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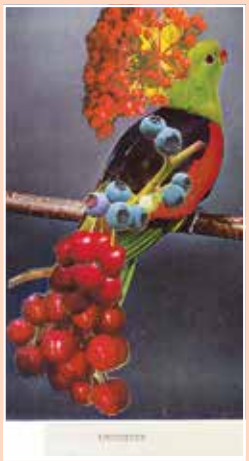

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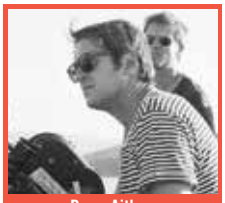

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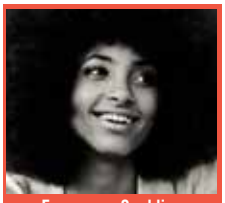
Outstanding Contributions to the Arts Award

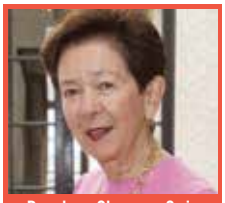
Tony Bennett
Carolyn Clark Powers Lifetime Achievement Award

Susan and David Goode
Legacy Award

The Mr. Holland's Opus Foundation
Arts Education Award



Esperanza Spalding
Ted Arison Young Artist Award



Roselyne Chroman Swig
Philanthropy in the Arts Award

BUSINESS COMMITTEE FOR THE ARTS BCA 10 – Honoring the Business Community

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Brad Erickson, Executive Director, Theatre Bay Area
Alene Valkanas State Arts Advocacy Award

Flora Maria Garcia, President & CEO, United Arts of Central Florida
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Public Art Network Award

Laura Perille, CEO EdVestors
Arts Education Award

Mary Anne Phan
NABE Foundation/Americans for the Arts Scholarship Awardee [1]

PUBLIC LEADERSHIP IN THE ARTS AWARDS – Honoring Elected Officials and Artist Advocates

Michael Spring, Senior Advisor, Office of the Mayor, Director, Miami-Dade County Department of Cultural Affairs
Selina Roberts Ottum Award for Arts Leadership [2]

Octavia Yearwood, Arts Educator and CEO/ Director, Team Ohhh
American Express Emerging Leaders Award

Rep. Suzanne Bonamici (OR-1)
National Award for Congressional Arts Leadership [3]

California Governor Jerry Brown
Public Leadership in the Arts Award for State Arts Leadership [4]

King County, WA Executive Dow Constantine
Public Leadership in the Arts Award for County Arts Leadership [4]

Orlando, FL Mayor Buddy Dyer
Public Leadership in the Arts Award for Local Arts Leadership [3]

Ledisi
Artist Advocacy Award [3]

Iowa Lieutenant Governor Kim Reynolds
Public Leadership in the Arts Award for State Arts Leadership [5]

Santa Barbara, CA Mayor Helene Schneider
Public Leadership in the Arts Award for Local Arts Leadership [3]

Kentucky State Representative Brent Yonts
Public Leadership in the Arts Award for State Arts Leadership [6]

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Welcome

Dear readers,

The winter 2016 edition of the *Nonprofit Quarterly* addresses some of the enormous potential that awaits us with a wise use of social media. This edition is a bit unusual in that it has just four articles on the topic, and each is meant to provoke your deeper and more thorough consideration of what social media does and can potentially mean to our practices as nonprofits.

We cannot give you a step-by-step model on how to make social media work for your organization, because the way you use social media should be as an embodiment of your identity, and you must build that not on your own but in relationship with others. What you do on social media becomes who you are expected to be in the eyes of your stakeholders, and if your approach is sloppy, unimaginative, redundant to others, or self-centered you will not only alienate your constituency but also will have completely missed the boat. For social media can no longer be thought of as an elective or a necessary evil, to be tacked on as an afterthought. Social media is here to stay and has become integral to the practice of democracy worldwide.

There is an art and a science to integrating social media into your practice, and the art has to do with the development of voice and the science concerns the development of position—but none of it is mechanical. Social media communications are quite personalized, with a demonstrated understanding of the human beings you are addressing.

So how can we adjust to this foregrounding of the personal when we have spent so much time rigidly professionalizing the sector? Are people really no longer going to be impressed by restraint and individualized leadership but instead, increasingly, by the ability to knit more out of less by force of wit and rapidly deployed interactive strategy that must by needs emerge from a state of some integrity? The articles here imply and sometimes say outright that it is time for us to rethink the balance between the long-term slow building and the shorter-term day trips of joint endeavor (from which you continue to build long term).

It is all very exciting, but it requires that we place ourselves differently in the scrum of human endeavor—that we experiment and test and sometimes relinquish territoriality, and that we see our identities as a set of values to be played out and reinforced dynamically as organizations, networks, and movements, and back again to organizations communicating with the people we work for and with.

We want to thank our authors, each of whom is presenting a particular window through which to look. We are inspired by their thoughts, and we hope you will be, too.

Social Media *as an* Organizational Game Changer

by Ruth McCambridge

Far from an elective add-on, social media has become a firmly entrenched part of our communications practice. But, as McCambridge writes, "many of our organizations remain relatively hierarchical and control based, defined by their own drawn boundaries rather than by connection, and with a limited view of the resources lying fallow around them." While we no longer have the choice to adopt a lukewarm attitude toward social media, "[A] productive embrace of the fray . . . requires that one's own integrity and values base be clear internally, so that it can also be clear to the external world."

If you are one of those nonprofits still approaching social media as simply another tool in your belt, you are very much missing the point.

Social media has been an assumption buster for nonprofits of all kinds, and on a larger basis, for civil society. Its naturally reciprocal and boundary-crossing character is at the very center of its transformative potential—but in some nonprofits this central characteristic may find an open and hospitable host, and in others it may find an unimaginative, slow-to-adjust, recalcitrant setting.

What Makes the Difference?

Much of what has been written about social media and nonprofits is focused on movements and networked ways of working, and this article will draw from that literature, as will those that follow in this edition. However, the principles of practice and the dynamics of social media well used are relevant to most, if not all, nonprofits with constituencies and stakeholders—in other words, with publics who care about what they do.

But that very DNA of reciprocity demands a different set of behaviors from us in the long run. No longer can we just blast out a message and expect it to have impact as is—emerging substantively unchanged from the scrum of interactions among those who receive it, pass it along, argue back with it in sometimes very public ways, or support or shame you for it.

The messages about you do not even need to come from you to mobilize the publics that are already, or potentially, yours. Those messages might come from friends, admirers, and detractors, who may send a sally out in networks where you are known—to have them resonate or not, and go further or not. What is said about you is less controllable but more visible (perhaps) and able to be more broadly influential—even over *you*—because it acts as a potentially rich feedback loop.

So the loci and initiators of control change, boundaries shift and become more permeable, and digital communication (and remember, that is iterative and relational) becomes a core strategic skill. This is now where we all live.

Ruth McCambridge is the *Nonprofit Quarterly*'s editor in chief.

"TEAPOT IN SPACE" BY RENE BACHRACH KRISTOFIC/RBK25.BLOGSPOT.HR/

Now ideas can start anywhere and catch on and progress one way in one network and another way in a second—eventually, and sometimes very quickly, finding their way forward to impact through loose ties.

And when you really embrace all of this, you will find that social media has erased boundaries between formerly separate stakeholders, and thus enforces an integrity of message. The strategic work of the organization then becomes the development and playing out of your identity vis-à-vis the world, your mission, and your stakeholders—and, in some ways, that simplifies the work we do.

The easy reciprocity also allows for more ease in cocreation of things over time—for instance, of action networks, of ideas about the future we desire, or of campaigns for social change. This creates, according to C. K. Prahalad and Venkat Ramaswamy, connected, informed, and active participants whose engagement enriches the organization and the larger movement.[1] (See chart, below.)[2]

But to get this fulsome response, write Prahalad and Ramaswamy, the organization has to attend to the quality of the cocreation experiences.[3] No longer are most movements or initiatives branded to just one organization with one center of command. And, as described by W. Lance Bennett and Alexandra Segerberg in "Communication in Movements":

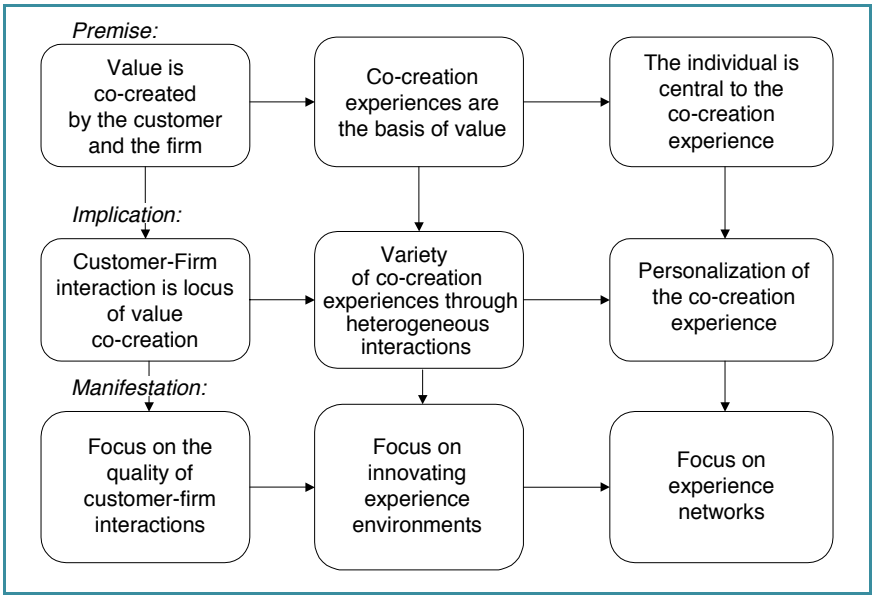
> Many NGOs have relaxed their interests in controlling or branding issue campaigns, and offer many avenues for publics to engage directly with each other, and with other issues and organizations in cause networks. . . . [M]any established cause movements (e.g., feminist, minorities, peace, environment) have also become hybridized, moving fluidly across national borders, targets and issue boundaries."[4]

Now ideas can start anywhere and catch on and progress one way in one network and another way in a second—eventually, and sometimes very quickly, finding their way forward to impact through loose ties. This can, at its best, create a commonality of purpose experienced from a diversity of outlets using different approaches, and that can be very impressive to the onlooker. But it also blurs the distinctions between communicator and audience, and for those who want to claim ownership of an initiative, it can seem a problem. Many organizations, however, have adjusted to this new reality.

> [F]ar from inaugurating a situation of absolute "leaderlessness," social media have in fact facilitated the rise of complex and "liquid" [Bauman, Z. (2000). *Liquid Modernity*. Cambridge: Polity Press] or "soft" forms of leadership which exploit the interactive and participatory character of the new communication technologies.[5]

Of course, none of this happens without the facilitating hand of trusted leaders, but where those leaders are, and who they are, is much changed. Positional (vertical) leadership holds less sway, and positions of trust/credibility (curation inclusive of frames for understanding and action) or the ability to connect and attract between networks (bridging) hold more. Either organizations or individuals can play these roles. But leadership is more a matter of election than of imposition, with bridging and curation functioning more horizontally than vertically—and, in effect, the nature of the leadership is in the skills of being of use to, rather than directing, those around you. If followers lose faith in these leaders' abilities to discern what it is that particular communities need, others may be right behind them to fill the gap. The roles of bridging

Exhibit 1 The new frame of reference for value creation



and curating are less gatekeeping roles and more informed connecting of people to information and networks, and of networks to networks. As Sandra González-Bailón and Ning Wang wrote in "Networked discontent":

> Online networks of communication . . . have flattened and decentralized the flow of information; as a consequence, they have helped undermine the old asymmetries that gave prominence to an elite of gatekeepers.[6]

The habits of gatekeeping are evidently very hard to break for some social engineers—the invitation-only realms where the real decisions are made (complete with sandwiches and technologically up-to-date whiteboards) are increasingly retro and even resented and rebelled against. The fact that some of the money that funds such stuff comes from those who have had a major part in developing social networking—well, that is just a special irony we all have to live with.

In "Peer Production: A Form of Collective Intelligence," Yochai Benkler, Aaron Shaw, and Benjamin Mako Hill refer to three research concerns for understanding collective intelligence: "(1) explaining the organization and governance of decentralized projects, (2) understanding the motivation of contributors in the absence of financial incentives or coercive obligations, and (3) evaluating the quality of the products generated through collective intelligence systems."[7] Later in the article, they acknowledge that the organizational features of communities of peer production change over time; so, in fact, we must research our processes even as we engage in them—a terrifying thought for those who hate ambiguity.[8]

But in all of this, many of our organizations remain relatively hierarchical and control based, defined by their own drawn boundaries rather than by connection, and with a limited view of the resources lying fallow around them. In the midst of all that sits the idea of governance—that is, who really has the final say over what you as an organization should be doing?

A number of nonprofits that have recently run afoul of their networks of stakeholders have happened upon the startling fact that these are their ultimate legitimators; the final court is moving more and more into the public space in which social media connects those stakeholders to one another, allowing them to support or attack, or sometimes both.

A productive embrace of the fray, however, requires that one's own integrity and values base be clear internally so that it can also be clear to the external world. Thus, your integrity becomes your ticket to credibility and a potential leadership role—that, and an active constituency.

There is, of course, much more to be explored here—for instance, the relationship between your face-to-face community, your online community, and your networks, which must always be attended to—but in the end, understanding and making good use of social media are now core competencies for many if not all of us here in the social sector.

But in all of this, many of our organizations remain relatively hierarchical and control based, defined by their own drawn boundaries rather than by connection, and with a limited view of the resources lying fallow around them.

Notes

1. C. K. Prahalad and Venkat Ramaswamy, "Co-creating unique value with customers," *Strategy & Leadership* 32, no. 3 (2004): 4–9.
2. Ibid, 5.
3. Ibid.
4. W. Lance Bennett and Alexandra Segerberg, "Communication in Movements," in *The Oxford Handbook of Social Movements*, Donatella Della Porta and Mario Diani, eds. (Oxford, UK: Oxford University Press, 2016), 372–73.
5. Paolo Gerbaudo, *Tweets and the Streets: Social Media and Contemporary Activism* (London, UK: Pluto Press, 2012), 22.
6. Sandra González-Bailón and Ning Wang, "Networked discontent: The anatomy of protest campaigns in social media," *Social Networks* 44 (January 2016): 97.
7. Yochai Benkler, Aaron Shaw, and Benjamin Mako Hill, "Peer Production: A Form of Collective Intelligence," in *Handbook of Collective Intelligence*, Thomas W. Malone and Michael S. Bernstein, eds. (Cambridge, MA: MIT Press, 2015), 175–202.
8. Ibid.

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Social Media Capital *for* Nonprofits: *How to Accumulate It, Convert It, and Spend It*

by Chao Guo and Gregory D. Saxton

The linchpin of social media's return on investment is *social media capital*—a resource that can be converted or expended toward strategic organizational outcomes. Here, the authors present a logic model with five key steps that illustrate how the accumulation and mobilization of social media–based resources occur over time and how essentially interactive the entire endeavor is.

Like it or not, social media has become an indispensable part of our lives. Fifteen years ago, many nonprofits were still hesitant to launch an organizational website on the Internet; today, we rarely come across a nonprofit that does not have a Facebook page or Twitter account. As more and more nonprofits are rushing into social media, their leaders often overlook one question: "What's in it for me?" One of the obvious benefits of social media is that it has engendered new forms of communication and stakeholder engagement for nonprofit organizations. Now we propose something that is not so obvious but crucially important: it has engendered a new, novel, and highly valuable resource—*social media capital*.

Social media capital is a special form of social capital that is accumulated through an organization's social media network. Nonprofits can look at it as being the key immediate outcome derived from their social media efforts, and it is a resource that can be converted or expended, like other resources, toward strategic organizational outcomes. To illustrate why and how social media capital is the linchpin of social media's return on

Chao Guo, PhD, is associate professor and Penn Fellow in the School of Social Policy and Practice at the University of Pennsylvania. Guo is editor in chief of *Nonprofit and Voluntary Sector Quarterly*, and founding codirector of the China Institute for Philanthropy and Social Innovation at Renmin University of China. **Gregory D. Saxton**, PhD, is assistant professor in the Schulich School of Business at York University in Toronto, Canada. Previously, Saxton was associate professor in the Department of Communication at the University at Buffalo, SUNY.

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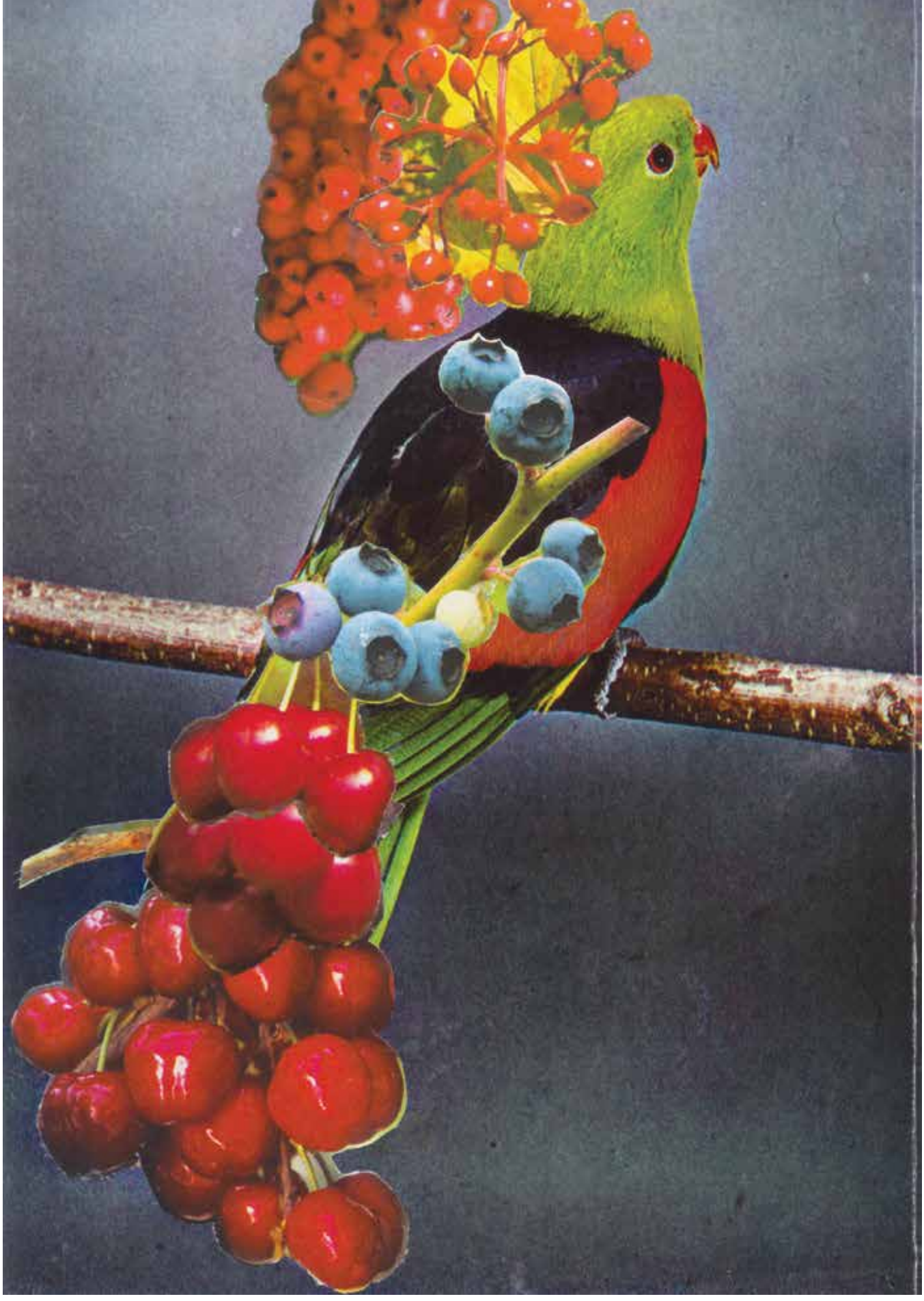


investment, we present a logic model for nonprofit organizations currently using, or planning to use, social media. Unless nonprofits understand the critical role of social media capital within this logic model—based on a plan that is well organized around strategic outcomes—then their social media efforts may essentially come to far less than might have been possible.

