

ORGANIZATIONAL LEGITIMACY, NON-PROFIT ORGANIZATIONS AND THE
ROLE OF VALUES

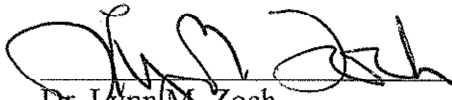
by

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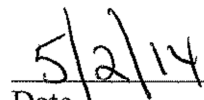
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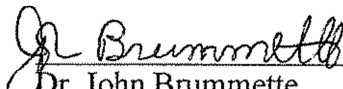
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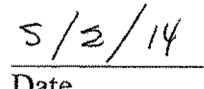
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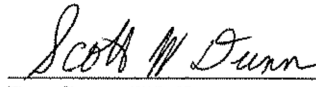
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Abstract

The number of non-profit-organizations (NPOs) has almost doubled in the last 14 years (Chalmers, 2013) and there is great need for these organizations to be able to compete for resources. One way that organizations can compete for resources is through conferred legitimacy (Suchman, 1995). This thesis discusses organizational legitimacy theory and uses it as the lens through which to view the communication of values by NPOs as one strategy to legitimation.

Stakeholders confer legitimacy, which helps attract resources, upon an organization when they perceive its structure, actions and communications are in alignment with the social norms of the environment in which it exists (Ashforth & Gibbs, 1990, Suchman, 1995). Values can play a part in the legitimation of an organization (Dowling & Pfeffer, 1975) in part because consensus of values not only is critical for social order, but also helps members of society to “identify with one another, accept common goals and agree on how these goals should be achieved (Schwartz, 2011, p. 313).

Previous research has focused on values in terms of human resources and organizational development, but the research on value communication with stakeholders of NPOs is limited. Brummette, Zoch and Taylor (2011) examined the communication of values on websites of Fortune 500 companies and found a majority of these organizations to be practicing this one type of legitimizing behavior. Additionally, Taylor (2011) examined values of NPOs and found that few communicated organizational values on their websites. This thesis uses the research of Brummette et al. (2011) and Taylor (2011) as a guide by which to examine the top 100 NPOs and the top 30 community-based organizations (CBOs) and the communication of values on their websites. Through both

a quantitative and qualitative content analysis, it asks the questions of whether or not these organizations communicate values, which specific types of organizations are most likely to communicate their values, whether or not these top NPOs and CBOs are communicating a definition or description of values, whether or not there is a relationship between the long-term success of CBOs and the communication of values, and if there are consistencies within the values of successful NPOs and CBOs.

The content analyses revealed that 41% of the top 100 NPOs and 23.33% of the top 30 CBOs are communicating organizational values on their websites. Of the top 100 NPOs, those operating internationally were the most likely to communicate values and of the NPOs operating domestically, public benefit organizations were most likely to communicate values. Organizational value themes emerging from the content analysis of the top 100 NPOs included the values of integrity, excellence, collaboration, innovation, accountability/transparency, and respect. Similar values themes emerged in the content analysis of the top 30 CBOs with the exception of respect and the additional of local action.

These findings suggest that an increasing number, but still a minority, of successful NPOs use the communication of values on their websites as one tactic in their quest for legitimation and, ultimately, access to resources.

Dedication

To Dr. Zoch: Thank you for your honesty and support. This experience was full of obstacles and you've helped me through every single one of them! This thesis would not exist, nor would I have been successful in this graduate program, without you. You are the model of mentorship and I will keep what I've learned from you, both academically and otherwise, for a lifetime.

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Chapter 1: Introduction

Non-profit organizations are responsible for much of the “improvement in human welfare and the acceleration in solutions to our world’s most persistent problems” (Charity Navigator, n.d). According to Crutchfield and Grant (2012), for the first time in over 20 years, there was an overall decline in donations to charitable organizations in 2008. Additionally, since 2000, the number of public charities in the US has increased significantly, from around 600,000 to around 1 million today (Chalmers, 2013). Because nonprofit organizations (NPOs) rely on donations to fund the goods and services they provide (Bezjian, Holmstrom, & Kipley, 2009; Kuna & Nadiv, 2013) this decrease in charitable giving and the increased competition for the reduced dollars make the need to stand out in the marketplace increasingly important for NPOs survival. This thesis seeks to examine the theory of organizational legitimacy, the role of organizational values and how both may contribute to the success and survival of NPOs.

With the diversity in types of NPOs and their continuously increasing numbers, there is a great need for these organizations to be able to compete for resources. Research indicates (Aldrich & Fiol, 1994; Bezjian, Holmstrom & Kipley, 2009; Diez-Martin, Prado-Roman & Blanco-Gonzalez, 2013; Suchman, 1995; Zimmerman & Zeitz, 2002) that one way an organization can compete for resources is by having its stakeholders confer organizational legitimacy on it.

Additionally, there is an endless flow of scandals in the not-for-profit world, most recently including allegations of abuse in Boy Scouts of America (McGreal, 2010), discriminatory hiring policies of WorldVision (Goodstein, 2014), and cases of embezzlement in countless NPOs. Suchman (1995) suggests that when an organization

experiences challenges, “stockpiled goodwill and support” gained by legitimation can make it easier to weather the storm (p. 596). The aforementioned crises should spur the revelation that any and all actions that might help sustain an organization during times of crisis are of vital importance.

The first purpose of this thesis is to continue the research begun by Brummette, Zoch and Taylor (2011) and Taylor (2011) by investigating further the legitimizing strategy of communication of values by NPOs. Taylor (2011) investigated the *2007 Non-Profit Times Top 100 Non-Profits* and identified organizational values on each of the 100 organizations’ websites. He discovered “only 19% of organizations communicated their values, and the majority of non-profit organizations did not communicate their values, did not define the concept “values,” nor did they explain to stakeholders the significance of values to their particular organization” (Taylor, 2011, p. 11). The research within this thesis seeks to discover whether there has been a significant change in the use of values as a legitimizing strategy by top NPOs in the United States over the last seven years, which values are espoused by the top NPOs, and if there is a relationship between those NPOs, particularly community-based organizations (CBOs), that communicate their values and long-term organizational success.

A content analysis of the top 100 NPOs as identified by Charity Navigator investigates to what extent these organizations are communicating their values, and categorizes what values are being communicated. This research is important to determine if and how certain types of organizations are using this one legitimizing strategy. The findings of this research will allow communicators and managers within NPOs to gain more insight into this one legitimizing strategy and compare the strategy to

the success of a particular organization. Previous research on values has mainly focused on one of two areas: the description and measurement of individuals' values or the connection between organizational values and increased organizational performance. This study will add to the growing body of research on organizational legitimacy and NPOs by quantifying the use of values by NPOs on their websites and web content. It will also add to the body of research on values by providing a qualitative analysis of the values being shared by NPOs on their websites and web content.

The second purpose of this thesis is to discover whether or not successful community-based nonprofit organizations (CBOs) are using communication of values on their websites as a strategy to establish organizational legitimacy. Using definitions of "community-based organizations" from current literature and the corresponding filters provided by Charity Navigator, the top 30 CBOs in the country operating for the public benefit were identified. This particular group of NPOs was chosen for two reasons. First, the author of this thesis has a personal interest in CBOs and possibly running them in the future. Second, it was found in the initial content analysis of NPOs that organizations operating for the public benefit were more likely than any other non-international NPO to share their organizational values on their websites or web content. This suggested that other, smaller, organizations operating for the public benefit might also utilize the communication of values, making it more feasible to categorize the values of nonprofit organizations.

A content analysis, mirroring the content analyses of the top 100 NPOs, was conducted to discover to what extent CBOs are communicating their values as a legitimizing strategy and what values are being communicated. The length of time each

CBO has been in operation was also identified to discover whether there is any connection between the long-term success of a CBO and this one type of legitimizing behavior. This research is important to learn if successful CBOs are utilizing the communication of values on their websites as a legitimizing strategy..

The next chapter, "Literature Review," will discuss relevant previous research about organizational legitimacy, non-profit organizations, and values, and will introduce the specific research questions of the study.

Chapter 2: Literature Review

Organizational legitimacy can be viewed as an important tool for analyzing organizations and the environments in which they operate (Dowling & Pfeffer, 1979, Suchman, 1995). Research suggests there is a link between legitimacy and organizational results; organizations with more legitimacy have better access to resources (Aldrich & Fiol, 1994; Bezjian, Holmstrom & Kipley, 2009; Diez-Martin, Prado-Roman & Blanco-Gonzalez, 2013; Suchman, 1995; Zimmerman & Zeitz, 2002).

As the not-for-profit sector continues to increase, these organizations will feel the strain of competing for resources. Additionally, as Salamon (1999) suggested, the nonprofit sector is experiencing a “crisis of legitimacy” (p. 14). There has been a decline in the amount of confidence the general public has in the nonprofit sector (Salamon, 1999); this decline casts a shadow on the legitimacy of all NPOs.

Organizational Legitimacy Theory

Dowling and Pfeffer (1975), DiMaggio and Powell (1983), and later Suchman (1995) posited that organizational legitimacy occurs when organizations effectively establish a congruency between the social values associated with their activities and the norms of acceptable behavior in the larger system, also referred to as isomorphism. Simply put, organizations must display behaviors that are in alignment with both the values of society as a whole and the values associated with the industry of which they are a part. Suchman (1995) wrote that “legitimacy is a generalized perception or assumption that the actions of an entity are desirable, proper, or appropriate within some socially constructed system of norms, values, beliefs and definitions” (p. 574).

Dowling and Pfeffer (1979) and Suchman (1995) drew this theory out of former research by Parsons (1960) that suggested that legitimacy was the “appraisal of action in terms of shared or common values in the context of the involvement of the action of the social system” (p. 175). Parsons (1960) also suggested that since organizations compete for resources within a particular environment and those resources can be used in a variety of ways, establishing legitimacy, in part, has to do with how organizations utilize their resources.

Suchman’s (1995) review of the literature on legitimacy revealed two major approaches to legitimacy and discussed how they have been previously been considered at odds with one another. These two approaches are the institutional approach and the strategic approach. Essentially, the strategic approach takes the perspective that legitimacy is a resource that can be manipulated and used for the benefit of an organization. Conversely, the institutional approach takes the perspective that legitimacy is not a resource to be manipulated, but rather a “pre-existing cultural phenomenon that constitutes the organizations structure and operations” (Kuusmanen, 2012, p. 252).

Suchman’s (1995) research is unique in the synthesis he creates between the strategic and institutional approaches to legitimacy. In his in-depth analysis of three types of legitimacy – that of pragmatic legitimacy, moral legitimacy and cognitive legitimacy, Suchman (1995) clearly shows the interplay between the two approaches and how they do not stand alone, but work together. This makes it a useful tool with which to examine organizations’ actions toward legitimation and organizations’ institutional environments.

