Reinforcing the Safety Net: Explaining the Propensity for and Intensity of Nonprofit-Local Government Collaboration

Heather MacIndoe[1]

Abstract

This article uses data from a survey of nonprofit executive directors in Boston, Massachusetts to address the question: which factors influence the *propensity* for and *intensity* of nonprofit-local government collaborations? The likelihood of collaboration (or propensity) is influenced by resource dependence on government and foundation funding, reduced transaction costs, and perceived competition with other nonprofits. The strength (or intensity) of nonprofit-local government relationships is positively associated with nonprofit capacity, resource diversification, factors associated with reduced transaction costs, and participation in a nonprofit membership association. These findings have important implications for government practitioners and nonprofit leaders who seek to foster stronger collaborations.

Introduction

Much has been written about the genesis of collaborations between nonprofit organizations and governments. Over the past several decades, complex contractual relationships between governments and nonprofit organizations emerged as service provision shifted from the public to the private sector (Feiock et al. 2007; LeRoux 2008; Salamon 1995; Smith and Lipsky 1993). During this period of time, growth in the number of nonprofit service providers was accompanied by increasing competition and uncertainty in funding environments (Boris et al. 2010; Galaskiewicz and Bielefeld 1998; Grønbjerg 2001), and by ongoing restructuring of management and accountability within nonprofits and government agencies (Alexander, Brudney, and

Yang 2010; Bishop 2007; MacIndoe and Barman 2013; Rivenbark and Menter 2006).

Although much research on nonprofit-government relations considers how federal and state governments interact with nonprofit organizations by regulating nonprofit activities, granting tax-exempt status, and contracting

[1] Department of Public Policy and Public Affairs, McCormack Graduate School of Policy and Global Studies, University of Massachusetts Boston, Boston, MA, USA

Corresponding Author:
Heather MacIndoe, Department of Public Policy and Public Affairs, McCormack Graduate School of Policy and Global Studies, University of Massachusetts Boston, 100 Morrissey Blvd, Boston, MA 02125, USA.
Email: heather.macindoe@umb.edu

with nonprofits to provide social services (Boris and Steurle 2006), there has been less of a focus on the relationship between nonprofits and *local* governments (Bowman and Fremont-Smith 2006). However, in this time of increased demand for public services, reduced revenues, and increasingly complex policy challenges, nonprofit-local government collaborations are garnering increased attention (Abels 2012; Bishop 2007; DeLeon and Varda 2009; Nelson 2012; Kettl 2006).

This article contributes to our understanding of nonprofit-local government collaborations and the factors that contribute to successful more durable partnerships in three ways. First, the article highlights an aspect of public–private collaborations that is de-emphasized in the public administration literature on collaborative public networks: the perspective of nonprofit partners. Second, the article considers several reasons for collaboration beyond service provision, including advocacy, technical assistance, and information exchange. Finally, the article disentangles two important aspects of collaboration by separately examining factors that influence the likelihood (propensity) of nonprofit-local government collaborations and the strength (intensity) of these partnerships.

Research on the Strength of Collaborations

It is important to understand the factors that affect not only whether a nonprofit collaborates with a local government but also, perhaps more importantly, the issues that influence the strength of public–private partnerships. Previous research suggests that strong nonprofit-local government collaborations can be characterized by two dimensions: the number of partners (from few to many) and the intensity of collaboration (from less to more). Studies of collaborative service networks find that the number of organizational partners, typically measured as network centrality, is associated with important outcomes such as influence over decision making by other network members (e.g., Agranoff 2008; Provan, Huang, and Milward 2009). In addition, research on nonprofit

networks finds that the number of organizational ties is positively associated with organizational growth and increased philanthropic giving (e.g., Galaskiewicz, Bielefeld, and Dowell 2006; King and Whitt 1997).

The intensity of organizational collaborations, measured as the frequency of interactions, enables organizational partners to capitalize on lower transaction costs resulting from routines and relationships established through repeated interactions (Austin 2000; O'Regan and Oster 2000; Provan and Milward 1991). A study of early child care service collaborations found more intense collaborations resulted in beneficial outcomes for organizations and the populations they served (Selden, Sowa, and Sandfort 2006). Stronger collaborations benefit municipal leaders who seek to provide quality services at lower costs and nonprofit managers who want to ensure sustainability while accomplishing their service missions.

Hypotheses Regarding Nonprofit-Local Government Collaboration

The hypotheses related to the propensity for and intensity of nonprofit-local government collaboration in this study are derived from four theoretical perspectives: organizational characteristics (e.g., Foster and Meinhard 2002; Guo and Acar 2005), resource dependence (e.g., Pfeffer and Salancik 1978; Saidel 1991), transaction costs (e.g., Williamson 1975, 1985; Williamson and Masten 1995), and institutional environments (DiMaggio and Powell 1983; Meyer and Rowan 1977).

