Spring 2007

Use of Capacity Building Strategies in Non-Profit Speech and Hearing Centers: A National Study

Elizabeth Fogarty Larrimore

THE USE OF CAPACITY BUILDING STRATEGIES IN NON-PROFIT

SPEECH AND HEARING CENTERS:

A NATIONAL STUDY

by

ELIZABETH FOGARTY LARRIMORE

(Under the Direction of Walter S. Polka)

ABSTRACT

The purpose of this researcher's study was to analyze the use of capacity building strategies in non-profit speech and hearing centers by examining the chief executive officers' (CEOs') perceptions of both actual and desired use of capacity building strategies in their organizations. A survey was sent to the 39 CEOs of non-profit speech and hearing centers who are member agencies of the National Association of Speech and Hearing Centers (NASHC). NASHC is a consortium of free standing, non-profit speech and hearing centers from around the United States. The survey consisted of a five point rating scale (1 = rarely done, 5 = done to a very high degree) with 43 capacity building statements to determine the degree of actual and desired use, five open-ended questions, and demographic information. Five components of capacity building were assessed by the survey: vision and mission, leadership, resources, outcomes, and products and services. Thirty-four surveys were returned of the 39 sent for a response rate of 85%. Using quantitative methods, a dependent *t* test was calculated to compare the means of actual and desired use of capacity building strategies for each item and for each component area. Results were statistically significant ($p < .01$) for all statements and for each component area. The results indicated that although CEOs perceived their organizations as actively engaged in capacity building, it was not to the degree desired. Some statements were noted to have larger gaps between actual and desired use than others. These statements concerned issues dealing with strategic planning, board self-appraisal, succession planning, long-term fund development, information technology, paid advertising, and outcome effectiveness. Open-ended questions elicited responses as to the perceived reason for the gap between actual and desired use. The common theme noted was lack of resources; particularly time, money, and personnel. The information obtained from this study can help CEOs of non-profit speech and hearing centers recognize their level of engagement in capacity building, evaluate perceived gaps between actual and desired use, and hopefully seek ways to achieve the degree of capacity building they desire in their organizations.

INDEX WORDS: Capacity building strategies, Non-profit speech and hearing centers, Vision and mission, Leadership, Resources, Outcomes, Products and services, National Association of Speech and Hearing Centers

THE USE OF CAPACITY BUILDING STRATEGIES IN NON-PROFIT SPEECH AND HEARING CENTERS: A NATIONAL STUDY

by

ELIZABETH FOGARTY LARRIMORE

B.S., Speech Correction, Armstrong Atlantic State University, 1975

M.Ed., Speech Pathology, University of Georgia, 1976

Ed.S., Educational Leadership, Georgia Southern University, 2003

A Dissertation Submitted to the Graduate Faculty of Georgia Southern University in

Partial Fulfillment of the Requirements for the Degree

DOCTOR OF EDUCATION

STATESBORO, GEORGIA

May 2007

THE USE OF CAPACITY BUILDING STRATEGIES IN NON-PROFIT

SPEECH AND HEARING CENTERS:

A NATIONAL STUDY

by

ELIZABETH FOGARTY LARRIMORE

Major Professor: Walter S. Polka

Committee: Cordelia Zinskie
Mary Ann Sullivan

Electronic Version Approved:
May 2007

DEDICATION

To my parents

Betty and Jack Fogarty

Thank you for everything!

To my children

Elizabeth and Anne

The loves of my life

ACKNOWLEDGEMENTS

I wish to acknowledge the following people for their roll in helping me complete the dissertation process:

To Dr. James F. Burnham, my initial committee Chair, for his guidance, encouragement, support and help throughout my doctoral career;

To Dr. Cordelia Zinskie, my methodologist, for her guidance and help through the statistical analysis process, and for her thoroughness and promptness in reviewing my work;

To Dr. Walter S. Polka for taking over as Chair of my committee and helping me through my final defense;

To Dr. Mary Anne Sullivan for agreeing to serve on my committee, making numerous trips to Statesboro, and offering her expertise in the area of communication disorders;

To my friends and family for their love and support; and

To my co-workers at Savannah Speech and Hearing Center for their continued encouragement and belief in me.

TABLE OF CONTENTS

LIST OF TABLES

CHAPTER I

"Nonprofits can hardly think in future tense …if they do not have a good understanding of their present. If they do not know where they are, they cannot know how far they must go and what they must do to get there."

(Light, 2005b)

INTRODUCTION

Non-profit organizations touch lives daily. They provide services that make lives better and exist to bring about a change in individuals and in society (Drucker, 1992). The non-profit organization's purpose is to serve the public, not private, sector. These organizations form in response to community needs (Martin, 1993).

Non-profit organizations now face greater challenges than ever before. There is an increased demand for private support, shifting patterns of public funding, and increased demand for services among the non-profit sector. Many are finding it difficult to maintain financial stability (Martin, 1993). As with all non-profits, freestanding, non-profit speech and hearing centers are concerned with having adequate resources and tools to meet their goals and enhance their organization's effectiveness (Bernstein, 1997).

The researcher's purpose was to analyze the use of capacity building strategies in non-profit speech and hearing centers by examining the chief executive officers' perceptions of both actual and desired use of capacity building strategies in their organizations. In order to have accomplished this objective, it was important to understand the history, role, characteristics, and current state of non-profit organizations in general, and non-profit speech and hearing centers specifically.

> Equally important was the understanding of capacity building as any effort to increase, replenish, or improve an organization's effectiveness and ability to achieve its mission (DeVita, Fleming & Twombly, 2001; Light, 2004a; McKinsey & Company, 2001)

Non-Profit Organizations

Organizations have the ability to do great good or great evil (Hall, 2002). Hall further states that organizations exist to do the things that individuals alone cannot do by themselves. The purpose of a non-profit organization is to meet one or more needs in a community (Drucker, 1992). Non-profits are driven by a vision and guided by a mission statement. Non-profits range in size from extremely large (e.g., Red Cross, Boy Scouts) to those that are extremely small and operate only with the help of volunteers (e.g., an inner city night shelter, a food pantry) (Hodgkinson & Weitzman, 1997).

History

The non-profit sector came into existence for reasons that are mainly historical. In the United States, as well as many other countries, communities formed before governmental structures were in place to help deal with common concerns (Salamon, 1999). People had to cope with problems on their own and often found it helpful to join with others in voluntary organizations to do so. According to Salamon, the result was the creation of voluntary fire departments, schools, adoption groups, and many more organizations. Salamon reported that even after governments were formed, these voluntary organizations continued to flourish.

Salamon (1999) reported that non-profit governance practices in America date back to the earliest settlers. Many of the colonies were settled by private companies whose owners were a group of individuals. According to Salamon, the Massachusetts Bay Company's charter, formed in 1630, created the first American board and delegated the right to govern.

The first examples of what today would be called non-profit organizations formed in large Northern cities. In the late 1700's, these organizations were thought of as charities, and were typically formed within religious organizations (McNamara, 1999). Thomas Jefferson felt the government should control non-profits. However, many others felt that the right to create a non-profit was the same as the right to assemble. This group felt that non-profit boards would protect individual rights, and they should not be preyed on by state legislatures. In 1816, the New Hampshire state legislature attempted to take over Dartmouth College. Daniel Webster, a Dartmouth alumnus, argued successfully that non-profits and their boards were guardians of citizens' private rights. Chief Justice Marshall's decision protected corporations from legislative interference and advanced the notion that will of the public could be expressed in ways other than electoral and government means (Duchan, 2003).

Francis Bacon first expressed the idea of non-profit accountability in 1847. According to Salamon (1999), Bacon expressed concern that the power gained by paid executives and board factions made these entities dangerously self-serving. Bacon advocated for accountability in the non-profit sector. By the turn of the century, most major universities and associational enterprises had come under lay control. According to Duchan, this was seen as an effort to enhance public accountability.

The religious organizations largely met the charitable needs of the country until a major economic crisis emerged in the early 1930's. The breadth and longevity of the

Great Depression was unprecedented, with a surge in the need for help. The New Deal programs arose out of a need to serve the needs of the country. However, the New Deal programs could not provide all needed services, and non-profits were formed in greater numbers to meet this excess demand for goods and services (McNamara, 1999).

The creation of non-profit organizations was motivated by limitations of the market system that dominates the American economy (Salamon, 1999). In a market system, the non-profit sector becomes the mechanism for providing resources that government is not able to supply. The greater the heterogeneity of the population, the larger the non-profit sector is expected to be (Katsioloudes & Tymon, 2003). Thus, in the United States, the non-profit sector is large and diverse (Martin, 1993).

Characteristics of Non-Profits

The non-profit sector is a collective name used to describe organizations that are neither government nor business (NonProfit Management Group, 2003). In the United States, this sector includes more than 1.5 million organizations with combined annual revenues of more than $670 billion. Approximately 6% of all organizations in the United States are non-profit, and one in 12 Americans works for a non-profit. According to the NonProfit Management Group, 56% of adults volunteer with non-profit organizations.

Non-profit organizations are extremely diverse, but they do share certain common characteristics. Salamon (1999) and Wolf (1999) described several defining characteristics of the non-profit sector. According to Salamon and Wolf, non-profit organizations have a public service mission, are organized as a not-for-profit or charitable corporation, are non-profit distributing, self-governing, and voluntary.

Non-profits are organizations to the extent that they are institutionalized to some degree (Salamon, 1999). Non-profits secure legal standing as corporations chartered under state laws. This status makes the organization a legal entity to enter into contracts and frees the officers from personal financial responsibility (Wolf, 1999). All non-profits are exempt from federal corporate income taxes. Tax exemption is an acknowledgment that the organization performs an activity that relieves a burden that would otherwise become the government's responsibility (Sieverdes & Hardwick, 2002). According to Sieverdes and Hardwick, section 501(c) of the tax code outlines the organizations eligible for tax exemption. Charities, many of which are human service organizations, are organized under section 501(c)(3) of the Internal Revenue Service tax code.

Non-profit organizations may make a profit, but what distinguishes non-profits from the for-profit sector is what happens to the profit. Because there are no owners or shareholders, non-profits generally put the net revenue back into the organization to help accomplish their mission. This distinction is a major difference between non-profit and for-profit businesses (Independent Sector, n.d.).

Non-profits are equipped to control their own activities. They have internal procedures for governance and are not controlled by outside groups (Drucker, 1992). This sector has a voluntary board of directors who ensure that the organization is well run and stays focused on its mission (Independent Sector, n.d.).

Role of Non-Profits

In addressing various needs, non-profits fill important gaps, which government and for-profit organizations do not satisfy (Wolf, 1999). The role non-profits perform in satisfying human needs is especially important in the United States. The diversity of the population with its varied interests and needs allow non-profits to fill a needed gap in services (National Council of NonProfit Organizations, 2001). As Katsioloudes and Tymon (2003) observed, the more homogeneous a society, the less need there is less need for non-profits due to the similar preferences of its citizens. However, the researchers noted, that as the population becomes more diverse, the importance of non-profits continues to grow.

While every non-profit is unique, each is based on the core value of people coming together around issues of mutual concern. They encompass every aspect of human endeavor, from symphonies to little leagues to homeless shelters, and daycares. They serve as tools for community building, foster civil society, and are essential for improving the quality of life in this country (National Council of Non-Profit Associations, 2001).

Current State of Non-Profits

According to the National Council of Non-Profit Associations (2001), the non-profit sector in the United States is large, diverse, and growing. The number of non-profits increased nationally by 28%, from 1,084,897 organizations in 1996 to 1,397,263 in 2001. Non-profits employed 7% of the nation's workforce and 15% of the Gross Domestic Product was due to non-profits (National Council of Non-Profit Associations).

In a study examining the state of the non-profit workforce, Light (2002) found that the state of the non-profit workforce was excellent. Light concluded that non-profit employees came to work for the right reasons because they had a job that allowed them the chance to make a difference. In a telephone survey of 1,140 randomly selected non-profit employees, Light found that the non-profit workforce was strong, but the organizations were weak. According to the survey, non-profit employees experience high levels of stress and burn out, and indicate that their organizations do not provide enough training and staff to succeed. Despite these obstacles, non-profit employees were more likely than government or business employees to report they were proud of where they worked. Light found that the majority of non-profit employees characterized their organizations as innovative, helpful, fair and trustworthy.

The non-profit sector is being compelled to search out and adapt new and proven cutting-edge ideas to improve funding. Martin (1993) suggested that there is a perception that non-profit organizations provide poor quality products and services compared to for-profit organizations. There is an increasing demand for accountability and excellence from the public sector (Jarrar & Zairi, 2001). Since the early 1990's, the non-profit sector has encountered a number of changes, which have radically modified the way that non-profits manage their business functions. Competition for funding has increased. Increased pressures for performance highlight the importance of best practices in non-profits (Myers & Sacks, 2003).

Abramson and Salamon (2005) reported that five-year budget plans developed by President Bush and the Congress for fiscal year 2006 and beyond indicate that difficult times may be ahead for many non-profit organizations. Abramson and Salamon predicted that budget proposals would reduce federal spending on programs of interest to non-profits by 12% as of fiscal year 2010.

Non-Profit Speech and Hearing Centers

Freestanding, non-profit speech and hearing centers grew out of a specific need in communities. The majority of non-profit speech and hearing centers that exist today were originally the only resource for individuals with communication problems in their community. Today, audiology and speech-language pathology services are readily available. However, availability alone assures neither quality nor accessibility of services for those who cannot afford them (Ernharth, 2005).

History

According to Duchan (2003), the first speech practitioners in America were not certified clinicians. They were professionals and educators who took an interest in helping individuals with speech problems. Alexander Graham Bell was an elocutionist who developed new ways of analyzing, understanding, and transmitting speech. Duchan reported that others entered the field after having developed methods for remediating communication difficulties in themselves or in someone they knew well.

The first permanent school for the deaf was established in 1817 by Thomas Hopkins Gallaudet in Hartford, Connecticut. The American School for the Deaf continues to educate deaf students (National Institute of Deafness and Other Communication Disorders, 2003). Edward Miner Gallaudet, son of Thomas Gallaudet was hired as the first superintendent of Columbia Institution for the Deaf and Dumb and Blind. This institution became known as Gallaudet University in 1893. Gallaudet University hired its first deaf president, Dr. I. King Jordan, in 1988 (Gallaudet University, 2006).

In the early 1900's, there were enough speech correctionists in the United States to form special interest groups. One group comprised speech correctionists who were originally schoolteachers. This public school group, which called itself the National Society for the Study and Correction of Speech Disorders, began in 1918. In 1925, a second special interest group, which eventually became the American-Speech-Language-Hearing Association (ASHA), was organized by physicians, scholars, and public school administrators. A leading graduate program was established in 1914 at the University of Wisconsin (Duchan, 2003).

The National Association of Speech and Hearing Centers (NASHC) began in 1986 with a group of four executive directors in Lynchburg, Virginia. It was originally called the Independent Not-For-Profit Network (INN). Currently there are 39 agencies belonging to the group (National Association of Speech and Hearing Centers, 2004).

Characteristics of Speech and Hearing Centers

NASHC is a consortium of freestanding, non-profit community speech and hearing centers located throughout the United States. All member agencies are registered with the IRS as 501 (c)(3), human service organizations. All member agencies have a mission statement that generally implies the delivery of high quality services to those with speech, language, or hearing problems regardless of their ability to pay (National Association of Speech and Hearing Centers, 2004).

The need for such services within communities has increased. Many individuals do not have health insurance or the ability to pay for-profit fees for services. The demand for services continues to grow (Ernharth, 2005).

Role of Speech and Hearing Centers

The increased need for services is also evidenced in the growth of the professions that treat disorders of speech, language, and hearing. Speech-language pathology and audiology are expected to be among the fastest growing professions in the United States in the next decade (Boswell, 2002). According to the American Speech-Language-

Hearing Association (2005), the professions ranked among the top 30 out of 700 fast growing occupations over the next decade. The number of speech-language pathology and audiology positions is expected to grow by 39% within this period of time. The reasons for this increase include: an aging population, medical advantages that improve survival rates of premature infants, trauma and stroke victims, greater awareness of the importance of early intervention, and baby boomers approaching middle age when the possibility of neurological disorders increases (Boswell, 2002).

The importance of communication skills is often underestimated. According to the American Speech-Language-Hearing Association (2005), communication has many components. It serves to increase the way individuals learn about the world around them, use knowledge and skills, and interact with others. Communication skills are at the heart of life's experience. In this information age, communication skills are central to a successful life for all. Communication skills have a major effect on education, employment, and the well being of Americans. One in six Americans has a communication disability. According to the National Institute on Deafness and Other Communication Disorders (2003), approximately 42 million individuals have a speech, language, or hearing disorder.

According to the American Speech-Language-Hearing Association (2005), communication problems can limit one's potential for academic, social, and career success. Communication ability is recognized as a factor that influences others' perceptions of individuals. People's perception of an individual's success, intelligence, and social competency are often associated with an individual's verbal skills (Reed & Spicer, 2003; Henry, Reed, & McAllister, 1995).

Current State of Speech and Hearing Centers

Freestanding, non-profit speech and hearing centers have decreased in number over the past 20 years (D. Narburgh, personal communication, December 13, 2005). Competition from the for-profit sector, decreased funding, and poor reimbursement for services have placed financial hardships on these entities (Ernharth, 2005). Since the inception of the National Association of Speech and Hearing Centers in 1986, no known non-profit speech and hearing centers have been started. In fact, there has been a decrease in freestanding speech and hearing centers. Most recently, according to Narburgh, the Charleston Speech and Hearing Center closed its doors on June 27, 2003 having served the community since 1949. According to Ernharth, longevity does not ensure success. Ernharth stated that here is a significant need for speech and hearing centers to put into practice those techniques and methods, which will ensure their continued existence.

Capacity Building

A non-profit, human service organization's capacity has been defined as its long-term ability to achieve its mission effectively and efficiently through its management, governance, and persistent re-dedication to achieving results (Hansberry, 2002). Capacity building is therefore any effort to increase, replenish, or improve an organization's ability to achieve its mission (DeVita et al., 2001; Light, 2004b; McKinsey & Company, 2001). This effort can present a challenge to many nonprofits due to their limited resources. According to DeVita et al., the importance of linking indicators of capacity to overall performance is critical to strengthen the non-profit sector.

Capacity Building in Non-Profits

Non-profit organizations differ in their levels of achievement (Bernstein, 1997). The differences are striking even among those agencies that operate in the same fields, address the same needs, or have the same goals. According to Bernstein, few non-profits are satisfied with their status of achievement. This sector is not complacent, and constantly appraises their services and results. Underlying their discontent is their commitment to improve the quality of life and build strong communities (Massarky & Beinhacker, 2002).

Few question the important contributions of non-profits to the welfare of society. Katsioloudes and Tymon (2003) indicate that as the importance of non-profits continues to grow, there is a great need to focus on the efficiency and effectiveness of non-profit organizations. In their study, Katsioloudes and Tymon, found that effective strategic planning was crucial to organizational success in non-profit organizations.

The MATRIX, a highly successful training program in Seattle, Washington, generated a list of strategies to help non-profits manage their organizations more effectively and thereby achieve their missions. A team of consultants and experts in non-profit management identified the following activities (Whatcom Council of Nonprofits, 2001).

- Governance – The primary function of the board of directors is governance (Stoesz & Raber, 1997). The governance function of a non-profit is to provide strategic direction, guidance, and controls (McNamara, 1999).
- Human Resource Management – A non-profit's relationship to its employees and volunteers is crucial to its ability to achieve its mission. An organization's human

resources policies should account for paid employees and volunteers. It should be fair, establish clear expectations, and provide for effective performance evaluations (Georgia Center for Nonprofits, 2003).

- Financial Management – Sound internal financial procedures are necessary for the non-profit to stay within the law, and to offer assurance to donors that their monies are safe (Wolf, 1999).
- Strategic Planning – Strategic planning is the process used to assess or reassess the organization's mission and goals, and to develop plans to achieve the goals and objectives consistent with the organization's mission and philosophy (Katsioloudes & Tymon, 2003). This process provides a common game plan, sets a direction for the organization, and helps gain commitment (Allison & Kaye, 2005).
- Collaboratives – Leading non-profits are team players. They consult with one another, cooperate, collaborate, and take joint actions. They recognize that they are partners with other non-profits in serving the public welfare (Bernstein, 1997).
- Outcomes – An outcome describes a specific desirable result of an organization's services. Non-profit organizations are being pressed to measure and report their outcomes regularly to funders and other constituents (Morley, Vinson, & Hatry, 2001).
- Information Technology Management – The use of computers, the internet, and software are changing the way non-profits are conducting business (Seedco, 2002).

- Fundraising – Non-profits engage in fundraising activities to meet fiscal needs. Fundraising activities may involve soliciting grants from individuals and foundations, and hosting special events to raise money (McNamara, 1999).
- Marketing – Communication builds an understanding in the media and the public of an organization's services and how these services affect the community and improve the quality of life within that community (Bernstein, 1997).

Similarly, Bernstein (1997) compiled a list of successful practices to benefit non-profit organizations. Bernstein found that a defined mission, the organization's human resources, varied funding, budgeting, strategic planning, change, integrity, and teamwork lead to effective organizations.

Customer satisfaction is a critical factor in the financial success of an organization (Agus, Krishnan, Latifah, & Kadir, 2000; Claver, Tari, & Molina, 2003). Hendricks and Singhal (1998) reported that a study of 600 companies that focused on customer satisfaction averaged a 44% higher stock price return, a 48% higher growth in operating income, and a 37% higher growth in sales. Organizations, including non-profit entities, should focus on customer satisfaction to ensure success (Kayis, Kim, & Shin, 2003; Chowdhary & Saraswat, 2003).

Chief Executive Officers' Role

Effective leadership is a critical element of successful organizations (Hall, 2002). The Board of Directors and the Chief Executive Officer (CEO) provide the leadership in non-profit organizations (Stoesz & Raber, 1997). The hiring of the CEO is considered the single most important decision a board makes. According to Wolf (1999), the character of a non-profit is determined by the CEO of the organization. The CEO is responsible for hiring the staff and serves as spokesperson for the organization. The public's impression of the organization is based on the actions of the CEO (Wolf, 1999).

The CEO is also responsible for carrying out the mission of the agency and implementing processes and practices that represent the most effective way of achieving the mission (Skyrme, 2001). The CEO, with the approval of the Board of Directors, must devise a plan by which the stated mission becomes operational (Stoesz & Raber, 1997).

Statement of the Problem

The non-profit sector continues to grow in size and importance. Human service organizations provide hope and assistance to a diverse population. These organizations fill important gaps that government and for-profit entities alone cannot satisfy. In order to remain viable in communities, non-profit organizations must adopt business practices that ensure their continued existence through improved performance. Non-profit leaders must make difficult decisions with regard to people management, resource management, and priorities because of the scarcity of resources. There is growing pressure on non-profit organizations to become more business-like and professional in their approach to management. There is a general perception that non-profit organizations are inferior in most respects to market-driven, for-profit firms.

For organizations to be successful, they must adopt strategies that have been proven to lead to a desired result. Because of the diverse mixture of non-profits, no standard set of capacity building strategies has been established. Research has identified a variety of capacity building strategies for non-profits. With the growing importance of non-profits, more research attention is needed on the efficiency and effectiveness of these organizations. No research could be found that examined the use of capacity building strategies in non-profit speech and hearing centers. Therefore, one purpose of this study was to analyze the use of capacity building strategies in non-profit speech and hearing centers by comparing the degree of actual use to the degree desired.

Research Questions

The researcher, through this study, answered the following overarching question What are the actual and desired degrees to which capacity building strategies are utilized in non-profit speech and hearing centers? The following sub-questions were asked:

1. What are the actual and desired degrees of capacity building strategies in the areas of vision and mission?
2. What are the actual and desired degrees of capacity building strategies in the area of leadership in the organization?
3. What are the actual and desired degrees of capacity building strategies in the areas of the resource development and management?
4. What are the actual and desired degrees of use of capacity building strategies in the area of outreach?
5. What are the actual and desired degrees of capacity building strategies in the area of products and services?

Significance of the Study

Community speech and hearing centers fill a gap in services for those with communication problems, which government and for-profit agencies cannot meet. Literature indicates that non-profits need to seek out new and better answers to operational and program development in order to remain viable. Research indicated a growing emphasis on tools and techniques borrowed from the business sector. The purpose of this study was to determine the degree to which capacity building strategies were used in freestanding, non-profit speech and hearing centers. The National Association of Speech and Hearing Centers (NASHC), the chief executive officers of these agencies, and the communities that these agencies serve can benefit from this research.

The NASHC is a consortium of freestanding, non-profit community speech and hearing centers located throughout the United States. There are presently 39 member organizations. The information obtained from this research may enable member organizations of this consortium to determine where their agencies were in terms of capacity building.

The chief executive officers (CEOs) of the NASHC, along with their boards of directors, are responsible for providing the leadership in their organizations. In order to carry out the mission of their agency, the CEO is responsible for implementing processes and practices that represent the most effective way of achieving the mission. This research provided CEOs the opportunity to determine the degree of actual use and desired use of capacity building strategies. As the CEO of a non-profit speech and hearing center, this researcher benefited personally from the findings of this study.

Finally, the communities and clients served by non-profit speech and hearing centers can benefit from the researcher's findings. Research has shown that communication problems can limit one's potential for academic, social, and career success. Particularly at risk are those individuals who do not have the means to afford such services. Community speech and hearing centers offer these individuals assistance in improving their potential for success in all aspects of life through services for speech, language, and hearing problems. By increasing the potential for a successful life for individuals with communication problems, the communities in which these individuals live benefit. Individuals who receive help for their communication problem are more likely to be successful in school and in finding employment, thus lessening the burden on society to provide for these individuals. Research has shown that the use of capacity building strategies leads to more effective organizations. Therefore, non-profit speech and hearing centers that invest in capacity building may be directly benefiting the communities they service. Stronger non-profit speech and hearing centers may lead to more effective programs for the communities and clients they serve.

Procedures

Research Design

The researcher's purpose for this study was to analyze the use of capacity building strategies in non-profit speech and hearing centers in the United States by examining the CEOs' perceptions of actual and desired use of capacity building strategies in their organizations. The researcher used a descriptive study to analyze the use of methods or techniques used in these organizations to ensure viability. Descriptive research provides information describing the topic and information about the participants involved within the research study (Leedy & Ormrod, 2005; Fraenkel & Wallen, 2003). Using descriptive techniques, the researcher analyzed the use of capacity building strategies in non-profit speech and hearing centers by comparing the degree of actual use to the degree desired. According to Leedy and Ormrod, descriptive research allows the researcher to examine a situation as it is. The researcher used quantitative research methods, through the development of a survey instrument. Survey research involves acquiring information about a group of people by asking questions and tabulating answers to produce numerical statistics.

Population

The population for this study was the chief executive officers (CEOs) of the 39 member agencies of the National Association of Speech and Hearing Centers. The researcher collected data from this group to analyze the use of capacity building strategies in non-profit speech and hearing centers.