Suchman (1995) also separated all three types of legitimacy into subcategories to provide a more in-depth understanding of each. In doing so, he argued that organizations

can act strategically and gain access to more and varying types of resources through the conferral of different types of legitimacy, echoing the strategic approach to legitimacy, but that the institutional setting in which the organization exists is ever-present and actions must be taken with that in consideration, which echoes the institutional approach. “Legitimacy is socially constructed in that it reflects a congruence between the behaviors on the legitimated entity and the shared (or assumedly shared) beliefs of some social groups; thus legitimacy is dependent on a collective audience” (Suchman, 1995, p. 574).

Finally, Suchman (1995) provided a lengthy discussion about gaining, maintaining and repairing all three types of legitimacy in a comprehensive manner. These will be discussed in some detail later. However, Table 1 (Suchman, 1995, p. 600) provides an overview of the types of legitimizing strategies and how they can be used to gain, maintain and repair organizational legitimacy.

Two Approaches to Legitimacy: Strategic and Institutional

Suchman’s research into legitimacy was unique because of the synthesis it suggested between the institutional and strategic approaches to organizational legitimacy. “It is important to incorporate this duality into a larger picture that highlights both the ways in which legitimacy acts like a manipulable resource and the ways in which it acts like a taken-for-granted belief system” (Suchman, 1995, p. 577). A thorough understanding of the institutional and strategic approaches to legitimacy through the lens of Suchman’s synthesis allows organizational legitimation to be examined with more breadth and scope than it had been previously.

Table 1: Legitimation Strategies
Gain

		Maintain	Repair
General	Conform to environment	Proactive change	Normalize
	Select environment	Protect accomplishments -Police operations -Communicate subtly -Stockpile legitimacy	Restructure
	Manipulate environment		Don't Panic
Pragmatic	Conform to demands -Respond to needs -Co-opt constituents -Build reputation	Monitor tastes -Consult opinion leaders	Deny
	Select markets -Located friendly audiences -Recruit friendly co-optees	Product exchanges -Police reliability -Communicate honestly -Stockpile trust	Create monitors
	Advertise -Advertise product -Advertise image		
Moral	Conform to ideals -Produce proper outcomes -Embed in institutions	Monitor ethics -Consult professions	Excuse/Justify
	Select domain -Define goals	Protect propriety -Police responsibility -Communicate authoritatively -Stockpile esteem	Disassociate -Replace personnel -Review practices -Reconfigure
	Persuade -Demonstrate success -Proselytize		
Cognitive	Conform to models -Mimic standards -Formalize operations -Professionalize operations	Monitor outlooks -Consult doubters	Explain
	Select labels -Seek certification	Protect assumptions -Police simplicity -Speak matter-of-factly	
	Institutionalize -Persist	-Stockpile interconnections	

Research into the institutional approach to organizational legitimacy, in part, spun out of research on organizations as cultures (Mele & Schepers, 2013). Massey wrote that the institutional approach “focuses attention on the cultural environment in which organizations exist and on the pressure that this environment exerts on organizations to engage in expected, normative behaviors” (2001, p. 155). In order to understand the institutional approach to legitimacy, one must have a basic knowledge of institutionalization theory.

Institutionalization theory suggests that organizations create their formal structure by adhering to the myths, ceremonies and norms of their environment. Meyer and Rowan (1977) suggested that institutionalization “involves the processes by which social processes, obligations or actualities come to take on a rule-like status in social thought and action” (p. 341). These can be considered formal structure myths. As more and more organizations arise in a particular field or environment, the rule-like status of formal structure myths becomes stronger; it matters not whether those formal structure myths are legally mandated. Aldrich and Fiol (1994) pointed out that an increase in the number of organizations in a particular field or environment actually raises the legitimacy of all the organizations in that field. When an organization adopts formal structure myths that are the same as other organizations in the field or environment, it is called isomorphism. Additionally, isomorphism creates a situation that confers legitimacy, which promotes the success and survival of an organization. The legitimacy conferred from isomorphism is not due to an organization running efficiently, but rather the perception of its constituents that it is running *the way that it should be*, according to cultural myths, values, and norms

(DiMaggio & Powell, 1983; Meyer & Rowan, 1977). Figure 1 (Meyer & Rowan, 1977, p. 353) provides an illustration of this.

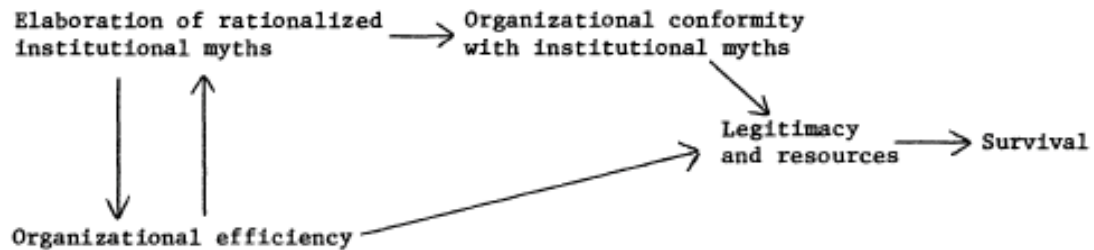


Figure 1: Organizational Survival

We see the effects of isomorphism conferring legitimacy all around us. For example, when an organization has an employee handbook of policies and procedures, though few people may read it, the organization has complied with the prevailing formal structure “myth” that a handbook of policies and procedures is important, and the organization is legitimized by its constituents. Conversely, if an organization lacks a formal structure of policies and procedures in an environment where the majority of institutions of the same type have them, constituents will perceive it as illegitimate.

DiMaggio and Powell (1983) stated that conforming to the formal structure myths that exist in their environment does not ensure that the organization operates efficiently. In fact, often, isomorphism is a constraint to efficient operations because of the time and energy required to ensure that activities of an organization are congruent with formal structure myths when, in reality, they are inherently different. Meyer and Rowan (1977) asserted the advantage of “de-coupling” to deal with this constraint. De-coupling is the process of getting things done on a daily basis in a way that is relatively informal and neglects the formal structure myths, often with ambiguous goals. Meyer and Rowan (1977) illustrated this idea with the following:

Goals are made ambiguous...Hospitals treat, not cure, patients. Schools produce students, not learning. Hospitals try to ignore information on cure rates, public services avoid data about effectiveness and schools deemphasize measures of achievement...Integration is avoided, program implementation is neglected, and inspection and evaluation are ceremonialized...The organization cannot formally coordinate activities because its formal rules, if applied, would generate inconsistencies...The ability to coordinate things in violation of the rules – that is, to get along with other people – is highly valued. (p. 357)

Despite this de-coupling, the legitimizing effect of isomorphism prevails due to expectations of organizations' constituents (Meyer & Rowan, 1977). The organization is legitimized precisely because of its adherence to the formal structure myths (DiMaggio & Powell, 1983).

To summarize, the institutional approach to legitimacy takes the perspective that an organization gains legitimacy when it is structured in adherence to the prevailing social structure myths of the environment in which it operates (Meyer & Rowan, 1977). Simply put, institutional legitimacy occurs when the outside environment “looks in” to an organization and finds it is acting in accordance with sector and societal norms.

Strategic legitimacy places the emphasis on achieving legitimacy through an organization's strategic communication activity (Ashforth & Gibbs, 1990; Dowling & Pfeffer, 1979; Massey, 2001; Mele & Schepers, 2013, Suchman 1995), or outputs. Dowling and Pfeffer (1979) define legitimacy as the “congruence between the social values associated with or implied by [organizations'] activities and the norms of acceptable behavior in the larger social system of which they are a part” (p. 122).

Dowling and Pfeffer (1979) clearly take the strategic approach to organizational legitimacy and suggested that an organization's legitimacy is conferred when an organization's values match up with that of its stakeholders. In fact, they suggested that, in much the same way that Rokeach (1973) measured individual values, similar measurements could be taken using stakeholders "to determine the congruence between organizational and societal values" (Dowling & Pfeffer, 1979, p. 134). Dowling and Pfeffer (1979) offered three methods of legitimation. First, they suggested that organizations' outputs "conform to prevailing definitions of legitimacy," second, that organizations "can attempt, through communication, to alter the definition of social legitimacy" to reflect the organizations' current practices, and third, organizations can attempt, also through communications, to "become identified with symbols, values, or institutions which have a strong base of social legitimacy" (p. 127).

Ashforth and Gibbs (1990) suggested two means by which organizations seek legitimacy - substantive management and symbolic management. Substantive management "involves real, material change in an organization's goals, structures and processes or socially institutionalized practices...to meet the performance expectations of those societal actors upon which it depends for critical resources" (Ashforth & Gibbs, 1990, p. 178). This follows the strategic approach to legitimacy because it suggests organizations consider their actions in terms of how they want constituents to perceive them. According to these authors, substantive management happens in four major ways. First, it can happen when an organization meets the performance expectation placed upon it by its constituents, which they term "role performance." The second way in which substantive management happens is when an organization takes real action to conform to

the values of the environment in which it exists, which is referred to as “coercive isomorphism.” A third tactic of substantive management is altering resource dependencies, meaning that an organization can attempt to alter or change its constituents through things like new contracts or changing suppliers. The fourth manner in which substantive management occurs is through altering socially institutionalized practices, or, in other words, innovating the status quo of standard practices within a field or environment (Ashforth & Gibbs, 1990, pp. 178-182). This fourth tactic is reminiscent of Dowling and Pfeffer’s (1979) suggestion that an organization can garner legitimacy through the alteration of legitimacy to meet the organization’s current practices. Substantive management can be viewed as the “action arm” of institutional legitimation.

Symbolic management is the “communicative arm” of strategic legitimation in that it transforms the meaning of acts “so as to appear consistent with social values and expectations” (Ashforth & Gibbs, 1990, p. 180). Ashforth and Gibbs (1990) suggested six different tactics of symbolic management. These included espousing socially acceptable goals, denial and concealment, redefining means and ends, offering accounts, offering apologies and ceremonial conformity. Simply put, symbolic management uses messages to communicate with stakeholders, and those messages may or may not be authentic. For communication to be effective in legitimation, it must simply be in alignment with and acceptable to society.

Additionally, Ashforth and Gibbs (1990) stated that “as societal actors become more densely interlocked, and as their relationships become more organized and institutionalized, they increasingly deal in the realm of symbols and images. The sheer number of relationships dictates that intimate knowledge give way to superficial

impressions” (p. 180). This suggests that communication managers are more likely to operate in the area of symbolic rather than substantive management. Unfortunately, it also implies that communication managers may use “spin” rather than honest communication.