Organizational Characteristics

Previous research has found that nonprofit characteristics such as mission, leadership, age, size, and staff capacity influence a variety of organizational behaviors, including participation in policy advocacy (Child and Grønbjerg 2007; MacIndoe and Whalen 2013), success in resource procurement (Suárez 2011), and use of performance measurement (Barman and MacIndoe 2012). Nonprofit mission may be particularly consequential for nonprofit-local

government collaborations, which are often focused on service provision (Bowman and Fremont-Smith 2006). In terms of leadership, nonprofit board members with ties to other organizations increase the formality of intra-sector collaborations (Guo and Acar 2005) and foster more effective communication between organizations (Stone, Crosby, and Bryson 2010). Public managers serving on nonprofit boards may be uniquely positioned to facilitate local government collaborations with nonprofits and serve as bridges between organizations with shared goals but different cultures. Younger nonprofits may experience a "liability of newness" that might impede their ability to collaborate with local government as they focus on acquiring stable funding sources to bolster organizational survival (Chambré and Fatt 2002; Stinchcombe 1965). The propensity for and intensity of nonprofit-local government collaborations may also be associated with larger nonprofits, where size is measured as total revenues or expenses, since these organizations may have additional capacity to engage in collaborations that meet the requirements of local government partners. Simo and Bies's (2007) study of cross-sector collaborations after Hurricanes Rita and Katrina found that nonprofit capacity, indicated by organizational size and the presence of a formal volunteer program, was an important factor in successful relief efforts. This suggests two hypotheses about organizational characteristics:

Hypothesis 1a: Nonprofit mission (e.g., public benefit) and leadership (e.g., composition of board of directors) will positively influence the propensity for and intensity of nonprofit-local government collaborations.

Hypothesis 1b: Measures of nonprofit capacity (e.g., size, full-time staff) will be positively associated with collaborative intensity.

Resource Dependence

According to resource dependence theory, organizations act to manage uncertainties that arise as a result of their dependence on other organizational actors (Hillman, Withers, and Collins 2009; Pfeffer and Salancik 1978). Previous research on interorganizational relationships finds that the probability of collaborations between organizations increases with their degree of interdependence (Gulati and Gargulio 1999; Saidel 1991). Governments can supply funding, certification or accreditation, and technical assistance to their nonprofit partners (Amirkhanyan 2009; Rivenbark and Menter 2006). However, they face resource constraints that shape their ability to effectively and efficiently deliver public services (Nelson 2012). Nonprofits can provide services, information, political support, and legitimacy to public agencies (Gazley and Brudney 2007; Selden, Sowa, and Sandfort 2006). Yet nonprofits are also constrained by their reliance on funding streams from government and private entities (such as philanthropic foundations), which often include stipulations that influence the nature of collaboration (Graddy and Chen 2006; Jang and Fieock 2007; Saidel and Harlan 1998; Shaw 2003). Nonprofit-local government collaborations represent one strategy that both governments and nonprofits can use to manage their mutual resource dependence and realize cost savings (Saidel 1991; Shaw 2003).

Nonprofit organizations that achieve greater resource diversification through the development of new revenue sources can reduce uncertainty in their funding environments (Carroll and Stater 2009). Collaborations may foster increased financial stability through reliable revenue streams, making it easier for nonprofits to assume the risks and costs of partnerships with local governments (Snavely and Tracy 2002). Resource diversification decreases resource dependence and may facilitate more sustainable partnerships (e.g., Bielefeld 1992). This suggests two hypotheses related to resource dependence:

Hypothesis 2a: The propensity for nonprofit-local government collaborations will be positively associated with nonprofit resource dependence on government and foundation funding.

Hypothesis 2b: Resource diversification will be negatively associated with the propensity for nonprofit-government collaborations and positively associated with the intensity of collaborations.

Transaction Costs

Transaction cost theory states that interorganizational collaborations may reduce the costs associated with organizational activities such as service delivery or fund raising (Williamson 1975, 1985; Williamson and Masten 1995). A desire to lower transaction costs and achieve greater effectiveness and economic efficiencies is central to many public–private partnerships (Foster and Meinhard 2002; O'Regan and Oster 2000). However, such collaborations are not cost-free (Gazley 2010). Local government nonprofit collaborations may increase the complexity of organizational decision making for all parties because the objectives of multiple stakeholders must be taken into account (Stone 2000) and participants must reconcile different organizational systems, vocabularies, and cultures (Babiak and Thibault 2009). More intensive local government nonprofit collaborations, where partners invest in relationships over time, may reduce the costs of service delivery and other activities of local government. Previous experience with other cross-sector partnerships, such as collaborations with for-profit firms or joint advocacy, may prepare nonprofits for collaborations with local government (Gazley 2010) and reduce the perceived costs associated with collaboration.

Competition is another factor affecting collaboration. Some research suggests that collaboration in the form of service contracting may occur in environments in which there are fewer service providers (Van Slyke 2003), while other research finds that interagency competition for resources hinders nonprofit collaboration (Mulroy 2003). However, nonprofit *perceptions* of competition in their organizational fields may have a greater impact on collaborative behavior than objective measures of service competition (e.g., Amirkhanyan 2009; Foster and Meinhard 2002). This suggests two hypotheses related to transaction costs:

Hypothesis 3a: Factors that reduce transaction costs, such as prior experience with collaborations, will be positively associated with the propensity for nonprofit-local government collaboration.

