Creating a Social Value Added Benefit Through an Informal Collaborative Military Centered Nonprofit Network

by

Joseph P. Dougherty

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Approved by

James Seroka, Chair, Professor of Political Science (AU) Kathleen Hale, Committee Member, Associate Professor of Political Science (AU) Cynthia J. Bowling, Committee Member, Professor of Political Science (AU) Linda Dennard, Committee Member, Professor of Political Science (AUM)
ABSTRACT

Over the next 50 years, an intergenerational transfer of wealth is expected to occur between elderly adults and aging baby boomers and their families, with an estimated $6 trillion projected to go directly to charitable causes. These resources in search of a cause frequently require proof of concrete social returns from their investments, especially given that many new donors are adopting a high-impact, entrepreneurial approach to their giving strategy. If nonprofit organizations can successfully demonstrate high performance, then new sources of funding will flow and the sector will expand by creating a perceived value (Rangan, Leonard and McDonald, 2008).

Along those lines, most conversant nonprofit organizations understand that the purpose of any social entity is to create value for its stakeholders who are inextricably linked. Hence, it stands to reason that sustainable value cannot be created for one group unless it is created for all stakeholders. Therefore, it would seem prudent to suggest that the first focus should be on creating a social value added benefit (SVAB) for recipients in need of assistance; followed closely by donors, who no longer view their contributions as gifts but are focused more on a social return on their investment (O’Malley, 1998; Drucker, 1990).

Galaskiewicz, Bielefeld and Dowell (2006) state that it is people’s interest in being identified with something worthwhile along with others who support it that drives their gifts of time and money. This study reinforces the researcher’s belief that a collaborative military
centered nonprofit network (CMCNN) is a highly effective vehicle in providing access to information that can help military nonprofit organizations improve their double bottom line, both social and financial. In turn, this helps build organizational capacity in order to further long-term sustainability, enhance their mission impact, and helps lead to increased contributions while operating under a current austere economic environment.
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1. **Overview and Research Objectives**

**Introduction**

Following the tragic events of September 11, 2001, our country has been actively engaged in pursuing the Global War on Terror. In the modern era of warfare, soldiers whom once succumbed to the injuries experienced on the battlefield now receive medical treatment sooner, and through the miracles of modern medical science survive the horrors of war only to face a life plagued with severe physical and mental disabilities. It is a distressing fact that the ravages of war have prematurely interrupted and adversely impacted the lives of our military members and countless families forever. Regrettably, family members suffer much differently, their lives are impacted in other ways generating uncertainty, guilt, and despair within the family unit.

Many people think that the U. S. Government completely covers the needs of our service members and their families after they leave the service. Unfortunately, that is not the case. After physical rehabilitation and/or psychological counseling disabled veterans very often have a difficult time reintegrating back into society. Add to that, our current economic environment which has caused a rapid change in how most nonprofit organizations operate. Those failing to adapt and respond to the complexity of a changing economic environment tend to experience, sooner or later, survival problems. In this climate of change, the development of a collaborative military centered nonprofit network (CMCNN) can play an important role in a member organization’s capacity building efforts, mission effectiveness and sustainability over the long term.
As the traditional nonprofit sector adapts to this climate of change three sets of factors will help steer this transformation in the future. First, socially minded organizations as well as individuals who have secured vast sums of wealth either due to intergenerational wealth transfer or from being financial and high-tech entrepreneurs will seek a social return on investment (SROI). Second, traditional models of grant funding will give way to more sector competition in which nonprofits will compete for limited funds based on program results by documenting outcomes (Rangan et.al, 2008). And lastly, it is anticipated that there will be a transformation of ideas on how best to better allocate resources toward assisting in this reintegration of disabled veterans back into the mainstream of society. Along with that, an understanding of what results stakeholders expect as philanthropy is increasingly viewed as a collaborative social “investment” built on mutual trust and documented outcomes.

The Purpose Behind This Study

This research study explores the various theoretical positions contained in the literature review and held by key stakeholders in the establishment of a proposed CMCNN. The researcher believes that a CMCNN would help build organizational capacity, bolster long-term sustainability, enhance mission impact and increase donor contributions. In addition, it is the researcher’s belief that a CMCNN will collectively facilitate a greater collaboration among veterans’ charities across America while retaining the unique quality and mission of each individual organization. Denise (1999) states that collaboration is not about agreement, it is about creation. It is about using information to create something new. Furthermore, the researcher believes that a CMCCN will help organizations maximize what he calls a perceived ‘social value added benefit’ (SVAB) for all stakeholders.
Williams (2002) states that many complex social problems are not always amenable to linear thinking which often assumes a simple relationship between inputs and outcomes. He suggests that collaboration, partnership and networking appear to be more suitable for the task in order to tackle what he calls society’s “wicked issues” through their ability to apply collaborative skills and mind-sets to the resolution or improvement of complex problems.

It is not surprising to learn that funders are increasingly selective in their awarding of gifts and grants to nonprofits especially those that provide duplicative services (Frumkin and Kim, 2001). A popular response throughout the researcher’s review of related literature is for nonprofit organizations to manage themselves better and more efficiently in the new competitive and performance-driven world they now face. Improving management is seen both as a way of raising operational effectiveness and as a method of reducing cost. Thus, this paper hypothesizes that increased donor contributions can be realized when a perceived SVAB to be gained fosters participation in a collaborative military centered nonprofit network, which in turn builds capacity, demonstrates long-term sustainability and greater mission impact.

Additionally, the researcher believes that the tenets of a military culture will help to form the basis for a collaborative military focused charitable network. The premise being that a consortium of military focused nonprofits can successfully work together within an informal CMCNN demonstrating greater network efficiency and increased mission effectiveness which could favorably influence donors to contribute more funds to member nonprofits. This would expand the resource pie creating a “positive-sum” game, versus going it alone as an individual nonprofit which typically results in a “zero-sum” game overall (Basadur, Pringle, Speranzini and Bacot, 2000; O’Malley, 1998).
**Statement of Problem**

Since September 11, 2001, more than two million troops have been deployed to Iraq and Afghanistan. Multiple deployments, combat injuries, and the challenges of reintegration can have far-reaching effects on not only the troops and their families, but also upon America’s communities as well (Strengthening Our Military Families, January 2011). Since 9/11 more than 50,000 active duty service members have been physically wounded in combat operations prosecuting the Global War on Terror. Another 104,000 have been diagnosed with either post traumatic stress disorder (PTSD) or are suffering from traumatic brain injuries (TBI) according to Defense Department data (Wood, 2012).

In an effort to address the needs of the military community, numerous military centered nonprofit organizations have tried to deal with both the physical and mental disabilities that wounded warriors and their families constantly face. However, many of these organizations operate within a siloed mindset and repeatedly face outside scrutiny in terms of building capacity, transparency, accountability and legitimacy. As contributors and other stakeholders become savvier they seek to minimize duplication of effort and maximize a more pronounced social return on investment especially while operating within an austere economic environment.

**Hypothesis:**

During a time of serious economic uncertainty an informal collaborative military-centered nonprofit network with members embracing similar core values and modalities may provide a perceived social value added benefit (SVAB) to stakeholders leading to increased
organizational capacity, while achieving long term sustainability, greater mission impact and increased donor contributions (Reference Figure 1).

**Research Questions to be Addressed:**

1. Can the core values of cohesive military institutions serve as the cultural thrust for establishment of an informal collaborative military centered nonprofit network (CMCNN)?

2. Can members of an informal collaborative military-centered nonprofit network seeking to improve long term sustainability, build capacity and enhance mission impact provide a perceived SVAB to stakeholders?

3. Would charitable contributions from donors increase if a military-centered nonprofit network could collaboratively demonstrate to stakeholders a perceived SVAB?
4. By increasing value creation for stakeholders could a collaborative military nonprofit network attract and then leverage resources to effectively "expand the resource pie" (more contributions) making it a more positive sum game (win-win) for all stakeholders?

5. Could a more positive sum game aimed at building capacity lead to long-term sustainability, greater mission impact and increased donor contributions?

**Theoretical Focus of this Study**

The theoretical focus of this study is based on numerous literary readings centering on the unique elements of military culture combined with the power of inter-organizational network formation. This combination helps breed new knowledge creation and enhances network value. This unique creation and transfer of knowledge helps align stakeholder expectations toward building capacity resulting in long-term sustainability, greater mission impact and increased donor contributions.

Military culture is bounded by its shared core values and the importance of military cohesion both during and after time in service. The military paradigm is based on trust and is shared by a majority of members regardless of their branch of service.

The importance of creating a collaborative military centered nonprofit network (CMCNN) is that it would provide what the researcher calls a social value added benefit (SVAB) within the organizational framework of a core/periphery model creating social capital to facilitate action within the proposed CMCNN model. The power of CMCNN helps to build trust through collaborative relationships among its members. This leads to social integration and in turn helps promote a SVAB especially during times of economic uncertainty (Reference Figure 1).
In addition, collaboration among members breeds new knowledge creation and enhances network value by creating value driven organizations supported by outcome measures that track mission performance. In turn, a CMCNN helps create a perceived SVAB for all stakeholders by establishing legitimacy, accountability and transparency. Therefore, if a collaborative network can lead to the creation and transfer of new knowledge, these knowledge communities as they are often called seek a social return on investment (SROI) by attempting to measure the value of knowledge based resources that are created and shared by stakeholders.

Outcomes measurement adds value by leveraging this new knowledge and creating what Dhanaraj and Parkhe (2006) call an ‘expand the pie’ approach to network thinking. In so doing, the resource pie expands creating a “positive-sum” game, versus going it alone as an individual nonprofit which typically results in a “zero-sum” game overall (Basadur et al., 2000; O’Malley, 1998). Also, as Williams (2002) calls it, if a “wicked issue” can be conceptualized from a new angle in such a way that each party believes its resolution would provide a high level of satisfaction or a SVAB, then the parties will be more likely to work together collaboratively (Fisher, Ury, and Patton, 1991).

By aligning stakeholder expectations in an effort to build capacity a more positive sum game surfaces. The result being that organizational effectiveness is better defined by leveraging all network resources. Subsequently, a shared SVAB emerges by promoting transparency and accountability within the network membership. Thus, expanding organizational capacity helps articulate the value of network benefits afforded members while empowering others on the periphery to participate, while at the same time bringing awareness to the many issues facing the military community.
Methodology

This research study focuses on determining whether during a time of serious economic uncertainty membership in an informal collaborative military-centered nonprofit network embracing similar core values and modalities can provide a perceived social value added benefit (SVAB) to stakeholders leading to increased organizational capacity while achieving long term sustainability, greater mission impact and increased donor contributions.

By understanding what helps generate a perceived value creation (or SVAB) for stakeholders a collaborative military-centered nonprofit network could effectively "expand the resource pie" (more contributions) over time, thus making it a more positive sum game (win-win) for all stakeholders versus a zero-sum game (composed of winners and losers).

In an effort to explore the phenomenon behind advocating the creation of an informal collaborative military-centered nonprofit network, the researcher elected to utilize a qualitative model typically employed in exploratory research when little is known about a phenomenon and the researcher wants to study different people’s experiences and perspectives (Manheim, Rich, Willnat and Brians, 2006). It is also used to go deeper into issues of interest when variables to study have not been previously explored in significant depth.

Thus, since the subject matter contained in this research study is somewhat complex and can be viewed from multiple perspectives a qualitative research design seemed the best methodology in interpreting the collaborative military nonprofit network phenomenon where this study relies on past research and the views of practitioners. What’s more, it can be used to draw attention to areas that may require additional research. The researcher focused on the opinions,
attitudes, and perceptions of individual practitioners; therefore, an oral interview survey approach seemed to be the best method of data collection. The questions used in the oral survey instrument were obtained from the literature review and are contained in Appendix C.

Subjects for this research study were obtained at random from a list of over 100 national nonprofit organizations. Inquires were sent out to 40 organizations with a response rate of over 62.5%. Scheduling problems hampered a convenient time to conduct some of the interviews, but the researcher was able to conduct oral interviews with leaders representing 22 military centered nonprofits varying in composition, client base, net assets strength and core purpose from around the country. The researcher evaluated the data cautiously taking into account his status both as a researcher and practitioner, as well as collective inputs from the researcher’s committee members and their knowledge relating to collaborative endeavors.

Utilizing a qualitative approach the researcher conducted interview sessions lasting anywhere between 35 to 45 minutes with military-centered nonprofit leaders (e.g. CEOs, executive directors, presidents, etc.) from organizations classified as public charities under Internal Revenue Code Section 501 (c) (3). Leaders of existing military centered nonprofits classified as public charities have worked extensively with members of the military community, other non-governmental organizations, the business community and the concept of mission-driven donations in their own organizations. Consequently, they seemed the most likely to consider joining forces while building a collaborative network of military nonprofits with an overall mission focus that is similar in reach and scope.

Supporting this assertion, the researcher introduce the term “homophily” which refers to the tendency for people in this case to interact more with their own kind because of their
common military experience. Thus, the military nonprofit network paradigm focuses on how to develop mutual trust in a long term relationship which is bound by common life experiences (i.e. stresses experienced during combat, loss of comrades in arms, life changing disabilities, ongoing struggles of the military family, etc.). Veterans and informed stakeholders alike understand that when nonprofit organizations serving the military community collaborate to deliver physical and mental health services, they help build organizational capacity and stronger communities capable of better serving the military community.

The survey method used in this research study involved a series of 13 questions broken down into various sub-parts (Reference Appendix C) and designed to explore the following research questions:

1. Can the core values of cohesive military institutions serve as the cultural thrust for establishment of an informal collaborative military centered nonprofit network (CMCNN)?
2. Can an informal collaborative military-centered nonprofit network seeking to improve long term sustainability, build capacity and enhance mission impact provide a perceived SVAB to stakeholders?
3. Would charitable contributions from donors increase if a military-centered nonprofit network could collaboratively demonstrate to stakeholders a perceived SVAB?
4. By increasing value creation for stakeholders could a collaborative military nonprofit network attract and then leverage resources to effectively "expand the resource pie" (more contributions) making it a more positive sum game (win-win) for all stakeholders?
5 Could a more positive sum game aimed at building capacity lead to long-term sustainability, greater mission impact and increased donor contributions?

In addition, respondents were provided with read-ahead copies of the oral survey so that they could review the questions beforehand and formulate a more valued response. The questions used in administering the oral survey were obtained from readings throughout the literature review. Then using the operationalization framework in Appendix B, the researcher focused on the following dependent variable: “perceived value creation” or what the researcher has termed “social value added benefit,” which measured the “benefits of creating a collaborative military-centered nonprofit network” or CMCNN.

Independent variables listed in Appendix B weighed the benefits gained from sharing similar military core values and a common culture; long term sustainability; potential for increased efficiency and mission effectiveness; the strength in informational synergies; long term mission impact; the source of referrals between members; the opportunity to leverage individual and collective learning; benefits of increased knowledge mobility; helps build organizational capacity and trust; provides for increased accountability and transparency; increases stakeholders perception of legitimacy/reputation; offers the potential for increased donor contributions and the opportunity to improve an organization’s double bottom line (both financial and social) by highlighting a positive social return on investment (SROI).

**Limitation of this Exploratory Research Study**

The number of units of analysis was an initial concern; however, the researcher believes that the small number of respondents did not adversely impact the results of this study, and that
internal and external validity were maximized within existing constraints and applicable to organizations sharing similar values and modalities. The qualitative methods used in this study sought to minimize survey error and maximize survey reliability. The researcher who is also a practitioner received consistent responses during the oral interview sessions which were dependent to a certain extent on each organization’s outreach at either the state or national level. A standardized consent form was utilized (Reference Appendix D) and addressed any confidentiality concerns a participant might have about the information the researcher was gathering during the interview session.

Because the researcher is also an experienced practitioner the danger of personal bias in asking particular questions and interrupting the participant’s responses were acknowledged but of minor concern during the interview process. Thus, the researcher drafted the questions to be explicit incorporating appropriate terminology to minimize concerns over survey validity and reliability. However, it is reasonable to assume that some of the respondents may not have fully comprehended the collaborative process or the network concept as explained in the survey’s introduction. Also, it is highly possible that the respondents based their responses on different factors taking into account their diverse backgrounds, experience level in nonprofits, or their perception of what works best for them. Thus, the accumulation of these factors makes it difficult to predict potential survey error as it relates to this research study.

In retrospect, this exploratory research study offers an initial understanding of the challenges faced and opportunities available to a collaborative military centered nonprofit network based on the organizational feedback provided by participants and the review of contemporary literature which helped shape the formation of questions used in the oral interview
survey. The literature review provided insight into relevant issues relating to the need for a collaborative network model; however, the plethora of information reviewed required field research in the form of an oral survey of senior practitioners in order to complete this research study. Surprisingly, the researcher found commonality with a previous initiative titled “The Give an Hour Guide to Creating a Community Blueprint” authored by the nonprofit collaborative “Give an Hour” (2013) which serves as an outreach mechanism assisting service members, veterans, and their families through local community collaboration.

In most cases it was necessary to rely on self-reported data from respondents which made it difficult to verify in most cases. In response to some interview questions organizational biases were evident and weighed appropriately according to the organization’s years of existence as a 501 (c) (3), prior board member experience, and the nonprofit’s net asset strength which helped to determine their position within the core-periphery paradigm which will be discussed later in this exploratory research study.

The researcher’s findings help lay the groundwork for follow-on research. For example, future research relating to a state collaborative cross-sector community networking effort designed to improve services for military members, veterans, and their families would be an interesting follow-on study.
II. Literature Review

Research Issue 1 - Core Values Characterize the Military Culture

*Research Question 1:* Can the core values of cohesive military institutions serve as the cultural thrust for establishment of an informal collaborative military centered nonprofit network (CMCNN)?

**Introduction**

Members of the military and their families share a unique bond and value system. The military offers a sense of community and camaraderie unlike any other profession. But it also fosters a warrior ethos that rewards physical and emotional prowess and frowns upon weakness and timidity. Many uniformed personnel believe there is a stigma attached to the difficult emotions they experienced during combat (Abb and Goodale, 2011). Some experience guilt or self-loathing because they perceive themselves as “weak”. Abb and Goodale (2011) observe that when nonprofit organizations serving the military community collaborate to deliver physical and mental health services, they help improve their “social bottom line” by building stronger communities and creating a social value added benefit for all stakeholders engaged in assisting returning service members and their families.

Hsu (2010) believes that the basic tenets of military culture can be expressed as "Duty, Honor, Country". In addition, the military emphasizes discipline and hierarchy, prioritizes the group over the individual, and uses specific rituals and symbols to convey important meanings and transitions. Furthermore, it stresses cohesion and a professional ethos which is immersed in ceremony & etiquette.
What is the Definition of Military Culture?

Wilson (2008) defines military culture as the values, norms, and assumptions that guide human action and enables choices to be made by interpreting situations in a limited number of ways in order to carry out their unique mission. Subsequently, a mission provides an institution with a common purpose that justifies its existence and claim on resources, as well as the self-worth, rewards, and privileges of its members. Thus, all institutions require a social basis and a means to recruit new members and induct them into their culture. Hence, institutions like the military must have substitutes with similar skills and expertise, or it must be able to replace members through internal promotion or external recruitment. Clearly, substitutability is a cultural construct since it derives from what those selecting new members perceive as desirable or essential qualities in new recruits.

Moncher (2014) observes that military culture is the set of shared attitudes, values, goals and practices that characterizes an institution, organization or group. Also, military culture can be described as the cumulative deposit of an institution’s knowledge, experience, beliefs, values, and attitudes. Not surprisingly, military culture becomes a way of life for a group of people – the behaviors, beliefs, values, and symbols that they accept, generally without thinking about them, and that are passed along by both oral and written communication. Moncher observes the military culture as that quiet 1% who don’t get much recognition, but whom genuinely care about people.

Goodale, Abb and Moyer (2012) note that the military is unlike any other career, and the demands of military life create a unique set of pressures on service members and their families and deeply defines who they are. The military culture offers a sense of community and
camaraderie unlike any other profession. Thus, members of the military and their families share a unique bond, professional ethic, ethos and value system. In addition, Goodale et al (2012) add that warfare is inherently violent and traumatic and those that experience it often remark that it truly cannot be understood by others who have never experienced it themselves. Thus, for those who experience it, war has an impact on their psyche. For some the consequences are acute and pass quickly. For others the passage of time is needed to recover from the trauma they have experienced, and for some the changes in their mental health are profound and last a lifetime. This creates an acute stigma within the military culture which fosters a warrior ethos that rewards physical and emotional prowess and frowns upon weakness and timidity.

**What are the Military’s Core Values?**

Along with strengthening ones “social bottom line”, Freeman and McVea (2002) cite Collins and Porras’ (1994) *Built to Last* where they endorse the belief that a necessary condition for a nonprofit organization’s long-term financial success is predicated on a strong set of core values (which the military community traditionally possesses) that helps permeate the organization (As cited by Freeman and McVea, 2002, p. 24).

Germane to understanding military culture today is best defined by reviewing the elements of the U.S. Army Core Values (2014). For example:

- **Loyalty** - Bear true faith and allegiance to the U.S. Constitution, the Army, your unit and other soldiers.
- **Duty** - Fulfill your obligations.
- **Respect** - Treat people as they should be treated.
- **Selfless Service** - Put the welfare of the nation, the Army, and your subordinates before your own.
- **Honor** - Live up to all the Army values.
- **Integrity** - Do what’s right, legally and morally.
- **Personal Courage** - Face fear, danger, and adversity whether physical or moral

In addition, the ‘Soldier’s Creed’ reminds soldiers that they are a warrior and a member of the team, and as a member of that team: “They will never accept defeat and they will never quit; and they will never leave a fallen comrade” (Soldier’s Creed, 2014). Add to that, the ‘Soldiers Code’ which states that a soldier will treat others with dignity and respect and expect others to do the same. He or she will honor their country, the Army, their unit, and their fellow soldiers living by the Army values (Operation: Military Kids, 2007). Jerry Stewart in a speech before the Bellingham Tea Party in 2007 echoes the words of General Douglas MacArthur famous speech given in an address to the cadets at West Point in 1962, on the very threshold of the Vietnam War (Stewart, 2007):

> “Duty, Honor, and Country”: These three hallowed words reverently dictate what a soldier ought to be, what you can be, what you will be. They are the soldier’s rallying post to build courage when courage seems to fail; to regain faith when there seems to be little cause for faith; to create hope when all hope is gone. Duty, Honor, Country.”