Data Collection

The primary method of data collection was a survey instrument developed by the researcher. The survey items were developed from the research on capacity building strategies identified through the literature review. The survey contained 43 items on capacity building strategies. Participants were asked to assess the degree to which the capacity building item was done according to (1) actual use and (2) desired use (5 = done to a very high degree, 1= rarely done). The survey also contained five open-ended questions and demographic data. The survey was sent to the Institutional Review Board of Georgia Southern University for approval before conducting the study. Content validity was established by having a content area expert judge the match between items and the intended area or set of outcomes. For this study, the recently retired CEO of the Charlotte Speech and Hearing Center, a member of the National Association of Speech and Hearing Centers, was considered the area expert. A pilot study was also conducted to collect and analyze data as to the appropriateness, correctness, and meaningfulness of the survey instrument. Four CEOs of the United Way of the Coastal Empire's member agencies completed the survey for the pilot study. These four CEOs were asked to give feedback about the effectiveness of the survey format and the length of time it took to complete the survey.

The researcher sent a letter electronically to each of 39 CEOs of member agencies of the National Association of Speech and Hearing Centers. The letter explained the purpose of the research, confidentiality, benefits to the agencies, and plans to share the results with the agencies. The letter also directed the participants to the survey, which was posted on SurveyMonkey.com. The same cover letter and a hard copy of the survey were sent to all 39 CEOs. A self-addressed stamped envelope was included to help increase response rates. A follow-up email and phone calls were made to encourage CEOs to participate in the study.

Data Analysis

The data obtained from the study was coded and entered into the Statistical Package for the Social Sciences (SPSS) Version 12.0. This software was used by the researcher to describe and analyze the data. Descriptive and inferential statistics were used. Descriptive statistics were useful in describing and summarizing data, while inferential statistics were useful in generalizing information about populations based on a sample of these populations (Cronk, 2004). A dependent *t* test analysis was performed to compare the means of executives' perceptions of capacity building strategies currently employed to the means of the degree desired.

The demographic information obtained was used to present a picture of the research participants. No conclusions were drawn from this information. Open-ended questions were categorized and reported by themes in order to obtain a more information on the use of capacity building in non-profit speech and hearing centers.

Limitations

A limitation is an aspect of the study that is known to negatively affect the study, but which the researcher has no control (Leedy & Ormrod, 2005). The limitations within this study are:

1. The sample size was relatively small;

2. Self-reported data was collected.

Delimitations

According to Leedy and Ormrod (2005), delimitations are those aspects of the research that the researcher does not intend to do. The delimitations present in this study are:

1. The results were not intended to be generalized to all non-profit organizations.
2. The results were not intended to correlate capacity building with successful organizations.

Definition of Terms

The definitions of terms that were used throughout the study include:

1. *Audiology* – Profession concerned with the evaluation, treatment, and research in hearing health (American-Speech-Language-Hearing Association, 2004).
2. *Board of Directors* – For non-profits, volunteers charged with defining the organization's mission, developing a strategy for achieving goals, and holding the organization accountable for obtaining results. The board is accountable for the overall direction and policies of the organization (Letts, Ryan, & Grossman, 1999).
3. *Capacity Building* – An organization's long-term ability to achieve its mission efficiently and effectively through sound management, governance, and a constant rededication to achieving results (Hansberry, 2002).
4. *Community Speech and Hearing Center* – A freestanding, non-profit, human service agency guided by a mission to serve individuals with communication problems regardless of their ability to pay.

5. *Communication Problems* – Disorders of speech, language, or hearing.
6. *Executive Director/CEO/President* – Individual in a non-profit organization whose purpose is to carry out the strategic plans and policies as established by the board of directors (McNamara, 1999).
7. *Non-Profit* – A mission driven, tax-exempt organization whose purpose is to meet one or more needs in a community (McNamara, 1999).
8. *Speech-Language Pathology* – Profession concerned with the evaluation, treatment, and research in human communication and its disorders (American-Speech-Language-Hearing Association, 2004).

Summary

Non-profit organizations are extremely important. They meet needs that government and for-profit entities are not able to satisfy. However, the challenge to remain viable within their communities is greater than ever. As the non-profit sector increases in size and importance, so does the task of addressing many of these challenges more effectively and efficiently. In recent years much of the literature has focused on identifying capacity building strategies in non-profit organizations. No published research could be found that analyzed the use of capacity building strategies in non-profit, community speech and hearing centers.

The researcher conducted a national study to analyze capacity building strategies in non-profit, community speech and hearing centers. There are several groups within the United States that could benefit from this study. These groups include the National Association of Speech and Hearing Centers (NASHC), the chief executive officers of these organizations, and the clients and communities these organizations serve. Through the utilization of quantitative research methods, the researcher developed an instrument for distribution to all CEOs of agencies that were members of the National Association of Speech and Hearing Centers. The researcher's findings, addressed in this study, determined the actual degree of use of capacity building strategies in non-profit speech and hearing centers in relation to degree desired.

CHAPTER II

REVIEW OF RESEARCH AND RELATED LITERATURE

Introduction

The non-profit sector has matured in many ways, with more influence, a higher public profile, and more attention to accountability and performance (Allison & Kaye, 2005). As non-profit organizations play increasingly important roles in society, it becomes even more critical for them to perform effectively. McKinsey and Company (2001) reported that non-profit managers have demonstrated a growing interest in management practices and principles that help them build high-performing organizations, rather than just strong programs.

This chapter explores non-profit organizations and the use of capacity building strategies. Characteristics of high performing non-profits and the link between capacity building and organizational effectiveness are also explored. A listing of studies related to capacity building and its components are located at the end of this chapter in Tables 1, 2, 3, 4, 5, and 6.

Non-Profit Organizations

Non-profit organizations fill important gaps in society that government and for-profit organizations cannot satisfy (Wolf, 1999). They connect people, inspire altruism, and give voice to local and far-reaching concerns. Non-profits bind communities together and provide the infrastructure for forming social networks that support strong communities (National Council of Nonprofit Associations, 2003). The role non-profits perform in satisfying human needs is especially important in the United States. The diversity of the population with its varied interests and needs allow non-profits to fill a needed gap in services (National Council of NonProfit Associations, 2001). Katsioloudes and Tymon (2003) noted that the more heterogeneous the society, the greater need for non-profit services.

Current State of Non-Profits

According to the National Council of NonProfit Associations (2003), the non-profit sector in the United States is large, diverse, and growing. In 2003, there were 1.4 million non-profits in the United States. Of these, 837,027 were classified as 501(c)(3) organizations. These organizations are classified by the IRS as charitable nonprofits, and are exempt from federal income tax. However, these organizations must file Form 990 with the IRS if gross receipts are over $25,000. According to the National Council of NonProfit Associations, the 501(c)(3) organizations are also able to receive tax deductible contributions from individuals and businesses, and by law may not distribute profits to individuals or businesses.

There were 288,150 charitable nonprofits that filed Form 990 in 2003. According to the National Council of Nonprofit Associations (2003), this group grew by 68% since 1993 when 171,317 nonprofits filed Form 990 with the IRS. Assets held by this group of non-profits grew from $866 billion in 1993 to over $1.76 trillion in 2003. Human service organizations made up the largest group of reporters (34%). However, human service organizations held only 11% of the reporting organization's assets. In 2003, reporters received over 72% of their revenue from fees for services. The National Council of Nonprofit Associations reported that Americans contributed an average of 3.7% of their total income in 2003 to charitable organizations.

Freestanding, non-profit speech and hearing center members of the National Association of Speech and Hearing Centers (NASHC) are all listed as 501(c)(3) charitable organizations by the Internal Revenue Service (National Association of Speech and Hearing Centers, 2004). According to the NASHC website, all member organizations file 990 forms with the IRS and all share the common mission of helping people with communication problems.

Challenges Faced by Non-Profits

Despite the important contributions non-profits make, they also face many challenges. Light (2004b) reported that waning fiscal support from government and private philanthropy, increased competition from for-profit firms in fields that non-profits earlier dominated, growing pressure from the public to demonstrate effectiveness. Light (2002) found that rapid technological changes that make it difficult for small non-profits to upgrade operations, recruiting and retaining leadership, and declining public confidence in the non-profit sector are significant challenges faced by non-profit organizations.

Congress, in response to the corporate and accounting scandals of Enron, Tyco, and others, passed the American Competitiveness and Corporate Accountability Act on July 30, 2002. This act is commonly referred to as the Sarbanes-Oxley Act, and its purpose is to rebuild public trust in America's corporate sector (Board Source & Independent Sector, 2006). The law requires that publicly traded companies conform to new standards in financial transactions and audit procedures. BoardSource and Independent Sector recommended that non-profits voluntarily adopt those provisions of the Act that make good governance sense.

Recent Senate hearings have been held to determine the need for non-profit organizations to adopt financial and organizational accountability guidelines such as those outlined in the Sarbanes-Oxley Act (BoardSource & Independent Sector, 2006). Currently, voluntary accountability guidelines are being adopted by non-profits across the country. The Georgia Center for Nonprofits (2003) adopted the Georgia Standards for Excellence in anticipation of forthcoming regulation of the non-profit sector. The Georgia Standards include all standards recommended by a national advisory committee of non-profits. These include:

- Well-defined mission statements and programs designed to adhere to the organization's mission;
- Detailed governance guidelines that specify activities of board members, selection of board members, and human resource policies;
- Financial and legal operations;
- Openness policies concerning mission, programs, and finances; and
- Ethical fundraising practices (Georgia Center for Nonprofits).

A survey was conducted by the Georgia Center for Nonprofits (2006) to evaluate the use of the above listed standards by Georgia non-profits. The data suggested that the majority of non-profits take great care in composing and evaluating their mission, have very involved boards, have certified public accountant audit their financial reports annually, and publish annual reports to the public with program outcomes and financial data. The survey results also indicated that Georgia's non-profits depend on their own staff and board to conduct fundraising and work hard to ensure that donor privacy is maintained.

Capacity Building

A non-profit, human service organization's capacity has been defined as its long-term ability to achieve its mission effectively and efficiently through its management, governance, and persistent re-dedication to achieving results (Hansberry, 2002). Capacity building is therefore any effort to increase, replenish, or improve an organization's ability (DeVita et al., 2001; Light, 2004a; & McKinsey & Company, 2001). This effort can present a challenge to many nonprofits due to their limited resources. According to DeVita et al., the importance of linking indicators of capacity to overall performance is critical to strengthen the non-profit sector.

Light (2004a) argued that organizational strength contributes to program effectiveness, and capacity building produces stronger organizations. In a random sample of non-profit organizations with an annual budget of more than $250,000, Light found that non-profits use almost as many capacity-building tools as do private firms. The second finding from Light's study revealed that capacity building appeared to have a significant impact on organizational outcomes in terms of improved management, improved program impact, and overall organizational performance.

Community structures are typically organized around three realms: the government, business, and nonprofit sectors. All three sectors must be present and working together to achieve balance and stability in a community (DeVita et al., 2001). However, in today's rapidly changing environment, non-profits, with their limited resources, are challenged to keep up with change and contribute to an enriched and healthy quality of life in the communities they serve. DeVita et al. noted that the nonprofit sector is continually challenged to devise ways to increase and strengthen its capacity. Capacity building must rest on the belief that change is the norm and not a passing anomaly (DeVita et al.; Doherty & Mayer, 2003; Kearns, 2004; Light & Hubbard, 2002).

Capacity Building and Organizational Effectiveness

Connolly and York (2002) reported that non-profit organizations, like all organizations, are dynamic systems. Non-profit organizational capacity is continually evolving and changing. The organization's mission, vision, and strategy are the driving forces that give purpose and direction to the organization. Connolly and York stated that program delivery and impact are the primary reason for a non-profit's existence, and resource development and management are all necessary mechanisms towards the non-profit's mission.

Light (2004a) noted that organizational capacity matters to the effectiveness of non-profit organizations. Capacity building directly relates to everything an organization uses to achieve its mission. Light stated that capacity is an output of organizational activities such as board development, recruiting staff, fundraising, and managing budgets. It then becomes an input to mission-related program activities such as treating patients and feeding the hungry. According to Light, organizational capacity is then regenerated through the same activities that initially created it.

Organizational effectiveness in a non-profit can be difficult to define. Unlike for-profit companies, there is no financial bottom line to evaluate (Connolly & York, 2002). According to Grantmakers for Effective Organizations (2000), organizational effectiveness for a non-profit is the ability to fulfill its mission through a blend of sound management, strong governance, and a persistent rededication to realizing results. One way to measure the actual robustness of an organization is through the use of surveys and self-assessments (Light, 2005b).

According to Light (2004b), non-profits have been doing more with less for so long that many now border on doing everything with almost nothing. When forced to cut expenses, non-profits most always focus on organization and management. Light further suggested that non-profits always serve their mission first even if doing so creates high stress and turnover.

Light (2004b) reported that a telephone survey of 1,417 Americans in 2004 and found that 37% of those surveys felt that non-profits did not do a good job in fiduciary and administrative performance. Although 31 % surveyed said charitable organizations do a very good job helping people, only 19 % gave them the same grade for running their programs and services. Light stated that this lack of confidence in a non-profit's organizational effectiveness affects discretionary giving and volunteering. According to Light, organizational capacity leads to organizational effectiveness, which affects public confidence. Public confidence then leads to giving and volunteering. Light proposed that non-profits invest in capacity building to assure the highest level of organizational performance.

In a study examining the non-profit workforce, Light (2002) found that the state of the non-profit workforce was excellent. Light concluded that non-profit employees came to work for the right reasons because they had a job that allowed them the chance to make a difference. In a telephone survey of 1,140 randomly selected non-profit employees, Light found that the non-profit workforce was strong, but the organizations were weak. According to the survey, non-profit employees experience high levels of stress and burn out, and indicate that their organizations do not provide enough training and staff to succeed. Despite these obstacles, non-profit employees were more likely than government or business employees to report they were proud of where they worked. Light reported that the majority of non-profit employees characterized their organizations as innovative, helpful, fair and trustworthy (Light). Toppe and Kirsch (2002) found that the non-profit sector continued to enjoy broad public support after the terrorist attacks of September 11, 2001.

Characteristics of High Capacity Non-Profits

Recent studies suggest a converging list of attributes that signify a high capacity non-profit organization. Hansberry (2002) assembled a panel of non-profit experts who developed a list of characteristics of a high-capacity organization. The list included:

- A clearly defined mission that was relevant to community needs and embraced by all organizational levels;
- Capable and motivated leadership characterized by a well-organized board and a capable dedicated staff;
- Results oriented programs aligned with the mission and responsive to constituents;
- Ability to access human, information, and material resources including the ability to recruit, hire and retain staff, use information networks, and create diverse revenue streams;
- Adaptive capacity that includes the ability to improve programs, to take risks, and to respond creatively to change;

- Efficient operation and management support systems that use resources to maximum advantage and are highly adaptable to internal and external changes; and
- Self-knowledge as evidenced by an organizational ability to constantly examine the balance of efforts with outcomes (Hansberry, 2002).

These characteristics are comparable to those arrived at by Light (2004a). In a national survey of 318 non-profit experts, Light found that the majority of non-profits surveyed were engaged in collaboration, fundraising, reorganization, team building, board development, information technology, and accountability efforts. He categorized these actions into four categories: external relations, internal structure, leadership, and management systems.

In a study of 13 non-profit organizations, McKinsey and Company (2001) reported on lessons learned from non-profits that had engaged in successful capacity building efforts. The study defined the first lesson as the act of resetting aspirations and strategy. The organizations that experienced the greatest gains in capacity were those that undertook a reassessment of their vision of what their organization was attempting to accomplish in the next phase of its development. The second lesson defined in the study was the importance of good leadership, while the third lesson was one of patience. McKinsey and Company reported that building capacity might feel like a never-ending process as improvements in one area may place unexpected demands on another.

As a result of their findings, McKinsey and Company (2001) devised a capacity assessment grid for organizations to use to evaluate their capacity needs. The following seven elements were identified by McKinsey and Company as characteristics of high capacity non-profits and have also been reinforced by other studies (Abernathy & Fine, n.d.; Light, 2004a).

- Aspirations – mission, vision, overarching goals;
- Strategy – overall strategy, goals, program relevance and growth, program development;
- Organizational Skills – strategic planning, fundraising, collaboration, marketing;
- Human Resources – board development, management team, chief executive officer, staff, volunteers;
- Systems and Infrastructure – decision making framework, financial management, human resource management, technological infrastructure;
- Organizational Structure – board governance, organizational design;
- Culture – shared values, beliefs, and practices (McKinsey & Company, 2001).

DeVita et al. (2001) arrived at five components, common to all organizations that can be targeted for capacity building. The five components include: vision and mission, leadership, resources, outreach, and products and services. DeVita et al. emphasized the importance of considering each component in relation to the others. Vision and mission are communicated by leaders and are operationalized through products and services. While resources are the building blocks for delivering services, they can be acquired more successfully through a clear vision and disseminated through a deliberate outreach effort. The researchers noted that the initial steps for identifying which capacities to build in an organization are almost as crucial as the capacity building activity itself.

Collins (2001) researched how companies achieved enduring greatness. He identified a set of elite companies that achieved and maintained great results. Collins and his associates found that the following characteristics distinguished great companies from those that were merely good.

- Leaders of great companies tended to be low-profile individuals who possess personal humility and professional drive.
- Great companies seek to obtain the best talent before worrying about vision and strategy.
- Great companies continuously are innovative and change course when their current products, services, or processes are no longer working.
- Great companies focus on what they can do better than anyone else, what they have a passion for, and what contributes to their economic objectives. Collins referred to this as the "hedgehog concept".
- Great companies are disciplined and maintain a clear focus on goals, expectations, and accountabilities.
- Technology is used as an accelerator to advance their organizational goals.
- Greatness is not achieved overnight. It takes years of building momentum and laying the foundation of success. Collins referred to this momentum as the "flywheel effect".

Collins (2006) addressed the social sectors in a monograph to accompany *Good to Great.* Collins argued that the good-to-great principles apply to the social sectors even better than expected. His argument is based on feedback and interviews with more than 100 social sector leaders. Collins stated that a great organization is one that delivers superior performance and makes a distinctive impact over an extended period of time. While for a business, financial returns are a legitimate measure of performance, Collins argued that for the social sector, performance must be measured relative to mission.

Kearns, Haley, Nelson, Themudo, and Dougherty (2006) conducted research to analyze the factors that distinguish outstanding non-profit organizations from those that achieve adequate performance. Kearns et al. reviewed the literature and found that outstanding organizations continually adapt and refine their mission and vision, develop revenue strategies appropriate to the mission, and develop and refine innovative and effective approaches to accomplishing their mission. These researchers also discovered that outstanding non-profits are effective advocates of their mission, have an abiding commitment to be accountable for all that they do, and select approaches on collaboration and competition that will have the greatest impact on their communities.

Building Capacity in Non-Profits

Hansberry (2002) found that certain factors must be present in order to engage in successful capacity building. She discovered that a long-term commitment, setting realistic goals, and building on an organization's strengths and assets were essential to build capacity in an organization. According to Hansberry, commitment to dialogue, self-knowledge, excellent management and governance, and the ability to form strategic alliances and partnerships were all common themes that represented attributes of successful capacity building.

Non-profits also need to be highly flexible and ready for change in order to conduct successful capacity building (Ebrahim, 2003). Ebrahim described this flexibility as adaptive capacity and stressed that an organization must be ready to embrace change. Hansberry (2001) noted that capacity building often fails when there is little or no input from the organization. She added that consultant driven processes rarely produce long-term results. DeVita et al. (2001) stated that capacity building rests on the belief that change is the norm and not a passing anomaly.

Letts, Ryan, and Grossman (1999) reported that building organizational capacity was slow and difficult work even in the most receptive cultures. Letts and her associates found that creating a high performing non-profit requires much attention to the infrastructure of an organization, and an understanding of specific organizational practices and how they fit into the larger mission. They stressed the need for patience in building organizational capacity.

According to Millesen and Bies (2005) capacity building incentives need to be encouraged throughout the organization. Incentives that promote mutual benefit, recognize managerial complexity, and discourage competition and promote collaboration were found by Millesen and Bies to be instrumental in building capacity.

The results of a membership survey conducted by the Alliance for Nonprofit Management (2005) revealed that the demand for capacity building rose in 2004 compared to 2003. Revenue generated by capacity building also increased, with endowment income and grants topping the list.

Capacity Building Strategies

Capacity building strengthens nonprofit performance (Light, 2005b). Any effort to increase, replenish, or improve an organization's ability is building organizational capacity (DeVita et al., 2001; Light, 2005b; McKinsey & Company, 2001). Non-profits face an increasingly complex set of pressures. Funders and government are demanding efficient, cost-effective services of consistent quality. Non-profits that lack the capacity to adapt in this changing environment will suffer (Letts et al., 1999).

Research has drawn on management techniques used by successful leaders in both businesses and non-profits. Much research exists that outlines approaches non-profits can use to build their capacity for learning, innovating, ensuring quality, managing effectively, and motivating staff (Light, 2004a; Letts et al., 1999; Connolly & York, 2002; Kearns, 2004).

Capacity Building Strategies in Non-Profits

Non-profit organizations differ in their levels of achievement (Bernstein, 1997). The differences are striking even among those agencies that operate in the same fields, address the same needs, or have the same goals. According to Bernstein, few non-profits are satisfied with their status of achievement. This sector is not complacent, and constantly appraises their services and results. Underlying their discontent is their commitment to improve the quality of life and build strong communities (Massarsky & Beinhacker, 2002).

Few question the important contributions of non-profits to the welfare of society. Katsioloudes and Tymon (2003) indicated that as the importance of non-profits continues to grow, there is a great need to focus on the efficiency and effectiveness of non-profit organizations. In their study, Katsioloudes and Tymon, found that effective strategic planning was crucial to organizational success in non-profit organizations.

According to the Whatcom Council of Nonprofits (2001), the MATRIX, a highly successful training program in Seattle, Washington, generated a list of strategies to help non-profits manage their organizations more effectively and thereby achieve their missions. A team of consultants and experts in non-profit management identified the following strategies: governance, human resource management, financial management, strategic planning, collaboration, outcomes, information technology, marketing and fundraising

Similarly, Bernstein (1997) compiled a list of successful practices to benefit non-profit organizations. Bernstein found that a defined mission, the organization's human resources, varied funding, budgeting, strategic planning, change, integrity, and teamwork lead to effective organizations.

Customer satisfaction is a critical factor in the financial success of an organization (Agus et al., 2000; Claver et al., 2003). Hendricks & Singhal (1998) reported that a study of 600 companies that focused on customer satisfaction averaged a 44 percent higher stock price return, a 48 percent higher growth in operating income, and a 37 percent higher growth in sales. Organizations, including non-profit entities, should focus on customer satisfaction to ensure success (Kayis et al., 2003; Chowdhary & Saraswat, 2003).

The capacity building strategies are addressed in the framework of capacity building components by DeVita et al. (2001). The capacity building components with their individual strategies are listed below:

- Vision and mission – strategic planning
- Leadership – board of directors, CEO
- Resources – fundraising, technology, human resource management, financial management
- Outreach – collaboration, marketing
- Products and services – outcomes, customer satisfaction

Vision and Mission

According to the Standards of Excellence, which has been adopted by seven state non-profit organizations, the number one principle addresses mission and vision. Mission and vision are founded for the public good and operate to accomplish their stated purposes through specific program activities (Georgia Center for Nonprofits, 2003). A non-profit's mission should be well defined, and its programs should work towards achieving that mission. A non-profit has an obligation to the public to ensure program effectiveness, and to devote the organization's resources to achieving that purpose (Hansberry, 2002).

A mission statement includes three major concepts: the reason the organization exits, the method or activity through which the organization tries to fulfill this purpose, and the principles or beliefs that guide an organization's members as they pursue the organization's purpose (Alliance for NonProfit Management, 2005). While the mission statement summarizes the what, how and why of an organization's work, a vision statement should present an image of what this success would look like. According to the Alliance for NonProfit Management, once mission and vision statement are adopted, the organization has taken an important step towards creating a shared, articulated idea of its strategic plan.

Kearns et al. (2006) found that in the non-profit world, aspirations often exceed capacity. They concluded that many nonprofits obtain only adequate results and spend most of their time trying to survive and rarely achieve outstanding performance. Kearns et al. found that outstanding organizations continually refine and adapt their mission in order to enhance their impact on consumers and their community at large.

There are at least four circumstances that should prompt an organization to reexamine, and possibly adapt their mission according to Kearns, et al. (2006). These include: the organization has accomplished all or part of its original mission, the needs and desires of the consumers change, the original mission no longer appeals to funders, donors, and other important stakeholders, and other organizations have emerged as competitors forcing the organization to adjust its mission. Several researchers stress that an organization's mission needs to be relevant to community needs and embraced by all organizational levels (Hansberry, 2002; DeVita et al., 2001, Georgia Center for Nonprofits, 2003; Kearns et al., 2006; McKinsey & Company, 2001).

According to DeVita et al. (2001), the vision and mission statement of an organization answers the question of why an organization exists. A clear statement will articulate what is unique about the organization and can serve as a long-range planning tool for organizations. Wolf (1999) stated that a strong organization is one whose purpose is relevant to the current needs of the community. The mission, according to Wolf, should be up-to-date, relevant to the needs of those served, and appropriate for a broad constituency.

Edward R. Deming, the patriarch of total quality management, believed that an organization must have a vision. He defined a vision as a statement of the preferred future (Cole, n.d.). Once formed, the vision can align a group of individuals who share an understanding of the vision, accept the direction, and wish to make it a reality. Cole stated Deming believed that without a vision, an organization was without a purpose.

According to DeVita et al. (2001), the organization's vision and mission provide an important context for measuring the effectiveness of its services. A mission statement should be written in a way that lists criteria for assessing its program activities at the end of the year. DeVita et al. reported that in an era of public accountability, non-profits are asked to demonstrate their accomplishments in concrete ways.

Strategic Planning

Organizational planning sets the direction, activities, and strategies a non-profit employs to fulfill its mission (Minnesota Council of Nonprofits, 2005). Non-profit organizations have a responsibility to engage in sound planning, define a clear vision for the future, and specify strategies, goals, and objectives for plan implementation. According to the Minnesota Council of Nonprofits, planning should incorporate input from constituents and be ongoing to successfully position organizations to achieve their goals.

The Alliance for Nonprofit Management (2005) defined strategic planning as a management tool used to achieve organizational capacity by ensuring that members of the organization work toward the same goals. They added that strategic planning assesses and adjusts the organization's direction in response to changing demographics. According to the Alliance for Nonprofit Management, successful strategic planning:

- Leads to action
- Builds a shared vision that is values-based
- Is a participatory process which involves board and staff
- Accepts accountability to constituents
- Is externally focused and sensitive to the organization's environment
- Is based on quality data
- Requires an openness to questions
- Is a key part of effective management

Strategic planning is a leadership tool and a management tool. Allison and Kaye (2005) reported that as a leadership tool, strategic planning encourages the organization to assess if it is doing the right thing. They added that as a management tool, an effective planning process focuses on whether or not the organization is doing things right. Broadman and Vining (2000) reported that strategic planning recommends the best strategy for an organization on the basis of an assessment of the internal and external environments.

Katsioloudes and Tymon (2003) investigated the strategic planning processes of non-profit organizations in the Greater Philadelphia region. The research indicated that although non-profits were engaging in strategic planning, the strategic planning process was not used to the degree executive directors desired.

