# Informal Interactions in Nonprofit Networks

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## ABSTRACT
Nonprofit organizations often need to excel in coordinating with other organizations and must do so in a variety of contexts and levels from the informal to the formal. Their ability to accomplish their mission can critically depend on their efficacy in managing dependencies on others for tasks, accessing needed resources, raising their profile in the community, and achieving their goals. Although much research has been done to understand systems for supporting *formal* coordination between organizations, there is a gap in understanding how *informal* coordination can be supported by systems. As a first step towards addressing this gap, we conducted a field study of a network of nonprofit organizations, focusing specifically on informal interactions among them. Based on this study, we characterize informal coordination between organizations and the context for such interactions. Our findings point to a need to further explore a class of interorganizational interactions that may not be adequately explored or understood by our research community.

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Informal coordination, interorganizational information systems, nonprofit organizations, organizational networks

### ACM Classification Keywords
K.4.2 Social Issues:: Miscellaneous

### General Terms
Human Factors

## INTRODUCTION
A critical component of nonprofit organizations and their ability to accomplish their mission is their capacity to coordinate well with others. One reason for this is that a single organization is rarely able to provide or meet all the needs of the populations they serve, especially since most nonprofits tend to be small as well as under-funded and under-staffed. Consequently, they must often cooperate with other organizations to accomplish their tasks, share access to resources, and so forth. Additionally, the nature of the mission of nonprofits, particularly those focused on helping high-risk vulnerable populations, seems to inherently require complex interorganizational coordination [11]. For example, the nonprofits who are working to advocate the revision of outdated laws to better prosecute perpetrators (such as those who commit crimes against children), must work with other organizations to gather sufficient data on crime incidents, victim rates and so forth–particularly since the validity of such data is in part measured by the consensus agreement on the numbers by a multitude of organizations in the community [6]. In short, the range of coordination interactions in which nonprofits must engage with other organizations are myriad, from the formal to the informal, from coordination between dyadic relationships to collaboratives, partnerships, and alliances within complex interorganizational networks [5].

However, our depth of understanding is lacking regarding the challenges and needs of nonprofit organizations undertaking complex coordination activities; and even more so is our lack of understanding of appropriate designs for information systems to support multi-level coordination between organizations. To address these gaps in our understanding, we conducted a field study to explore interorganizational coordination activities among nonprofits. We present findings from field data based on observations of six different interorganizational meetings over a period of ten months. We use this data to illuminate and characterize interorganizational (IO) coordination with a particular focus on the informal.

In what follows, we first draw out a distinction between formal and informal coordination. We then present our research method and findings from our exploration of informal interactions within a nonprofit network serving a high-risk vulnerable population. In our discussion, we focus specifically on 1) characterizing the context of such informal coordination activities, 2) two characteristics of such interactions, and 3) the categories of information sharing we observed. Our research contribution is to broaden our understanding regarding a class of interorganizational interactions that has not been adequately explored, designed for, or supported within our community. Our findings point towards opportunities for research on appropriate design directions for systems to better support informal IO coordination.

## BACKGROUND
According to previous research, there are three dimensions along which interorganizational (IO) coordination can be char-

acterized as formal or informal [3, 10, 9]. They are 1) relationship structure in terms of authority (e.g., hierarchical and centralized or distributed and decentralized), 2) the function or role of an organization in the IO relationship, and 3) processes or operations for accomplishing goals, tasks or missions [3, 7]. The degree to which each of these dimensions are made explicit or are formally stipulated through contracts, policies or other legal mechanisms can determine the degree of formality in the IO relationships. A real-world example of such formal coordination is the activity within a hierarchy of agencies and nonprofits assigned to shepherd a minor convicted for prostitution through the state judicial process. In such a hierarchy, the function of each organization in the process would be pre-determined and articulated in policy or law or by contract.

In contrast to formal coordination, we use the term *informal interactions* to describe a class of coordination activities among organizations that are essentially ad hoc in terms of interorganizational structure, functions, or processes, and are not contractually or legally binding. An example of such informal coordination is the activity within a loose network of nonprofits to generate public awareness regarding the problem of child prostitution. Another example is generating momentum within a local community to begin prevention activities to reduce the occurrence of child sexual exploitation. In each of these instances, an explicit authority structure is lacking, specific processes are not generally put into place, and formal roles for specific functions are generally not assigned, though they maybe volunteered for by the organizations themselves.

Prior research indicates that while IO coordination can vary in terms of formality, the majority of the coordination activities within a nonprofit or public IO network tend to be of the informal type; i.e., the ways in which independent organizations discover, initiate contact, and maintain ties with other organizations for coordination are generally ad hoc [7, 9, 10]. However, the literature on interorganizational information systems intended to support informal coordination is sparse. We believe it remains an open question as to how systems can be designed to support IO coordination, particularly when the system must support interactions that have no formal decision-making structures or discrete task definitions. In our exploration of informal interactions within a specific nonprofit network, we seek to extend the work of interorganizational research by identifying characteristics of informal coordination within a real-world nonprofit network. Our purpose is to illuminate possible opportunities for designing information systems to support such coordination.