Unless nonprofits understand the critical role of social media capital within this logic model—based on a plan that is well organized around strategic outcomes—then their social media efforts may essentially come to far less than might have been possible.

The model has five key steps (see Figure 1): *inputs*, *outputs*, *immediate outcome*, *intermediate outcomes*, and *strategic outcomes*. We organize the remainder of this article around these five elements. Note that, while the logic model presented here suggests a linear relationship, the actual process of accumulating, converting, and expending social media capital in an organization rarely follows a sequential order.

1. The Inputs: Resources and Audience Targeting Strategy

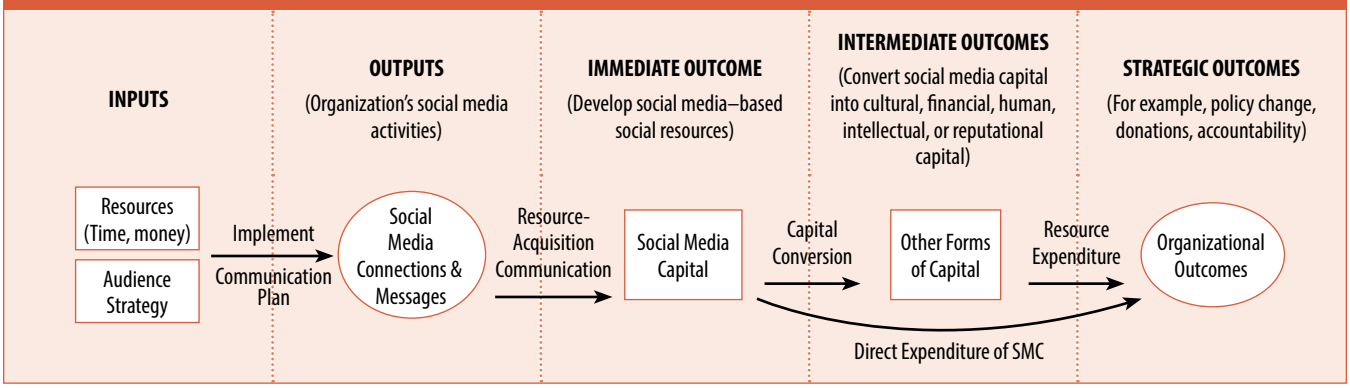
Though social media platforms do not charge for basic use of their services, effective social media use nonetheless requires nonprofits to dedicate inputs. In Figure 1, we have highlighted two elements of these inputs. The first element is straightforward: *resources*. It is not cost free to get social media up and running for an organization: the successful adoption and use of social media require that nonprofit organizations devote the necessary time, money, and staff to the endeavor. Yet such resource commitments are also likely to be sorely underestimated by nonprofit managers, with social media tasks often passed off to a single staff member or intern as additional or secondary duties.

The other element is *strategy*, particularly regarding an organization's communications role and its target audience. It is not enough to simply *be* on social media; instead, the organization needs to think strategically about what it wants to achieve through its presence. The starting point for this strategy should be the final element in Figure 1—namely, what are the strategic outcomes the organization is hoping to achieve. With those outcomes in mind, the organization needs to backward map and lay out a social media communications plan for reaching those outcomes. At the heart of this plan is determining which specific audience(s) the organization wishes to target and the communications role it will adopt to reach that audience.[1]

Here, the organization needs to do some research. An environmental organization working to reduce water consumption at home, for instance, might wish to target local lawmakers, coalition partners, opinion leaders such as journalists and educators, or current and future household owners (including teens and young adults). The point is that the organization should seek to cultivate a *specific*, *well-defined audience* through its social media communications.

The organization then needs to decide how it will engage with that audience.[2] Key here is the role it will adopt to add value to its target audience's social media feeds. Each of the above hypothetical audiences requires a different communications approach. Concretely, the organization might choose to become an expert or "thought leader" on a specific subject issue by crafting original content designed to inform,

Figure 1. Logic Model for Achieving Strategic Outcomes from Social Media Use



sway, or educate. Alternatively, it might seek to be a *curator* of information on that subject—becoming, in effect, a go-to source for the latest and most relevant information produced by others. Or, the organization might consider itself a *convener* or *community builder*, relying on social media activities designed to foster connections among stakeholders and thus build a more cohesive online community. Differently put, the organization needs to define its intended *strategic role* on social media. Does it wish to be an information source? An opinion leader? A market builder? A curator? A community builder? Each role potentially adds value to its audience's social media feeds. What the nonprofit should seek to do is to match its own proclivities, interests, and resources with the audience's needs.

In brief, before even beginning to bring hand to keyboard, the organization needs to develop a plan that clearly lays out its desired outcomes, clearly indicates the target audience, and clearly lays out a broad strategic identity for the organization's communications efforts.

2. The Outputs: Social Media Connections and Messages

How social capital is acquired through social media is distinct and much narrower than how social capital is acquired in offline settings. On social media platforms, you will be reaching for an outcome with two main tools at your disposal: making connections and sending messages.[3]

Connections. The first output you have at your disposal is connecting. Connecting can be thought of as relationship building, because it solidifies a connection or tie to another user. Connecting tools include the organization's friending and following of other users. With these formal social network connections, either you are connected or you are not, generally in a binary fashion. The purpose of these binary connections is that they demonstrate a nonprofit's interest in engaging with other users; they are signals of interest in creating an online community. At the same time, these two-way relationships provide access to new information, whether you use it or not. If you do not, however, the tie may eventually atrophy.

Connecting actions are designed to make, build, foster, or maintain ties to a specific member (a particular individual or organization) within your ideal (strategically defined) network. Of course, this cannot be done unless you've already identified a target audience and adopted a strategic role for the organization's communications efforts vis-à-vis that audience. For each role, a following must be built that eventually is expected to help further build itself through connecting and messaging actions.

Messages. The second output you can make use of on social media is messages. Through videos on YouTube, photos on Instagram, pins on Pinterest, messages on LinkedIn, tweets on Twitter, and status updates on Facebook, nonprofits can message and dynamically update their publics—and these messages comprise the bulk of communications activity on social media.[4] In line with your social media strategic plan, these messages will chiefly target key, previously identified stakeholder groups and employ content that reflects the strategic thought leader, analyst, curator, connector, or community builder role you have set for yourself. Here, what is included in the messages matters: messages are designed to provide value-added *content* to your strategically identified ideal audience. The extent to which you can play an effective strategic role that you have adopted for your targeted community depends on whether your messages are meeting and exceeding what the community wants from you.

In addition to offering content to establish an organization's strategic role, messages can also be used for targeting or connecting purposes, and may include replying and commenting, favoriting or liking, sharing, user mentions, hyperlinks, and hashtags. These actions form *message ties* that can be reciprocated, and over time the repeated use of message-based connecting also serves to develop ties with new users and strengthen ties with existing users.

For all audiences, finding the right mix of one-way information, two-way dialogue, and mobilizing messages will help the target audience be engaged and grow while also allowing the organization to leverage that audience to help the organization pursue its social mission.

How social capital is acquired through social media is distinct and much narrower than how social capital is acquired in offline settings. On social media platforms, you will be reaching for an outcome with two main tools at your disposal: making connections and sending messages.

3. The Immediate Outcome: Social Media Capital

The third step in the logic model, and the immediate outcome to be expected, is social media–based social capital, or what we are calling *social media capital*; these are the social resources in an organization's social media network that can be accumulated, mobilized, and expended to achieve organizational outcomes.[5]

Social media capital is a special form of social capital. Social media capital stands apart from other forms of social capital in that its foundation lies in the public space comprising the formal online social media networks.[6] Specifically, social media–based networks are seen as being more instrumental, more geographically dispersed, more loosely knit, more diverse, and less hierarchical and bureaucratic than other network forms, and they are created around specific interests more than institution, geography, or family.[7] This allows for communities that, in the past, had no means of coming into existence, to be created around brands, specialized knowledge areas, rare diseases, and organizing issues where the community of interest is dispersed.

Again, on social media, the activities that are privileged are *communication-based activities*. Anything that can be communicated—information, rumors, messages, knowledge, ideas, memes, emotion, sentiment, affect, greetings, insults, compliments, and opinions—is fertile ground for making its way rapidly through these geographically dispersed, loosely connected networks.

Our key point here is that social media capital is always the central resource one seeks to accumulate, because on social media the social network is key. To reach any meaningful organizational outcome through social media activities, the organization must, therefore, first acquire social media capital.

Our key point here is that social media capital is always the central resource one seeks to accumulate, because on social media the social network is key. To reach any meaningful organizational outcome through social media activities, the organization must, therefore, first acquire social media capital. In line with this point, a nonprofit must accumulate followers before any meaningful organizational engagement can take place, and this accumulation generally follows a typical set of steps: (1) a specific user is targeted, such as an important community member or a new user who is noticed to be following the organization; (2) the organization begins to develop a relationship with the user through some combination of reciprocal following, through sharing and liking the users' messages, and through mentioning and acknowledging the user in targeted social media messages.[8]

Along the way, the organization begins to track—formally or informally—the digital footprints of the budding organization–stakeholder relationship that are visible through the users' favoriting, sharing, comments, upvotes/downvotes, user mentions, and so forth.[9] In this way, the community and its activities grow, and it is the network-based assets that make up the key immediate resource that organizations are developing when they engage in social media–based activities. This is why nonprofits cannot simply employ social media to get donations, find volunteers, or mobilize constituents for advocacy action. Instead, they must first build their stock of social media capital through growing and nurturing their networks of social media followers.

While it is beyond the scope of this article to discuss how to measure social media capital, it is useful to note that social media capital is discernible along a number of structural and cognitive dimensions. Among these are the size of the organization's audience network, the organization's position within the audience network, and the length and/or number of interactions the organization has with each audience member, as well as network norms and values such as commitment, identity, solidarity, expectations and obligations, and trust. Given the publicly visible nature of social media, each dimension is observable and each reflects elements of the social resources the organization has accumulated on social media.

Social media capital plays an inescapable and key role in organizational efforts on social media, yet it is a means to an end. There are two common processes through which the acquisition of social media capital converts to strategic organizational objectives. In the first process, social media capital has an indirect impact on outcomes in that it can be converted first into other forms of capital that, in turn, directly influence organizational outcomes. These are called *intermediate outcomes*. In the second process, social media capital is expended to directly generate *strategic outcomes*.

4. Intermediate Outcomes: Converting Social Media Capital into Alternative Organizational Resources

As shown in Figure 1, once a nonprofit has built its social media capital (immediate outcome), it is often able to convert this into other types of resources, such as cultural, financial, human, intellectual, or reputational capital (intermediate outcomes).

This conversion concept is explicitly reflected in a slogan belonging to the firm Constant Contact, which seeks to help companies "turn fans into customers," thus converting social media capital into financial capital. Similarly, when a nonprofit organization asks its followers to take action on a cause that later becomes successful, it has leveraged its social resources into human, reputational, cognitive, and very likely financial capital. The precise manner in which this conversion takes place varies greatly according to the context. The critical point to recognize is the need to identify and account for a conversion plan in the strategic social media plan.

5. Strategic Outcomes

As shown in the logic model in Figure 1, the ultimate goal is to leverage social media capital to reach strategic outcomes.

Figure 1 depicts two ways of reaching such organizational outcomes. The first path in the model derives from the use of already converted intermediate outcomes (converting social media capital into other resources and then expending those resources—or *capital conversion*). The process is relatively straightforward: after accumulating social media capital, the organization can convert it into cultural, financial, human, intellectual, or symbolic capital and then deploy that toward a predetermined organizational outcome. For example, when Justin Trudeau's 2015 campaign for prime minister of Canada asked its followers on social media to make a donation, it was essentially converting its huge stock of social media capital into financial capital, which could then be spent on the organization's strategic outcome: electing Justin Trudeau.

The second path involves the direct translation of social media capital into a desired organizational outcome (*direct expenditure of social media capital*). Continuing with the example of Justin Trudeau, when the campaign asked its followers on social media to go vote for the candidate, it was translating social media capital directly into the organization's strategic outcome of electing Justin Trudeau. This more direct building of social media toward an outcome is not necessarily a one-step process. For instance, nonprofit advocacy organizations employ Twitter in public education, but often as a part of a larger strategy. The public education approach to advocacy is not to directly change public policy but rather to help change people's minds, opinions, and attitudes—which, over the long term, is expected to change attitudes toward public policy and then, ultimately, public policies themselves. But, the extent to which an advocacy organization can achieve that public education and policy outcome through its social media efforts ultimately depends on the amount of social media capital built within its social media network.

• • •

Social media capital is generated differently and, in some ways, more simply than capital accumulated offline or even in previous forms of new media such as websites or blogs. Social media capital is built mainly by messages and connections, and if you have a trusted role in social networks where you may wish to incite action of some kind, that capital can be translated into other resources or used directly to produce key organizational outcomes. Still, practitioners need to recognize that, as with anything, there are steps to accumulating and deploying (and even repaying) capital. Because the accumulation of social media capital requires a reciprocal relationship with their publics, it is critical for nonprofits to more clearly understand how the accumulation and mobilization of social media–based resources occur over time and how essentially interactive the entire endeavor is. It is only by being clear about and comfortable with the reciprocal, public, and fluid nature of these resources that organizational leaders can achieve meaningful organizational outcomes and maximize the economic and social returns on their social media investment.

Social media capital is built mainly by messages and connections, and if you have a trusted role in social networks where you may wish to incite action of some kind, that capital can be translated into other resources or used directly to produce key organizational outcomes.

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In a Nutshell

Social media capital has its own special characteristics, so nonprofits should be intentional about its deployment. Understanding the leadership roles available, and considering how to develop your position within that world and toward what outcomes, is important.

Nonprofits should think of social media capital as they would financial or any other type of capital, in terms of planning. Just like financial capital is a convertible resource and requires both short- and long-term planning, social media capital is fluid and requires a careful strategy to maximize its support of both intermediate and long-term goals.

Social media capital is more often built around interests or causes than around institutions, and this is where nonprofits have an advantage over other organizations. Nonprofits can integrate their missions into their social media presence and strategy to take advantage of the capital that comes with advocacy or awareness efforts and social justice causes. Similarly, any news events that relate to a nonprofit's mission will likely be reflected in popular media, and nonprofits can take advantage of this opportunity for exposure to build their online presence.

The reciprocal nature of social media engagement can be a source of strength for nonprofits, if it is recognized and used efficiently. In fact, social capital well spent will build more social capital. What are stakeholders talking about? What are they asking for? The reciprocal use of social media as a tool of communication gives nonprofits a direct line to their stakeholders' concerns.


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Step 1 *for* Effective Advocacy *in the* Age of Trump:

Learn to Listen Better

by David Karpf

Effective listening, explains David Karpf, is far more complicated than simply monitoring one's analytic reports, and digital listening can never replace the "messy, slow, deliberative work [that] fosters a culture of commitment and deepens organizational identity." But, as he points out, "if ever there was a time to listen harder and listen better, it is now. The organizations that distinguish themselves will be the ones that listen best and that know how to interpret what they are hearing."

Editors' note: *This article was adapted from David Karpf's new book,* Analytic Activism: Digital Listening and the New Political Strategy *(Oxford University Press, 2016).*

The incoming Trump administration is bound to offer a multitude of surprises and challenges for nonprofit professionals. Many of us have been pondering big-picture strategy questions, asking ourselves how best to adjust to the new advocacy landscape. At the moment, the only thing we can predict with certainty is that there will be scenarios no one *can* predict. But I can guarantee with reasonable confidence what the first step will need to be: the most effective nonprofits will be the ones that *listen* best.

We often look to digital media and marvel at the new ways that citizens can now speak online. But the Internet is not solely a platform for speech; it is

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Better listening and organizational learning are always fine goals to strive toward, but they are particularly vital during periods of rapid, unexpected change.

also used for listening. Journalists, governments, corporations, and nonprofits are all learning to incorporate digital listening routines into their work processes. Viral hashtags and most-read lists help news organizations pick up new trends in reader interest. Government agencies monitor website analytics to identify where citizens get confused by red tape and stop filling out request forms. Corporations use social media analytics to monitor their brand and reputation. And nonprofits are increasingly using these same tools and technologies to develop new advocacy techniques—a new "analytic activism" that carries both great promise and real risk. It can unlock the advocacy potential of your organization, or it can lead you astray.

Digital listening takes many forms. Some are active interventions—discussion forums where members and supporters weigh in on a proposed course of action, or weekly surveys that ask for comments and suggestions from a variety of stakeholders. Other forms take advantage of more passive monitoring tools—A/B tests and social media analytics can signal the issues, messages, and calls to action that have the greatest resonance with a supporter base. Advocacy organizations can harvest the trace data left behind by all sorts of online activity. When these data are packaged into a format that can actually help managers, executive directors, and boards make better decisions, they become a powerful source of learning and organizational change.

Effective listening is far more complicated than simply monitoring one's weekly Google Analytics report, of course. The leading nonprofits meld a wide range of digital signals into a broader culture of testing, in which they repeatedly measure the impacts of their engagement tactics, creating small experiments that help them to adapt and learn in a changing media and political environment. Their weekly leadership meetings feature multiple signals from analytics programs, as well as the results and lessons gleaned from recent tactical experiments. This helps nonprofits to develop agile feedback loops, allowing them to tinker with new tactics and strategies.

Better listening and organizational learning are always fine goals to strive toward, but they are particularly vital during periods of rapid, unexpected change. Just as advocacy leaders of generations past developed tactics whose impact was amplified through the industrial broadcast media system (where you could grab the entire nation's attention through three television networks), today's most effective advocates are leveraging their message through viral sharing on social media. And the most effective and timely messages during the Obama administration will surely lose some of their force as we enter the Trump era. Obama and his officials respond to different pressures and appeals than Trump's officials surely will. The social tenor of the country and the topics that dominate mainstream media coverage will move apace with these shifts. Indeed, the best social movement strategies have always been rooted in an insightful reading of the media system and the political situation.

Prioritizing digital listening doesn't mean abandoning your own instincts and insights—there is both an art and a science to the craft of analytic activism. Rather, it means opening your strategic processes to new inputs, and using those inputs to question long-standing assumptions. The tactics that thrive in the coming years will necessarily be nimble and responsive. No longer can we afford to select tactics because they are the ones we've always used or because we recall that one time when they appeared to work so well. When faced with a strategic dilemma, the appropriate and available answer must now be, "Well, we'll test it."

To be clear, investing in analytics, experimentation, and measurement is no guarantee of advocacy success. It is not enough simply to listen *more* through digital media. The real goal is to harness analytics to listen *better*. And that requires organizations to pay real attention to the biases and limitations of the data they gather, and to think through the processes that will help them harness that data effectively.

And that can be a hefty task, because we have to remember what digital trace data *can't* tell us.