**The Unique Elements of Military Culture**

Garrett and Hoppin (2008) write about living life as a military family in their book *A Family’s Guide to the Military for Dummies*. They ask what corporation do you know requires all their employees to be available 24 hours a day, 7 days a week, and 365 days a year? Military service is a demanding way of life and there are very few people willing to sign on the dotted line and add themselves to the less than 1 percent of our nation’s population that makes up the nation’s all volunteer force. When a service member joins the military culture, they’re exposed to
a tight-knit community of people supporting a cause greater than themselves and dealing with
issues that the average soccer mom would never encounter.

The military seems to draw together a diverse group of people from all walks of life. However, that common bond of believing in something bigger than yourself ensures that you already have a strong tie to the friends you make in the military and to total strangers you meet down the road after either separating or retiring from active duty. They understand without words what others are going through because they have literally walked in their shoes. Their military friends become an extended family and these are relationships that they will come to count on throughout their time in the service and beyond (Garrett and Hoppin, 2008).

Military Family Appreciation Month (2011) lists several reasons on why to appreciate service members and their families. First, they are passionate -- about everything. They give their all! They’re strong, even under extraordinary circumstances. They’re always willing to lend each other a hand. In fact, President Obama and the First lady raised the awareness of the support that military families lend toward supporting and sustaining our troops fighting to defend our nation. They mentioned caring for our wounded warriors, and that the well-being of military families is an important indicator of the well-being of the overall force. Since September 11, 2001, more than two million troops had deployed to Iraq and Afghanistan. Multiple deployments, combat injuries, and the challenges of reintegration have had far-reaching effects on not only the troops and their families, but also upon America’s communities as well (Strengthening Our Military Families, January 2011).

Along with that, Snider (2011) cites a broad definition of “culture” offered by Edgar Schein in his 1990 article Organizational Culture and Leadership: A Dynamic View:
“[Military] organizations can be presumed to have strong cultures because of a long shared history or because they have shared important intense experiences (as in a combat unit)…Culture is what a group learns over a period of time as that group solves its problems of survival in an external environment and its problems of internal integration…” (pp. 117-118).

According to Schein’s classic definition, and those of other theorists, military culture is the “glue” that makes organizations a distinctive source of identity and experience. Thus, a strong culture exists when a clear set of norms and expectations permeates the entire organization. It is essentially, “How we do things around here” (Snider, 2011). Murray (2011) goes a step further noting that military culture represents the intellectual and spiritual capacity of the army, navy, marines and air force veterans who are bonded and tied to each other by a commonality of their service regardless of their branch of service. They are connected like hands held together in a circle.

Another example, as referenced in the USAF Core Values (1997) reminds us what it takes to get the mission done. They inspire Air Force personnel to do their very best at all times. They are the common bond among all comrades in arms, and they are the bond that unifies the force and ties everyone to the great warriors and public servants of the past. The USAF’s Core Values are: Integrity first, Service before self, and Excellence in all we do. The USAF like other branches of service have taken steps to create a core values continuum, which helps serve as a cultural thrust for establishing a CMCNN.

Snider (2011) cites the work of James Burk’s (1990), “Military Culture,” in Encyclopedia of Violence, Peace and Conflict. Burk suggests that a growing pattern in contemporary war is team based. In such team-based forces, the will and needs of the individual must be subordinate to those of the group. Another element of military culture is cohesion and esprit de corps, which
are the measures of a unit’s morale, its willingness to perform a mission and to fight. This is a critical element with respect to the connection between military culture and the operational effectiveness of military units. According to Burk, military cohesion refers to the feelings of identity and comradeship that soldiers hold for those in their immediate military unit. In contrast, esprit de corps refers to the commitment or pride soldiers take in the larger military establishment to which the unit belongs. Both are primarily matters of belief and emotional attachment (As cited by Snider, 2011, pp. 118-124).

**Understanding Military Cohesion**

Borgatti and Foster (2003) introduce the term “homophily” which refers to the tendency for people to interact more with their own kind, whether by preference or induced by opportunity constraints (McPherson and Smith-Lovin, 1987). Hamilton (2010) cites then U.S. Army Chief of Staff Edward Myer who defined cohesion as, “The bonding together of soldiers in such a way as to sustain their will and commitment to each other, the unit, and mission accomplishment, despite combat or mission stress.” Manning (1994) noted that combat experience alone is recognized as the primary force in bonding soldiers and produces strong pressure to unite in a common effort (Five Tips to Reinforce Unit Cohesion, 2012).

Achrol (1997) states that a network organization is distinguished from a simple network of exchange linkages by the density, multiplicity, and reciprocity of ties and a shared value system defining membership roles and responsibilities. Thus, it is of no surprise to veterans that trust in the military has been shown to be a key factor related to performance and mission effectiveness. Therefore, the military nonprofit network paradigm the researcher is proposing would focus on nurturing mutual trust in a long term relationship. The level of trust in a network
is indicated by each member’s confidence in its partner’s sincerity, reliability, loyalty, and willingness to refrain from opportunistic behavior (Achrol, 1997).

Manning (1994) believes that shared experiences, while in the military becomes in many cases the bond which holds the work group together. The heart of unit cohesion begins with the confidence that in times of difficulty one has someone who is willing and able to help. Hamilton (2010) mentions social cohesion which refers to the nature and quality of the emotional bonds of friendship, liking, caring, and closeness among group members and thus must be considered and linked to group morale, motivation and performance (MacCoun, Kier and Belkin (2006).

Again, Snider (2011) cites Burk’s belief that the key factor is loyalty to other members of the unit:

“[It] was the capacity of the soldiers’ immediate unit, their company and platoon, to meet their basic needs for food, shelter, affection and esteem. These factors increased in importance as war genuinely threatened soldiers’ sense of security and recognition of worth as human beings. So long as these needs were met, soldiers believed themselves part of a powerful group and felt responsible, even empowered, to fight for their group’s well being. However, when these needs were not met, soldiers felt alone and unable to protect themselves; the unit disintegrated and stopped fighting” (p. 124).

McBreen (2002) observes that the soldier’s self-image is tied to the opinion of their peers. Therefore, men fight for their friends and their comrades. Men fight for the esteem of their peers, to protect their comrades, and to achieve their unit’s goals. Furthermore, cohesive groups speak of “we” rather than “I.” Cohesion is demonstrated by group pride, solidarity, loyalty, and teamwork. Cohesion is demonstrated by soldiers willing to risk death for the preservation of their unit or the accomplishment of their unit’s mission (Team Cohesion/Trust, 2012; Jozwiak, 1999).
Jozwiak (1999) suggests that there exists a very close relationship between the military and the individual to society and our culture at large in what he calls societal cohesion which serves as a bonding influence. Most noteworthy is the fact that the Veterans Administration lists approximately 23 million veterans that helps bridge this bond of cohesion (National Center for Veterans Analysis and Statistics (2012). McBreen (2002) cites Braun’s (1983) work titled: Cohesion: A New Perspective in that an individual’s status and identity is directly tied to his primary group. Loyalty is very strong to this support system (As cited by McBreen, 2002, p. 10). An external threat to the group provides increased cohesion. Veterans of units that undergo the tremendous stress of actual combat speak of becoming bonded like family for life.

MacCoun and Niox (1993) cites Swann et al. (2009) work titled Identity Fusion: The Interplay of Personal and Social Identities in Extreme Group Behavior in which they state that, “Group members often describe feelings of pride and identification with their group as an entity, and this can occur even though they are unacquainted with many, if not most of the other group members” (As cited by MacCoun and Niox, 1993, p. 140). Manning (1994) noted that combat experience alone is recognized as the primary force in bonding soldiers and produces strong pressure to unite in a common effort. Also, affective cohesion is based on confidence that others in the group will help if the need arises before, during, and after deployments (Five Tips to Reinforce Unit Cohesion, 2012). It is the bonding together of soldiers in such a way as to sustain their will and commitment to each other, the unit, and the mission. This horizontal bonding for example may result in unit collections for soldiers in the hospital, with a death in the family or a new baby (Manning, 1994).
Formation of the CMCNN Based on Military Culture and Trust Defined by Common Core Values

Why is culture so important to an organization? Edgar Schein, a MIT Professor of Management and author of (1990) *Organizational Culture and Leadership: A Dynamic View*, suggests that an organization's culture develops to help it cope with its environment (National Defense University, 2012). In addition, National Defense University (2012) cites Louis (1980) who believes culture to be a set of understandings or meanings shared by a group of people that are largely tacit among members and are clearly relevant and distinctive to the particular group which are also passed to new members (As cited by National Defense University, 2012, pp.1-2).

The larger question remains of how one develops a culture of support and camaraderie, where committees of member organizations can be expected to act in the interest of the common good of the entire network. The network paradigm focuses on how to develop mutual trust in a long term relationship. Again, the level of trust in a network is indicated by each member’s confidence in its partner’s sincerity, reliability, loyalty, and willingness to refrain from opportunistic behavior (Valentinov, 2008). Trust has been shown to be a determinant of critical factors related to performance and mission effectiveness. The military culture typically engenders this trust (Achrol, 1997). Gulati et al. (2000) support this belief after observing relationships within the military, and by examining its structure and membership composition. Tie modality (especially in the military) enters into the equation because it establishes a set of institutionalized rules, strategies and norms that govern appropriate behavior or transactions within the network (Laumann, Galaskiewicz and Marsden, 1978).
In describing a notional CMCNN, Rowley (1997) uses two network concepts—density of the network and centrality of the focal firms in the network. Density is a characteristic of the whole network. As density increases communication across the network becomes more efficient. Galaskiewicz and Wasserman (1989) make a similar argument, stating that organizations in the same network imitate one another's behaviors in an attempt to be perceived as legitimate players. Also, one can define an actor's degree centrality by the number of ties he or she has with other actors in the network. Social network constructs (density and centrality) consider structural influences and the impact of stakeholders who do not have direct relationships with focal network members, but who affect how those members behave nevertheless which typifies what the researcher suggests is the core/periphery model (Reference Figure 2).
Continued Reciprocity Builds Trust and Collective Action

In support of a CMCNN, Ostrom (1998) believes that a reputation for trustworthiness (honesty) is one of three core factors (the other two are trust and reciprocity) that increase the likelihood of collective action. Organizations collaborate because they intend to achieve a particular purpose which is something a military community network can deliver (Thomson and Perry, 2006). One of the principal administrative dilemmas for leaders and managers in collaboration is managing the inherent tension between self-interests and collective interests. Thus, when planning strategically over the long-term…practice reciprocity!
Summary

Military culture is bounded by its shared core values, and the importance of military cohesion both during and after time in service. A strong culture exists when a clear set of norms and expectations pervades the entire organization. Furthermore, the solidarity of the military paradigm is based on trust, reciprocity, and trustworthiness and is shared by a large majority of its members regardless of their branch of service. Many soldiers especially in a wartime environment form intense relationships with members of their unit, bonds which will last a lifetime. Therefore, it seems credible to assert that the formation of a CMCNN would be deeply based on the cultural thrust of military core values and would help promote collective action in support of veterans and their families.

The researcher believes that the tenets of a military culture helps to form the basis for a collaborative military focused nonprofit network. And that a consortium of military focused nonprofits practicing reciprocity can successfully work together to build organizational capacity in order to realize long-term organizational sustainability, increase mission impact and pursue the potential for increased donor contributions. Thus, collaborating with organizations that share similar core values adds to the perception of a social value added benefit for all stakeholders especially network members.

In conclusion, the researcher found that issues relating to Research Question 1 suggesting that the core values of cohesive military institutions may serve as the cultural thrust for establishment of a collaborative military centered nonprofit network (CMCNN) will require further examination by the researcher after conducting the oral survey in Appendix C.
Research Issue 2 - Establishing a Collaborative Military-Centered Nonprofit Network

**Research Question 2:** Can an informal collaborative military-centered nonprofit network seeking to improve long term sustainability, build capacity and enhance mission impact provide a perceived SVAB to stakeholders?

**Introduction**

La Piana (2010) suggests that most nonprofit organizations respond to what economists call market failure: Nonprofits provide desperately needed services to constituents who lack the means to pay the full cost. Government and private funders must then bridge the funding gap. In bad economic times these third-party donors pull back, leaving nonprofits with inadequate funding often at the very moment that they are experiencing increased demand for services. The environment within which most organizations operate is changing rapidly. Those failing to adapt and respond to the complexity of the new environment tend to experience, sooner or later, survival problems. Subsequently, the development, implementation and use of evaluation techniques to improve long-term sustainability, build capacity and enhance mission impact are some of the major challenges confronting organizations and can play an important role in their success or failure (Santos, Belton and Howick, 2001). Thus, all participating military charities will need to keep outcome measurement in mind while remaining focused on the big picture; not forgetting our soldiers, disabled veterans, their families, and the military community at large.

**Impetus Behind Creating a Collaborative Military-Centered Nonprofit Network (CMCNN)**

A CMCNN can induce innovation, and thus the creation of new value through the establishment of informational synergies (Camarinha-Matos and Afsarmanesh, 2006; Surman,
2006). Also, a CMCNN would demonstrate the ability to be dynamic responding to both exogenous and endogenous forces evolving over time. Exogenous forces may include exposure to a wartime environment, economic downturns, military force reductions, federal budget cuts, etc. Endogenous forces may include the flow of information between partners via collaboration and social networking, or the unplanned changes of collaborators motivated by both private and common interests (Gulati, Nohria and Zaheer, 2000). Ahuja (2000) cites Burt in his 1992 book *Structural Holes: The Social Structure of Competition* which emphasizes the importance behind building networks with large numbers of indirect ties which may be an effective way for actors to enjoy the benefits of network size without paying the costs of network maintenance associated with direct ties (As cited in Ahuja, 2000, p.425). This would serve to leverage individual and collective learning within the CMCNN (core/periphery model) and allow for increased knowledge mobility among members and participants positioned on the periphery.

Ahuja (2000) also cites Rogers and Kincaid in their 1981 book titled *Communication Networks: Toward a New Paradigm for Research* in which they agree that a network of inter-firm linkages thus serves as an information conduit, with each firm connected to the network being both a recipient and a transmitter of information (As cited in Ahuja, 2000, p. 430). Maximizing the structural holes spanned or minimizing redundancy between partners is an important aspect of constructing an efficient, information-rich network according to Burt’s structural holes theory (Ahuja, 2000, p. 432).

Also, Jarillo (1988) believes that networks are more efficient because of transaction costs economics compared to markets or hierarchies when a network arrangement minimizes the transaction costs for participating firms. Gulati et al. (2000) note that network ties are important
sources of referrals that enable prospective partners to identify and learn about each other’s capabilities. In fact, this is made easier through electronic collaboration by providing organizations the ability to interact with each other (Coleman, 2012). They can also facilitate due diligence so that each network member has a greater knowledge about the other’s resources and capabilities, and a greater confidence in their mutual assessments. In short, a CMCNN can greatly reduce the informational asymmetries and further mitigate transaction costs (Valentinov, 2008).

Head (2008) believes that networks bring to the table a diversity of stakeholder views and thus diverse perspectives about goals, processes, and outcomes. Skills in bridging and mobilizing services among the stakeholder groups are important for long-term sustainability. These links which are formed among stakeholders are sometimes described as ‘’boundary spanning’’ (Williams, 2002). Boundary spanners are persons who operate at the periphery (Reference Figure 2) functioning as exchange agents between their organization and its environment (Aldrich and Herker, 1977; Krebs and Holley, 2002). Correspondingly, they seem to be important ‘enablers’ that increase the potential for success, such as enhancing knowledge mobility and building capacities (Lasker, Weiss and Miller, 2001; Goldman and Kahnweiler, 2000). As a network is formed, organizations come together in order to accomplish collective goals and capture the benefits of network membership (Powell, Koput and Smith-Doerr, 1996). Likewise, an organization must give the other network members a reason for including them in the network as well as a reason for sharing their organizational resources through relationships (Isett, 2005; Plastrik and Taylor, 2004).
Creating a Social Value Added Benefit Through Collaborative Action

Agranoff (2005) states that the underlying purpose of collaborative action has everything to do with public-value creation or increased worth. A collaborative culture adopting integrated strategies built on interactive platforms, based on such qualities as trust, creative opportunity, and continuous learning have the potential to add value. Consistent with public value creation is the belief among stakeholders that it’s important to operate in a business like way borrowing tools and methods from the private sector. Thus, non-profits need to address a double bottom line one that takes into account social goals as well as financial goals. In this light, donors need to be viewed as investors seeking a social return on their investment or SROI. They want nonprofit recipients to meet targets for social impact, efficiency, effectiveness and revenue, etc. (Alter, 2001).

Agranoff and McGuire (1999) acknowledge that networks have emerged because of their interdependent orientation and due to their flexibility and capacity for innovation. Lipnack and Stamps in their 1994 book, The Age of the Network conclude that: “The network is emerging as the signature form of organization in the information age, just as bureaucracy stamped the industrial age, hierarchy controlled the agricultural era, and the small group roamed in the nomadic era” (As cited by Agranoff and McGuire, 1999, p. 22). Thus, networks offer the potential for rapid adaptation to changing conditions, flexibility of adjustment, and the capacity for innovation (Agranoff and McGuire, 1999).

Booher and Innes (2002) note that we have entered an era that Castells writes in his 1996 book, The Rise of the Network Society as the “informational age” or the “network society” (as cited in Booher and Innes, 2002, p. 223). Probably the most important aspect of network power
is the ability of networked agents to improve the choices available to all of them as a result of collectively developed innovative ideas and the opportunity to exploit informational synergies (Booher and Innes, 2002; Casson and Cox, 1993; Ebers, 1997; and Plastrik and Taylor, 2004).

“Principled negotiation” is a term that has come to encompass an approach advocated by the Harvard Negotiation Project (Fisher et al., 1991), and includes collaborative or win-win bargaining, a process of discussion and give-and-take among individuals who want to find a solution to a common problem. It is also sometimes called interest-based negotiation and is an outgrowth of work on integrative bargaining that originated with Mary Parker Follett.

Mary Parker Follett believed that only by looking for ways to harmonize interests could new solutions emerge. In Constructive Conflict, written in 1925, she provides a strong common sense view about her ideas surrounding collaboration within the context of the ongoing process of social change occurring during her time (As cited in Williams, 2010b, p. 2).

Alison & Associates (2010) offer tips toward creating successful collaborations creating a culture based on mutual respect and trust (which are similar tenets exhibited by individuals and organizations associated within the military community) by asking the following questions: What is our vision for this collaboration? What do we want to accomplish? How will we do it? How will we hold ourselves accountable? And possibly the most important, but still elusive question to answer: How will we measure our success or level of impact? Through collaboration, organizations aim to share resources, share and exchange information, reduce risks, reduce cost, increase skills and their knowledge base. Also, Williams (2010a) encourages collaborative groups to take advantage of the creativity of interaction among diverse perspectives within a
collaborative network, and to look beyond the narrow interests of his/her own organization or community and to consider the potential contributions of other groups.

Much of networking is geared toward maintaining the lines of communication and tapping either formal or informal connections within the network. The ability to tap the skills, knowledge, and resources of others is a critical component of building network capacity. Trust is also a necessary element of network management. Agranoff and McGuire (1999) cite Barber’s 1984 book titled, *The Logic and Limits of Trust*. Trust is a collective behavior linked to the obligation to attend broadly to the concerns of others in the network, beyond the boundaries of specific measurable transactions (As cited by Agranoff and McGuire, 1999, p. 29). Hence, trust is rarely a starting point, but is earned and enhanced through a confidence-building process as stakeholders develop productive relationships, become comfortable with their joint endeavors, and achieve some early wins as a networked group (Head, 2008).

**Network Orchestration Within the Core/Periphery Model**

Dhanaraj and Parkhe (2006) identify what they call hub firms or what the researcher labels key network core members as the orchestrators of innovation networks. Innovation orchestration includes a set of deliberate, purposeful actions undertaken by core members as they seek to create value by expanding the pie for all and allowing members to extract value (by gaining a larger slice of the pie) from the network. Network design consists of a recruitment process and accessing the periphery of the core/periphery model, which would enable members to adjust the core size and structure of the network and later their individual positions within the network (Dhanaraj and Parkhe, 2006). By a strategic choice of partners the core members can
influence the cluster by significantly changing network membership (size and diversity) and structure (density and autonomy).

Krebs and Holley (2002) focus on the role of collaborative leaders, whom they call ‘network weavers’. A network weaver’s role is transitional moving within the core/periphery model with the core group being the most active members at the center, and around them are the great majority of participants (the periphery), each of whom contributes to the overall network’s innovation and sustainability with varied skills and talents (Brown and Duguid, 1991; Williams, 2009a), which Granovetter (1973) labels the strength of ‘weak ties’. Weak ties are connections that are not as frequent, intense, as strong network ties that form the backbone of a network. Strong ties are usually found within a network cluster (core), while weak ties are found (on the periphery) between clusters (Krebs and Holley, 2002; Wei-Skillern and Marciano, 2008). Thus it stands to reason that the end-goal for a vibrant, effective and sustainable military community network would be predominantly centered on the core/periphery model (Reference Figure 2).

Building a collaborative military network requires a new set of competencies for both grantees (providers) and their funders (Network Weaving, 2010). For example, on the collaborative network side of the equation new skill sets are required which would develop network awareness, influence, and access. While on the funder’s side new skill sets might include how to help build the kind of leadership and board cultures necessary for a CMCNN, while at the same time redefining accountability from being siloed to a more collaborative model. As funders and providers develop these capacities, a network becomes stronger, more innovative, pragmatic, visionary, proactive and agile. Thus as providers learn to share
opportunities and resources, they become far more efficient and effective together than they could ever be alone.

**Increased Social Capital Facilitates Action**

Mandell and Keast (2008) state that the main purpose or function of a network is to link members and their resources, facilitate joint action and learning and, in doing so, gain leverage from these collective interactions in new and innovative ways. O’Toole (1997) made the point that the success of networks relies, to a great extent, on maintaining relationships that facilitate cooperative action and recognize the interdependence of the participants. Jane Fountain an authority on the topic of social capital (As cited by Agranoff and McGuire 2001, p. 302) refers to social capital as the stock that is created when a group of organizations develops the ability to work together for mutual productive gain. Thus synergy emerges as the commitment and interaction of the participants which stimulates new alternatives that otherwise would not have been considered (Agranoff and McGuire, 2001). Adler and Kwon (2002) define social capital as the goodwill that is engendered by the fabric of social relations and that can be mobilized to facilitate action.

Adler and Kwon (2002) reference Burt’s 1992 book, *Structural Holes: The Social Structure of Competition* which points out that a sparse network with few redundant ties often provides greater social capital benefits; thus, a key source of social capital is a network of ties characterized by many structure holes (As cited by Adler and Kwon, 2002, p. 24). Burt (1997) shows how social capital enables brokering activities that bring about a reciprocal outflow of information that the entire network will benefit from over the long term. The most important
objective of collaboration is to become sustainable in a competitive environment by creating benefits for all stakeholders (Brass, Galaskiewicz, Greve and Tsai, 2004).