To summarize, the strategic approach to legitimacy takes the perspective that an organization is legitimized when managers “look out” to the environment and change the manner in which the public perceives the organization through its symbols and images.

Additionally, the existing research about organizational legitimacy makes it clear that there is a link between legitimation and values, whether one views legitimation from a strategic or institutional perspective. This author takes the perspective, like Ashforth and Gibbs (1990), who stated, “Managers may draw upon a wide variety of practices in attempting to legitimize...their organizations...these practices shade greyly from the substantive to the symbolic” and Suchman (1995) that the two perspectives actually work together and cannot be separated when examining organizational legitimacy.

Three Types of legitimacy

Suchman (1995) described three types of legitimacy, the first being pragmatic. Pragmatic legitimacy emerges from the interests of the organization’s surroundings and is conferred by stakeholders/constituents. Echoing Suchman (1995), Diez-Martin et al. (2013) stated, “stakeholder support originates in the perception that the organization is being receptive and helps them further their own interests; not necessarily because the organization achieves its goals” (p.1956). Stakeholders must feel like the organization is acting in a way that makes their own lives better. One example of this can be seen in the aftermath of the BP oil spill in the Gulf of Mexico. When BP came in to assist with

cleanup and donated vast sums of money to Gulf communities, it could be viewed as an attempt to convince key stakeholders to confer pragmatic legitimacy, in this case, the communities and individuals primarily affected by the spill. While giving away money is likely not a goal for a business like BP, the act could have had the effect of causing certain stakeholders to feel that BP was acting in their best interest.

Pragmatic legitimacy can be viewed through the lenses of both the institutional approach and the strategic approach. Since the stakeholders confer this type of legitimacy, the organizations must bend towards the cultural norms. It can also be viewed in terms of the strategic approach; communications and the actions associated with them can manipulate the stakeholders into conferring legitimacy.

The second type of legitimacy described by Suchman (1995) is moral. Moral legitimacy does not involve evaluating whether a specific action benefits the evaluator in the same way that pragmatic legitimacy does; rather it looks at whether the “right” action has been taken. “An organization shows moral legitimacy when it treats employees and clients in the expected fashion within its given social system” (Diez-Martin et al., 2013, p.1956). When stakeholders confer this type of legitimacy, they do not do it because of their own self-interests, as is the case with pragmatic legitimacy. Instead, stakeholders confer moral legitimacy when they observe that an organization is acting in congruence with the values of the social system within which it is associated. “A hospital is unlikely to lose legitimacy simply because some patients die; however, it is quite likely to lose legitimacy if it performs involuntary exorcisms – even if all the patients get well” (Suchman, 1995, p. 580). Though the consequence of all the patients getting well should be enough to legitimize the hospital, because it was done through a practice that is “not

the right thing to do,” it probably would not legitimize even the best hospital. Moral legitimation can be viewed from the perspective of strategic legitimacy and institutional legitimacy; an organization strategically takes “right actions” that are congruent with the values of the environment it exists within.

The third type of legitimacy described by Suchman (1995), and Long and Driscoll (2008) a decade later, is cognitive. Cognitive legitimacy refers to organizational legitimacy conferred by “actions that simplify or help understand decision-making and therefore contribute to solve problems” (Diez-Martin et al., 2013, p. 1957). When an organization adopts daily routines or processes that are commonly accepted by the field it operates in or are considered “best practices,” they will garner cognitive legitimacy (Zimmerman & Zeitz, 2002). For example, when high adventure organizations like National Outdoor Leadership School (NOLS) incorporated into their hiring practices the requirement that all staff obtain and maintain a Wilderness First Responder certification, they have acted in accordance with an industry standard. Cognitive legitimacy can be viewed through the lens of an institutional approach in that it is conferred through an adherence to cultural and practical norms. It can also be viewed through a strategic approach to organizational legitimacy in that, when this adherence to cultural norms is communicated effectively, organizational legitimacy may be conferred.

Gaining, Maintaining and Repairing Organizational Legitimacy

Suchman (1995) asserted that organizations must gain, maintain and repair legitimacy depending on the situation. So, how does an organization gain or initially establish legitimacy? One method of gaining legitimacy, particularly cognitive legitimacy, is conforming to the environment in which an organization exists.

Zimmerman and Zietz (2002) stated that conforming means that an organization “does not question, change, or violate the social structure” (p. 422), and suggested that this is one way in which a new organization can and should acquire legitimacy. Aldrich and Fiol (1994), who also followed institutional constructs in their arguments about legitimacy, suggested new organizations that arise within an established field or environment are able to establish legitimacy using formal structure myths to justify actions to their constituents.

However, when a new organization arises outside of any previously existing field or environment, “without clear guidelines for assessing performance in an emerging industry, a new venture’s stakeholders find it difficult to consistently weight risk/reward trade-offs. Founders cannot easily convince others to follow their directives, as they have no tangible evidence that such actions will pay off” (Aldrich & Fiol, 1994, p. 651). This creates a unique set of challenges for innovative ventures, and also highlights the legitimizing value of adhering to the formal structure myths of a particular field or environment. Suchman (1995) suggested that for new ventures with few formal structure myths, a good deal of time and energy must be spent “sector building” – which can also be viewed as the creation of new formal structure myths for a new field or environment (p. 586).

For new organizations within a pre-existing field or environment, there are many strategies for establishing legitimacy, and many mean adherence to the formal structure myths. Dowling and Pfeffer (1979) stated that organizations use annual reports to establish legitimacy, especially if they include ethical content, particularly the attainment of corporate goals outside of the pursuit of profit. Guided by this previous research,

Woodward, Edwards & Birkin (1996) determined that one method of establishing organizational legitimacy is through Corporate Social Reporting (CSRep). “Legitimacy and social norms may be viewed as constraints upon the actions of organizations, and the trend towards CSRep may thus be viewed as an attempt by organizations to ensure their continued legitimacy and hence existence” (Woodward et al., 1996, p. 338). Additionally, they suggested that it doesn’t matter whether the CSRep is done due to legal formalities or just at the pressures of social norms – both contribute to gaining organizational legitimacy.

Corporate Social Responsibility (CSR) has also been shown to increase levels of perceived legitimacy by employees of the organizations they work for, specifically in instances where the organizations operate within a highly specific and controversial environment. De Roeck and Delobbe (2012), after conducting research on employees of an international oil company, found that, when presented in terms of CSR programs’ benefits to the community and not the business as a whole, employees’ negative perceptions about the organization they worked for were diminished and employee trust in the organization increased. Because trust is closely linked with legitimacy (Stride & Lee, 2007), CSR initiatives can assist with increasing external confidence of legitimacy.

Long and Driscoll (2008) recommended the strategic use of a code of ethics to help legitimize an organization. Their research suggested that a code of ethics will only garner cognitive legitimacy, but, as Suchman (1995) wrote, cognitive legitimacy is “more profound and more self-sustaining” than the other types of legitimacy (p. 585).

With the idea of maintaining legitimacy comes the idea of legitimacy as building a relationship with the audience or constituents, as opposed to legitimacy as a possession

of an organization. According to Ashforth and Gibbs (1990), “once conferred, legitimacy tends to be taken largely for granted” (p. 183). In fact, some organizations can “safely ignore the task of legitimacy maintenance” (Suchman, 1995, p. 594) unless they suffer from a series of misfortunes. If an organization finds itself in this type of situation, Suchman (1995) described in detail three actions an organization should take. First, Suchman (1995) prescribed a pre-emptive strategy – that of environmental scanning in order to perceive things that may threaten legitimacy in the future. Second, he prescribed becoming more relaxed about sharing organizational accomplishments in legitimization efforts and allowing those efforts to “give way to ‘cooler’ techniques, such as matter-of-fact explanations of ‘common knowledge’” (Suchman, 1995, p. 596). Ashforth and Gibbs (1990) caution against using messages that make it appear to constituents that they are “trying too hard” to re-establish legitimacy once it is threatened because its efforts may look too contrived and actually backfire. Finally, Suchman (1995) prescribed stockpiling goodwill and support for the organization.

Additionally, effective crisis communication can also be a tool used for repairing legitimacy. According to Massey’s (2001) research into the relationship between organizational legitimacy and crisis communication, organizations that are able to produce consistent crisis responses across stakeholders will be perceived as more legitimate than those who produce inconsistent responses across stakeholders.

Constraints of Legitimacy

Organizational legitimacy creates certain constraints on the operations of an organization (DiMaggio & Powell, 1983; Meyer & Rowan, 1977; Sonpar, Pazzaglia, & Konijenko, 2009; Suchman, 1995; Walker & McCarthy, 2010; Woodward et al., 1996).

Dowling and Pfeffer (1979) wrote, “legitimacy can provide a useful empirical focus for examining organizational behaviors taken with respect to their environments” (p. 135). They also posited that organizational behaviors would highlight constraints and responses to constraints (Dowling & Pfeffer, 1979). Tensions arise when an organization attempts to act in accordance with the larger system of which it is a part and these actions are incongruent with actual organizational values. Additionally, tensions can arise when the primary focus of legitimacy-seeking behaviors is toward one stakeholder group, thus potentially causing other stakeholders to become frustrated and question the legitimacy of the organization (Sonpar et al., 2009). Focusing on the legitimation of non-profit organizations, Stride and Lee (2007) wrote that incorporating values into the brand of an organization can create a winning situation; organizational values are shared with all constituents on a regular basis, one message can communicate the essence of an organization, and the need to communicate different messages to different stakeholders is eliminated.

While legitimacy can be viewed as a constraint on all types of organizations, some organizations are more likely to experience this type of constraint. According to Dowling and Pfeffer (1979), this is because “some organizations are considerably more visible and some organizations depend relatively more heavily on social and political support” (p.133). This would suggest that the organizations most likely to feel this constraint and most likely to engage in a variety of legitimizing behavior are those that are larger and that receive a great many political and social benefits (Dowling & Pfeffer, 1979). It may also suggest that NPOs, because they rely on social benefits, are likely to engage in a variety of legitimizing behavior.

Community-Based Organizations

NPOs vary in size and function and it is important to recognize community-based organizations (CBOs) as a subset of NPOs; they operate as not-for-profits but have some qualities that make them unique when compared to larger NPOs. According to Coles (2012), CBOs “are public or private, nonprofit organizations engaged in addressing the social and economic needs of individuals and groups in a defined geographic area, usually no larger than a county” (p. 2). Mosley and Grogan (2013) cited Salamon (1987) in their assertion that non-profits often emerge as local responses to local needs. Additionally, they suggested a strength of CBOs, particularly those arising out of low-income neighborhoods, is their ability to act in the best civic interests of those they represent (Mosley and Grogan, 2013). With that understanding of the unique quality of CBOs, it is now easier to look at the extant research that examines how NPOs and CBOs, specifically, establish legitimacy.