Changanti and Seltzer (1989) studied the use of strategic planning in human service organizations in the Philadelphia area. These researchers found that organizations that analyze their environments and adopt program strategies appropriate to conditions in the environment were more effective than those that did not adopt such organizational strategies. Changanti and Seltzer also found that non-profits that emphasized efficiency received higher levels of funding. They concluded that operational efficiency was difficult to obtain without systematic control of operations and strategic planning of programs. According to Changanti and Seltzer, non-profit organizations were better able to attain their service objectives when they practiced planning because they were able to provide quality services while being efficient. These researchers stressed the need for cooperation and commitment from the professional staff and board.

Leadership

Gardner (1988) defined leadership as the process of persuasion or example by which an individual induces a group to pursue objectives held by the leader or shared by the leader and followers. Strong leadership can make the difference between success or failure when implementing programs and services. According to Bernstein (1997), good leaders insist on excellence in the organization’s performance and reject complacency and rigidity. DeVita et al. (2001) noted that leaders motivate others and create action. They further stated that leaders envision and articulate the organization’s goals, and they establish a mechanism to achieve these goals. Northouse (2004) defined leadership as a process whereby an individual influences others to achieve a common goal. Northouse described a leader as a person who engages in leadership, and a follower as a person toward whom leadership is projected.

According to Drucker (1992), the most important task of an organization’s leader is to anticipate crisis. An effective leader has to make the organization capable of anticipating the storm, surviving the storm, and being ahead of the storm. Drucker described this constant renewal as innovation. Organizations need leaders who take their roles, not themselves, seriously. Drucker stated that effective leaders are those that are good listeners, good communicators, and those who realize how unimportant they are compared to the task.

Collins (2001) described a great leader as a Level 5 leader. In an analysis of companies that had achieved greatness, Collins noted that Level 5 leaders channel their ego needs away from themselves and into building a great company. He characterized great leaders as being humble, modest, and as having tremendous resolve to do what was needed to make the company great. Collins and Drucker (1992) both felt that great leaders had the ability to put the right people in the right places to get the job done.

Goleman (1998) found that the most effective leaders had a high degree of emotional intelligence. He described the five components of emotional intelligence as

- Self-awareness – the ability to recognize and understand emotions as well as their effect on others;
- Self-regulation – the ability to control disruptive impulses and moods;
- Motivation – a passion to work for reasons that surpass money or status;
- Empathy – the ability to understand the emotional makeup of other people and to treat others according to their emotional reactions;
- Social skills – an ability to manage relationships and build networks.

Goleman found that emotional intelligence increased with age and can be learned. He stressed that the process was not easy and time and commitment were necessary.

Leadership in the Non-Profit Sector

Drucker (1992) stated that leaders in non-profit organizations could not be satisfied with performing adequately. He noted that leaders of non-profits must do exceptionally well, because the organization is committed to a cause. Collins (2006) noted that in non-profits, the Level 5 leader's compelling combination of personal humility and professional will are factors in creating legitimacy and influence. Light (2005) believed that organizations need different kinds of leadership as they move up the development spiral. In a study of 25 high-performing non-profits, Light found that non-profits often changed directions in leadership several times as they moved upward toward a more robust organization.

Leadership in a non-profit is closely tied to vision and mission and comes from many sources, including the professional staff, board members, and volunteers. Structurally, an organization requires leadership at every level. This encourages problem solving and decision-making throughout the organization (DeVita et al, 2001).

Board of Directors

The non-profit board is a legal entity and must be held to standards similar to for-profit organizations. A non-profit is governed by an elected, volunteer board of directors that should consist of individuals who are committed to the mission of the organization (Georgia Center for Non-Profits, 2003). A non-profit's board of directors is responsible for defining the organization's mission and for providing overall leadership and strategic direction to the organization. According to the Minnesota Council of Nonprofits (2005), nonprofit boards should set policy and ensure that the organization has adequate resources to carry out its mission; provide direct oversight and direction for the chief executive officer and evaluate his/her performance; and evaluate its own effectiveness as a governing body, as volunteers, and as representatives of the community in upholding the public interest served by the agency.

In order to discover what makes board governance effective, McKinsey and Company (2003) conducted interviews with the board chairs of 32 of the 100 organizations named as top performers by Worth Magazine. Results indicated that high-performing boards had three defining characteristics. According to McKinsey and Company, high-performing boards shaped the direction for the non-profit through its mission, strategy, and key policies, ensured that the leadership, resources, and finances in place were commensurate with the vision, and monitored performance and ensured prompt corrective action when needed.

Inclusive governance is recognized in the literature as a successful board strategy. Brown (2002) found that boards that practiced inclusive governance were better able to meet the challenge of balancing social needs, community trust, and organizational constraints. Brown's research indicated inclusive governance included a board that sought information from multiple sources, demonstrated an awareness of the community and constituents who benefited and contributed to the organization's services, and established polices and structures to develop stakeholder contributions.

Wider diversity in board member characteristics has been supported as a means of achieving organizational performance. With data from 240 non-profit organizations, Siciliano (1996) found that higher levels of social performance and fundraising were associated with board members having a greater occupational diversity. Gender diversity also compared favorably to social performance, but had a negative association with levels of funds raised. Board member age diversity was linked to higher levels of donations.

Research conducted by the Alliance for Board Diversity (2005) found that there was a severe under-representation of women and minorities on corporate boards of the

Fortune 100 when compared to general population demographics of the United States in terms of race and gender. The research found that 16.9% of board seats were held by women and only 14.9% of board seats were held by a minority individual. Particularly low was representation of Hispanics, who held 3.9% of board seats and Asian-American, who held 1% of board seats. The Alliance for Board Diversity also found that there was a recycling of the same minority individuals, especially African-American men, on multiple boards.

Brown (2004) studied the relationship between board performance and organizational performance. He found that associations between board performance and financial indicators were inconclusive. Organizations with larger budgets reported better board performance, but it was not reasonable to assume that the boards caused the organizational success. Brown did find that boards in more effective organizations were more likely to report engagement in strategic activities. He also concluded that the interpersonal dimension was extremely important in board performance and recommended more time for board members to get to know each other.

Bugg and Dallhoff (2006) researched the governance practices of non-profit organizations in Canada with the goal of developing a database of successful practices for non-profits. A number of themes emerged from Bugg and Dallhoff’s research including the following:

- Leadership – the importance of selecting and training the CEO;
- Recruitment – the challenge of recruiting and retaining qualified board members;
- Succession Planning – the need to develop board leaders and plan for the succession of the CEO;

- Role Clarity – the need for role clarity and ensuring that board members understand their financial duties and responsibilities;
- Education and Development – the importance of continuous education and development of board members;
- Strategic Planning – the need to understand the board's role in the strategic planning process;
- Performance Measurement – the lack of performance measures to assess board effectiveness.

Chief Executive Officer

Effective leadership is a critical element of successful organizations (Hall, 2002). The Board of Directors and the Chief Executive Officer (CEO) provide the leadership in non-profit organizations (Stoesz & Raber, 1997). The CEO is also responsible for carrying out the mission of the agency and implementing processes and practices that represent the most effective way of achieving the mission (Skyrme, 2001). The CEO, with the approval of the Board of Directors, must devise a plan by which the stated mission becomes operational (Stoesz & Raber, 1997).

The hiring of the CEO is considered the single most important decision a board makes. According to Wolf (1999), the character of a non-profit is determined by the CEO of the organization. The CEO is responsible for hiring the staff and serves as spokesperson for the organization. Wolf stated that the public's impression of the organization is based on the actions of the CEO.

The Bridgespan Group (2006) conducted a study of leadership requirements of non-profits with revenues greater than $250,000. The findings suggested that over the next decade, non-profit organizations would need to attract and develop approximately 640,000 new managers, which is equivalent to 2.4 times the number currently employed. The Bridgespan Group reported that the projected leadership deficit was due to both an inhibited supply and increased demand. According to The Bridgespan Group, the growing number of non-profit organizations, the retirement of managers from the large baby-boomer generation, movement of existing non-profit managers to different roles within or outside of the sector, and the growth in size of non-profits all contributed to the projected leadership deficit.

A study by Bell, Wolfred, & D'Silva (2006) of executive leadership in non-profits, found that 75% of executives do not plan on being in their current jobs five years from now. Moreover, the majority of those surveyed did not see themselves leading another non-profit organization. The researchers also found that boards of directors and funders contributed to executive burnout, executives felt they made significant financial sacrifices to lead nonprofits, executives sought new skills and strategies to increase organizational sustainability, and diversity and compensation were critical factors in finding future leaders. Bell et al. noted that non-profits would face increasing competition for talented leaders over the coming decades as the baby boomers retire and the labor market tightens. They recommended that board members engage in succession planning for the executive and the board, insist on adequate salary and benefits for the executive director, analyze the ethnic and racial composition of the board, and articulate an appropriate board role in fundraising.

Peters and Wolfred (2001) researched the professional experience, compensation, tenure trends, and executive training and support of non-profit CEOs. Their findings indicated that women substantially outnumber men in the CEO positions by as much as 60 percent. Nearly two-thirds of CEOs were in the role for the first time and the majority were recruited from outside of their agencies. Peters and Wolfred reported that while women outnumbered men in CEO positions, they were paid less than their male counterparts for the same jobs. However, men disproportionately led large agencies. Current CEOs reported that they enjoyed their work, yet fewer than half planned to take on another executive role. According to Peters and Wolfred, CEOs relied heavily upon their work colleagues and other peers for information and support and less so on formal supports such as coaching and college-based course work. The researchers also found that boards of directors impacted executive tenure and executive satisfaction as well as agency success.

A study of leadership trends in Georgia non-profits found that the average Georgia executive was a white woman in her fifties with five to seven years of experience as an executive. This study by the Teegarden (2005) for the Georgia Center for Nonprofits found that 58 percent of CEO's were over 50 years of age and had been in their current positions for more than eight years. This implied a growing number of transitions as this group began to retire. Teegarden reported that 51 % of CEO's were in their positions for the first time. The study also found that 69 % of organizations did not have a succession plan for executive transitions.

Fernandopulle, Masaoka, and Parsa (2002), in a study of non-profit CEOs in the San Francisco area, reported that women of color increasingly held executive positions. According to Fernandopulle et al., a profile of a woman CEO of color showed her to be a first time executive, on the job for almost four years, and running a human service organization serving primarily people of color.

According to a random sample of 1,200 senior liberal arts and social work students, the nature of the job, not the size of the paycheck, was still the most important consideration in making a decision about where to work. Light (2002) reported that non-profits were seen as the best at spending money wisely, making fair decisions, and delivering quality services when compared to government and for-profit organizations. Light’s survey found that non-profits were seen by seniors as the best place to go to serve one’s country. However, the majority of seniors expressed concern about the salary and benefits in the non-profit sector.

To build capacity in the leadership component of non-profit organizations, two factors must be considered. According to DeVita et al. (2001), these factors include enhancing existing leadership and developing new leadership.

CompassPoint (2003) reported that executive coaching could be a promising tool for leadership development. In a study of 24 CEOs who received coaching through CompassPoint Nonprofit Services, coaching consistently led to the executives’ report of higher impact in specific management areas, stronger leadership skills, and more hopefulness and confidence that they could create a more sustainable job for themselves. The project by CompassPoint provided 40 hours of one-on-one coaching to 24 CEOs for a one-year period. Executive coaching involved challenging and supporting CEOs to achieve higher levels of performance through expanding their capacity to take action. Coaching typically occurred several times each month for 30 minutes to one hour at a time. According to CompassPoint, CEOs reported a high degree of satisfaction that coaching outcomes were met, and many reported a reduction in stress and burnout.

Research has shown that within the next five years, close to 75 percent of current nonprofit CEO's will be leaving their jobs and transitioning out of the sector (Bell et al., 2006; Chapman & Vogelsang, 2005). Too often, when a CEO leaves a non-profit, the organization is thrown into turmoil. Chapman and Vogelsang recommended that every organization should have an emergency and long-term succession plan in place to be prepared for the short-term or permanent loss of their CEO. Succession planning is considered a capacity building strategy to help the organization sustain itself through a transition process and to be prepared for new leadership. Chapman and Vogelsang argued that through the transition process, nonprofits can make appropriate changes to the infrastructure, identify strategic directions than can influence the future of the organization, and facilitate the development of an effective board and executive director relationship. Price (n.d.) felt that succession planning should be an ongoing part of organizational development and sustainability in non-profit organizations. She stated that succession planning in non-profits can be difficult due to scarcity of resources, time, and money. According to Price, succession planning should be a shared responsibility between the CEO and the board of directors. Price argued that it was the responsibility of every CEO to identify strong leaders within their organization and to help them grow.

Resources

Resources are an essential and critical component of any organization. According to DeVita et al. (2001), resources affect the organizations ability to carry out its mission, attract competent leadership, and get its message out to the community. Efforts to build organizational capacity in non-profits focus on human resource management, financial management, fundraising, and technology (DeVita et al., 2001).

Human Resource Management

Human resource management involves the development of people as a resource (Georgia Center for Nonprofits, 2003). A non-profit's relationship to its employees and volunteers is crucial to its ability to achieve its mission. The Minnesota Council of Nonprofits (2005) encouraged non-profits to place a high priority on exercising fair and equitable practices that attract and retain qualified volunteers and staff. According to the Georgia Center for Nonprofits, volunteers occupy a special place in non-profit organizations. They serve in governance, and administrative and programmatic capacities.

The Georgia Center for Nonprofits (2003) recommended that nonprofits have written personnel policies and procedures approved by the board of directors. The organization's human resources policies should address paid employees and volunteers. In addition to covering basic elements of the employment relationship, the policies should also address employee evaluation, supervision, grievance procedures, confidentiality issues, and employee growth and development. For volunteers, the Georgia Center for Nonprofits advocated that the organization's policies should address assignment to and training for appropriate work responsibilities, on going supervision and evaluation, and advancement opportunities. In addition, the Georgia Center for Nonprofits recommended employee performance evaluation to be conducted at least annually, and employee orientation. However, the Human Interaction Research Institute

(2001) reported that non-profits have fewer resources available for employee training or for creating dynamic employment opportunities.

Light (2002) reported that the non-profit sector had the most dedicated workforce in the country. In a study of 1,140 randomly selected non-profit employees, Light found that nonprofit employees came to work for the chance to accomplish something worthwhile, the nonprofit sector provided the kind of work talented Americans wanted, and the workforce was continually improving. He also found that non-profits recognize high performance, but often had difficulty disciplining poor performance. The research also showed that non-profit employees were very satisfied with their work, and trusted their organizations to do the right thing. Light concluded that the non-profit sector, not government, was the place to go for people who wanted to serve their communities and country. However, the research also found that non-profit employees experienced high levels of stress and burn out, and reported that their organizations did not provide enough training and staff to succeed.

Letts et al. (2001) found that effective human resource management was not about finding and keeping people, but about finding, keeping, and managing people in ways that would help the organization achieve its mission. They argued that human resource practices need to be seen as strategic. By linking recruiting, retention, and motivation to organizational objectives, strategic human resource management addresses the needs of the client, the organization, and its employees simultaneously. According to Letts et al., organizing jobs so employees can achieve and see results advances the mission and motivates people along the way.

Dorenbosch, Van Engen, and Verhagen (2005) researched the motivation of employees to engage in creative and innovative behavior. The researchers concluded that a flexible job design and commitment oriented human resource management activities promoted individual innovative work behavior, which was felt to be critical to organizational success. Dorenbosch et al. described a commitment oriented human resource management system as one that promotes decentralization of managerial decision-making, setting up participation mechanisms, providing proper training, and openness of information.

The Whatcom Council of Nonprofits (2001) compiled a list of best practices for human resource management. Fair and equitable treatment of employees, clients, and volunteers, appropriate job assignments, mission oriented outcomes, and appropriate evaluations, training and feedback were reported to contribute to human resource management. The Whatcom Council of Nonprofits also advocated for the use of effective communication systems and practices throughout the organization.

Working with focus groups of non-profit employees, McCambridge (2001) researched the characteristics present in a worthwhile work situation. The results revealed several common themes. According to McCambridge, these themes included: mission and meaning, respect for customers or constituents, organizational premium on continuous learning and creativity, a vested share in the future, an active communication system, mutual respect, collegiality and fun, and authentic forms of acknowledgement.

Harel and Tzafrir (1999) studied the impact of human resource management practices from a national sample of private and public sectors in Israel. The discovered the single most important factor affecting organizational performance was training practices. The research of Delaney and Huselid (1996) also found a positive association between the human resource management practice of training and organization performance.

Non-profits have reported problems with recruiting and retaining top-quality professional staff. Ban, Drahnak, and Towers (2002) researched the severity of this problem and found that few managers reported serious problems in hiring and retaining professional staff, and most were satisfied with the quality of their staff. However, many reported difficulties finding candidates for information management and development positions. The researchers also found that the CEO handled the function of human resource management in smaller non-profits. Ban et al. recommended that these CEOs would benefit from formal training because they lacked knowledge of current human resource practices.

Financial Management

According to the Georgia Center for Nonprofits' Standards for Excellence (2003), non-profits must practice sound financial management. The financial system should ensure that accurate financial records are kept and that the financial resources are used to further the organization's mission. The Georgia Center for Nonprofits (2005) noted that since most scandals in the non-profit sector involved misappropriation of funds or mishandling of funds, future government regulations for non-profits were most likely to be concerned with financial accountability.

Financial management practices are critical elements of any non-profit organization and demand careful attention in capacity building efforts (DeVita et al., 2001). Non-profits generate income in different and more numerous ways than for-profits and therefore require more complex tracking and reporting systems. Wolf (1999) noted that sound internal financial procedures are necessary to conform to state and federal laws and to be accountable to donors. Wolf advocated for strong internal controls, a long-term financial plan, realistic budgets and budget monitoring, and independent audits for non-profits. According to the Independent Sector, one of the main functions of the board is to protect the organization's financial assets. The Independent Sector also advocated for an external audit to determine the accuracy of the organization's financial statements, review internal controls, accounting procedures, and financial reporting systems.

In an attempt to explore financial performance measures of non-profit organizations, Ritchie and Kolodinsky (2003) identified three performance indicators. They characterized the performance factors as fundraising efficiency, public support, and overall fiscal performance.

Research conducted by the Georgia Center for Non-profits (2005) revealed that 88% of the Georgia non-profits surveyed have a certified public accountant audit financial reports annually, 51% monitor financial statements on a monthly basis, and 77% publish an annual report revealing financial data. The Standards of Excellence (Georgia Center for Nonprofits, 2003) recommended that non-profits publish annual reports, prepare internal financial statements on at least a quarterly, and have a yearly audit by a certified public accountant. The Independent Sector (n.d.) warned that not all accountants are qualified to audit a non-profit, as non-profits follow accounting practices that are distinct from business and government.

Fundraising

Charitable fundraising is an important source of financial support for most non-profit organizations. According to Standards for Excellence (Georgia Center for Nonprofits, 2003), a non-profit's fundraising program should be maintained on a foundation of truthfulness and responsible stewardship. The standards recommend that the fundraising policies be consistent with the organization's mission, respectful of the interests of donors, and compatible with its organizational capacity. More specific recommendations made by the Georgia Center for Nonprofits include solicitation and promotional materials should be accurate and truthful, all statements made by the non-profit about the use of a contribution should be honored, and donor privacy should be respected. A non-profit organization should have policies in place to govern the acceptance and character of charitable gifts that are received in the course of its regular fundraising activities. According to the Georgia Center for Nonprofits, fundraising personnel should not be compensated based on a percentage of the amount raised, and non-profits should use only professionals who are properly registered with the Secretary of State.

The Whatcom Council of Nonprofits (2001) identified fundraising as one of nine best practices to ensure an organization's success. The Council recommended an annual fund development plan developed in conjunction with the board-approved budget that is communicated throughout the organization. Respectful treatment of donors in terms of confidentiality, honest and accurate information to funders, and ethical fundraising policies were practices endorsed by the Whatcom Council of Nonprofits.

Research has shown the charitable giving does not drop after a national crisis. According to The Chronicle of Philanthropy (2005), charitable giving actually increases after a national disaster or crisis. In 2005 the number of new donors was up 2.5 % and donor revenue increased 7.9 % compared to the previous year (The NonProfit Times, 2006). A study on planned giving revealed that there is a substantial number of people for whom charitable giving is a strategic activity. Furthermore, according to Havens, Schervish, and O'Herlihy (2003) there are indications that there is an even greater number for whom charitable giving will become a major strategy in the future.

Information Technology

Technology broadens and facilitates an organization's ability to collaborate with people locally and around the world. The Internet and email help generate new ideas and increase public participation and networking opportunities (DeVita et al., 2001). According to DeVita et al. (2001), a non-profit without connections to email and the Internet can be at a disadvantage, because the Internet can be used to provide enhanced services and programs.

According to Baler (2006), blogging has dramatically reshaped the way American interact with corporations, the media, and charitable organizations. Baler stated that constituents want a say in the management of an organization, and organizations must have a mechanism in place for this dialogue. Blogging is a Web enabled diary that allows collaboration between an organization and its constituents. Approximately 27 % of Internet users have posted comments on a blog site. For fundraising, creating and disseminating a blog can quickly broadcast important information to the organization's core constituents allowing them to receive prompt feedback. Baler stated that just as email and Web technology became part of the public domain during the 1990's, blogging has started to creep into the mainstream during the current decade.

McInerney (2003) surveyed 70 nonprofits that had participated in technology projects over the last year to assess their current technology status and provide feedback about their interactions with nonprofit technology assistance providers. The results indicated that non-profits recognized the importance of technology for the sector and within their own organizations. McInerney also found that non-profits highly valued the services of nonprofit technology assistance providers. According to the researcher, needs included helping organizations raise funds for technology-related expenses and for support services for successful implementation of technology projects.

Schneider (2003) found that providing technology and technical assistance to small non-profits was not enough to ensure organizational effectiveness. She recommended that small non-profits use board members, volunteers and other community collaborations in developing and maintaining information technology (IT) in organizations lacking adequate resources. Schneider also suggested that technology be built to fit user capabilities, and organizations should partner IT use with basic communication and community building strategies.

Research to study the attitudes toward and usage of technology was conducted by the Georgia Center for Nonprofits (2006). The results indicated that the majority of respondents felt that technology had improved their ability to reach more people in need of services, enhanced their ability to identify new areas of community needs, and enabled their organizations to develop and deliver new services to the community. The research also found that the majority of respondents did not have any board members with technology expertise, did not have dedicated technical support, and cost was cited as the key barrier to implementing technology.

Princeton Survey Research Associates (2001) researched the effect IT had on the way human service organizations serve their clients, run their programs and achieve their mission. The research indicated that IT had changed human service non-profits and that these non-profits believed that IT had had positive effects on the organization. Princeton Survey Research Associates also found that IT played a prominent role in administrative and mission-based functions and that the size of the organization mattered. According to this research, IT changed daily operations in non-profits, and was looked upon as a time saving and production-enhancing tool.

The Whatcom Council of Nonprofits (2001) listed IT as one of their nine best practices to ensure organizational effectiveness. Board members as well as staff and clients must support the use of IT for it to be successful. The council also stated that there must exist a basic understanding of when to use IT, and that IT should be included in all other types of planning throughout the organization. According to the Whatcom Council of Nonprofits, IT should support the functions of the organization. Collins (2001) found that, when used correctly, technology became an accelerator of momentum, but did not create momentum. In his study of what made companies go from good to great, Collins found that technology by itself was never the primary cause of greatness.

Outreach

According to DeVita et al. (2001), an organization may have a pertinent mission, great leadership, and sufficient resources, but unless it is known in the community, will have a limited impact. Outreach strengthens and extends to work of community-based organizations and can take many forms. It may involve marketing and public relations, advocacy, collaborations and much more (DeVita et al.). Outreach is a mechanism for building a base of support. Greater outreach means access to more people. Galaskiewicz and Bielefeld (1998) found that isolated organizations are the ones most likely to fail and struggle.

Marketing

Communication builds an understanding in the media and the public of an organization's services and how these services affect the community and improve the quality of life within that community (Bernstein, 1997). Light (2004b) in his survey of 318 non-profit CEOs found that media relations had a significant impact on public reputation. Kara, Spillan, and DeShields (2004) stated that marketing should center on customer circumstances and use public relations to capture the donor's heart and mind. Kara et al. added that the message should be consistent and pervasive, and that it should permeate out of every facet of the organization.

Public confidence in non-profits fell dramatically in the weeks and months after the terrorist attacks on New York City and Washington. The Red Cross, the United Way, and other charities came under fire for responding too slowly to disburse billions of dollars in September 11 relief funds (Light, 2004). Light reported that 60 % of Americans reported following these stories in the media very closely. The Princeton Survey

Research Associates (2002) reported that public confidence in non-profits fell from 25 % in July 2001 to 18 percent in May 2002. Light stated that this was most likely due to the intense coverage of the disbursement controversies. According to Salamon (1999), the general public is mostly unaware as to how non-profits actually operate in contemporary America. Drucker (1992) felt that non-profits need a marketing strategy that integrates the customer and the mission.

Kara et al. (2004) researched the relationship between marketing and performance (i.e.: more active in fundraising performance) in non-profits. The researchers found that market-oriented non-profit service providers outperformed non-market oriented non-profit service providers. Marchand and Lavoie found that non-profits believed in the effectiveness of advertising and advertising practices were primarily aimed at maximizing the impact of their message. Private non-profits were also found to seek sponsorships and any possible forms of free communication techniques as possible to offset the cost of advertising.

McAllister (2005) surveyed Atlanta editors for print, radio, and television to determine what issues specific to non-profits had the most news value. McAllister also researched how non-profits could improve their media outreach. His findings revealed that editors showed a clear preference for stories about the activities and impact of non-profits in the community versus stories about policy changes, management, or finances of non-profits. The editors placed a high priority on improving access to non-profit news sources, and were more likely to chose well-written press releases over poorly written ones. Based on results, McAllister recommended that non-profits tailor their messages in a newsworthy way and deliver them to the media in a useable form.

The Whatcom Council of Nonprofits (2001) listed best practices for marketing. These include:

- A clear understanding of the purpose of marketing
- Marketing plan is developed in appropriate proportion to the overall budget
- Marketing plan is based on the organization's communication goals identified by administration staff and board leadership
- Marketing plan incorporates diverse and cost effective mechanisms for communicating information to target audiences
- Collateral materials are clear, easy to read and communicate the information effectively to the public (Whatcom Council of Nonprofits, 2001).

Collaboration

DeVita et al. (2001) reported that without supportive networks and effective outreach efforts, non-profits limit their access to resources and fail to establish a positive reputation or image in the community. Organizations that offer support, such as a state's non-profit association or an association of CEOs, provide connecting links among individual groups. These groups offer opportunities for organizations to share information, learn from each other, and come together on issues of common concern. According to DeVita et al., they help build an organization's social capital, which is important to organizational stability.

Osborne and Murray (2000) explored non-profit collaboration in the provision of local public services in Canada. The researchers studied the collaborative efforts of four non-profits providing social services to children and families. The results indicated successful collaboration of the four agencies in meeting the needs of the community and preventing duplication of services. According to Osborne and Murray, the collaboration provided them with the potential for greater influence and leverage on stakeholders through their pooled influence.