Hypothesis 3b: Perceived competition with other nonprofits will negatively influence the propensity for and intensity of nonprofit-local government collaborations.

Institutional Environment

Institutional theory states that in their quest for legitimacy and resources, organizations adopt professional practices, and norms (DiMaggio and Powell 1983; Meyer and Rowan 1977).[1] Nonprofit membership organizations are a mechanism through which professional norms and expectations are conveyed to their members. Balassiano and Chandler (2010) and Casey (2011) note the growing importance of state and national associations that are primarily focused on policy advocacy related to the nonprofit sector. These state associations provide a variety of benefits to their member organizations such as director and officer insurance and group purchasing discounts (e.g., office supplies and health insurance). Participation in a nonprofit membership association exposes organizations to expectations concerning collaborations with local governments (Casey 2011; Hwang and Powell 2009). For example, the Massachusetts Nonprofit Network hosts regional meetings across the state bringing legislators and nonprofits together to discuss issues like health care and PILOTs (payments in lieu of taxes). This suggests a hypothesis concerning nonprofit networks:

Hypothesis 4: Nonprofit membership in a networking association should increase the propensity for and intensity of nonprofit-local government collaborations.

Data and Methodology

Boston Area Nonprofit Study (BANS)

This study uses data from the Boston Area Nonprofit Study (BANS) to examine variation

Table 1. Typology of Collaborative Intensity.

Category	Description	Dimensions of Collaboration		Nonprofits Collaborating with Local Government[a]	
		N of partners	Frequency	N	%
Exploratory	Early stages of building relationships with other organizations	Few	Limited	57	22
Episodic	Effectively built some key relationships with a few types of relevant parties	Some	Occasional	97	37
Persistent	Built and maintained long term relationships with a variety of parties	Many	Often	109	41
Total[b]				263	69

Note: [a]Data from the Boston Area Nonprofit Study. [b]Total reflects nonprofits in the sample that reported collaborating with local government.

in the incidence and strength of nonprofit-local government collaborations. The University of Chicago Survey Lab administered the online survey of nonprofit executive directors from fall 2008 through spring 2009 and achieved a 63 percent response rate ($N = 379$). Nonprofit managers were asked about organizational characteristics and practices, including information about the frequency, strength, and purpose of nonprofit collaborations with federal, state, and local governments. The organizational sample, stratified by nonprofit mission, size, and geographic location, was drawn from the Business Master File (BMF) maintained by the National Center for Charitable Statistics at the Urban Institute. The sample focused on service-providing nonprofit organizations.[2] The distribution of nonprofit mission and organizational size in the sample is comparable to that of nonprofits across Massachusetts (MacIndoe and Barman 2009).

Dependent Variables: Propensity for Collaboration and Collaborative Intensity

Two dependent variables are examined. The first dependent variable is a dichotomous indicator of whether nonprofits collaborated with local governments. Nonprofit managers were asked to respond to the survey question: "In the last fiscal year, has your organization collaborated

or partnered with local government?" Respondents were asked to indicate "yes" or "no." As shown in Table 1, 69 percent (263 organizations) of Boston-area nonprofits in the sample engaged in collaborations with local governments.

The second dependent variable, collaborative intensity, was constructed from the following survey question: "Which of the following best describes your organization's external relationship building with local governments? (a) Early stages of building relationships, limited use of collaboration; (b) Effectively built and leveraged some relationships with key relevant parties; (c) Built, leveraged, and maintained strong high impact relationships with a variety of relevant parties." As shown in Table 1, nonprofit managers' responses to this question reflect a typology of increasing collaborative intensity in which nonprofit collaborations are characterized as (a) exploratory (few partners and limited interactions), (b) episodic (some partners and occasional interactions), or (c) persistent (many partners and frequent interactions).

Reasons for Collaboration and Collaborative Intensity

A descriptive exploration of the measure of collaborative intensity reveals statistically significant variation in the reasons for which nonprofit-local government collaborations are forged.

Although service provision is cited as a primary reason for collaboration, there are other rationales to consider, including information exchange, joint advocacy, and technical assistance. Supplemental Table 1 reports nine reasons for nonprofit engagement with local governments; five forms of collaboration (information exchange, joint advocacy, technical assistance, service provision, and funding consortiums) show statistically significant variation across the categories of the typology of collaborative intensity. This indicates that the typology applies to a range of collaborative activities.

Analytic Strategy

Two regression analyses address the research questions regarding the propensity for and strength of nonprofit-local government collaboration. Logistic regression is appropriate for analyzing dichotomous dependent variables (e.g., the propensity to collaborate: yes or no). Multinomial logistic regression is appropriate when the dependent variable is characterized by discrete choices measured on a nominal scale. This model is used to examine variation across the three categories of intensity (i.e., exploratory, episodic, and persistent). Exploratory collaboration is the reference category in the analysis.