Analytics can often automate value judgments. As behavioral economist Dan Ariely puts it, "You are what you measure."[1] If you focus on measuring supporter responsiveness and impact through page views or new e-mail list sign-ups, you will

inevitably come to prioritize very different issues and practices than if you focus on repeat member interactions or offline event participation. And there can be a creeping accessibility bias inherent in digital listening, because some metrics are much easier to track than others. The campaign tactics, issue topics, and message frames that are the most *popular* are not necessarily the ones that are the most *powerful*. Analytics render an incomplete portrait of public sentiment. Organizations should approach digital listening with a healthy dose of skepticism, investigating where the activity that they can most easily measure departs from the activity that they most deeply value.

The general rule for incorporating digital listening into your organizational workflow is to *always be blending*. All the advocacy organizations that have pioneered the use of digital listening and testing have adopted a blended approach to analytics signals. Rather than blindly chasing the latest digital trends, they maintain a colorful mix of listening signals: they conduct weekly member surveys; they make phone calls, and talk with their active volunteers; they ask hard questions of their coalition partners; and they don't assume that the analytics and experimental results are either objective or infallible—they listen within their own networks and also keep an eye out for lateral trends appearing outside of their networks. The goal of digital listening and experimentation is to create valuable additional input for their strategic judgment, not to use analytics to replace their judgment entirely.

There is one other limitation to digital listening that nonprofits should keep in mind: all these digital traces of supporter sentiment and social media engagement represent *listening without conversation*. It used to be hard to find out what ten thousand supporters thought of your organization's work. Hearing from them required two-way conversations. Now, many large advocacy organizations run daily A/B tests of this size before lunch. This can be a real boon; more listening is certainly preferable to less. But there was a beneficial inefficiency in the old way of conducting conversations. Conversations, particularly when

Organizations should approach digital listening with a healthy dose of skepticism, investigating where the activity that they can most easily measure departs from the activity that they most deeply value.

conducted among large groups, constitute shared work. They require the minutes and hours from everyone. And that messy, slow, deliberative work fosters a culture of commitment and deepens organizational identity. It builds organizational bonds and richer civic skills. Conversation and ongoing participation change people. Digital listening merely records them as they already are.

• • •

The work of digital listening falls primarily upon the analysts, technologists, and strategists who are gathering the data and rendering them accessible. It is (to borrow a concept from Personal Democracy Media's Micah Sifry) an atomistic form of engagement: we watch alone, we take action alone, we even share inspirational stories alone, clicking away at a laptop screen or mobile interface.[2] Atomistic engagement can move fast and can be harnessed by smart, nimble nonprofits. But a deep, committed supporter base provides heft and force. The mightiest organizations in the years to come will harness both.

To be sure, listening without conversation is preferable to barely listening at all. And that's where most nonprofits find themselves today: barely listening to their members and supporters, leaning on the same approaches that have seemed to work well enough before. But if ever there was a time to listen harder and listen better, it is now. The years to come will require *more* from civil society organizations. These are uncertain times. The rules of political engagement are being hastily rewritten, and the old routines that governed media behavior are changing alongside them. This is a moment when we should leave no old assumption untested. It is time to tinker, experiment, fail, learn, and tinker some more.

The organizations that distinguish themselves will be the ones that listen best and that know how to interpret what they are hearing.

Atomistic engagement can move fast and can be harnessed by smart, nimble nonprofits. But a deep, committed supporter base provides heft and force. The mightiest organizations in the years to come will harness both.

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In a Nutshell

Nonprofit users of social media must rethink the meaning of listening in a social media setting. Listening in a social media setting is iterative, and includes a repetition of what one has heard with steadily advancing meaning.

The rules of public engagement are adjusting, due to changing politics and a rapidly evolving media landscape. Reacting to continuing change by scrambling to keep up is not an effective strategy. Careful "listening" on social media, curation of channels that surface information about coming changes, and engagement with information to extract meaning can help nonprofits to stay a step ahead of changing norms. Nonprofits that anticipate change and position themselves as a resource in a changing climate will have an advantage, and this is where digital listening can be of significant use.

Given the relatively easy availability of analytics and other data, nonprofits should ramp up their testing of strategies for engagement through social media. Is your circle getting bigger? Are your stakeholders responding to you? Are they taking you up on invitations for other types of engagement?

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Defending Underage Migrants *across* Free Online Spaces: *Behind the Scenes of a "Non-Organization"*

by Philippe Eynaud, Damien Mourey, and Nathalie Raulet-Croset

"ABCD" has no hierarchy, legal structure, financial means, or official positions or roles. So how does this CSO continue to expand and function at a high level? As the authors explain, its streamlined nature supports its organizing via a web of online and physical social spaces; its self-regulation emerges dynamically at the local level and then diffuses nationally; rules emerge organically via the exchanges of information across the network; and its regulation processes are due to both human agency and technological and spatial agency.

Editors' note: *This article is based on a chapter in Francois-Xavier Vaujany and Nathalie Mitev, eds.*, Materiality and Space: Organizations, Artefacts and Practices *(Basingstoke, UK: Palgrave MacMillan, 2013), pp. 157–78.*

The most visible part of an open and widely based social movement relates to its mobilizing activities and framing processes to engender mass resistance.[1] Yet a social movement is also characterized by a recursive (looping) relationship between mobilizing (front-stage) and organizing (backstage) activities.[2] We are interested here in the creation and unfolding over time of the political agency of civil society organizations (CSOs).[3] More specifically, we want to demonstrate that this political agency takes shape within the recursive relationship between the organizing and mobilizing processes. We study types of CSOs combining a strong organizational identity as perceived from the outside with a diversity of identities within. We claim that the political agency, which is viewed as a "distributed and plural agency," is based on

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"WORKING ON WINGS TO FLY" BY DEBORAH MARIS LADER/WWW.DEBORAHMARISLADER.COM

The quest for massive and far-reaching mobilization is a powerful strategy for advocacy and action, but it goes hand in hand with significant risks of losing control.

the organization.[4] We therefore define a particular form of political agency, a "distributed political agency," that is a specific trait of some CSOs. To more deeply understand the emerging process of this "distributed political agency," we take the theoretical perspective on regulation elaborated by French sociologist Jean-Daniel Reynaud. We analyze regulation processes that may be *control based* (hierarchical) but may also be coproduced by members of the organization and therefore be *autonomous* (diffuse and organic). Such processes enable the relationship between mobilizing and organizing.[5]

We propose that this type of organization forms a distributed political agency by combining the two regulating processes. The latter (autonomous) emphasizes organizing processes, and shows that an organization shapes its own identity through its internal debates. This perspective highlights the importance of social interaction, as it is this internal debate that shapes the organization. Focus is placed on connections between actors and actions. The organization is viewed as a "distributed and plural agency"[6] or as an "action net,"[7] all contributing to the creation and nurturing of both the organizational identity and that of the actors.

The formal and structural components of social movement organizations are rather elusive and scant: their militants explicitly emphasize the egalitarian, horizontal, democratic, and transparent way of making decisions and taking action. They also pride themselves on not being similar to any other existing organizational form, and often vow to disappear when their mission has been fulfilled.[8] Moreover, in this day and age, most social movements resort to easy-to-use online technology, and their members become online users. This online nature has reinforced the trend in social movements toward bare-bones formal organizational features and lack of formal rules.

These flexible organizations are highly responsive and can mobilize quickly. The quest for massive and far-reaching mobilization is a powerful strategy for advocacy and action, but it goes hand in hand with significant risks of losing control. Mission drift, the push for more-powerful governance structures, anarchic growth, controversies within the movement, the maintenance of pluralism among members—all are risks to an open social movement where almost anyone can become a member through online registration to any existing e-mail list.[9] Yet, these self-proclaimed "no rules" organizations cannot thrive and stay true to themselves without rules, even if the latter are informal and invisible from the outside. Rules are essential in maintaining an organization's fundamental core values such as pluralism, openness, agility, and resistance. Therefore, such organizations offer interesting organizational contexts for studying their underlying regulation processes, which cannot be understood through classic dual oppositions of formal/informal, effective/affective, local/global rules.

In this article, we describe an emblematic French organization whose actions sometimes border legality: a citizen's movement defending undocumented migrant students. This organization, which we will call "ABCD" to preserve its anonymity, is a collection of different cells that continue to expand by adding newly formed local cells across the country. Every cell unfolds within social spaces of exchange and interaction of two different forms: e-mail lists and regular face-to-face meetings. We analyze how these face-to-face and online social spaces relate to the organization's regulation processes. We focus in particular on how regulation processes contribute to defining communities (which can be considered as places of regulation in the organization), and, in return, how these processes are influenced by the existence of these communities. We explore the recursive interplay between mobilizing activities and organizing processes of this politically driven CSO. More specifically, we investigate how this so-called "non-organization" manages to balance its political dimension and agency both externally and internally. And, we demonstrate that the making of its political agency is both distributed across the organization and articulated to make up a consistent whole.

First, we show that this organization—with its bare-bones organizational features and populated by an array of local cells, each developing its own identity—preserves its global identity and develops informal control through a joint regulation process combining autonomous and

control-based rules. Second, in analyzing the functioning of this organization—which relies on a set of tools revolving around the use of information systems and a set of social spaces—we argue that processes of regulation are also enacted through the material side of these tools and social spaces, and are not just the result of human agency. We then identify how human agency and material agency entwine with regulation processes, and we highlight in particular the role of "broker" played by specific actors at the interface of the different communities.

A Process Approach to Producing Rules

Rules are often considered as orders or injunctions prescribing behaviors in the workplace, and are viewed as somewhat immutable. From that perspective, rules enable collective action, since they provide stability and order actors' conduct in the workplace. Yet another perspective on rules, originating from Reynaud, focuses on "social regulation"—that is, the process of producing rules. From this perspective, rules are considered "a guide for action, a standard enabling an informed judgment, a model orienting action."[10] A rule "advises the making of a decision as it often allows one to define the ongoing situation, to differentiate from different cases and to specify the meaning of the facts under review."[11] Reynaud argues that the production of rules defines both the actors supporting the rules and the communities that get formed around the rules and stabilize in time through their use. As a result, a rule is both an outcome, since it manifests the rationality and the logic of a community, and also the condition for building and maintaining this community, whose members accept this common rule.[12] Viewed as a process, rule making fosters dynamism and initiatives in organizations, especially when rules are made "autonomously" and not hierarchically.

Three concepts are articulated in this theory of social regulation: *conflict*, *negotiation*, and *rule*.[13] *Conflicts* are viewed as inevitable, since any actor promotes his or her own agenda and tries to make others accept it. Communities get defined through conflicts, and they may later oppose one another. Through *negotiation*, actors establish a community by discovering common interests, common ground, and areas of convergence. Once a *rule* is defined and accepted within a community, abiding by it produces both a belonging to the community and the resolution of the conflict(s), even if temporarily.

"Control-Based Rules" Versus "Autonomous Rules"

Reynaud demonstrates that two apparently contradictory and complex phenomena coexist in organizations—those of control and autonomy. He focuses on the interplay that fosters a dynamic creation of rules. The theory of social regulation originates from the study of industrial relations. This explains why Reynaud associates specific rules with categories of actors in an organization. He studies forms of control that spread across an organization, and his thinking sets *control-based rules* (which originate from management, are based on hierarchical power, and go from the top to the bottom of any organization) in opposition to *autonomous rules* (which are produced locally by groups of workers themselves). This approach goes beyond a dual perspective that would merely oppose global to local dimensions of regulation. Indeed, it shows that the combination of different forms of legitimacy—ones that would be rational–legal and others that would point to more specific and scattered forms of legitimacy—produces these local and more informal regulations. The distinction between control-based and autonomous rules is related to an actor's strategic orientation and position within the organization. As argued by Reynaud, "[A] rule is not by itself a control-based or an autonomous rule. It becomes such only through the organizational place of the actor issuing it and through the way the rule is used in practice. Control and autonomy therefore point to the use of a rule, not to its nature."[14]

Yves Lichtenberger also indicates that a control rule establishes a relationship of subordination, whereas an autonomous rule establishes a relationship of solidarity.[15] An autonomous rule knits together a community of peers. It is an obligation that actors create for themselves, and implies the involvement and engagement of actors. As a result, forms of disengagement in organizations could endanger the existence of autonomous rules.

Communities get defined through conflicts, and they may later oppose one another. Through *negotiation*, actors establish a community by discovering common interests, common ground, and areas of convergence.

More broadly, in order to understand regulation processes, it is paramount to identify the actors issuing a rule, their position within the organization, and, more important, the communities defined by the emergence of a new rule. This theoretical perspective on control and regulation that make way for both local emergence and global control seems rather appealing when undertaking study of a particular type of organization: those claiming both a hierarchy-free mode of organizing that limits as much as possible control-based rules (derived from a rational–legal form of legitimacy) and also their determination to grant their members maximum autonomy. Such organizations exist in particular in social movements.

Whether one considers an organization through its technologies or through its managerial tools, its written records or even speeches, materiality needs to be conceived of as a "material agency" that gets entangled with "human agency." Indeed, objects, tools, and spaces are not neutral.

Considering the Socio-Material Dimension of Rules

Combining the study of regulation processes and the materiality in organizations could prove a fruitful avenue of research. Organizations have different forms of materiality. Whether one considers an organization through its technologies or through its managerial tools,[16] its written records or even speeches, materiality needs to be conceived of as a "material agency" that gets entangled with "human agency."[17] Indeed, objects, tools, and spaces are not neutral. They combine with human actions, influencing them and revealing qualities that shape and model collective joint action. Material agency can be defined as "the capacity for non-human entities to act on their own, apart from human intervention,"[18] through their performativity.[19] Materiality, then, is not just stand-alone decor, a mere element of context that can be observed from the outside. On the contrary, a managerial practice is defined through its entwinement with materiality. As a result, regulation viewed as a practice is also anchored in the material side of organizational life. And as regulation defines communities within an organization, we argue that the material dimension of communities (via the physical and online spaces) is also articulated by regulation processes. The organization we describe here is not structured by formal rules or hierarchy but around spaces of a different nature (online and face-to-face) that allow members of different communities of this organization to exchange and interact either within their own community or across communities. The definition of communities not only fosters the emergence of rules but also contributes to their strength and stabilization. As a result, we seek to address the following questions:

- How does a community—both in its material dimension and as a purposeful project of collective joint action—participate in the process of regulation?
- How do control-based rules emerge within a "non-organization," where autonomous rules usually prevail? On what basis do these latter rules rely?

The Case Context: Defense of Underage Migrants in France

As we introduced earlier, ABCD is a CSO defending undocumented migrant students in France. Its members advocate an egalitarian, horizontal, and transparent way of making decisions internally (no spokesperson, no hierarchy, anyone may become a member through open, online registration to existing e-mail lists, and so on). This approach goes hand in hand with the constitutive and founding choice of developing social spaces online (such as an informative website and dozens of autonomous and loosely coupled e-mail lists hosted on a server lent by an independent media organization). When dealing with an undocumented migrant student under threat of deportation, ABCD's militants resort to diverse and far-reaching mobilization activities: writing, mailing, and taking to the streets. They pursue national coverage, give primacy to on-the-ground activities and to their collective ability to respond to quickly evolving situations, trigger blitz and symbolic operations, write open letters to politicians, and develop strategic uses of media (they have a taste for staging resistance actions with high media impact). They then contribute to two complementary objectives: rolling out massive mobilization at specific and crucial moments to increase pressure on governmental authorities and their representatives, and resisting the political rhetoric relayed by public authorities justifying their administrative actions in the name of the law.

The Underage Migrant's Story That Started Everything

Founding members of ABCD are known for their strong militancy. When ABCD was founded, in 2004, one could already perceive the beginnings of these far-reaching mobilization activities that today form the most visible part of this organization. Several local mobilization activities were simultaneously performed back then, in high schools in Paris and its suburbs. One of ABCD's founding members, who we will call "Interviewee B," described how it all began. At the time, she was the elected representative of a parents' association in one of the high schools. She discovered that her son had given his canteen card to a Congolese girl who could not afford to pay for meals because she had been left alone in Paris—although under the supervision of a friend of her parents—with no financial resources or official documents. The parents' friend had taken unsuccessful action to obtain free access to the canteen for the student. The student explained that she had received a deportation letter—"Obligation to Leave French Territory"—because she had recently turned eighteen (marking the end of her protection from deportation) and did not have the documents that would permit her to stay in the country. Mobilization at the high school prompted a quick response from the local authorities, who overturned the decision.[20]

> Her situation was sorted out. We threw a party at the high school, as the headmaster supported our efforts, to celebrate her legalization. And during the party, eight other students came to see me. They said they were in the same situation. And we realized that if there were eight other undocumented students in that high school, there must be situations like these in every high school. This was indeed true, but we had just discovered it. (Interviewee B)

Another founding member, "Interviewee R," described a mobilization activity in the name

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of undocumented migrant students in *his* high school, and concluded:

> We told ourselves that what was happening more and more frequently in our high school could not be an isolated situation and must be happening everywhere. We wrote up a call for action. Then, we got in touch with other people, some of whom are still members of our network.

The fact that no undocumented migrant student and no migrant families with students enrolled in intermediate or senior secondary French schools have been deported since ABCD was formed proves the effectiveness of this social movement.

As a result, in June 2004, teachers from various high schools created ABCD. These teachers had all had to deal with situations in which an underage migrant student came of age and therefore was liable to be expelled if he or she did not possess the required documents. Over the years, the effectiveness of ABCD's advocacy of undocumented migrant students has continued unabated, and ABCD expanded the fight to make sure the students' undocumented migrant parents would not be deported, either. The following story demonstrates how ABCD draws attention to specific cases, gets press coverage, and pressures state representatives:

> In the summer of 2005, two young people from the town of Sens, "Rachel" and "Jonathan," ran away from home because their mother was being held in detention. They came into contact with a man, who, upon discovering their illegal status, did not bring them to the police but instead called us. We hid them for a while. There were press conferences and we got media coverage because journalists wanted the story. We moved the kids from one place to another many times over. We made various appointments with journalists, and brought them to meet the kids. (Interviewee B)

The fact that no undocumented migrant student and no migrant families with students enrolled in intermediate or senior secondary French schools have been deported since ABCD was formed proves the effectiveness of this social movement. ABCD pushed very hard, and even got politicians to issue an administrative circular:

> The Minister for Home Affairs issued a circular dated October 31, 2005, saying that no kids enrolled at schools, or their parents, would be expelled until June 2006. In fact, he made a big mistake when he specified a deadline to this moratorium. We campaigned against it, declaring that starting July 1, kids were going to be hunted down. It led him to issue a circular legalizing both students enrolled at French schools and their parents. We call it the "Rachel and Jonathan Circular." (Interviewee B)

The group was determined to fight for all cases and to use all means at their disposal to do so. For example, at one point, a migrant student who was being deported and had already boarded a plane was retrieved at the last minute, following pressure put on state representatives (they didn't want the negative publicity). ABCD members accompany all migrant students to the préfecture (official headquarters) when the latter receive notification to appear, and provide them with legal and administrative assistance. They have also adopted proactive tactics, building a case before a migrant student comes of age in order to amass all the documents they will need to later win a case in court. History of their stay in France, report cards, letters of recommendation from their teachers, school attendance sheets, signed petitions—all become part of the evidence they will display at the préfecture and, if necessary, in court in order to obtain legal status for the student. Later, they guide the student through the administrative steps to acquire French citizenship. They organize sponsorship days, when high-profile politicians agree to sponsor a migrant student and vouch for him or her. Thus, the group seeks to act before any migrant student under their supervision even receives a deportation letter, as they know their actions may dissuade public authorities from beginning the deportation process, understanding that they will be given a hard time otherwise.