A method that can be used by a CBO to gain organizational legitimacy, particularly pragmatic legitimacy, is strengthening ties within the community in which that CBO operates. The findings of research conducted by Walker and McCarthy (2010) were that CBOs with an element of grass-roots fundraising tactics and public-accountability meetings within the community were more likely to survive, due to the conferral of organizational legitimacy, than those that did not, because both strategies develop strong ties to the community. Echoing the importance of pragmatic legitimacy to the short-term survival of NPOs, Diez-Martin et al. (2013) suggested, “if what an organization needs is greater access to resources on a short-term basis, then it should develop a plan to acquire pragmatic legitimacy” (p. 1964). However Suchman (1995)

argued that “as one moves from the pragmatic to the moral to the cognitive, legitimacy becomes more elusive to obtain and more difficult to manipulate, but it also becomes more subtle, more profound and more self-sustaining, once established” (p. 585). This suggests that organizations would be wise to use moral and cognitive legitimizing efforts to work toward long term access to resources.

As mentioned in the introduction, the number of NPOs in the country is continuously increasing, and the conferral of organizational legitimacy should be a strategic focus for those NPOs wanting to be competitive in the world of charitable organizations. Zimmerman and Zeitz (2002) suggested additional ways in which new NPOs may achieve organizational legitimacy. In addition to conformity, as formerly discussed, they suggested selection of an environment, manipulation of an environment and even the creation of an environment. Selection of an environment refers to an organization’s “selecting a domain in which the ideas, models, practices, etc. are more accepting of the venture” (Zimmerman & Zeitz, 2002, p. 424) and echoes institutionalization. Manipulation of an environment refers to changing the norms and values in their existing environment in a way that is acceptable to the majority of those within the environment, which echoes Suchman’s (1995) concept of sector building. Creation of an environment, which is what one may think of when they consider the major online retailer Amazon, refers to growing an organization from the ground up and creating something that didn’t previously exist in quite the same way (Zimmerman & Zeitz, 2002).

The Role of Values in Organizational Legitimacy

What are values? On an individual level, values are conceived of as beliefs, and the ultimate purpose of our value system is to maintain and enhance our self-worth (Rokeach, 1973). Organizations themselves have no cognitive abilities; therefore they can have no beliefs, “raising the question as to whether organizations can have values” (Scott, 2002, p. 35). We still talk about an organization's values, however, suggesting that the concept of values as defined for humans is a useful metaphor for something that we also observe about organizations. Organizations can also be seen as being constructed from the communications and relationships of individuals (Koschmann, 2012), and individual members of organizations do have beliefs. According to Scott (2002) “there is empirical evidence that what researchers have considered to be organizational values actually exhibit the expected relationships with organizational survival and flourishing. This suggests that organizational values do exist” (p. 35). Additionally, “once embraced, values play an executive role in personality and organizational culture, serving as criteria for making decisions and setting priorities” (Hultman, 2005, p. 33).

What, then, is the role of values in establishing organizational legitimacy? If we accept the assumption that constituents legitimize organizations, and that individuals use values systems to maintain their sense of self-worth, then it logically follows that constituents evaluate organizations using a value system. Though studies have been done that show that values vary across cultures, the concept that values shape decision-making is constant (Schwartz, 2011).

Studies have been conducted in the fields of organizational communication and human resources examining the role of values to internal constituents or employees and

the organizations they are affiliated with. One such study discovered that human resource development (HRD) was a means for an organization to realize its cherished values – and that through HRD, the shaping of organizational values was a collective, emergent responsibility (Hassan, 2007). This suggests that for values to be important to internal constituents, they must have a hand in the recognition and implementation of them. Another study found strong support for the claim that “personal values congruence and clarity around organizational values pay dividends for both individuals and their organizations” (Posner, 2010, p. 540). Posner’s (2010) findings also suggested that as individuals work their way up the hierarchical ladder of an organization, the greater their perception that they have value congruence with the organization and, thus, feel a stronger connection to that organization. This concept is especially important in light of the idea that employees must see managers acting in accordance with organizational values in order to know what is expected of them (Hultman, 2005).

Schwartz (2011) stated, “value consensus can contribute to social stability by increasing cooperation, limiting the range of conflict, and facilitating compromise. Shared values encourage members of a society to identify with one another, to accept common goals, and to agree on how these goals should be achieved” (p. 313).

Additionally, if an organization has values that are different from the values of the internal constituents of the organization, “clashes may have significant impacts for both the people and for the organization” (Scott, 2002, p. 47). All of these findings suggest that, for internal constituents, values function to increase employee satisfaction when there is a congruency between an individual’s values and the organizational values.

Research has also been conducted about the importance of aligning organizational values with consumer values. According to Fornerino, Jolibert, Sanchez and Zhang (2011), “studies posit that consumer behavior depends on consumers’ values, that is, beliefs about what is important” (p. 490). This concept can be applied to constituents of NPOs also; if individuals are to bestow resources upon an NPO, they are likely to do so based on their personal value system. According to Suchman (1995), “constituents are likely to accord legitimacy to those organizations that ‘have our best interests at heart,’ that ‘share our values,’ or that are ‘honest,’ ‘trustworthy,’ ‘decent,’ and ‘wise’” (p. 578). As NPO’s are organizations that are responsible for the “improvement in human welfare and the acceleration in solutions to our world’s most persistent problems” (Charity Navigator, n.d.), it is logical that the legitimation of these types of organizations would involve value congruency.

Another perspective from which to view NPOs’ organizational values is using Maslow’s theory of human psychological development as a framework to explain how they develop an ethical culture (Strickland & Vaughn, 2008). Strickland and Vaughn asserted that ethical values are the foundation upon which organizations achieve integrity and that, at the lower levels of the hierarchy, external controls stimulate ethical behavior, whereas at the higher levels, internal controls must be present to achieve an ethical culture. At the bottom of the hierarchy for a nonprofit organization is financial competence, then accountability, then reciprocity – all, when achieved, can confer pragmatic legitimacy.

Next on the hierarchy of values are respect and integrity. Respect refers to a nonprofit that is respected both externally and internally. Employees, donors and

volunteers feel appreciated, that what they are doing is worthwhile, and that their values align with the values of the organization; this confers pragmatic legitimacy. Integrity, the organization's equivalent of self-actualization, is defined "not only as incorruptibility, but as a completeness of commitment to ethical behavior" (Strickland & Vaughn, 2008, p. 238). This achievement of integrity confers moral legitimacy in an organization (Suchman, 1995). NPOs may enjoy the benefit of sustained donor support if they can achieve moral legitimacy (Diez-Martin et al., 2013), and having a well-defined set of values may help in acquiring both a self-actualized organizational culture and moral legitimacy.

Values are linked to trust, and trust is a prerequisite to any legitimized non-profit activity (Stride & Lee, 2007). Woodward, et al. (1996) suggested that an organization's response to specific stakeholder "needs, values, expectations and demands" (p. 339) may lead to a conferral of legitimacy. When stakeholders have the expectation that they can trust an organization, and in turn the organization acts in a trustworthy manner, legitimacy can be conferred. Additionally, research indicates that there is a link between conferred legitimacy and a congruence of values between an NPO and its service users. According to Neville's (2009) research, what mattered in the conferral of legitimacy was whether the service provided, and the manner in which it was provided, had a positive impact on its service-users, not that the NPO communicated values that aligned with the values of the service-users. This evidence suggests, "legitimacy is not only a PR issue, but the result of being receptive to stakeholder interests" (Diez-Martin et al., 2013, p. 1963).

Additional research into values focuses on branding theory literature to examine how NPOs create brands and the role of values in developing those brands (Stride & Lee, 2007). After conducting research with senior executives of major UK charities and specialist NPO communications consultants to identify what is understood by the term branding, the practical application of branding and the role values play in branding, the researchers discovered “communications managers in non-profit organizations have relied heavily upon the development of a very simple, easily understood brand conceptualization that has focused more upon the tangible and concrete aspects of the brand (logo, design, features, corporate identity) than on their more intangible, values-based, counterparts” (Stride & Lee, 2007, p. 119). This is unfortunate, because Stride and Lee cited de Chernatony et al. (1998) as writing, “if brands are to attain true authenticity, an alignment between the values of the organizations and those of the brand must be achieved” (2007, p. 118). This suggests that an organization could potentially be legitimized, in part, by incorporating their values into their branding process. Unfortunately, research has not shown that organizations are using this as a legitimation effort.

Stride and Lee (2007) made two major suggestions for non-profit management in terms of organizational legitimacy. First, they suggested that “once achieved, identification of a clear set of core underlying values would enable non-profits to create a clearer set of propositions in all their branding communications that would cut across the multiple messages many of them appear to be communicating,” (p.119) thus creating opportunities to establish organizational legitimacy. They also suggested a lack of

understanding about the “conceptualization of values within non-profit brands or the importance of values in practical application and management of those brands” (p. 108).

While the need for an organization to acquire legitimacy may change over time (Sonpar, et al., 2009; Suchman, 1995; Walker & McCarthy, 2010; Woodward et al., 1996) there is still benefit to its acquisition, especially in terms of congruence between the values of an organization and its key stakeholders.

In light of the extant research on organizational legitimacy, organizational values and NPOs, this thesis research has been designed to examine the use of values by successful non-profit organizations in the United States.

The following research questions were developed based on this review of literature:

RQ1: Are the top 100 NPOs, as identified by Charity Navigator, communicating organizational values?

RQ2: If not all of them are, which types of NPOs are most likely to communicate organizational values?

RQ3: Are the top 30 “Public Benefit” CBOs, as identified by this author using current descriptions in relevant literature and the corresponding filters provided by Charity Navigator, communicating organizational values?

RQ4: Do these NPOs and CBOs attempt to define their values?

RQ5: Are there consistencies within the values of successful NPOs and CBOs?

The following hypotheses were also developed based on the literature review:

H1: A small percentage of top ranked NPOs and CBOs will communicate organizational values on their websites.

H2: There will be a positive relationship between the long-term success of CBOs and the communication of organizational values on their websites.

Chapter 3: Methods

Content Analyses

According to Brummette et al. (2011), looking at how an organization describes its own values can shed light on the organization's attempts to establish organizational legitimacy. Mayring (2000) suggested that "the research question and the characteristics of the material should have the priority in the decision about the adapted methods" (Discussion, para. 3). Because of the nature of the research questions and the utility of the method, content analysis was chosen as the appropriate method for examining the websites of NPOs. According to Herring (2004), content analysis is a method traditionally used by scholars in communication to analyze written mass media content. Zhou and Sloan (2011) stated that good research uses both quantitative and qualitative variables and that often the "best research involves both" (p. 92). The overall design for each section of this study consists of both quantitative and qualitative content analyses of the identified websites.