Independent Variables

The literature on nonprofit characteristics, resource dependence, transaction costs, and the institutional environment suggests a number of independent variables that may explain the propensity for and strength of nonprofit-local government collaborations. Supplemental Table 2 reports descriptive statistics for the independent variables in the analysis.[3] Nonprofit characteristics in the regression model include mission, age, size, the presence of a full-time staff, and whether a government official serves on the nonprofit's board of directors. Measures of resource dependence include nonprofit identification of foundation or government funding as a primary source of organizational revenue. An additional measure, resource diversification, is

calculated using a Hirschman-Herfindahl index incorporating six forms of nonprofit revenue (Carroll and Stater 2009; Frumkin and Keating 2011). Higher index values indicate greater diversification of nonprofit revenues (i.e., less dependence on any particular form of funding). Three variables indicate how transaction costs may influence collaboration: prior collaboration with for-profit firms, participation in policy advocacy, and the perception of competition with other nonprofit organizations. A variable indicating whether a nonprofit belongs to a nonprofit membership organization captures the influence of the institutional environment on nonprofit-local government collaboration.

Findings and Discussion

Regression Models Predicting Propensity for and Intensity of Nonprofit-Local Government Collaborations

Approximately 69 percent ($N = 263$) of respondents in the sample reported collaborating with their local government (Table 1).[4] The intensity of these relationships was characterized as exploratory (22 percent), episodic (37 percent), and persistent (41 percent). Tables 2 and 3 present the results of two regression analyses predicting the propensity for and intensity of nonprofit collaborations with local government partners. Supplemental Table 3 summarizes the findings of each model with respect to the hypotheses.

Nonprofit organizational characteristics impact both the likelihood and the intensity of collaborations with local government. Hypotheses 1a and 1b are supported by the analyses. Nonprofit mission influences both the incidence and the intensity of collaborations. Arts organizations are less likely and environmental organizations more likely to engage in collaborations than are human service nonprofits. However, nonprofits with public benefit missions are more likely than are human service organizations to engage in persistent collaborations.[5]

Another organizational characteristic, the presence of a government official on a nonprofit board of directors, increases both the propensity

Table 2. Logistic Regression Predicting Propensity of Nonprofit-Local Government Collaboration.

Independent Variables	Coefficient	(*SE*)	Odds Ratio
Independent variables[a]			
Constant	−0.79	(0.52)	0.45
Organizational characteristics			
Nonprofit mission[b]			
Public benefit	−0.38	(0.43)	0.68
Education	−0.53	(0.42)	0.59
Health	−0.73	(0.62)	0.48
Art	−1.20**	(0.41)	0.30
Environment	1.08*	(0.65)	2.93
Organizational age	0.00	(0.01)	1.00
Organizational size	0.00	0.00	1.00
Full-time staff	−0.03	(0.19)	0.97
Government official on board of directors	1.05**	(0.52)	2.84
Resource dependence			
Foundation funding	0.66**	(0.29)	1.94
Government funding[c]	1.24***	(0.36)	3.45
Resource diversification	−0.31	(0.39)	0.74
Transaction costs			
Collaborates with for-profit firms	1.05***	(0.27)	2.86
Participates in policy advocacy	0.59**	(0.29)	1.81
Competition (other nonprofits)	0.20**	(0.07)	1.22
Institutional environment			
NPO member organization	0.30	(0.30)	1.35
Model χ^2	115.54***		
Log likelihood function	355.23		
Degrees of freedom	16		
Tjur coefficient of determination[d]	0.28		
N of observations	379		

Note: [a]Correlation table available from the author. [b]Human service nonprofits are the reference category. [c]To check for possible endogeneity of government funding, model was estimated without government funding and the coefficients remained stable, the model was not substantially changed. [d]For discussion of this goodness-of-fit statistic, see Tjur (2009).
***$p < .001$. **$p < .01$. *$p < .05$ (two-tailed tests).

for and the intensity of collaborations with local government. This finding corresponds with previous research that has found that board member expertise influences organizational priorities and practices such as performance measurement (Barman and MacIndoe 2012). Measures of organizational capacity (size and full-time staff) did not predict the overall likelihood of collaborations but were associated with persistent (as opposed to exploratory) collaborative intensity. Larger nonprofit organizations with full-time paid staffs are more likely to have frequent and enduring collaborations. As previous researchers have noted, additional organizational resources facilitate collaboration (Snavely and Tracy 2002).

The results for the effect of resource dependence on the propensity for and intensity of nonprofit collaborations with local governments were mixed. Resource *dependence* increases the likelihood of nonprofit-local government collaboration while resource *diversification* influences the intensity of such collaborations. Hypothesis 2a is supported, while Hypothesis 2b is partially supported. Nonprofit resource dependence on public and private funding increases the likelihood that nonprofits collaborate with local governments but does not influence the intensity of these partnerships. Resource diversification increases collaborative intensity but does not impact a nonprofit's propensity to collaborate. These findings appear to

Table 3. Multinomial Logistic Regression Predicting Intensity of Nonprofit-Local Government Collaboration.