The Recursive Relationship between Mobilizing and Organizing

These mobilizing activities are the most visible part of the organization. However, other, far less visible activities relate to organizing processes

that enable effective mobilization and at the same time deliver organizational flexibility. ABCD is a relatively unstructured organization. Members do not engage in routine work that could make them predictable, they do not accept any financial contributions, and they refuse "experts." There is no hierarchy, formal rules can be counted on the fingers of one hand, and there is no screening procedure for registering new members to any existing e-mail list. The organization qualifies as a "non-organization" in the sense that its members reject hierarchy, formal rules, official leaders, and the like. (This does not mean that it is an organization in waiting.)

This "non-organization" keeps expanding by adding permanent new cells to its loosely structured network across French territory. Each new cell covers a new geographical area and joins the organization by adopting its brand name and linking its own e-mail lists to other existing e-mail lists at different territorial levels (national or local). The analysis of this organization shows that there are both a set of e-mail lists and a set of periodic meetings associated with each of those lists—network members communicate through the lists and during physical meetings. Having studied ABCD's organizing process through the lens of its underlying regulation processes, we believe these social spaces can be viewed as communities in the sense given by Reynaud: each group of actors is a community that is related to a given social space and defines its own rules of joint collective action.

The Methodological Approach

To undertake our research, we used an interpretive case study approach, gathering multiple sources of evidence. This included interviews, activity observation, and e-mail list analysis.

First, we conducted eight in-depth, semi-directed interviews with key members of ABCD, covering different geographical areas and levels of responsibility (national, regional, local). These interviewees are considered by many to be founding members. Some questions probed the members' use of and opinions on e-mail lists. Interviews lasted between one and two hours, and the interviews were then recorded and transcribed.

Then, we studied the operating mode of several local cells both in and outside Paris. We conducted two interviews with volunteers in each cell, and attended various meetings and participated in events organized locally—for example, we attended a party that took place in a high school's faculty lounge to celebrate a staff member's legalization brought about by the local cell. These observations were helpful in understanding ABCD's internal organization and also facilitated our interpretations of the formal interviews.

Finally, a large part of our analysis was based on data extracted from our participation in several e-mail lists. Each researcher signed up on different lists (national, regional, local) as a participant. (We did not have access to some of the more confidential e-mail lists.) We had access to a number of open lists, but each of us focused on one list in particular. It was a way for us to develop an empathic approach and to take into account the intrinsic nature of each online space. By discussing our experiences, we were able to analyze controversies popping up on the e-mail lists and reflect more specifically on what might be the right "brokering" between online spaces in such instances. On a practical level, content analysis of the lists was a way for us to stay in touch with ABCD's daily round and to have direct access to regular exchanges between members.

An Organization Made Up of a Set of Local Communities

One of the most important achievements of ABCD over the years has been its ability to maintain a diversity of political sensibilities and reasons for engagement across its membership, and at the same time a strong consistency in the ways operational actions get done effectively on the ground. Preserving a pluralist membership—ranging from Christians to far-left activists—while at the same time delivering effective mobilizations, is no mean feat. To address this issue, ABCD members have adopted specific organizing processes that cannot be analyzed through traditional lenses. Members readily admit that ABCD is a "non-organization": as described earlier, there is no hierarchy, no legal structure, no financial means, no spokesperson, no official positions or roles, no formal rules, no

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screening or recruitment processes, no accounting practices, and so on. This organization also displays a dynamic growth that has developed in a rather anarchic way. In this next section, we describe the nature of ABCD and how the rules allowing for both its functioning and its growth get articulated.

"Everyone acts as he or she sees fit and when he or she thinks it's right to do so. Our cause is what unifies us. This cause is so compelling and beyond discussion that there is general consensus on the modes of mobilization and goals being pursued."

The Relationship between ABCD's Global Identity and the Specific Identities of Its Local Cells

As we learned from the interviews, ABCD has a global identity. ABCD is supported by members' shared values around the defense of undocumented immigrants. It is also linked by its operating modes, as some members have expressed. For instance, participation in the e-mail lists and their uses are at the heart of the members' sense of belonging to the same organization.

> What unifies everyone are methods and e-mail lists. (Interviewee R)

However, the identities and operating modes of local cells can differ from one other. ABCD gathers members from all walks of life and political sensibilities, and promotes engagement. Every local ABCD cell gathers members having similar views as to how to do things—but, needless to say, there are different opinions and views of the world across cells. Members act under different ideologies, which run the gamut from Christian beliefs to far-left political ideas. Beyond these ideological gaps and differences in value systems, we also observed different organizational practices. As one member put it:

> There is a leitmotif at ABCD: "The one who says it is the one who does it." Then everyone creates his or her own list. This explains why we have completely different ways of functioning depending on the cell. (Interviewee S)

The differences are definitely a strength, as varied modes of mobilizing can be combined (intervention from the church, support from different political parties and trade unions, and so on). They are also a weakness, as it is difficult to speak in the name of ABCD as a whole, since there may be strong internal disagreements and controversies vis-à-vis what ABCD stands for. However, there does exist a global identity shared by the members of the organization:

> There is no such thing as a head office. Everyone does what suits him or her best. (Interviewee R)

> Everyone acts as he or she sees fit and when he or she thinks it's right to do so. Our cause is what unifies us. This cause is so compelling and beyond discussion that there is general consensus on the modes of mobilization and goals being pursued: releasing a detainee from a detention center, preventing someone from being deported . . . this is our leitmotif, and there has never been any disagreement about that. (Interviewee S)

Beyond what is felt in common and the sharing of values, we argue that ABCD's regulation processes are what allow for both the coexistence of different cells and their connectedness with one another, which make up a consistent whole.

Each Local Cell Develops Specific Regulations for Both Physical (Face-to-Face) and Artifactual (E-Mail) Social Spaces

We identified different types of social spaces within ABCD—face-to-face and artifactual. Modes of participation and gaining access to social spaces within the movement rest upon informal rules that are created during face-to-face meetings. The creation of, management of, and access to e-mail lists in particular are decided on during such meetings.

> People do as they please where they are. Thus, as in Paris there is a city e-mail list, we decided that the Paris list would be the main one for spreading general information. Moderators of other, sub–e-mail lists go to that main list and forward information and messages to their sublists. Some people, however, do not want to manage several e-mail lists, and do not register with the main list. (Interviewee B)

Face-to-face meetings play a distinct role, allowing for freer and unconstrained debate. As

an interviewee explained, not everything can be said through an e-mail list. In addition, the frequency of meetings differs from one list to another: the more local the list, the more intense the need to meet and share information on specific cases.

> We do not tell the whole story on our e-mail lists. That's why face-to-face meetings are so important. In Paris, we meet every week. There are also complementary meetings. During face-to-face meetings, everybody can voice freely. There is nothing to fear. People know that the minutes of the meeting will never disclose all that has been said (unlike on e-mail lists). (Interviewee B)

Therefore, each cell has specific organizational practices and rules of functioning that qualify as autonomous rules.[21] As a member of a local cell that was involved in a dispute with another local cell from the same Paris suburb described it:

> The problem is, we do not have the same way of looking at the world. In a nutshell, they say that what we do is useless, because they think our actions are not likely to change the law. (Because we go to the préfecture with migrant students to help them defend their cases, they say we accept the administrative procedure.) We agree to disagree on the most effective way to achieve our joint goals. We believe we can help change the law but that we also have to engage in a case-by-case approach to defend these people. (Interviewee H)

These rules and practices characterize the singular function of a community materially contained within a local e-mail list. Only those on the e-mail lists are invited to participate in meetings. Local cells are delineated by the creation of cell-specific e-mail lists, which in turn define their respective cell members.

Adding Both Independent and Connected New Cells Drives the Growth of the Organization

The organization evolves via the creation of new cells that goes hand in hand with the creation of different kinds of social spaces. E-mail lists are generated to support regular in-person meetings. Growth may be linked to territorial expansion (a new geographical area covered) or to a novel thematic forum (ad hoc social spaces created to meet a new need). As explained by a member of the organization:

> A group can be made up of three people. Hence, many groups are being created all the time. At first, they work in their own corner, alone, and stay at the level of their high school, their village. And, little by little, they learn one day that there is an e-mail list, and they register. Then they realize that they can use the resources from the movement and that we do not ask for anything in return. They can benefit from our resources, ask us whatever they want, but in return we ask for nothing, absolutely nothing—they do as they see fit. (Interviewee S)

There exists a sort of to-and-fro movement between face-to-face spaces and artifactual ones (e-mail lists). These lists were initially generated to address the needs triggered by physical meeting spaces:

> The truth is, these e-mail lists have been created to support new and evolving needs felt by groups of members. There is the "Ile de France" list, as an in-person meeting happens to take place once a month at this regional level, and so it made sense to create a list to support these regular meetings. Then there is the "Paris" list. Then, e-mail lists were created for each Paris district. And probably even more [narrowed-down] local e-mail lists were created, as well. Every collective of members has created a specific e-mail list to address its needs. (Interviewee S)

As a result, an unknown number of e-mail lists have seen the light of day at different territorial levels across France—ranging from a very broad national level to such narrow cellular levels as a single high school.

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The Organization Is Based on the Interplay and Articulation between Social Spaces

All lists do not have the same purpose and the same degree of openness. Some e-mail lists created for coordinating members' actions and making joint decisions cannot be accessed by all members freely. In these cases, there is a sort of co-optation that happens, in which one member gets enrolled by other ones and thus gains access. There are also thematic e-mail lists (such as the "young-adults-having-come-of-age" lists); there are ad hoc lists to manage specific events (such as confrontations with public authorities). Calls for a demonstration are not generally done via e-mail lists, however, but rather via phone calls and text messages.

We identified different categories of e-mail lists and their different specificities in terms of level of access and purpose. For each list, we identified specific rules of functioning (see Table 1). Physical meetings corresponding to different territorial levels of e-mail lists are identified in Table 2. Physical social spaces are also diverse, and match or echo the discussions held on e-mail lists, and e-mail lists—which, as discussed earlier, can be considered artifactual social spaces—echo physical social spaces. For example, in a meeting at a regional level (Ile de

Table 1: Categories and Specifics of E-Mail Lists

Category of e-mail lists	Specifics and rules
National	• Open to anyone • Effective for raising support for mobilizing activities • No decision making on this list • Willingness to seek the largest consensus to take into account the diversity of political leanings and motivations of members
Coordination (national level)	• Limited access for discussion but became open after consultation following requests of members. The process by which access was opened up echoes the symbolic dimension of freedom of the organization: "Nothing is secret, nothing is concealed." • Decision making. Examples of decisions include requests for financial aid, for equipment purchases, position of ABCD regarding the signing of a petition or participation in a call for action, etc.
Regional (such as Ile de France)	• Open to anyone • Information exchange • Mobilizing activities
Paris (city level)	• Open only to Parisian members • Information exchange • Mobilizing activities • Discussion forum
Local (such as high school list)	• Open only to local members • Information exchange • Discussion forum • Learning/knowledge creation
Thematic (different territorial levels)	• Open to all members concerned with the theme • Specific discussion forum (knowledge transfer to deal with specific situations having a legal dimension) • Routine work. Legal dimension for defending cases is sometimes paramount to building a strong case
Ad hoc (local level)	• Open to selected members • Specific event (confidentiality requested)

Table 2: Categories and Descriptions of Meetings	
Category of meetings	**Descriptions**
National	Open meeting, to decide on the mobilization themes; social places where decisions are made
Regional	Open meeting, to decide on the mobilization themes; social places where decisions are made
Local	Open meeting, to decide on the mobilization themes; social places where decisions are made
Thematic (local)	For instance, "Young-adults-coming-of-age"; detailed knowledge about the law; expertise and learning how to build a case
Demonstration (local)	Social spaces for staging a demonstration/voicing
Training (local)	Social spaces for learning and mobilizing: "We also have training sessions about the legal rights for foreigners, about what ABCD is, about citizenship and naturalization. We bring in people involved in education: teachers, nurses, etc." (Interviewee A)

France), the decision to organize what members were calling the "Métèque Parade" was made. An e-mail containing the minutes of that meeting, a call for mobilization, and the specifics of the upcoming event were forwarded to different e-mail lists. However, not everyone was on board with the parade, as some disliked the negative connotations associated with the word *métèque*, and did not want to be a part of it.[22] Five e-mails expressing discontent and protesting against the name could be traced to the "Ile de France" list. The same thing happened at the local level, as members of the ninety-three local e-mail lists for the Ile de France region expressed yet more reservations. The issue sparked a controversy within the movement. In order to clear the air, the local collective that triggered the idea of the "Métèque Parade" at the regional meeting paid a visit to the members of the ninety-three e-mail lists against the parade and explained in detail what it was all about. Discussion of this hot issue, which began on the e-mail list, was then openly debated during an in-person meeting to reach a final decision.

There are "meetings" that are places of reflection, decision making, or exchanges: national, regional, local meetings. There are also "learning" spaces, such as the thematic meetings pertaining to young adults coming of age, mentioned earlier, where members submit cases, elaborate on solutions, and benefit from the expertise of those present. Other social spaces are sites for staging demonstrations—meetings in préfectures, at airports, at courts of justice—where ABCD's presence can be noted and direct showdown with opponents can be instigated.

Regulation Processes: Insights from Within

The Emergence of Control-Based Rules at the Global Level

Beyond local regulation processes shaping specific communities of members, we also identified a set of informal rules that define specific modes of functioning at the global level of the organization. These rules are similar to a form of control-based regulation, as they prescribe features of decision-making processes within the organization. The rules apply to a specific national list: the coordination list.

These rules can be viewed as control-based rules for the organization, even if they are not linked to a specific category of actors having a higher hierarchical position. In reality, some actors have a more powerful "go" than others, in particular the founding members. Some autonomous rules have morphed into control rules over time.

The Emergence of Control Rules Due to the Activity of Switchers/Brokers

The distinction between autonomous and control rules, if analytically precise, is not clear-cut on the ground. These rules are enmeshed with one another, and some scholars stress that their status may change over time. An autonomous rule may become a control rule if those supporting the rule impose it on newcomers.[23] In that case, the relationship of solidarity that characterizes autonomous rules transforms itself into a relationship of subordination. We have noticed such transformation occurring at the interplay between different e-mail lists and different territorial levels, due to the work of particular actors. In fact, some members act

[W]e also identified a set of informal rules that define specific modes of functioning at the global level of the organization. These rules are similar to a form of control-based regulation, as they prescribe features of decision-making processes within the organization.

as "switchers" or "brokers" between spaces, and some act as "watchers" on specific lists. Every day, for one to two hours, these brokers and watchers screen all e-mails received on all the lists they are members of and decide whether or not they want to pass along some messages to other e-mail lists. They also contribute to maintaining the specific functioning and identity of the organization at the national level. So they play the role of watcher/broker/translator/regulator between physical and online spaces and also between the different territorial levels of spaces. In the following quote, a member explains how he "translates" the ABCD national decisions to the members of his local cell. In doing so, he reinforces the control-based rules at the national level:

> There will soon be a national call for action. It is most likely that among the ninety-three [local e-mail lists], some members think the text of the press release is too politically timid. When it is released, I will write and send targeted e-mails to explain why it is so, and lower the temperature. (Interviewee A)

Different types of actors who play these broker roles emerge through the regulation process, and some gain importance over time. They become ambassadors of new rules, and they permit the transformation of these autonomous rules into control-based rules. Among members, some have more influence in the network (the founding members) and some will attain more over time (those very active):

> There are the founding members who are still here and know why and how ABCD was created. As a result, there are no common values but common founding principles. (Interviewee S)

> Some members are more active, and therefore they centralize and have all the meaningful information—they get experience. (Interviewee R)

Other actors within different territorial levels appear to be in charge of ensuring that the rules are followed. Because of the intrinsic complexity of information exchanges from one e-mail list to another, a zone of uncertainty exists between different social spaces. There are movements across e-mail lists—some pieces of information are forwarded up to the regional level or to the national level if they are deemed interesting:

> There are regional lists where pieces of information are transferred. For instance, the two Chechen twins coming into France for health treatment. Cases like this are pushed up to the regional level. (Interviewee A)

Different types of actors who play these broker roles emerge through the regulation process, and some gain importance over time. They become ambassadors of new rules, and they permit the transformation of these autonomous rules into control-based rules.

Verbatim Pertaining to Rules	Formulation of Rules
"We make a decision through e-mails. Everybody answers freely when, for example, somebody proposes an action and asks for a go, and we get around fifteen answers backing the call for action; then we stop answering except if we disagree with it." (Interviewee B)	*Rule: Every member answers individually and freely to any proposal made by another member.*
"When there is an emergency, like when an illegal immigrant is boarding a plane to be expelled from France, we need at least three go-aheads. We need go-aheads, otherwise someone could do something wrong." (Interviewee B)	*Rule: In case of urgency in the making of a decision, three go-aheads expressed by members on the coordination list are necessary to confirm the call for action.*
"[The coordination] list, as we are all spread across France, is the list where decisions are made. I do not mean this is a democratic process, as this is not the right term: we do not have elections or representatives. But all those involved within the movement and willing to express their opinion on questions engaging ABCD as a whole register on this list." (Interviewee S)	*Rule: The coordination list is the list for decision making.*

As explained by a member, the strength of the network relies on the free access and free transfer of information from one e-mail list to another. This free transfer is an opportunity for everyone to spread control-based rules. The following excerpts highlight the free transfer from one e-mail list to another:

> You see, in Paris, people get arrested every day. So, we are not going to bother the Marseilles cell with our daily arrests. But when there is nothing much left we can do—when all legal means have been explored to no avail—we will put the case on the national list to get reactions. Everyone does this spontaneously. The strength of our network is that e-mails are forwarded from one list to another. Sometimes I would not have chosen to forward something but I understand why another member did. (Interviewee A)

> Each group decides, "Hey, who will be in charge of transferring from one list to another this month?" That person reviews lists and selects messages to be forwarded to his or her group's list. This is how we wanted it to be. There is no pyramid; everybody is responsible for his or her actions and group, and everyone has to search for the information he or she needs. There are three main places to look for information: national, Ile de France, and Paris. When you register on these three lists, you are up to date. (Interviewee S)

However, some actors send heads-up messages when inappropriate comments come to light on a list. (This is the case with the coordination e-mail list at the national level.) By doing so, they reinforce the autonomous rules and transform them into control-based rules, especially when the rule concerns the transfer of information from one e-mail list to another. The following excerpts show the gradual emergence of control-based rules:

> Some members still do not understand, for instance, that when there is a link to a petition for Mr. X, it should not be forwarded to the coordination list. I am in charge of forwarding messages and letting people know if they are forwarding messages to the wrong list. I am a sort of "guard of all lists." I was given this task; I have to remind members regularly how the coordination list works. (Interviewee S)

> At the beginning, e-mail lists were a catastrophe, because people were expressing themselves as if they were individual actors. We had to make clear that we are not acting alone on a list. We all share a common goal; we are a family with members contributing to the same thing (although not necessarily by the same means). Thus, there were times when, regarding specific questions or questions that were too vague and loose, we had arguments and severe tellings-off on a list, and we knew that behind these disputes were major ideological and political differences. But we felt that people who were not into that sort of thing would leave, and gradually we managed to introduce some sort of Internet etiquette. We floated the idea that it would be good to have some sort of common principles to abide by on e-mail lists. Of course, we could not say bluntly that those overstepping the red lines would be kicked out, but we had to get there one way or the other. (Interviewee S)

"At the beginning, e-mail lists were a catastrophe, because people were expressing themselves as if they were individual actors. We had to make clear that we are not acting alone on a list. We all share a common goal."