In content analysis, manifest content refers to the actual message of the content. Latent content refers to other elements of the communication, like the source and the channel (Elo & Kyngas, 2007). The nature of the design of this study allows researchers to examine both manifest and latent content. The quantitative content analysis accomplishes this by examining the manifest content of whether or not values were shared and defined and the latent content by examining where values were found on the website. The qualitative analysis examines the manifest content by examining the actual values shared.

The website Charity Navigator was used to find the sample for both of the content analyses. According to its website, Charity Navigator is “the nation’s largest and most utilized evaluator of charities,” has nearly seven million visits yearly, and has received praise from respected institutions like Forbes, Kiplinger’s Financial and the Chronicle of Philanthropy. Also, according to its website, Charity Navigator operates so that “charitable givers/social investors can make intelligent giving decisions and so that the nonprofit sector can improve its performance.” Charity Navigator is highly respected by non-profit organizations, and NPOs often communicate the ranking given to them by Charity Navigator on their websites, much like for-profit institutions use their Better Business Bureau ratings; in fact, the communication of an NPO’s rating can be seen as a legitimizing tactic in itself. Finally, Charity Navigator accepts no funds from the charities that it evaluates and does not charge users, making it an impartial evaluator of NPOs as well as being user-friendly (Charity Navigator, 2014).

Charity Navigator allows users to use filters to narrow down their search of NPOs. The samples chosen for this thesis were purposive; a purposive sampling of websites was more appropriate than a random sampling because it allowed the researcher to use websites that “possess a characteristic of interest to the researcher and address the research questions” (Zhou & Sloan, 2011, p. 308).

Content Analysis 1

The first content analysis was conducted using the top 100 NPOs as determined by Charity Navigator, filtering for those NPOs that were considered exceptional and had 4-star ratings, which according to Charity Navigator means that they “exceed[ed] industry standards and outperform[ed] most charities in [their] Cause” (Charity Navigator,

2014). The 4-star rating is based on the financial health and the accountability and transparency of an organization and is a measurement of the distance of the two component scores from the theoretically perfect score of 70 and 70; an organization must have high scores in both areas in order to receive a four-star rating (Charity Navigator, 2014). The filter also included those NPOs that grossed 13.5 million dollars per year or more (the highest grossing organizations) and operated internationally (largest in scope). The top 100 NPOs were chosen because of the suggestion by Dowling and Pfeffer (1979) that larger organizations that receive a good deal of social support would be more likely than smaller ones to engage in legitimizing behavior.

A codebook was adapted from the Brummette et al. study (2011) that examined the presence and use of values for websites of Forbes Fortune 500 companies. The unit of analysis was each website for the top 100 NPOs. The variable of values was examined for each website. The measures were the presence or absence of values and whether the definition of values was included somewhere on each website. Hypothesis 1 predicts that a small percentage of the top 100 NPOs will communicate their values. For the purpose of this research a “small percentage” is defined as less than 20%. This number is derived from the research of Taylor (2011) that considered the 19% of NPOs communicating values to be a small number. The categories used were the tabs under which website information could be accessed. Additionally, each of the organizations’ websites was categorized in terms of the type of service they provided. It should be noted that the categories for each unit of analysis (types of NPOs) were borrowed from those determined by Charity Navigator.

Coding of the top 100 NPOs took place over a one-year period by the author. An additional, experienced coder coded twenty of the top 100 NPO websites in order to establish inter-coder reliability. Coders discussed the criteria to be used before the coding was conducted, and sites were recoded after clarifications were made about those criteria. For example, because each website varied in terms of how the organization labeled each page or tab, coders discussed possible differences in category names and made judgments about how to handle that situation. Additionally, coders decided that values needed to be listed or communicated explicitly. A Krippendorff's alpha was used to determine inter-coder reliability; the score ranged between .7 and 1. No intra-coder reliability test was performed.

Data from the content analysis of the top 100 NPOs was recorded, transferred into SPSS and analyzed by running frequencies and cross-tabulations. The frequencies included the presence of values, where values could be found if listed on the web, and the presence of a definition of values. The cross tabulations used bivariate analyses to determine which types of organizations were listing their values under which tabs.

Content Analysis 2

The second sample used was of the top 30 CBOs operating for the Public Benefit as identified using both the author's criteria and the corresponding filters provided by Charity Navigator. The researcher determined the community-based organizations chosen to be the top 30 CBOs because they operate on a "community" level (National Community-Based Organization Network, 2011), geographically no larger than a county, as opposed to "national" or "international" levels, have relatively small annual budgets and have received four stars, the highest rating given by Charity Navigator.

Organizations operating for the public benefit were chosen because, out of the top 100, they were the type of organization operating domestically that was most likely to communicate their values, as determined by the first content analysis. The coding for the top 30 CBOs took place over a three-week period by the same primary coder of the top 100 NPOs using the same criteria. The codebook was nearly identical to the codebook used for the analysis of the top 100 NPOs, however two changes were made. Because all of the organizations were typed as operating for the public benefit, no coding was done for “type of organization.” Additionally, the year each CBO was founded/began operating was coded in order to answer Hypotheses 2, which posited there would be a relationship between long-term success and the communication of values. Long-term success was not defined, rather was examined in relative terms, comparing the longevity or brevity in persistence of those organizations within the sample.

Qualitative Content Analysis

For the qualitative analysis of both the top 100 NPOs and the top 30 CBOs, the name of the organization, the type of organization, the values, where they were found and how many clicks it took to get there, and whether or not there was a definition of values on the website was recorded in a separate Word document. “Value themes” were formed based on related value words used by the websites.

Chapter 4: Findings

Quantitative Findings

Among the top 100 NPOs as identified by Charity Navigator (n = 100), 3% (3) operated in the area of animals, 3% (3) in arts, culture and humanities, 2% (2) in education, 6% (6) in environment, 3% (3) in health, 3% (3) in human services, 9% (9) in public benefit, 5% (5) in religion, 37% (37) in development and relief services, 3% (3) in foreign charity support, 19% (19) in humanitarian and 7% (7) in international peace, security and affairs.

The first research question asked whether the top 100 NPOs as identified by Charity Navigator communicate their organizational values to the public via their websites. The analysis revealed that 41% (41) of these NPOs explicitly shared their organizational values somewhere on their websites or within their web content. It also revealed that 59% (59) of the top 100 NPOs did not share their values.

Hypothesis 1, stating that a small percentage of top ranked NPOs and CBOs will communicate organizational values on their websites was not supported. This study found that 41 of the top 100 NPOs examined are sharing values with their stakeholders via website communication and seven (23.33%) of the 30 top CBOs were doing so.

The second research question asked which types of the examined NPOs were most likely to share their organizational values. One major finding was that all types of organizations operating internationally shared their values. In fact, 37% (14) of those operating in the area of development and relief services shared their values. Not only is this one of the higher frequencies of value sharing, this type of NPO was also the most represented in the top 100 NPOs as identified by Charity Navigator. Also of note was

that humanitarian organizations operating internationally were almost as likely to share their values (47%, 9) as were not (52%, 10).

Public benefit organizations were more likely to share their values via their websites than not; 55% (5) did, and only 44% (4) did not. Public benefit organizations also had a higher frequency of sharing values via websites than any other domestic (not international) organizations. Environmental organizations were as likely (50%, 3) as not (50%, 3) to share their values via their website.

Of the top 100 NPOs sampled, organizations operating in the area of animals and arts, culture and humanities did not share their values (0%, 0)

The third research question sought to answer whether the top 30 CBOs operating for the public benefit were sharing their values via their websites. Of the 30 sites examined, 23% (7) shared their values, 76% (23) did not.

The fourth research question sought to discover whether or not the top 100 NPOs and the top 30 CBOs attempted to share a definition of values or an explanation of how values were used on their websites. Of the 41 NPOs that shared values on their websites, approximately 31% (13) also included a definition or an explanation of how values were used by their organizations. Of the top 30 CBOs, only one shared a definition or explanation of values.

The fifth research question asked whether there were consistencies in the values within and among successful NPOs and CBOs. This question looked at both the latent content and the manifest content. The findings of consistencies within manifest content, in this case specific values within and among NPOs and CBOs, are reported in the qualitative findings. The findings of the latent content of the NPOs, in this case where on

the website values were communicated, were that the organizations that did share their values on their websites were most likely to share them in the “About Us” portion of their websites (approx. 75%, 31). The next area of websites where values were most likely to be shared was the “Mission” tab (approx. 46%, 19). Sharing of values in the “Strategic Planning” (approx. 1%, 4) tab, “Financial Information” (approx. 1%, 5) tab and “Jobs/Internships” (approx. 1.5%, 6) tab were all about equally as likely. Additionally, some NPOs shared values in more than one section of their websites, which accounts for a total sum of more than 100%.

The findings of the examined latent content (where on the website values were shared) of the top 30 CBOs revealed that all seven of those sharing their values did so in the “About Us” section of their website and two of them also did so in the “Mission” section of their websites.

Qualitative Findings

During the analysis of the collected value statements from the top 100 NPO websites, six repeated value themes emerged: integrity, excellence, collaboration, respect, accountability/transparency, and innovation. Though many of these values were stated specifically on some of the websites, they were also implied through the use of different words. This author used the Oxford English dictionary definition of the identified values to discover which organizations were espousing particular values, though not explicitly.

Integrity

Of the 41 top 100 NPOs that listed values on their websites, 65% (27) of them listed integrity, either explicitly or by implication. Many of these organizations gave a description of integrity. The Rotary Foundation of Rotary International (2014) listed

integrity specifically and described it in its “Strategic Planning” tab using the following:

“We are committed to and expect accountability from our leaders and fellow members, both in the results of our efforts and in the processes we use to accomplish our goals. We adhere to high ethical and professional standards in our work and personal relationships. We are fair and respectful in our interactions and we conscientiously steward the resources entrusted to us.”

Project Hope listed and described integrity in the “Careers” tab of their website by stating that the organization has the expectation that each of its employees “demonstrates honest and ethical behavior in all business transactions; follows the Code of Conduct and guides others to do the same.” Convoy of Hope listed integrity as a core value in the “Mission & Values” tab of their website. Their description of integrity was that “we live and serve in a manner that is above reproach.” Save the Children International explicitly listed integrity in the “About Us” tab of their website and described it by stating “we aspire to live the highest standards of personal honesty and behavior; we never compromise our reputation and always act in the best interests of children.”