| | Dependent Variable Category[a] | | | |
| | Episodic collaboration | | Persistent collaboration | |
	Coefficient	(SE)	Coefficient	(SE)
Independent variables				
Intercept	−2.08***	(0.56)	−2.44***	(0.62)
Organizational characteristics				
Nonprofit mission[b]				
Public benefit	0.78*	(0.46)	0.79*	(0.46)
Education	−0.01	(0.42)	−0.60	(0.46)
Health	0.01	(0.68)	0.15	(0.67)
Art	0.11	(0.43)	−0.34	(0.47)
Environment	1.05	(0.73)	0.43	(0.85)
Organizational age	0.00	(0.01)	−0.02**	(0.01)
Organizational size	0.00	(0.00)	0.00*	(0.00)
Full-time staff	0.62**	(0.21)	0.86***	(0.23)
Government official on board of directors	0.98**	(0.48)	0.93*	(0.51)
Resource dependence				
Foundation funding	0.18	(0.31)	0.50	(0.32)
Government funding	0.26	(0.34)	0.07	(0.36)
Resource diversification	0.18	(0.41)	1.02**	(0.44)
Transaction costs				
Collaborates with for-profit firms	0.99***	(0.29)	0.88**	(0.31)
Participates in policy advocacy	0.39	(0.30)	0.73**	(0.32)
Competition (other nonprofits)	0.03	(0.08)	−0.06	(0.09)
Institutional environment				
NPO member organization	0.18	(0.32)	0.87**	(0.33)
Model χ^2	134.21***			
Log likelihood function	698.38			
Degrees of freedom	32			
N of observations	263			

Note: [a]Reference category: Exploratory collaboration (few partners, limited engagements). [b]Human service nonprofits are the reference category.
*$p < .10$. **$p < .05$. ***$p < .001$.

support research describing how resource providers often demand that partnerships be formed as a condition of funding (Shaw 2003). However, the analysis suggests that resource dependence does not necessarily lead to intense relationships.

Both the propensity for and the intensity of collaboration are positively influenced by factors associated with reduced transaction costs. The analysis supports Hypothesis 3a. Nonprofit organizations that have prior experience with for-profit collaborations and previous exposure to collaboration via participation in policy advocacy are more likely to engage in and have more intense local government collaborations.

Nonprofit organizations whose managers perceive high levels of competition with other nonprofits are more likely to engage in collaborations with local governments but are less likely to have intense collaborations. Competition does not have a significant influence on the intensity of collaborations. Hypothesis 3b is not supported. The analysis indicates that nonprofits that perceive a competitive environment with their peer organizations are more likely (than are nonprofits that do not perceive competition) to enter into local government collaborations. However, engagement in collaborations as a strategy to address competitive

environments does not translate into collaborative intensity.

Finally, collaborative intensity is bolstered by the institutional environment, notably nonprofit involvement in member associations. While engagement with membership organizations increases the intensity of collaborations, it does not increase the likelihood of such collaborations. Hypothesis 4 is partially supported. The finding that nonprofit membership in a state association is positively associated with collaborative intensity makes sense since these network organizations have missions that require regular interaction with government officials.

Comparing Factors Influencing the Propensity to Collaborate and the Intensity of Collaborations

Taken together, these findings indicate some overlap, and interesting divergences, in factors that influence the likelihood and strength of nonprofit-local government collaborations. For example, greater nonprofit capacity is only a significant predictor of the intensity of collaborations but was not associated with an increased propensity to collaborate with local governments. Public managers who want to foster longer lasting collaborations with nonprofit organizations might consider ways to increase nonprofit capacity. In this time of increased fiscal pressure on municipal budgets, municipalities might consider non-revenue supports to strengthen nonprofit capacity. For example, municipalities that have volunteer coordinators could forge partnerships with nonprofits that receive local government funds to divert excess volunteer capacity to nonprofit organizations.

Dependence on specific revenue sources (government and foundation funding) increases the likelihood of collaboration, but not its intensity. Much research focuses on the resource dependence between nonprofits and governments. There is less attention to how nonprofit resource dependence on philanthropic funding might shape nonprofit government collaborations. Community foundations position themselves as local problem solvers. Foundation-led initiatives bring nonprofits and local governments together on community issues as diverse as immigrant language acquisition (Wilson 2013) and welfare to work partnerships (Stone 2000). Public managers might consider how to strategically partner with community foundations as a way to harness nonprofit resource dependence on philanthropic foundations for public purposes.

Nonprofit participation in normative networks impacts the intensity of collaborations, but not their establishment. While state associations of nonprofit organizations are increasingly important policy actors (Casey 2011), most of their activities are focused at the state and federal levels. Municipal leaders might consider how to engage nonprofit membership associations around local issues.

Conclusion

While nonprofit-local government collaborations can be mutually beneficial, these cross-sector relationships are embedded in complex organizational, resource, and institutional environments. Public private partnerships can strengthen the social safety net, providing benefits to local governments, nonprofits, and the populations they serve. Local governments may achieve efficiencies and cost savings through contracting out service provision to nonprofits (Bishop 2007). Nonprofit organizations can use collaborations to secure resources and technical expertise from public managers (Amirkhanyan 2009; Rivenbark and Menter 2006). However, in a time of mounting fiscal pressures, public managers may need to consider how factors such as resource dependence and networks shape collaborations, re-examine the incentives attached to funding, and think about collaborations in innovative ways (Martin, Levey, and Cawley 2012).