Agranoff and McGuire (2001) and Adler and Kwon (2002) believe that social capital is just one of the possible ingredients in the inter-organizational information flows that are necessary for developing what they term groupware in order to share information over the long term (Burt, 1997). Adler and Kwon (2002) suggest that a framework incorporating opportunity, motivation and ability must be present for social capital to be activated enabling inter-organizational information flows to grow. A lack of any of the three factors will undermine social capital generation and affect access to broader sources of information.

Williams (2009b) notes that the focus should be on development of a dynamic process that sustains itself over time to benefit its members in many ways. This would manifests itself into the type of effective network Krebs and Holley (2002) depicts with the most active military charity organizations at the core, and a large number of grass root organizations on the semi-periphery and periphery contributing their varied skills and talents (Reference Figure 2).

O’Toole (1997) made the point that the success of networks relies, to a great extent, on maintaining relationships that facilitate cooperative action and recognize the interdependence of the participants whether at the core or operating on the periphery. Mandell and Keast (2008) state that at the operational level effectiveness is determined by the extent to which members have developed not only a better understanding of each other, but whether they have developed a shared language and culture, new ways of communicating and the ability to find common ground and resolving issues. It is the emphasis on the processes (ex: building new relationships, changing behavior, developing new attitudes, perceptions and values) that would be the critical
focus in measuring performance within the CMCNN and how a network adds value to the work of its member organizations (Mandell and Keast, 2008). It is for the above reasons that all interests should be included in network processes (Innes and Booher 1999). Thus, adept leaders would need to find a way to blend the various members each with conflicting goals, different perceptions, and/or dissimilar values to fulfill the strategic purpose of the CMCNN, while preventing, minimizing, or removing blockages to cooperation (Agranoff and McGuire, 2001).

Krebs and Holley (2002) also reference Burt’s 1992 book stating that the periphery is the open, porous boundary of the community network. It is where new members and ideas come and go. The periphery monitors the environment, while the core implements what is discovered and deemed useful (As cited by Krebs and Holley, 2002, p.15). Thus Dyer and Nobeoka’s (2000) research supports Rowley, Behrens, and Krackhardt’s (2000) assertion that a highly interconnected, ‘strong tie’ network is well suited for the diffusion (exploitation) of existing knowledge rather than for the exploration of new knowledge, which is the strength of a ‘weak tie’ network.

National Policy Consensus Center (2012) suggests that collaborative governance takes as its starting point the idea that working together creates more lasting, effective solutions leading to more buy-in for all stakeholders. "Governance" can encompass both formal and informal systems of relationships and networks for decision making and problem solving. The governance system proposed for the CMCNN would need to be based on ‘trust’ over the long-term as long as several key principles are adhered to: transparency, equity and inclusiveness, responsiveness, effectiveness and efficiency and accountability (National Policy Consensus Center, 2012).
Realization of the Power of Inter-Organizational Networks

This notion of collaborative power makes sense if we think of the world as a complex adaptive system within which individuals work, communicate, and learn. Network power depends on the flow of diverse ideas. Probably the most important aspect of network power is the ability of networked agents to improve the choices available to all of them as a result of collectively developed innovative ideas and the opportunity to exploit informational synergies (Booher and Innes, 2002; Casson and Cox, 1993; Ebers, 1997; and Plastrik and Taylor, 2004).

Reciprocity exists when agents realize they can gain and create new opportunities by sharing what each uniquely can offer and when they can expect the other players to contribute. Reciprocity is the basis of trust. The existence of trust and reciprocity in turn means members will have a reason to continue to work together (Booher and Innes, 2002). Ostrom (1998) has shown empirically that building conditions of reciprocity, reputation, and trust can help to overcome strong temptations for individuals to work only toward their short-term self-interest as demonstrated in the game of Prisoner’s Dilemma (Axelrod, 1984).

Oliver (1990) offers a summary of the main reasons why organizations establish inter-organizational relationships with one another. She proposed that organizations can: 1). practice *reciprocity*, when pursuing common or mutually beneficial goals or interests; 2). *efficiency*, when through cooperation organizations can achieve higher input/output ratios; 3). *stability*, when through cooperation organizations can better forestall, forecast, or absorb uncertainty affecting their activities; and 4). *legitimacy*, when through cooperation organizations can establish or enhance their reputation, image, prestige, or congruence with prevailing norms.
Oliver (1990) also notes that the key consideration is outcomes at the network level rather than for the individual organizations that compose the network. The preference is for optimization of the whole network even if it comes at the cost of local maximization for any group in the network (Provan, Fish and Sydow, 2007).

As mentioned previously, network connections may be informal and totally trust based or more formalized, as through a contract. Therefore, examination and analysis of a proposed interorganizational network would include organizations (nodes) and their relationships (ties) (Provan et al., 2007). Thus informally, an organization can occupy a central or a more peripheral position in the network based on the number of network ties it maintains with other organizations. Organizations that span “structural holes” as characterized by Burt’s 1992 work and previously cited by Adler and Kwon (2002) are considered to be brokers. This perspective presumes that an informal network like the proposed CMCNN involves many organizations collaboratively working toward building social capital.

Expanding further, core organizations and their sub-networks will tend to stabilize (Reference Figure 2) the entire network, whereas actors that are more peripheral will destabilize it (Kraatz, 1998). Thus, an informal military-centered nonprofit network would learn from those organizations around them; and as they evolve, the network is more likely to evolve toward building social capital and increased mission effectiveness (Knight and Pye, 2005; Galaskiewicz and Wasserman (1989). Kanter (1994) explains that successful partnerships often “cannot be controlled by formal systems, but require a dense web of interpersonal connections and internal infrastructures that enhance learning”. This is what Kanter (1994) calls “collaborative advantage”. For alliances to be successful, network members need to be able to complement
each other in knowledge, resources and skills with differences in organizational cultures recognized and common values negotiated.

Ebers (1997) adds that inter-organizational networking represents a cost-efficient way of gaining access to crucial know-how that can neither be made available internally nor be easily transferred by licensing (Kreiner and Schultz, 1993). Longitudinal studies by Gulati (1995) and Powell et al. (1996) provide evidence that once network relations are established, experience with networking, mutual learning, and diversity of ties stimulate the formation of further networking relationships.

Newell and Swan (2000) cite Dodgson (1994, p. 291) in his book *The Handbook of Industrial Innovation* that deals with the social problems of collaboration. Dodgson goes on to say that one of the most important aspects of inter-organizational networking is creating and sustaining the personal relationships between the parties. He suggests that, for the exchange of knowledge and resources to be effective, a high-trust relationship needs to be developed (As cited by Newell and Swan, 2000, p. 292).

**Building Trust through Collaborative Network Relationships**

Lead organizations who make up the core seek to build their collaborative relationships with a respected organization not only to enhance their own reputation and gain greater legitimacy but also to develop a foundation for future collaboration (Chen and Graddy, 2010). As mentioned previously, Gulati et al. (2000) believe that tie modality (especially in the military) enters into the equation because it establishes a set of institutionalized rules for fostering relationships and standards that would govern appropriate behavior in the network. Also, they believe that the relationships within the network can be better understood by observing the
structure and the membership composition. Gulati et al. (2000) cite a previous work by Gulati (1995) titled *Does Familiarity Breed Trust? The Implications of Repeated Ties for Contractual Choice.*, which states that network ties are important sources of referrals that enable prospective partners to identify and learn about each other’s capabilities. As mentioned previously, they can also facilitate due diligence so that each partner has greater knowledge about the other’s resources and capabilities and greater confidence in their mutual assessments. Also, networks can greatly reduce the informational asymmetries that increase transactional costs. Rosenblatt (2004) notes that as funding has dried up, pressure comes from contributors and other stakeholders trying to avoid unnecessary opportunity costs, caused by redundancies and program overlaps which is often the case among various grantees.

Most forward looking charities realize that a single organization cannot possibly meet all the needs surrounding veteran care and family support. Also, the U. S. Government as well as state and local governments cannot possibly meet all of the needs affecting our veterans and their families especially during their time of crisis. Add to that, the current economic environment where perspective donors securitize and evaluate charitable organizations by estimating the level of impact their contributions will have across the vast landscape of military charities. Along with that, all participating military charities need to remain focused on the big picture, not forgetting our soldiers, disabled veterans, their families, and the military community at large. *However, the challenge remains how do we generate support among possible donors?*

Across the country there exist established military affiliated nonprofits and numerous “grass-root” nonprofit organizations willing to make a difference in the lives of those who have unselfishly defended our way of life and the freedoms we sometimes take for granted. While
well established nonprofits with high net assets serve as the core agencies responding to the needs of the military community, “grass root” charities remain engaged on the periphery (Wei-Skillern and Marciano, 2008) operating on a ‘shoestring’ budget serving others with a volunteer spirit living up to their innovative label as “social entrepreneurs.”

What is sought is a collaborative military nonprofit network with core member organizations evolving in capacity to become ‘facilitators’ capable of serving in a leadership capacity, organizing and administratively disseminating information among core members and reciprocally with potential network members on the periphery (Dhanaraj and Parkhe, 2006). Through a CMCNN members would function as ‘connectors’ sharing information cross-functionally with other internal core members and/or external organizations operating on the network’s periphery as emerging “grass-root” organizations (Wei-Skillern and Marciano, 2008). Unlike corporate integrations, collaborations do not change the parties’ corporate, legal, and governance arrangements. They do not require a written agreement specifying the roles and responsibilities of the parties.

Collaborations are informal and usually undertaken for a specific occasion or a limited purpose. However, collaborations cannot succeed without a basic level of trust and transparency. Thus it stands to reason that when distrust is present, network members would have a difficult time working together. Ring and Van de Ven’s (1992) found that organizations build trust by completing transactions successfully over time, and thereby demonstrate that they are capable of fulfilling commitments. Trust is also shaped by perceptions that network members are equitable (Uzzi, 1997). Furthermore, members would always have the option of transitioning out of the
network at will if they feel their goals or objectives are not being adequately served through collaboration.

In addition, there must be some commonality of purpose to provide incentive for becoming a member of a network. Networks typically are formed to address complex problems or as Williams (2002) calls it “wicked issues” that are not easily solved by one organization. Yet each organization also has its own unique mission that must be followed. These can at times clash with the mission of the network. Consequently, diversity among network organizations’ cultures may present conflict management challenges within the network itself. Also, complex problems bring with them multiple issues and sub-issues. These multiple issues and sub-issues typically yield multiple challenges for conflict management that would need to be properly addressed (O’Leary and Bingham, 2007).

**Service Integration Promotes Social Value Added Benefit (SVAB)**

Martin, Chackerian, Imerchein and Frumkin (1983) report that service integration as a strategy for collaborative service delivery reduces duplication, improves coordination, prevents inefficiency, minimizes costs, and improves responsiveness and effectiveness. Legler and Reischl (2003) state that one of the essential elements related to a successful inter-organizational collaboration begins first with diversity of stakeholders and a belief that their participation in the coalition will result in positive outcomes. If stakeholders believe that their involvement in a coalition is likely to enable them to leverage resources, they will be more likely to participate and work actively to achieve mutual goals. The status of an organization in the network affects its reputation and visibility in the system. The greater this reputation the wider the organization’s access to a variety of sources of knowledge and the richer the collaborative experience, which
makes it an attractive trustworthy partner. As mentioned before, trust not only enables greater exchange of information, it also promotes ease of interaction and a flexible orientation on the part of each partner. All of these can create enabling conditions under which the success of an alliance is much more likely (Gulati, 1998).

Current nonprofit organization literature stresses the need for skillful collaborative leaders performing in an organizational boundary-spanning role; capable of framing organizational issues in consideration of all stakeholders; helping to construct interorganizationally a future that is proactive and opportunistic toward expanding the resource pie rather than threatening and coercive of others; and implementing a learning methodology within and outside their respective organizations (Goldman and Kahnweiler, 2000).

Thus, non-profits that measure the effectiveness of their efforts will be better able to argue the validity of their grant requests or in seeking larger contributions from potential donors (Poderis, 2010). In terms of fundraising, Hart, Greenfield and Haji (2007) note that a fundamental reality is that people give to people with causes, not to organizations. Thus, caused based organizations need to share information with an ever increasing critical mass of people while empowering them to be advocates toward creating a SVAB and by being responsive to all stakeholders.

Therefore, Kopenjan (2008) believes that actors participating in collaborative networks have to find ways of determining effectiveness. The difficulty of determining the effectiveness of network collaboration is due to the fact that traditional measures used solely for an organization are inadequate. Performance measures should reflect the complexity and important magnitude of the outcomes built through the collaboration within networks.
Summary

The importance of creating a collaborative military centered nonprofit network (CMCNN) is that it provides a social value added benefit (SVAB) within the organizational framework of a core/periphery model. In turn, this model would create social capital to facilitate action within the proposed CMCNN. O’Toole (1997) made the point that the success of networks relies to a great extent on maintaining relationships that facilitate cooperative action and recognize the interdependence of the participants whether at the core or operating on the periphery. This leads to increased social and service integration and helps promote what the researcher has termed a SVAB.

Mandell and Keast (2008) state that at the operational level effectiveness is determined by the extent to which participants have developed not only a better understanding of each other, but whether they have developed a shared language and culture. This means new ways of communicating, the ability to find common ground, the capacity to facilitate joint action and learning.

In conclusion, the researcher found that issues relating to Research Question 2 suggesting that an informal collaborative military-centered nonprofit network seeking to improve long term sustainability, build capacity and enhance mission impact may provide a perceived social value added benefit (SVAB) to stakeholders will require further examination by the researcher after conducting the oral survey in Appendix C.
Research Issue 3 - Collaboration Breeds New Knowledge Creation and Enhances Network Value

Research Question 3: Would charitable contributions from donors increase if a military-centered nonprofit network could collaboratively demonstrate to stakeholders a perceived SVAB?

Introduction

This portion of the study will show that increased donor contributions can be realized when a perceived SVAB can be grasped by stakeholders who view sustainability, accountability, and level of impact as positive steps toward expanding the “logic model” (Reference Figure 3) beyond: input – activities – output, to include “outcomes” (Hatry, van Houton, Plantz and Greenway, 1996). Along with that, donors typically perceive network members engaged in organizational learning as another SVAB leading to lower transaction costs and to increased efficiency.

![Figure 3: Typical Logic Model](image)

In addition, the researcher believes that the tenets of a military culture helps to form the basis for a collaborative military focused nonprofit network. The researcher’s premise is that a consortium of military focused nonprofits can successfully work together within an informal
collaborative network demonstrating greater network efficiency and increased mission
effectiveness, thus influencing donors to contribute more funds to member nonprofits.

Leveraging both individual and collective learning among network members adds to a
perceived value and helps to strengthen an organization’s financial and social bottom lines in the
long term. Thus, the opportunity for increased knowledge mobility provides a SVAB by creating
a perceived value to key stakeholders in addition to network members

**Communities of Practice Lead to Knowledge Mobility**

Provan, Nakama, Veazie and Teufel-Stone (2003) research focused on attitudes toward
trust and collaboration. They found that collaboration tends to be built most readily around
shared information. Kreiner and Schultz (1993) note that collaboration breeds more collaboration
and collaborative relations can expand in multiple directions, adding new participants and new
contents to the military centered network discourse. Therefore, the stage is set to create and
develop new knowledge from existing information being shared. As a result, increased value is
created due to the cross-fertilization of ideas, expertise, and differing perspectives.

Wilensky and Hansen (2001) believe that nonprofits can support change by transforming
themselves into learning organizations that benefit from cross-functional collaboration and by
sharing lessons learned from prior successes and failures. It gives people the space and tools to
form virtual communities of practice focusing on shared goals and values, as well as the ability
to share information, expand training and help build consensus among many other benefits
(Mainwaring, 2011).
Dhanaraj and Parkhe (2006) citing Brown and Duguid (2001) found that in “Communities of Practice” identity provides the bond that determines whether knowledge is “sticky,” making it difficult to flow, or “leaky,” allowing a generous flow of information leading to enhanced knowledge mobility (As cited by Dhanaraj and Parkhe, 2006, p. 662). The dispersed knowledge structure that induces collaborative networks also necessitates an enhanced capability within the network to learn and teach across organizational boundaries. Thus, ‘mobility of knowledge’ within a network can promote value creation (Dhanaraj and Parkhe, 2006). In addition, Dhanaraj and Parkhe (2006) cites Brown & Duguid (2001) again in suggesting that learning is strongly linked to the perception of trustworthiness between the parties, and the strength of relationships among organizational members dictates what is being learned and how well it is being learned (As cited by Dhanaraj and Parkhe, 2006, p. 664).

The creation of new knowledge is planned to be a function of the total amount of knowledge that is disclosed and absorbed among the organizations. Hence, both the transparency and receptivity of each of the interacting organizations need to be considered simultaneously in order to predict the amount of shared value (Larsson, Bengtsson, Henriksson and Sparks, 1998). Larsson et al. (1998) cite Thomas’ (1979) work titled Organizational Conflict suggesting that organizations are likely to learn the most when all choose collaborative learning strategies of high transparency and receptivity (As cited by Larsson, et al., 1998, p. 289).

Furthermore, communication is a two-way process; therefore, information listening is considered as important as information giving. References are made to ‘active listening’ which is expressed as a willingness or openness to be influenced by the views of other people. There are clear benefits of being a member of an inter-organizational network, including being at the
leading edge of information, having access to new ideas, gossip and happenings in other sectors, professions and organizations. Thus a military centered network offers members the benefit of ‘being in the loop’ (Williams, 2002).

As a process, collaboration is a means to an end, not an end in itself; however, the process itself needs to be effective to achieve successful end results. Networks constitute the basic social form which permits the inter-organizational interactions of exchange (Wynia, Sofaer, Bazzoli, Alexander, Shortell, Conrad, Chan and Sweney, 2003). Ashworth (2009) suggests that collaboration is often viewed as a nice thing to have by many organizations. However, multiple studies show that collaboration cultivates a strong social return on investment (SROI), adding to the belief that collaboration among mutually compatible organizations brings better value to their stakeholders. Also, the organization’s brand recognition will increase when forming a collaborative social network with other charitable entities, thereby leveraging brand-building, marketing and advertising capabilities with network members (Ashworth, 2009).

Collaborations are often preferred vehicles for intergroup action because they preserve the autonomy of member organizations while providing the necessary structure for unified effort. Enabling people to link special interests, share information and diverse expertise, and incorporate various skills and levels of experience (Connolly and York, 2002). They allow groups who are at different stages of their own internal development to have an equal say. Tangible benefits also accrue from collaboration. For example, organizations can continue to focus on what they do best and preserve their own resources while relying on others for related tasks and expertise (Advantages of Building Collaborations, 1994).
Thomson and Perry (2006) inject that collaboration is the act or process of “shared creation” or discovery. It involves the creation of new value by doing something new or different. Organizations can develop a greater understanding of client and community needs and existing resources by seeing the whole picture. Networks, exposure to new ideas and mentoring are among the secondary benefits of regular intergroup involvement (Advantages of Building Collaborations, 1994).

Bazzoli (1997) cites Alter and Hage in their 1993 book titled *Organizations Working Together*, where they state that collaborative action depends on the perceived need for collaboration and the organization’s willingness to collaborate. In addition, they identified a range of potential dependencies: the need for human or financial resources by a partner organization; the need for working capital; the need to manage financial risks; and the importance of maintaining flexibility in order to allow adaption in a changing market. These types of dependencies relate to the perceived need for collaboration in the nonprofit sector and why most organizations are willing to collaborate (As cited by Bazzoli, 1997, p. 536) in an effort toward building capacity and gaining increased donor support.

As mentioned previously, collaborative networks that do these things are recognized and respected in their communities, which in turn helps build their capacity (Booher & Innes, 2002) and ability to obtain contributions. Along with that, Booher and Innes (2002) mention that an effective complex adaptive learning system is one that has diversity, interaction and mechanisms for selection. Also, an adaptive learning system is one which is well-networked so that information can flow, and in which there is sufficient trust and social capital for different
members to believe in and act on shared information which is the genesis behind creating a CMCNN.

According to Newell and Swan (2000) trust is considered to be the key to effective networking arrangements for innovation involving the creation and diffusion of knowledge. Some networks exist to share knowledge in order to create and develop new ideas and then to diffuse these ideas. The assumption is that such collaboration through networking can lead to ‘positive sum gains.’ In other words, that the partners can obtain mutual benefits, to include contributions that they could not have achieved independently.

**CMCCN Focused on Community Re-integration Creates a Perceived SVAB**

Community reintegration remains an ongoing dynamic process by which a service member or veteran returns to civilian life following deployment and strives for physical, social, economic, and psychological well being. Emphasis needs to be placed on organizational stakeholders associated with military nonprofits to expand and refine these issues through collaborative network action (Healthy Homecomings for Veterans, 2012).

Along those lines, the most informed nonprofit organizations understand that the purpose of any social entity is to create value for its board members, recipients, staff, and donors, and that the interests of these four key groups are inextricably linked. Therefore, sustainable value cannot be created for one group unless it is created for all of them. The first focus should be on creating a social value added benefit (SVAB) for the recipient, but this cannot be achieved unless the right staff are selected, developed, rewarded and retained. Also, that the right staff and board members are selected, trained and held accountable. Finally, donors are no longer viewing their
contributions as gifts, but are focused more on a social return on their investment (O’Malley, 1998; Drucker, 1990) from those nonprofits which provide a SVAB to multiple stakeholders.

According to Camarinha-Matos and Afsarmanesh (2006), the goal of a collaborative network can be seen as the maximization of some component of its value system. For example, consider an economic profit within a business context, or the amount of prestige and social recognition in a nonprofit military network. Also, in evaluating community reintegration, all network members must demonstrate their ongoing commitment to the social impact of the network rather than to their own organizational interests (Wei-Skillern and Marciano, 2008).

Measuring collaboration successes through “outcome measurement” has been an allusive obstacle at both the individual and network levels; however, it is one that is necessary in order to prove the benefits of a collaborative network to current and potential contributors as well as to network members. Camarinha-Matos and Afsarmanesh (2006) refer to this as ‘perception of value’. The actual meaning of a benefit depends on the underlying “value system” that is used in each context by stakeholders. It is commonly accepted that the behavior of an individual organization, network and/or society as a whole is determined by its value system.