## METHODOLOGY

To begin our exploration, we conducted participant observations of six meetings, over a 10-month period, of nonprofit organizations working to prevent or mitigate the sexual exploitation of children, or to assist victims of child sex trafficking. The purpose and format of these six meetings were discussion sessions regarding child advocacy and coordination with 6 to 15 organizations represented at each session; these organizations represented a cross-section of nonprofits within a loosely connected interorganizational network [5], situated in a large metropolitan area with a population of over 4 million. The set of field data that we analyzed included observation data from the meetings as well as supplemental documents provided to the researchers by meeting participants. These documents included meeting minutes, newsletters, and questionnaires used by nonprofits to acquaint others on their organization. We focused our observations on specific comments and actions related to information sharing and informal coordination. The total recorded meeting time was 11 hours. Attendees were made aware of our presence to avoid potential confusion regarding our identity and purpose for attending the meetings. We also asked follow-up questions for clarifications from individuals at the meetings where needed via email.

For the data analysis and interpretation of the field notes, we employed a general inductive approach [2]. We coded all data individually and horizontally across field notes for categories related to information sharing and informal coordination. The three themes presented in this paper were derived from the categories that emerged from our meeting observation data. To help ensure the validity of our findings, we presented them to a select group of participants who were in attendance at a majority of the meetings we observed.

## FINDINGS

We organize and present the findings from our field data along the following three themes: 1) context for engaging informal interactions, 2) characteristics of informal interactions, and 3) categories of information sharing within informal interactions.

### Context for Engaging in Informal Interactions

*The interorganizational network*

The nonprofit network we studied was comprised of around 30 organizations. We arrived at this number using meeting attendance records and mailing lists maintained by one of the organizations. Only a subset of these 30+ organizations attended the six meetings we observed. The actual number of organizations in the network changed depending on factors such as the closure of a nonprofit organization due to resource constraints or a change in the organization's mission based on directives from their national offices.

The informal interactions we observed seemed to occur within an organizational network context that was decentralized and lacking any hierarchical structure, i.e., the members of the network were loosely affiliated at best. Some of the members indicated familiarity or prior experience in working with each other while others appeared to have no prior connections with other organizations. The six meetings we observed were called by several different organizations in the community attempting to build a coalition of nonprofit organizations; these organizations ranged in size from small (1-2 staff) to large (12-15 staff).

*The interorganizational activity stream*

Considerable time at each of the meetings was devoted to explaining who the organizations were, the activities they engaged in and what their organizational mission was in terms of fighting the sexual exploitation of children. Based on the explanations and documents provided by organizations at the meetings, we found that this particular nonprofit network could be segmented using descriptors employed by these organizations, which were oriented around the child victim. For example, some organizations described themselves as working on preventing children from becoming victims, while others described their efforts as restoring victims back into the community. We used these descriptors to segment the nonprofit network into four components of a flow we labeled the *activity stream*. At the beginning of the stream were activities related to *preventing* child exploitation, next were activities related to *intervening* on behalf of child victims, then following were activities related to *rescuing* and *restoring* the child victim to society.

Examples of activities centered on *prevention* as provided by attendees included raising awareness in the community using advertisements and other media, promoting self-esteem among vulnerable populations of children via the school systems, and traversing the streets for truants who may become potential victims of exploitations. Examples of activities related to *interventions* included restoring truants back to family members, or depending the situation, sheltering truants from exploitative family members, screening children at shelters, schools and hospitals for possible victimization. Examples of activities related to *rescue* and *restoration* included removal of children from a situation of exploitation, following tips and leads from the community to locate where child exploitation is occurring, provision of basic, medical, and legal care, and education. We believe this "stream" provides us with an activity-based representation of the nonprofit network we studied, which the organizations implicitly utilized to make sense of the larger network to which their nonprofit was, albeit loosely, connected.

### Characteristics of Informal Interactions

The informal interactions we observed were consistent with what has been described in the literature, i.e., non-hierarchical structure, ad-hoc coordination, and lack of formally identified roles or processes [3, 10]. However there emerged from the data two other characteristics of informal interaction that complement this prior research.

#### *Common goal as primary basis for interactions*

The first characteristic is the use of a common goal to bring together a nonprofit network. Prior interorganizational research identifies both task and resource dependencies as a common basis for structured relationships between organizations [4]. However, in the informal interactions we observed at all six meetings, the basis for coordinating was the *goal* of ending the commercialized sexual exploitation of children. Adopting economic terms of supply and demand, organizations described their overall goal in terms of reducing the sexual demand for children and reducing the supply of victims through prevention and restoration efforts. What we further observed in the meetings is that two sub-groups of organizations began to emerge with one group focused on addressing issues of demand and the other focused on addressing supply. These groups emerged when during discussions, organizations would self-identify as focusing on addressing either the demand or the supply side.