Some limitations of this study should be acknowledged. First, it is based on a sample of nonprofits located in one city, which may limit the generalizability of the findings. Second, the units sampled in the survey are nonprofit managers, not municipal managers or heads

of public agencies. Thus, this study provides insight into collaborative relationships through a particular lens: the perspectives of nonprofit managers in a city that is home to a large and diverse nonprofit sector with a strong history of collaboration with local government (MacIndoe and Barman 2009).[6]

Future research could examine factors that influence the content of nonprofit-local government collaborations (see Supplemental Table 1). Examining the purpose of nonprofit-local government collaborations can help to distinguish service needs from organizational needs (Sowa 2009). Future research could also investigate the prevalence and patterns of non-revenue based collaborations between nonprofits and local governments as well as nonrevenue supports beyond service contracting such as technical or administrative support for joint grant applications or municipal marketing of nonprofit services to local residents.

Acknowledgment

Author's Note

Declaration of Conflicting Interests

Funding

Notes

1. DiMaggio and Powell (1983) describe the process of organizations becoming more similar through the adoption of field level organizational practices as "normative isomorphism."
2. The sample excluded respondents from nonprofits without a primary focus on service provision, religious organizations that are not required to register with the Internal Revenue Service (IRS), smaller nonprofits that are not required to file a tax return with the IRS, and mutual benefit organizations that provide services only to members (as opposed to the general public).
3. A correlation table for the independent variables is available from the author, no pairwise correlation exceeds .40.
4. Unless otherwise stated, all references to collaboration in this discussion refer to nonprofit-local government collaborations.
5. Nonprofit mission is measured using the National Taxonomy for Exempt Entities, the national standard for classifying nonprofit organizations by their primary tax-exempt purpose (Child and Grønbjerg 2007). The public benefit category refers to organizations with activities that focus on social improvement such as civil rights, social action, and community improvement. The "public benefit" label distinguishes these nonprofits from "mutual benefit" nonprofits (excluded from the sample). Public benefit organizations are nonprofits that serve the general public, while mutual benefit organizations only provide benefits to members.
6. A recent illustration of notable local government-nonprofit collaboration in Boston is the 2009 mayoral commission charged with establishing guidelines for nonprofit payment in lieu of taxes (PILOTs). PILOTs are negotiated payments made by property owning nonprofits to municipalities to account for lost property-tax revenue on tax-exempt property. This nationally recognized collaboration between nonprofits and the city of Boston helped to establish new voluntary guidelines for PILOT payments (Kenyon and Langley 2010). The Boston guidelines are being looked to as a model by other cities with large percentages of tax-exempt properties due to property owning nonprofit organizations.

Supplemental Material

The online appendix is available at http://slgr.sagepub.com/supplemental.

References

Abels, Martin. 2012. Managing through collaborative networks: A twenty-first century mandate for local government. *State and Local Government Review* 44:29S–43S.

Agranoff, Robert. 2008. Enhancing performance through public sector networks: Mobilizing human capital in communities of practice. *Public Performance & Management Review* 31:320–47.

Alexander, Jennifer, Jeffrey L. Brudney, and Kaifeng Yang. 2010. Introduction to the symposium: Accountability and performance measurement: The evolving role of nonprofits in the hollow state. *Nonprofit and Voluntary Sector Quarterly* 39:565–70.

Amirkhanyan, Anna A. 2009. Collaborative performance measurement: Examining and explaining the prevalence of collaboration in state and local government contracts. *Journal of Public Administration Research and Theory* 19:523–54.

Austin, James E. 2000. Strategic collaboration between nonprofits and business. *Nonprofit and Voluntary Sector Quarterly* 29:69–97.

Babiak, Kathy, and Lucie Thibault. 2009. Challenges in multiple cross-sector partnerships. *Nonprofit and Voluntary Sector Quarterly* 38:117–43.

Balassiano, Katia, and Susan M. Chandler. 2010. The emerging role of nonprofit associations in advocacy and public policy: Trends, issues, and prospects. *Nonprofit and Voluntary Sector Quarterly* 39:946–55.

Barman, Emily, and Heather MacIndoe. 2012. Institutional pressures and organizational capacity: The case of outcome measurement. *Sociological Forum* 27:70–93.

Bielefeld, Wolfgang. 1992. Nonprofit-funding environment relations: Theory and application. *Voluntas* 3:48–70.

Bishop, Sheilah Watson. 2007. Linking nonprofit capacity to effectiveness in the new public management era: The case of community action agencies. *State and Local Government Review* 39:144–52.

Boris, Elizabeth T., and C. Eugene Steuerle 2006. *Nonprofits and Government: Collaboration and Conflict*. Washington, DC: The Urban Institute.

Boris, Elizabeth T., Erwin de Leon, Katie L. Roeger, and Milena Nikolova. 2010. *Human* Service Nonprofits and Government Collaboration. Washington, DC: Urban Institute.

Bowman, Woods, and Marion Fremont-Smith. 2006. Nonprofits and State and Local Governments. In *Nonprofits and Government: Collaboration and Conflict*, (pp. 181–217) ed. Elizabeth Boris and C. Eugene Steuerle. Washington, DC: The Urban Institute.