**Collaborative Network Advantage Creates Value Driven Organizations**

While reviewing literature surrounding collaborative alliances, the researcher noted a wealth of information which suggests that these new organizational arrangements can bring added value and contribute positively to organizational effectiveness (Porter, 1996). However, it is important to take time in the early stages of setting up an alliance to ensure that the problem(s) to be addressed are clearly defined and that the aims of the collaboration are clear and shared by
all members (Kanter, 1994). Merrill-Sands and Sheridan (1996) paraphrase Kanter (1994) by noting:

“When making a commitment to work together, it is important that this commitment incorporates clear signs of continuing independence for the partners. The collaboration should clearly define what the work is that the partners plan on doing together, but also allow for the individual organizations to continue with their separate agendas” (pg. 9).

Galaskiewicz, Bielefeld and Dowell (2006) state that it is people’s interest in being identified with something worthwhile, and others who support it that ultimately drives their gifts of time and money. One reason that networks are so effective is that they can provide access to information that can help organizations overcome economic uncertainty. The characteristic of donative transactions is that network providers compete for support based on a donors’ perceived value of the goods or services to recipients, the cost to provide these goods and services, and the likelihood that network providers will deliver the goods in an effective manner (Galaskiewicz et al., 2006).

When framed in conceptual clarity Schermerhorn (1975) states that organizations will seek out or are receptive to inter-organizational cooperation when "cooperation" per se takes on a positive value. In the same way, Rosenblatt (2004) notes that as funding has dried up, pressure comes from contributors and other supporters trying to avoid unnecessary opportunity costs caused by redundancies and program overlaps among their various grantees.

Rosenblatt (2004) observes that intermediary organizations (boundary spanners) focus on building relationships with these audiences, listening to their needs and translating those needs into services. These intermediaries play a special role in connecting audiences with a range of network suppliers who can meet their needs (Casson and Cox, 1993). Capacity builders need to
help organizations focus on what they do best so they can outsource the rest. Complexity theory teaches us that extraordinarily complex and wonderful accomplishments can emerge through the connected-yet-independent actions of individual parts. Adding to that, network theory teaches us that weaving tighter connections between the organizations and people in a network raises the effectiveness of each individual node while raising the collective effectiveness and value of the entire network (Rosenblatt, 2004). Consequently redefining the situation from a zero-sum game to a positive-sum game in which all parties learn to benefit from collaboration (Ebers, 2012; Basadur et al., 2000; O’Malley, 1998).

Merrill-Sands and Sheridan (1996) note that funders are promoting collaboration as a means to cut costs and reduce duplication of efforts. The rationale for engaging in strategic alliances is driven by considerations for improved organizational effectiveness and efficiency. Again, the most compelling rationale for engaging in collaborative relationships indicated by the literature is the advantage an organization accrues by gaining access to complementary areas of expertise, knowledge, skills, technology, or resources that it cannot produce on its own (Powell et al., 1996). Most researchers on strategic alliances concur that the value added from collaboration comes primarily when partners have complementary needs and assets.

The main impetus toward creating valued activities within collaborative networks can be measured in the contribution of “intellectual capital.” Intellectual capital consists of human capital, social capital and organizational capital. The above serve as value generators in a collaborative network (Parung and Bititci, 2006), which allows a collaborative network to be one “virtual” organization formed from several organizations. The focus of a military collaborative network would be to encourage a win-win relationship, by operating in what Basadur et al.,
(2000) and O’Malley, (1998) refer to as the super-optimized area later in the study. The super-optimized area above the bargaining line highlights the claim that by each member contributing particular resources more value is created among participants (See Figure 6).

Values-driven organizations are ones that incorporates their core values as a key component of both mission and vision statements and infuses those values throughout their organization, which in turn leads toward how they conduct themselves when relating to various stakeholders (Ebener, 2004). Rangan (2004) recognizes that if a set of core values can be articulated, identified, communicated, activated and evaluated by nonprofit boards and management staff; and are balanced between instrumental (economic) and expressive (humanitarian) values (Steane, 1999), then the organizations are more likely to obtain successful outcomes realizing what the researcher calls a SVAB in the long-term.

Kraatz (1998) notes that the breadth and heterogeneity of an organization's social ties ("whom it knows") may determine its access to different sorts of information, thus affecting its ability to recognize and respond to environmental threats. Previously mentioned was the strength of weak ties perspective (Granovetter, 1973), which indicated that the primary function of networks is to determine organizations' access to information from the larger environment. On the other hand, Kraatz (1998) cites Krackhardt’s (1992) work *The Strength of Strong Ties: The Importance of Philos in Organizations* which is an alternative view emphasizing the strength of strong ties in promoting adaptive change. Networks composed predominantly of strong ties provide less diverse or novel information. However, they do provide other benefits that may facilitate adaptation. First, strong ties are more likely to promote in-depth, two-way
communication and to facilitate the exchange of detailed information between known organizations (As cited by Kraatz, 1998, p. 623).

Ahuja (2000) cites Burt’s (1992) assertion that a firm's indirect ties serve as a mechanism for knowledge spillovers and contribute positively and significantly to its innovation output. Unlike direct ties, indirect ties would entail relatively low or no maintenance costs for members. Thus, the results provide support for the basic premise that network effectiveness can be incredibly value added through indirect ties (As cited by Ahuja, 2000, p. 448).

**Values Based Management Supported by Outcome Measurement**

Broussard (2008) states that in order to fulfill their missions, nonprofits must adapt and maintain sound business practices that allow them to grow, to continuously improve and measure their success. *Why is outcome measurement important?* It’s simple, because it allows a nonprofit to explain return on investment to its funders. It is important for nonprofits to say that their administrative costs are a low percentage of revenue, and that their programs and services are reaching the people they’re designed to reach and thus leading to identifiable results (making an impact) (Broussard, 2008).

In addition, Broussard (2008) notes that programs that produce positive measurable outcomes are generally further supported and/or expanded, as there is definitive proof of success. Thus, nonprofits which measure outcomes, and who disseminate this information are generally well regarded and viewed as reliable in their communities. The most compelling rationale for engaging in collaborative relationships surfaced after an extensive review of related literature, which highlights the advantage an organization accrues by gaining access to complementary
areas of expertise, knowledge, skills, technology, or resources that it cannot produce on its own (Merrill-Sands and Sheridan, 1996; Powell et al., 1996). The difficulty of determining the effectiveness of network collaboration is due to the fact that traditional measures used by individual organizations are inadequate. Thus, Kopenjan (2008) believes that actors participating in collaborative networks have to find creative ways of determining effectiveness.

As noted previously, a logic model approach has several potential advantages as a tool for managing and assessing a network member’s effectiveness. A logic model may be useful in assessing each network member’s effectiveness by conceptually simplifying complex inter-relationships, developing measurable performance indicators, and identifying the intermediate outcomes of various processes (Mandell and Keast, 2008). Developing a logic model entails specifying sets of quantifiable measures that provide indications of the processes involved, which eventually lead to the initiative’s end outcomes or desired impact. Herranz (2009) references Hatry’s 2006 book *Performance Measurement: Getting Results*, which suggests that almost any manner of source data may be used, including focus groups, surveys, and documentation in logic model development (As cited in Herranz, 2009, p. 15) (Reference Figure 3).

In addition, Herranz, (2009) discusses the implications of the logic model approach as a tool for developing, managing, and assessing the performance outcomes of a collaborative network similar to a CMCNN. Kaplan and Garrett (2005) see it as an opportunity to build consensus among members. Also, Kaplan (2001) concludes that nonprofits should also be evaluated on their overall program effectiveness and level of impact. Thus, the combination of both financial and non-financial performance indicators (double bottom line) can provide a
holistic approach in evaluating the overall performance of nonprofits (Som, Saludin, Shuib, Keling, Ajis and Nam, 2010) to include a SVAB.

Compounding this is the pressure on nonprofits from a variety of funders to demonstrate results, who themselves are under renewed scrutiny to be accountable and to maximize the impact of their social investments (Hatry, 2002). It becomes clear that the role of fundraising has fundamentally changed from contacting funders to convincing funders that one’s organization is the most effective at addressing or solving a particular problem or set of issues (Saul, 2003). Blalock (1999) observes that the definition of accountability has shifted from a previous emphasis on program processes to a more singular focus on program results. Young (2001) notes that as serious competitors for societal resources, nonprofits are asked now to measure up to the standards of business. Thus member organizations of a CMCNN would need to concern themselves with taking both a financial and social bottom line approach in performing its mission.

Evans (2012) recognizes value based management as making decisions that recognize value and benefits within a broader context, continuously seeking out performance standards commonly referred to as best practices, and threading high levels of accountability into all major activities of the nonprofit organization to add value. Easterling (2000) noted that grants are seen less and less as gifts or contributions, but more as investments. Moreover, foundations operating under the new measurement paradigm are much more impressed with outcome evaluation (i.e. an objective assessment of the actual effects of the funded program on the target group). Callen et al. (2003) state that literary works advocate a multiple constituency approach to understanding
nonprofits and has suggested that there is no single organizational or board effectiveness
criterion that all stakeholders perceive similarly.

Kaplan and Garrett (2005) and Herranz, (2009) see a logic model as an opportunity to
build consensus among network members or stakeholders. According to Hatry et al. (1996),
developing a logic model involves identifying key elements and indicators in four areas: 1)
inputs (e.g., resources); 2) activities (e.g., services, processes, etc.); 3) outputs (e.g., tangible
products delivered by a program; and 4) outcomes (e.g., expected changes in the short-term, mid-
term, and long-term). It serves as the evaluation framework from which all evaluation questions,
data collection tools, methodologies, and data analysis are derived and it provides a frame of
reference for testing assumptions and having a dialogue about ways member organizations can
improve (Connolly and York, 2002; McLaughlin and Jordan, 1999; Schalock & Bonham, 2003).
The researcher’s logic model shown in Figure 7 depicts the formation of a CMCNN which
strategizes on developing SVAB and achieving social impact (Connolly, 2001).

Devita and Fleming (2001) note that in an era of public accountability organizations are
being asked to demonstrate their accomplishments in concrete ways. Public perceptions of
effectiveness can be influenced by the ability of the organizational network to demonstrate clear
and measurable outcomes from their services. Kaplan (2001) notes that the topic of
accountability and performance measurement has become urgent for nonprofit organizations as
they encounter increasing competition from a proliferating number of other nonprofit
organizations, all competing for scarce donors. However, others contend that success for some
nonprofits should be measured by how effectively and efficiently they meet the needs of their
stakeholders (or constituency) by creating value (Jensen, 2001).
Young (2001) cites Paul Light’s (2000) *Making Nonprofits Work* in that nonprofits no longer live in a protected environment in which little was expected in exchange for financial support. Rather, they are asked to demonstrate their level of impact on society (As cited by Young, 2001, p. 3). Non-profits that measure the effectiveness of their efforts will be better able to argue the validity of their grant requests in seeking contributions from potential donors (Hart et al., 2007). Ebrahim (2005) believes that improving accountability is not only about accounting for donor funds but making progress toward a mission that reflects accountability (Moore, 2000) to all stakeholders by demonstrating what the researcher has termed a perceived SVAB.

In addition, Broussard (2008) states that in order to fulfill their missions, nonprofits must adapt and maintain sound business practices that allow them to grow, to continuously improve and measure their success. Som and Nam (2009) state that from a social-mission perspective nonprofits need to focus on performance indicators and on how their programs and services produce benefits to their intended clients (Drucker, 1990; Hatry et al., 1996). Wang (2002) emphasizes that an organization’s performance is ultimately measured by its outputs and outcomes. Simply stated, output measures relate to efficiency or concern over delivery of a product (or service), while outcome measures speak to the benefits or quality of service provided to a participant over a set period of time. Thus, an assessment of measurement reliability concerns itself with the consistency and accuracy of these performance measures, while validity refers to a researcher’s ability to measure an intended attribute.

Furthermore, there are essentially two purposes to measure program performance: ‘accountability’ or communicating the value of the program to others and ‘program improvement’. When most managers are faced with accountability requirements, they focus on
collecting information or evidence of their program’s accomplishments. Translation, the value added for their customers and the degree to which targeted problems have been solved. However, when managers are orientated more toward program improvement, they find they are able to provide accountability information to stakeholders, as well as make decisions regarding needed improvements to improve the quality of their program and a perceived value to all stakeholders (McLaughlin and Jordan, 1999).

**Enhanced Legitimacy Furthers Interagency Collaboration**

Chen and Graddy (2010, p. 407) cite legitimacy which is defined by Provan et al. (2008) in *Legitimacy Building in Organizational Networks* as “actions and behaviors of a network or an organization that are perceived as desirable and appropriate by key external and internal stakeholders”. Thus, certain lead organizations may seek relationships that enhance their legitimacy (Human and Provan, 2000). When partnerships are formed to enhance organizational legitimacy or reputation (Galaskiewicz et al., 2006), one expects a positive effect on organizational learning and on improved inter-organizational relationships which may lead to increased contributions.

Hence, lead organizations seek to build their collaborative relationships with a respected organization not only to enhance their own reputation and gain greater legitimacy, but also to develop a foundation for future collaboration (Chen and Graddy, 2010). Audiences perceive the legitimate organization as more trustworthy (Suchman, 1995). Organizations that have prior knowledge of each other, or that have similar missions, should be viewed as more trustworthy, and trust typically lowers the transaction costs of partnerships (Valentinov, 2008). The expectation of shared mission may be based on knowledge of a specific partner’s goals and
values, or on more general expectations of the sector within which the organization operates (Chen and Graddy, 2010).

The importance of trust towards other members of a network increases when the value of their own contribution is regarded as high and when the value of an anticipated reward is perceived as significant. Therefore, the trust level towards other members, which serves as an enabler for cooperation, is increased as a result of their organizational legitimacy. Accordingly, the constraint-based systems penalize misbehaving members (Axelrod, 1984). Thus, it stands to reason that member organizations must let go of turf issues and examine how they can collectively meet the needs of the military community they serve while remaining true to their missions (Menefee, 1997).

**Summary**

Collaboration among members breeds new knowledge creation and enhances network value by creating value driven organizations supported by outcome measurement. In turn, a CMCNN helps create a perceived SVAB for all stakeholders by establishing legitimacy, accountability and transparency. Thus, the feeling of trustworthiness being shared among network members, donors and other stakeholders adds immeasurably toward realizing a SVAB which emboldens trust and confidence.

As previously stated by Powell et al (1996), the most compelling rationale for engaging in collaborative relationships indicated by the literature is the advantage an organization accrues by gaining access to complementary areas of expertise, knowledge, skills, technology, or resources that it cannot produce on its own. Most researchers on strategic alliances concur that
the value added benefits from collaboration comes primarily when partners have complementary needs and assets.

In addition, Broussard (2008) mentions that in order to fulfill their missions, nonprofits must adapt and maintain sound business practices that allow them to grow, to continuously improve and measure their success. The optimism over increased long term sustainability helps promote the benefits of network membership by adding a perceived value to the prospects of a healthy double bottom line viewed as both financial and social health.

Along with that, donors are seeking a social return on their investment (SROI) and want to know that networked organizations are using donated funds wisely enhancing the perception of value creation among all stakeholders especially during times of economic uncertainty.

In conclusion, the researcher found that issues relating to Research Question 3 suggesting that charitable contributions from donors may increase if a military-centered nonprofit network could collaboratively demonstrate to stakeholders a perceived SVAB will require further examination by the researcher after conducting the oral survey in Appendix C.
Research Issue 4 - Enhanced Network Value Serves to Attract and Leverage Resources for All Stakeholders

Research Question 4: By increasing value creation for stakeholders could a collaborative military nonprofit network attract and then leverage resources to effectively "expand the resource pie" (more contributions) making it a more positive sum game (win-win) for all stakeholders?

Introduction

Hardy, Phillips and Lawrence (2003) and Powell et al. (1996) note that collaboration not only transfers existing knowledge among organizations, but also facilitates the creation of new knowledge and produce synergistic solutions and can help to pool resources and produce solutions to social problems. Researchers of nonprofit collaborations argue that it is the pooling, leveraging of resources and knowledge that can lead to the solution of otherwise insoluble problems (Trist, 1983).

Hardy et al. (2003) suggest that both involvement and embeddedness are important for knowledge creation. High involvement facilitates the inter-organizational learning necessary to create new knowledge, while embeddedness facilitates the transmission of this knowledge beyond the boundaries of the collaborative relationship distributing value added learning more widely within the CMCNN. Hardy et al. (2003) mention that if the aim is to empower communities and resolve both intractable and ill-defined social problems, then surely the aim should be to leverage available resources and collaborate for knowledge creation.
Interagency Collaboration Creates Value for Stakeholders

Interagency collaboration is based on the premise that value is created both for the organizations and for the clients they serve when different organizations work together. This value may come in many forms, from reduced duplication of services to improved service technologies that treat the needs of clients. Selden, Sowa and Sandfort (2006) cite Bardach’s (1998) book *Getting Agencies to Work Together: The Practice and Theory of Managerial Craftsmanship* who believes the following definition best captures clearly what many view as an interagency collaboration: “Any joint activity by two or more agencies that is intended to increase public value by their working together rather than separately” (As cited by Selden, et al., 2006, p. 422).

Inter-organizational learning can be achieved by transferring existing knowledge from one organization to another organization, as well as by creating completely new knowledge through interaction among the organizations. Both the transfer and creation of knowledge require simultaneous transparency and receptivity at some level among the organizations. Value added inter-organizational learning is therefore a joint outcome of the interacting organizations' choices and abilities to be more or less transparent and receptive (Larsson, et al. (1998).

Develop Learning Communities to Enhance Value Creation

Brown and Duguid (1998) report that a knowledge-based point of view influencing organizational knowledge creation provides a synergistic advantage not replicated in the current nonprofit environment. Thus it is knowledge, not all transaction costs which holds an organization together. While knowledge is often thought to be the property of individuals, a great
deal of knowledge is both produced and held collectively. Such knowledge is readily generated when people work together in the tightly knit groups known as ‘communities of practice’ (Frößler, Rukanova, Higgins, Klein and Tan, 2007). Brown and Duguid (1998) cite Lave and Wenger (1993) who refer to reciprocity as "legitimate peripheral participation." They note people learn by taking up a position on the periphery of skilled practitioners and are allowed to move slowly from lurking on the periphery into what they term ‘the community of practice’ (As cited by Brown and Duguid, 1998, p. 107). The rule of reciprocity resolves problems of collective action and binds communities. It transforms individuals from self-seeking agents with little sense of obligation to others; into members of a community with shared interests, a common identity, and a commitment to the common good (Adler and Kwon, 2002) (See Figure 2).

The organizational knowledge that constitutes "core competency" is more than "know-what," explicit knowledge which may be shared by several. A core competency requires the more elusive "know-how", the particular ability to put “know-what” into practice. Thus, “know-how” is critical in making knowledge actionable and operational. New knowledge is continuously being produced and developed in the different communities of practice existing within an organization. Thus the challenge occurs in evaluating it and moving it (Brown and Duguid, 1998).

To other members within the network, Granovetter (1973) emphasizes the "strength of weak ties," suggesting that it was often people loosely linked to several communities who facilitated the flow of knowledge among them. Kilpatrick, Barrett and Jones (2011) believe that learning communities can be a powerful means of creating and sharing new knowledge. Learning
communities not only facilitate the sharing of knowledge, but have the potential to create new value added knowledge that can be used for the benefit of the community as a whole and/or its individual stakeholders.

Georgopoulos and Tannenbaum (1957) define organizational effectiveness as the extent to which an organization as a social system, given certain resources and means, fulfills its objectives without incapacitating its means and resources. Bolland and Wilson (1994) observed that when organizations providing one type of service refer clients, get information about available services, and otherwise interact with organizations providing different types of services, the interests of multiple-need clients are served more effectively than if such interaction does not occur. This collaborate activity within a CMCNN is the essence of integrative coordination, which would occur in the delivery of services, the building of organizational capacity and the perceived creation of value to stakeholders.

**Develop Measures and Track Social Return on Investment (SROI)**

Tuan (2008) cited Jeremy Nicholls, a Fellow at New Economics Foundation who described his purpose for developing and promoting a social return on investment (SROI) methodology. First, Nicholls suggests a consistent approach to measuring value. A key milestone would be if we could get funders interested in requesting that their funding criteria include using SROI methodology. Nicholls would propose testing assumptions and projections regarding intended social value creation along the way, in order to aid in making course corrections (As cited by Tuan, 2008, p. 8).
Consequently, the drive to develop performance measures consistent with program goals has encouraged more logical and strategic thinking at all levels within government and the nonprofit community. For example, National Performance Review (NPR) has defined performance management as the use of performance measurement information to help set agreed-upon performance goals, allocate and prioritize resources; inform managers to either confirm or change current policy or program directions to meet these goals and report on the success in meeting those goals (National Performance Review, 1995).

Wallace (2011) writes that the Community Foundation for Southern Arizona now awards grants only to coalitions of groups that work together to solve important community problems, not individual organizations. Thus, the intent is to maximize SROI by changing the paradigm encouraging grant makers to seek added value while reducing duplication of effort in providing services while addressing gaps in service coverage. Wallace (2011) goes on to quote one of her sources Ms Sarah Jones, CEO of Emerge Center Against Domestic Violence that: “No one agency can meet any one person’s needs and probably shouldn’t. When you try to start being everything to everybody, often times you water down the quality of what you are providing.”

Douglas (2009) writes that Southwest Florida Community Foundation (SWFLCF) looks for opportunities to collaborate with other funders to leverage their resources for more impact. SWFLCF feels so strongly about the importance of valued collaboration and SROI that they ask their grant applicants to tell them how they are collaborating with other organizations. In fact, a recent program proposal actually requires that organizations partner with multiple nonprofits in order to be eligible for funding.
According to Hager, Galaskiewicz and Larson (2004) the survivability of an organization rests largely in its ability to successfully compete or cooperate (or both) with other provider organizations in what is referred to as its micro-niche space. Social capital theory argues that social networks among both individuals and organizations add value and thus enhance member survival chances because they help actors access resources that otherwise would be unavailable to them.

Thus, organizations that satisfy multiple client needs should not only improve their monetary outcomes but also reduce operational costs through collaboration. Thereby, encouraging efficiency while attempting to solve those complex problems by integrating and coordinating services with other organizations in a more coherent manner (Arya and Lin, 2007; Selden et al., 2006).

**Transforming Knowledge Based Resources into Value Creation**

Sirmon, Hitt and Ireland (2007) offer the following thoughts on transforming resources into value creation. Resource management is a comprehensive process using a firm’s resource portfolio, then bundling those resources to build capabilities, and finally leveraging those capabilities with the purpose of creating and maintaining value for all stakeholders. Value creation is optimized when a firm synchronizes the processes in and between each resource management component such that the net benefit is maximized for all stakeholders. In addition, organizational learning is especially important for the effectiveness and efficiency of resource management under dynamic environmental conditions such as slow economic growth (Sirmon et al., 2007).
The integration and balancing of components to ensure harmony in the process is necessary to create value for stakeholders. Consequently, the need to develop leveraging strategies that match capabilities within the existing economic environment in order to create value for stakeholders, while continuously learning and building upon that knowledge (Sirmon et al., 2007; Powell et al., 1996). Hardy et al. (2003) and Powell et al. (1996) note that collaboration not only transfers existing knowledge among organizations, but also facilitates the creation of new knowledge and produce synergistic solutions which adds value.