Millesen and Bies (2005) found that collaboration with other organizations was related to higher levels of engagement in capacity building and non-profit organization capacity. According to the researchers, collaboration produces stronger knowledge bases, greater information dissemination, and shared learning among personnel, which promotes non-profit organization capacity.

The Whatcom Council of Nonprofits (2001) recommended the non-profits look for opportunities for collaboration and analyze these in terms of potential benefits, challenges, and disadvantages to their own organizations. The effectiveness of collaborative strategies should be assessed in terms of process and outcomes. The Whatcom Council of Nonprofits also suggested that organizational leadership identify potential resources that might be shared and the rationale for partnership. According to the Council, there must be a general consensus among staffs, agencies, and stakeholders that the collaborative is needed.

Products and Services

New requirements by government and other funders have increased the pressure on non-profit organizations to improve their performance and to develop measurable outcomes. According to DeVita et al. (2001) organizational outcomes are the product of the interactions of vision and mission, leadership, resources, and outreach. According to Seeger and Holt (1996), service quality is often more difficult for an organization to evaluate. Quality evaluations are not made solely on the outcome of a service, but on the process of service delivery.

An essential responsibility of every non-profit is to assess the impact of its actions and act upon this information. The Minnesota Council of Nonprofits (2005) recommended that non-profits regularly measure their performance against a clear set of goals and objects and make this information available to the public. According to the Center for Nonprofit Leadership and Management (2003), non-profits are being called upon to be more accountable and to adopt higher standards of ethical behavior following corporate scandals and the misuse of money donated to September 11. The Center for Nonprofit Leadership and Management stated that without public trust, non-profits could not be effective.

Research by the Georgia Center for Nonprofits (2006) indicated that the majority of non-profit leaders in Georgia felt that the sector would benefit by adopting a standard set of ethical practices. The leaders felt that the standards would improve the image of non-profits, and increase giving and volunteerism for non-profit organizations. However, only 39 percent of the respondents indicated that they would adopt a set of standards if they were available to them.

Outcomes

In the current highly competitive funding environment, non-profits must supply evidence of their social impact (Fine, Thayer, & Coghlan, 1998). Prior to the 1990's, non-profit organizations had to account only for outputs (e.g.: number of clients served, number of volunteer hours, amount of donations received, etc.) . Now, due to the demand for outcome evaluation in human services, non-profits must prove that their programs make a measurable difference in the lives of people. The United Way of America (Ebrahim, 2003) has been a leader in the use of outcome measurement among its member organizations.

According to Morley et al. (2001), an outcome describes a specific desirable result or quality of an organization's service. Outcome measurement involves the identification of outcomes, the development of outcome indicators and data collection methods, data analysis to help understand organization achievements, and regular reporting of the findings. The United Way of America (2000) believes that outcome measurement increases the effectiveness of program services and communicates the value of these services to the public.

Fine et al. (1998) researched outcome measurement in non-profit organizations and found that evaluations with a high level of stakeholder involvement improved outcomes and promoted the program to potential participants. The researchers also found that a high level of stakeholder participation improved an evaluation's credibility and increased that chances that program changes would be made based on the evaluations.

Morley et al. (2001) surveyed non-profit organizations and found that 83 percent of those surveyed regularly collected and analyzed data on outcomes related to results achieved, including client condition after completion of services. The researchers found that the majority of non-profits made outcome results available to their boards and funders, but not to the public in general. Poole, Davis, Reisman, and Nelson (2001) examined the factors that contributed to organizations' progress in the area of outcome measurement. They found that agency culture, technology, and management support and involvement were key predictors of success in the measuring outcomes. Poole et al. noted that outcome measurement was here to stay and managers need to build capacity in this area of program delivery. They added that managers need to ensure proper staff training and technical assistance, as well as provide leadership and support to make outcome measurement successful.

The United Way of America (2000) surveyed directors of 391 agencies throughout the United States to assess positive and negative aspects of measuring program outcomes, as well as their experiences with using the findings to benefit the program. Respondents indicated that implementing program outcome measurement was helpful particularly in the areas of communicating program results to stakeholders, focusing staff effort on common goals, clarifying the purpose of the program, identifying effective practices, successfully competing for funding, enhancing record keeping, and improving the service delivery of the program. However, many directors reported that program outcome measurement had overloaded their record-keeping capacity and caused resources to be diverted from existing activities. The United Way of America's research found that 90 % respondents indicated they would recommend that other directors implement program outcome measurement.

Customer Satisfaction

Research has shown that customer loyalty has a positive effect for service-oriented organizations (Edvardson et al., 2000). According to Sun (1999), there was a positive correlation between customer satisfaction and business performance. Organizations with long-term business success focused on customer satisfaction (Kayis et al., 2003; Chowdhary & Saraswat, 2003). Agus et al. (2000) and Claver et al. (2003)

found that customer satisfaction was a critical factor in the financial success of an organization.

Andre and Saraiva (2000) found that strategies directed towards customer satisfaction were likely to lead simultaneously to good business results. They also found that practical indicators to measure this in organizations were rarely implemented. Soderlund and Julander (2003) found a high correlation between trust and customer satisfaction. They concluded that successful organizations ensured customer satisfaction.

Parasuraman, Zeithaml, and Berry (1985) researched the various dimensions of quality from the customer's perspective. They reduced the various dimensions of quality down to 10 major factors. According to Parasuraman et al., the determinants of service quality in rank of importance include:

1. Reliability – involves consistency of performance and dependability;
2. Responsiveness – involves the willingness or readiness of employees to provide services;
3. Competence – involves possession of the required skills and knowledge to perform the service;
4. Access – involves approachability and ease of contact;
5. Courtesy – involves politeness, respect, and friendliness of contact personnel;
6. Communication – involves keeping customers informed in language they understand;
7. Credibility – involves trustworthiness, honesty, and having the customer's best interest at heart;
8. Security – involves the freedom from danger, risk, or doubt;

9. Understanding – involves making the effort to know the customer's needs;
10. Tangibles – involve the physical characteristics of service (i.e.: physical facilities, appearance of personnel, equipment used to provide the service).

Summary

Non-profit organizations are extremely important. They meet needs that government and for-profit entities are not able to satisfy. However, the challenge to remain viable within their communities is greater than ever. As the non-profit sector increases in size and importance, so does the task of addressing many of these challenges more effectively and efficiently. In recent years much of the literature has focused on identifying capacity building strategies in non-profit organizations. There is no research to date that analyzes the use of capacity building strategies in non-profit, community speech and hearing centers.

Capacity building is the process of ensuring an organization's sustainability. Research has shown that capacity building leads to organizational effectiveness, which enhances public confidence. Without public trust, non-profit organizations could not exist.

Over the past several years, funders, consultants, and non-profits themselves have become more interested in strengthening the management and governance of organizations through organization development activities, such as leadership development, strategic planning, board development, outreach activities, and program design and evaluations. They are realizing that stronger organizations result in greater program impact.

Several components of capacity building have been identified through research as enhancing organizational effectiveness. These components include: mission and vision development, leadership development, resource management, outreach, and products and services. These components interact with each other and are constantly evolving.

Table 1

Research Related to Capacity Building in Non-profit Organizations

STUDY	PURPOSE	PARTICIPANTS	DESIGN	OUTCOMES
McKinsey & Company (2001)	To capture lessons from organizations that have engaged in successful capacity building	13 non-profit organizations	Qualitative – case studies	• Aspirations and strategy contribute to capacity building • Good management is needed • Patience is needed in implementing capacity building
Hansberry (2002)	To determine the characteristics of capacity building in high-performing non-profits in Pittsburgh and Denver	A panel of 16 experts in the field of non-profit work	Qualitative – case studies, interviews	• Five common themes were identified – commitment to dialogue, commitment to self-knowledge, commitment to excellent management, the will to make a long-term investment in capacity, and the ability to form strategic alliances and partnerships.
Massarsky & Beinhacker (2002)	To research enterprise in the non-profit sector	519 non-profit organizations	Quantitative - survey	• The majority of respondents were involved in operating an earned income venture • Sound business planning has a significant impact on the success of a venture.

Table 1 continued

Research Related to Capacity Building in Non-profit Organizations

Study	Purpose	Participants	Design	Outcomes
Light (2002)	To investigate the state of the non-profit workforce	1,140 randomly selected non-profit employees – nationwide	Quantitative – telephone survey	• Non-profit employees come to work for the chance to accomplish something worthwhile • The non-profit workforce is continually improving • Talented Americans are choosing to work in non-profits • The non-profit sector may be losing the respect of the public it services. • Employees report shortages of resources needed to succeed in their organizations
Doherty & Mayer (2003)	Identify capacity building practices	Non-profit foundations and organizations	Qualitative - interviews	• Capacity building is an on-going process • There is internal and external support • Outcomes and accountability are important
Kearns, Haley, Nelson, Themudo, & Dougherty (2006)	Determine what distinguishes non-profits that achieve outstanding results from those that achieve adequate results	Review of the research	Qualitative – review of research	• Outstanding organizations – continually adapt and refine mission and vision, develop revenue strategies appropriate to mission and vision, develop and refine innovative approaches, collaborate, effectively advocate their mission, and are accountable for all they do.

Table 1 continued

Research Related to Capacity Building in Non-profit Organizations

Study	Purpose	Participants	Design	Outcomes
Light (2004a)	To determine the public's view of non-profits	1,417 individuals selected at random	Quantitative – telephone survey	• The public has confidence in the work of non-profits, but not in their ability to manage their organizations well
Light (2004b)	To determine overall success of capacity building efforts	318 non-profit organizations	Quantitative – Internet survey	• Effort improved program impacts and organizational management • Financial resources were adequate • Effort prompted by increased demand for services
Millesen & Bies (2005)	To investigate why organizations invest in capacity building and what factors predict higher levels of organizational capacity	208 Allegheny County non-profit organizations	Quantitative & Qualitative – surveys, interviews, archival data	• Higher levels of engagement in capacity building are predictive of higher levels of organizations capacity • Board and staff involvement are related to higher levels of organization capacity • Financial characteristics are related to non-profit organization capacity • Collaboration with other agencies resulted in higher levels of capacity
Alliance for Nonprofit Management (2005)	To survey non-profits on current trends and practices.	973 Alliance for Non-Profit Management members	Quantitative – Survey	• Demand for capacity building increased in 2004 compared to 2003.

Table 2

Research Related to Mission and Vision in Non-profit Organizations

Study	Purpose	Participants	Design	Outcomes
Chaganti & Seltzer (1989)	To identify the operational planning strategies of non-profit agencies in the Philadelphia area	CEO's of 104 non-profit organizations in the Philadelphia area	Quantitative – survey	• Strategic planning leads to successful organizations • Strategic planning allows organizations to react quickly to changes in their environments • Agencies that are involved in strategic planning are more willing to re-examine the agency's mission and monitor programs
Cornforth & Edwards (1999)	To identify factors that affect a board's contribution to organizational strategy in non-profit organizations	Four non-profit organizations	Qualitative – case study	• Non-profit boards vary in how they interpret their roles and the contribution they make in the planning process and the running of their organizations • Board's strategic role is often hampered by lack of information
Katsioloudes & Tymon (2003)	To examine strategic planning in non-profit organizations	CEO's of 53 non-profit organizations in the Philadelphia area	Quantitative – survey	• The strategic planning process is not being used to the degree CEO's desire

Table 3

Research Related to Leadership in Non-profit Organizations

Study	Purpose	Participants	Design	Outcomes
Siciliano (1996)	To study the effects of board member diversity on organizations performance	240 YMCA organizations	Quantitative – survey	• Greater board occupational diversity resulted in higher levels of social performance and fundraising • Gender diversity compared favorably to social performance but a negative association occurred when linked to fundraising • Board member age diversity was linked to higher levels of donations
Collins (2001)	To examine components of great companies	Companies appearing on the Fortune 500 from 1965-1995	Quantitative – Data Analysis	• Great leaders were not egocentric • Great leaders produced sustained results • Great leaders motivated others
Fernandopulle, Masaoka, & Parsa (2002)	To understand better the roles of women of color as CEO's in non-profits in the San Francisco area in order to create the foundation for a strong network	125 women CEO's of color in the San Francisco area	Quantitative & Qualitative – survey, interviews	• Women of color hold CEO positions in non-profits of all types and sizes • Are typically first time directors • Usually in a human service organization • Between the age of 40 and 49 years • Values her ability to connect with constituents served by her organization • Lacks access to people in power

Table 3 continued

Research Related to Leadership in Non-profit Organizations

Study	Purpose	Participants	Design	Outcomes
McKinsey & Company (2003)	To discover what makes board governance effective	CEO's of 32 of 100 organizations identified by Worth Magazine as being top performers	Qualitative – interviews	• The board must shape the direction for the non-profit through its mission, strategy, and key policies • The board needs to ensure that the leadership, resources, and finances are in place and commensurate with the vision • The board must monitor performance and ensure prompt corrective action when needed
CompassPoint (2003)	To study the impact of coaching for non-profit leaders	24 CEO's who had received coaching	Quantitative & Qualitative – survey, interviews, case studies	• Coaching had a positive effect on CEO's personal and professional development • Coaching positively impacted specific management areas, stronger leadership skills, and confidence that they could create a more sustainable job for themselves
The Alliance for Board Diversity (2005)	To determine the combined representation of women and minorities on corporate boards in Fortune 100 companies	Board members of Fortune 100 companies	Quantitative – data analysis	• Severe under-representation of women and minorities on corporate boards of Fortune 100 companies compared to the general U.S. population • Recycling of the same minority individuals on boards • Very few of the boards have representation from all minority groups

Table 3 continued

Research Related to Leadership in Non-profit organizations

Study	Purpose	Participants	Design	Outcomes
Bugg & Dallhoff (2006)	To study successful board governance practices in the Canadian non-profit sector	1,300 non-profit organizations responded to the survey 5 key informants participated in interviews 37 individuals participated in focus groups	Qualitative & Quantitative – survey, interview, focus groups	• A number of themes emerged including: the importance of leadership, recruitment, succession planning, role clarity, education and development, accountability and stewardship, culture, board meetings, strategic planning, performance measurement, and risk management
Bell, Wolfred, & D'Silva (2006)	To study the status of executive leadership in non-profit organizations	1,932 CEO's of non-profit organizations - nationwide	Quantitative – survey	• 75 percent of executive leaders do not plan on being in their positions 5 years from the time of the survey • Boards of directors and funders contribute to executive burnout • Executives believe they make significant financial sacrifices to lead non-profits • Executives seek new skills and strategies due to their concerns with organizational sustainability • Developing leaders from within, diversity, and competitive compensation are critical factors in finding future leaders

Table 4

Research Related to Resources in Non-profit Organizations

Study	Purpose	Participants	Design	Outcomes
Delaney & Huselid (1996)	To study human resource management practices in non-profit organizations	590 non-profit organizations	Quantitative - survey	• Positive associations existed between human resource management practices and perceptual organization performance
Princeton Survey Research Associates (2001)	To study the effects of information technology (IT) on non-profits	203 non-profit human service executives	Quantitative – telephone survey	• IT had changed human service non-profits in a positive way • IT played a prominent role in administrative and mission-based functions • Larger non-profits have been quicker to embrace IT than smaller ones
Ban, Drahnak, & Towers (2002)	To study best practices used by non-profits in the Allegheny County region in attracting and retaining top-quality professional staff	30 non-profit leaders	Qualitative – interviews and focus groups	• Problems recruiting and retaining staff was not reported • CEO's handled the function of human resource manager in small to moderate size non-profits • Majority felt their staff were highly qualified • Difficulty was reported in recruiting for information management and development positions

Table 4 continued

Research Related to Resources in Non-profit Organizations

Study	Purpose	Participants	Design	Outcomes
McInerney (2003)	To study non-profit organizations' attitudes toward information technology (IT)	70 non-profits that had participated in technology projects over the past year	Quantitative – survey	• Information technology was important for the organization to achieve its mission • Technology was important to the non-profit sector as a whole • Technology improved the ability to reach more people in need of services
Schneider (2003)	To study the use of technology in small non-profit organizations	2 non-profit organizations	Qualitative – ethnographic study	• Providing technology and technical assistance was not enough to ensure organizational effectiveness
Ritchie & Kolodinsky (2003)	To explore potential similarities of financial performance measures	NA	Quantitative – factor analysis	• Three performance factors were identified: fundraising efficiency, public support, and fiscal performance
Dorenbosch, Van Engen, & Verhagen (2005)	To study employee motivation	132 administrators in companies in Denmark	Quantitative - survey	• A flexible job design and commitment oriented human resource management activities promoted individual innovative work behavior critical to organizational success

Table 4 continued

Research Related to Resources in Non-profit Organizations

Study	Purpose	Participants	Design	Outcomes
Georgia Center for Nonprofits (2005)	To investigate the financial management of Georgia non-profit organizations	487 non-profit executives	Quantitative – survey	• 88 percent of respondents have a CPA audit financial statements annually • 51 percent monitor financial statements on a monthly basis • 77 percent publish annual reports disclosing financial data
Georgia Center for Nonprofits (2006)	To study the attitudes toward and use of technology in Georgia non-profit organizations	127 leaders in non-profit organizations	Quantitative - survey	The majority of respondents believed • Technology had improved their ability to reach more people in need of services • Enhanced their ability to identify new areas of community need • Enabled their organizations to develop new services • Cost was cited as a major barrier to implementing technology

Table 5

Research Related to Outreach in Non-profit Organizations

Study	Purpose	Participants	Design	Outcomes
Marchand & Lavoie (1998)	To identify aspects of advertising management of non-profit organizations in Quebec and to see if these practices varied according to whether the non-profit was public or private	60 non-profit organizations in Quebec	Quantitative – survey	• Advertising practices used most often were aimed at maximizing the impact of the message • Non-profits believe in the effectiveness of advertising • Private non-profits sought sponsorships and forms of free communication techniques to offset the cost of advertising
Osborne & Murray (2000)	Explores the processes of collaborative relationships between non-profit agencies in Canada	Senior executives of four non-profit agencies in Canada	Qualitative – interviews	• Successful collaboration of four agencies in meeting the needs of the community • Collaboration prevented duplication of services • Collaboration provided the agencies with a greater degree of leverage in the community
Kara, Spillan, & DeShields (2004)	Explore the relationship between marketing and organizational success	148 executives of non-profit organizations across the United States	Quantitative - survey	• Non-profits that engaged in marketing activities outperformed those organizations that did not engage in marketing activities

Table 5 continued

Research Related to Outreach in Non-Profit Organizations

Study	Purpose	Participants	Design	Outcomes
	performance in the non-profit sector			
McAllister (2005)	To obtain information on Georgia non-profits' media relationship and help non-profits better utilize the media	61 news editors in the Atlanta area	Quantitative – survey	• News editors prefer stories about the activities and impact on non-profits in the community • Editors placed a high priority on improving access to non-profit news sources • Editors were more likely to chose well-written press releases over those that are poorly written
Millesen & Bies (2005)	To investigate why organizations invest in capacity building and what factors predict higher levels of organizational capacity	208 Allegheny County non-profit organizations	Quantitative & Qualitative – surveys, interviews, archival data	• Higher levels of engagement in capacity building are predictive of higher levels of organizational capacity • Board and staff involvement are related to higher levels of organization capacity • Financial characteristics are related to non-profit organization capacity • Collaboration with other agencies resulted in higher levels of capacity

Table 6

Research Related to Products and Services in Non-profit Organizations

Study	Purpose	Participants	Design	Outcomes
Fine, Thayer, & Coghlan (1998)		178 non-profit organizations	Quantitative & Qualitative – survey and interviews	• Non-profits are interested in measuring program outcomes • Evaluations are conducted for funders, staff and boards • Qualitative and quantitative data collection methods are being used • Evaluations with a high level of stakehold involvement improved outcomes and promoted programs to potential participants • A high level of stakeholder participation improved credibility and improved the chances program changes would be made based on the evaluations
United Way of America (2000)	To assess positive and aspects of measuring program outcomes	Program directors of 391 United Way agencies throughout the United States	Quantitative – survey	• Outcomes were helpful in communicating program results to the community • Focusing staff effort on common goals • Clarifying the purpose of the program • Identifying effective practices • Successfully competing for funding • Enhancing record keeping • Improving program service delivery • Outcome measurement caused resources to be diverted from existing activities • Tendency to overload record keeping

Table 6 continued

Research Related to Products and Services in Non-profit Organizations

Study	Purpose	Participants	Design	Outcomes
Morley, Vinson, Hatry (2001)	To provide a view of the state of outcome measurement in non-profit organizations	Leaders of 36 non-profit organizations	Quantitative & Qualitative – data analysis and interviews	• The majority of respondents regularly collected and analyzed data • Data analysis was used to evaluate client condition after completion of services • Outcome results were made available to boards but not to the general public
Poole, Davis, Reisman, & Nelson (2001)	To examine predictors of success in outcome measurement	45 United Way agencies in Florida	Quantitative & Qualitative – survey and interviews	• Agency culture, technology, and management support and involvement were key predictors of success in the measuring outcomes
Georgia Center for Nonprofits (2006)	To evaluate aspects of non-profit governance and accountability issues	482 non-profit organizations in Georgia	Quantitative - survey	• Majority of leaders felt Georgia's non-profit sector would benefit by adopting a standard set of ethical practices • Adopting and publicizing standards for ethical practice would improve the image of the non-profit sector • Standards would increase giving to non-profits • Standards would increase volunteerism for non-profit organizations

Table 6 continued

Research Related to Products and Services in Non-profit Organizations

Study	Purpose	Participants	Design	Outcomes
Parasuraman, Zeithaml, & Berry (1985)	To study quality service from the customer's perspective			• Only 39 percent of respondents indicated that they would actually adopt a set of standards if available to them • Established a hierarchy of customer satisfaction issues
Sun (1999)	Determine the impact of quality management on performance	363 quality managers in Norwegian companies	Quantitative - survey	• Quality management practices contribute to an increase in customer satisfaction and business performance
Edvardsson, Johnson, Gustafsson, & Strandvik (2000)	Determine the difference in logic in terms of customer satisfaction and loyalty between services and products	61 competitive products firms and 71 competitive service firms with 200 respondents from each firms	Quantitative – telephone survey	• Customer loyalty has a positive effect for service firms • Customer loyalty can have a negative effect for product firms

Table 6 continued

Research Related to Products and Services in Non-Profit Organizations

Study	Purpose	Participants	Design	Outcomes
Agus, Karishnan, Latifah, & Kadir (2000)	Determine impact of customer satisfaction on financial performance in comparison to competitors	Leaders in 30 manufacturing companies	Quantitative - survey	• Customer satisfaction and financial performance are positively related • Customer satisfaction is a critical factor in the financial success of an organization
Andre & Saraiva (2000)	Determine a relationship between customer satisfaction and business results	7 businesses in Portugal	Quantitative - survey	• Strategies directed towards customer satisfaction are likely to lead to good business results • Practical indicators of customer satisfaction are rarely implemented
Soderlund & Julander (2003)	To examine if one particular customer-related factor (trust), may affect the customer's overall evaluation of the service provider's performance	232 students in graduate and undergraduate marketing classes	Quantitative – survey	• Unexpected negative experiences have serious short-term effects on satisfaction • Unexpected positive experiences have no effect on satisfaction with the service provider • There is a correlation between trust and satisfaction, but a service provider should not hope for trust generated customer forgiveness when performance is below expectation

Table 6 continued

Research Related to Products and Services in Non-Profit Organizations

Study	Purpose	Participants	Design	Outcomes
Claver, Tari & Molina (2003)	To identify a set of critical factors necessary for the implementation of successful quality management	154 leaders in companies awarded ISO 900 certificates in Spain	Quantitative – survey	• Eight critical factors and three results of quality management were identified • The eight critical factors were: Leadership, quality planning, training, specialized training, supplier management, process management, continuous improvement and learning • The three results were: customer satisfaction, social impact, and business results
Kayis, Kim & Shin (2003)	To investigate the relationship between customer satisfaction, service quality, customer loyalty, and employee satisfaction	312 bank employees and 139 bank customers	Quantitative – survey	• Significant correlations between perceived quality, customer satisfaction, and employee loyalty • Strong correlation between long-term business success and customer satisfaction
Chowdhary & Saraswat (2003)	Examine leadership styles in service organizations	18 small service companies in Mexico	Quantitative – case study	• All organizations exhibited a culture that was customer oriented • The leader set the tone in establishing the customer oriented culture

Table 6 continued

Research Related to Products and services in Non-profit Organizations

Study	Purpose	Participants	Design	Outcomes
	Analyze the importance of culture on service leadership Determine factors that lead to organizational success			

CHAPTER III

METHODOLOGY

Introduction

The non-profit sector is one of the fastest growing segments of the United States. Non-profits address many of society's most critical needs. As non-profits play increasingly important roles in society, it becomes critical for them to perform effectively (McKinsey & Company, 2001). Research has shown that organizations that engage in capacity building outperform those that do not (Light, 2004(a); Millesen & Bies, 2005; Kearns et al., 2006). The researcher's purpose in this study was to analyze the use of capacity building strategies in non-profit speech and hearing centers by examining the chief executive officers' perceptions of both actual and desired use of capacity building strategies in their organizations.

Research Questions

The researcher, through this study, answered the following overarching question: What are the actual and desired degrees to which capacity building strategies are utilized in non-profit speech and hearing centers? The following sub-questions were considered:

6. What are the actual and desired degrees of capacity building strategies in the area of vision and mission?
7. What are the actual and desired degrees of capacity building strategies in the area of leadership in the organization?
8. What are the actual and desired degrees of capacity building strategies in the areas of the resource development and management?

9. What are the actual and desired degrees of use of capacity building strategies in the area of outreach?
10. What are the actual and desired degrees of capacity building strategies in the area of products and services?

Research Design

The purpose of this research was to analyze the use of capacity building strategies in non-profit speech and hearing centers by examining the chief executive officers' perceptions of both actual and desired use of capacity building strategies in their organizations. The researcher employed quantitative research using descriptive methods in the form of a survey. Use of a survey to collect data allows for the gathering of specific data from a pre-determined population in a relatively short period of time, and allows for inferences to be made about a group of people.

Qualitative data collection, in the form of open-ended questions, was employed to seek a better understanding of the complex nature of the use of capacity building components in non-profit speech and hearing centers. Open-ended questions will be used to obtain more information on the Chief Executive Officer's perception of the use of capacity building strategies in their organizations.

Population

The population for this study was the chief executive officers (CEO's) of the 39 member agencies of the National Association of Speech and Hearing Centers (NASHC). NASHC member agencies are freestanding, non-profit speech and hearing centers that are listed as 501(c)(3) charitable organizations with the Internal Revenue Service. The researcher collected data from this group to analyze the use of capacity building strategies in non-profit speech and hearing centers. The CEO was chosen as the participant in the study because the CEO is responsible for carrying out the mission of the agency, and implementing processes and practices that represent the most effective way of achieving the mission. The information gained from this research should help the CEOs of non-profit speech and hearing centers develop capacity building components to sustain their organizations and improve their overall effectiveness.

Instrumentation

A survey, developed by the researcher based on a review of the literature, was used to collect data on the chief executive officers' (CEO's) perceptions of both actual and desired use of capacity building strategies in their organizations. The survey was divided into three sections: a rating scale, open-ended questions, and demographic information. The survey is included in Appendix B.