Carroll, Deborah A., and Keely J. Stater. 2009. Revenue diversification in nonprofit organizations: Does it lead to financial stability? *Journal of Public Administration Theory and Behavior* 19:947–66.

Casey, John. 2011. A new era of collaborative government-nonprofit relations in the U.S.? *Nonprofit Policy Forum* 2:1–21.

Chambré, Susan M., and Naomi Fatt. 2002. Beyond the liability of newness: Nonprofit organizations in an emerging policy domain. *Nonprofit and Voluntary Sector Quarterly* 31:502–24.

Child, Curtis D., and Kirsten A. Grønbjerg. 2007. Nonprofit advocacy organizations: Their characteristics and activities. *Social Science Quarterly* 88:259–81.

DeLeon, Peter, and Danielle M. Varda. 2009. Toward a theory of collaborative policy networks: Identifying structural tendencies. *Policy Studies Journal* 37:59–74.

DiMaggio, Paul J., and Walter W. Powell. 1983. The iron cage revisited: Institutional isomorphism and collective rationality in organizational fields. *American Sociological Review* 48:147–60.

Feiock, Richard C., James C. Clinger, Manoj Shrestha, and Carl Dasse. 2007. Contracting and sector choice across municipal services. *State and Local Government Review* 39:72–83.

Foster, Mary K., and Agnes G. Meinhard. 2002. A regression model explaining predisposition to collaborate. *Nonprofit and Voluntary Sector Quarterly* 31:549–64.

Frumkin, Peter, and Elizabeth K. Keating. 2011. Diversification reconsidered: The risks and rewards of nonprofit revenue concentration. *Journal of Social Entrepreneurship* 2:151–64.

Galaskiewicz, Joseph, and Wolfgang Bielefeld. 1998. *Nonprofit Organizations in An Age of Uncertainty: A Study of Organizational Change*. Hawthorne, NY: Aldine.

Galaskiewicz, Joseph, Wolfgang Bielefeld, and Myron Dowell. 2006. Networks and organizational growth: A study of community based nonprofits. *Administrative Science Quarterly* 51:337–80.

Gazley, Beth. 2010. Why not partner with local government? Nonprofit managerial perceptions of collaborative disadvantage. *Nonprofit and Voluntary Sector Quarterly* 39:51–76.

Gazley, Beth, and Jeffrey L. Brudney. 2007. The purpose (and perils) of government-nonprofit partnership. *Nonprofit and Voluntary Sector Quarterly* 36:389–415.

Graddy, Elizabeth A., and Bin Chen. 2006. Influences on the size and scope of networks for social service delivery. *Journal of Public Administration Research and Theory* 16:533–52.

Grønbjerg, Kirsten. 2001. The U.S. nonprofit human service sector: A creeping revolution. *Nonprofit and Voluntary Sector Quarterly* 30:276–97.

Gulati, Ranjay, and Martin Gargiulo. 1999. Where do interorganizational networks come from? *American Journal of Sociology* 104:1439–93.

Guo, Chao, and Muhittin Acar. 2005. Understanding collaboration among nonprofit organizations: Combining resource dependency, institutional, and network perspectives. *Nonprofit and Voluntary Sector Quarterly* 34:340–61.

Hillman, Amy J., Michael C. Withers, and Brian J. Collins. 2009. Resource dependence theory: A review. *Journal of Management* 35:1404–27.

Hwang, Hokyu, and Walter W. Powell. 2009. The rationalization of charity: The influences of professionalism in the nonprofit sector. *Administrative Science Quarterly* 54:268–98.

Jang, Hee Soun, and Richard C. Feiock. 2007. Public versus private funding of nonprofit organizations. *Public Performance and Management Review* 31:174–90.

Kenyon, Daphne, and Adam Langley. 2010. *Payments in Lieu of Taxes: Balancing municipal and nonprofit interests*. Cambridge, MA: Lincoln Institute of Land Policy.

Kettl, Donald F. 2006. Managing boundaries in American administration: The collaboration imperative. *Public Administration Review* 66:10–19.

King, Karen, and J. Allen Whitt. 1997. Princes and paupers: Network ties and financial contributions among nonprofit arts organizations. *Journal of Nonprofit & Public Sector Marketing* 5:65–75.

LeRoux, Kelly. 2008. Nonprofit community conferences: The role of alternative regional institutions in interlocal service delivery. *State and Local Government Review* 40:160–72.

MacIndoe, Heather, and Emily Barman. 2009. Partnerships and performance: A review of the Boston nonprofit sector. A report to the Boston Foundation.

MacIndoe, Heather, and Emily Barman. 2013. How organizational stakeholders shape performance measurement in nonprofits: Exploring a multidimensional measure. *Nonprofit and Voluntary Sector Quarterly* 42:716–38.

MacIndoe, Heather, and Ryan Whalen. 2013. Specialists, generalists, and policy advocacy by charitable nonprofit organizations. *Journal of Sociology and Social Welfare* 40:119–49.

