SET-UP
Research Questions - Relational Role of the Hub

What determines an effective coordinating body within an organizational network?

How do the relationships between a central coordinating body and its affiliates within an organizational network influence the effective coordination of resources?
CONTEXT

Why is This Important for Small Nonprofits?

- Nonprofits neglect infrastructure & misrepresent data
- Funders have unrealistic expectations
- Nonprofits feel pressure to conform

Gregory & Howard (2009) SSIR
 CONTEXT
NP Organizational Capacity Building

Interventional, problem-solving process to address foundational organizational deficits.

(De Vita & Fleming, 2001; Minzner et al., 2013)

Process of re-leveraging new ways to utilize new and existing tangible and intangible resources.

(Lichtenstein, 2000; Madden, 2012)
CONTEXT

NP Management Support Organizations (MSOs)

Third party organizations that deliver capacity building services to organizations.

(De Vita & Fleming, 2001; Minzner et al., 2013)

Brokers and connectors in organizational networks

(Connor et al., 1999)

Stages of intervention:

- Assessment – Problem identification
- Implementation - Integration & embedding solutions
- Maintenance - Developing sustainable systems

(Connolly et al., 2003)
THEORY-BUILDING
The Big Picture: Organizational Networks & Ties

Voluntary arrangements between independent organizations in which members exchange and share resources and co-develop products, technologies or services.  
(Gulati, 1998; Ahuja, 2000)

Direct ties that comprise relationships that exist beyond specific boundaries, resulting in outcomes generated through rules and norms of coordination.  
(Kogut, 2000; Hite and Hesterly, 2001; Sydow and Staber, 2002)

Strong ties vs. weak ties & embeddedness  
(Granovetter, 1973; Coleman, 1988; Hite & Hesterly, 2001)
THEORY-BUILDING
A Specific Role - Hub as Broker & Boundary Spanner

Delivers efficiencies of scale for the network’s members, can facilitate new ties between members, and enhance network stability by strengthening shared identities and increasing members’ abilities to assimilate and absorb knowledge.

(Cohen & Levinthal, 1990; Dhanaraj & Parkhe, 2006)

Entities that transfer tangible or intangible resources across organizational boundaries between network participants.

(Hargadon and Sutton, 1997; Dhanaraj & Parkhe, 2006)

Hub firms as resource brokers fill structural holes in the network by providing channels of communication, knowledge creation, and shared resources for network members.

(Burt, 1997; Burt, 2004; Zaheer & Soda, 2007)
THEORY-BUILDING
Relational Mechanisms of Capacity

Social Capital: “Features of social organization, such as networks, norms, and trust, that facilitate coordination and cooperation for mutual benefit. Social capital enhances the benefits of investment in physical and human capital”

(Stiven, 1993)

Relational Coordination: “a mutually reinforcing process of interaction between communication and relationships carried out for the purpose of task integration.”

(Gittell, 2002)

Collaborative Capacity: Ability to enter into, develop, and sustain inter-org systems in pursuit of collective outcomes, even in the absence of formal structure.

(Hocevar et. al., 2006)
APPENDICES:
Relational Model of Organizational Change

- Coordination is a highly relational process.
- Applies to interdependent work processes
- Conditions of uncertainty and time constraints
- Between roles, not between individuals
- Building on concepts of mutual adjustment
- Dimensions form the basis for coordinated collective action

High Performance Work Practices
- Relational
- Work Process
- Structural

Performance Outcomes
- Quality
- Efficiency
- Worker Engagement
- Client Engagement
- Innovation & Learning

Shared goals
Shared knowledge
Mutual respect

Frequent
Timely
Accurate
Problem-solving communication
PROPOSITIONS:

Building Collaborative Capacity through Inter-Organizational Collaboration

Inter-Organizational Collaboration Between Emerging Organizations

Prop. 1b
Prop. 4

Collaborative Capacity of Network Members

Prop. 1a

Organizational Outcomes for Collaborators

Relational Coordination and Coproduction
Social Capital
Institutional Knowledge

“Hub Firm” role shifts from Bridging to Bonding Role (see Figure 2)

“Hub Firm” Present and Involved

Innovation
Resilience
Adaptability
Learning
PROPOSITIONS:

Hub Firm Shifting from Bridging to Bonding Network Role through Delivery of Relational Coordination and Social Capital to Organizational Members

“Hub Firm” in Bonding Role

New trust-based relationship sustained through Collaborative Capacity

Social Capital

Relational Coordination, Coproduction & Leadership (Gittell, 2011)
- Frequent, Timely, Accurate, Problem Solving Communication
- Shared Goals
- Shared Knowledge
- Mutual Respect

Organizational Member

HUB FIRM

Delivery of capacity building interventions

Organizational Member

“Hub Firm” in Bridging Role
METHODS: A Qualitative, Ethnographic Case Study

- National network
- 22 nonprofit affiliates
- Environmental Justice
- Range $100K - $3Mil
- Independent 501c3s
- **The Hub:** National Office dedicated to building network capacity
**FINDINGS**

**F1:** The exchange of capacity-building resources between a hub firm and its affiliates yields greater organizational capacity when the Relational Coordination between them is stronger.

**F2:** The presence of stronger RC between a hub firm and its affiliates leads to greater Collaborative Capacity, due to the affiliates’ uptake of capacity building resources that are more relational in nature.

**F3:** The emergence of Collaborative Capacity contributes to a feedback loop establishing new Relationally Coordinated abilities, enabling all parties to undertake more complex coordinating relationships with each other in the future.
DISCUSSION: Capacity Building - A Relational Institutional Form

• Due to the NP sector’s resource scarcity, uncertainty, and intangible metrics, it is critical that resource delivery result in coproduction of greater organizational capacity.

• This is accomplished through a strong coordinating relationships between the resource delivery org and the recipient affiliate, characterized by shared goals, knowledge, and mutual respect.

• This relationship represents a unique institutional form and reveals mechanisms for building collaborative capacity towards future coproduction of organizational capacity.
Implications: Theory, Measurement, & Practice

Studying high-quality relationships in organizational networks

Studying hub-affiliate resource coordination as unique and relational form

Refining theory, measurement, and perceptions of capacity building and organizational wellness in the sector
Thank you!

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