There are 43 quantitative items in Section I, which represent data from five areas of capacity building: vision and mission, leadership, resources, outreach, and products and services. The breakdown is as follows:

- Vision and mission – Items 1 through 7;
- Leadership – Items 8 through 16;
- Resources – Items 17 through 34;
- Outreach – Items 35 through 38; and
- Products and services – Items 39 through 43.

The participants were asked to rate each item in terms of actual and desired use using a Likert scale. Participants were asked to assess the degree to which the capacity building item was done according to (1) actual use and (2) desired use (5 = done to a very high degree, 1 = rarely done).

Section II contained five open-ended questions. This qualitative data was necessary to obtain a deeper and more detailed view of the CEO's perception of the actual and desired use of capacity building components within their organizations. These research questions addressed possible reasons for a gap between actual and desired use of capacity building strategies, capacity building efforts in non-profit speech and hearing centers over the past two years, the results of those efforts, challenges facing non-profit speech and hearing centers, and a definition of capacity building according to the participants. Open-ended questions were categorized and reported by frequency of response.

Section III contained demographic information related to the CEO's background and work experience. Demographic data was used to present a picture of the participants.

An item analysis was conducted by listing all items in the questionnaire, the research supporting it, and the research questions addressed (See Tables 7, 8, and 9). For the purpose of content validation, the researcher contacted by phone the recently retired CEO of the Charlotte Speech and Hearing Center. The Charlotte Speech and Hearing Center is a member agency of the National Association of Speech and Hearing Centers. Upon securing his agreement to participate, a letter of explanation and the survey were sent to him electronically. The CEO was asked to validate the content of the questionnaire. This CEO made no recommendations for changes to the survey.

Table 7

Quantitative Item Analysis

Item	Research	Survey Item Number	Research Question
1. A clear organizational vision exists and is widely supported by board and staff.	Chaganti & Seltzer, 1989; McKinsey & Company, 2001; Kearns, Haley, Nelson, Themudo, & Dougherty, 2004	Section I Question 1	Main question, Sub-question 1
2. The organization's mission statement clearly articulates the ultimate result the organization is working to achieve.	Chaganti & Seltzer, 1989; McKinsey & Company, 2001; Kearns, Haley, Nelson, Themudo, & Dougherty, 2004	Section I Question 2	Main question, Sub-question 1
3. The organization's mission is routinely reviewed to ensure the organization continues to meet community needs.	Chaganti & Seltzer, 1989; McKinsey & Company, 2001; Kearns, Haley, Nelson, Themudo, & Dougherty, 2004	Section I Question 3	Main question, Sub-question 1
4. A three-to-five year strategic plan that highlights core programs and organizational strategies is in place.	Chaganti & Seltzer, 1989; DeVita, Fleming, & Twombly, 2001; Katsioloudes & Tymon, 2003;	Section I Question 4	Main question, Sub-question 1
5. Staff and board participate in the strategic planning process.	Chaganti & Seltzer, 1989; Katsioloudes & Tymon, 2003; Kearns, Haley, Nelson, Themudo, & Dougherty, 2004	Section I Question 5	Main question, Sub-question 1
6. Strategic planning includes information regarding client and community needs.	Chaganti & Seltzer, 1989; Katsioloudes & Tymon, 2003; Allison & Kaye, 2005	Section I Question 6	Main question, Sub-question 1

Table 7 continued

Quantitative Item Analysis

Item	Research	Survey Item Number	Research Question
7. Board and staff review the strategic plan annually.	Chaganti & Seltzer, 1989; Ksioloudes & Tymon, 2003; Allison & Kaye, 2005	Section I Question 7	Main question, Sub-question 1
8. Board members receive orientation regarding board member responsibilities, legal requirements, and conflict of interest.	McKinsey & Company, 2003; Bugg & Dallhoff, 2006	Section I Question 8	Main question, Sub-question 2
9. Board members are responsible for raising money and there are structures and support through which members may fulfill that responsibility.	Siciliano, 1996; Ritchie & Kolodinsky, 2003; Bugg & Dallhoff, 2006	Section I Question 9	Main question, Sub-question 2
10. Board membership provides the skills required by the organization and reflects the community served.	Siciliano, 1996; McKinsey & Company, 2003; The Alliance for Board Diversity, 2005	Section I Question 10	Main question, Sub-question 2
11. Board performs annual review of CEO performance and sets goals for the coming year.	McKinsey & Company, 2003; Bugg & Dallhoff, 2006	Section I Question 11	Main question, Sub-question 2
12. Board and staff communicate about organization and program issues.	Brown, 2002; McKinsey & Company, 2003; Bugg & Dallhoff, 2006	Section I Question 12	Main question, Sub-question 2
13. Board engages annually in its own performance appraisal.	Bugg & Dallhoff, 2006	Section I Question 13	Main question, Sub-question 2
14. There is an effective working relationship between the board and CEO.	Compass Point, 2003; Bell, Wolfred, & D'Silva, 2006	Section I Question 14	Main question, Sub-question 2

15. A succession plan is in place for the top leadership in the organization.	Bugg & Dallhoff, 2006; Bell, Wolfred, & D'Silva, 2006	Section I Question 15	Main question, Sub-question 2
16. Leadership is not overtly dependent on one person but is a shared function among many people.	Georgia Center for Nonprofits, 2003; Brown, 2004; Collins, 2006	Section I Question 16	Main question, Sub-question 2

Table 7 continued

Quantitative Item Analysis

Item	Research	Survey Item Number	Research Question
17. The organization attracts and retains staff members who have the appropriate experience and expertise to perform their duties well.	Ban, Drahnak, & Towers, 2002; Dorenbosch, Van Engen, & Verhagen, 2005	Section I Question 17	Main question, Sub-question 3
18. Programs have accurate and clearly written job descriptions which are tied to program outcomes.	Dorenbosch, Van Engen, & Verhagen, 2005	Section I Question 18	Main question, Sub-question 3
19. Employees are aware of the organization's mission and outcomes, and understand the link between their work and accomplishment of outcomes.	Fine, Thayer, & Coghlan, 1998; United Way of America, 2000	Section I Question 19	Main question, Sub-question 3
20. Employees and volunteers receive the information, training, and feedback they need for optimal job performance.	Delaney & Huselid, 1996; Ban, Drahnak, & Towers, 2002	Section I Question 20	Main question, Sub-question 3
21. Staff training is available at all organizational levels.	Dorenbosch, Van Engen, & Verhagen, 2005	Section I Question 21	Main question, Sub-question 3
22. The organization supports healthy, productive relationships among all employees, volunteers, and board members.	Delaney & Huselid, 1996; Dorenbosch, Van Engen, & Verhagen, 2005	Section I Question 22	Main question, Sub-question 3
23. There is a strong commitment among employees to work effectively as a team.	Bugg & Dallhoff, 2006; Collins, 2006	Section I Question 23	Main question, Sub-question 3
24. Employees and volunteers are involved in the decision-making process.	Bell, Wolfred, & D'Silva, 2006	Section I Question 24	Main question, Sub-question 3
25. Employee benefits are competitive with the local market.	Delaney & Huselid, 1996; Bell, Wolfred, & D'Silva, 2006	Section I Question 25	Main question, Sub-question 3

Table 7 continued

Quantitative Item Analysis

Item	Research	Survey Item Number	Research Question
26. Human resource policies and procedures are appropriately documented and current with funding, regulatory, and legal	Whatcom Council of Nonprofits, 2001	Section I Question 26	Main question, Sub-question 3
27. The organization has an effective budgeting process.	Ritchie & Kolodinsky, 2003; Georgia Center for Nonprofits, 2005	Section I Question 27	Main question, Sub-question 3
28. Program managers are involved in the budgeting process and receive financial reports.	Georgia Center for Nonprofits, 2005	Section I Question 28	Main question, Sub-question 3
29. The organization has a realistic fund development plan for long-term financial stability.	Ritchie & Kolodinsky, 2003; DeVita, Fleming, & Twombly, 2001	Section I Question 29	Main question, Sub-question 3
30. There are sufficient financial resources to sustain the organization for the immediate future.	Ritchie & Kolodinsky, 2003	Section I Question 30	Main question, Sub-question 3
31. An Information Technology (IT) plan is in place that outlines what the organization does and how technology supports these functions.	Princeton Survey Research Associates, 2001; McInerney, 2003	Section I Question 31	Main question, Sub-question 3
32. Technology solves real problems and adds value to the organization.	Princeton Survey Research Associates, 2001; McInerney, 2003; Georgia Center for Nonprofits, 2006	Section I Question 32	Main question, Sub-question 3
33. All financial costs and benefits are considered when making IT decisions including staff training.	Schneider, 2003; Georgia Center for Nonprofits, 2005	Section I Question 33	Main question, Sub-question 3

Table 7 continued

Quantitative Item Analysis

Item	Research	Survey Item Number	Research Question
34. Effective record keeping is in place to track and acknowledge donations and meet grantors' reporting requirements.	Ritchie & Kilodinsky, 2003; Georgia Center for Nonprofits, 2005	Section I Question 34	Main question, Sub-question 3
35. The organization has sought to improve its external relationships through collaboration with other agencies.	Osborne & Murray, 2000; Millesen & Bies, 2005	Section I Question 35	Main question, Sub-question 4
36. There is participation throughout the organization to identify the purpose and goals of marketing efforts in relationship to mission.	Millesen & Biess, 2005	Section I Question 36	Main question, Sub-question 4
37. The organization actively seeks to establish media relations on an ongoing basis.	Marchand & Lavoie, 1998; Kara, Spillan, & DeShields, 2004	Section I Question 37	Main question, Sub-question 4
38. The organization actively engages in paid advertising for its services and products.	Marchand & Lavoie, 1998; Kara, Spillan, & DeShields, 2004	Section I Question 38	Main question, Sub-question 4
39. Programs have measurable outcomes relating to quantity, quality, and impact of work.	Fine, Thayer, & Coghan, 1998; United Way of America, 2000; Morley, Vinson, & Hatry, 2001; Poole, Davis, Reisman, & Nelson, 2001	Section I Question 39	Main question, Sub-question 5
40. Outcome results are used to evaluate the organization's effectiveness and make changes as necessary.	Fine, Thayer, & Coghan, 1998; United Way of America, 2000; Morley, Vinson, & Hatry, 2001; Poole, Davis, Reisman, & Nelson, 2001	Section I Question 40	Main question, Sub-question 5

Table 7 continued

Quantitative Item Analysis

Item	Research	Survey Item Number	Research Question
41. Customer satisfaction is an organizational priority.	Sun, 1999; Edvardsson, Johnson, Gustafsson, & Strandvik, 2000; Agus, Krishnan, Latifah, & Kadir, 2000; Andre & Saraiva, 2000;	Section I Question 41	Main question, Sub-question 5
42. Customer satisfaction measures are in place.	Andre & Saraiva, 2000; Kayis, Kim, & Shin, 2003	Section I Question 42	Main question, Sub-question 5
43. Feedback from customer satisfaction measures are used to evaluate the organization's effectiveness.	Sun, 1999; Andre & Saraiva, 2000	Section I Question 43	Main question, Sub-question 5

Table 8

Qualitative Item Analysis

Item	Research	Survey Item Number	Research Question
1. If a gap was noted between current use and desired use, please provide information as to the reason for this perceived gap.	Alliance for Nonprofit Management, 2005	Section II Number 1	Main question, Sub-questions 1, 2, 3, 4, 5
2. What effort(s) have been undertaken within the past two years to improve your organization's performance/effectiveness?	McKinsey & company, 2001; Doherty & Mayer, 2003; Alliance for Nonprofit Management, 2005	Section II Number 2	Main question, Sub-questions 1, 2, 3, 4, 5
3. Were these efforts successful? Please explain.	McKinsey & Company, 2001; Doherty & Mayer, 2003	Section II Number 3	Main question, Sub-questions 1, 2, 3, 4, 5
4. What do you consider the greatest organizational challenge(s) facing non-profit speech and hearing centers?	Kearns, Haley, Nelson, Themudo, & Dougherty, 2004	Section II Number 4	Main question, Sub-questions 1, 2, 3, 4, 5
5. What does capacity building mean to you?	Light, 2002	Section II Number 6	Main question, Sub-questions 1, 2, 3, 4, 5

Table 9

Descriptive Item Analysis

Item	Research	Survey Item Number	Research Question
1. Gender of Chief Executive Officer (CEO)	Siciliano, 1996; Fernandopulle, Masaoka, & Parsa 2002	Section III Question 2	Sub-question 2
2. Age of CEO	Fernandopulle, Masaoka, & Parsa 2002; Bell, Wolfred, & D'Silva, 2006	Section III Question 3	Sub-question 2
3. Background of CEO	Peters & Wolfred, 2001; Bell, Wolfred, & D'Silva, 2006	Section III Question 4	Sub-question 2
4. Highest degree earned by CEO	Peters & Wolfred,2001	Section III Question 5	Sub-question 2
5. Years of experience in non-profits	Peters & Wolfred, 2001; Fernandopulle, Masaoka, & Parsa, 2002; Georgia Center for Nonprofits, 2005	Section III Question 6	Sub-question 2
6. Years in current CEO position	Peters & Wolfred, 2001; Georgia Center for Nonprofits, 2005	Section III Question7	Sub-question 2
7. Do you plan to be in your current position for the next 5 years?	Georgia Center for Nonprofits, 2005; Bell, Wolfred, & D'Silva, 2006	Section III Question 8	Sub-question 2
8. Have you received training in non-profit management?	Light, 2003; Bell, Wolfred, & D'Silva, 2006	Section III Question 10	Sub-question 2
9. What is the organization's annual budget?	Princeton Survey Research Associates, 2001; Ban, Drahnak, & Towers, 2002;	Section III Question 11	Sub-question 3

Table 9 continued

Descriptive Item Analysis

Item	Research	Survey Item Number	Research Question
10. Are you familiar with the literature on capacity building?	Alliance for Nonprofit Management, 2005	Section III Question 12	Main question, Sub-questions 1, 2, 3, 4, 5

Pilot Study

A pilot study was conducted with four CEOs of human service organizations that are member agencies of the United Way of the Coastal Empire. These agencies included: Hospice of Savannah, Royce Learning Center, Senior Citizens, Inc., and the Community Cardiovascular Council. United Way member agencies were chosen to participate in the pilot study as all agencies are human service organizations and are comparable in structure to non-profit speech and hearing centers. Like non-profit speech and hearing centers, all agencies chosen for the pilot study have a board of directors, a CEO, staff, volunteers, and a mission. The survey was sent electronically to these CEOs. The CEO of each of the four agencies was asked to complete the survey. The purpose of the pilot study was to collect and analyze data as to the appropriateness, correctness, and meaningfulness of the survey instrument. No recommendations for changes to the survey were made by the CEOs who participated in the pilot study.

Data Collection

After completion of the pilot study and approval by the IRB of Georgia Southern University (Appendix C), the researcher sent a letter electronically to each CEO (39) of the member agencies of the National Association of Speech and Hearing Centers. The letter (Appendix A) explained the purpose of the research, benefits to the agencies, confidentiality issues, and plans to share the results with the agencies. The letter also directed the participants to the survey, which was posted on SurveyMonkey.com. The letter and a hard copy of the survey were also sent by U.S. Postal Service on the same day the electronic letter was sent. A self-addressed stamped envelope was included to help increase response rates. A follow-up email was sent, and phone calls were made to encourage CEOs to participate in the study.

Data Analysis

The purpose of this study was to analyze the use of capacity building strategies in non-profit speech and hearing centers by comparing the CEO's perception of actual and desired use of capacity building components within their organizations. To accomplish this task, quantitative and qualitative methods were used.

Demographic data was collected to present a picture of the research participants and was categorized and analyzed by themes. Using descriptive methods, items from the survey were reported by frequency of responses. Data from the survey questions were quantified using a dependent *t* test analysis. A dependent *t* test compares the means of two scores from related samples. A dependent *t* test was chosen as the method of analysis, because the researcher was measuring the same group of individuals twice on the same subject. Using the Statistical Package for the Social Sciences (SPSS) Version 12, means were calculated for each individual statement and for each of the five capacity building components: vision and mission, leadership, resources, outreach, and products and services. These means were compared in terms of actual and desired use. Differences were considered statistically significant when a calculated *t* value was associated with a significance level (p) less than .05.

The researcher analyzed and categorized the answers for the five open-ended questions according to themes. The researcher noted similarities and differences among the answers and reported these in a narrative summary.

Summary

The purpose of this research was to analyze the use of capacity building strategies in non-profit speech and hearing centers by examining the CEOs' perceptions of both actual and desired use of capacity building strategies in their organizations. The researcher used a survey to obtain this information. Using a dependent *t* test analysis, the researcher compared actual use to degree desired for each statement and for each of the five capacity building component areas: mission and vision, leadership, resources, outreach, and products and services. Open-ended questions were used to elicit further information on CEOs' perceptions of capacity building in their organizations.

CHAPTER IV

REPORT OF DATA AND DATA ANALYSIS

Introduction

Non-profit organizations form in response to community needs and fill gaps in services that government and for-profit businesses cannot meet. As their importance in society grows, it is more important than ever that non-profits perform effectively. Interest in management practices that build high-performing organizations has grown among non-profit organizations. McKinsey and Company (2001), Hansberry (2002), and Massarsky and Beinhacker (2002) researched the impact of capacity building practices in non-profit organizations. According to their research, outstanding non-profit organizations engage in capacity building to improve effectiveness and build public confidence. The purpose of this study was to analyze the use of capacity building strategies in non-profit speech and hearing centers by examining the chief executive officers' (CEOs') perceptions of both actual and desired use of capacity building strategies in their organizations.

Research Questions

The researcher sought to answer the following overarching question: What are the actual and desired degrees to which capacity building strategies are utilized in non-profit speech and hearing centers? In order to answer this question effectively, the following sub-questions were asked:

1. What are the actual and desired degrees to which capacity building strategies are used in the area of vision and mission?
2. What are the actual and desired degrees to which capacity building strategies are used in the area of leadership?

3. What are the actual and desired degrees to which capacity building strategies are used in the area of resource development?
4. What are the actual and desired degrees to which capacity building strategies are used in the area of outreach?
5. What are the actual and desired degrees to which capacity building strategies are used in the area of products and services?

Research Design

Thirty-nine questionnaires were sent to CEOs of speech and hearing centers that were members of the National Association of Speech and Hearing Centers. The questionnaires were posted on SurveyMonkey.com and mailed to each participant via the U.S. Postal Service. Thirty-four were returned for a response rate of 85%.

The survey instrument was divided into three sections. The first section included 43 statements on capacity building strategies grouped according to five component areas: vision and mission, leadership, resources, outreach, and products and services. The second section contained five open-ended questions intended to elicit more information from the participants on the use of capacity building strategies in their organizations. The last section contained demographic information, which was intended to present a picture of the participants.

Response Rate

Due to the small sample size of 39 participants, it was imperative that a high response rate be obtained. A small sample size might have lead to response bias as the conclusions drawn based on the responses to the survey may have been misrepresentative of the attitudes of the surveyed population. The number of responses received by the stated deadline was 15. After follow-up emails and phone calls, an additional 19 surveys were completed. Twenty-one surveys were completed using SurveyMonkey.com and 13 hard copies were returned via U.S. Postal Service for a response rate of 85%.

Demographics

Table 10 shows the results associated with analysis of the demographic information provided by the respondents. Of the 34 respondents, 67.6% were female and 32.4% were male. In terms of age, 67.6% were between the ages of 51 and 60 years, 17.6% were between 61 and 70 years of age, while 14.7% were 41 to 50 years of age. The majority of respondents (61.8%) plan to be in their position five years from now, while 35.3% do not plan on being in their current position due to retirement or other personal issues. Only 2.9% of the respondents were unsure of their status five years from now.

As noted in Table 10, 38.2% of the respondents were from the field of speech-language pathology, 17.6% from audiology, 17.6% from administration, 11.8% from other, 8.8% from business, and 5.9% from social work. Most of the respondents (41.2%) worked in organizations with budgets between one million to less than 2 million dollars, while 23.5% had budgets from $500,000 to less than one million. Half of the respondents (50%) indicated that they were familiar with the literature on capacity building while 88.2% responded that they had received training in non-profit management.

Table 10

Demographic Information – Respondents

Item	Frequency	Valid Percent
Gender		
Male	11	32.4
Female	23	67.6
Age		
41 – 50 years	5	14.7
51 – 60 years	23	67.6
61 – 70 years	6	17.6
Background		
Business	3	8.8
Social Work	2	5.9
Administration	6	17.6
Speech pathologist	13	38.2
Audiologist	6	17.6
Other	4	11.8
Degree		
< Bachelor’s	2	5.9
Bachelor’s	6	17.6
Master’s	20	58.8
Doctorate	6	17.6

Table 10 (continued)

Demographic Information – Respondents

Item	Frequency	Valid Percent
Budget Size		
< 250,000	2	5.9
250,000 - < 500,000	1	2.9
500,000 - < 1 million	8	23.5
1 million - < 2 million	14	41.2
2 million - < 5 million	6	17.6
Over 5 million	3	8.8
Training in Non-profit Administration		
Yes	30	88.2
No	4	11.8
Plan to be in same position – 5 years		
Yes	21	61.8
No	12	35.3
Not Sure	1	2.9
Familiar with Capacity Building literature		
Yes	17	50.0
No	17	50.0

N = 34

Survey Analysis

The survey section contained 43 statements pertaining to capacity building in five different component areas. CEOs rated each statement using a Likert-type scale where 5 was “done to a very high degree,” 4 was “done to a high degree,” 3 was “done somewhat,” 2 was “done to a small degree,” and 1 was “rarely done.”

Research Question 1: What are the actual and desired degrees to which capacity building strategies are used in the area of vision and mission?

For all vision and mission statements, respondents indicated a higher degree of desired use compared to the actual degree of use. Table 11 illustrates the frequency of response for each statement in the component of vision and mission. Analysis of each individual statement indicated greater differences between actual and desired responses for certain statements. Statements that addressed strategic planning received responses ranged from rarely done to done to a very high degree for the actual degree of use. Only 55.9% of respondents indicated that they routinely reviewed their mission to a high to very high degree, while 88.2% indicated that they desired to do so to at least a high degree. In terms of having a strategic plan in place, 38.2% indicated that this was done to a high or very high degree, while 94% of respondent indicated that a strategic plan was desired to a high degree at a minimum. While 41.2% reported that the strategic plan was reviewed annually to a minimum of a high degree, 100% desired that this be done to a high to very high degree.

Table 11

Frequency Table – Vision and Mission

Item		Rarely Done	Small Degree	Done Somewhat	High Degree	Very High Degree
1. Vision supported by board/staff						
	Actual	2.9	2.9	20.6	47.1	26.5
	Desired	0.0	0.0	0.0	23.5	76.5
2. Mission articulates goals						
	Actual	0.0	0.0	5.9	52.9	41.2
	Desired	0.0	0.0	2.9	17.6	79.4
3. Mission routinely reviewed						
	Actual	5.9	8.8	29.4	35.3	20.6
	Desired	0.0	0.0	11.8	35.3	52.9
4. Strategic plan in place						
	Actual	14.7	14.7	32.4	14.7	23.5
	Desired	0.0	2.9	2.9	32.4	61.6
5. Staff/board review plan annually						
	Actual	11.8	8.8	29.4	23.5	26.5
	Desired	0.0	0.0	0.0	26.5	73.5
6. Planning includes needs						
	Actual	2.9	14.7	35.3	20.6	26.6
	Desired	0.0	0.0	3.1	40.6	56.3
7. Board/staff review plan annually						
	Actual	17.6	8.8	32.4	20.6	20.6
	Desired	0.0	0.0	8.8	44.1	47.1

Note. Scores are reported in percentages. N = 34

A dependent *t* test analysis (See Table 12) indicated a statistically significant difference ($p < .01$) between the actual and desired use for all vision and mission statements. The degree desired was significantly greater than the degree actually done.

Table 12

Dependent t-test Results – Vision and Mission Component

Item	Actual M	Actual SD	Desired M	Desired SD	Mean Difference	*t*
1. Vision supported board/staff	3.91	.93	4.76	.43	.85	5.19**
2. Mission articulates goals	4.35	.60	4.76	.50	.41	4.80**
3. Mission routinely reviewed	3.56	1.11	4.41	.70	.85	5.19**
4. Strategic plan in place	3.18	1.36	4.53	.71	1.35	6.30**
5. Staff/board participate planning	3.44	1.30	4.74	.45	1.29	5.74**
6. Planning includes needs	3.50	1.16	4.53	.57	1.03	5.84**
7. Board/staff review plan annually	3.18	1.36	4.38	.65	1.21	5.74**

Note: N = 34 **$p < .01$

Strategic planning statements had mean differences greater than 1.00 while statements pertaining to vision and mission had smaller mean differences. The strategic plan in place statement had a mean score of 3.18 (SD=1.36) for actual use and 4.53 (SD=.71) for desired use. Mean scores for the staff/board participating in strategic planning ranged from 3.44 (SD=1.30) to 4.74 (SD=.45) for actual and desired use respectively, while mean scores for the strategic plan including community needs ranged from 3.50 (SD=1.16) for actual use to 4.53 (SD=.57) for desired use. For the board and staff reviewing the plan annually, mean scores ranged from 3.18 (SD=1.36) for actual use to 4.38 (SD=.65) for desired use. Standard deviations for all strategic planning statements were greater than 1.00 indicating greater variability in responses for actual use.

Question 2: What are the actual and desired degrees to which capacity building strategies are used in the area of leadership?

Frequency of responses were obtained for each statement in terms of actual and desired use of capacity building strategies in the area of leadership. Some statements showed greater differences between actual and desired use than others (See Table 13). On the issue of board engagement in fundraising, 26.5% responded somewhat, while 41.2% responded that their boards were doing so at a high to very high degree. However, 91.1% indicated that they desired that their board engage in fundraising to a high to very high degree. In terms of the board evaluating itself, 55.9% of respondents indicated that this was rarely done, while 82.3% desired this be done to a high to very high degree. Succession planning was another issue with a large difference between actual and desired use. While 88.3% indicated a high to very high degree that they desired to have a succession plan, only 20.5% indicated that this was being done to a high to very high degree. In fact, 44.1% of the respondents indicated that this was rarely done.