Martin, Lawrence L., Richard Levey, and Jenna Cawley. 2012. The "new normal" for local government. *State and Local Government Review* 44: 17S–28S.

Meyer, John W., and Brian Rowan. 1977. Institutionalized organizations: Formal structure as myth and ceremony. *American Journal of Sociology* 83:340–363.

Mulroy, Elizabeth A. 2003. Community as a factor in implementing interorganizational partnerships: Issues, constraints, and adaptations. *Nonprofit Management and Leadership* 14:47–66.

Nelson, Kimberly L. 2012. Municipal choices during a recession: Bounded rationality and innovation. *State and Local Government Review* 44: 44S–63S.

O'Regan, Katherine M., and Sharon M. Oster. 2000. Nonprofit and for-profit partnerships: Rationale and challenges of cross-sector contracting. *Nonprofit and Voluntary Sector Quarterly* 29S:120–40.

Pfeffer, Jeffrey, and Gerald Salancik. 1978. *The External Control of Organizations: A Resource dependence Perspective*. Stanford, CA: Stanford University Press.

Provan, Keith G., and H. Brinton Milward. 1991. Institutional-level norms and organizational involvement in a service-implementation network. *Journal of Public Administration Research and Theory* 1:391–418.

Provan, Keith G., Kun Huang, and H. Brinton Milward. 2009. The evolution of structural embeddedness and organizational social outcomes in a centrally governed health and human services network. *Journal of Public Administration Research and Theory* 19:873–93.

Rivenbark, William C., and Paul W. Menter. 2006. Building results-based management capacity in nonprofit organizations: The role of local government. *Public Performance and Management Review* 29:255–66.

Saidel, Judith R. 1991. Resource interdependence: The relationship between state agencies and nonprofit organizations. *Public Administration Review* 51:543–53.

Saidel, Judith. R., and Sharon L. Harlan. 1998. Contracting and patterns of nonprofit governance. *Nonprofit Management and Leadership* 8:243–59.

Salamon, Lester. 1995. *Partners in Public Service: Government-nonprofit Relations in The* Modern Welfare State. Baltimore, MD: The Johns Hopkins University Press.

Selden, Sally Coleman, Jessica E. Sowa, and Jodi Sandfort. 2006. The impact of nonprofit collaboration in early child care and education on management and program outcomes. *Public Administration Review* 66:412–25.

Shaw, Mary M. 2003. Successful collaboration between the nonprofit and public sectors. *Nonprofit Management and Leadership* 14:107–20.

Simo, Gloria, and Angela L. Bies. 2007. The role of nonprofits in disaster response: An expanded model of cross-sector collaboration. *Public Administration Review* 67:125–42.

Smith, Steven R., and Michael Lipsky. 1993. *Nonprofits for Hire: The Welfare State in the Age of Contracting*. Cambridge, MA: Harvard University Press.

Snavely, Keith, and Martin B. Tracy. 2002. Development of trust in rural nonprofit collaborations. *Nonprofit and Voluntary Sector Quarterly* 31:62–83.

Sowa, Jessica E. 2009. The collaboration decision in nonprofit organizations: Views from the front line. *Nonprofit and Voluntary Sector Quarterly* 38:1003–25.

Stinchcombe, Arthur L. 1965. Social structure and organizations. *Handbook of Organizations* 44:142–93.

Stone, Melissa. 2000. Exploring the effects of collaborations on member organizations: Washington county's welfare-to-work partnership. *Nonprofit and Voluntary Sector Quarterly* 29:98–119.

Stone, Melissa M., Barbara C. Crosby, and John M. Bryson. 2010. Governing public-nonprofit collaborations: Understanding their complexity and the implications for research. *Voluntary Sector Review* 1:309–34.

Suárez, David F. 2011. Collaboration and professionalization: The contours of public sector funding for nonprofit organizations. *Journal of Public Administration Research and Theory* 21:307–26.

Tjur, Tue. 2009. Coefficients of determination in logistic regression models—A new proposal: The coefficient of discrimination. *The American Statistician* 63:366–72.

Van Slyke, and David M. 2003. The mythology of privatization in contracting for social services. *Public Administration Review* 63:296–315.

Williamson, Oliver E. 1975. *Markets and Hierarchies: Analysis and Anti-trust Implications*. New York: Free Press.

Williamson, Oliver E. 1985. *The Economic Institutions of Capitalism: Firms, Markets, Relational Contracting*. New York: Free Press.

Williamson, Oliver E., and Scott E. Masten. 1995. *Transaction Cost Economics*. Brookfield, VT: Edward Elgar.

Wilson, Catherine. 2013. Collaboration of nonprofit organizations with local government for immigrant language acquisition. *Nonprofit and Voluntary Sector Quarterly* 42:963–84.

Author Biography

Heather MacIndoe is an assistant professor in the Department of Public Policy and Public Affairs at the McCormack Graduate School of Policy and Global Studies at the University of Massachusetts, Boston. Her research interests include nonprofit-government relations, nonprofit advocacy and accountability, and philanthropic foundations. Her work is published in journals such as *Nonprofit and Voluntary Sector Quarterly*, *Sociological Forum*, and the *Journal of Sociology and Social Welfare*.