An empirical assessment of the impact of voluntary principals on organizational objectives and governance in nonprofit organizations

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Although the academic literature on volunteers and voluntary labor abounds within domains such as economics, sociology, political sciences or psychology, it is surprising to observe that it hardly pertains to topics dealing particularly with the functioning of nonprofit organizations (NPOs), even not within the more economically oriented agency and governance frameworks.

Furthermore, literature concerning NPOs very often focuses on specific sub-sectors, such as hospitals and schools, neglecting the impact of volunteers on the governance and the objectives of the organization. However, given the idiosyncratic motives of volunteers there is no a priori reason to expect that they will affect organizational governance and objectives in the same way as paid staff members do. Therefore, the existing literature on governance and organizational objectives of profit, public and paid staff NPOs cannot be assumed directly applicable as such to voluntary NPOs.

In order to empirically reveal the impact of voluntary principals (executive managers/board members) on organizational objectives and governance practices, this paper focuses on the following research question: What are the relevant factors, on both individual and organizational level, that must be considered for a thorough understanding of the mechanisms of mutual influence between voluntary principal(s) and their organization(s) as far as organizational objectives and governance practices are concerned?

A conceptual model is developed based on existing literature on the mechanisms of (self-) selection and socialization of individuals to associations (Hooghe, 2003; Becker and Connor, 2005; De Cooman et al., 2009). The model is adjusted and elaborated for the specific context of principals in relation to voluntary NPOs. On the one hand the (self-)selection process is considered from two perspectives; (1) the organization selected by the individual to engage in, and (2) the board member or executive manager (principal) selected by the organization to contribute to its mission and objectives. Theoretical elaboration of this mechanism is based on existing literature concerning the motivation of volunteers (Frey and Goette, 1999; Ziemek, 2006), the economics of board memberships (Conyon and Read, 2005), and the composition of NPO boards (Daley and Marsiglia, 2001). On the other hand the socialization process is explained in which (1) principals give their input concerning governance practices and organizational objectives, while conversely (2) principals are influenced over time by the practices and values shared by other principals, staff and (other) volunteers in the organization. The enhancement of the understanding of the socialization process is based on existing insights on board practices and their impact on organizational performance (Stephens et al., 2004), and the evolution of motivation of volunteers in NPOs (Haski-Leventhal and Bargal, 2008). Based on this model, this paper aims at listing and explaining the factors – on both individual and organizational level – that are most relevant for assessing the impact of voluntary principals on the organizational objectives and governance practices.

Given the exploratory nature of the research question, we performed a qualitative study (Yin 1993; Maxwell, 2004). Eight Belgian NPOs are carefully selected based on information gathered from financial statements, bylaws, annual reports and websites. This selection aims to create a group of very different organizations, capturing a broad range of possible settings. This deliberate choice was made in order to enhance an optimal exploration of all possible factors that could be relevant for the assessment of the impact of voluntary principals on governance and organizational objectives. For each organization an open question survey,
complemented with several opinion statements, was completed by several people from the board, management team, or additional committees (3 to 5 people for each organization, 37 surveys in total). Subsequently, at least two people for each organization were invited for an additional interview to discuss in detail their survey answers (18 interviews in total). We transcribed all data and analyzed it by using Atlas.ti software to explore and define the most relevant factors, both on the individual level and on the organizational level.

By exploring the relevant factors for understanding both mechanisms of (self-)selection and socialization in the specific context of principals in voluntary NPOs, this paper opens several avenues for further research. The detailed description of possible factors and influences form the basis for further formalization and validation of quantifiable variables and hypotheses.

References


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