Dependent *t* test analysis, as shown in Table 14, indicated a statistically significant difference ($p < .01$) between the actual and desired use of all statements. Some items showed a wider gap between actual and desired use as noted in mean differences greater than 1.00 but less than 2.0. The statement addressing board engagement in fundraising had a mean score of 3.09 (SD=1.29) for actual use and a mean of 4.52 (SD=.86) for desired use. Mean scores for the board possessing adequate skills ranged from 3.50 (SD=.79) for actual use and 4.68 (SD=.47) for desired use. Mean scores for the board reviews CEO ranged from 3.26 (SD=1.26) to 4.29 (SD=.63) for actual and desired use respectively. Some items had mean differences greater than 2.00 indicating an even

Table 13

Frequency of Responses– Leadership

Item		Rarely Done	Small Degree	Done Somewhat	High Degree	Very High Degree
8. Board receives orientation						
	Actual	8.8	5.9	17.6	32.4	35.3
	Desired	0.0	0.0	0.0	32.4	67.6
9. Board engages in fundraising						
	Actual	14.7	17.6	26.5	26.5	14.7
	Desired	2.9	0.0	5.9	23.5	67.6
10. Membership provides skills						
	Actual	0.0	5.9	50.0	32.4	11.8
	Desired	0.0	0.0	0.0	32.4	67.6
11. Board reviews CEO						
	Actual	14.7	11.8	17.6	44.1	11.8
	Desired	0.0	0.0	8.8	52.9	38.2
12. Board and staff communicate						
	Actual	5.9	8.8	17.6	44.1	23.5
	Desired	2.9	0.0	2.9	52.9	41.2
13. Board engages in appraisal						
	Actual	55.9	8.8	29.4	2.9	2.0
	Desired	0.0	2.9	14.7	58.8	23.5
14. Board/CEO relationship						
	Actual	0.0	0.0	14.7	47.1	38.2
	Desired	0.0	0.0	2.9	23.5	73.5
15. Succession plan in place						
	Actual	44.1	20.6	14.7	17.6	2.9
	Desired	2.9	0.0	8.8	55.9	32.4
16. Leadership shared function						
	Actual	11.8	8.8	26.5	47.1	5.9
	Desired	0.0	0.0	5.9	61.8	32.4

Table 14

Dependent t-test Results – Leadership

Item	Actual M	Actual SD	Desired M	Desired SD	Mean Difference	*t*
8. Board receives orientation	3.79	1.25	4.68	.47	.88	4.59**
9. Board engages fundraising	3.09	1.29	4.52	.86	1.44	7.60**
10. Membership provides skills	3.50	.79	4.68	.47	1.18	8.61**
11. Board reviews CEO	3.26	1.26	4.29	.63	1.03	5.39**
12. Board and staff communicate	3.71	1.12	4.29	.80	.58	4.38**
13. Board engages in appraisal	1.88	1.12	4.03	.72	2.15	11.94**
14. Board/CEO relationship	4.24	.70	4.71	.52	.47	4.14**
15. Succession plan in place	2.15	1.26	4.15	.82	2.00	9.29**
16. Leadership shared function	3.26	1.11	4.26	.56	1.00	5.30**

Note: N = 34

**p < .01

larger gap between actual and desired use. Mean scores for the board engages in self-appraisal ranged from 1.88 (SD=1.12) for actual use to 4.03 (SD=.72) for desired use, while means for having a succession plan in place ranged from 2.15 (SD=1.26) to 4.15 (SD=.82) for actual and desired use respectively. Respondents indicated that their desired use of these capacity building leadership strategies were greater than the actual use.

Question 3: What are the actual and desired degrees to which capacity building strategies are used in the area of resources.

Table 15 illustrates frequency analysis for responses to statements dealing with outreach. Results indicated that while all statements showed the degree desired to be larger than the actual degree, some statements had greater differences between actual and desired than others. For example, Table 15 shows that while 23.5% of the respondents indicated that fund development was done to a high to degree, 100% desired to engage in fund development for long-term stability to a high to very high degree. Also, only 12.1% of respondents indicated a high to very high degree of having an information technology (IT) plan in place while 75.8% desired this level. There was also a greater difference for responses to technology adds value to the organization. While 50% responded that the actual degree was done to a high to very high degree, 100% desired that it should be done to a high to very high degree.

Results of a dependent *t* test analysis (Table 16) indicated a statistically significant difference ($p < .01$) between the degree to which the item was actually done and the degree to which it was desired for all statements in the resource component. The degree desired was significantly greater than the degree actually done.

Of the 18 items dealing with resources, four statements had mean differences greater than 1.00 (See Table 16). Statements that addressed job descriptions for programs, fund development for long-term stability, as well as statements pertaining to information technology had differences between the actual and desired means that were greater than1.00. The job description statement had a mean score of 3.32 (SD=1.07) for

Table 15

Frequency Table – Resources

Item		Rarely Done	Small Degree	Done Somewhat	High Degree	Very High Degree
17. Staff members have expertise						
	Actual	0.0	8.8	14.7	55.9	20.6
	Desired	0.0	0.0	0.0	32.4	67.6
	(N=34)					
18. Programs have job descriptions						
	Actual	5.9	14.7	32.4	35.3	11.8
	Desired	0.0	0.0	0.0	52.9	47.1
	(N=34)					
19. Employees importance of work						
	Actual	2.9	2.9	32.4	47.1	14.7
	Desired	0.0	0.0	0.0	41.2	58.8
	(N=34)					
20. Employees feedback/training						
	Actual	0.0	2.9	26.5	61.8	8.8
	Desired	0.0	0.0	0.0	35.3	64.7
	(N=34)					
21. Staff training available						
	Actual	0.0	0.0	29.4	52.9	17.6
	Desired	0.0	0.0	2.9	35.3	61.8
	(N=34)					
22. Productive relationships						
	Actual	0.0	0.0	11.8	67.6	20.6
	Desired	0.0	0.0	0.0	44.1	55.9
	(N=34)					
23. Employees work as team						
	Actual	0.0	3.0	21.2	51.5	24.2
	Desired	0.0	0.0	0.0	27.3	72.7
	(N=33)					

Table 15 (continued)

Frequency Table – Resources

Item		Rarely Done	Small Degree	Done Somewhat	High Degree	Very High Degree
24. Decision making shared						
	Actual	0.0	3.0	48.5	42.2	6.1
	Desired	0.0	3.0	12.1	48.5	36.4
	(N=33)					
25. Employee's benefits competitive						
	Actual	0.0	6.1	27.3	54.5	12.1
	Desired	0.0	0.0	0.0	33.3	66.7
	(N=33)					
26. HR policies current						
	Actual	6.1	0.0	24.2	48.5	21.2
	Desired	0.0	0.0	0.0	27.6	72.7
	(N=33)					
27. Effective budgeting in place						
	Actual	3.0	0.0	15.2	42.4	39.4
	Desired	0.0	0.0	0.0	24.2	75.8
	(N=33)					
28. Managers involved in budgeting						
	Actual	3.1	12.5	12.5	40.6	31.3
	Desired	0.0	0.0	3.0	36.4	60.6
	(N=33)					
29. Fund development stability						
	Actual	11.8	8.8	55.9	23.5	0.0
	Desired	0.0	0.0	0.0	14.7	82.4
	(N=34)					
30. Financial resources sufficient						
	Actual	0.0	0.0	23.5	44.1	32.4
	Desired	0.0	0.0	2.9	11.8	85.3
	(N=34)					

Table 15 (continued)

Frequency Table of Responses– Resources

Item		Rarely Done	Small Degree	Done Somewhat	High Degree	Very High Degree
31. IT plan in place						
	Actual	27.3	18.2	42.4	9.1	3.0
	Desired	0.0	3.0	21.2	36.4	39.4
	(N=33)					
32. Technology adds value						
	Actual	5.9	5.9	38.2	41.2	8.8
	Desired	0.0	0.0	0.0	44.1	55.9
	(N=34)					
33. IT decisions costs/benefits						
	Actual	5.9	8.8	29.4	47.1	8.8
	Desired	0.0	0.0	5.9	55.9	38.2
	(N=34)					
34. System acknowledges donors						
	Actual	0.0	3.0	18.2	45.5	33.3
	Desired	0.0	0.0	0.0	26.5	73.5
	(N=34)					

Note: Scores are reported in percentages

actual use and 4.47 (SD=.86) for desired use. Mean scores for having an IT plan in place ranged from 2.42 (SD=1.09) to 4.12 (SD=.86) for actual and desired use respectively. The standard deviations for both the job description (SD=1.07) and IT plan items (SD=1.09) indicated greater variability in responses for actual use. In terms of having a fund development plan for long-term stability, mean scores ranged from 2.91 (SD=.90) for actual use to 4.85 (SD=.36) for degree desired. Respondents indicated that their desired use of these capacity building resource strategies were greater than the actual use.

Table 16

Dependent t-test Results – Resources

Item	Actual M	Actual SD	Desired M	Desired SD	Mean Difference	*t*
17. Staff members have expertise (N=34)	3.88	.84	4.71	.46	.82	5.52**
18. Programs have job descriptions (N=34)	3.32	1.07	4.47	.86	1.15	6.76**
19. Employees importance of work (N=34)	3.68	.87	4.59	.85	.91	5.70**
20. Employees feedback/training (N=34)	3.76	.65	4.65	.48	.88	7.06**
21. Staff training available (N=34)	3.88	.69	4.59	.56	.71	5.73**
22. Productive relationships (N=34)	4.09	.57	4.56	.50	.47	4.87**
23. Employees work as team (N=33)	3.97	.77	4.72	.45	.75	5.02**
24. Decision making shared (N=33)	3.52	.67	4.18	.77	.67	5.53**
25. Employee's benefits competitive (N=33)	3.73	.76	4.67	.48	.94	6.53**
26. HR policies current (N=33)	3.79	.99	4.73	.45	.94	4.96**
27. Effective budgeting in place (N=33)	4.15	.91	4.76	.44	.61	3.87**
28. Managers involved in budgeting (N=33)	3.84	1.11	4.56	.56	.72	4.10**

Table 16 (continued)

Dependent t-test Results – Resources

Item	Actual M	Actual SD	Desired M	Desired SD	Mean Difference	*t*
29. Fund development stability (N=34)	2.91	.90	4.85	.36	1.94	12.31**
30. Financial resources sufficient (N=34)	4.08	.75	4.82	.46	.74	5.71**
31. IT plan in place (N=33)	2.42	1.09	4.12	.86	1.70	9.60**
32. Technology adds value (N=34)	3.41	.96	4.56	.50	1.15	6.56**
33. IT decisions costs/benefits (N=34)	3.44	.99	4.32	.59	.88	5.44**
34. System acknowledges donors (N=34)	4.09	.80	4.76	.44	.67	4.93**

**p<.01

Question 4: What are the actual and desired degrees to which capacity building strategies are used in the area of outreach?

Frequency distributions for capacity building statements in the area of outreach are listed in Table 17. All statements showed a difference between actual and desired use with desired being larger. However, the degree of difference varied for each statement. For the statement collaborates with other agencies, 58.8% of the respondents indicated their actual degree to be in the high to very high range, while 94.1% desired that it be in this range. One hundred percent of the respondents indicated a desire for marketing to be tied to mission to a high to very high degree, while 50% indicated actual degree of use in the high to very high range. In terms of media relations, 32.3% reported actual use in the high to very high range, while 91.2% desired that media relations be pursued to a high to very high degree. Engages in paid advertising showed the greatest variability in response rates ranging from rarely done to done to a very high degree for actual and desired use. In terms of actual degree, 29.4% reported that it was done to a high to very high degree, compared to 47.1% who desired it to done to that degree. For desired degree, most respondents (38%) felt it should be done somewhat.

Table 17

Frequency Table of Responses – Outreach

Item		Rarely Done	Small Degree	Done Somewhat	High Degree	Very High Degree
35. Collaborates other agencies						
	Actual	5.9	2.9	32.4	41.2	17.6
	Desired	0.0	0.0	5.9	38.2	55.9
36. Marketing relates to mission						
	Actual	0.0	14.7	35.3	41.2	8.8
	Desired	0.0	0.0	0.0	52.9	47.1
37. Media relations pursued						
	Actual	11.8	8.8	47.1	14.7	17.6
	Desired	0.0	0.0	8.8	41.2	50.0
38. Engages in paid advertising						
	Actual	32.4	14.7	23.5	23.5	5.9
	Desired	8.8	5.9	38.2	26.5	20.6

Note. Scores are reported in percentages. N = 34

To determine if a significant difference existed between actual and desired use, a dependent *t* test was calculated. As seen in Table 18, results indicated a statistically significant difference ($p < .01$) for all statements in the outreach component with means for the desired degree of use being larger than actual. Mean differences greater than 1.00 in the areas of marketing and media relations indicated a larger gap between actual and desired than other statements. There was variability in response rates for both actual and desired use of the statement pertaining to paid advertising. Paid advertising had an actual use mean score of 2.56 (1.33) and a desired use mean score of 3.44 (SD=1.16). The standard deviations for both actual and desired use were greater than 1.00 indicating greater variability in responses. Engages in paid advertising was the only statement on the survey that had a standard deviation greater than 1.00 for desired use, which indicates greater variability in responses.

Table 18

Dependent t-test Results – Outreach

	Actual		Desired			
Item	M	SD	M	SD	Mean Difference	*t*
35. Collaborates other agencies	3.62	1.02	4.50	.62	.88	6.37**
36. Marketing relates to mission	3.44	.86	4.47	.51	1.03	7.53**
37. Media relations pursued	3.18	1.19	4.41	.66	1.24	6.89**
38. Engages in paid advertising	2.56	1.33	3.44	1.16	.88	6.09**

Note: N=34

**p<.01

Question 5: What are the actual and desired degrees to which capacity building strategies are used in the area of products and services?

The frequency of response rates is reported in Table 19. All statements showed a higher degree of desire versus the degree of actual use. However, some statements demonstrated a greater difference in degree of actual and desired use than others. While 47.1% of respondents indicated that outcomes are used to measure organizational effectiveness to a high to very high degree, 100% desired that this be done to a high to very high degree. In terms of using satisfaction feedback to measure organizational effectiveness, 47.1% reported the actual use as a high to very high degree, while 97% desired that it be done to a high or very high degree.

Using a dependent t test analysis (See Table 20), a statistically significant difference ($p < .01$) was noted on all statements dealing with the capacity building component of products and services. A significant difference was noted between actual and desired with degree desired being greater. The statements dealing with having measurable outcomes in place and outcome effectiveness had mean differences greater than 1.0 indicating a larger gap between actual and desired compared to other items. The standard deviation for all means was less than 1.0 indicating less variability in responses. However, the standard deviation of the means was larger for the actual use than desired use particularly for items concerning outcomes and using satisfaction feedback to evaluate effectiveness indicating a greater variation in responses for the actual degree of use.

Table 19

Frequency of Responses – Products and Services

Item		Rarely Done	Small Degree	Done Somewhat	High Degree	Very High Degree
39. Measurable outcomes						
	Actual	0.0	14.7	23.5	44.1	17.6
	Desired	0.0	0.0	0.0	32.4	67.6
40. Outcome effectiveness						
	Actual	2.9	11.8	38.2	32.4	14.7
	Desired	0.0	0.0	0.0	26.5	73.5
41. Customer satisfaction priority						
	Actual	0.0	2.9	14.7	47.1	35.3
	Desired	0.0	0.0	0.0	26.5	73.5
42. Satisfaction measures in place						
	Actual	0.0	5.9	44.1	29.4	20.6
	Desired	0.0	0.0	0.0	38.2	61.8
43. Satisfaction feedback						
	Actual	2.9	2.9	47.1	32.4	14.7
	Desired	0.0	0.0	2.9	41.2	55.9

Note. Scores are reported in percentages. N=34

Analysis of Capacity Building Components

A dependent *t* test was calculated for the overall means of each of the five capacity building components. Results indicated a statistically significant difference ($p < .01$) in the actual and desired degrees of use. Table 21 shows that the degree desired was greater than the actual use for the vision and mission, leadership, resources, outreach, and products and services components. In terms of actual degree of use, all components had standard deviations greater than .80 indicating greater variability in responses. The largest mean differences between actual and desired use were seen in the components of leadership (*t*=12.17) and outreach (*t*=9.47) as evidenced by *t* scores that were larger than the other components.

Table 20

Dependent t-test Results – Products and Services

	Actual		Desired			
Item	M	SD	M	SD	Mean Difference	*t*
39. Measurable outcomes	3.65	.95	4.68	.47	1.03	6.64**
40. Outcome effectiveness	3.44	.99	4.74	.45	1.29	7.54**
41. Customer satisfaction priority	4.15	.78	4.74	.45	.59	4.38**
42. Satisfaction measures in place	3.65	.88	4.62	.49	.97	6.51**
43. Satisfaction feedback	3.53	.90	4.53	.56	1.00	7.14**

Note: N=34

**p<.01

Open-ended Questions

Five open-ended questions were asked of the respondents to gain more insight in the CEOs perceptions of the use of capacity building strategies within their organizations. These questions addressed possible reasons for a gap between actual and desired use of capacity building strategies, identification of capacity building efforts started within the past two years, results of these efforts, challenges facing non-profit speech and hearing centers, and a definition of capacity building according to the respondents. Responses were categorized and reported by frequency of response.

Table 21

Dependent t-test Results – Capacity Building Components

	Actual		Desired			
Component	M	SD	M	SD	Mean Difference	*t*
Vision and Mission	3.59	1.12	4.59	.57	1.00	7.47**
Leadership	3.21	1.11	4.40	.65	1.19	12.17**
Resources	3.66	.86	4.67	.56	1.01	8.31**
Outreach	3.20	1.10	4.21	.75	1.01	9.47**
Products and Services	3.68	.90	4.66	.49	.98	8.82**

**p<.01

Reason for Perceived Gap

Various responses were recorded for the question concerning a reason for the gap between actual and desired use of capacity building strategies. Many respondents reported working to close the gap and always looking for ways to improve. One respondent stated, “We are always improving. The study has helped me look at the areas needing improvement.”

An ineffective Board of Directors was also a common theme that was reiterated by many CEOs. According to one respondent, “Lack of board training and poor involvement in fundraising and strategic planning” as reasons for the gap. An overwhelming majority responded that lack of resources; particularly time, money and personnel were the main reasons why capacity building strategies were not being used to the degree desired.

Efforts Undertaken to Improve Performance

All respondents that answered the question reported that they had undertaken efforts within the past two years to improve the performance or effectiveness of their organizations. These efforts included the recruitment of new board members, collaboration with other agencies in their community, staff training, program analysis, and new client tracking software. Two general themes were prominent in the responses to this question. The majority of respondents reported adding personnel for program development and engaging in strategic planning with their board and staff. One responded reported that “new staff, stronger board, strategic planning, and new board orientation” were among the efforts undertaken by their agency over the past two years. Another reported that their agency had received a grant for $150,000 for capacity building endeavors.

Results of Efforts

All responses to the success of the capacity building efforts were positive. Increased and diversified revenues, community support, and a more diverse and engaged board were the results of some organizations’ efforts. Most CEOs reported that their organizations were stronger because of these efforts. One CEO noted “We are a stronger organization – more board participation, more board giving, better annual fund, higher staff morale, less turnover, better receivables, more grant funding, better productivity," The majority of responses included the comment that patience was needed to see these efforts through. As one respondent noted, "The results have been fantastic, but it has taken time and patience."

Challenges Faced by Non-Profit Speech and Hearing Centers

Funding was the overwhelming theme that appeared throughout the comments concerning the greatest organizational challenge facing non-profit speech and hearing centers. Lack of financial resources appeared to be a challenge for all CEOs responding to this question. Inadequate funds to support high salaries necessary to obtain highly qualified personnel, poor reimbursement from third party payers, and the devolution of government support for non-profits were comments that resonated throughout the responses. As one CEO commented: "The challenge is surviving in an increasingly competitive non-profit world where speech and hearing issues are not deemed important enough." Another stated that "We are continually challenged to keep up technologically and financially."

Definition of Capacity Building

CEOs were asked to give their definition of capacity building. While the wording varied, the majority of respondents overwhelmingly embraced the theme of making the organization stronger. The following statements were made:

- "Making sure the organization has what it needs to achieve its mission."
- "Actions that improve organizational effectiveness, and actions directed toward your mission."

- "Building resources and systems to support the mission of the organization."
- "Improving our effectiveness as an organization."
- "Continually striving to be a more effective organization."
- "Anything that allows the organization to perform with greater efficiency and achieve its mission."

The idea of an effective organization accomplishing its mission was noted repeatedly throughout the responses.

Summary

The purpose of this research was to analyze the use of capacity building strategies in non-profit speech and hearing center by examining the chief executive officers' (CEOs') perception of both actual and desired use of capacity building strategies in their organizations. Quantitative research methods were used to collect data on the use of capacity building strategies. The questionnaire consisted of a survey, open-ended questions, and demographic data. Using a dependent *t* test analysis, the researcher compared actual use to degree desired for each statement and in the five capacity building component areas: mission and vision, leadership, resources, outreach, and products and services. Qualitative data was collected through the use of five open-ended questions. Information was categorized according to similarity of responses. This information was used to achieve a better understanding of the CEOs' perception of actual and desired use of capacity building strategies in their organizations. Demographic information was obtained to present a picture of the respondents.

The majority of respondents were female, between the ages of 51 and 60 years, holding a master's degree in speech-language pathology. The majority of CEOs planned to be in their same positions within the next five years, and worked in organizations with budgets between $1 million and $2 million.

A dependent *t* test analysis was calculated for each individual statement as well as for each component area to compare the mean actual score with the mean desired score. Results were statistically significant at the .01 level ($p < .01$) for all statements as well as for all component areas with the degree desired being larger than the actual degree capacity building strategies were used.

Further analysis indicated that some statements had larger gaps between actual use and degree desired as evidenced by larger mean differences (i.e.: > 1.00). Issues with larger mean differences included: strategic planning, board engagement, board leadership, board appraisal, and succession planning. Programs with job descriptions, fund development, and information technology were other issues with larger mean differences. Finally, marketing, media relations, and using outcome measures to evaluate effectiveness were also issues having mean differences larger than 1.00.

Greater variability in responses occurred on many statements pertaining to the degree these activities were actually being done in organizations. There was less variability in responses regarding the degree desired. All capacity building strategy statements were desired to a high degree or to a very high degree by the majority of respondents with mean scores being greater than 4.00 on a 5 point rating scale. However, as to the actual use of these strategies, there was considerable variability in responses as noted by the large standard deviations for some items. These items included: a review of mission, strategic planning, board membership, board engagement, board appraisal, succession planning, and shared leadership. Other items having a wide range of responses in terms of the degree actually done included: information technology issues, programs with job descriptions, budgeting, paid advertising, and media relations.

Comments obtained on the open-ended questions indicated that lack of time, money and personnel were reasons for the perceived gap between actual and desired use of capacity building strategies. Most all respondents reported that they had engaged in some kind of capacity building effort within the past two years, noting the these efforts were mostly successful. Funding was determined to be the major organizational challenge facing non-profit speech and hearing centers. The majority of respondents defined capacity building as efforts to improve organizational effectiveness and to help the organization accomplish its mission.

CHAPTER V

SUMMARY, CONCLUSIONS, AND IMPLICATIONS

Summary

The researcher's purpose for this study was to analyze the use of capacity building strategies in non-profit speech and hearing centers by examining the CEOs' perceptions of both actual and desired use of capacity building strategies in their organizations. The research instrument was a questionnaire containing 43 statements relating to the use of capacity building strategies, five open-ended questions, and demographic information. Using a five point rating scale (1 = rarely done, 5 = done to a very high degree) respondents were asked to rate each statement according to the degree actually done and the degree desired. The five open-ended questions were used to obtain further information on the use of capacity building in non-profit speech and hearing centers. Demographic information was obtained to present a picture of the respondents.

The questionnaire was sent electronically and by the U.S. Postal Service to the 39 CEOs of non-profit speech and hearing centers who were current members of the National Association of Speech and Hearing Centers (NASHC). Of the 39 surveys sent, 34 were returned for a response rate of 85%.

Analysis of Findings

Demographic data indicated that the majority of respondents were female between the ages of 51 and 60 years. The largest percentage of respondents held a master's degree in speech-language pathology and planned to be in their same positions within the next five years. Most respondents were in organizations with budgets between $1 million and $2 million.

Using a dependent *t* test analysis, the researcher compared the means for actual use to the means for desired use for each statement and for each capacity building component: vision and mission, leadership, resources, outreach, and products and services. Results were statistically significant at the .01 level ($p < .01$) for all statements as well as for all component areas with the mean scores for degree desired being larger than the mean scores for the actual degree. The research indicated that while non-profit speech and hearing centers were employing capacity building strategies, the strategies were not being used to the degree the respondents desired. Also, the actual degree of use varied greatly with responses ranging from rarely done to done to a very high degree. Responses were less varied for desired degree with the majority of respondents indicating a high to a very high degree of engagement.

Responses to open-ended questions were grouped by themes. Lack of resources in terms of money, time, and personnel were the main reasons given for the perceived gap between actual and desired use of capacity building strategies. The majority of CEOs reported that their organization had engaged in some kind of capacity building exercise within in the past two years, and noted that these efforts were mostly successful. Funding was reported by the majority of CEOs as the major organizational challenge facing their agencies. Capacity building was defined as efforts to improve effectiveness and help the organization accomplish its mission.

Discussion of Research Findings

Capacity building has been defined in the literature as any effort to improve an organization's ability to achieve its mission (DeVita et al., 2001; Light, 2004a; McKinsey & Company, 2001). These elements of organizational effectiveness and mission oriented were themes reiterated by CEOs in this researcher's study. Allison and Kaye (2005) reported that capacity building has become a major topic for non-profits. In the present study, only 50% of CEOs reported being familiar with the literature on capacity building, but all were engaged to some degree in capacity building efforts for their organizations.

Capacity Building

Outstanding organizations continually adapt and refine mission and vision, have effective leaders, develop revenue strategies appropriate to mission and vision, develop and refine innovative approaches, collaborate, and effectively advocate their mission (Millesen & Bies, 2005; Kearns et. al., 2006). Research has supported the assumption that capacity building efforts improve organizational effectiveness (McKinsey & Company, 2001; Hansberry, 2002; Light, 2002; Massarsky & Beinhacker 2002; Kearns et al., 2006;).

As evidenced by responses to this researcher's survey, non-profit speech and hearing centers are engaged in the use of capacity building strategies. The results of this present study are consistent with a study by Light (2004a) that found the majority of non-profits surveyed were engaged in collaboration, fundraising, reorganization, team building, board development, implementing information technology tools, and accountability efforts.

In this researcher's study, all respondents reported that the capacity building efforts had positive results in their organizations. Respondents reported financial gains, increased community support and stronger organizations. Light (2004a) studied the effects of capacity building in non-profits and found that improved management, program impact, and overall performance were achieved. Light also found that improved community support was a direct result of capacity building in the non-profits he surveyed.

McKinsey & Company (2001) reported on lessons learned from non-profits that had engaged in successful capacity building. One of the lessons defined in McKinsey & Company's study was that patience was needed in the process. Collins (2001), in his study, learned that it takes years of building momentum and laying the foundation for success. He found that great companies did not achieve greatness overnight. This researcher's survey results were consistent with the research by McKinsey & Company and Collins. The idea that capacity building takes time and cannot be rushed was reiterated by many CEOs in this present study.

This researcher's findings indicated a gap between the actual and desired degrees of use. When asked why they were not engaged to the degree desired, a common theme noted was lack of resources; particularly time, money, and personnel. CEOs in the present study reported lack of financial resources as the greatest organizational challenge facing non-profits speech and hearing centers. Light (2004b) reported that decreasing fiscal support from government and increased competition among non-profits for limited funds were challenges faced by non-profits. DeVita et al. (2001) noted that capacity building could present a challenge to many non-profits due to their limited resources.

The fact that CEOs in this researcher's study desired to be engaged in higher levels of capacity building is positive. Millesen and Bies (2005) found that higher levels of engagement in capacity building were predictive of higher levels of organizational capacity.