Many of the top 100 NPOs did not explicitly list a value of integrity, but clearly implied it as an organizational core value. The researcher used both current descriptions of integrity in the top 100 NPOs and the Oxford English dictionary to extract the implied meaning of integrity as a value. The Oxford English dictionary online defines integrity as “soundness of moral principle; the character of uncorrupted virtue, especially in relation to truth and fair dealing; uprightness, honesty, sincerity” (OAD online, 2014). For example, the third highest ranked NPO overall, Direct Relief International, stated the value, “Take the high road.” “Take the high road” implies the value of integrity because

of its relation to the Oxford definition of soundness of moral principle and uprightness. One organization, Feed My Starving Children, which operates in the area of humanitarian relief supplies and focuses on getting food to those in need, included in their statement of beliefs, “We will ensure our food ingredients are of the highest nutritional value to meet the needs of starving children.” This indicated the value of integrity that they will operate in an upright manner and with fair dealing. This also implied that they will spend their money on food that provides the most benefit for the cost, another indication of integrity, specifically of resources. Feed My Starving Children also included in their statement of beliefs, “We will provide for our employees a satisfying work environment that is based on trust, mutual respect and *doing the right thing*,” which clearly echoes the definition of integrity.

FIRST included the internally coined phrase *Gracious Professionalism* in their statement of values, which implied a component of integrity. *Gracious Professionalism* is suggested to “be a part of a meaningful life” in which “one can add to society and enjoy the satisfaction of knowing one has acted with integrity.” The Lions Club (2014) provided its “Purpose and Ethics” in the “Lions Code of Ethics,” accessible from the “Mission & History” section of its website. Two of its eight points imply the value of integrity, as illustrated by the following:

- ...accept no profit or success at the price of my own self-respect lost because of unfair advantage taken or because of questionable acts on my part.
- ...it is not necessary to tear down another’s [business] to be loyal to my clients and true to myself

These both imply integrity in much the same way as the others; they echo the idea of acting in a moral way and being honest.

Two organizations did not explicitly list integrity as a single core value but mentioned it as a part of another value. The Elizabeth Glazer Pediatric AIDS Foundation included integrity as part of the value of accountability. In its listing of the value of accountability, they stated that they “approach our work with integrity, honesty and transparency – we strive to fulfill the highest ethical standards in support of donors, stakeholders and partners.” Another organization, HIAS also included integrity in its description of accountability in its values statement. They stated, “We are dedicated to integrity, transparency, and discipline in every aspect of our work.”

Other NPOs included simply the word integrity within a list of core values, belief statements or guiding principles and did not include any sort of definition of integrity or description of how it is operationalized.

Accountability and Transparency

Of the 41 NPOs that shared their organizational values, 24 included accountability and transparency either explicitly or by implication. Accountability and transparency are often related to the value of integrity, as illustrated by the Elizabeth Glazier AIDS Foundation and HIAS statements of values. These concepts also seem to be inextricably linked to one another by a number of NPOs that communicated values on their websites or web content. The Oxford English dictionary online defines accountability as “the quality of being accountable; liability to account for and answer for one's conduct, performance of duties, etc. (in modern use often with regard to parliamentary, corporate, or financial liability to the public, shareholders, etc.); responsibility” and transparency

(OAD online, 2014) as “easily seen through, recognized, understood, or detected; manifest, evident, obvious, clear.” These definitions are used, along with the existing descriptions of accountability and transparency to extract the implied representation of both values. The link occurs because websites were most often using the value of accountability to describe their financial transparency. For example, American Refugee Committee International stated, “we hold ourselves to the highest standards of transparency, accountability and ethical behavior.” While they have not attempted to define what accountability and transparency mean for the organization, they have linked the two values.

Another values statement that echoes the linkage of accountability and transparency was from World Resources Institute. They stated, “We are honest and transparent, making clear commitments to our partners, our supporters and ourselves” and “are disciplined in our thinking, analysis and use of resources.” This description explicitly used the value of transparency, and implicitly suggested accountability for how it operates with all of its stakeholders. Giving Children Hope, in their values statement explicitly said they will, “be held responsible in a transparent manner to all of our stakeholders” and “seek accountability.” Action Against Hunger USA also explicitly linked accountability and transparency in their “Defining Characteristics” portion of their websites. They described accountability and transparency with the following:

“We directly oversee the implementation of our programs, requiring full access to the communities we assist. We are committed to a policy of transparency and disclosure by ensuring that key financial information is publicly available and that our programs undergo external impact evaluations.”

This statement explicitly listed transparency and implied accountability in the idea that their programs will be evaluated and that they will allow those evaluations to be reviewed by stakeholders.

Also explicitly linking accountability and transparency was Concern Worldwide US. Their core values included the statement that “we hold money in trust for our donors and for their intended beneficiaries, with responsibility to adhere to financial accountability procedures to ensure value for our donors and to project participants.”

Mercy Corps also linked the idea of accountability and transparency; in their statement that “chief among our core values is accountability” they went on to describe how it is operationalized with, “we are open and transparent about the work we do and how we do it” and “we commit to achieving demonstrable impact for our stakeholders.” Finally, the Grameen Foundation included in its values statement, “we hold ourselves and our partners accountable for transparency and measurable results, including social and financial performance,” thus also linking the values of accountability and transparency.

Collaboration

Of the 41 NPOs that shared values with stakeholders via websites, 27 included the value of collaboration either explicitly or by implication. The online Oxford English Dictionary defines collaboration (2014) as “united labor, co-operation.” Some of the other organizations in the top 100 NPOs listed collaboration and gave brief explanations about how the value of collaboration meant that they “shared collective wisdom” or “partnered with others.”

Many of the NPOs that espoused the value of collaboration did so implicitly; they did not use the word, but rather a series of words or statements that implied collaboration.

For example, the Rotary Foundation stated, “combined efforts serve humanity. The power of combined efforts knows no limitation, multiplies resources and broadens our lives and perspectives.” FIRST, with the use of their internally coined phrase *Coopertition* stated, “*Coopertition* is founded in the concept and philosophy that teams can and should cooperate with each other even as they compete.” This implied not only the idea of collaboration, but that it makes those that collaborate better. Concern Worldwide US even shared that their “core ethos” is “partnership as mutual learning and sharing development,” which they operationalize in their mission of investing in existing infrastructures rather than creating new ones.

Mercy Corps took a different approach to sharing the value of collaboration; they shared that “our stakeholders participate in the design, planning, implementation, monitoring and evaluation of our work.” This highlighted that Mercy Corps explicitly works in collaboration with their stakeholders, a term they did not define, leaving the idea of stakeholders broad. The Elizabeth Glazer Pediatric AIDS Foundation took the idea of working in collaboration with stakeholders one step further and actually named them, “EGPAF believes that collaboration is the only way to bring about a generation free of HIV... We carry out our work in conjunction with key partners including the US government, UNICEF, and the World Health Organization, as well as governments, medical professionals, and advocates around the world.”

Innovation

Of the 41 NPOs that included values on their websites, 17 included the value of innovation, either explicitly or by implication. The online Oxford English Dictionary defines innovation (2014) as “a change made in the nature or fashion of anything;

something newly introduced; a novel practice, method, etc.” About half of the top 100 NPOs that used the word innovation as a value on their websites did so explicitly. When this was the case, the value was often listed with a definition or an example of how the organization operationalizes the value. For example, the Rainforest Alliance stated in its core values, “dedication to pioneering pragmatic innovation with respect to common practices.” This suggested the value of innovation is operationalized in the common practices of the organization; simply put, they look for better ways to do what they are already doing.

More often the value of innovation was implied through words like “creative” or “new ideas” or “embracing change.”

Excellence

Seventeen of the 41 NPOs that shared values on websites, explicitly or by implication, included the value of excellence. The online Oxford English dictionary defines excellence (2014) as “the state or fact of excelling; the possession chiefly of good qualities in an eminent or unusual degree; surpassing merit, skill, virtue, worth, etc.” Many of the NPOs that listed excellence on their websites defined or described the value of excellence as “high quality” or “having the greatest impact.”

Excellence was often linked with the value of innovation. Project HOPE defined the value of excellence by stating their organization “exhibits a focus on innovations that create practical, high-value-added solutions, delivers quality work products; demonstrates pride in the work, its impact and ensures it reflects well on Project HOPE.” Also linking excellence and innovation was the Institute of International Education. In their core values, they explicitly listed the value of excellence and described it by stating, “Passion,

innovation and a commitment to serve drive us to deliver the highest quality work.” This link suggests that the Institute of International Education uses innovation as a means to achieve the value of excellence.

Respect

Of the 41 NPOs that shared their values on their websites, 14 of them made some reference to the value of respect. The Oxford English dictionary online defines respect (2014) as “regard, consideration.” Respect differed from the other value themes being used by the top 100 NPOs in that it was frequently listed, but not accompanied by a description. When it was defined or described, it was linked to the idea of dignity. One example of this comes from HIAS. They explicitly included the value of respect, explicitly linked it to dignity, and described it by stating, “We embrace the uniqueness of every human being. As a respect-driven organization, we appreciate the diversity of ideas...we uphold the value of each individual.” Project HOPE also explicitly linked respect with dignity, and described it by stating they “work well with others by being considerate of the needs and feelings of each individual.”

When the value of respect was not listed, it was implied in definitions or descriptions of other values. The word respect showed up in the definitions or descriptions of other values in five of the 14 organizations espousing respect.

Definitions of Values

Only 31% (13) of the 41 NPOs that shared their organizational values via their websites included a definition or description of what values meant to the organization. Most frequently, the descriptions of values were brief and included some reference to “the beliefs of our organization” or “what guides us.” The best example of this comes

from City Year: “core values represent the deepest beliefs and the highest aspirations of our organization...they serve as our North Star, empowering us to stay true to ourselves through changing times as we strive to achieve our mission.”

The most comprehensive definition of values was provided by the Rotary Foundation: “Rotary’s core values represent the guiding principles of the organization’s culture, including what guides members’ priorities and actions within the organization. Values are an increasingly important component in strategic planning because they drive the intent and direction of the organizations leadership.” This highlights values as both beliefs and guiding principles, including an explanation of who is accountable for those actions.

Another interesting and comprehensive definition of values comes from the World Resources Institute that stated, “Our mission and values define WRI as an institution; our values are not rules, but shared ideals and understandings that bind us together. Along with our mission and our commitment to excellence in everything we do, they articulate who we are and what we believe, influence our goals, guide our actions and help us to explain our aspirations to others.” This added to the definition by the Rotary Foundation the idea that values can assist in communication about the organization.

Project HOPE added again to the definition of values by including the idea of values as guiding forces for employees specifically. “Values at HOPE are not just words. They are our guiding principles and we are using these values in our everyday work...HOPE values are used as part of our employment practice in areas of recruiting, employee development, performance reviews and day-to-day decision-making.”

