society Organizations in Auditing and Public Finance Management", *The International Budget Project*, Washington, D.C.

<http://www.internationalbudget.org/SAIs.pdf>

Steane, Peter D. and Christie, Michael (2000). "Nonprofit Boards in Australia: A Distinctive Governance Approach", Graduate School of Management, Macquarie University, Ryde, NSW 2109, Australia.

Travaglini, Claudio, Supino, Enrico, Fuentes Perdomo, Juana and Falcon Perez, Esther, (2008). "Accounting Regulation for Nonprofit Organizations in Italy and Spain: Towards an European Perspective" *Working Paper Series*. Available at SSRN:

<http://ssrn.com/abstract=1079454>

Tuckman, Howard P. (1998). "Competition, Commercialization, and the Evolution of Nonprofit Organizational Structures", *Journal of Policy Analysis and Management*, 17(2), Special Issue: The Commercialism Dilemma of the Nonprofit Sector. 175-194.

Wells, Rob (2001). "Ensuring NGO Independence in the New Funding Environment", *Development in Practice*, 11(1), 73-77.

Widmer, Candace and Houchin, Susan (1999). "Governance of National Federated Organizations", *The Aspen Institute Nonprofit Sector Research Fund*, Washington, D.C., Winter.

Zeitlow, John T. (2001). "Capital and Operating Budgeting Practices in Pure Nonprofit Organizations", *Financial Accountability & Management*, 5(4), Winter, 219-232.