Discussion

This case study provides new insights into the means social movements use to better manage the backstage of their protest work. In particular, this study opens up different theoretical perspectives for analyzing how regulation processes—per Reynaud's perspective—contribute to organizing these social movement organizations, which are often based on very minor organizational and hierarchical structuring.

First, our qualitative methodology (interviews, participant observation, analysis of e-mail list contents and interaction) enables us to specify in detail the organizing processes of ABCD and its informal and tacit regulation processes for making decisions and taking action. We argue that

the organization's long-lasting, online-enabled resisting and mobilizing activities are sustained by organizing processes that allow it to operate effectively within a pluralist social movement. Organizing processes manifest themselves at two levels. On the one hand, they enable ABCD's collective ability to rapidly connect existing social spaces—be they online or physical ones—with one another. The latter are at best loosely coupled with one another at some moment, and they have sometimes remained dormant for a long period of time—but they can rapidly be merged, reshaped, and extended for short periods. If these connections are not routine based and are not prescribed, they nonetheless rely on informal rules. On the other hand, organizing processes make it possible to maintain the diversity of political sensibilities across members that is so essential for ABCD's ability to mobilize effectively.

We propose that the organization of this social movement be viewed as a set of social spaces—be they "real" or artifactual ones—and that the organizational work lies in the connections between the different social spaces and is not top down. We observed that organizing manifests itself through the connections between online and material spaces, and also between the social spaces constituted at different territorial levels. These connections make it possible to diffuse values and relevant pieces of knowledge across social spaces. The flexibility of organizing processes enables everyone to use everyone's skills and to contribute what they can. It allows creativity, as each cell develops its own specific identity and functioning mode; it also allows learning through the connections among different social spaces; and finally, it prevents the main risk of losing control, as control-based rules emerge progressively, particularly at the connecting points of the different cells. Thus, we demonstrate that the flexibility of the organization is based on an informal regulation process that combines autonomous rules and control-based rules.

Second, to deepen the specifics of the joint regulatory process in such "non-organizations," we mobilize the idea defended by Reynaud that the autonomous rules in organizations emerge in informal communities and that these rules contribute to their definition and stabilization.[24] We have shown that the different social spaces can be considered communities, and that the regulation in each of these local cells is autonomous and specific to the identity of each cell. In this sense, the autonomous rules appear to originate from solidarity at the local level, evolving dynamically and characterizing the community from which it emerges.[25]

So we argue that the coexistence of the whole identity of the organization and the multiple identities of its constituent communities occurs through a joint regulation process. In traditional organizations, top managers support the control-based rules because of their position in the chain of command. In this "non-organization" case study, we noted that control-based rules are produced in an informal way due to the help of human actors playing different roles, such as "watcher" or "broker." Regulation here is not a top-down process but rather relies on the interplay among the different cells composing the organization. This research field work demonstrates that control-based rules can be produced in a nonhierarchical organization. This does not mean that these rules are not effective. Indeed, strikingly, our results demonstrate that autonomous rules can become, over time, a relevant means of control.

This research field work demonstrates that control-based rules can be produced in a nonhierarchical organization. This does not mean that these rules are not effective. Indeed, strikingly, our results demonstrate that autonomous rules can become, over time, a relevant means of control.

Third, the case study shows that this social regulation is not only the result of human actions but also of the material dimension of the organization.[26] In fact, regulation is produced in the interplay of physical social spaces and online ones, and in the interplay of different territorial social spaces (local, national, regional). The material dimension of these spaces, which occurs through both the e-mail lists and the choice of a territorial action, contributes to delineating communities within the organization and also supports the emergence of autonomous rules.

The influence of the material organizational dimension on regulation can also be observed in the context of the emergence of control-based rules: first, rules, which emerge at the national level, bring a stronger control-based view; second, the definition of exchange zones among different territorial levels is the starting point for the creation of these rules. These applied rules get

progressively solidified in time, making up for the social movement's lack of formal structure and explicit rules.

So, materiality triggers the emergence of rules as they get created within local communities but also as they structure the passing of information from one community to another. Thus, as we have shown, regulation processes are not only created by human actors (as suggested by Reynaud) but also are supported by a material, technological, and spatial agency within the organization.

Finally, we have shown how the e-mail lists give materiality to the necessary regulation process. In a way, the tools used by ABCD's members (with their horizontal orientation) match their ideological expectations. Even though most members are not digital natives, they all use Internet-based tools regularly. Some spend over an hour a day with these tools. Therefore, these tools entail specific practices. Following Wanda Orlikowski's theory, such practices can be approached from a socio-material perspective and can be viewed as a genre that shapes and is shaped by individuals' communicative actions.[27] We have found that the genre created by ABCD allows its members to act efficiently according to rules that are not explicit and to contribute to the definition of the specific identity of the whole organization.

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We have explored regulation practices within an emblematic French civil society organization that defends undocumented migrant students and is engaged in large-scale resistance against French immigration policies. More specifically, we have focused on how such a movement gets regulated when hardly any trait of a classical formal organization can be found in our case study (no hierarchy, no formal rules, no legal form, no financial means, and the like). Maintaining a pluralist base of members while at the same time delivering effective, on-the-ground mobilization is perhaps its most dramatic achievement.

We have found that the genre created by ABCD allows its members to act efficiently according to rules that are not explicit and to contribute to the definition of the specific identity of the whole organization.

Our first question was how such a community participates in the process of self-regulation. We have shown that ABCD is a collection of local cells. Each cell is a community in itself. When a cell is created, members first share common ground, then a social space, then an e-mail list, and then specific practices. The regulation process emerges within the local community, which in turn has a stabilizing effect on it. ABCD volunteers usually rally around a project of human rights, but they always do it at a local level: the emerging autonomous rules are grounded in spatial materiality. The global regulation process of ABCD is therefore the consequence of online and face-to-face exchanges between and across its different cells.

Our second question was how it was that control-based rules could emerge in a "non-organization" (where autonomous rules usually prevail), and on what these rules rely. The results of our research show that some implicit control-based rules appear at the national level, may sometimes be designed by charismatic founding members, and are subsequently shared with everybody. We consider these rules to be control-based because of their scale (national level). But other rules also emerge, thanks to the activity of "brokers." These actors foster exchanges and connections among different cells, different levels of the organization, and different territories. Their work creates balance for the whole organization, as a large audience is kept informed and reminded of the rules.

We concluded that:

1. An organization with streamlined features can foster its organizing through the articulation of innumerable online (e-mail lists) and face-to-face (physical presence) social spaces at various territorial levels.

2. In this case, regulation comes from autonomous rules produced dynamically within the local communities. Control-based rules emerge throughout the exchanges of information from one territorial level to another.

3. Regulation processes (in organizations with an intensive use of information technology) are not only due to human agency but also to technological and spatial agency.

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In a Nutshell

The use of social media to knit a network or movement together will have its own organizational processes, which we are only on the near horizon of understanding. The cell-based "non-organization" described in this article provides a sense of new approaches to movement building that involve dispersed autonomous parties to coordinate a cohesive campaign.

In a time of networked action, we must consider and study how mission-focused groups establish norms without direction from a hierarchical structure. What kinds of conversations lead to the establishment of norms and rules? When do you know that a norm has been established, and how is it "enforced"? How does "joint regulation" in such a situation work? Taking a grounded research approach to noticing the patterns that unfold to create "structure" will be of utmost importance.

When positional leadership is absent how is control established? What kinds of leadership work to cohere a "non-organization," and what does that look like exactly?

Collaborating for Equity and Justice: Moving Beyond Collective Impact

by Tom Wolff, Meredith Minkler, Susan M. Wolfe, Bill Berkowitz, Linda Bowen, Frances Dunn Butterfoss, Brian D. Christens, Vincent T. Francisco, Arthur T. Himmelman, and Kien S. Lee

While appealing in its simplicity, Collective Impact fails to embrace advocacy and systems change as core strategies, retains a hierarchical approach to community engagement, and does not address the root causes and contexts of social problems. Here, the authors offer six principles that "seek new ways to engage our communities in collaborative action that will lead to transformative changes in power, equity, and justice."

The United States has historically struggled with how to treat all its citizens equitably and fairly while wealth and power are concentrated in a very small segment of our society. Now, in the face of growing public awareness and outcry about the centuries-long injustices experienced by African Americans, Native Americans, new immigrants, and other marginalized groups, we believe that our nation urgently needs collaborative multisector approaches toward equity and justice. For maximum effectiveness, these approaches must include and prioritize leadership by those most affected by injustice and inequity in order to effect structural and systemic changes that can support and sustain inclusive and healthy communities. Traditional community organizing and working for policy change will supplement the collaborative approach. We believe that efforts that do not start with treating community leaders and residents as equal partners cannot later be reengineered to meaningfully share power. In short, coalitions and collaborations need a new way of engaging with communities that leads to transformative changes in power, equity, and justice.

To that end, a group of us have developed a set of six principles under the name "Collaborating for Equity and Justice." Drawn from decades of research, organizing, and experience in a wide range of fields, these principles facilitate successful cross-sector collaboration for social change in a way that explicitly lifts up equity and justice for all and creates measurable change. We do not propose one specific model or methodology, recognizing that no single model or methodology can thoroughly address the inequity and injustice facing communities that have historically experienced powerlessness. Instead, we provide principles linked to web-based tools that can be incorporated into existing and emerging models and methodologies, toward developing collaborations that will increase the likelihood of systemic and lasting change that ensures equity and justice for all community members.

The principles we developed were also in response to popular use of what we perceive to be a flawed model: Collective Impact (CI). Foundations, government agencies, health systems, researchers, and other actors in the past relied on sophisticated collaborative models, such as Frances Butterfoss and Michelle Kegler's Community Coalition Action Theory, Tom Wolff's Power of Collaborative Solutions Model, and Pennie Foster-Fishman and Erin Watson's ABLe Change Framework.[1] However, some leading foundations and important government agencies eagerly sought a simpler way to create large-scale social change through multisector collaboration. When John Kania and Mark Kramer introduced their model of Collective Impact, its five core tenets and basic phases showed similarities to earlier models, but it was more appealing

in its simplicity and marketability.[2] The CI model was introduced in a six-page essay without pilot testing, evaluation, or significant actual experience in developing coalitions, yet government agencies and foundations quickly adopted and endorsed it. (It was revised the following year, but the revision did not substantively improve the model.) The Centers for Disease Control and Prevention (CDC), the Health Resources and Services Administration (HRSA), and philanthropic funders incorporated it into calls for proposals. Professional organizations also embraced CI. It was the theme of the 8th Biennial Childhood Obesity Conference in 2015 (cosponsored by Kaiser Permanente and the California Department of Public Health, among other organizations).

CI is described as a systematic approach that engages both organizations and individuals affected by a given issue of concern and organizations and individuals influencing that issue. Yet the model presents serious limitations, such as its failure to cite advocacy and systems change as core strategies, engage those most affected in the community as partners with equal power, and directly address the causes of social problems and their political, racial, and economic contexts. Critiques of CI have been offered by nonprofit sector leader Vu Le, who stresses the fallacy of the model's "Trickle-Down Community Engagement" approach and "Illusion of Inclusion"; PolicyLink leaders Michael McAfee, Angela Glover Blackwell, and Judith Bell, who stress equity as the missing "soul" of Community Impact; Tom Wolff, in "10 Places Where Collective Impact Gets It Wrong"; and Peter Boumgarden and John Branch, whose article "Collective Impact or Coordinated Blindness?" appeared in the *Stanford Social Innovation Review* (as did "Collective Impact," Kania and Kramer's first essay on the subject).[3]

The model's utility in practice has further been questioned by researchers who attempted to employ and test CI in collaborative efforts to address problems such as food insecurity, and found it less useful than other well-developed, community-driven models.[4] The themes that have emerged from this growing critical literature include using a top-down business model rather than a community building and development approach; the lack of a racial justice core as essential to the work; omitting creative and diverse contributions from grassroots stakeholders as equal partners; imposing shared metrics; and not acknowledging previous research and literature.[5]

To their credit, the framers of and later contributors to the CI model have continued to modify the approach, most recently developing the Collective Impact 3.0 model, which adds new conditions, including "community aspiration" and "inclusive community engagement," and has a stated focus on "movement building."[6] Yet, as discussed in this article, the meaning and level of commitment to such phrases—and the lack of meaningful evaluation of the old or newer renditions of the model—are deeply problematic. Further, although the revisions in CI 3.0 and other suggested modifications draw greater attention to equity and justice, they do not explain how CI's top-down collaborative model, which doesn't include those most affected by the issue in shared decision making, can be fundamentally reengineered after the fact for true inclusion and equity. We have yet to see evidence that CI can accomplish this.

We cannot continue to accept or slightly modify the CI model and expect to move forward. We cannot repair a model that is so heavily flawed regarding equity and justice. It is time to move beyond Collective Impact. The following six principles for collaborative practice that promote equity and justice are linked to tools and resources created on the Collaborating for Equity and Justice Toolkit website, a new Community Tool Box WorkStation, aimed at helping collaborative solutions to succeed.[7]

Principle 1: Explicitly address issues of social and economic injustice and structural racism.

As McAfee, Blackwell, and Bell stated in *Equity: The Soul of Collective Impact*:

> Race remains the fundamental fissure in America; it compounds and perpetuates disadvantage across neighborhoods and generations. . . . Racial inequities persist in all sorts of policies and practices, implicitly and explicitly. . . . In fact, racial disparities exist on every measure of individual and community well-being.[8]

The reality is that race/ethnicity and social class are far greater predictors of social and economic mobility than individual ability, motivation, and hard work, in part because racial, ethnic, and class-based inequities are often entrenched in policies and practices. As Junious Williams and Sarah Marxer have said, "Without rigorous attention to persistent inequities, our initiatives risk ineffectiveness, irrelevance, and improvements that cannot be sustained."[9]

The Collective Impact model not only fails to address these inequities and injustices but may, in fact, by its very nature serve to perpetuate them. For example, the model endorses multisectoral collaborations consisting of organizations that often are complicit in maintaining prevailing power dynamics that perpetuate racial and other forms of inequity and injustice. The emphasis on using "shared metrics" privileges traditional data collection for and by those in positions of power, and controls for the very

contextual variables that often are part of the problem. Data on disproportionate rates of obesity and diabetes among African Americans, for example, without attention to their disproportionate rates of residence in low-income food deserts, may be used to make the case for offering courses in healthy eating rather than working to change the environments and policies that cause the lack of access to healthy, affordable foods. By contrast, data collected by community members in low-income neighborhoods (for example, the amount of shelf space in local stores that is devoted to alcohol, tobacco, and sugary snacks versus healthy foods) have been used to help pass and implement city-supported healthy retail policies and programs.[10]

A 2016 review of initiatives incorporating Social Determinants of Health (SDoH), commissioned by the National Academy of Medicine, provided numerous examples of multisector collaborative models.[11] While some of these models focused on achieving health equity, none of them explicitly named addressing the role of structural racism as the vehicle through which they would accomplish their mission. In fact, the authors omitted any mention of structural racism or any other forms of structural inequities in their conclusions on addressing SDoH. Unfortunately, the documents, recommendations, guidelines, and models that such thought leaders put forth too often play a role in perpetuating efforts—from the individual to the systems level—to address SDoH while continuing to ignore structural racism and other forms of structural inequities.

The principles of Collaborating for Equity and Justice suggest that multisectoral, community-led coalitions explicitly address structural racism, defined as the history and current reality of institutional racism across all institutions, combining to create a system that negatively impacts communities of color. When the Boston Public Health Commission's REACH (Racial and Ethnic Approaches to Community Health) Coalition was launched to address breast and cervical cancer health disparities, it circulated a brochure in the community that stated, "If you're a black woman living in Boston, you have a greater chance of dying from breast or cervical cancer than a white woman. Why? Racism may play a key role in determining your health status. It may affect your access to health services, the kind of treatment you receive, and how much stress your body endures."[12] Black women in the community came to the coalition drawn by the honesty and resonance of that statement.

We suggest that collaboratives actively pursue racial justice—which we define, per Keith Lawrence and Terry Keleher's *Chronic Disparity: Strong and Pervasive Evidence of Racial Inequalities*—as the creation and "proactive reinforcement of policies, practices, attitudes and actions that produce equitable power, access, opportunities, treatment, impacts and outcomes for all"—particularly for communities of color.[13] The Boston Public Health Commission (BPHC) embodied this approach when mandating a three-day workshop for commissioners, staff, and community grantees based on a racial justice framework. Their work then focused on addressing the racism inherent in the social determinants of health that impacted the issues of concern. The Boston REACH program was one of the few funded health disparities efforts in the nation that named racism as the issue and addressed it directly, including helping staff respond to the pushback encountered when the term *racism* is explicitly used. (See the Collaborating for Equity and Justice Toolkit for tools and resources for this principle at www.myctb.org/wst/CEJ/Pages/home.aspx.)

Principle 2: Employ a community development approach in which residents have equal power in determining the coalition's or collaborative's agenda and resource allocation.

Collaborating for Equity and Justice's second principle focuses on the importance of using a community development approach that originates at the grassroots level. This approach requires that collaboratives design and implement intentional strategies to engage the community—particularly residents and those most affected by inequities and injustices—in ways that are attentive to power relations and disparities and that, ultimately, ensure that residents are equal partners.[14] This means that residents are not merely providing input, serving as advisors, helping to test ideas, or interpreting information but also are fully involved at every step and in making decisions about initiatives and other matters that affect their lives.[15]

This also means allocating time, resources, and expertise to prepare institutional leaders and residents to engage meaningfully with each other. Such engagement can be contentious and bring to the surface conscious and unconscious racial and other biases, threaten the privilege and power of some individuals and institutions, and intensify the consequences of internalized oppression and historical trauma. As a start, white members of the collaborative must gain understanding of and reflect on their own white privilege.

The other implication is that the basics of engagement—such as transportation to meetings, child-care assistance, translation of information, interpretation during meetings, and safety of residents—must be considered and built into the process. It means avoiding the use of technical language and professional jargon in communications and facilitating meetings in ways that raise, rather

than dampen, community engagement and power. The intentionality of engaging residents as equal partners and paying attention to the process is very different from Collective Impact, which advocates determining a common agenda among organizational leaders and then—and only in some cases—bringing some community representation to the table. Wolff states, "Without engaging those most directly affected, Collective Impact can develop neither an adequate understanding of the root causes of the issues nor an appropriate vision for a transformed community. Instead, the process will likely reinforce the dominance of those with privilege."[16]

McAfee, Blackwell, and Bell cite Oakland, California's early federal Healthy Start Program to reduce infant mortality among African Americans as a classic example of Collective Impact before the term achieved currency.[17] Like the federal program of which it was a part, the Oakland program emphasized the centrality of high-level community engagement and leadership from the outset, with clients and local residents, community benefit organizations (CBOs), service providers, and other actors working together with the common goal of reducing infant mortality by 50 percent. That this ambitious goal was achieved is a remarkable testament to the power of collaboration that begins with community. Sadly, the most recent call for applications from Healthy Start's funding agency (the HRSA), suggests that this focus may be lost. Local Healthy Start programs are now required to implement the Collective Impact model by setting a goal and then building "a network of nonprofits, government agencies, schools, businesses, philanthropists, faith communities, and key community leaders who create common strategies and coordinate collective activities to achieve goals over time."[18] The inclusion of key community leaders is ill defined and may well result in the inclusion of a few hand-picked community leaders known to represent the status quo rather than the interests of community residents. Indeed, the community residents and program participants are only brought in once the collaborative is formed and the strategies and activities are determined and defined.