The most interesting, though not comprehensive, definition of values came from Wikimedia. That organization stated that, “ In a very wiki way, values only stay values while most agree with them. If you want to comment on or improve the following text, please do so here.” This was interesting because it was the only organization that suggested that values change and are only valued when there is a consensus among those who espouse them. This deviance from the norm could be attributed to the fact that Wikimedia is an organization in a unique sector, and it is responsible for creating the norms of the new sector of which it is a leader.

Analysis of CBOs

The value themes that emerged from the top 100 NPOs were used to analyze values espoused by the top 30 CBOs. Of the six value themes that were discovered in the top 100 NPOs, five of them also emerged in the analysis of the top 30 CBOs. Those value themes were integrity, excellence, collaboration, accountability/transparency, and innovation. Not present in the values of the top 30 CBOs was the value of respect. One additional theme that was expressed by two of the seven CBOs sharing their values online, that was not present in the top 100 NPOs, was the value of local action, which is not surprising considering the scope of work of CBOs.

Additionally, all seven of the organizations that shared their values did so in the “About us” section of their website; two of them also included their values in the “Mission” section of their websites. This is in alignment with where the majority of the top 100 NPOs shared their values.

Integrity

Of the seven CBOs that shared their values via their website, six of them included the value of integrity. Three of the organizations specifically listed integrity; the others included it as a part of other values and their descriptions are similar to those provided by the top 100 NPOs in terms of their relationships to accountability and transparency. For example, Community Shares of Colorado included in their “Guiding Principles” statement financial clarity, which they described by stating, “we believe that organizational efficiency and financial accountability provide the level of integrity that donors seek.” This suggested the operationalization of integrity through accountability and transparency. Great Rivers United Way listed integrity and described it similarly by stating they are “accountable, ethical and transparent in action and relationships.” Finally, Accion New Mexico, the top ranked CBO, communicated the most comprehensive definition of integrity. They stated that integrity “exemplifies Accion values, builds trust by continually exhibiting honesty and respect, demonstrates personal commitment to organizational transparency, role models initiative, responsiveness and skill in crucial conversations, and actively maintains appropriate boundaries and professional relationships.”

Collaboration

As with the value of integrity, six of the seven CBOs listed collaboration as one of their organizational values, though only one shared the value explicitly. The others implied the value of collaboration with words like “team results” and “strong partnerships.” Community Shares of Colorado included in their values statement “Member Diversity” but described it by stating: “we believe that including a broad spectrum of nonprofit organizations best serves our community.” This implied the value

of collaboration because it placed importance on many groups working together for the greater good. AccionNew Mexico included the idea of collaboration under their description of excellence by stating, “exercises personal discipline to achieve outstanding team results.” This idea of collaboration is vague in terms of the collaborative partners being internal or external but the value is still present. Great Rivers United Way describes collaboration by stating they “unite people and organizations to meet the human service needs of our community” and Kentucky Advocates imply the value of collaboration in their statement that they “rely on strong partnerships with organizations and leaders”; both are explicit with whom they collaborate. These descriptions are similar to those provided by the top 100 NPOs.

Excellence

Almost half of the CBOs that shared their values via their websites included the value of excellence. Two organizations listed and described excellence and one (Greater Gallatin United Way) simply listed it. One CBO to describe excellence was AccionNew Mexico, who states that excellence is “demonstrat[ing] extraordinary execution, delivering quality work products that are accurate and on time or ahead of schedule.” The other CBO to describe excellence, Community Services League, linked it, as discussed previously, with its description of integrity.

Innovation

As with excellence, half of the CBOs that shared their values also included the value of innovation. One CBO expressed this implicitly through the idea of “pioneering spirit” with descriptions of how it was operationalized, including the idea of “think outside of the box” (AccionNew Mexico). Of the other two CBOs that included

innovation, one did so in a list with no explanation (Greater Gallatin United Way) and the second stated the value of “highly innovative and flexible solutions” (Community Service League).

Accountability and Transparency

Again, just three of the seven CBOs that shared their values included the value of accountability and transparency. Similar to what was discovered in the analysis of the top 100 NPOs, these two values were linked by all three organizations. All three organizations also implied a link to the value of integrity. This is best illustrated by The Great Rivers United Way that described the value of integrity as, “accountable, ethical and transparent in its action and relationships.”

Hypothesis 2 stated there would be a positive relationship between the long-term success of CBOs and the communication of organizational values on their websites. This hypothesis was partially supported. The three longest operating CBOs were the Community Services League, founded in 1916 (operating 98 years), The Jewish Federation of Greater Long Beach and West Orange County, founded in 1947 (operating 67 years) and the Great Rivers United Way, founded in 1949 (operating 65 years). Of these three long-lasting, top rated CBOs, two communicated their values (Community Services League and Great Rivers United Way). However, the Jewish Federation of Greater Long Beach and West Orange County did not communicate their values; the overwhelming trend has been that religious organizations are not likely to share their organizational values via website or web content.

Of the three organizations founded most recently – The Mississippi Center for Justice (11 years), the Illinois Policy Institute (12 years) and Administer Justice (14 years), none shared their values on their websites.

The other CBO that shared organizational values on its website was AccionNew Mexico, which has been operating for 20 years (founded 1994).

Chapter 5: Discussion

In looking at the first research question, “*Are the top 100 NPOs, as identified by Charity Navigator, communicating organizational values on their websites?*” this study found that almost 41 of the top 100 NPOs examined are sharing values with their stakeholders via their websites. This is in alignment with Dowling and Pfeffer’s (1979) assertion that the larger an organization, the more likely it will be to engage in legitimacy-seeking behavior. In this case, the sharing of values may be seen as a tactic in the pursuit of both cognitive and moral legitimacy, and possibly pragmatic legitimacy. According to Sethi (1979), legitimization includes “the process of internal decision making and the perception of the external environment” (p. 65).

It is clear in the definitions of values used by the NPOs websites that the recurring theme of “guiding our decision making”, and the potential for cognitive legitimation, comes from stakeholders’ acceptance of “plausible explanations for the organization and its endeavors” (Suchman, 1995, p. 582). Sharing of values gives stakeholders a way to understand how the NPOs solve daily problems in the fulfillment of their missions, thus creating the potential for cognitive legitimation.

Sharing values may also result in the conferral of moral legitimacy. Moral legitimacy is conferred when the external environment (i.e., stakeholders) perceives that an organization’s activity is “the right thing to do” (Suchman, 1995, p. 579). The potential for the conferral of this type of legitimacy was seen with the often-used value of “integrity” and its definitions listed by a majority of organizations sharing values.

Finally, the sharing of values may also lead to the conferral of pragmatic legitimacy. Pragmatic legitimacy is conferred when stakeholders believe an organization

acts for the stakeholder's best interests (Suchman, 1995). If the assumption is made that people make choices in accordance with their values because they are the "best" choices (Posner, 2010), and the assumption is also made that people become stakeholders of organizations with congruent values, then it also is reasonable to assume that stakeholders will find those particular organizations to be acting with their best interests, thus conferring pragmatic legitimacy.

In terms of the second research question, that asked "*which types of NPOs are more likely to communicate organizational values?*" this study found NPOs operating internationally were the most likely to share their values. While these are large organizations, which are more likely than smaller ones to share their values (Dowling & Pfeffer, 1979), this is somewhat surprising in light of Schwartz's research on values. Schwartz (2011) argued that while western cultures have similar ideas about the meanings and traits of values, these might differ across non-western cultures. Thus, previous, although fairly recent, research suggests that organizations operating internationally would be less likely to share a set of values that would be understood in a particular way by one culture and differently by another culture. However, if the NPOs operating internationally rely on resources primarily from the United States, then this phenomenon is more understandable.

However, the majority of top ranked NPOs and CBOs did not communicate their values on their websites. This may be attributed to the idea of strategic ambiguity. Carmon (2014) cited Eisenberg (1984) when defining strategic ambiguity as "those instances where individuals use ambiguity to accomplish their goals" (p. 89). According to Carmon (2014), strategic ambiguity "promotes unified diversity by providing grounds

for agreement while also allowing multiple voices to exist” (p. 91). This might be the prevailing strategy for organizations that are not communicating their values. The presence of values may alienate certain stakeholders who do not have value congruence, whereas the absence of values could allow more stakeholders to potentially confer legitimacy, which in turn may grant the organization better access to resources.

Another explanation could be that NPOs may operate under the assumption that value congruence is only important when people recognize values (Fornerino et al., 2011) and that most people do not think deeply about how their values influence their decisions. According to Nevile (2009), stakeholders “do not experience values in the abstract – what makes a difference in terms of [stakeholder] satisfaction is when values are incorporated into program design or implementation” (p. 84). This would suggest that sharing of values on websites is a moot action; stakeholders would need to experience the values of an organization in order to identify value congruence, not read them on a website.

Of the organizations operating domestically, those classified as public benefit were the most likely to share their values using communication on their website.

When looking at the third research question about whether the top 30 “Public Benefit” CBOs are communicating organizational values, this thesis found that of the Public Benefit CBOs examined, just seven of the 30 (23.33%) shared their organizational values on their websites. This is in alignment with the notion that smaller organizations are less likely to participate in legitimizing efforts because they receive fewer political and social benefits (Dowling & Pfeffer, 1979). In fact, this notion is substantiated by Walker and McCarthy (2010) who examined CBOs and found that, “dollar for dollar, funds raised through grassroots sources go much further in contributing to an

organization's survival than do other sources" (p. 334). They suggested that grassroots efforts include such activities as ad sales in organizational newsletters, raffles, bake sales. Walker and McCarthy (2010) also attributed grass-roots resources to an enhanced legitimacy and evidence of the commitment of stakeholders to an organization.

Additionally, as asked in research question four, very few of the NPOs and CBOs shared a definition or operationalization of their values on their websites, though the top 100 NPOs were more likely to do so than the top 30 CBOs. This is interesting because, as Posner (2010) stated, "values provide the foundation for the purpose and goals of an enterprise. They silently give direction to the hundreds of decisions made at all levels of the organization every day. They are at the heart of the culture of an organization" (p. 536). However, when considering Suchman's (1995) suggestion that, in terms of legitimation efforts, organizations' "direct value-based appeals should give way to 'cooler' techniques, such as matter-of-fact explanations of 'common knowledge'" (p. 596) and Nevile's (2009) suggestion that values experienced are more important in establishing legitimacy than values in the abstract, it is possible that organizations see benefit in not sharing their description of values. Additionally, it could be that organizations take for granted stakeholder understanding of how their own values guide them, and are reaping the benefits of strategic ambiguity in not sharing a description of values, much in the same way the majority are not sharing specific values.