Walker and Grossman (1999) note that building the process is the first priority—not a rush to outcomes measurement. The bottom line is getting to outcomes, then measuring them, identifying the benchmarks along the way, and knowing how to influence an entire field are complex issues. A network member’s commitment to specifying and measuring outcomes is only the beginning step in a rigorous, thoughtful process. It is the commitment to that process that is necessary if the “outcomes movement” is to add value and prove useful to a CMCNN.

Menefee (1997) believes that donor organizations will take a leadership role investing only in programs that work. They will demand more accountability from nonprofits regarding the use of resources and the quality of service outcomes. Members of the military nonprofit network would undoubtedly have to achieve outcome goals as a precondition for future funding. The trend toward increased accountability, the infusion of technology, and the emergence of nonprofit networking will eventually force an overall improvement in the effectiveness and efficiency of service delivery within the military community over the long term.
Outcomes Measurement Adds Value by Leveraging Resources

Devita and Fleming (2001) note that the effective allocation and leverage of available resources are keys to the long-term success and value creation within a nonprofit organization. The more people who know about the organization and its work, the more opportunity there is to attract people to the organization as board members, staff, volunteers, clients, or supporters. In short, they help build the organizational relationships (or social capital), that are important to organizational stability.

In addition, Devita and Fleming (2001) note that traditionally nonprofit organizations have used output measures to demonstrate their effectiveness, which tended to be quantitative in nature. However, the trend has been to demonstrate performance outcomes which are more qualitative (Morley, Vinson and Hatry, 2001). Conceptually, organizational outputs and outcomes are the product of the multiple and cumulative interactions of their vision and mission, leadership, resources, and outreach. Unfortunately, many military nonprofit groups have been process driven, not outcome driven, and tend to stress the relational and social capital building aspects of their products, programs, and services, not always the impact of their operations (Devita and Fleming, 2001) (Reference Figure 4).
Kaplan (2001) notes that the topic of accountability and performance measurement has become urgent for nonprofit organizations as they encounter increasing competition from a proliferating number of agencies, all competing for scarce donor, foundation, and government funding. Yet the public performance reports and many internal performance measurement systems of these organizations focus only on financial measures, such as donations, expenditures, and operating expense ratios. Ritchie and Kolodinsky (2003) focused on three performance factors: fiscal performance, fundraising efficiency and public support as derived from the nonprofit’s IRS Form 990 (Reference Table 1).
In contrast, Kaplan notes that success for nonprofits should be measured by how effectively and efficiently they meet the needs of their constituencies (their stakeholders) by creating a value added benefit. For example, the balanced scorecard was developed in the 1990s for the private sector by Kaplan and Norton, and was later amended to address the unique mission of nonprofits (Kaplan, 2001). Indicators used are usually grouped into four perspectives: financial, customer, internal, and learning and growth. These are connected by cause-and-effect relationships that reflect the firm’s strategy (Kaplan, 2001). The researcher modified Kaplan’s original premise by incorporating a strategy component which includes: objectives, measures and action initiatives (See Figure 5).
Along with that, Callen, Klein and Tinkelman (2003) state that literature advocates a multiple constituency approach to understanding nonprofits and has suggested that there is no single organizational or board effectiveness criterion that all stakeholders perceive similarly. For instance, each group measures effectiveness on what is most relevant to it. Connolly (2011) notes that many nonprofits measure how much they do and the cost of that effort; however, they should focus on the impact of their programs which nonprofits must define through the eyes of those they serve and other stakeholders. In addition, organizations can connect with funders and others within the network over time by sharing results at a level that resonates with them in order to inspire long-term sustainability and accountability. Organizations that collect and use high-
quality data from program evaluation and gather key stakeholder input for planning and strategy implementation efforts are significantly more sustainable (build capacity) than those that do not. Thus, membership in a CMCNN would aid in creating value for all stakeholders over the long term.

Foreshadowing the development of the Balanced Scorecard, researchers such as Cameron (1980) and Connolly, Conlon and Deutsch (1980) similarly advocated that multidimensional approaches be used for measuring nonprofit effectiveness. In this way users could access both the organization’s ability to acquire resources and its ability to mobilize those resources to achieve desirable outcomes for stakeholders. Kaplan (2001) also concurs with the need to articulate a multidimensional framework for measuring and managing nonprofit effectiveness. Thus, the balanced scorecard approach provides just such a framework. It also measures value proposition or how the organization creates value for its targeted customers. Strategy and performance measurement need to focus on what output and outcomes the organization intends to achieve, not what programs and initiatives are being implemented. Military nonprofits that would make up the CMCNN should consider an over arching mission objective, for example: *Improve the quality of life of the military community* at the top of their scorecard. Along with that, the four main perspectives of the balanced scorecard will provide the necessary short- to- intermediate range targets and feedback (Kaplan, 2001) (Reference Figure 5).

The balanced scorecard has enabled many nonprofit organizations to bridge the gap between vague mission and strategy statements and day-to-day operational actions. It has facilitated a process by which an organization can achieve strategic focus, avoiding the pitfalls of attempting to be everything to everyone. Subsequently, the balanced scorecard has shifted an
organization’s focus from programs and initiatives to the outcomes or desired impact it wishes to deliver (Kaplan, 2001). Subsequently, Behn (2003) gives obvious reasons for engaging in performance measurement which are to evaluate, control, budget, motivate, promote, celebrate, learn and improve.

**Nonprofits Need to Embrace a Double Bottom Line**

Moore (2000) cites Bryce’s (1992) work from *Financial and Strategic Management for Nonprofit Organizations*, who states the mission defines the value of the organization to society and creates the organization’s purpose. It becomes the metric that is used in judging past performance and assessing future courses of action (As cited by Moore, 2000, p. 190). Hence, Moore (2000) concludes that there are really two bottom lines: mission effectiveness (impact) and financial sustainability; and that nonprofits organizations gain revenues by attracting charitable contributions from those who share their cause by creating value for donors as well as clients.

In addition, Frumkin and Kim (2001) observe that beyond the need to build legitimacy and donor confidence, which underlies the new dual bottom-line movement in the nonprofit sector, there has been much talk which has been previously mentioned surrounding the growing sophistication of philanthropy as evidenced in the expectation of donors that their contributions be well-spent. Thus, nonprofit organizations are actively engaged in courting supporters by signaling the importance of their mission and the efficiency of their operations. As a result, strategic positioning is a critical part of the giving process since it determines what information reaches donors as they make their decisions on where to direct their funds.
Young (2001) notes that as serious competitors for public resources, nonprofits are asked now to measure up to the standards of business by leveraging resources. Funders now talk about accountability and measuring performance and results. As mentioned previously by Young (2001) who cites Paul Light’s (2000) work, nonprofits no longer live in a protected environment in which little was expected in exchange for financial support. Rather, they are asked to demonstrate their impacts on society and their cost-effectiveness by providing a perceived value or SVAB (As cited by Young, 2001, p. 3).

**Expectations Center Around Both Financial and Nonfinancial Measurements**

Drucker’s (1964) program for performance expresses the hope that businesses would become more knowledge organizations making entrepreneurial decisions based on results. According to Som et al. (2010) a learning organization can be viewed as a social system whose organizational members have acquired the processes for continually generating, retaining and leveraging individual and collective learning. Larsson et al. (1998) cite Thomas’ (1979) work titled *Organizational Conflict* suggesting that organizations are likely to learn the most when all choose collaborative learning strategies of high transparency and receptivity (As cited by Larsson et al., 1998, p. 289). As stated previously, there are clear benefits being a member of an inter-organizational network, including being at the leading edge of information, having access to new ideas, happenings in other sectors, professions and organizations (Williams, 2002).

Thus, the multiple constituency model (Connolly et al., 1980) and nonprofit balanced scorecard approach (Kaplan, 2001) both satisfy donor constituency attempts to evaluate organizations on both social and fiscal grounds. Nonprofit donors (and management) quite often focus on financial ratios (Ritchie & Kolodinsky, 2003), because of the widely held beliefs by
influential external observers that such ratios are in fact meaningful metrics in a nonprofit environment (Callen et al., 2003) (Reference Table 1).

Kaplan (2001) and Som et al. (2010) believe that the combination of both financial and non-financial performance indicators provides a holistic approach in evaluating the overall performance of nonprofits. This helps support the thesis that nonprofit organizational effectiveness is multidimensional and will never be reducible to a single measure (Herman and Renz, 1999). Jensen (2001) cites Kaplan and Norton’s 1996 balanced scorecard approach once again as a tool to help managers keep an objective yardstick of evaluation to determine what creates value in their organization by measuring organizational performance from four incorporating perspectives: financial, customer, internal business process, and learning.

**Examining “Expand the Pie” Approach to Network Thinking**

Historically, "win/lose" or "zero-sum" thinking was based on the underlying assumption that there is a fixed pie of value to be divided up among stakeholders principally recipients, board members, staff/volunteers, and donors; so that the interests of major stakeholders must be traded off against one another. However, by adopting an ‘expand the pie’ (win/win) approach to network management individual nonprofits can alter their thinking along several dimensions in an effort to realize an increased SVAB and ultimately a positive-sum outcome over the long term (Dhanaraj and Parkhe, 2006).

Basadur et al. (2000) cite Walton & McKersie’s (1965) work *A Behavioral Theory of Labor Negotiations*, which suggests that problem solving orientations are typically confined to positions along the “Win-Lose Bargaining Line”, the assumption being that a fixed amount of
satisfaction (the pie) is available to be split. Every gain made by one party will result in the identical loss by the other party (zero-sum thinking). Making the pie bigger is cited by Basadur (2000) and references the work of authors Craig & Solomon (1996) titled, *The System of Industrial Relations in Canada*, addressing super-optimization, which is the area to the right of the win-lose line as shown in Figure 6.

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**Figure 6: Zero-Sum Versus Win-Win Thinking (O’Malley, 1998; Basadur et al., 2000)**
Basadur et al. (2000) suggest a little `out of the box' thinking in terms of problem definition as the key to making a perceived `fixed pie' larger, moving beyond what he calls “the shackles of zero-sum, win-lose, compromise thinking.” If a problem can be conceptualized from a new angle in such a way that each party believes its resolution would provide a high level of satisfaction or SVAB, then the parties will be more likely to work together collaboratively (Fisher et al., 1991).

The conceptualization stage is the key to making the pie bigger for a CMCNN. The creative process builds trust and provides a pathway to a collaborative more creative process that is honest, above-board and makes sense to participants because of its simplicity and logical common sense toward expanding the size of the pie (Basadur et al., 2000; O’Malley, 1998). The theory being that in a well-designed value-creation system, almost any transaction can become a win/win or positive-sum game, if it is managed within the context of an appropriately long time frame.

**Securing a Value Added Advantage**

A key element of win/win scenarios is that they are aimed more at creating opportunity than at minimizing costs. By making the entire system more efficient and effective there is an increase in realized/perceived value (Gottlieb, 2012). In other words, if a CMCNN seeks to achieve a "value-adding advantage" now, then military network members are likely to be more successful than their nonprofit competitors in other categories over the long run by establishing a sustainable process of value creation (O’Malley, 1998). Thanks to social media, a proposed CMCNN would be one “virtual” organization formed from several organizations. The focus of a CMCNN is to encourage a win-win relationship by providing more of a social value added
benefit over the long-term, which means operating in the super-optimized area above the bargaining line (Reference Figure 6), thereby creating more value among network members with each contributing particular resources. Thus, participants would achieve a higher level of satisfaction than they believed possible (As cited in Basadur et al., 2000, pp.56-58).

Gottlieb (2012) notes that most organizations are not culturally prepared for win/win thinking through genuine collaboration. This was especially noteworthy when organizations perceive that they are in competition for limited funds with the very organizations they are asked to collaborate with which leads to the question: Whom do you trust? Axelrod (1984) explored this topic by introducing his “TIT FOR TAT” philosophy in his book titled The Evolution of Cooperation. Under what has been termed the Prisoner’s Dilemma, the player has a short-run incentive to defect, but can do better in the long run by developing a pattern of mutual cooperation with the other. Thus, if planning for the long-term…practice reciprocity!

Axelrod (1984) and Ostrom (1998) both identify reciprocity as a key factor in successful collective action. Ostrom (1998) concludes that evidence from laboratory experiments shows that a large proportion of the population in these experiments believes that others will reciprocate, making collective action possible. Trust, which is the hallmark of the military community (Jones, 2010) is a central component of collaboration because it reduces complexity and transaction costs (in the form of opportunism) more quickly than other forms of organization (Ostrom, 1998 and Valentinov, 2008).
Identify and Measure Stakeholder Satisfaction

Jensen (2001) states that stakeholders include all individuals or groups who can substantially affect the welfare of the firm, or whom are affected by the achievement of the organization’s purpose. Stakeholder theory attempts to address the question of which groups of stakeholders deserve or require management’s attention (Freeman and Phillips, 2002) and measurement information. On the other hand, Clarkson (1995) argues that the interests of all legitimate stakeholders have intrinsic value and that no particular interests should dominate those of the others. Consequently, managers must identify their core values and use them as the basis for dealing with all stakeholders in terms of measuring results (Sundaram and Inkpen, 2004).

Jensen (2001) believes that tracking value creation within the organization/network over the long term is the scorecard by which stakeholders will measure success. Clarkson (1995) suggests that "stakeholder satisfaction" should be measured by surveying the representatives of primary stakeholder groups to determine their levels of satisfaction with the value creation of a particular organization/network. Accordingly, Freeman and Phillips (2002) note that stakeholders see the possibility of creating value where others do not. In their view the ability to generate value works because social entrepreneurs and managers have the ability to put together and sustain agreements or relationships among all stakeholders whether external and internal.

The principle of continuous creation (Evan, 2012) says that a nonprofit (run like a business) as an institution can be a source for creating value. Cooperating with stakeholders and motivated by their values, people continuously create new sources of value (Freeman and Phillips, 2002). Tannenbaum (2003) states that aligning the decision-making process to an
organization’s core values helps to focus the organization, increase performance/productivity; and aid in development of a committed workforce (p. 4).

Preble (2005) believes that Freeman’s definition of a stakeholder is particularly important since they can impact whether or not a firm and its managers will achieve their objectives; therefore, stakeholders should be managed instrumentally (more businesslike). Also, setting performance goals and targets with respect to the concerns and expectations of key stakeholders is emerging as an important means for leveraging stakeholder relations within a potential CMCNN in order to bolster a SVAB.

From a stakeholders’ perspective, they assess their relationships with nonprofits based on how well their expectations are met and how they are treated by these organizations (Herman and Renz, 2004). Therefore, nonprofits enhance the likelihood of being perceived as responsive to stakeholder needs and the public interest when they align their organization’s values, missions, and capabilities with the expectations of stakeholders (Balsar and McClusky, 2005). In summary, Herman and Renz (2004) adopt the view that overall nonprofit organizational effectiveness is whatever multiple constituents or stakeholders judge it to be.

McLaughlin and Jordan (1999) state that a logic model can serve as the basis for a convincing story on a program’s expected performance and stakeholder perceptions of how the program will work. This explanation helps clarify the program ‘niche’ and the assumptions on which performance expectations are set. Developing a shared vision of how collectively the network will supposedly work will be a product of persistent discovery and negotiation between and among the different member organizations (stakeholders) within the CMCNN (Reference Figure 7).
Examine Barriers to Outcome Measurement

The lack of inclusion of input from all stakeholders can limit the use of performance management and create barriers to generating support from those stakeholders (Behn, 2003). Therefore, the development and use of logic models, inextricably linked to program evaluation, is a concrete method for addressing some of the barriers to using performance measurement for organizational decision making in nonprofits (McLaughlin & Jordan, 1999; Schalock & Bonham, 2003). Furthermore, logic models can be viewed as a way to operationalize a nonprofit’s theory of change. In addition, logic models such as Figure 7 evolve through monitoring, and therefore allow for stakeholder buy in through feedback that is analyzed and managed by organizational leadership over time (Shalock and Bonham, 2003).

Stone, Bigelow and Crittenden (1999) agree that little exists on how to define and measure performance in nonprofits because of their vague goals, multiple constituencies, and the uncertain relationship between service activities and outcomes (Hatten, 1982; Santos et al., 2001). Also, it is important to note that the practice of performance measurement and management should be iterative and not a linear sequence of steps. There is no consensus concerning the best way to develop performance measures (Santos et al., 2001). Speckbacher (2003) cites Moss et al. (1987) in their work Doing Well While Doing Good: Dilemmas of Performance Measurement in Nonprofit Organizations and the Need for a Multi-Constituency Approach, which concludes that the ideal performance assessment system in a nonprofit organization would acknowledge the existence of multiple constituencies and build measures around all of them.
Taylor (2012) states that as competition among nonprofits increases, nonprofit organizations must rise to the challenge of providing a SVAB by improving accountability and performance measurement in order to survive and grow. Being “business-like” is still not fully embraced, simply because there is a high degree of idealism within the nonprofit sector and reluctance among nonprofit employees to acknowledge that they are involved in competitive market-based activities. Likewise. Lindgren (2001) and Lindenberg (2001) express similar concerns of “goal displacement” when business performance measurement techniques are applied in the nonprofit model.

Plantz, Greenway and Hendricks (2006) add that outcome measurement shifts the focus from activities to results; from how a program operates to the good it accomplishes (Hatry et al., 1996). Therefore, establishing systems for sharing information (via social media, newsletters, emails, webinars, etc.) within the CMCNN about successful efforts and the context in which they were applied would save the network a lot of time and expense while offering particular benefits for military nonprofit organizations (Plantz et al., 1997). Ashworth (2009) notes that multiple studies have shown that collaboration cultivates a strong SROI, adding to the belief that collaboration among mutually compatible organizations brings better value to their stakeholders by leveraging brand-building, marketing and fundraising capabilities with other network members.

**Logic Model Highlights SVAB**

Herranz (2009) suggests that a logic model’s emphasis on developing measurable indicators that are associated with end outcomes helps nonprofit managers to understand and
track their organization’s processes. Consequently, a logic model may be used as a network planning tool to leverage initial outcomes against long-term outcomes and progress toward a desired impact. Therefore, the logic model approach has the potential to create a SVAB by serving as a conceptual tool for developing, managing, and assessing the performance outcomes of a CMCNN and its initiatives (Reference Figure 7).

The logic model serves as the evaluation framework from which all evaluation questions, data collection tools, methodologies, and data analysis are derived. It provides a frame of reference for testing assumptions and having a dialogue about ways to make improvements (Connolly and York, 2002). A logic model provides a way to depict the organizing concept of how a series of measurable processes is expected to result in desired performance outcomes which can lead to a perceived SVAB (Herranz, 2009; and Kaplan and Garrett, 2005).

Evans (2012) recognizes value based management as making decisions that recognize value and benefits within a broader context, continuously seeking out performance standards commonly referred to as best practices, and threading high levels of accountability into all major activities of member nonprofit organizations. Evans (2012) endorses the use of the logic model which can neatly capture cause-effect relationships within the value-chain of a military-centered nonprofit. Therefore, he notes that knowledge should be viewed as an intangible asset, adding value to the social capital of the organization. Finally, he adds that nonprofits should not exhaust every effort on building up cash reserves but instead devote some effort on building “intangible” type assets that often add more value than hard assets.

Mandell and Keast (2008) state that the main purpose or function of a network is to link members and their resources facilitating joint action and learning. In doing so, they leverage
these collective interactions in response to the environment in new and innovative ways. However, there needs to be in some cases a methodology for selecting variables that measure impact on outcomes. Toward this end, there needs to be a collaborating type of network such as the CMCNN which is based on higher levels of trust and reciprocity.

As an example, members participating in the CMCNN could focus on methodologies for measuring one or more of the following: **program-centered outcomes** (reach, participation, satisfaction); **participant-centered outcomes** (knowledge/learning/attitude, behavior, condition/status) **community-centered outcomes** (policy, public health/safety, civic participation, economic, environmental, social); and **organization centered outcomes** (financial, management, governance) (Plantz et al., 1997 and Center for What Works, 2006). Broussard (2008) notes that programs that produce positive measurable outcomes are generally further supported and/or expanded, as there is definitive proof of success. Again, those nonprofits which measure outcomes and who disseminate this information, are generally well regarded and reliable in their communities as providing a SVAB.

Behn (2003) cites Joseph Wholey of the University of Southern California and Kathryn Newcomer of George Washington University who observed that: "...the current focus on performance measurement at all levels of government and in nonprofit organizations reflects citizen demands for evidence of program effectiveness that have been made around the world" (As cited in Behn, 2003, p. 587). Along with that, Taylor (2012) suggests that nonprofits need to make sure they consider their staff’s values and motivations in any endeavor,

Plantz et al. (2006) conclude that the measurement of a program's outcomes, the benefits or results it has for its customers, clients, or participants can and will have a tremendous impact
on nonprofit health and human service organizations in terms of program improvement and donor contributions. As Hatry et al. (1996) state, outcome measurement shifts the focus from activities to results; from how a program operates to the good it accomplishes (Hatry et al., 1996). Stated another way, “…outputs are about the program, while outcomes are about the participants.” (Plantz, Greenway and Hendricks, 1997, p. 17)

Thus outcomes are benefits or changes in participants' knowledge, attitudes, values, skills, behavior, condition or status. The most important reason for implementing outcome measurement is that it helps programs improve services and helps provide proof of a SVAB. In turn, funders can help agencies by providing an outside perspective on the reasonableness of agencies' outcome measurement plans. In judging outcome findings, the best comparison for a program is itself: *Is the program improving? Is it learning from earlier outcome findings, making adjustments, and having better results?* (Hatry et al., 1996)

Saul (2003) notes that it is also critical to more efficiently manage funder expectations. Putting performance measurement capabilities into the hands of nonprofits offers them the ability to articulate and track their own goals and then work collaboratively with funders and network members to produce information that is mutually valuable. Performance measurement should be introduced for what it is: a tool to help individual organizations manage better and improve results (Saul, 2003). Powell et al. (1996) cite Lester Thurow’s (1980) book *The Zero-Sum Society* in which he mentions that competition is no longer seen as a game with a zero sum outcome, but as a positive-sum relationship in which new mechanisms for providing resources develop behind advances in knowledge (As cited in Powell et al., 1996, p. 143) to expand the resource pie, which tends to support the formation of a CMCNN.
Currently, most nonprofit agencies are working on some form of outcome measurement in relative isolation, but it makes little sense for every program to be starting from scratch. Therefore, establishing systems for sharing information within the CMCNN about successful efforts and the context in which they were applied will save members a lot of time and expense, offering particular benefit for other military nonprofit organizations operating on the periphery as well (Plantz et al., 1997).