Once community collaboratives have formed using a top-down approach, converting them to models that involve community residents as equal partners—whereby they have real influence over the agenda, activities, and resource allocation—is very unlikely. Numerous tools exist for assessing and addressing community engagement, from Sherry Arnstein's early "ladder of participation" and the CDC's "continuum of community engagement" to the Public Participation Spectrum developed by the International Association for Public Participation.[19] These tools help community groups to differentiate between token participation and authentic, shared decision making.

Around the country, hundreds of examples may be found of high-level resident participation and leadership in collaborations that are focused on criminal justice reform, the rights of people with disabilities, and ending environmental racism. Increasingly, youth-focused coalitions, in which adults are trained to engage and work respectfully with young people as equal partners in working for change, are gaining traction.[20] In such coalitions, generational differences and development of youth leadership must be worked out—and all this while ensuring that youth get the support needed to be successful academically and in life. In California's impoverished Central Valley, low-income Latino high school–age youth were helped by two social justice organizations to share their knowledge about their greatest concerns and their learned skills in community organizing, community-based participatory research, and policy advocacy to address those concerns. The resultant youth-led coalition ¡Escuelas, Si! ¡Pintas, No! (Schools, Yes! Prisons, No!) began a multipronged campaign, titled No Child Left Behind . . . Bars, that garnered substantial media attention and resulted in school district and other policy changes that substantially reduced expulsions and disrupted the school-to-prison pipeline.[21] (See the Collaborating for Equity and Justice Toolkit for tools and resources for this principle at www.myctb.org/wst/CEJ/Pages/home.aspx.)

Principle 3: Employ community organizing as an intentional strategy and as part of the process. Work to build resident leadership and power.

A weakness in most community-based coalitions, collaborations, and partnerships is the absence of community organizing. Community organizing creates the power necessary to demand and share in decision making. Collaboratives can mistake community participation or community engagement for genuine community organizing. In such situations, advice is given to those with existing decision-making power and authority rather than enhancing the power among resident leaders in the community.

Brian Christens and Paula Inzeo identify at least three ways that community organizing initiatives differ from Collective Impact and many other coalition-driven approaches to community change.[22] First, community organizing efforts are intentional about analyzing their community's power structure and building the power of their initiative to be able to change this power structure, when necessary, to achieve greater equity and justice. Second, organizing initiatives prioritize leadership by people who are most affected by the

issues of concern, rather than by those who are professionally or politically involved in working on those issues. Third, unlike CI and other approaches that emphasize only vague collaboration, community organizing initiatives also develop a capacity for conflict when it is necessary to drive important changes in policies and systems.[23]

The Collaborating for Equity and Justice approach recognizes that collaboratives must build and catalyze leadership at the grassroots level (and at all levels) to be able to mobilize the community and its resources, advocate for change, and engage all residents, institutions, and systems to define the problems and solutions. Many CI efforts and similar coalitions involve representatives of powerful institutions who are unlikely to embrace analyses or proposed solutions that implicate the community's power structure. Yet, community organizing strategies for authentic change are contingent on a critical understanding of community power and how to use it to advance community-driven solutions to local concerns.[24]

Coalitions, collaboratives, and partnerships can learn from and partner with community organizing efforts in numerous ways. One strategy is to provide training for those involved in the coalition or partnership so that principles of community organizing can be infused into more of the collaborative's work. For example, members of a coalition might seek to develop a deeper relationship with residents who are directly affected by issues of concern and engage them in the coalition as equal partners. When this approach is taken, professionals should play a supporting role whereby they share expertise, access, and resources but refrain from defining the problems and prioritizing the solutions.

This approach is well illustrated by Valuing Our Children (VOC), a grassroots child abuse prevention program in Athol, Massachusetts that provides leadership training for program participants (moms and dads), which led to their becoming part of the board and staff of VOC as well as of numerous other community organizations. They began a Valentine's Day Vigil to prevent domestic violence and child abuse, and joined the advocacy efforts of the North Quabbin Community Coalition and the legislature for policy change on welfare reform, transportation, and other issues.[25]

Another strategy is to dedicate some portion of the collaborative's resources to organizing activities, such as hiring a community organizer to build relationships with and engage residents as equal partners in the process—from identifying issues and potential solutions to taking direct actions for community change. One caution with this approach is that if organizers and organizing initiatives report directly to the coalition or depend on it for funding, this will inevitably stifle the "capacity for conflict" that Christens and Inzeo note as a distinguishing characteristic of organizing.[26] If collaboratives are truly invested in a community organizing approach, then they must seek to provide enough autonomy and funding to the initiative so that it can take bold, independent action, including potentially challenging the coalition or some of the institutions that its members represent.

The Northern Berkshire Community Coalition in Massachusetts wanted to increase the voice of the residents in the coalition and in the community. After understanding that the community had previously had a history of strong neighborhood associations, the coalition hired a community organizer to help rebuild local neighborhood associations to become a voice in the coalition and the city.[27] These new neighborhood associations became a force in the community, advocating for such local needs as playgrounds, Crime Watch, and street improvements, and held an annual citywide "Neighborhood Expo."

A third strategy is for coalitions to explore possible synergies with existing community organizing initiatives. At least one of these initiatives now exists in nearly every midsize to large city in the United States, and such initiatives are increasingly prevalent in many other countries.[28] For example, collaboratives working for racial justice and equity could seek to link with their local Black Lives Matter movements. Rather than seeking to incorporate these organizing initiatives as one more partner at the table in the coalition, those seeking to collaborate for equity and justice should understand that organizing initiatives often represent a uniquely important source of grassroots power. Often, they can take direct actions and controversial stances that would be very difficult for many other coalition members to take. Collaboratives should therefore seek to understand their shared interests with local organizing initiatives and explore ways to strategically coordinate efforts with them. (See the Collaborating for Equity and Justice Toolkit for tools and resources for this principle at www.myctb.org/wst/CEJ/Pages/home.aspx.)

Principle 4. Focus on policy, systems, and structural change.

As McAfee, Blackwell, and Bell note, "Systems and policy change are integral to advancing racial equity. Without changing policies and systems, transformation at scale cannot be achieved. Policy offers the most direct route to measurable progress. But all too often collective impact practice stops at the programmatic level." McAfee and his colleagues go on to say, "Collective impact partnerships should plan to amplify the possibilities inherent in local successes

and translate the lessons and insights into the systems, policy, and structural change needed to have sustained impact for whole populations."[29]

CDC Director Dr. Thomas Frieden underscores the importance of this shift in his 2010 call for public health programs to move toward policy change as the ultimate outcome of their community work. In his words, "[A]ddressing socioeconomic factors has the greatest potential to improve health. . . . Achieving social and economic change might require fundamental societal transformation. . . . Interventions that address social determinants of health have the greatest potential for public health benefit."[30]

An illustration of the success that collaboratives can have in the arena of policy and systems change was the tobacco-free coalitions' focus on systems change as an effective method for changing policies and behavior. Community-wide antismoking policies, such as enforcement of banning sales to minors and banning smoking in businesses, were passed by these coalitions. These policy changes and public information campaigns put smoking in a negative light and have led to cultural and behavioral change around tobacco usage. Equity and justice will be a greater challenge, but the tobacco-free coalitions illustrate the role that coalitions can have in policy and systems change.

Fundamental societal transformation, including racial equity and social and economic justice, requires changes in laws, policies, regulations, and practices, including closing loopholes that perpetuate inequities. Within the context of such systems transformation, the changes in cultural norms that are also imperative for racial and economic justice can take place in a far more effective and sustainable way.

Collaboratives also need help in developing the advocacy and political skills and relationships required to become effective in policy advocacy. Many collaborative members may be quite unfamiliar or uncomfortable with lobbying in any form (ask your members if they have ever called the office of their state representative, and see what happens). As readers of the *Nonprofit Quarterly* well know, serious challenges exist for collaborative efforts to become forces for systems change. Among these is the widely held misconception that it is illegal for nonprofits to engage in lobbying for social change. In many situations, such organizations and coalitions not only can lobby but also can commit a percentage of their budget to such activity. Collaboratives must be well versed in the laws and limits on lobbying as a nonprofit, keeping in mind that no limits exist on how much they can share results from data collection, evaluation, and other means to educate legislators and advocates about social issues and their effective solutions.[31] Some nonprofits, of course, are very skilled at lobbying and have excellent relationships with their elected officials that are mainly used for the interest of their own organization or sector rather than the good of the whole community. Collaboratives must learn how to develop and implement a joint advocacy agenda and follow through to execute the advocacy plan.

One way to accomplish this is to ally with statewide or national advocacy groups that are implementing campaigns that align with collaborative goals. The Massachusetts AHEC Community Partners Healthy Communities Coalitions worked closely with Health Care For All, the statewide health advocacy organization, to lobby for increased healthcare coverage for children and numerous other issues over the years.[32] These AHEC Community Partners coalitions across the state were very active in lobbying their local legislators to support the bill to provide health insurance for all children in Massachusetts that paved the way for the national Children's Health Insurance Program (CHIP). (See the Collaborating for Equity and Justice Toolkit for tools and resources for this principle at www.myctb.org/wst/CEJ/Pages/home.aspx.)

Principle 5: Build on the extensive community-engaged scholarship and research over the last four decades that show what works, that acknowledge the complexities, and that evaluate appropriately.

Perhaps one of the greatest shortcomings of the Collective Impact model is its failure to draw on the scholarship, processes, and well-documented outcomes of community-engaged research. While CI offered an elegant and simple framework, it lacked the substantive foundations necessary for success that could have been drawn from decades of theory development and application and research.[33] The result of this shortcoming is the formation of community coalitions that are funded and encouraged by foundations and government to use a top-down approach that likely will maintain the status quo and do little to alleviate the problems they were designed and funded to address.

The earlier literature and experience with collaboratives clarifies the following: (1) the features that lead to collaborative success; (2) the strategies and processes involved in sustainability of collaboratives; and (3) successful models for evaluating collaborative processes and outcomes.

As early as 2000, a comprehensive review of the research on collaborative community partnerships, by Stergios Tsai Roussos and Stephen B. Fawcett, identified the conditions and factors that may determine whether collaborative partnerships are effective at creating

community and systems change. They included: (1) having a clear vision and mission; (2) having an action plan for community and systems change; (3) leadership that was competent in communication, meeting facilitation, negotiation, and networking; (4) documentation and evaluation systems that capture intermediate outcomes to help document progress, celebrate accomplishments, identify barriers, and redirect activities when necessary; (5) technical assistance and support; (6) financial resources; and (7) making outcomes matter.[34] In separate research of substance abuse coalitions, others discovered that those coalitions that had the most success in reducing substance abuse in a community were those that openly addressed conflicts as they arose.[35]

Understanding and planning for coalition sustainability is another critical component of long-term coalition success. Wolff describes a four-pronged approach to sustainability that fosters: (1) building community ownership; (2) institutionalizing changes; (3) adopting policy changes; and (4) finding resources.[36] Other sustainability resources include a comprehensive sustainability manual from the CDC that is being revised, and the Center for Civic Partnerships' *Sustainability toolkit: 10 steps to maintaining your community improvements*.[37]

Overall, Collective Impact's five core components are oversimplified and provide limited guidance for collaborative efforts. One of the core features of the Collective Impact model is a shared measurement system, which is described as being complementary to evaluation. This does not adequately address the need to evaluate the collaborative's processes and outcomes. A shared measurement system may provide data, but it does not provide the evaluative framework and well-developed feedback system needed, which Roussos and Fawcett previously identified as critical. A good collaborative evaluation design will include developing frameworks to monitor the partnership's membership and internal dynamics, activity outputs, and outcomes. It will require a developmental approach during the formation stages to provide information useful for making corrective midcourse changes and prevent the collaborative from continuing down paths that may be ineffective. Having clearly defined immediate, intermediate, and long-term goals that capture the systems changes and problem reduction can help to document success and maintain member motivation and commitment. So, it is important that there be a good evaluation and learning system in place, based on what we know from scholarship and research, throughout the process.

One example, with more than twenty years of development behind it, is the widely used Community Check Box Evaluation System.[38] This coalition documentation system is a smart, helpful, easy-to-use web-based tool that captures data that show where and how well a group is progressing toward its goals. It allows coalitions to collect, store, summarize, and analyze a variety of evaluation information that is useful for management, marketing, and demonstration of impact. This process encourages participants to offer meaningful evaluations, promotes accountability, and drives continual improvements in their work. Most important, the Community Check Box makes it easy to gather information that documents and highlights collaborative accomplishments to share with both the community and funders.[39] Likewise, assessment tools such as Butterfoss's Coalition Member Survey and Wolff's Coalition Member Assessment are useful for monitoring coalition effectiveness, planning and implementation, perceived coalition leadership, member engagement and involvement, structure, communication effectiveness, and other critical factors that contribute to the collaborative's success and maintenance.[40]

Evaluation and measurement for collaboratives following the Collaborating for Equity and Justice principles require first and foremost that the indicators, outputs, and outcomes are developed and generated by the local community. Second, the evaluation design and measurement need to incorporate internal and external factors that include policy and systems change, racial equity, and justice. Third, the evaluation design and measurement should draw on ecological frameworks and community organizing literature to conceptualize the change model.

These are just some of the examples that support a case for building on past scholarship and research regarding what works, acknowledging the complexities, and including well-designed and implemented evaluation to build collaborations for racial equity and social justice. This body of work suggests that effecting social and structural change is a complex process that has a higher likelihood of success when it incorporates features from evidence-based research rather than simply from observation and limited experience. (See the Collaborating for Equity and Justice Toolkit for tools and resources for this principle at www.myctb.org/wst/CEJ/Pages/home.aspx.)

Principle 6. Construct core functions for the collaborative based on equity and justice that provide basic facilitating structures and build member ownership and leadership.

In Collaborating for Equity and Justice approaches, the role of the convening group is one of coordination, communication, and facilitation. In this role, the convener provides guidance and tools for complex change processes that

promote and support equity and justice. The convening group might fulfill the following roles:

- Securing and providing expertise and resources required to sustain the collaborative and implement action plans;
- Coordinating member activities;
- Serving as a centralized communication source for information shared among collaborative partners and stakeholders who are not members of the collaborative; and
- Managing administrative details (e.g., record keeping, making meeting arrangements, and distributing agendas and minutes).

Collective Impact assumes that most coalitions are capable of obtaining the resources to have a well-funded backbone organization. CI calls for that backbone organization to provide "overall strategic direction, facilitating dialogue between partners, managing data collection and analysis, handling communications, coordinating community outreach, and mobilizing funding."[41] By giving all those responsibilities to the backbone organization, CI inevitably creates a top-down organization versus a truly collaborative one where leadership and responsibility are dispersed. CI does not readily distinguish between leadership in a collaboration and more typical hierarchical organizational leadership. Again, extensive literature provides a guide to democratic and collaborative governance. David Chrislip and Carl Larsen's *Collaborative Leadership* helped distinguish the unique characteristics and practices of collaborative leadership in coalitions, including the skills and functions of a collaborative leader and how they differ from traditional hierarchical leadership.[42]

In Collaborating for Equity and Justice approaches, it is critical that the role the convening group or individual will play be clearly defined. If not, such a structure eventually may evolve into taking the leadership role or acting from its own interests. Regardless of whether the structure is managed by an individual from the community, is a locally formed organization, or is an entity from outside the community, setting the parameters of its role and responsibilities is essential to prevent it from evolving into the typical top-down structure that has failed communities for decades.

More important, the facilitating structure must be vigilant of the power dynamics among collaborative and noncollaborative members, and have the capacity to identify and name practices and processes that intentionally or unintentionally contribute to power imbalances for residents and other individuals who have historically been excluded. This will require, for instance, careful self-examination around issues of race, with the white members of the collaborative examining white privilege and systemic racism as they play out in the collaborative and in their work. This is not just a cognitive activity—it requires reengaging the heart as a professional development strategy for racial justice.

Butterfoss emphasizes adopting the simplest structure that will accomplish the collaborative's goals.[43] Form should follow function to ensure that the collaborative is flexible and responsive. If the collaborative does not organically form out of community concern, then the convening group should be a neutral community-based organization that provides support but does not determine how the coalition will function. Academic institutions, health and social services agencies, and other community-based nonprofits have all served as neutral conveners over decades. For example, Eastern Virginia Medical School, in Norfolk, has served as the convening agency and fiscal agent for the Consortium for Infant and Child Health (CINCH) since 1993. The consortium and its members have broached the idea of becoming an independent nonprofit several times, but they concluded that the medical school's position of neutrality and noninterference in CINCH strategies, as well as the respect given to it by the community, make it an ideal convener.[44]

All approaches to collaboration must provide for some form of central support—but more important, they must acknowledge that, ultimately, they are sustainable only by building community ownership and leadership. With the Collaborating for Equity and Justice approach, the key role of the collaborative needs to be *building* community leadership as opposed to *being* the leadership. This is based on the shared value of instituting collaborative leadership and democratic governance and decision making for a coalition. (See the Collaborating for Equity and Justice Toolkit for tools and resources for this principle at www.myctb.org/wst/CEJ/Pages/home.aspx.)

A Call to Action

We believe that for both moral and practical reasons, the collaborations of the future must focus on equity and justice. Equity and justice, in the abstract, are fundamental American values, woven tightly into our social fabric. In the abstract, they are difficult to oppose. Problems arise, though, when placing those values into community practice. In practice, they can challenge existing power structures by giving more power to those less enfranchised and threatening the power of current institutional systems and the community professionals who populate them.

Collaborating for Equity and Justice principles seek new ways to engage our communities in collaborative action

that will lead to transformative changes in power, equity, and justice. McAfee, Blackwell, and Bell got it right when they said that, moving forward, "We must focus on race, engage communities, and take on the challenge of changing systems and policy. This is the only way to dismantle barriers to opportunity, scale best practices and local models of success, and achieve the broad, deep changes needed to create communities of opportunity for all."[45]

Wolff's identification of the shortcomings of Collective Impact and the problems created by the uncritical wholesale endorsement of this approach by foundations and government laid the groundwork for our proposal of this new direction.[46] We propose that if we truly are going to address the prevailing disparities we are facing, such as the widening wealth gap and the increasingly visible injustices directed against young men of color, then we truly will need to follow the six principles described above. Collaborative multisector approaches for equity and justice that work hand in hand with traditional community organizing, public policy change, and political efforts to reach our communities' goals are essential. We doubt that top-down efforts can be reengineered to become grassroots efforts after the power has already been claimed by the powers that be.

We need to develop improved change models to enhance principles and practices of community and systems change collaboration that are based on quality research, formal evaluations, participant observations, and different ways of knowing and acting. A racial justice power analysis must be part of the approach. We need to ensure that future efforts intentionally shift power imbalances and leave the power in the hands of community residents, with the necessary supports.

Implementing the Principles of Collaborating for Equity and Justice

It is one thing to propose a new approach to collaboration but quite another to implement those principles in practice. Yet, if the principles of Collaborating with Equity and Justice have merit, then they must be diligently and continuously applied in our everyday work. How can such application best come about?

The problems facing American society are clearly multifaceted; therefore, solutions must be multifaceted as well. But each stakeholder sector can and should generate its own solutions, and these combined solutions can have a powerful cumulative effect. The best way is by parallel action along multiple fronts. Collaborations by their nature involve multiple stakeholder groups, so each of those groups must become directly and personally involved in application activities. To be more specific, we offer the following suggestions for each stakeholder group.

Foundations and federal and state governments that launched the Collective Impact juggernaut will need to turn their attention and funds to supporting approaches that embrace Collaborating for Equity and Justice principles. They will need to: (1) adjust their expectations for collaboratives so as to make equity and justice the top priority; (2) adjust their timelines to longer-term commitment and support; (3) be willing to tolerate controversy; (4) support the shifting of power and dismantling of structural racism; and (5) be prepared to deal with conflicts that arise from oppression, including internalized oppression and threats to privilege.