In answer to research question five, this study found there were many consistencies within the values of the examined NPOs and CBOs; both types of organizations shared the values of integrity, collaboration, accountability/transparency,

innovation and excellence. However, while NPOs shared the value of respect, CBOs did not. Also, CBOs included the value of working within a community or neighborhood.

According to Schwartz (2011), there are certain personal values whose attainment leads to increased importance of those values: “stimulation, self-direction, universalism, and benevolence” (p. 311). These are values that seem to be more self-centered than socially-centered (Beatty, Kahle, Homer & Misra, 1985). The value themes shared by the NPOs and CBOs seem to have components of both self-centered (integrity, excellence) and societal (collaboration, accountability/transparency) values. This could be strategically significant; Beatty et al. (1985) discussed that self-centered values are important for marketers to understand because they may be the most relevant values driving consumer choices. Beatty et al. (1985) reasoned that gift-giving behavior seems to be motivated by both self-centered values and socially-centered values. Additionally, they suggested that individuals who are driven by self-centered values give gifts to gain greater levels of social recognition.

If stakeholders bestow legitimacy upon organizations with which they share values and if certain communicated values can produce certain types of behavior (gift-giving), then values become an important link in both establishing legitimacy and gaining access to resources, specifically through donations and gift giving.

Chatman’s (1989) research into person-organization fit, from the perspective of potential employees, argued that “people who share organizational values may be more likely to contribute to the firm in constructive ways” (p. 343) and discussed that some of these ways include behavior outside of the employee’s role, including gift-giving. If this phenomenon is the same for stakeholders as it is for employees, then this is yet another

indicator of the importance of value congruence between an organization and its stakeholders, and communicating values is one step along the path to value congruence. Sharing of values may, in part, contribute to the legitimation of an organization by both its internal and external stakeholders and be a useful tool in gaining resources.

Additionally, there were also consistencies within the latent content of where on these websites values information could be found. The majority of organizations sharing values on their websites did so in the “About Us” or “Mission” sections. Interestingly, only one of the top 100 NPOs and none of the top 30 CBOs placed values in the “Careers” or “Employment” section of their websites. This is a huge difference from the research of Brummette et al. (2011) that found the majority of Fortune 500 companies listing values did so in those sections of their websites. This may not be surprising as much of the relevant literature reviewed (Chatman, 1989; Hassan, 2007; Hultman, 2005; Posner, 2010; Scott, 2002) examined values with a human resources perspective and in terms of a “person-organization fit” (Chatman, 2002). It is likely that potential employees of NPOs are looking for employment in the non-profit sector and a particular organization because of its mission, and since not profit, but “mission is the driving force of a nonprofit organization” (Strickland & Vaughn, 2008, p.237), presumably the mission indirectly signals certain values of the NPO. This is reasonably different from potential employees of large corporations that manufacture goods or have less altruistic missions than NPOs; it is less obvious what these corporations’ values are.

In addition, this study examines values with the perspective of organizational legitimation. Non-profits engaging in legitimation efforts in order to gain access to resources are not likely to be looking for these resources to come from employees.

Rather, they are likely to be seeking new resource avenues or strengthening the support of current avenues, which may explain why value sharing happens most frequently in the “About Us” or “Mission” sections of NPO and CBO websites.

Finally, when looking at the NPO/CBO values shared in terms of the hierarchy of ethical values for nonprofit organizations (Strickland & Vaughn, 2008), we see some congruency. Strickland and Vaughn (2008) include in this hierarchy (from bottom to top) financial competence, accountability, reciprocity, respect and integrity; integrity being the organizational equivalent of Maslow’s self-actualization. It is interesting that Strickland and Vaughn (2008) assert that four of the six value themes identified in the qualitative analysis of the top 100 NPOs, are necessary to achieving an ethical organizational culture. The notion of an ethical culture, and the communication of it, possibly signals an attempt at moral legitimation.

The first hypothesis that stated a small percentage of the top 100 NPOs and the top 30 CBOs would communicate their values on their websites was not proven. For the purpose of this research, a “small amount” was defined as fewer than 20%; of the top 100 NPOs, 41% communicated their values and of the top 30 CBOs, 23.33% did. However, these amounts still constitute a minority of NPOs and CBOs that communicate organizational values on their websites.

The second hypothesis that stated there would be a relationship between the long-term success of CBOs and the communication of organizational values on their websites was partially supported. Of the three longest operating CBOs examined, two shared their organizational values. The three newest did not. This finding remains suspect, however, because there were too few CBOs sharing their values to make any strong generalizations

about the relationship between long-term success and the sharing of values. So, this author does not feel confident to generalize about the relationship between value-sharing and the long-term success of CBOs, or that the sharing of values with stakeholders is the direct cause of the long-term success of CBOs; only that there is some qualitative evidence suggesting a possible relationship between the two.

It could be, as suggested by De Roeck and Delobbe (2012) that stakeholders who perceive an organization “shares their own social views and values” are more likely to support the organization (p. 399). While the research of De Roeck and Delobbe (2012) is admittedly focused on employee stakeholders, it could be that this phenomenon transfers over to donor stakeholders. If there is a connection between value congruence and legitimation of an organization, and legitimation can help an organization gain better access to resources, and resources are necessary to sustain operations, then the sharing of values could potentially have a positive effect on the long-term success of a CBO.

However, since just seven of the top 30 CBOs shared their values, this particular strategic action can only be a portion of a comprehensive strategic communication and legitimation plan, or a different agent, like the concept of strategic ambiguity, is at play. While some research (Costa, Ramus & Andreaus, 2011) highlights the importance of stakeholder perceptions of values and accountability to the long-term success of an NPO, this study has not found a direct relationship.

Implications

This research has implications for communicators working with NPOs and CBOs. First, extant literature does support the notion that organizations perceived by stakeholders to be legitimate do have better access to resources. As such, communicators

would be wise to exercise legitimizing behavior. This study focused on the communication of values as one legitimizing behavior. The findings of the research showed that the top NPOs were significantly more likely to communicate their organizational values than they were in 2007. This may signal a trend in NPO communication of values, but longitudinal research should be done to verify this finding. While the communication of values seemed to have begun as a strategic legitimation effort by a small number of NPOs, as more and more in the NPO industry are joining in the communication of values, it may be that this one type of legitimation is becoming more institutionalized. This suggests that communicators should consider the communication of values as a tactic to the conferral of legitimacy.

A communicator would also want to communicate certain values that seem to be trending among the top performing NPOs and CBOs; these are integrity, excellence, collaboration and accountability/transparency. If the communication of values is a tactic of strategic legitimation, these values seem to communicate what an audience wants to believe about NPOs; this is a wise tactic considering that the extant literature suggests these types of organizations are subject to intense public scrutiny (Salamon, 1999).

Additionally, if the practice of communicating values is, in fact, becoming institutionalized, then it is reasonable to assume that the values themselves are becoming institutionalized; NPOs and CBOs would need to communicate the most common values being communicated by others in their environment to be considered legitimate.

Limitations

Because of time constraints, the researcher used just one sampling frame (Charity Navigator) for NPOs and CBOs. Though every attempt was made to ensure the sample

made sense for the content analysis, a broader and larger sample should be used in order to create more generalizable results about if and how NPOs and CBOs are communicating organizational values on their websites. Additionally, when examining the potential relationship between long-term successes of CBOs, only one type of CBO (public benefit) was examined. This meant that results were limited to a qualitative discussion of long-term success and values communication for one type of CBO. More and varied types of organizations should be used to gain a better understanding of the potential relationship between values and long-term success.

Another limitation of the study is inherent to the content analysis of websites – the ever-changing nature of them (Herring, 2004). Because there is no record of when organizations post specific portions of their websites and how long they stay up, it is hard to know how much exposure stakeholders actually have to those communications.

Another limitation is the fact that the list of the top 100 NPOs and top 30 CBOs changes as Charity Navigator receives new data about NPOs. The ranking of organizations may change as frequently as weekly as new information is received.

Suggestions for Future Research

Future studies could attempt to examine which values are most frequently communicated by the top NPOs. While the data of this study could be used to determine this, it was not one of the purposes of this particular study. Future studies should extend these findings and use a survey that is focused on whether or not donors' values are in alignment with the NPO to which they donate and why donors are compelled to donate. Future research could also examine the websites of different types of CBOs and attempt to quantify their use of values.

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Appendix A: Code Book – Top 100 NPOs

Variables

1. Actual NPO number from list provided
2. Type of NPO
 - Animals (1)
 - Arts, Education and Culture (2)
 - Education (3)
 - Environment (4)
 - Health (5)
 - Human Services (6)
 - Public Benefit (7)
 - Religion (8)
 - Development & Relief Services (9)
 - Foreign Charity Support Organizations (10)
 - Humanitarian Relief Supplies (11)
 - International Peace, Security & Affairs (12)
3. Are their organizational values listed within any of the content on their website?
 - 1 – yes
 - 2 – no
4. If YES, where (what section of piece of content) are they listed on the website?

There can be more than one answer for this question.

Front Page	1-yes	2-no
About Us	1-yes	2-no
Mission	1-yes	2-no

Our Programs	1-yes	2-no
Donate	1-yes	2-no
Volunteer	1-yes	2-no
Community	1-yes	2-no
Corporate Sponsorship	1-yes	2-no
Strategic Plan	1-yes	2-no
Financial Info	1-yes	2-no
Jobs/Internships	1-yes	2-no

- If yes, what are the words/values actually listed on their website? Use a Word document to record these values, along with the corresponding company number, type of organization, where the values were located and how many clicks it took to get to them values.
- Is there a definition of “values” on the website?
1-yes 2 – no
- If yes, what is it? Record the definition in the same document used for #5.

Appendix B: Code Book – Top 30 CBOs

Variables

1. Actual CBO number from list provided
2. Are their organizational values listed within any of the content on their website?

1 – yes 2 – no

3. If YES, where (what section of piece of content) are they listed on the website?

There can be more than one answer for this question.

Front Page	1-yes	2-no
About Us	1-yes	2-no
Mission	1-yes	2-no
Our Programs	1-yes	2-no
Donate	1-yes	2-no
Volunteer	1-yes	2-no
Community	1-yes	2-no
Corporate Sponsorship	1-yes	2-no
Strategic Plan	1-yes	2-no
Financial Info	1-yes	2-no
Jobs/Internships	1-yes	2-no

4. If yes, what are the words/values actually listed on their website? Use a Word document to record these values, along with the corresponding company number, type of organization, where the values were located and how many clicks it took to get to them values.
5. Is there a definition of “values” on the website?

1-yes 2 – no

6. If yes, what is it? Record the definition in the same document used for #5.
7. Find the “date founded” for the organization. Record it in the same document used for #5.