**Summary**

If a collaborative network can lead to the creation and transfer of new knowledge, these knowledge communities will endeavor to seek a social return on investment (SROI) by attempting to measure the value of knowledge based resources. In addition, outcomes measurement adds value by leveraging this new knowledge and creating what Dhanaraj and Parkhe (2006) call an ‘expand the pie’ approach to network thinking. In so doing, the resource pie expands creating a “positive-sum” game, compared to going it alone as an individual charity which typically results in a “zero-sum” game overall (Basadur et al., 2000; O’Malley, 1998).

Hence, as Fisher et al. (1991) suggest, if a problem can be conceptualized from a new angle in such a way that each party believes its resolution would provide a high level of satisfaction or SVAB, then the parties will be more likely to work together collaboratively.

McLaughlin and Jordan (1999) state that a logic model can serve as the basis for a convincing story on a program’s expected performance and stakeholder perceptions of how the program will work. Along with that, Herranz (2009) suggests that a logic model’s emphasis on
developing measurable indicators that are associated with end outcomes helps nonprofit managers to understand and track their organization’s processes.

Taylor (2012) concludes that as competition among nonprofits increases, nonprofit organizations must rise to the challenge of providing a SVAB by improving accountability and performance measurement in order to survive and grow. Thus, the demand for increased accountability and transparency helps to strengthen a SVAB for all stakeholders including donors by enhancing the perception of value creation among potential network members.

In developing a network strategy for identifying, tracking and evaluating long term mission impact, it helps promote the benefits of network membership by adding a perceived value to the prospects of a healthy double bottom line taking into account a nonprofits financial and social health.

Members of the military charity network would undoubtedly have to achieve outcome goals as a precondition for future funding. The trend toward increased accountability, the infusion of technology, and the emergence of nonprofit networking will eventually force an overall improvement in the effectiveness and efficiency of service delivery within the military community over the long term.

In conclusion, the researcher found that issues relating to Research Question 4 suggesting that by increasing value creation for stakeholders a collaborative military nonprofit network could attract and then leverage resources to effectively "expand the resource pie" (more contributions) making it a more positive sum game (win-win) for all stakeholders will require further examination by the researcher after conducting the oral survey in Appendix C.
Research Issue 5 - Aligning Stakeholder Expectations to Build Capacity

Research Question 5: Could a more positive sum game aimed at building capacity lead to long-term sustainability, greater mission impact and increased donor contributions?

Introduction

Connolly (2001) notes that “capacity building” refers to activities that strengthen an organization and help it better fulfill its mission. Capacity building can occur in virtually every aspect of an organization, including programs, management, operations, technology, human resources, governance, financial management, fund development, and communications.

In addition, Collins (1998) believes that by measuring outcomes, nonprofits gain a barometer to guide management, motivate staff and focus the organization's mission. Having accessible outcomes data also improves the organization's capacity to fundraise and advocate on behalf of its mission and clients. Donors increasingly expect nonprofit organizations to demonstrate their effectiveness. As a result, many accreditation bodies require a periodic review of program outcomes.

In his online article Collins (1998) cites David Garvin who describes a ‘learning organization’ as one skilled at "creating, acquiring, and transferring knowledge, and at modifying its behavior to reflect new knowledge and insights." Based on our dependence on the information age, a computerized outcomes measurement system is critical in aiding CMCNN to collect, sort and aggregate the results of a member organization's programs, thus allowing for the better dissemination of information to network members.
Building organizational capacity within the proposed CMCNN adds value and helps to reassure all stakeholders that network members are focused on their mission, leadership, resources, outreach and the services they provide especially during times of economic uncertainty. In addition, there is the belief that a perceived social added benefit would allow a CMCNN to attract and leverage resources and effectively expand the resource pie allowing for increased contributions making it a more positive sum game [or win-win] for all stakeholders thus improving an organization’s double bottom line.

**Establishing a Set of Common Core Values**

The first step in building network capacity begins with aligning stakeholder expectations with a set of common core values. Argandona (1998) cites Freeman’s 1984 work *Strategic Management: A Stakeholder Approach* stating that stakeholders are any group or individual who may affect or be affected by the obtainment of the company’s goals (As cited by Argandona, 1998, p. 1098). However, Argandona (1998) and Mitchell et al. (1997) raise the question: *Why should stakeholders' views be taken into account in the company’s decision-making?* Answer: Because they “affect” (or may affect) the company’s performance, now or at any point in the future. This is what Argandona concludes is the theory behind ‘the common good’ of the organization and its stakeholders, as well as for society as a whole.

Kraatz (1998) notes that the breadth and heterogeneity of an organization's social ties ("whom it knows") may determine its access to different sorts of information, thus affecting its ability to recognize and respond to environmental threats. The ‘strength of weak ties’ perspective (Granovetter, 1973) indicates that the primary function of networks is to enhance an organizations' access to information from the larger environment in order to build capacity.
Stakeholders assess their relationships with nonprofits based on how well their expectations are being met (Herman and Renz, 2004). Thus by aligning the expectations of stakeholders with one’s own values, missions, and capabilities, a nonprofit enhances the likelihood of being perceived as responsive to stakeholder needs and the public interest, and therefore an effective organization (Balsar and McClusky, 2005).

In a different light, Seashore and Yuchtman (1967) define the effectiveness of an organization as “its ability to exploit its environments in the acquisition of scarce and valued resources to sustain its functioning.” However, their ability to exploit the organization's environment to the maximum cannot be encouraged in the short run in favor of reducing its long-run potential for favorable transactions.

Gill et al. (2005) believe that assessing one’s own board and evaluating its organizational performance is important in demonstrating accountability and generating public trust and a key enabler of success (Artley, Ellison and Kennedy, 2001). The ability of a nonprofit to deliver on this trust requires transparency. Transparency allows the constituent to easily ascertain that the nonprofit is doing what it is suppose to do (Evans, 2012). Also, Gill et al. (2005) cite Cutt and Murray’s 2005 book, Accountability and Effectiveness Evaluation in Non-Profit Organizations in stating that outcomes evaluation is essential to accountability (As cited by Gill et al., 2005, p. 4).

Recognizing that an organization is composed of multiple stakeholders, a multiple constituency model as suggested by Herman and Renz (1999) would emphasize that an individual and groups of individuals may form evaluations of a nonprofit’s activities, and may be able to influence the activities of that organization with each using different criteria to evaluate
that nonprofit’s effectiveness. For example, retired military and veterans serving as prominent stakeholders have significant influence over the criteria used to evaluate military nonprofits and can focus on the criteria and impressions they deem most relevant to a majority of their stakeholders (Mistry, 2007). On grounds both of conceptual clarity and empirical evidence, the multiple-constituency approach appears to provide a more systematic approach aimed at defining effectiveness and building capacity over the long run (Connolly et al., 1980).

Herman and Renz (2004) adopt the view that overall nonprofit organizational effectiveness is whatever multiple constituents or stakeholders judge it to be. This becomes a challenge when you consider that many military nonprofit organizations have multiple constituencies to deal with such as recipients, staffs, funders, licensing and accrediting bodies, boards of directors, and vendors. Consequently, it is no surprise that a growing number of stakeholders believe that investing in capacity building helps leverage the impact of their philanthropic resources (Connolly and York, 2002). Tsui (1984) states every organization must discover and continually seek to improve its practices and be consistent with its values, mission and stakeholders’ expectations without adding to their costs (Gose, 2011). Also, experts advise that an organization needs to be clear about their strengths. In other words, what will your nonprofit bring to the CMCNN, and what are the other member’s strengths? By collaborating, nonprofits offer a more complete set of services along with a perceived SVAB that might make their pitches to donors more likely to succeed (Bridgespan Group, 2012).

**Promoting Transparency and Accountability Leads to a SVAB**

Hatry et al. (1996) believe that organizations need to provide more transparency and accountability into how they operate while building and strengthening relationships. Although
improved accountability has been a major force behind the move to outcome measurement, there is an even more important reason: To help programs improve services. Outcome measurement provides a learning loop that feeds information back into programs on how well they are doing. It offers findings that members of a CMCNN can use to adapt, improve, and become more effective as they build capacity (Hatry et al., 1996).

Ebrahim (2005) believes that a central challenge for nonprofits is to find a balance or a mix between mechanisms that respond to the upward accountability concerns of donors and those that meet the needs of staff and constituents, while also leading to positive changes in organizational behavior. Stakeholders need to reconsider the balance between reporting systems designed for short-term accountability and those that can enable longer-term change through organizational learning. This means that improving accountability is not only about accounting for donor funds but also about making progress toward a mission that reflects accountability to all stakeholders, which would include other CMCNN members.

Outcome measures impart a sense of focus and businesslike competence on the part of a nonprofit, which can be enormously comforting to donors who want to make sure that their charitable dollars are being used in the most efficient and effective manner possible. Nonprofits that have adopted and implemented effective systems of performance measures will be well positioned to take advantage of this trend toward accountability over the long term (Speckbacher, 2003). What’s more, if an effective measurement system is not implemented, public trust in nonprofit organizations is bound to be lost (Herzlinger, 1996). An organization is said to have a competitive advantage when it is implementing a value creating strategy not simultaneously being implemented by current or potential competitors seeking donations (Gill et al., 2005).
Moore (2000) cites Oster (1995) the author of Strategic Management for Nonprofit Organizations: Theory and Cases who agrees that the principal value delivered by the nonprofit sector is the achievement of its social purposes and the satisfaction of the donors’ desires to contribute to the cause that the organization embodies (As cited by Moore, 2000, p. 186). As previously mentioned Moore (2000) cites Bryce’s (1992) work emphasizing that mission defines the value of the organization to society and creates the organization’s purpose. It becomes the metric that is used in judging past performance and assessing future courses of action (As cited by Moore, 2000, p. 190). Moore (2000) goes on to cite Oster (1995) again stating that what contributors get in exchange is not necessarily a financial return, it is instead the satisfaction that comes from aligning themselves with, and contributing toward, an effort to achieve a large public purpose for which there is no readily sustainable market (As cited by Moore, 2000, p. 194). Thus, nonprofit organizations can gain more revenues by attracting charitable contributions from those who share their cause, thus expanding the resource pie toward a more positive sum game.

However, Moore (2000) notes that one can reasonably argue that nonprofit organizations create value for society in ways other than achieving their mission. Individual satisfaction (or utility) may be generated in the lives of donors through their gift giving. If this is true, then value is created at the upstream end of the organization’s work as well as at the downstream end. Thus the encounter with donors is value creating, as is the encounter with clients.

Zajac and Olsen (1993) look at the transaction value approach, by examining the processes by which joint value is created and claimed. They view exchange partners in inter-organizational strategies as primarily concerned with how to estimate a SVAB over the long term.
and how that value is distributed between exchange partners over time as the resource pie is given a chance to expand.

Samples and Austin (2009) cite Forbes’ (1998) *Measuring the Unmeasurable: Empirical Studies of Nonprofit Organization Effectiveness from 1977 to 1997* which states that for nonprofits to successfully acquire external funding, maintain government support, retain competent staff and/or address the outcomes relevant to community stakeholders, they need to continuously improve their ability to measure results and build capacity in order to make decisions that lead to long-term sustainability (As cited by Samples and Austin, 2009, p. 4). A Benchmarking Study Report (1997) notes that performance measures should be limited to those that relate to strategic organizational goals and objectives, which provide timely, relevant, and concise information for use by decision makers at all levels to assess progress toward achieving predetermined goals aimed at making an impact and building capacity.

Saul (2003) observes that nonprofit professionals are seeking more relevant and cost-effective ways to track and measure results. Compounding this is the pressure on nonprofits from a variety of funders to demonstrate results, who themselves are under renewed scrutiny to be accountable and to maximize the impact of their social investments (Hatry et al., 1996). A practical step might be to improve nonprofit capacity (to articulate outcomes and measures), create better tools (to track data) and develop common standards (to interpret and compare performance with similar programs). The increased competition for limited funds is also driving practitioners to more convincingly demonstrate their organization’s results. Again, it becomes clear that the role of fundraising has fundamentally changed from contacting funders to
convincing funders that one’s organization is the most effective at addressing or solving a particular problem (Saul, 2003).

**Stay Responsive to Stakeholder Concerns**

Mistry (2007) notes that nonprofit organizations evaluate effectiveness to demonstrate a SVAB to stakeholders, thereby renewing legitimacy, establishing credibility, ensuring survival, and to give feedback to staff and volunteers about the impact of their contributions (Himmelman, 2001). By cultivating relationships with stakeholders it helps facilitate the CMCNN’s ability to be responsive to stakeholder concerns (Balsar and McClusky, 2005), which would be recognized as best practices in the nonprofit sector (Drucker, 1990).

Thus, the question of whose preferences should be satisfied at a given time is transformed into how divergent preferences can be satisfied over the long run by building capacity. Thus the emphasis of the CMCNN model is on the continual process of becoming effective rather than on being effective, because the substantive definition of effective organizational performance continually changes (Zammuto, 1984).

Tsui (1984) and Herman and Renz (1999) have proposed that stakeholder responsiveness should be the basic criterion of effectiveness, both for individual managers and for organizations. As mentioned previously, there are essentially two main purposes in measuring outcome performance: accountability and program improvement (Walker and Grossman, 1999). Menefee (1997) believes that foundations will demand more accountability from nonprofits regarding the use of resources and quality of service outcomes. Subsequently, members of a military nonprofit will undoubtedly have to achieve outcome goals as a precondition for future funding.
Easterling (2000) mentions that grants are seen less and less as gifts or contributions, but seen more and more as investments. Moreover, donor foundations operating under this new paradigm are much more impressed with outcome evaluation (i.e. an objective assessment of the actual effects of the funded program on the target population). Understandably, measuring outcomes and impacts is often tedious if not impossible over the long term. Subsequently, the issue of latency can be addressed to some extent by measuring shorter term outcomes (e.g., increases in knowledge, new skills) that hopefully will serve as proxies for the ultimate long-term outcome of a social program. In addition, logic models help connect the shorter term and longer term outcomes together in a chain of causality (Easterling, 2000).

Hatry (2002) cautions that making a precise calculation of future outcomes is usually quite difficult and signals the need to recognize performance partnerships. Thus, within a CMCNN, outcomes, outcome measurement procedures and outcome targets could be jointly established by network members helping to promote a perceived SVAB for all stakeholders. Bolland and Wilson (1994) observed that when organizations providing one type of service refer clients, get information about available services, and otherwise interact with organizations providing different types of services, the interests of multiple-need clients are better served and more effective than if such interaction does not occur.

**Leveraging Resources Leads to Increased Mission Effectiveness**

In terms of defining an effective organization, Connolly (2001) believes that most mature and well run nonprofits exhibit the following characteristics:

- a vital mission
- high-quality, well-regarded, relevant programs
- capable and motivated leadership, management, and staff
- clear communications and accountability
• a well-organized board with able and involved members
• efficient operations and strong management support systems
• solid finances, with reliable and diverse revenue streams

In an effort to define nonprofit effectiveness Balsar and McClusky (2005) cite Forbes’ (1998) article titled *Measuring the Unmeasurable: Empirical Studies of Nonprofit Organization Effectiveness from 1977 to 1997*. The article concluded that organizational effectiveness is a negotiated outcome derived from repeated interactions between organizational actors and their environments (As cited by Balsar and McClusky, 2005, p.298). Thus, it helps to leverage an organization’s ability to be responsive to stakeholder concerns by cultivating relationships with all stakeholders (Balsar and McClusky, 2005). Adhering to mission and cultivating stakeholder relationships are recognized again as best practices in the nonprofit sector (Drucker, 1990).

Stone and Ostrower (2007) cite Herman and Renz (1997) article titled *Multiple Constituencies and the Social Construction of Nonprofit Organization Effectiveness* which found that executives, board members, and funders all believed that board effectiveness was the most important determinant of what they perceived as organizational effectiveness (As cited by Stone and Ostrower, 2007, p. 422). According to Drucker (1990), many of the responsibilities of an effective board, which were first articulated for the business sector more than two decades ago, are equally relevant for the nonprofit sector today. Leaders of nonprofit organizations are responsible for the mission, it comes first. Focus on the mission leads to performance through planning, involvement in the organization, and clear accountability for the organization (Green and Griesinger, 1996).

The idea of outcomes assessment is that program outcomes are stated in specific, measurable terms and that these indicators of outcomes are consistently tracked. In that respect,
leaders must regard effectiveness in terms of response to the needs and expectations of their stakeholders. According to Speckbacher (2003) the modern stakeholder view of service evaluation portrays nonprofits as “a combination of mutually specialized assets and people” that are expected to build capacity and provide some form of return on investment” (p. 274). Also, the complexity of using stakeholder input as a measure for performance is further complicated by the weight each stakeholder holds within nonprofits. Hatry (2002) summarizes the task facing nonprofit performance management by proposing that nonprofits should:

“Identify the specific outcomes sought, the associated indicators against which progress will be measured, and the latest available data on the current values for each of these indicators”. (pg. 353)

With regard to CMCNN, Gill et al. (2005) state that organizational effectiveness measures can fulfill stakeholders’ expectations by demonstrating high standards of professionalism and accountability; communicating well with outside stakeholders within the military community and by adapting to the network’s changing needs. On the other hand, Gill et al. (2005) believe the simpler and more subjective approaches to gauging organizational effectiveness have more typically been used by funders. These may include assessing the demand for and use of a military organization’s services (member or client enrollment and participation); demand for services; public visibility; references to the importance of their projects or their organization; reputation in the public and key constituencies; clarity of objectives; past track record; and positive relationships between funders and the organization.

Sawhill and Williamson (2001) also note that the success of a system of nonprofit measures is directly proportional to its simplicity and clarity in expressing organizational
progress which is a worthy objective for any military nonprofit. They believe that measures of success can serve as powerful marketing tools for building capacity in nonprofit organizations and especially in a CMCNN.

Only with outcome measures can managers answer either an effectiveness or efficiency question: *Did the nonprofit achieve the results it set out to produce? Did this nonprofit produce these results in a cost-effective way?* In addition, managers also need to ask the impact question (Behn, 2003): *What did the nonprofit itself accomplish? What is the difference between the actual outcomes and the outcomes that would have occurred if an organization had not acted?*

**Expanding Organizational Capacity Helps Articulate SVAB**

Devita and Fleming (2001) defines capacity building as the ability of nonprofit organizations to fulfill their missions in an effective manner. A strong mission orientation is a distinguishing characteristic of the nonprofit sector and a motivating force for many military nonprofit organizations to effectively collaborate in forming a CMCNN. However, to be effective players, military nonprofit organizations must build and sustain financial and political capacity. As mentioned previously, nonprofit capacity building consists of five common components found in all organizations and intermediary structures: *vision and mission, leadership, resources, outreach, products and services* (Reference Figure 4).

As suggested by the direction of the arrows, these five factors are interrelated and mutually dependent on one another. While some military nonprofit organizations engage in some type of networking or sharing of information, how actively they pursue this goal of forming a
network such as a CMCNN, and with whom they seek external contacts may vary depending on their overall vision and mission toward assisting members of the military community.

Kreiner and Schultz (1993) support the premise that an increased SVAB can be created due to the cross-fertilization of ideas, expertise, and differing perspectives. Enabling people to link special interests, share information and diverse expertise, and incorporate various skills and levels of experience (Connolly and York, 2002). Also, Thomson and Perry (2006) add that collaboration is the act or process of “shared creation” or discovery. A military network’s exposure to new ideas and mentoring are among the secondary benefits of regular intergroup involvement (Advantages of Building Collaborations, 1994). By adopting an ‘expand the pie’ strategy, a military charity network can expand their collective interests more broadly to include the interests of all stakeholders so a SVAB can materialize for member organizations over time. Thus member organizations of a CMCNN can easily adapt and maintain their own distinct identities and organizational authority separate from the collaborative identity (Thomson and Perry, 2006).

As mentioned previously, trust is the hallmark of the military community (Jones, 2010) and is a central component of collaboration because it reduces complexity and transaction costs more quickly (Ostrom, 1998 and Valentinov, 2008). According to Newell and Swan (2000) trust is considered to be the key to effective networking arrangements for innovation involving the creation and diffusion of knowledge toward building capacity. In addition, the trust level towards other members, which is used as an enabler for cooperation, is increased even more as a result of their correct behavior, while constraint-based systems eventually penalize misbehaviors (Axelrod, 1984).
Van Alstyne (1997) discusses a value adding collaborative partnership as consisting of sharing knowledge and organizational “know how” through information management to create value. Lasker et al. (2001) state that by leveraging the individual perspectives, resources, and skills of the partners, a collaborative group creates something new and valuable together, a whole that is greater than the sum of its individual parts. Martin et al. (1983) report that service integration as a strategy for collaborative service delivery reduces duplication, improves coordination, minimizes costs, and improves responsiveness and effectiveness. Legler and Reischl (2003) add that one of the essential elements related to a successful inter-organizational collaboration begins first with diversity of stakeholders and a belief that their participation in the coalition such as a CMCNN will leverage resources and result in positive outcomes, along with enhanced survivability (Hager et al., 2004) and a perceived SVAB.

Innes and Booher (2003) note that the most effective collaborations build their own capacity by tracking outcomes they are producing and by providing this information back to participants to enhance their learning process. Collaborative networks that do these things are recognized and respected in their communities, which in turns increases their capacity (Booher and Innes, 2002). Huxham and Vaugen (2000) state that organizational networks aim to gain collaborative advantage by achieving outcomes that could not be reached by any of the organizations acting alone. According to Huxham and Macdonald (1992), collaborative advantage involves developing synergy among organizational members toward the achievement of common goals. Thus a network like the CMCNN that satisfies multiple client needs should be in a position to reap increased contributions, lower operational costs, and improve stakeholder’s perception of a SVAB. Thereby encouraging efficiency at solving complex client problems by integrating and coordinating services with other member organizations in a more coherent
manner (Arya and Lin, 2007; Selden et al., 2006). Also, having an appropriate cross-section of members is most frequently mentioned as a success factor by Huxham and MacDonald (1992), all of which helps promote value to stakeholders.

Newell and Swan (2000) believe that knowledge confers an ability to recognize the value of new information, assimilate it, and apply it to accomplishing one’s mission. These abilities collectively constitute what Cohen and Levinthal (1990) call a firm's absorptive capacity, which once again refers not only to the acquisition or assimilation of information by an organization but also to the organization's ability to exploit it. Cohen and Levinthal (1990) cite Herbert Simon’s 1985 work *What We Know about the Creative Process* in which Simon points out that diverse knowledge structures coexisting in the same mindset elicit the sort of learning and problem solving that yields innovation (As cited by Cohen and Levinthal, 1990, p.133).