Vision and Mission

Vision and mission are essential components of a non-profit agency. A non-profit's mission directs its endeavors. Strategic planning sets the course for achieving that mission. Research has supported the relationship between strong organizations and mission and planning (Changanti & Seltzer, 1989; DeVita et al. 2001; Allison & Kaye, 2005; Kearns et al., 2006).

This researcher's results indicate that non-profit speech and hearing centers are engaged in activities to ensure their organizations are vision and mission oriented with the majority of responses falling in the high to very high degree for actual use. The responses to statements on strategic planning were more variable in terms of actual use and indicated there were more differences in opinion among CEOs as to the level these strategic planning strategies were being done in their organizations.

A study by Katsioloudes and Tymon (2003) found that although non-profits were engaged in strategic planning, the strategic planning process was not being used to the degree desired. This researcher's results correspond with he research by Katsioloudes and Tymon. In this researcher's study, CEOs responded that they were engaged in strategic planning, but not to the degree desired. The degree desired was high to very high. The fact that a higher degree of involvement was desired represents a positive step for non-profit speech and hearing centers. Chaganti and Seltzer (1989) found that strategic planning leads to successful organizations and allows organizations to react quickly to changes in their environments. This researcher's study indicates that the respondents desire to do more in the area of strategic planning.

Leadership

Effective leadership is important in any organization. In a non-profit organization, governance is primarily the job of the board of directors and the CEO. McKinsey & Company (2003) stressed the importance of effective board governance. Their research found that the board shapes the direction for the non-profit through its mission and key policies and must monitor the performance of the CEO. The Alliance for Board Diversity (2005) found that very few boards had representation from all minority groups.

In this researcher's study, CEOs of non-profit speech and hearing centers reported that while they are engaged in capacity building leadership strategies, they are not done to the degree desired. While there was a gap between the actual use and the degree desired for all leadership statements, some statements showed more variability in responses than others. Most of the statements had to do with board issues. These statements addressed board orientation, fundraising, CEO appraisal, board and staff communication, and shared leadership. Brown (2002) found that boards that practice inclusive governance were more effective than boards that did not do so. Brown (2004) studied the relationship between board performance and organizational performance and found that boards in more effective organizations reported engagement in strategic activities. CEOs in this researcher's study appear to recognize the need for strong boards, as the degree desired for all statements relating to the board was high to very high.

The majority of respondents in the researcher's study reported that board appraisal and succession planning were rarely done or done to a small degree, but were desired to be done to a high degree at a minimum. Bugg and Dallhoff (2006) found that successful boards engaged in self-appraisal and succession planning. Chapman and

Vogelsang (2005) recommended that every organization have an emergency and long-term succession in place to be prepared for new leadership. While only 35.3% of CEOs in this researcher's study indicated they do not plan on being in their same position in the next five years, Bell et al. (2006) found that 75% of executives do not plan on being in their current jobs five years from now. CEOs in this researcher's study do not appear to be leaving their positions at the rate Bell et al.'s study showed, but they do need to plan for the future. Bell et al.'s study indicated that non-profits would face increasing competition for talented leaders over the next few decades as baby boomers retire and the labor market tightens. In the present study, CEOs of non-profit speech and hearing centers appear to recognize the importance of these issues as they indicated a desire to engage in these activities to a high to very high degree.

Resources

For the purpose of this research, resource components included fundraising activities, human resource management, information technology issues, and financial management.

In this researcher's study, CEOs reported some degree of actual use of all capacity building resource strategies. Some issues such as the organization supporting healthy, productive relationships among stakeholders, budgeting issues, and having adequate financial resources for the immediate future were rated to at least a high degree in terms of actually being done. Dorenbosch et al. (2005) reported that commitment oriented human resource activities were critical to organizational success, while DeVita et al. (2001) advocated for strong financial management practices. This is positive for non-profit speech and hearing centers in the present study, as research indicates that adequate resources are necessary for an organization to achieve its mission (Delaney & Huselid, 1996; Ban et al., 2002; Dorenbosch et al., 2005).

The present research showed that CEOs were engaging in capacity building strategies in the resource component area, but not to the degree desired. The largest gaps between actual and desired use included a realistic fund development plan for long-term stability and having an information technology plan in place. In fact, the majority of CEOs responded that the actual use was only somewhat to rarely being done.

Past research suggests that non-profits should give more attention to information technology (IT) development. A study by Princeton Survey Research Associates (2001) found that IT changed human service non-profits in positive ways. The study showed that IT helped organizations achieve their missions and improved the ability to reach more people in need of services. McInerney (2003) and DeVita et al. (2001) reported that technology broadens and facilitates an organization’s ability to collaborate with people. A study by the Georgia Center for Nonprofits (2006) found that the majority of respondents felt that technology had improved their ability to identify new areas of community needs, and helped their organizations reach more people in the community. It is encouraging that in the researcher’s study, CEOs desire to do more in the area of information technology.

In terms of financial management, Wolf (1999) advocated for long-term financial planning for non-profits. The majority of CEOs in the present study responded that long-term financial planning was being done somewhat, but desired that it be done to a high to very high degree. This is a positive goal for non-profit speech and hearing centers involved in the present study, as DeVita et al. (2001) found that financial management practices are critical elements for the success of an organization.

Outreach

Outreach is a mechanism for building support. Galaskiewicz and Bielefeld (1998) found that isolated organizations were more likely to fail and struggle. Outreach can take many forms and in this present research, it included marketing and collaboration.

In the present study, responses to the capacity building statements in the outreach component indicated that non-profit speech and hearing centers are engaged in collaboration, marketing and media relations, but desired a higher degree of engagement. Light (2004b) found that media relations had a significant impact on public opinion.

CEOs in this researcher's study did not appear interested in engaging in paid advertising. Less than a majority desired a high to very high degree of using in paid advertising. These results correspond with a study by Marchand and Lavoie (1998) that reported non-profits generally sought sponsorships and forms of free communication to offset the cost of advertising.

The fact that CEOs in the present study desire to do more in the outreach area is encouraging as research supports engaging in marketing and collaboration efforts as leading to more effective organizations. Osborne and Murray (2000) reported that collaboration led to a greater degree of leverage in communities. Kara et al. (2004) found that non-profits that engaged in marketing activities outperformed those that did not.

Products and Services

Outcomes and customer satisfaction were strategies addressed in the component area of products and services for the purpose of this research. Outcome measurement involves the identification of outcomes, the development of outcome indicators and data collections methods, and data analysis.

The present research indicated that 61.7% of the respondents were engaged in outcome measurement to a high to very high degree, while 100% desired to do so. Morley et al. (2001) found that 83% of non-profit organizations surveyed regularly collected and analyzed data on outcomes. In this researcher's study, the number of non-profit speech and hearing centers currently engaged in outcome measurement is lower than the number indicated by Morely et al. This is surprising since the United Way of America has been the leader in the use of outcome measurement and the majority of non-profit speech and hearing centers are United Way member agencies.

The researcher's study indicated that customer satisfaction strategies were being done on an average to a moderate degree in non-profit speech and hearing centers. Past research has indicated a positive correlation between business performance and customer satisfaction (Sun, 1999). In the present study, CEOs of non-profit speech and hearing centers responded that customer satisfaction was an organizational priority. The majority of responses for both actual and desired use for customer satisfaction being a priority fell in the done to a high to very high degree categories. CEOs in the present study seem to realize the importance of customer loyalty. The fact that CEOs desire to do more in the area of customer satisfaction is positive as research has shown that strategies directed towards customer satisfaction were likely to lead simultaneously to good business results (Sun, 1999; Agus et al., 2000; Andre & Saraiva, 2000; Kayis et al., 2003; Chowdhary & Saraswat, 2003).

Conclusions

This researcher's study indicates that non-profit speech and hearing centers are engaged in the actual use of capacity building strategies. The present research also indicates that in the five component areas of vision and mission, leadership, resources, outreach, and products and services, the degree of engagement in capacity building is not being done to the degree CEOs desired. The good news is that non-profit speech and hearing centers are engaging in capacity building strategies and desire to be engaged to an even higher degree.

Vision and Mission

Some areas of capacity building were perceived by CEOs as having more actual involvement than others. In the vision and mission component, the majority of CEOs felt that their organizations' vision and mission statements were being used to achieve organizational effectiveness to a high to very high degree. It is extremely important that board and staff support vision and mission as everything the organization does revolves around their mission. Without a strong mission to guide the organization, the sustainability of the organization would be in question. Strategic planning was an issue in the vision and mission component that the majority of CEOs desired to be engaged at a higher degree than they were presently involves. Strategic planning relates to the organization's vision and mission and sets the course for the organization. In this era of accountability, it is important for an organization to have a plan in place to help the organization fulfill its mission.

Leadership

In the area of leadership, the majority of CEOs felt their organizations were currently engaged to a high to very high degree in issues dealing with board communications and board/staff/CEO relationships. Good communication and strong, healthy relationships are critical elements of a strong organization. These elements also create a supportive, productive work environment, which has always been a strength for non-profit organizations.

The majority of CEOs felt their organizations were less engaged in board self-appraisal and succession planning. It can be a difficult task to get the board to review themselves, but it is a very good accountability measure. It also encourages the board to set goals for themselves, which in turn leads to more engagement as a board. In terms of succession planning, although only 35.3% of CEOs are not planning on being in their position in the next five years, it is wise to have a plan in place. A succession plan may include any top leadership position and is a proactive step in the recruitment process.

Resources

When asked to give a reason for why their organizations were not engaged in capacity building efforts to the degree desired, the majority of CEOs responded that lack of resources was the reason. However, in the resources component of the survey, most items were reported as actually being done to a high to very high degree. These items included issues dealing with an experienced staff, adequate training opportunities, teamwork, competitive staff benefits, current HR policies, effective budgeting, short-term financial resources, and a donor acknowledgement system.

Information technology issues and long-term fund development were areas felt by CEOs as being done currently to a somewhat to rarely done degree. Technology is changing the way non-profit organizations do business. Until recently technology was looked upon as a luxury for many non-profits. It has now become a necessity. Fundraising, recruiting, training and many other capacity building strategies are now being done on-line and organizations must keep up with the changing environment.

Long-term fund development is crucial and needs to be part of the strategic planning process. Non-profit speech and hearing centers need to ensure their sustainability through financial planning.

Outreach

The majority of CEOs felt their organizations were engaged to a high to very high degree in collaborating with other agencies. There was less engagement in using marketing strategies, particularly in the area of paid advertising. The professions of speech-language pathology and audiology, of which non-profit speech and hearing centers are involved, have become highly competitive. Rehabilitation facilities, hospitals, non-profits, and private practice groups all compete for clients and professional staff. It is essential that the community know that non-profit speech and hearing centers provide the same high-quality services as other organizations. Marketing efforts need to be employed at some level. Many non-profits try to secure free publicity, but are finding this more difficult to obtain. Non-profit speech and hearing centers should be prepared to consider paid advertising as a means to compete with their for-profit entities.

Products and Services

The majority of CEOs believed that their organizations had a high to very high degree of engagement in measuring outcomes and customer satisfaction. However, less felt that they were using these measures to assess effectiveness. The purpose of having outcome measures and customer satisfaction measures in place is to assess the effectiveness of the program or service. Measurement tools can be very effective in evaluating strengths and weaknesses of a program and making changes as necessary.

Most all CEOs felt that customer satisfaction was a priority in their organizations. This is not surprising as non-profits tend to be very customer oriented.

Implications

Non-profit speech and hearing centers are engaged in capacity building. In fact, CEOs indicated that they desire to be engaged at a higher level than they currently are engaged. This is extremely encouraging for non-profit speech and hearing centers. The information obtained from this study should demonstrate to CEOs of non-profit speech and hearing centers that they are keeping up with current trends and building their infrastructures to ensure success and sustainability. However, they need to continue to seek ways to build their organizational capacity as most are not where they want to be.

As all CEOs were from member organizations of the National Association of Speech and Hearing Centers, NASHC may benefit from this study. NASHC holds two national meetings a year. NASHC meetings include sessions on capacity building issues and are excellent networking opportunities. As the response rate from CEOs of member agencies was very high (85%), it is hoped that more CEOs will participate in these meetings. Presently, attendance is approximately 50% of the membership. Non-participating members may see an opportunity to improve capacity building efforts through attendance at these meetings.

CEOs indicated that they desired to be engaged to a higher degree in the use of all capacity building strategies. This is a very positive result of this study. Higher levels of engagement in capacity building have been found to increase organizational effectiveness. Non-profit speech and hearing centers exist to fulfill a community need. The stronger the organization, the more benefit the organization is to the community it serves. Therefore, communities served by non-profit speech and hearing centers may benefit from their increased capacity building endeavors.

Another implication from this research is that CEOs may try and close the gap between actual and desired use of capacity building strategies. Hopefully, the survey helped CEOs evaluate where their organizations currently are in terms of capacity building, and encourage them to seek ways to get to the degree desired.

As the CEO of a non-profit speech and hearing center, this researcher has benefited personally from the study. Through the literature review, this researcher has learned what makes an organization effective and has implemented new strategies within her organization to improve the infrastructure. The survey served as an instrument for self-analysis and helped identify areas of strengths and weaknesses within her organization. The process has helped this CEO realize that investment in the organization is necessary to be successful.

Recommendations

As a result of this research, the following recommendations are offered:

1. Organizations need a strong infrastructure to be successful. Capacity building strategies have proven successful in building strong infrastructures. CEOs of non-profit speech and hearing centers have indicated they desire to do more capacity building in their organizations, and it is recommended that they seek avenues to make these efforts possible.
2. Capacity building grants to improve an organizations infrastructure are becoming more readily available to non-profits. CEOs should educate themselves about what is available in terms of grants for capacity building efforts.

3. CEOs of non-profit speech and hearing centers need to keep abreast of the current trends in non-profit management and should seek to educate themselves by attending workshops, conferences, and networking with peers.
4. Further research is needed to identify the link between high performing non-profit speech and hearing centers and capacity building strategies. A high performing agency would be one that has a strong vision and mission, qualified leadership, adequate resources, engages in outreach, and is customer and outcome oriented. This would benefit other non-profit speech and hearing centers greatly.
5. Further research is needed to explore issues that prevent non-profit speech and hearing centers from engaging in capacity building efforts to the degree desired. This information would be of great benefit to non-profit speech and hearing centers.

Dissemination

This researcher plans to present this study to the National Association of Speech and Hearing Centers' Spring 2007 Conference in New Orleans, Louisiana on April 13, 2007. CEOs of non-profit speech and hearing centers will be presented with the research on capacity building in non-profits in general and the results of this study. It is this researcher's hope that sharing this information with CEOs will lead to a better understanding of capacity building, help them see where their organizations are and where they want to be, and encourage them to never cease trying to get there.

Concluding Thoughts

Non-profit organizations address many of society's critical needs, and are one of the fastest growing segments of the United States economy. Competition for resources, problems of governance and accountability, and constant changes in the political environment are issues that affect the success of these organizations and put needed services in jeopardy.

The non-profit world is changing and adopting more business-like practices to build strong infrastructures and increase public confidence. The current research showed that non-profit speech and hearing centers are on a positive course to become more effective organizations as they are actively engaged in capacity building efforts. In fact, they desire to do so at an even higher degree.

The CEOs who participated in this research should be very proud of the work they do. As the research indicated, they are leaders of organizations who are actively engaged in capacity building efforts and desire to become engaged at an even higher degree. This speaks very well of the member agencies of the National Association of Speech and Hearing Centers (NASHC). These CEOs are obviously not leaders who accept the status quo and are actively engaged in activities to improve their organizations. NASHC has provided opportunities for CEOs to improve their leadership skills, network with their peers, and participate in excellent training opportunities.

REFERENCES

Abernathy, A., & Fine, J. (n.d.). *Echoes from the field: Proven capacity building principles for nonprofits.* Retrieved September 23, 2006 from http://www.envsc.org/bestpractices.pdf.

Abramson, A., & Salamon. (2005). *The nonprofit sector and the federal budget: Fiscal year 2006 and beyond.* The Aspen Institute. Retrieved February 26, 2006 from www.aspeninstitute.org/workingpapers.htm.

Agus, A., Krishnan, S., Latifah, S. & Kadir, S. (2000). The structural impact of total quality management on financial performance relative to competitors through customer satisfaction: A study of Malaysian manufacturing companies. *Total Quality Management, 11,* 23-34. Retrieved May 27, 2004 from Academic Search Premier database.

Alliance for Board Diversity. (2005). *Women and minorities on Fortune 100 boards.* Retrieved April 13, 2006 from www.abd.org/reports/research.htm.

Alliance for Nonprofit Management. (2005). *2005 Alliance member survey results.* Retrieved May 2, 2005 from www.alliancefornonprofitmanagement.org.

Allison, M. & Kaye, J., (2005). *Strategic planning for nonprofit organizations: A Practical guide and workbook.* Hoboken, NJ: John Wiley & Sons.

American Speech-Language-Hearing Association. (2005). *Highlights and trends: ASHA counts for 2004.* Retrieved June 4, 2005 from http://professional.asha.org/resources/factsheets/year.cfm

Andre, M., & Saraiva, P. (2000). Approaches of Portuguese companies for relating customer satisfaction with business results. *Total Quality Management, 11*(7), 929-939.

Baler, M. (2006, May 6). Blogs and CRM: Managing the new ways to speak to donors. *The NonProfit Times Weekly.* Retrieved May 4, 2006 from www.nptimes.com/instantfund/May06/news-050306_1.html.

Ban, C., Drahnak, A., & Towers, M. (2002). Human resource challenges of human service and community development organizations: Recruitment and retention of professional staff in the not-for-profit sector. *The Forbes Funds*. Retrieved May 10, 2006 from www.forbesfunds.org/research.html.

Bell, J., Wolfred, T., & D'Silva, N. (2006). *Daring to lead 2006: A national study of nonprofit executive leadership.* CompassPoint and MeyerFoundation. Retrieved June 4, 2006 from www.compasspoint.org.

Bernstein, P. (1997). *Best practices of effective nonprofit organizations: A practitioner's guide.* New York, NY: The Foundation Center.

BoardSource & Independent Sector. (2006). *The Sarbanes-Oxley Act and implications for Nonprofit organizations.* Retrieved July 9, 2006 from www.independentsector.org/sarbanesoxley.

Boswell, S. (2002). Professions on fast track for growth. *The ASHA Leader on Line.* Retrieved June 5, 2005 from http://professional.asha.org/news/020430b.cfm.

Broadman, A., & Vining, A. (2000). Using service-customer matrices in strategic Analysis of nonprofits. *Nonprofit Management & Leadership,10*(4), 397-420. Retrieved June 21, 2006 from Business Source Premier.

Brown, W. A. (2002). The prevalence of inclusive governance practices in nonprofit organizations and implications for practice. *Nonprofit Management and*

Leadership, 12(4), 369-385.

Bugg, G., & Dallhoff, S. (2006). *National study of board governance practices in the non-profit and voluntary sector in Canada.* Strategic Leverage Partners, Inc. Retrieved March 24, 2006 from www.strategicleveragepartners.com.

Center for Nonprofit Leadership and Management. (2003, Fall). *Inspiring confidence and trust: Issues and answers for nonprofit.* Retrieved October 11, 2005 from http://nonprofit.asu.edu.

Changanti, R., & Seltzer, J. (1989). A study of anticipated environments and planned strategies in voluntary human services agencies. *American Business Review, 12*(2), 41-49.

Chapman, T., & Vogelsang, J. (2005). Executive director transitions: An organization development approach. *Journal for Nonprofit Management, 9*(1), 2-8.

Chowdhary, N., & Saraswat, B. (2003). Service leadership study. *Journal of Services Research, 3*(2). Retrieved May 27, 2004 from Academic Search Premier.

Claver, E., Tari, J., & Molina, J. (2003). Critical factors and results of quality management: An empirical study. *Total Quality Management, 14*(1), 91-118.

Cole, R. (n.d.). Total quality management as a tool to enhance the quality of higher education management in the 21st century. Retrieved May 23, 2003 from http://puslit.petra.ac.id/news/seminars/tqm/keynote1.htm.

Collins, J. (2006). *Good to great and the social sectors: A monograph to accompany good to great.* Boulder, CO: Jim Collins.

Collins, J. (2001). *Good to great: Why some companies make the leap…and others don't.* New York, NY: HaperCollins.

CompassPoint Nonprofit Services. (2003). *Executive coaching project: Evaluation of findings.* Retrieved June 24, 2006 from www.compasspoint.org/research/.

Connolly, P., & York, P. (2002). Evaluating capacity-building efforts for nonprofit organizations. *OD Practitioner, 34*(4), 33-39.

Cornforth, C., & Edwards, C. (1999). Board roles in the strategic management of non-profit organizations: Theory and practice. *Corporate Governance: An International Review, 7*(4). 346-363. Retrieved June 28, 2006 from Business Source Premier.

Cronk, B. P. (2004). *How to use SPSS: A step-by-step guide to analysis and interpretation.* Glendale, CA: Pyrczak Publishing.

Delaney, J., & Huselid, M. (1996). The impact of human resource management practices on perceptions of organizational performance. *Academic of Management Journal, 39*(4), 949-969.

DeVita, C., Fleming, C., & Twombly, E. (2001). *Building capacity in nonprofit organizations.* The Urban Institute. Retrieved May 31, 2006 from www.urbaninstitute.org.

Doherty, S., & Mayer, S. (2003). *Results of an inquiry into capacity building programs for nonprofit programs.* Retrieved May 31, 2006 from www.EffectiveCommunities.com.

Dorenbosch, L., Van Engen, M., & Verhagen, M. (2005). On the job innovation: The impact of job design and human resource management through production ownership. *Creativity & Innovation Management, 14*(2), 129-141.

Drucker, P. (1992). *Managing the non-profit organization: Principles and practices.* New York, NY: HarperCollins Publishers, Inc.

Duchan, J. (2003). What do you know about your profession's history? *The ASHA Leader, 33,* 33-34.

Ebrahim, A. (2003). *Building analytical and adaptive capacity.* Paper presented at the annual conference of The Association for Research on Nonprofit Organizations and Voluntary Action. Nov., 2003.

Edvardsson, B., Johnson, M., Gustafsson, A., & Strandvik, T. (2000). The effects of satisfaction and loyalty on profits and growth: Products versus services. *Total Quality Management, 11*(7), 917-927.

Ernharth, A. (2005, April). *Non-profit speech and hearing centers: A national study of financial characteristics and business practices.* Paper presented at the semi-annual meeting of the National Association of Speech and Hearing Centers.

Fernandopulle, A., Masaoka, J., & Parsa, P. (2002). *On the rise: A profile of women of color in nonprofit leadership.* CompassPoint Nonprofit Services. Retrieved May 28, 2006 from www.compasspoint.org.

Fine, A., Thayer, C., & Coghlan, A. (1998). Program evaluation practice in the nonprofit sector. *Nonprofit Sector Research.* Retrieved November 4, 2005 from www.nonprofitresearch.org/publications1526/publications_show.htm.

Fraenkel, J. R. & Wallen, N. E. (2003*). How to design and evaluate research in education (5th ed.).* New York, NY: McGraw-Hill, Inc.

Galaskiewicz, J., & Bielefeld, W. (1998). *Nonprofit organizations in the age of* *uncertainty: A study of organizational change.* New York, NY: deGruyter.

Gallaudet University. (2006). *History of deaf education in America.* Retrieved September 23, 2006 from www.pr.gallaudet.edu/GallaudetHistory.

Gardner, J. W. (1988). Leadership: An overview. *A paper prepared for the Leadership Studies Program.* Washington, D.C. Independent Sector.

Georgia Center for Nonprofits. (2006). *Being accountable: Ethical practices of Georgia nonprofits.* Retrieved April 24, 2006 from www.gcn.org/research/accountability.

Georgia Center for Nonprofits. (2005). *Georgia nonprofit technology report.* Retrieved May 11, 2006 from www.gcn.org/research/technology.

Georgia Center for Nonprofits. (2003). *Standards for excellence: An ethics and accountability code for the nonprofit sector.* Retrieved October 12, 2005 from the Georgia Center for Nonprofits' website www.gcn.org.

Goleman, D. (1998). *Working with emotional intelligence.* Retrieved June 10, 2006 from www.coach-performance.com/WWEI.pdf.

Gunther, J. & Hawkins, F. (1999). *Making TQM work: Quality tools for human service Organizations.* N.Y.: Springer Publishing Company, Inc.

Hall, R. (2002). *Organizations: Structures, processes, and outcomes.* Upper Saddle River, NJ: Pearson Education, Inc.

Hansberry, J. (2002). *Non-profit organizational capacity: A comparison of Allegheny County, PA and Denver County, CO.* The Forbes Funds. Retrieved May 31, 2006 from www.forbesfunds.org/documents.html.

Harel, G., & Tzafrir, S. (1999). The effect of human resource management practices on the perceptions of organizational and market performance of the firm. *Human*

Resource Management, 38(3), 185-199.

Havens, J., Schervish, P., & O'Herlihy, M. (2003). Donor behavior: Planned giving still in early stages. *The Nonprofit Times, 4*(2), 20-26.

Hendricks, K., & Singhal, V. (1998). Does implementing an effective TQM program actually improve operating performance: Empirical evidence from firms that have won quality awards. *Management Science, 43*(9), 1258-1274.

Henry, M. H., Reed, V. A., & McAllister, L. L. (1995). Adolescents' perceptions of the relative importance of selected communication skills in their positive peer relationships. *Language, Speech, and Hearing Services in Schools, 26,* 263-272.

Hodgkinson, V., & Weitzman, M. (1997). *The state of the independent sector: Overview and highlights.* Retrieved June 4, 2005 from the Independent Sector Web site:

Human Interaction Research Institute. (2001). *Helping nonprofits handle innovation and change.* Paper presented at the 40th Anniversary Event Program, December 3, 2001. Retrieved May 13, 2006 from www.hiri.org/papers.htm.

http://www.independentsector.org/programs.research/update_nonprofit.html.

Independent Sector. (n.d.). *What you should know about nonprofits.* Retrieved November 9, 2005 from the National Center for NonProfit Boards www.ncnb.org/QnA.asp?Class=NonprofitEssential.

Jarrar, Y., & Zairi, M. (2001). Future trends in benchmarking for competitive advantage: A global survey. *Total Quality Management, 12*(7), 906-913.

Kara, A., Spillan, J., & DeShields, O. (2004). An empirical investigation of the link between market orientation and business performance in non-profit service providers. *Journal of Marketing Theory and Practice, 12*(3), 59-72. Retrieved

July 11, 2006 from Business Source Premier.

Katsioloudes, M., & Tymon, W. (2003). Strategic planning practices: Are they what they should be? *Human Systems Management, 22*(2), 177-183.

Kayis, B., Kim, H., & Shin, T. (2003). A comparative analysis of cultural, conceptual and practical constraints on quality management implementations: Findings from Australian and Korean banking industries. *TQM & Business Excellence, 14*(7), 765-777. Retrieved May 26, 2004 from Academic Search Premier database.

Kearns, K., (2004). Management – Capacity building in the Pittsburgh region. *Nonprofit Management & Leadership, 14*(4), 437-452.