Existing collaboratives, including those using a Collective Impact approach in their practice, will need to embrace the principles of equity and justice set forth in this paper and reexamine their membership, distribution of power and resources, social change agendas, and current commitments to an equity and justice work plan. Relabeling alone will not do the job. What is required is the hard work of conducting one-to-one conversations in the community with those most affected, and bringing them into the decision making and leadership of the initiative. It will also require education, self-reflection, and discussion within the collaborative on power, racial justice, and equity.

Community organizers may reach out to existing coalitions and collaboratives, but coalitions and collaboratives should proactively identify organizing initiatives and reach out to them to explore possibilities for partnerships or collaborations. At the same time, they should recognize that organizing initiatives must maintain their autonomy to engage in forceful advocacy when it is needed to create local change. Coalitions must learn to embrace (or at least appreciate) this approach as a key avenue to pursue equity and justice.

Community professionals will need to release much of their control over local definitions of and solutions to community problems, and commit to sharing power and doing business in less traditional ways. This will involve developing new skill sets for facilitation, partnering, and serving in supportive roles.

The nonprofit sector has a vital role to play here, particularly when it becomes directly engaged in local community life. As public resources remain scarce or become scarcer, we will need to get better at mobilizing and utilizing all local assets, including local skills and abilities, to maintain community well-being. Collaboration across community sectors will certainly be a primary way to do this, and that is something many nonprofits already know how to do. We start with an advantage here, because collaboration plays to nonprofit strengths.

10 Places Where Collective Impact Gets It Wrong

1. Collective Impact does not address the essential requirement for meaningfully engaging those in the community most affected by the issues.
2. Collective Impact emerges from top-down business-consulting experience and is thus not a true community development model.
3. Collective Impact does not include policy change and systems change as essential and intentional outcomes of the partnership's work.
4. Collective Impact misses the social justice core that exists in many coalitions.
5. Collective Impact, as described in John Kania and Mark Kramer's initial article, is not based on professional and practitioner literature or the experience of the thousands of coalitions that preceded their 2011 article.
6. Collective Impact mislabels its study of a few case examples as "research."
7. Collective Impact assumes that most coalitions are capable of obtaining the resources to have a well-funded backbone organization.
8. Collective Impact also misses a key role of the backbone organization—building leadership.
9. Community-wide, multisectoral collaboratives cannot be simplified into Collective Impact's five required conditions.
10. The early available research on Collective Impact calls into question its contribution to coalition effectiveness.

Collaborating for Equity and Justice Principles

1. Explicitly address issues of social and economic injustice and structural racism.
2. Employ a community development approach in which residents have equal power in determining the coalition's or collaborative's agenda and resource allocation.
3. Employ community organizing as an intentional strategy and as part of the process. Work to build resident leadership and power.
4. Focus on policy, systems, and structural change.
5. Build on the extensive community-engaged scholarship and research over the last four decades that show what works, that acknowledge the complexities, and that evaluate appropriately.
6. Construct core functions for the collaborative based on equity and justice that provide basic facilitating structures and build member ownership and leadership.

All of us will need to exercise the courage to do what is needed, even though it may not be quick and easy. In the end, following the principles described in this article has the greatest likelihood for creating a more equitable and just world—the kind of world that most of us would like to live in.

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The Philanthropic State: Market–State Hybrids in the Philanthrocapitalist Turn

by Linsey McGoey

The net worth of the world's richest individuals is growing larger even as economies are shrinking, but governments remain one of the most powerful—if not *the* most powerful—actors in the philanthrocapitalist turn. Indeed, state support is vital to the rise of "new" philanthropic movements. Here, the author suggests that recent work in economics on the "risk–reward nexus" can help development scholars to better theorize the relationship between private and state actors in philanthropy.

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Over the past decade, a new form of philanthropy has emerged, termed "philanthrocapitalism." Champions of philanthrocapitalism suggest that private giving can fill the void left by diminished government spending on social and development programs. Critics suggest that philanthropy is no substitute for strong governmental support for social welfare. Both perspectives perpetuate a dichotomy between the public and the private, implying that philanthrocapitalism operates in a vacuum largely divorced from governmental interventions. In reality, rather than a binary approach, it's useful to understand the ways in which the philanthrocapitalist turn has compelled increased financial support from governments toward the private sector. Drawing on three cases—direct philanthropic and governmental grants to corporate entities; impact investing; and advanced market commitments (AMCs) in drug development—I illustrate the ways in which governments remain one of the most powerful, if not *the* most powerful, philanthropic actors in the philanthrocapitalist turn.

The article makes three main points. First, drawing parallels between new organizations such as the Gates Foundation and earlier foundations such as Rockefeller and Ford, I suggest that philanthrocapitalism is simultaneously far *less* novel and *more* novel than proponents suggest. Second, I suggest that a neglected actor within discussions of philanthrocapitalism is the state itself. Just as legislative change and governmental subsidies were crucial to the nineteenth- and twentieth-century development of global economic markets, state support is vital to the rise of "new" philanthropic movements; governments are, somewhat ironically, instrumental to the success of philanthropic movements strengthened by proclaiming the ineptitude and waning influence of government policies. Third, I suggest that recent work by economists William Lazonick and Mariana Mazzucato on what they term the "risk–reward nexus" can help development scholars better theorize the relationship between private and state actors in development projects.[1] The article concludes with a brief discussion of the paradoxes at root in the image of the lone philanthrocapitalist "entrepreneur" reshaping development policies.

The New Empire of Giving

A key question to ask of the "new" philanthrocapitalism movement is, "Just how new is it?" The term was first coined in 2006 in an article in the *Economist*. Later on, Matthew Bishop, an editor at the *Economist*, and Michael Green, a former policy maker at the United Kingdom's Department for International Development (DFID), elaborated on

the concept in their 2008 book, *Philanthrocapitalism: How the Rich Can Save the World*.[2] Compelling studies of the phenomenon have been offered by leading thinkers such as nonprofit specialist Michael Edwards and legal theorist Garry Jenkins, who have explored the movement's emphasis on using performance metrics, innovative financing models, and increased stewardship of grantee decision making to purportedly make the nonprofit sector more efficient and cost effective.

There have also been sober efforts to query the assumption of novelty among the new philanthrocapitalists. Stanley Katz, for example, has suggested that the objective to render philanthropy more cost effective and results oriented has a far longer historical heritage than most proponents of philanthrocapitalism appear to realize.[3] Both John D. Rockefeller and Andrew Carnegie aimed, as the sociologist Nicolas Guilhot writes, "to apply the rational methods of business to the administration of charitable deeds, which they considered to be outdated and deficient."[4] What *is* new about the new philanthropy is the extremely fast clip at which new philanthropic foundations are growing. As outlets such as *Forbes* have reported each year since the onset of the 2008 financial crisis, the net worth of the world's richest individuals is growing larger even as average wages stagnate. Wealth concentration has reached unprecedented levels. Worldwide, the number of billionaires more than tripled from 2000 to 2010, growing to 1,011 from 306, and many of them are steering their fortunes toward new philanthropic entities. In the early 2000s, as the Foundation Center reports, the number of active foundations was about fifty thousand. It now stands at over eighty-nine thousand. An estimated five thousand more philanthropic foundations are set up each year.

The State–Corporate Nexus

The explosion of new philanthropic trusts comes at a time when governments are facing public demand to reduce overseas development assistance, something that already comprises only a minuscule portion of most states' gross national income (GNI). At the UN General Assembly in 1970, donor governments pledged to spend 0.7 percent of GNI on official development assistance. Since then, the majority of rich nations have regularly failed to meet the 0.7 percent target. In some years, aid falls to between 0.2 and 0.4 percent of GNI—a shortfall amounting to hundreds of billions.

The fact that private philanthropic giving is *increasing* at the same time that, proportionately, the amount spent by Western governments as a ratio of their GNI is *decreasing* has led to the growing public perception that private actors are playing a strong or majority role in development financing when it comes to dollar expenditures. This is not, in fact, the case. Take the example of the Bill and Melinda Gates Foundation and global health. When it comes to financial investment, the Gates Foundation outpaces any other private philanthropic foundation in the world, donating over $18 billion to global health programs to date.

While that figure is significant, it is paltry compared to what rich nations spend collectively on global health initiatives each year. From 2004 to 2008, for example, the President's Emergency Plan for AIDS Relief (PEPFAR) spent over $18.1 billion on global HIV/AIDS programs. In other words, one singular initiative from the U.S. government had spending on par with the Gates Foundation's total spending on global health to date.

In recent years, the Gates Foundation has contributed more annually toward global health than individual nations such as Canada and Germany, but less than the United Kingdom and the United States. In 2012, Canada contributed roughly $379 million to overseas health programs; its annual spending on development aid in general—including funds earmarked for health—tends to hover around the $1.5 billion mark. Germany spent $307 million on health aid in that year, while the United Kingdom contributed $1.3 billion to global health initiatives—a rise of 2.3 percent over the earlier year. The Gates Foundation, in comparison, spent $899 million on global health in 2012. United States spending on global health amounted to more than that of the Gates Foundation, Canada, Germany, and the United Kingdom combined: its outlay in 2012 was $7 billion.[5]

Although governmental overseas development assistance far exceeds the amount spent by private foundations on international development, foundations are rich in political influence. The visibility of the Gates Foundation enables it to leverage its own resources in order to rally partners to the causes it aims to prioritize. The eminent global health scholar Laurie Garrett has suggested that at the World Health Organization virtually no major policy decisions take place without being "casually, unofficially vetted by Gates Foundation staff."[6]

The visibility of the Gates Foundation helps to galvanize state funders to increase their funding toward areas that the Gates Foundation deems important, while simultaneously helping to entrench the questionable perception that states are increasingly deferring their own commitments to the philanthropic and corporate sectors. Many states are not, in fact, deflecting commitments to the private sector; they are channeling more aid directly to private industry. Governments are extending themselves in new directions in a semblance of surrendering control to private entities that are,

in many ways, *less* entrepreneurial than governments themselves.

In 2003, for example, DFID provided just under $1.5 million in a one-off, nonrepayable donation to Vodafone to establish M-Pesa, a system allowing villagers in Kenya to pay bills through text message on their mobile phones. By 2007, Vodafone and Safaricom, a Kenyan company partly owned by Vodafone, had M-Pesa up and running. Within two years, the M-Pesa scheme accounted for a significant portion of Safaricom's $200 million annual profits. By 2008, Safaricom was Kenya's (and also East Africa's) largest and most profitable company.[7] In 2010, the Gates Foundation offered a nonrepayable grant of $4.8 million to Vodacom, a Vodafone subsidiary, to enable the company to roll out M-Pesa in Tanzania.

As of December 2011, Vodafone had a market capitalization of $135 billion. In September 2010, the British-based company was criticized for tax avoidance schemes that enabled it to avoid billions by securing the acquisition of a German corporation through a Luxembourg subsidiary. Despite its ample resources, the company has stated that seed funding from the U.K. government was necessary to expand operations in less-developed markets. Nick Hughes, the global head of international mobile payment solutions at Vodafone, stated that without the $1.5 million from DFID toward the development of M-Pesa, he could not have persuaded Vodafone to invest in the venture.[8]

DFID's support for Vodafone is regularly touted as an example of the benefits of providing governmental support to finance or corporate ventures. It is pointed to by DFID officials as an example of mutual gain: Vodafone expands its market reach, while domestic users benefit from enhanced technology. Cases such as the Vodafone example are underpinning the so-called "market" turn in development, characterized by the recent explosion of public–private partnerships intended to combat persistent market failures in the provision of basic services or treatments.

Interestingly, in most public–private partnerships, the private sector is often seen as bringing market "efficiency" as well as financial resources and know-how to the relationship. But often it is governments that provide a financial subsidy or grant to industry, not the reverse. Despite the role played by governments in funding a development initiative, the ability of a private actor to capitalize on a project at the point of market access means that many casual observers are unaware that governments were even involved at all. Most popular press articles on M-Pesa celebrate the entrepreneurial acumen of Vodafone and Safaricom, despite the fact that Hughes is on record attesting to the fact that his colleagues at Vodafone refused to invest in the initiative without a government grant. A recent article in *Wired*, for example, hails M-Pesa as a "non-governmental, cashless system," calling it a "rare example of Africa successfully leapfrogging the developed world's legacy infrastructure and moving straight into a mobile system."[9]

Governments to the Rescue

Public ignorance of DFID's direct grant to Vodafone helps to entrench a widely held fallacy: that private actors are inherently more innovative or entrepreneurial than public ones. Recently, a number of influential economists have sought to challenge this notion, questioning the idea that the private sector is necessarily more risk friendly than state actors in creating new economic markets. Lazonick and Mazzucato have been at the forefront of research examining the role of the public sector in driving innovation in the private sector. They suggest that there is a growing disconnect between the economic actors driving innovation, including governments, and those reaping the financial rewards of public-sector investment. "While risk-taking has become more collective—leading to much discussion about *open* innovation and *innovation* ecosystems," they write, "the reward system has become dominated by individuals who, inserting themselves strategically between the business organization and the product market . . . lay claim to disproportionate share of the rewards of the innovation process."[10]

One of Lazonick and Mazzucato's aims is to emphasize that the willingness to invest in the most uncertain phase of a fledgling sector's development demonstrates that government actors don't simply regulate or "fix" markets, they actively create and shape new market opportunities. Governmental underwriting and subsidies toward industry groups is a well-documented phenomenon; Michael Lind's 2012 book, *Land of Promise*, for example, details the long history of government investment in new rail and extractive technologies in the nineteenth century.[11] And yet, according to Lazonick and Mazzucato, many mainstream economists remain either indifferent or blind to the strong role of the state in financially underwriting innovations. They suggest that while there is fairly widespread recognition of the import of the economist John Maynard Keynes's insights on the value of state investment during economic *downturns*, the fundamental role of the state in driving innovation in economic *upswings* is curiously ignored. Similarly, while many economists recognize the strong role played by states in creating new markets in developing regions, fewer economists "have focused on the state as a leading actor even in the most developed regions of the world, such as Silicon Valley."[12]

Because the state's early investments in innovation are often capitalized upon by private investors, it is difficult to measure the financial returns directly generated through state investment. In other words, it is hard to measure which is the *most* innovative—the state or the private sector. In Lazonick and Mazzucato's words, the "failure to recognize the State's risk-taking role, and the 'bumpy' landscape on which it invests, makes it almost impossible to measure its success." Despite this difficulty, it is incontestable that government investment has been the genesis of many of the most successful and profitable innovations in recent decades, including the development of the Internet.

In blunt language, Lazonick and Mazzucato suggest that increased state subsidies "permit companies to get off the hook of making these risky investments themselves even as their executives deliberately make no mention of State support. Indeed they invoke 'free market' ideology to claim that, having taken all the risks, 'private enterprise' needs to reap all the rewards."[13]

The misguided tendency to assume that private actors are inherently more innovative than governments underscores a degree of rhetorical confusion within the philanthrocapitalism movement. Often, words such as "entrepreneurial" and "innovative" are used interchangeably to describe the purportedly novel approach of new philanthropic initiatives, with little empirical support for whether these "new" approaches do actually represent substantive changes over earlier business models.

As Ruth McCambridge, editor in chief of the *Nonprofit Quarterly*, writes in an article questioning the increased vogue for words such as "innovation" and "entrepreneurship," in reality these things are often very distinct, if not incompatible:

> You do not necessarily need a new idea to be an entrepreneur—you just need to figure out the packaging that will sell a product to the buyer in a way that builds an institution. The most common definition of an entrepreneur is "one who organizes, manages, and assumes the risks of a business or enterprise" . . . entrepreneurs open up pizza places and spas, and build carpeting emporiums—none of which is especially innovative.[14]

Defined in this way, it becomes clear that very few of the "new" development initiatives touted by the new philanthropists, such as microfinance, could be called either innovative or entrepreneurial. The first modern microfinance institution (MFI), the Grameen Bank (founded in 1983 by Muhammad Yunus, who later won a Nobel Peace Prize for his work), was indeed innovative—providing financial services on a nonprofit basis to populations shunned by Wall Street–type lenders. But MFIs since are mostly derivative. Those that *have* innovated, such as by charging increased interest rates, have done so at the expense of Yunus's initial vision. Many MFIs today operate on a for-profit rather than nonprofit basis. Some charge cripplingly high interest rates, eliciting Yunus's censure for the explosion of MFIs that increase indebtedness.

The New Déjà Vu: Impact Investing as Market Opportunity

Impact investing is another area where there's considerable hype over the idea that investors can "do good by doing well." It's defined as the idea that individuals can earn "market-rate" financial returns for investing in projects geared toward providing environmental and social benefit. A recent report from Monitor, a consultancy firm founded by the management scholar Michael Porter, provides a comprehensive overview of impact investing. The report states that investor excitement over impact investment has been fueled by a 2010 study from J.P. Morgan, the Rockefeller Foundation, and the Global Impact Investing Network, which predicted that potential profits for investors could range from $183 billion to $667 billion, with invested capital reaching $1 trillion.[15]

Attracted by the capacity for profit, investors flocked to this space—but since then, as the Monitor report notes, investors have been dealt a "reality check." There are not enough financially promising companies for impact investors to invest in. Organizations abound that appear to offer *social* benefit, but whether they can offer market-based returns is questionable—and vice versa. The experience of the Acumen Fund, a nonprofit group that funds market-based solutions to development challenges, illustrates this problem. After considering five thousand potential companies over ten years, it invested in only sixty-five of them. Quoting a candid comment from Andrew Carnegie, "Pioneering don't pay," the Monitor report acknowledges that most for-profit investors are reluctant to invest in areas where the financial payoff is uncertain. As coauthor Robert Katz wrote in a press release, because for-profit investors are uneasy about investing in risky financial ventures, "truly realizing the 'impact' in impact investing will require more, not less, philanthropy."[16]

The Monitor report draws on the case of microfinance to support its call for increased philanthropic support for impact investing. The authors note that, before microfinance became financially profitable, the microfinance sector received roughly *$20 billion* in subsidies from philanthropies and governmental aid. The report emphasizes that microfinance is now a financially

robust impact investment area. While still underperforming compared to some market-based sectors, "[N]et internal rates of return for debt-based microfinance investment vehicles (MIVs) averaged 4.9 percent through 2008, while riskier equity-based MIVs achieved 12.5 percent." Two leading proponents of impact investing, Jed Emerson and Antony Bugg-Levine, share this favorable view. In a 2011 interview, they pointed out that, even during the recent economic downturn, "impact investors in microfinance bonds received a consistent 6 percent return . . . not a bad financial return at all."[17]

In other words, after billions in subsidies from taxpayers, microfinance investors are finally starting to turn a handsome profit for investors in the Global North. But are they actually helping loan recipients in the Global South?

The answer appears, so far, to be no. There is considerable literature on the adverse effects of microfinance, detailing the ways that both for-profit and nonprofit microfinance lending often saddle loan recipients with crippling debt. There is currently no evidence that microfinance is playing any significant role in poverty reduction, something that Bugg-Levine and Emerson do acknowledge, pointing out that the for-profit turn in microfinance has led to "unintended consequences" for the poor.[18]

The cases of impact investing and microfinance underscore an unresolved question surrounding the new philanthrocapitalism: where's the evidence that the growing trend of using overseas development aid and philanthropy to offer subsidies to the private sector is helping to directly alleviate poverty in development regions? According to a 2015 working paper from Paddy Carter, a researcher at the Overseas Development Institute, the evidence is far thinner than people often realize. Carter is an advocate of the idea that governments can and should offer subsidies to private industry, but he suggests that champions of this approach require far more demonstrable proof that returns to general society outweigh returns to private investors; otherwise, the decision to offer money to a for-profit rather than a nonprofit recipient is not defensible.[19]

Subsidizing the Corporate Sector

One of the strongest champions of the idea that philanthropists should directly subsidize corporations is the Gates Foundation.