#### *Avoidance of formal commitments*

The second characteristic that emerged was a seeming avoidance by organizations in committing themselves to work together via more formal structures. Although organizations were motivated by the pressing need to work together, and were eager to form connections to each other, they hesitated in forming overly formal commitments (codified by roles, or contractual obligations) for working together. Initially, organizations began to organize further by identifying subgoals within the overarching goal of reducing the demand and supply of child sex trafficking, i.e., at the meetings, organizations would put forth suggestions for creating subcommittees for addressing the specific sub-goals that had been identified. However, throughout the discussion, the notions of obligation to fulfill a particular role, or authority to impose a particular reporting structure for accountability of actions remained fuzzy or unspecified. If an organization put forth a suggestion for collective action such as creating a database of organizations, volunteers were asked to participate in moving the action forward.

However, what seemed absent from our observations was any indication of follow-up mechanisms by the other organizations to ensure that those who volunteered followed through on their obligations. Members who attended previous meetings and volunteered but then were absent at subsequent meetings were not noted. Suggestions for actions were only noted at the meetings where the suggestions occurred but were not mentioned at subsequent meetings. When we last inquired, organizations who volunteered for different sub-committees indicated these groups had not actually formed, however they were continuing to meet in general as an informal, unnamed coalition.

### Categories of Information Sharing

Below, we identify three primary categories of information sharing that occurred within the nonprofit network we observed.

#### *1. The exchange of interorganizational identity information*

The first category of information sharing identified is what we labeled interorganizational identity information. This label refers to the set of data conveying basic awareness information about the organization, such as basic contact information, and the goals, opportunities, motivations, and capabilities of the organization. This finding is consistent with and expands on the finding from the case study in [3] that specifically identified organizational motivation, opportunity and capabilities as being essential information for facilitating informal coordination between organizations.

#### *2. Reporting on activities and community opportunities*

Much of what was shared at these meetings was the current activities that the organizations were engaged in, such as mobilizing support in the State legislature, putting on a fashion show to raise awareness among members of the public, and creating a database of nonprofit organizations that could provide services to victims of child trafficking. Organizations also shared opportunities within the community to participate in upcoming events, legislative updates, and volunteer opportunities for specific needs.

*3. Sharing of best practices and tips for resources*
We also observed the sharing of best practices as well as tips for finding resources. For example, a representative from one organization, while explaining their mission of preventing victimization through self-esteem programs, also mentioned the need for a dozen prom dresses and received several tips for where such dresses might be procured locally. In another example, an organization cautioned the others about relying on statistics cited by other organizations when educating those in the community on the child sex trafficking problem. Apparently, a misquoted statistic based on a FBI report was repeatedly being cited throughout the community.

## DISCUSSION AND CONCLUSION

While the study of interorganizational networks raise numerous directions for research—e.g. structures within nonprofit networks, uses of social capital, issues of bargaining, trust, and collective identity—our focus instead was to understand more about the nature of informal interactions within a nonprofit network and what direction these findings might provide in designing systems for supporting such interactions. The dominance of informal interactions that we observed in our study is underscored by the two characteristics we identified regarding these interactions: the goal-oriented basis for coordination, and the maintenance of informality or avoidance of formal commitments.

To help us understand how to start designing systems to support such informal interactions between organizations, we believe the activity stream concept could be particularly useful. Based on our review of the literature, we find that the focus of previous systems-related research has largely been on supporting the formal aspects of IO coordination, via decision-making models (e.g. [1, 3, 5]). However, others have pointed to the need to focus on supporting IO coordination with systems that support consensus networks [4] through sense-making as defined by Boland et al. [1] and modeled by Ostanello and Tsoukias [8]. We believe the activity stream, which naturally segments the nonprofit network, could potentially be used to understand where consensus networks can begin to be built within the community such as among those organizations that are prevention-focused versus restoration-focused.

To complement the information organized using the activity stream, our categories of information sharing point to specific types of information (such as interorganizational identity data) that would be useful for sense-making about where alliances between organizations for joint projects or grants could be forged. For example, such a system may help organizations identify gaps in their networks—either in terms of geographic coverage, or specific skill sets or resources.

In summary, our research has explored the dynamic of informal interactions within a nonprofit network. Our data suggest several conceptual devices (such as the activity stream and interorganizational identity data) that may be useful in understanding how we can design systems to better support informal coordination. For example, in addition to sense-making for consensus and alliance formation, the activity stream and interorganizational identity information could potentially used to support the management of sporadically available resources or ad hoc community-wide tasks. The implication here is that resources and tasks that appear frequently but sporadically are not easily supported by existing systems that are often designed based on formal decision models. Such systems may undermine necessary ad hoc interactions while imposing heavy-weight, formal agreement, or requiring centralized coordination within an interorganizational network. Given the dominant informal nature of the interactions in the nonprofit network we observed, what seems to be needed instead may be tools to facilitate activities such as consensus building, or lightweight messaging–such as the sharing of interorganizational identity information–among organizations in a nonprofit network.

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