Kearns, K., Haley, L., Nelson, P., Themudo, N., & Dougherty, G. (2006). From adequate to outstanding performance: Some propositions on nonprofit organizational life cycles. *The Forbes Fund.* Retrieved May 10, 2006 from www.forbesfund.org/documents/research.html.

Leedy P., & Ormrod, J. (2005). *Practical research: Planning and design.* Columbus, OH: Merrill Prentice Hall.

Letts, C., Ryan, W., & Grossman, A. (1999). *High performance nonprofit organizations: Managing upstream for greater impact.* New York, NY: *John* Wiley & Sons, Inc.

Light, P. C. (2005a). *Facing the futures: Building robust nonprofits in the Pittsburgh region.* The Forbes Fund. Retrieved May 3, 2006 from www.forbesfund.org.

Light, P. (2005b). *Sustaining nonprofit performance: The case for capacity building and the evidence to support it.* Washington, D.C.: The Brookings Institution.

Light, P. C. (2004a). Capacity building and the national infrastructure to support it. *The Nonprofit Quarterly, 11*(2), 36-41.

Light, P. C. (2004b). *The continued crisis in charitable confidence*. Brookings Institution Retrieved March 24, 2006 from www.brookingsinstitution.org

Light, P. C. (2002). The content of their character: The state of the nonprofit workforce. *The NonProfit Quarterly, 4, 6-16.*

Light, P., & Hubbard, E. (2002). *The capacity building challenge.*

Marchand, J., & Lavoie, S. (1998). Non-profit organizations' practices and perceptions of advertising: Implications for advertisers. *Journal of Advertising Research, 12*(3), 33-40. Retrieved March 27, 2006 from Business Source Premier.

Massarsky, C., & Beinhacker, S. (2002). *Enterprising nonprofits: Revenue generation in the nonprofit sector.* Yale School of Management-The Goldman Sachs Foundation.

Martin, L. (1993). *Total quality management in human service organizations.* NewburyPark, CA: SAGE Publications, Inc.

McAllister, M. (2005). Georgia nonprofits: Spreading the news. Georgia Center for Nonprofits website. Retrieved April 10, 2006 from www.gcn.org.

McCambridge, R. (2001). Job or vocation: Exploring the nonprofit workforce. *The Nonprofit Quarterly, 7*(3).

McInerney, P. (2003, January). *A survey of nonprofit organizations' attitudes toward Technology, nonprofit technology assistance providers (NTAPs), and their most recent technology projects.* Retrieved July 9, 2006 from www.independentsector.org/research/technology.

McKinsey & Company. (2003). *The dynamic board: Lessons from high performing nonprofits.* Retrieved April 8, 2006 from www.venturephilanthropypartners.org.

McKinsey & Company. (2001). *Effective capacity building in nonprofit organizations.* Venture Philanthropy Partners. Retrieved April 8, 2006 from www.venturephilanthropypartners.org.

McNamara, C. (1999). *Basic overview of nonprofit organizations.* Retrieved June 5, 2005 from http://www.mapnp.org/library/org_thry/np_thry/np_intro.htm.

Millesen, J. L., & Bies, A. L. (2005). *Why engage? Understanding the incentive to build nonprofit capacity.* Tropman Fund for Nonprofit Research. Retrieved May 3, 2006 from www.forbesfunds.org/documents.

Minnesota Council of Nonprofits. (2005). *Principles & practices for nonprofit excellence.* Retrieved May 14, 2006 from www.mncn.org/sector.html.

Morley, E., Vinson, E., & Hatry, H. (2001). *Outcome measurement in nonprofit organizations: Current practices and recommendations.* Retrieved June 15, 2005 from http://www.independentsector.org.

Myers, J., & Sacks, R. (2003). Tools, techniques and tightropes: The art of walking and talking private sector management in non-profit organizations, is it a questions of balance? *Financial Accountability & Management, 19*(3), 287-305.

National Association of Speech and Hearing Centers. (2004). *Information about the group.* Retrieved June 4, 2005 from http://www.nashc.org/aboutus.htm.

National Council of Nonprofit Associations. (2003). *The United States nonprofit sector 2003.* Retrieved June 1, 2005 from http://www.necs.urban.org/statereport.htm.

National Council of Nonprofit Associations. (2001). *The United States nonprofit sector 2001.* Retrieved June 1, 2005 from http://www.necs.urban.org/statereport.htm.

National Institute of Deafness and Other Communication Disorders. (2003). *Strategic* *plan: Plain language version.* Retrieved June 8, 2005 from http://www/nidcd.nih.gov/about/director/nsrp.htm.

Nonprofit Management Group. (2003). *2003 – Nonprofit facts.* Retrieved June 4,2005 from http://www.nonprofitmanagmentgroup.com/facts.htm.

Osborne, S. & Murray, V. (2000). Collaboration between non-profit organizations in the provision of social services in Canada. *International Journal of Public Sector Management, 13*(1), 9-18. Retrieved July 11, 2006 from Business Source Premier.

Parasuraman, A., Zeithaml, V., & Berry, L. (1985). A conceptual model of service Quality and its implications for future research. *Journal of Marketing, 49,* 41-50.

Peters & Wolfred. (2001). *Daring to lead: Nonprofit executive directors and their work experience.* San Francisco, CA: CompassPoint.

Poole, D., Davis, J., Reisman, J., & Nelson, J. (2001). Improving the quality of outcome evaluation plans. *Nonprofit Management & Leadership, 11*(4), 405-422. Retrieved July 5, 2006 from Business Source Premier.

Price, M. L. (n.d.). *Succession planning and sustainability in nonprofit organizations.* Executive Transition Initiative. Retrieved June 1, 2006 from www.dfwonline.org/page9977.cfm.

Princeton Survey Research Associates. (2001, December). *Wired, willing and ready: Nonprofit human service organizations' adoption of information technology.* Retrieved July 9, 2006 from www.independentsector.org/research/technology.

Reed, V. A. & Spicer, L. (2003). The relative importance of selected communication skills for adolescents' interactions with their teachers: High school teachers' opinions. Language, Speech, and Hearing Services in Schools, 34, 343-357

Ritchie, W., & Kolodinsky, R. (2003). Nonprofit organization financial performance measurement: An evaluation of new and existing financial performance measures. *Nonprofit Management & Leadership, 13*(4), 367-382. Retrieved July 5, 2006 from Business Source Premier.

Salamon, L. (1999). *America's nonprofit sector: A primer.* New York, NY: The Foundation Center.

Seedco Innovations in Community Development (March, 2002). *The evolving role of Information technology in community development organizations.* Retreived from the MedtLife Foundation website January 19, 2006.

Seeger, C., & Holt, T. (1996). A total quality management approach to the provision of audiology services in a long-term care facility. *American Journal of Audiology, 5,* 7-10.

Schneider, J. (2003). Small, minority-based nonprofits in the information age. *Nonprofit Management & Leadership, 13*(4), 383-400.

Sieverdes, C. M. & Hardwick, E. P. (2002). *Improving board & organizational effectiveness.* Retrieved December 12, 2005 from BoardSource website www.ncnb.org.

Siciliano, J. (1996). The relationship of board member diversity to organizational performance. *Journal of Business Ethics, 15*(12), 1313-1320. Retrieved May 2, 2006 from www.springerlink.com/app/home/contribution.

Skyrme, D. (2001). Are your best practices really the best? *Entovation International News, 52*(3).

Soderlund, M., & Julander, C. (2003). The variable nature of services: An empirical

Examination of trust and its effect on customers' satisfaction responses to poor and good services. *Total Quality Management, 14*(3), 291-304.

Stoesz, E., & Raber, C. (1997). *Doing good better: How to be an effective board member of a nonprofit organization.* Intercourse, PA: Good Books, Inc.

Sun, H. (1999). Diffusion and contribution of total quality management. An empirical study in Norway. *Total Quality Management, 10,* 901-914.

The Bridgespan Group. (2006). *The nonprofit sector's leadership deficit.* Retrieved April 16, 2006 from www.bridgespan.org.

The Chronicle of Philanthropy. (2005, September 15). *How charitable giving fared after national crises.* Retrieved December 15, 2005 from www. www.gcn.org/ContentPage.aspx?contentPageId=1213&overrideTemplatePath.

The NonProfit Times. (2006, February). *Fundraising up, but not keeping pace with economy.* Retrieved February 7, 2006 from www.nptimes.com/enews/feb06.

Teegarden, P. (2005). *The future of Georgia's nonprofit leadership.* The Georgia Center for Nonprofits. Retrieved April 3, 2006 from www.gcn.org/research.leader.

Toppe, C. & Kirsch, A. (2002). *Keeping the trust: Confidence in charitable organizations in an age of scrutiny.* Retrieved November 14, 2005 from www.IndependentSector.org.

United Way of America. (2000). *Agency experiences with outcome measurement: Survey findings.* Retrieved March 12, 2006 from www.unitedway.org/outcomes.

Whatcom Council of Nonprofits. (2001). *The importance of the nonprofit sector.* Retrieved June 5, 2005 from http://www.wcnwebsite.org/sector.htm.

Wolf, T. (1999). *Managing a nonprofit organization in the twenty-first century.* New York, NY: Simon & Schuster, Inc.

APPENDICES

APPENDIX A

LETTER TO PARTICIPANTS

October 26, 2006

Dear Colleague:

As a doctoral student in Educational Administration at Georgia Southern University, I am conducting research on the use of capacity building strategies in non-profit speech and hearing centers to examine CEOs' perceptions of the actual and desired use of these strategies in their organizations. The title of my research is: The Use of Capacity Building Strategies in Non-Profit Speech and Hearing Centers: A National Study.

As a member of the National Association of Speech and Hearing Centers, I am asking for your assistance in gathering data for this study. As stated above, my objective is to determine CEOs' perceptions of actual and desired use of capacity building strategies in their organizations. Through an extensive review of the literature, I have identified capacity building strategies that have been proven to lead to more effective organizations, and I am interested in your perception of these strategies as they relate to your organization. I will collect this data in the form of a survey which can be accessed on www.surveymonkey.com/MySurveys.asp?rnd=0.7471735. After receiving the completed surveys, I will compare the actual scores with the desired scores in five capacity building component areas identified through a review of the literature. I will also compare the actual score with the desired score for each individual survey item. The survey is estimated to take approximately 20 minutes to complete, and there are no known risks associated with participation. Please be assured that your answers will remain anonymous. Although your involvement in this study is voluntary, please understand that participation does yield a more reliable result and is more representative of the population. The study will be most useful to you should you request a copy of the study's results. If so, you may indicate your interest by contacting me at (912) 897-6041 or emailing me at larrimore@gapcdr.com. My home address is 9 Pelican Cove, Savannah, GA 31410. Your completion of the online survey indicates your permission to use the results in my data.

Let me thank you in advance for your assistance in studying the use of capacity building strategies in non-profit speech and hearing centers. I would be most appreciative if you could respond to the survey by November 15, 2006. Your help and permission are most appreciated.

Respectfully,

Beth Larrimore

APPENDIX B

CAPACITY BUILDING QUESTIONNAIRE

THE USE OF CAPACITY BUILDING STRATEGIES IN NON-PROFIT SPEECH AND HEARING CENTERS: A NATIONAL STUDY

Introduction:

The purpose of this survey is to analyze the use of capacity building strategies in non-profit speech and hearing centers by examining the Chief Executive Officers' (CEOs') perceptions of actual and desired use of capacity building strategies in their organizations. Through an extensive review of the literature, this researcher has identified capacity building strategies that have proven to lead to effective organizations. From these strategies, a survey has been developed to elicit responses in terms of ACTUAL and DESIRED use of these capacity building strategies.

Survey Directions:
Please answer the following questions as honestly and accurately as possible for actual and desired use of the following capacity building strategies. The ACTUAL pertains to the current practice while the DESIRED relates to the degree the practice should be, or you would like it to be, incorporated in your organization.

1. **The organizational vision is widely supported by board and staff.**

	Rarely Done Degree	Done to Small Degree	Done Somewhat	Done to a High Degree	Done to a Very High
ACTUAL	☐	☐	☐	☐	☐
DESIRED	☐	☐	☐	☐	☐

2. **The organization's mission statement clearly articulates the ultimate result the organization is working to achieve.**

	Rarely Done Degree	Done to Small Degree	Done Somewhat	Done to a High Degree	Done to a Very High
ACTUAL	☐	☐	☐	☐	☐
DESIRED	☐	☐	☐	☐	☐

3. **The organization's mission is routinely reviewed to ensure the organization continues to meet community needs.**

	Rarely Done Degree	Done to Small Degree	Done Somewhat	Done to a High Degree	Done to a Very High
ACTUAL	☐	☐	☐	☐	☐
DESIRED	☐	☐	☐	☐	☐

4. **A three-to-five year strategic plan that highlights core programs and organizational strategies is in place.**

	Rarely Done Degree	Done to Small Degree	Done Somewhat	Done to a High Degree	Done to a Very High
ACTUAL	☐	☐	☐	☐	☐
DESIRED	☐	☐	☐	☐	☐

5. **Staff and Board participate in the strategic planning process.**

	Rarely Done Degree	Done to Small Degree	Done Somewhat	Done to a High Degree	Done to a Very High
ACTUAL	☐	☐	☐	☐	☐
DESIRED	☐	☐	☐	☐	☐

6. **Strategic planning includes information regarding client and community needs.**

	Rarely Done Degree	Done to Small Degree	Done Somewhat	Done to a High Degree	Done to a Very High
ACTUAL	☐	☐	☐	☐	☐
DESIRED	☐	☐	☐	☐	☐

7. **Board and Staff review the strategic plan annually.**

	Rarely Done Degree	Done to Small Degree	Done Somewhat	Done to a High Degree	Done to a Very High
ACTUAL	☐	☐	☐	☐	☐
DESIRED	☐	☐	☐	☐	☐

8. Board members receive orientation regarding board member responsibilities, legal requirements, and conflict of interest.

	Rarely Done	Done to Small Degree	Done Somewhat	Done to a High Degree	Done to a Very High Degree
ACTUAL	☐	☐	☐	☐	☐
DESIRED	☐	☐	☐	☐	☐

9. Board members are responsible for raising money and there are structures and support through which members may fulfill that responsibility.

	Rarely Done	Done to Small Degree	Done Somewhat	Done to a High Degree	Done to a Very High Degree
ACTUAL	☐	☐	☐	☐	☐
DESIRED	☐	☐	☐	☐	☐

10. Board membership provides the skills required by the organization and reflects the community served.

	Rarely Done	Done to Small Degree	Done Somewhat	Done to a High Degree	Done to a Very High Degree
ACTUAL	☐	☐	☐	☐	☐
DESIRED	☐	☐	☐	☐	☐

11. Board performs annual review of CEO performance and sets goals for the coming year.

	Rarely Done	Done to Small Degree	Done Somewhat	Done to a High Degree	Done to a Very High Degree
ACTUAL	☐	☐	☐	☐	☐
DESIRED	☐	☐	☐	☐	☐

12. Board and staff communicate about organization and program issues.

	Rarely Done	Done to Small Degree	Done Somewhat	Done to a High Degree	Done to a Very High Degree
ACTUAL	☐	☐	☐	☐	☐
DESIRED	☐	☐	☐	☐	☐

13. Board engages annually in its own performance appraisal.

	Rarely Done Degree	Done to Small Degree	Done Somewhat	Done to a High Degree	Done to a Very High
ACTUAL	☐	☐	☐	☐	☐
DESIRED	☐	☐	☐	☐	☐

14. There is an effective working relationship between the Board and CEO.

	Rarely Done Degree	Done to Small Degree	Done Somewhat	Done to a High Degree	Done to a Very High
ACTUAL	☐	☐	☐	☐	☐
DESIRED	☐	☐	☐	☐	☐

15. A succession plan is in place for the top leadership in the organization.

	Rarely Done Degree	Done to Small Degree	Done Somewhat	Done to a High Degree	Done to a Very High
ACTUAL	☐	☐	☐	☐	☐
DESIRED	☐	☐	☐	☐	☐

16. Leadership is not overly dependent upon one person, but is a shared function among many people.

	Rarely Done Degree	Done to Small Degree	Done Somewhat	Done to a High Degree	Done to a Very High
ACTUAL	☐	☐	☐	☐	☐
DESIRED	☐	☐	☐	☐	☐

17. The organization attracts and retains staff members who have the appropriate experience and expertise to perform their duties well.

	Rarely Done Degree	Done to Small Degree	Done Somewhat	Done to a High Degree	Done to a Very High
ACTUAL	☐	☐	☐	☐	☐
DESIRED	☐	☐	☐	☐	☐

18. Programs have accurate and clearly written job descriptions which are tied to program outcomes.

	Rarely Done Degree	Done to Small Degree	Done Somewhat	Done to a High Degree	Done to a Very High
ACTUAL	☐	☐	☐	☐	☐
DESIRED	☐	☐	☐	☐	☐

19. Employees are aware of the organization's mission and outcomes, and understand the link between their work and accomplishment of these outcomes.

	Rarely Done Degree	Done to Small Degree	Done Somewhat	Done to a High Degree	Done to a Very High
ACTUAL	☐	☐	☐	☐	☐
DESIRED	☐	☐	☐	☐	☐

20. Employees and volunteers receive the information, training, and feedback they need for optimal job performance.

	Rarely Done Degree	Done to Small Degree	Done Somewhat	Done to a High Degree	Done to a Very High
ACTUAL	☐	☐	☐	☐	☐
DESIRED	☐	☐	☐	☐	☐

21. Staff training is available at all organizational levels.

	Rarely Done Degree	Done to Small Degree	Done Somewhat	Done to a High Degree	Done to a Very High
ACTUAL	☐	☐	☐	☐	☐
DESIRED	☐	☐	☐	☐	☐

22. The organization supports healthy, productive relationships among employees, volunteers, and board members.

	Rarely Done Degree	Done to Small Degree	Done Somewhat	Done to a High Degree	Done to a Very High
ACTUAL	☐	☐	☐	☐	☐
DESIRED	☐	☐	☐	☐	☐

23. There is a strong commitment among employees to work effectively as a team.

	Rarely Done Degree	Done to Small Degree	Done Somewhat	Done to a High Degree	Done to a Very High
ACTUAL	☐	☐	☐	☐	☐
DESIRED	☐	☐	☐	☐	☐

24. Employees and volunteers are involved in the decision-making process.

	Rarely Done Degree	Done to Small Degree	Done Somewhat	Done to a High Degree	Done to a Very High
ACTUAL	☐	☐	☐	☐	☐
DESIRED	☐	☐	☐	☐	☐

25. Employee benefits are competitive with the local market.

	Rarely Done Degree	Done to Small Degree	Done Somewhat	Done to a High Degree	Done to a Very High
ACTUAL	☐	☐	☐	☐	☐
DESIRED	☐	☐	☐	☐	☐

26. Human resource policies and procedures are appropriately documented and current with funding, regulatory, and legal requirements.

	Rarely Done Degree	Done to Small Degree	Done Somewhat	Done to a High Degree	Done to a Very High
ACTUAL	☐	☐	☐	☐	☐
DESIRED	☐	☐	☐	☐	☐

27. The organization has an effective budgeting process.

	Rarely Done Degree	Done to Small Degree	Done Somewhat	Done to a High Degree	Done to a Very High
ACTUAL	☐	☐	☐	☐	☐
DESIRED	☐	☐	☐	☐	☐

28. Program managers are involved in the budgeting process and receive financial reports.

	Rarely Done Degree	Done to Small Degree	Done Somewhat	Done to a High Degree	Done to a Very High
ACTUAL	☐	☐	☐	☐	☐
DESIRED	☐	☐	☐	☐	☐

29. The organization has a realistic fund development plan for long-term stability.

	Rarely Done Degree	Done to Small Degree	Done Somewhat	Done to a High Degree	Done to a Very High
ACTUAL	☐	☐	☐	☐	☐
DESIRED	☐	☐	☐	☐	☐

30. There are sufficient financial resources to sustain the organization for the immediate future.

	Rarely Done Degree	Done to Small Degree	Done Somewhat	Done to a High Degree	Done to a Very High
ACTUAL	☐	☐	☐	☐	☐
DESIRED	☐	☐	☐	☐	☐

31. An Information Technology (IT) plan is in place that outlines what the organization does and how technology supports those functions.

	Rarely Done Degree	Done to Small Degree	Done Somewhat	Done to a High Degree	Done to a Very High
ACTUAL	☐	☐	☐	☐	☐
DESIRED	☐	☐	☐	☐	☐

32. Technology is used to solve real problems and adds value to the organization.

	Rarely Done Degree	Done to Small Degree	Done Somewhat	Done to a High Degree	Done to a Very High
ACTUAL	☐	☐	☐	☐	☐
DESIRED	☐	☐	☐	☐	☐

33. All financial costs and benefits are considered when making IT decisions including staff training.

	Rarely Done Degree	Done to Small Degree	Done Somewhat	Done to a High Degree	Done to a Very High
ACTUAL	☐	☐	☐	☐	☐
DESIRED	☐	☐	☐	☐	☐

34. Effective record keeping is in place to track and acknowledge donations and meet grantors' reporting requirements.

	Rarely Done Degree	Done to Small Degree	Done Somewhat	Done to a High Degree	Done to a Very High
ACTUAL	☐	☐	☐	☐	☐
DESIRED	☐	☐	☐	☐	☐

35. The organization seeks to improve its external relationships through collaboration with other agencies.

	Rarely Done Degree	Done to Small Degree	Done Somewhat	Done to a High Degree	Done to a Very High
ACTUAL	☐	☐	☐	☐	☐
DESIRED	☐	☐	☐	☐	☐

36. There is participation throughout the organization to identify the purpose and goals of marketing efforts in relationship to mission.

	Rarely Done Degree	Done to Small Degree	Done Somewhat	Done to a High Degree	Done to a Very High
ACTUAL	☐	☐	☐	☐	☐
DESIRED	☐	☐	☐	☐	☐

37. The organization actively seeks to establish media relations on an ongoing basis.

	Rarely Done Degree	Done to Small Degree	Done Somewhat	Done to a High Degree	Done to a Very High
ACTUAL	☐	☐	☐	☐	☐
DESIRED	☐	☐	☐	☐	☐

38. The organization actively engages in paid advertising for its services and products.

	Rarely Done Degree	Done to Small Degree	Done Somewhat	Done to a High Degree	Done to a Very High
ACTUAL	☐	☐	☐	☐	☐
DESIRED	☐	☐	☐	☐	☐

39. Programs have measurable outcomes relating to quantity, quality, and impact.

	Rarely Done Degree	Done to Small Degree	Done Somewhat	Done to a High Degree	Done to a Very High
ACTUAL	☐	☐	☐	☐	☐
DESIRED	☐	☐	☐	☐	☐

40. Outcome results are used to evaluate the organization's effectiveness.

	Rarely Done Degree	Done to Small Degree	Done Somewhat	Done to a High Degree	Done to a Very High
ACTUAL	☐	☐	☐	☐	☐
DESIRED	☐	☐	☐	☐	☐

41. Customer satisfaction is an organizational priority.

	Rarely Done Degree	Done to Small Degree	Done Somewhat	Done to a High Degree	Done to a Very High
ACTUAL	☐	☐	☐	☐	☐
DESIRED	☐	☐	☐	☐	☐

42. Customer satisfaction measures are in place.

	Rarely Done Degree	Done to Small Degree	Done Somewhat	Done to a High Degree	Done to a Very High
ACTUAL	☐	☐	☐	☐	☐
DESIRED	☐	☐	☐	☐	☐

43. Feedback from customer satisfaction measures is used to evaluate the organization's effectiveness.

	Rarely Done Degree	Done to Small Degree	Done Somewhat	Done to a High Degree	Done to a Very High
ACTUAL	☐	☐	☐	☐	☐
DESIRED	☐	☐	☐	☐	☐

Open-end Questions:
Please answer the following questions as completely as possible.

1. **If a gap was noted between ACTUAL and DESIRED use, please provide information as to the reason for this perceived gap.**

2. **What effort(s) have been undertaken within the past two years to improve your organization's performance/effectiveness?**

3. Were the above-mentioned efforts successful? Please explain.

4. What do you consider the greatest organizational challenge(s) facing non-profit speech and hearing centers?

5. What does capacity building mean to you and your organization?

Demographic Information:
Please complete the following information for demographic purposes.

1. Gender:
   - ☐ Male ☐ Female

2. Age:
   - ☐ 35-40 yrs. ☐ 41-50 yrs. ☐ 51-60 yrs. ☐ 61-70yrs.
   - ☐ Over 71 yrs.

3. Background:
   - ☐ Business ☐ Social Work ☐ Non-Profit Administration
   - ☐ Speech-Language Pathology ☐ Audiology
   - ☐ Other ________________________________

4. Highest Degree Earned:
   - ☐ Bachelor's ☐ Master's ☐ Doctorate

5.Years of experience in non-profit administration
:________________________________

6. Years in current position as CEO of your agency:
____

7. Do you plan to be in this position for the next 5 years?
   - ☐ Yes ☐ No

8. If NO, please
explain:____ __ __
____ __ __
____ __ __
____ __ __

9. Have you received training in various aspects of non-profit management (e.g.: college courses, workshops, seminars)?
   - ☐ Yes ☐ No

10. What is your organization's annual budget?
   - ☐ Less than (<) $250,000 ☐ $250,000 - < $500,000
   - ☐ $500,000 - < $1 million ☐ $1 million - < $2 million
   - ☐ $2 million - < $5 million ☐ Over $5 million

11. Are you familiar with the literature on organizational capacity building?
   - ☐ Yes ☐ No

APPENDIX C

IRB APPROVAL

Georgia Southern University
Office of Research Services & Sponsored Programs

Institutional Review Board (IRB)

Phone: 912-681-5465
Fax: 912-681-0719
Ovrsight@GeorgiaSouthern.edu
Administrative Annex
P.O. Box 8005
Statesboro, GA 30460

To: Elizabeth F. Larrimore
9 Pelican Cove
Savannah, GA-31410

CC: Dr. James F. Burnham
P.O. Box-8131

From: Office of Research Services and Sponsored Programs
Administrative Support Office for Research Oversight Committees (IACUC/IBC/IRB)

Date: November 9, 2006

Subject: Status of Application for Approval to Utilize Human Subjects in Research

After a review of your proposed research project numbered: **H07084**, and titled **"The Use of Capacity Building Strategies in Non-Profit Speech and Hearing Centers: A National Study"**, it appears that (1) the research subjects are at minimal risk, (2) appropriate safeguards are planned, and (3) the research activities involve only procedures which are allowable.

Therefore, as authorized in the Federal Policy for the Protection of Human Subjects, I am pleased to notify you that the Institutional Review Board has approved your proposed research.

This IRB approval is in effect for one year from the date of this letter. If at the end of that time, there have been no changes to the research protocol; you may request an extension of the approval period for an additional year. In the interim, please provide the IRB with any information concerning any significant adverse event, **whether or not it is believed to be related to the study,** within five working days of the event. In addition, if a change or modification of the approved methodology becomes necessary, you must notify the IRB Coordinator **prior** to initiating any such changes or modifications. At that time, an amended application for IRB approval may be submitted. Upon completion of your data collection, you are required to complete a *Research Study Termination* form to notify the IRB Coordinator, so your file may be closed.

Sincerely,

Julie B. Cole

Julie B. Cole
Director of Research Services and Sponsored Programs