Provan et al. (2003) state that only through collaboration can human capital, social capital, and organizational resources be brought together in ways that are likely to have a meaningful impact on the military community’s health and well-being. Furthermore, they argue that the ultimate success of a network must be judged in terms of the impact it has had on such outcomes as mission effectiveness and building service capacity. For example, Provan et al. (2003) suggest that client referrals represent an important form of network involvement and are a good indicator of the building of community capacity. In addition, it is an important way for organizations to cooperate with one another because referrals involve the actual provision of services to clients. Another indicator of success is the strength of multiple ongoing relationships between organizations. When multiple ties are present, the loss of one type of tie (e.g. shared
information) has less impact on the network because one or more other types of ties (e.g., referrals) remain in effect, allowing the relationship to continue. Thus, lost ties can more readily be rebuilt because these organizations continue to work together (Provan et al., 2003).

With respect to learning theory, Freeman’s 1994 book *Ethical Theory and Business* is cited by Barringer and Harrison (2000, p. 376), which shows that the number of alliances that a firm participates in (i.e., degree of connectivity, density) and the extent to which a firm can place itself in the center of a network of relationships (i.e., degree of centrality) have a bearing on the degree of learning that results toward building capacity. Add to that, Cohen and Levinthal (1990, p. 128) definition of absorptive capacity as a firm's ability "to recognize the value of new, external knowledge, assimilate it, and apply it.”

Thus, it becomes more apparent that we need to create a culture of accountability and transparency to ensure that an individual organization and fellow network members do in fact create value (a SVAB) for their stakeholders. In addition, Gill et al. (2005) believe that the assessment of board performance is essential for demonstrating accountability and generating public trust. After all, when people give of their time and/or money, they are saying this: “I trust and believe in what the military nonprofit is doing.” The ability of a nonprofit to deliver on this trust requires transparency. Transparency allows the constituent to easily ascertain that the network member is doing what it is suppose to do (Evans, 2012).

**The Value of the Inter-organizational Network**

Benson (1975) identifies the inter-organizational network as a unit which consists of a number of distinguishable organizations having a significant amount of interaction with each
other. They may be linked directly or indirectly. The inter-organizational network proposed in this research study can be viewed as an emergent phenomenon. Cohen (2011) states that collaboration requires leaders who listen and adapt, and who encourage others inside and outside their organizations to lead, learn and grow in order to continue building capacity.

Tsui (1984) states that organizations must discover and continually seek to improve their practices consistent with their values, mission and stakeholder expectations as they build capacity. Gose (2011) observes that many of the charities that are collaborating today are doing so as a way to increase their reach without adding to their costs. Experts advise that an organization needs to be clear about their strengths. In other words, what will a military nonprofit bring to the proposed CMCNN, and what will be provided by other members? By collaborating, military nonprofits can offer a more complete set of valued services that might make their pitches to donors more likely to succeed according to the Bridgespan Group (2012), which is a nonprofit consulting firm out of Boston.

Connolly and York (2002) cite the Grantmakers for Effective Organizations and Grantmakers Evaluation Network. (2000), a Report from 2000 GEN – GEO Conference which specifically addressed the question: What makes a nonprofit organization effective? According to them, it is the “ability of an organization to fulfill its mission through a blend of sound management…and a persistent rededication to achieving results” (As cited by Connolly and York, 2002, p. 33). Thus, it is no surprise that a growing number of grantmakers and other stakeholders believe that investing in organizational capacity building helps leverage the impact of their philanthropic resources (Connolly and York, 2002).
Collaborations are often preferred vehicles for intergroup action because they preserve the autonomy of member organizations while providing the necessary structure for unified effort. A collaborative military network would enable people to link special interests, share information and diverse expertise, and incorporate various skills and levels of experience (Connolly and York, 2002). This would allow groups who are at different stages of their own internal development to have an equal say, thus enabling tangible benefits to accrue from collaboration. For example, organizations can build capacity by continuing to focus on what they do best and preserve their own resources while relying on others for related tasks and expertise (Advantages of Building Collaborations, 1994).

Thomson and Perry (2006) remind us again that collaboration is the act or process of “shared creation” or discovery, which involves the creation of new value by doing something new or different. Organizations can develop a greater understanding of client and community needs and existing resources by seeing the whole picture. A network’s exposure to new ideas and mentoring are among the secondary benefits of regular intergroup involvement (Advantages of Building Collaborations, 1994).

Lasker et al. (2001) agree that by combining the individual perspectives, resources, and skills of the partners, a collaborative group creates something new and valuable together, a whole that is greater than the sum of its individual parts. Thus informational synergy is manifested in the thinking and actions that result from collaboration, and also in the relationship of partnerships to the broader military community.

To maximize synergy and keep partners engaged organizations need to be efficient by making the best use of what each partner has to offer. Factors influencing successful
collaborative behavior: trust, respect among partners, and effective communication strategies and mechanisms to coordinate member activities help facilitate synergistic thinking and action. The assumption being that collaboration is more effective than efforts carried out by a single entity (Lasker et al., 2001).

Bryson, Crosby, and Stone (2006) cite Barbara Gray’s (1989) *Collaborating: Finding Common Ground for Multiparty Problems* by stating that a legitimate network can facilitate collaboration formation. Adding to that, Bryson et al. (2006) and Give an Hour (2013) who introduce cross-sector collaboration as the linking or sharing of information, resources, activities and capabilities by organizations in two or more sectors to achieve jointly an outcome that could not be achieved by organizations in one sector separately. The role of prior relationships or existing networks is important because it is often through these networks that partners judge the trustworthiness of other partners and the legitimacy of key stakeholders (Jones et al., 1997; Ring and Van de Ven 1994).

**Summary**

By aligning stakeholder expectations in an effort to build capacity a more positive sum game surfaces. The result being that organizational effectiveness is better defined by leveraging network resources. Consequently, a shared SVAB emerges by promoting transparency and accountability within the membership. Capacity building is a process and over time it strengthens a military nonprofit’s ability to fulfill its mission and can enhance the overall network as it strives to positively impact the military community (Connolly, 2001). Thus, expanding organizational capacity helps articulate the value of network benefits.
Gulati and Gargiulo (1999) note that organizations create ties to manage uncertain environments and to satisfy resource needs; therefore, they enter into collaborative endeavors with other organizations that have resources and capabilities that can help them cope with these exogenous constraints. Grega, Scott and Pacyna (2007) believe that collaborative behavior is encouraged by a belief shared by users that by undertaking joint activities they will be able to reach their objective in a more efficient way than by acting alone. Along those lines, the demand for increased accountability and transparency helps to strengthen a SVAB for all stakeholders including donors by enhancing the perception of value creation among potential network members.

Strategic leadership means collaborating and competing strategically. Organizations must examine how they can expand capacity and collectively meet the needs of the overall military community while remaining focused on accomplishing their individual missions (Menefee, 1997). In terms of reciprocity, behavior patterns share the common ingredients that individuals tend to react to the positive actions of others with positive responses, and to the negative actions of others with negative responses. Reciprocity is a basic norm taught in all societies (Ostrom, 1998; Axelrod, 1984) and will be a key factor toward building network capacity in the proposed CMCNN.

In conclusion, the researcher found that issues relating to Research Question 5 suggesting that a more positive sum game aimed at building capacity can lead to long term sustainability; greater mission impact and increased donor contributions will require further examination by the researcher after conducting the oral survey in Appendix C.
III. Methodology and Research Approach

This chapter describes the methodology employed in this research study identifying the survey approach used in data collection to address the following research questions:

1. Can the core values of cohesive military institutions serve as the cultural thrust for establishment of an informal collaborative military centered nonprofit network (CMCNN)?

2. Can an informal collaborative military-centered nonprofit network seeking to improve long term sustainability, build capacity and enhance mission impact provide a perceived SVAB to stakeholders?

3. Would charitable contributions from donors increase if a military-centered nonprofit network could collaboratively demonstrate to stakeholders a perceived SVAB?

4. By increasing value creation for stakeholders could a collaborative military nonprofit network attract and then leverage resources to effectively "expand the resource pie" (more contributions) making it a more positive sum game (win-win) for all stakeholders?

5. Could a more positive sum game aimed at building capacity lead to long-term sustainability, greater mission impact and increased donor contributions?

In addition, this chapter provides information on the research design, survey methodology employed, units of analysis, and addresses internal and external validity, reliability and the limitations of this research study.
Research Design

In an effort to explore the phenomenon behind advocating the creation of an informal collaborative military-centered nonprofit network (i.e. embodied with similar military core values) aimed at providing legitimacy and a perceived social value added benefit (SVAB), the researcher elected to utilize a qualitative model typically employed in exploratory research when little is known about a phenomenon and a researcher wants to study different people’s experiences and perspectives. It is also used to go deeper into issues of interest when variables to study have not been previously explored in significant depth. Thus, since the subject matter contained in this research study is somewhat complex and can be viewed from multiple perspectives a qualitative research design seemed the best methodology in interpreting the collaborative military nonprofit network phenomenon, where this study relies on the views of both academia and practitioners. What’s more, it helps draw attention to areas that may require additional research.

The researcher determined that the research issues he was going to explore would ultimately focus on the opinions, attitudes, and perceptions of individual practitioners; thus, an oral interview survey approach seemed to be the best method of data collection. Manheim, Rich, Willnat and Brians (2006) suggest using intensive interview techniques to gain an in-depth understanding of a phenomenon and discover certain aspects of that phenomenon that the researcher might not be aware of or anticipate. An upside to this survey approach is an opportunity for the researcher to better understand what the respondent perceives as important and relevant to the research study treating information retrieved from each respondent as data and not necessarily as factual information.
Furthermore, the researcher felt it was important to remain flexible in adjusting to different research subjects allowing data collection methods to be better attuned as the research progresses. Also, it provides an excellent opportunity to see the world from the other person’s point of view. Finally, the researcher acknowledges that what people say and do is a product of how they see and interpret the world around them. According to Patton and Cochran (2002), qualitative methods aim to understand the what, how and why of a phenomenon.

In addition, the researcher has combined elements of case study methodology in conjunction with an oral survey instrument as part of his research strategy geared toward examining the inherent benefits of joining a collaborative military centered nonprofit network because of the perceived social value added benefit it may provide. Soy (1997) cites Yin’s 1984 work on case study research which focused on design and methods: Yin defines the case study research method as: “An empirical inquiry that investigates a contemporary phenomenon within its real-life context; when the boundaries between phenomenon and context are not clearly evident; and in which multiple sources of evidence are used” (Soy, 1997, p.1).

The results derived from this qualitative research study served to provide new insights into the perceived benefits of joining a collaborative military centered nonprofit network which includes: building capacity; promoting long-term sustainability; enhanced mission impact and efforts to increase donor contributions.

**Survey Methodology**

In referencing the survey methodology by Don A. Dillman, the Tobacco Control and Evaluation Center (2014) suggests designing a quality survey in which the researcher puts him or
herself in the mindset of those they plan to survey. Thereby keeping the respondents motivated and focused. The survey instrument needed to be worded, sequenced and constructed so that respondents would have to spend as little cognitive energy as possible and still remain motivated. Therefore, the researcher aimed to keep the questions short, easy to read while remaining relevant to the respondent’s frame of reference.

In order to appear professional, a cover letter along with an explanation covering the research study objectives accompanied the oral interview survey which was sent prior to the scheduled date of the interview. A tailored design methodology was decided upon encompassing open-ended questions in order to create a respondent friendly survey, which the researcher believed would lead to an increased response rate and provide high quality information.

Survey Monkey (2014) emphasizes the importance of pilot testing the survey since it provides an initial live test, and serves as the last step in finalizing the survey questions and format. This helped to determine whether the surveys questions were ambiguous or not. Also, it aided in determining whether the survey format was easy to follow, and if the layout was pleasing to the eye. Thus, a pilot test was provided to two individuals knowledgeable on the research topic.

The survey methodology used consisted of contacting forty (40) potential respondents randomly from a list of over hundred (100) national nonprofit organizations. The cover letter at Appendix A sent out via email to potential respondents emphasized the merits of establishing an informal collaborative military-centered nonprofit network. In addition, Appendix B provided the operationalization framework which provided the predicted relationship relating to the oral interview survey. The operationalization framework listed the benefits in creating a MCCNN,
the dependent variable (perceived value creation) and independent variables being surveyed. Appendix C contained the five research issues/questions being explored as well as the oral survey questions which were broken down into an easy to follow format for the respondents. Those who indicated favorably to participating in the oral interview received Appendix C in advance which allowed them an opportunity to review the questions and formulate a tentative response prior to the scheduled oral interview session. The researcher believed that this helped to improve the quality of the responses received and allowed for a more in-depth analysis and an informative exchange of ideas to take place.

Email inquiries were sent out to 40 organizations with a response rate of over 62.5%. Scheduling problems hampered a convenient time to conduct some of the interviews, but the researcher was able to conduct oral interviews with leaders representing 22 non-profit military focused nonprofits varying in composition, client base, and net asset strength, as well as core purpose from around the country. The researcher evaluated the data cautiously taking into account his status both as a researcher and practitioner, and considered the collective inputs of his committee members and their knowledge relating to collaborative endeavors.

Utilizing a qualitative approach the researcher conducted interview sessions lasting anywhere between 30 to 35 minutes with military-centered nonprofit leaders (e.g. CEOs, executive directors, presidents, etc.) from organizations classified as public charities under Internal Revenue Code Section 501 (c) (3). Leaders of existing military centered nonprofits classified as public charities have worked extensively with members of the military community, other non-governmental organizations and the business community. In addition, they deal constantly with the concept behind mission-driven donations in their own organizations and
seemed the most likely to consider joining forces and building a collaboration of nonprofits with an overall mission focus that is similar in scope.

**Research Questionnaire**

The oral interview questionnaire used in this research study is provided at Appendix C. The informed consent document at Appendix D accompanied the questionnaire and provided a brief explanation of the research study, a respondent’s right to participate in the study, a pledge of confidentiality, the researcher’s contact information and the rationale behind the informed consent document.

The oral interview questions were provided ahead of time to the respondents in order to allow time to review and reflect on their feelings surrounding their potential participation in a collaborative military centered nonprofit network. The 62.5% positive response rate (25 out of 40 inquires) resulting from the researcher’s email inquiry to potential respondents was encouraging. The researcher received no negative replies and it was assumed that those contacts were either too busy to participate or felt their inputs would be negligible toward contributing to the research study.

The oral interview questions centered on the research topic relating to the creation of a perceived social value added benefit (SVAB) resulting from an organization’s participation in an informal collaborative military centered nonprofit network or CMCNN. The survey began by determining a respondent’s interest in participating in a CMCNN. More precisely, what would serve as a clincher to participate and what would be a deal breaker toward participation. Next, the researcher inquired as to the level of governance structure required to help administer the
network ranging from dues paying membership with complimenting by-laws to a simple memorandum of understanding among participants. Also, what each member expects other members to contribute to the CMCNN in terms of time, knowledge and resources toward bettering the quality of life of veterans, wounded warriors and their families.

The oral questionnaire went on to ask what the respondent’s viewed as perceived advantages or disadvantages toward membership in a CMCNN. Also, it asked respondents to reflect on whether a CMCNN would better position their organization to reap the benefits of being able to offer a more complete set of services to clients and if this in their minds would make “pitches” to donors more likely to succeed (i.e. increased contributions; better social return on investment to key stakeholders; etc.). The oral survey went on to ask what specifically would each respondent be willing to contribute (excluding cash) to the network. In turn, what benefits would a respondent look to see or expect from participating in a CMCNN (i.e. increased contributions; improved long-term sustainability; greater mission impact; etc.). Since a large percentage of military-centered organizations have veterans serving as either staff or as board members, it seem prudent to ask if sharing common military core values could serve as a common thread linking organizations as potential participants in a CMCNN; especially if it resulted in increased legitimacy and elevate their standing reputation in front of key as well as outside stakeholders. More explicitly, it asked respondents what specific group(s) of stakeholders would in their view benefit most from participating in CMCNN (i.e. client base, board members, staff, donors, volunteers, etc). Assuming that there would be perceived benefits in joining a conceptual organization such as a CMCNN; the researcher asked what outcomes the respondent tracked in order to determine mission impact. Or, what outcome performance measures were they currently tracking and why.
Next, the researcher asked what specifically would be the most valuable contribution a collaborative network could offer toward assisting their organization. And what in their mind would they want the network to stay away from and not offer the membership. Since network communication among members would be a key linchpin toward its success, the researcher asked what they perceived as the best communication instrument to employ. Subsequently, the researcher asked respondents what type of joint activities might network members engage in and suggested the following: increased knowledge mobility; leverage collective learning; build organizational capacity; serve as a source of referrals between members; search for better methods of efficiency and increased mission effectiveness. Respondents were encouraged to add to the list and explain why. Finally, respondents were asked to state whether they agreed conceptually with creating a CMCNN if they could maintain their own distinct identity and autonomous authority, while collaborating with network members in serving the military community.

**Internal and External Validity Concerns**

Manheim et al. (2006, p. 104) state that there are three principal considerations for researchers to follow in developing a research design which are: the need for validity both external and internal; the availability of resources and professional ethics in conducting research. In terms of validity, minimizing the opportunity for measurement error to creep into the oral interview survey was of paramount concern. Generally, these errors take the form of either systematic or random errors. Systematic errors could arise due to confusion over variables operationalized inside the interview questions which could prevent the respondent from answering correctly. The researcher went to great lengths to minimize this potential error, as well
as guarding against random errors which are chance occurrences during processing of the retrieved data. Furthermore, Manheim et al. (2006, p.76) state that in order for a measurement unit to achieve validity, questions should be constructed so as to be both appropriate and complete. Respondents to the oral interview questionnaire acknowledged that the researcher possessed a good level of knowledge relating to military nonprofits based on the researcher’s introductory email, explanation of the purpose behind the study and the depth of questions asked in the questionnaire. The researcher determined that this was a positive determinant in respondents positively agreeing to participate in a scheduled oral interview session.

**Reliability of Measure**

Thus, when considering validity we are concerned on how closely the values obtained relate to the variable we are trying to measure. On the other hand, when we seek to learn about the reliability of a given measure we are concerned about the stability of the measure over successive applications, or in this case asking the same set of oral interview questions while conducting the research study. The same researcher conducted all 22 interview sessions; therefore, the researcher concluded that the test-retest method applied in each case over a short time period was considered reliable (Manheim et al., 2006, p.82). Based on a number of factors including the consistency of data obtained, the researcher’s knowledge on the subject in formulating the questions and a lack of significant variation in responses by respondents possessing years of experience with the nonprofit community, the researcher concluded that the oral interview survey was very reliable.

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Units of Analysis

In line with exploratory research the researcher began with an exhaustive search of available literature relating to the narrowed down area of study which is the formation of a military focused nonprofit network. The researcher reasoned that membership in a military focused nonprofit network would serve to create a perceived social value added benefit for stakeholders. In addition, the researcher reasoned that during a time of serious economic uncertainty military focused nonprofit network shared a set of common concerns: waning contributions; varying degrees of anxiety relating to long-term sustainability and a resulting decline in mission impact with its client base.

The inductive approach was used in this research study by utilizing existing literature to formulate questions which were used in applying what we know about the phenomenon being researched as it relates to military-centered nonprofits. The researcher’s findings were empirically grounded in observations made both as a practitioner and researcher. In addition, the researcher placed the findings within an analytical framework and systematically evaluated the data in coming to a conclusion.

Weaknesses and Limitations

Throughout this research study it became evident that there exist different orientations, biases and perceptions on exactly how a collaborative military centered nonprofit network would, could or should operate. The literature review served as the basis for the formulation of insightful questions which were used in the oral interview survey portion of the research study.
There were two categories of seemingly related terms used throughout this research that resulted in different meanings for various groups depending on your orientation. For instance, there appeared to be a common disconnect among respondents with the interchangeable use and misuse of the term ‘collaboration’, and what one reference labeled the “C” words: cooperation, coordination and communication (Denise, 1999). However, each term is different and each has not only strengths but also limitations which could have caused respondents to answer differently.

For example, communication speaks to how persons understand each other and how information is transferred in organizations. However, coordination looks to inform each unit as to how and when it must act, and what they are to do. But cooperation suggests conformity and thus does not correspond to the meaning behind collaboration. On the other hand, collaboration exists within an outcome framework and collaborators are people who intensely and urgently feel the need to create something new (Denise, 1999).

Also, during this research study there seemed to be an interchangeable contrast surrounding use of the terms: network structures, networking, and networks. A distinction must be made between network structures and the ideas of networking and networks. Networking is a common term that refers to people making connections with each other by going to meetings and conferences, as well as through the use of communication technology such as e-mail and other forms of social media. Networks occur when links among a number of organizations or individuals become formalized. However, according to Keast, Mandell, Brown and Woolcock (2004) network structures occur when working separately even while maintaining links with each other is realized as not enough. A network structure forms when these people realize they
(and the organizations they represent) are only one small piece of the total picture. In a network members are not just interconnected; they are interdependent which means that each member begins to see themselves as one piece of a larger picture.

These misinterpretations may have caused some respondents to answer questions differently based on their misunderstanding of the terms used. The researcher was careful to use the correct verbiage in constructing the oral interview questions so as not to mislead the participants in formulating their responses. However, the researcher believes that while potential bias is possible in any survey, the oral interview questionnaire and the responses obtained from 22 independent nonprofit leaders possessing multiple years of experience were valid and reliable.
IV. Findings and Analysis

Summation of Oral Interview Survey Addressing the Five Research Questions

Introduction

The oral interview questions in Appendix C were provided to the respondents prior to the interview by the researcher in order to allow time to review and reflect on their thoughts surrounding potential participation in a collaborative military-centered nonprofit network. The 62.5% positive response rate (25 out of 40 inquires) resulting from the researcher’s email inquiry to potential respondents was encouraging. The researcher received no negative replies and it was assumed that those contacts were either too busy to participate or felt their inputs would be negligible toward contributing to the research study.