In 2013, the Gates Foundation announced a grant of $100,000 to Ogilvy PR, a public relations firms, for a project called "Aid is working: tell the world." Ogilvy PR is part of Ogilvy and Mather, one of the largest marketing companies in the world. That Ogilvy is a benefactor of Gates Foundation largesse raises uncomfortable questions. Corporations receive sizable tax breaks in the United States. Is a gift from the Gates Foundation to Ogilvy, or its $4.8 million grant to Vodacom, really the best use of money that, if it had been taxed as income rather than placed in a philanthropic trust, would have benefited government relief programs? It is incontestable that M-Pesa has created benefits for local communities in Kenya and elsewhere—but, given the financial windfall the program has generated for Vodafone, should the company not have borne the cost of its investment? Why are taxpayers increasingly helping to subsidize the returns of for-profit companies that have healthy profit margins, as the Vodafone and Ogilvy examples indicate?

These questions are at the heart of a recent controversy over the value of AMCs (advance market commitments), a type of financial mechanism where manufacturers are guaranteed a market for new products at a set price in exchange for developing treatments for diseases such as malaria and tuberculosis. Despite governmental and industry acclaim for AMCs, critics suggest that the first and sole AMC to date—a vaccine against pneumococcal disease—has not been as cost effective as it could have been, profiting industry at the expense of taxpayers.

Below, as a final case study, I explore recent debates over the first AMC. My aim is to emphasize the following point: by partnering with the private sector through a public–private partnership such as the AMC, governments often surrender both the ability to generate revenue from products and the legal ability to determine the cost effectiveness of existent or future projects. Both knowledge and income are sacrificed in the name of purported increases in efficiency—a problem that is growing more acute as ever more overseas governmental development aid is gifted to private companies.

Advanced Market Commitments: Hype or Hope?

For decades, health and development scholars have called attention to a long-standing problem in global health: the lack of new drugs for diseases that afflict the world's poor proportionately more than the world's rich. A 2002 study found, for example, that of the 1,393 new chemical entities marketed between 1975 and 1999, only sixteen were for tropical diseases and tuberculosis. In the years since, there has been a groundswell of political and public support for new financing and legal initiatives intended to combat this problem by incentivizing multinational companies to invest in research and development for diseases that primarily afflict the poor.

The AMC is one such mechanism. It is a model of vaccine and drug development first proposed in the 1990s by

Michael Kremer, an economist at Harvard University. One of Kremer's aims was to battle the shortage of vaccines in developing regions. His initial idea was fairly simple: a donor makes a binding commitment to purchase a particular amount of a vaccine or drug if that product is successfully developed and rolled out in developing regions. The appeal is clear. Kremer's aim was to get around the fact that a considerable amount of government funding goes to early seed research that often fails to yield viable products. The aim of the AMC model is to offer a reward for concrete results.

In 2004, the Gates Foundation funded a working group to examine the viability of AMCs. This led to *Making Markets for Vaccines*, a 2005 report from the Center for Global Development (CGD).[20] Government actors soon came on board. In December 2005, the U.K. government announced its intention to fund an AMC for malaria; other European Union countries stated that they might consider following suit. By June 2009, plans for the first AMC had crystalized. Working with the organization Gavi, the Vaccine Alliance (Gavi is an acronym for "Global Alliance for Vaccines and Immunizations"), the governments of Italy, Norway, Canada, Russia, and the United Kingdom, together with the Gates Foundation, committed a total of $1.5 billion toward the development of a vaccine against pneumococcal disease, which kills an estimated 1.6 million people each year, most of them children.

In 2010, Pfizer and GlaxoSmithKline (GSK) responded to a tender to distribute the vaccines, committing to supply millions of doses of the vaccines, which each manufacturer had previously developed: Synflorix, in GSK's case, and Pfizer's Prevenar 13. Although each vaccine commands a market price of about $70 per injection in developed regions, the companies agreed to distribute them for an initial price of $7, then $3.50 for the next ten years, with local governments committing 15 cents of the $3.50 and the rest covered by pledges from government actors and the Gates Foundation.

A first rollout of the AMC-funded pneumococcal vaccine took place in December 2010. In a press release at the time, Gavi lauded the new AMC. "By rapidly scaling up the roll out of the pneumococcal vaccine to more than 40 countries," Gavi stated, "the GAVI Alliance and its partners, including the Pan American Health Organization (PAHO), the World Health Organization (WHO) and UNICEF, can avert approximately 700,000 deaths by 2015 and up to seven million deaths by 2030."[21]

And yet, despite the fanfare, the development of the first AMC has faced persistent criticism. Health economists suggested that the vaccines might have been purchased far more cheaply by traditional UNICEF procurement procedures; that Gavi lacked transparency in deciding how much to reimburse manufacturers for each vaccine; and that the creative possibilities first envisioned by Kremer—such as relaxing patent rules that make it hard for generic competition to flourish—were eclipsed from deliberations as the model became a reality.

Concerns centered on the high costs of the first AMC. Part of the challenge of the AMC model is generating a figure that would ensure that industry manufacturing costs in rolling out the vaccine are reimbursed—while still convincing government donors that tax dollars have been spent effectively. In May 2008, at one of the final meetings of the CGD expert working group sponsored by the Gates Foundation, the group recommended a payment of ten dollars per dose. Some donor countries, including Norway, argued that the cost was too high and had been set, as an article in the *Lancet* noted, "by industry premises." Norway argued the cost should be no higher than seven dollars.[22]

The health economist and sociologist Donald Light suggested that the ten-dollar figure produced by the CGD working group was based on much-debated industry figures of how much it costs to bring a new drug to market. The economist Andrew Farlow has suggested that champions of AMCs promote "advance purchase commitments in much the same way that some pharmaceutical companies promote 'wonder drugs': emphasizing the positives, burying the negatives, and ending up suggesting that we now have all the answers—or rather just the one answer—that we need."[23]

Gavi eventually decided on a price of seven dollars per initial dose—considerably less than initial estimates. Rather than alleviate concerns, the arbitrary price drop simply compounded the controversy over AMCs, because the price drop was just that: arbitrary. Nobody could say for certain why GSK and Pfizer should receive fifteen dollars per dose, or ten, or seven, because the companies refused to release information on their own manufacturing costs. Staff at Médicins sans Frontières (MSF), which has long been a pioneer in vaccine delivery in poor regions, repeatedly asked for the baseline data on which the AMC was modeled. Gavi promised to release the data but failed to follow through.

During an interview with Gavi, a representative told me that she would have liked to have been able to share more data with MSF and other organizations, but emphasized that legally Gavi was not permitted to. "One of the biggest challenges we have is how big is this incentive . . . the criticism is, 'you're overpaying.' And you say, 'no, we're not overpaying,' but how can you share it when you can't share the cost information?"

Leading health organizations such as MSF remain concerned that, in the

absence of data on manufacturing costs, it is hard to gauge whether Gavi—and the governments that help to fund it—have been overpaying GSK and Pfizer for distributing the vaccines. In 2010, MSF and Oxfam International released a report questioning whether AMCs were "an appropriate mechanism for stimulating development of new vaccines, as originally hoped."[24] The unanswered question of exactly how much the pneumococcal AMC financially profited GSK and Pfizer is particularly important given budget reductions at United Nation bodies such as WHO. In recent years, WHO has seen significant reductions in voluntary contributions from states. As Garrett has reported, the current budget crisis at WHO has seen over 12 percent of the agency's staff let go in the past four years.[25]

During a period of diminished contributions by governments to WHO, countries such as the United Kingdom, Italy, and Canada have increased contributions to new public–private partnerships such as Gavi. In many ways, the money for Gavi is to be much welcomed. Increased childhood vaccinations are a considerable health improvement of the past decade. But an outstanding question is whether payments to industry could have been lower, ensuring that government grants to the private sector are spent in a cost-effective way. The more fundamental question is whether state development aid should be subsidizing the pharmaceutical industry—currently one of the most profitable industries in the world—at all.

Public health scholars Anne-Emanuelle Birn and Joel Lexchin have suggested that, as a long-term strategy, Gavi should support the development of public, parastatal companies for vaccine research and production. Cuba and Brazil are two states that have adopted such a model. Since focusing on local capacity building in the 1980s, Brazil has become self-sufficient in producing eight vaccines, including for polio and hepatitis B. Embracing a public model may avoid the detriment detailed above: the inability to access commercial production costs.[26]

Conclusion: Lionizing the Wrong Schumpeter

In this article, I have sketched some preliminary challenges to the assumption that lone entrepreneurs and philanthrocapitalists represent a radical break from earlier efforts to court capital investment from traditional lenders, including governments and philanthropic foundations. Within the "new" philanthrocapitalism movement, state aid to for-profit organizations continues to be a key source of support for business ventures that, as the microfinance case illustrates, often benefit wealthy investors at the expense of loan recipients in poor countries. In *Capitalism, Socialism, and Democracy*, Joseph Schumpeter extensively detailed the ways that corporations rely on legally favorable institutional arrangements, including patents, in order to ensure returns on investment. "Long-range investing under rapidly changing conditions . . . is like shooting at a target that is not only indistinct but moving—and moving jerkily at that," Schumpeter wrote. "Hence it becomes necessary to resort to such protecting device as patents."[27] He emphasized the importance of government aid and intellectual property protections to economic growth.

Today's philanthrocapitalists are valorizing a convenient caricature of Schumpeter, neglecting his analyses of the ways that, through patents, subsidies, and competition legislation, governmental support is instrumental in sustaining economic prosperity. Through such selective valorization, philanthrocapitalists have helped to perpetuate a dubious belief: the idea that corporations and private entrepreneurs are subsidizing gaps in development financing created by increasingly noninterventionist states. In reality, it is often governments subsidizing the philanthrocapitalists.

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27. Joseph A. Schumpeter, *Capitalism, Socialism and Democracy* (New York: Harper & Row: 1975 [first ed. 1942]), 88; see also Karl Palmås, "Re-assessing Schumpeterian assumptions regarding entrepreneurship and the social," *Social Enterprise Journal* 8, no. 2 (2012):141–55.

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The Overhead Baby and the Bathwater: A Nonprofit Trustees' Need-to-Know

by John MacIntosh and George Morris

As this article points out, it may not make sense for external parties to use overhead as a primary measure of nonprofit effectiveness, but it's important for nonprofit boards to keep an eye on the ratio. Let's not throw the baby out with the bathwater.

A successful nonprofit must be financially viable, deliver an effective program, and be mission-driven. When thinking of financial viability, trustees should have a clear understanding of the nonprofit's business model, full costs, and overhead structure. Unfortunately, the last of these—overhead—is all too often seen as little more than a necessary evil, to be minimized as much as possible.

We disagree. While critics of the overhead myth rightly point out that an organization's level of overhead doesn't say much about whether its programs are effective, a thorough understanding of overhead *can* suggest whether the programs, effective or not, could be delivered in a more efficient and/or stable way.[1] So trustees should not hesitate to give overhead careful consideration and scrutiny alongside the other important indicators of efficiency and effectiveness.[2] Trustees serious about overhead should keep in mind some important patterns highlighted by our recent analysis of the overhead of several thousand nonprofits:[3]

- In every sector—from arts and culture to health and human services—nonprofits report a wide range of administrative expenses. *But every sector also shows clear economies of scale*, with larger organizations showing administrative costs that are significantly less (15 to 50 percent lower) than smaller organizations as a percentage of total expenses. (Three-quarters of organizations have administrative expense ratios between 8 and 19 percent.)
- Despite all the attention they get, fundraising expenses represent less than 10 percent of total overhead (the rest are administrative expenses) and are highly concentrated in a small fraction of organizations. In fact, almost half of the organizations—mostly very small groups or those working in health/human services with approximately 100 percent government funding—report no fundraising expenses at all. (Three-quarters of organizations have fundraising expenses between 2 and 9 percent.)
- While fundraising *ratios* differ considerably by sector and size, fundraising *efficiency*—the amount spent versus the amount raised—varies far less by sector and not at all by size. (Three-quarters of organizations have fundraising efficiency between $0.09 and $0.29.)

Does our analysis provide sufficient information for trustees to assess their organization's overhead? Of course not.

In fact, trustees should be very wary of making peer comparisons based only on publicly available information. However, organizations that appear to be well outside the "normal" range (i.e., outside the range of 75 percent of nonprofits of the same size and sector)—should try to understand why. If costs appear low, is this a sign of efficiency, underinvestment, or poor reporting? If costs appear high, is this an inherent feature of the program, a function of organizational structure, or something else? Even if overhead appears to be in the normal range, nonprofits need to make a persuasive argument that the level of expenses is appropriate and should be funded.

In a world where overhead was viewed in the proper context, organizations wouldn't need an overhead strategy—but in the world we live in, they do. Though nonprofit leaders are working hard to educate donors to place less emphasis on overhead, to mandate that government contracts fully fund the associated indirect expenses, and to encourage foundations to be more generous with overhead-friendly general operating support, these efforts will take time. So, for the foreseeable future, organizations must continue to cobble together a varied portfolio of funding—high indirect-rate contracts, low indirect-rate contracts, restricted grants, and unrestricted general operating funds—to make ends meet.

Strategically, trustees should address two distinct questions regarding overhead:

1. Given our organizational boundaries, how can we fund our overhead?

- *Raise more unrestricted funding:* Dollar for dollar, unrestricted funding is by far the most valuable type of funding. It's also the hardest to raise. To maximize unrestricted support, trustees must give meaningfully to organizations they govern and encourage others to do the same. Despite this, only 60 percent of nonprofits report 100 percent giving by trustees, and only 26 percent of trustees are directly involved in fundraising from others. Trustees must also recognize that while the supply of total philanthropy is largely fixed, many organizations may be underinvesting in development. At the same time, they must be realistic about what is possible given the nature of the organization (issue area, size, etc.) and accept that any increased investment in development is truly "risk money" that may not pay dividends immediately, if at all. Finally, they should monitor the ratio of private general support relative to government and other restricted funding. A reduction in this ratio over time can lead to much greater risk.
- *Optimize restricted funding:* Funding streams differ in the amount of overhead that can be recovered. Some organizations are better than others at maxing out the recovery. And different organizations can incur very different marginal overhead costs for an identical program, depending on how it fits with the rest of their activities. So, in theory, it should be possible to optimize restricted funding based on a thorough understanding of each contract (or potential contract) and how it fits together with the rest. But, in practice, things are more complicated. Organizations must resist the temptation to chase fat contracts outside their area of expertise. Becoming overreliant on contracts that have been taken on because of the margin may erode the nonprofit's ability to stay on mission and can become a Gordian knot (i.e., difficult to untangle) if circumstances change.
- *Achieve efficiency through organic growth:* Scale *is* associated with greater efficiency *on average*. But many nonprofits (and their trustees) underestimate the risks associated with trying to grow their way out of a funding problem. Increased scale is often accompanied by more managerial complexity. And contracts that don't cover their fully loaded costs individually are unlikely to do so in aggregate. Furthermore, organizations generally require more private philanthropy (in absolute terms) as they grow, even if they become more efficient and, therefore, require less as a percentage of revenue. Growth may also require increased space to conduct programs. The financial commitments required to rent or own this space will generally be much longer in duration than the guaranteed program income, creating a significant mismatch risk.
- *Achieve efficiency through process redesign:* While scale effects are real, they appear modest compared with the range of performance exhibited by organizations of the same size. So nonprofits concerned about overhead costs but reluctant—or unable—to grow may still be able to increase efficiency by redesigning processes and using technology better. Nonprofits interested in exploring these strategies should work to recruit trustees with significant operating, technology, or business process experience.

2. Given our overhead, do we have the right organizational boundaries?

A second approach to more sustainably funding overhead is to explore moving the organization's boundaries. Sometimes an effective program is embedded within an organization that, for whatever set of reasons, is not structured to deliver it efficiently and/or sustainably.

In this case, the situation might be improved by moving the organizational boundaries through outsourcing, joining a management service organization, sharing space, divesting/spinning off programs, or even merging with another organization. And this type of organizational redesign can sometimes offer the benefits that might come from greater scale, redesigned processes, or optimized funding at a lower risk than trying to achieve these things alone.

In our experience, organizations—particularly those that are "doing just fine"—often take their boundaries for granted and thereby fail to explore these opportunities. Of course, any suggestion that an organization's boundaries might be moved can raise sensitive issues of mission, culture, board member ego, job security, funder reaction, and so forth. But with thoughtful planning, these issues can usually be worked through. And even if the organization determines not to move its boundaries, the exploration will leave it better aware of its strengths and weaknesses and the environment in which it operates.

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So far, so good. But let's be honest: few people join nonprofit boards to read spreadsheets or study expense allocations. Compensation and staffing levels are sensitive topics. *Merger* or even *outsourcing* can be dirty words. Analysis can suppress the warm glow that drives giving and service. There are no outside financial analysts, activist shareholders, or markets for corporate control to impose organizational effectiveness and efficiency from the outside. So the commitment to make overhead analysis part of everyday leadership and governance has to come from within. And in a tough environment, organizations unable to do this are likely to find themselves in an increasingly precarious position.

Notes

1. Art Taylor, Jacob Harold, and Ken Berger, "The Overhead Myth: Moving Toward an Overhead Solution," open letter to the Nonprofits of America (GuideStar, BBB Wise Giving Alliance, and Charity Navigator, 2013).
2. For our discussion of related issues, see Dylan Roberts et al., *Risk Management for Nonprofits* (Oliver Wyman/SeaChange Capital Partners, March 2016), www.oliverwyman.com/content/dam/oliver-wyman/global/en/2016/mar/SeaChange-Oliver-Wyman-Risk-Report.pdf. See also Ruth McCambridge, "Nonprofit Risk Management Report a Must-Read for Nonprofit Boards and Execs," *Nonprofit Quarterly*, March 16, 2016, nonprofitquarterly.org/2016/03/16/nonprofit-risk-management-report-a-must-read-for-nonprofit-boards-and-execs.
3. Included in this analysis were 10,754 organizations in the New York Metropolitan Statistical Area—excluding all organizations reporting no administrative expenses (representing 10 percent by count, 1 percent by functional expense). The financial information used was from the 2014 filing year. Source: Amazon Web Services, IRS 990 Public Dataset, aws.amazon.com/public-data-sets/irs-990/. For the full report, see John MacIntosh, George Morris, and Dylan Roberts, *Understanding Overhead: A Governance Challenge For Nonprofit Trustees* (Oliver Wyman/SeaChange Capital Partners, December 2016), seachangecap.org/wp-content/uploads/2016/12/Overhead-for-Trustees.pdf.

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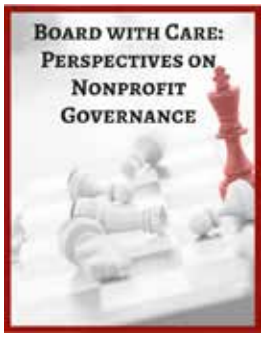

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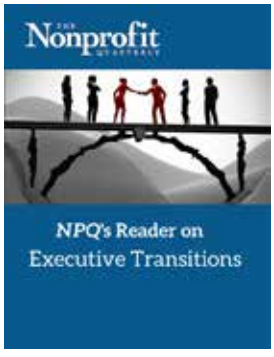

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