Of the 25 positive inquires out of 40 the researcher was only able to secure oral interview sessions with just 22. The 22 organizations varied in net asset strength between $50,000 ($50K) and $5,000,000 ($5M) and were categorized in Table 2 (Patton and Cochran, 2002, p.5). The nonprofit leaders who were interviewed varied in experience level and served as either board members and/or senior staff within various nonprofit organizations. In addition, the years of experience with nonprofit organizations in total varied from between 6 months and 27 years with a majority of the nonprofit experience residing in organizations possessing net asset strength of between $1 and $5 M. Of those polled, the total years of service history by representatives working within the nonprofit sector came to over 200 years. Those with previous nonprofit board member experience came close to 130 years. Of the 22 respondents, three represented nonprofits with net assets ranging from $50 - $250K; another three represented nonprofits with net asset
strength ranging from $251 - $500K; two nonprofits had an asset strength ranging from $501K to $1M; another eight nonprofits reported a net asset strength of between $1M and $5M; and six nonprofits reported a net asset strength of over $5M.

<table>
<thead>
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<th>Net Assets</th>
<th>$50-$250K</th>
<th>$251-$500K</th>
<th>$501K-$1M</th>
<th>$1M-$5M</th>
<th>Over $5M</th>
</tr>
</thead>
<tbody>
<tr>
<td># of Respondents</td>
<td>3</td>
<td>3</td>
<td>2</td>
<td>8</td>
<td>6</td>
</tr>
<tr>
<td>Category</td>
<td>Minimum</td>
<td>Small</td>
<td>Medium</td>
<td>Large</td>
<td>Extensive</td>
</tr>
</tbody>
</table>

Table 2: Respondents Listed by Net Asset Strength

The oral interview survey in Appendix C focused on addressing these important research questions:

1. Can the core values of cohesive military institutions serve as the cultural thrust for establishment of an informal collaborative military centered nonprofit network (CMCNN)?

2. Can members of an informal collaborative military-centered nonprofit network (CMCNN) seeking to improve long term sustainability, build capacity and enhance mission impact provide a perceived SVAB to stakeholders?

3. Would charitable contributions from donors increase if a military-centered nonprofit network could collaboratively demonstrate to stakeholders a perceived SVAB?

4. By increasing value creation for stakeholders could a collaborative military nonprofit network attract and then leverage resources to effectively "expand the resource pie" (more contributions) making it a more positive sum game (win-win) for all stakeholders?

5. Could a more positive sum game aimed at building capacity lead to long-term sustainability, greater mission impact and increased donor contributions?
Drawn from the literature review five key issues are explored stemming from the following research questions. The combined responses of respondents/practitioners are contained in the subsequent summation below and helps verify whether during a time of serious economic uncertainty can an informal collaborative military-centered nonprofit network with members embracing similar core values and modalities provide a perceived social value added benefit (SVAB) to stakeholders aimed at building capacity, while leading ultimately to long term sustainability, greater mission impact and increased donor contributions.

The researcher found while conducting his oral survey that respondents (regardless of their organizational asset strength) were in favor of pursuing a collaborative relationship if that did not prohibit or impair them from maintaining their own distinct identity and organizational authority separate from the proposed collaborative identity. In addition, the researcher observed that respondents having a net asset strength categorized as either large or extensive shared a more optimistic view of the premise behind the success of an informal collaborative military nonprofit network. They noted from experience that more formal ties proved to be too restrictive limiting their autonomy. Also, respondents who headed up organizations categorized as either large or extensive had time management concerns which limited their ability in the past to collaborate extensively with other groups, especially if it did not benefit their own organization’s long term sustainability. One respondent representing a large nonprofit summed it up this way in a moment of sarcasm: “Been there, done that.”
Research Issue 1 - Core Values Characterize the Military Culture

Research Question 1: Can the core values of cohesive military institutions serve as the cultural thrust for establishment of an informal collaborative military centered nonprofit network (CMCNN)?

Introduction

Members of the military and their families share a unique bond and value system. The military offers a sense of community and camaraderie unlike any other profession. According to Abb and Goodale (2011) when nonprofit organizations serving the military community collaborate to deliver physical and mental health services, they help improve their “social bottom line” by creating a social value added benefit for all stakeholders engaged in assisting returning service members and their families. The researcher found evidence during his oral interview with respondents that support his premise that a CMCNN based on members sharing similar military core values helps to build capacity, promote organizational sustainability long term, serves to increase mission impact and offers the potential for increased donor contributions. An overwhelming majority, 21 out of 22 of the respondents indicated that they would be interested in participating in an informal collaborative military-centered nonprofit network.

Findings:

Freeman and McVea (2002) endorse the belief that a necessary condition for a nonprofit organization’s long-term financial success is predicated on a strong set of core values (which the military community traditionally possesses) that helps permeate the organization. All of the respondents shared the same belief that military core values (mission/vision) served as the glue
which could effectively jump start the CMCNN. Roughly half of the respondents (all categories) believed ex-military personnel remain mission driven and there is an advantage in like minds joining forces by leveraging resources and sharing their tacit knowledge and awareness of government assistance programs. Also, there was a consensus among respondents that donors and other stakeholders might view a CMCNN as more efficient, responsive, and amenable to sharing results which resonates with donors.

According to the literature review, military service is a demanding way of life and there are very few people willing to sign on the dotted line. When a service member joins the military culture, they’re exposed to a tight-knit community of people. The military seems to draw together a diverse group of people from all walks of life who share a common bond. This bond is shared by friends you make in the military and to total strangers you meet down the road after either separating or retiring from active duty. They understand without words what others are going through because they have literally walked in their shoes. Their military friends become an extended family and these are relationships that they will come to count on throughout their time in the service and beyond (Garrett and Hoppin, 2008). Military culture is further defined by the U. S. Army Core Values (2014) along with the ‘Soldier’s Creed’ (2014) reminding a soldier that he/she is a warrior and a member of the team, and as a member of that team: “They will never accept defeat and they will never quit; and they will never leave a fallen comrade.”

The research study notes that multiple deployments, combat injuries, and the challenges of reintegration have had far-reaching effects on not only the troops and their families, but also upon America’s communities as well (Strengthening Our Military Families, January 2011). All of the respondents indicated that operating with the highest ethics and dedicated to the mission of
helping military families and wounded veterans heal should be the desired outcome of all membership organizations. Camaraderie and sharing in healing one another through group activities and reflection should be our collective goal as one respondent (with minimum asset strength) expressed it. All of the respondents stated that such values are necessary for an organization to be successful and it would be reason enough to participate in the formation of a network that the researcher proposed. One respondent (with large asset strength) perceived it as a calling to seek out and help fellow veterans. Another respondent (with extensive asset strength) stated emphatically that you have to keep trust issues out front to create a bond. One respondent (with extensive asset strength) acknowledged that a proposed CMCNN based on military core values would be a definite benefit to the military community. He added that in his experience often like minded organizations that focus on reduced overhead, better fundraising ideas and who seek better outcomes for their constituents often achieve the same goal.

Over 75% of the respondents (representing all categories) believed that a network membership grounded in military core values would help increase legitimacy by gaining a commitment to the cause which may come from others outside the military community. Nearly all of the respondents in one form or another felt that members of the military community were like brothers, and therefore had a better understanding of the challenges faced by returning service members and their families who quite often serve in a caregiver role.

In the research study Snider (2011) cites the broad definition of “culture” offered by Edgar Schein suggesting military culture is the “glue” that makes organizations a distinctive source of identity and experience. Thus, a strong culture exists when a clear set of norms and expectations permeates the entire organization. Murray (2011) goes a step further noting that
military culture represents the intellectual and spiritual capacity of the army, navy, marines and air force veterans who are bonded and tied to each other by a commonality of their service regardless of their branch of service. One respondent (with large asset strength) commented that the culture behind military core values would help to close the gap within the military community and help foster cross-sector alliances through increased legitimacy and trustworthiness which is critical to the success of any organization. Another respondent (with extensive asset strength) stated that it helps to raise the bar in terms of expectations and accountability.

The U.S. Air Force (1997) like other branches of service have taken steps to create a core values continuum, which helps serve as a cultural thrust for establishing a CMCNN. 100% of those nonprofit leaders surveyed confirmed the importance of military core values as a key ingredient in the successful formation of a proposed CMCNN. Thus, an overwhelming majority of the respondents (representing all categories) indicated that they would agree conceptually with the premise behind developing an informal military-centered nonprofit network. However, many of the respondents recommended that a memorandum of understanding (MOU) should be drafted in order to define what is considered acceptable behavior and the conditions for continued membership within the network. One of the respondents (with extensive asset strength) referred to the network as a “collective impact engine.” In addition, the majority of the respondents indicated that they were excited about developing relationships that would help their client base and would lead to increased contributions from donors.

Achrol (1997) states that a network organization is distinguished from a simple network of exchange linkages by the density, multiplicity, and reciprocity of ties and a shared value
system defining membership roles and responsibilities. Along with that, Borgatti and Foster (2003) introduce the term “homophily” which refers to the tendency for people to interact more with their own kind, whether by preference or induced by opportunity constraints (McPherson and Smith-Lovin, 1987). Therefore, the military nonprofit network paradigm the researcher is proposing would focus on nurturing mutual trust in a long term relationship. The level of trust in a network is indicated by each member’s confidence in its partner’s sincerity, reliability, loyalty, and willingness to refrain from opportunistic behavior.

Manning (1994) believes that shared experiences, while in the military becomes in many cases the bond which holds the unit together. The heart of unit cohesion begins with the confidence that in times of difficulty one has someone who is willing and able to help. Furthermore, cohesive groups speak of “we” rather than “I.” Cohesion is demonstrated by group pride, solidarity, loyalty, and teamwork. Cohesion is demonstrated by soldiers willing to risk death for the preservation of their unit or the accomplishment of their unit’s mission (Team Cohesion/Trust, 2012; Jozwiak, 1999).

An external threat to the group provides increased cohesion. Members of units that undergo the tremendous stress of actual combat speak of becoming bonded like family for life (McBreen, 2002). The researcher notes Manning’s (1994) view that combat experience alone is recognized as the primary force in bonding soldiers and produces strong pressure to unite in a common effort. Also, affective cohesion is based on confidence that others in the group will help if the need arises before, during, and after deployments (Five Tips to Reinforce Unit Cohesion, 2012). It is the bonding together of soldiers in such a way as to sustain their will and commitment to each other. Worth mentioning is the fact that the Veterans Administration lists
approximately 23 million veterans that helps bridge this bond of cohesion (National Center for Veterans Analysis and Statistics, 2012).

The larger question explored by the researcher in his oral survey sought to understand how one develops a culture of support and camaraderie, where representatives of member organizations can be expected to act in the interest of the common good of the entire network. The network paradigm focuses on how to develop mutual trust in a long term relationship. Trust has been shown to be a determinant of critical factors related to performance and mission effectiveness. Achrol (1997) found that the military culture typically engenders this trust. Gulati et al. (2000) support this belief after observing relationships within the military, and by examining its structure and membership composition. Tie modality (especially in the military) enters into the equation because it establishes a set of institutionalized rules, strategies and norms that govern appropriate behavior or transactions within the network (Laumann, Galaskiewicz and Marsden, 1978).

Also, in describing a notional CMCNN, the researcher draws reference to the core/periphery model and incorporating two network concepts that Rowley (1997) uses—density of the network and centrality of the focal firms in the network. Suggesting that as density increases the resulting communication across the network becomes more efficient. Also, a member’s degree of centrality is defined by the number of ties that member shares with other actors in the network. Social network constructs (density and centrality) consider structural influences and the impact of stakeholders who do not have direct relationships with central network members, but who affect how those members behave nevertheless which typifies what the researcher references is the core/periphery model (Reference Figure 2).
The researcher believes that continued reciprocity builds trust and collective action which is supported by Ostrom (1998) who believes that a reputation for trustworthiness (honesty) is one of three core factors (the other two are trust and reciprocity) that increase the likelihood of collective action. Organizations collaborate because they intend to achieve a particular purpose which is something a military community network can deliver (Thomson and Perry, 2006). One of the principal administrative dilemmas for leaders and managers in collaboration is managing the inherent tension between self-interests and collective interests. The researcher found while conducting his oral survey that respondents were in favor of pursuing a collaborative relationship if that did not prohibit or impair them from maintaining their own distinct identity and organizational authority separate from the proposed collaborative identity.

**Analysis:**

After reviewing the remarks of respondents participating in the oral survey, the researcher validated that the initial formation of a potential CMCNN would be largely predicated on shared set of core values that are largely tacit, and predominantly relevant and distinctive to a particular group of people that have served in the military (National Defense University, 2012). Furthermore, the researcher concludes that the tenets of military culture help to form the basis for a potential collaborative military centered nonprofit network or CMCNN. And that a consortium of military focused nonprofits practicing reciprocity can successfully work together to build organizational capacity in order to realize long-term organizational sustainability, increase mission impact and pursue the potential for increased donor contributions. Thus, collaborating with organizations that share similar core values adds to the perception of a social value added benefit for all stakeholders especially network members.
Research Issue 2 - Establishing a Collaborative Military-Centered Nonprofit Network

Research Question 2: Can members of an informal collaborative military-centered nonprofit network (CMCNN) seeking to improve long term sustainability, build capacity and enhance mission impact provide a perceived SVAB to stakeholders?

Introduction

Typically nonprofits provide desperately needed services to constituents who during bad economic times lack the means to provide for themselves. Historically, government and private funders often provide needed resources to bridge this funding gap. However in bad economic times these third-party donors sometimes pull back, leaving nonprofits with inadequate funding often at the very moment that they are experiencing increased demand for services. Those nonprofits failing to adapt and respond to the complexity of the new environment tend to experience, sooner or later, survival problems. Subsequently, the development, implementation and use of evaluation techniques to improve long-term sustainability, build capacity and enhance mission impact are some of the major challenges confronting organizations and can play an important role in their success or failure (Santos, Belton and Howick, 2001). Thus, all participating military charities will need to keep outcome measurement in mind while remaining focused on the big picture; not forgetting our soldiers, disabled veterans, their families, and the military community at large. All of the respondents indicated that they tracked specific program outcomes attempting to measure mission effectiveness.
Findings:

The researcher found in the literature review that a CMCNN can induce innovation and demonstrate the ability to be dynamic responding to both exogenous and endogenous forces evolving over time. For example, Ahuja (2000) cites Burt in his 1992 book *Structural Holes: The Social Structure of Competition* which emphasizes the importance behind building networks with large numbers of indirect ties which may be an effective way for actors to enjoy the benefits of network size without paying the costs of network maintenance associated with direct ties (As cited in Ahuja, 2000, p.425). This would serve to leverage individual and collective learning within the CMCNN and core/periphery model (See Figure 2) and allow for increased knowledge mobility among members and participants positioned on the periphery.

In addition, Ahuja (2000) also cites Rogers and Kincaid in their 1981 book titled *Communication Networks: Toward a New Paradigm for Research* in which they agree that a network of inter-firm linkages thus serves as an information conduit, with each firm connected to the network being both a recipient and a transmitter of information (As cited in Ahuja, 2000, p. 430). Maximizing the structural holes spanned or minimizing redundancy between partners is an important aspect of constructing an efficient, information-rich network according to Burt’s structural holes theory (Ahuja, 2000, p. 432). The researcher found that all respondents were particularly concerned about being more efficient and remained sensitive to donor’s concerns over duplication of services. Also, the researcher proposed the idea of members actively participating in referral services with other member organizations and with those agencies operating just outside the core. This was an inviting concept among all respondents and deserved further study in the future.
Furthermore, Gulati et al. (2000) note that network ties are important sources of referrals that enable prospective partners to identify and learn about each other’s capabilities while interacting in more real time through electronic collaboration (Coleman, 2012). Also, it helps facilitate due diligence so that each network member has a greater knowledge about the other’s resources and capabilities, and a greater confidence in their mutual assessments. A majority of the respondents (with large to extensive asset strength) with net asset strength over $1M stated that a network needs some form of “back bone” support and to share measures of performance. One respondent (with large asset strength) made the comment that he would like to see a greater “pioneer spirit” and stated that there was too much turf protection. While a majority of the respondents (with small to extensive asset strength) thought they could benefit from discovering and further developing some good metrics, as well as having the opportunity to share with others their success stories. In short, the researcher found that a CMCNN can greatly reduce the informational asymmetries and further mitigate transaction costs by members sharing their measures of performance (Valentinov, 2008).

In terms of sustainability, Head (2008) believes that networks bring to the table a diversity of stakeholder views and thus diverse perspectives about goals, processes, and outcomes. Skills in bridging and mobilizing services among the stakeholder groups are important links for long-term sustainability. These links which are formed among stakeholders are sometimes described as “boundary spanning” (Williams, 2002). Exchange agents functioning as boundary spanners are persons who operate at the periphery (Reference Figure 2) between their organization and its environment (Aldrich and Herker, 1977; Krebs and Holley, 2002) acting as important ‘enablers’ that increase the potential for success, such as enhancing
knowledge mobility and building capacities (Lasker, Weiss and Miller, 2001; Goldman and Kahnweiler, 2000).

When the researcher asked respondents about what they would be willing to contribute (e.g. information, resources etc.) toward the establishment of a CMCNN, an overwhelming majority indicated both human or informational resources in-lieu of sharing funds that could be shared (ex: legal services, medical advice, psychiatric care, financial, etc.) among network members in terms of sustaining operations and providing client services, not just the “know-what” but the more tacit “know-how.”

Four of the respondents (with minimum to extensive asset strength) indicated that their organizations serve as a “data factory” for multiple partners, while many of the respondents (with large to extensive asset strength) polled who came from military centered nonprofits with net assets over $1 million indicated that they could provide time, resources, experience and selected skills. About half of those polled (with medium to extensive asset strength) strongly indicated in one form or another that they would attempt to seek open dialogue, work from point of agreement, offer mutual reinforcement and share measures of operational effectiveness with network members. The goal being to build capacity, improve long term sustainability and enhance mission impact, thus providing a perceived SVAB to stakeholders?

In the literature review, Agranoff (2005) states that the underlying purpose of collaborative action has everything to do with public-value creation or increased worth. Consistent with public value creation is the belief among stakeholders that it’s important to operate in a business like way borrowing tools and methods from the private sector. Thus, non-profits need to address a double bottom line one that takes into account social goals as well as
financial goals. In this light, donors need to be viewed as investors seeking a social return on their investment or SROI. They want nonprofit recipients to build organizational capacity, meet targets for social impact, efficiency, effectiveness and revenue, etc. (Alter, 2001).

Many of the respondents especially those with high net assets understood the importance of building up their organizational capacity: providing an opportunity for increased contributions (resources); enhanced core values (mission/vision); greater long term mission impact (programs and services); an increased knowledge base (outreach); and better social return on investment for stakeholders (leadership) (Devita and Fleming, 2001). However, just about all of the respondents (regardless of net asset strength) believed that increased resources would be the main benefit in building capacity; specifically, financial contributions, sharing knowledge and data, as well as organizational expertise. In addition, 95% of the respondents viewed advocacy and the dissemination of information and the creation of new information under outreach as a key benefit to participating in the CMCNN. Along with that, (spread across all categories) 75% of the respondents believed that through a collaborative network they could score a higher level of impact within the communities and groups they typically serve. About half of the respondents (spread across all categories) cited the benefits military families would gain from referrals and the upstream benefits to referring organizations in terms of marketing their programs…translation, better branding!

In terms of the leadership component, all of the respondents except one (with small asset strength) believed that key stakeholders would definitely benefit from joining the proposed network. However, they all differed conceptually on which key stakeholder groups would benefit the most and to what degree. About half of the respondents were unfamiliar with the
meaning behind social return on investment (SROI), but after a brief explanation conceded its importance but were unsure as to how to go about measuring an organization’s SROI, which is something outside the scope of this study. Following that, one respondent (with extensive asset strength) stated, “There is no wrong door approach” toward responding to the needs of soldiers and their families if we exert the right brand of leadership in addressing these challenges as a collaborative entity. This would require a more holistic approach exchanging ideas and sharing realized efficiencies.

About 75% of the respondents (representing all categories) believed that they had a viable means of tracking their program/service’s outcome performance. Their interpretation of what constituted beneficial was something they felt was usable data in which to determine their organization’s level of impact within the military community. However, a majority of those polled felt that they were open toward learning more about outcome measurement and were eager to collaborate on what other organizations were willing to share. Again, this came back to trust issues and the concern over some organizations not willing to trade ideas being perceived as always “takers” rather than as “givers” of information.

In the literature review, Alison & Associates (2010) offer tips toward creating successful collaborations creating a culture based on mutual respect and trust, which are similar tenets exhibited by individuals and organizations associated within the military community. Mary Parker Follett believed that only by looking for ways to harmonize interests could new solutions emerge. In Constructive Conflict, written in 1925, she provides a strong common sense view about her ideas surrounding collaboration within the context of the ongoing process of social change occurring during her time (As cited in Williams, 2010b, p. 2).
The researcher found remarkable common ground with respondents during his oral interview sessions suggesting that a collaborative military-centered nonprofit network aimed at improving long-term sustainability, building organizational capacity and the opportunity for enhanced mission impact as highly favorable. In addition, Williams (2010a) encourages collaborative groups to take advantage of the creativity of interaction among diverse perspectives within a collaborative network, and to look beyond the narrow interests of his/her own organization or community and to consider the potential contributions of other groups. The ability to tap the skills, knowledge, and resources of others is a critical component of building network capacity. Trust is also a necessary element of network management.

With reference to the proposed CMCNN, Krebs and Holley (2002) focus on the role of collaborative leaders, whom they call ‘network weavers’. A network weaver’s role is transitional moving within the core/periphery model with the core group being the most active members at the center, and around them are the great majority of participants (the periphery), each of whom contributes to the overall network’s innovation and sustainability with varied skills and talents (Brown and Duguid, 1991; Williams, 2009a), which Granovetter (1973) labels the strength of ‘weak ties’. Weak ties are connections that are not as frequent, intense, as strong network ties that form the backbone of a network. Strong ties are usually found within a network cluster (core), while weak ties are found (on the periphery) between clusters (Krebs and Holley, 2002; Wei-Skillern and Marciano, 2008). Thus it stands to reason that the end-goal for a vibrant, effective and sustainable military community network would be predominantly centered on the core/periphery model (Reference Figure 2).
A large majority of those polled (representing all categories) thought there would be an overarching benefit to the network in that members and those operating on the periphery would gain direct insight into special programs and services and would help promote referrals. In addition, new knowledge creation would occur due to synergy and by allowing best practices to be shared across the network. About half of those polled (with large to extensive asset strength) believed that board members and staff could stand to benefit greatly because it would allow them to become more knowledgeable about increased care and referrals to different local and state agencies that serve veterans and their families. Another respondent (with minimum asset strength) stated that member organizations could offer assistance on properly caring for disabled veterans, as in the case of conducting equine therapy treatments for those soldiers restricted to wheelchairs. Respondents acted positively to the idea of a network’s reputation built on increased accountability and transparency, which would serve to help legitimize to stakeholders the potential of a CMCNN.

A majority of the respondents (representing all categories) indicated that increased resources in the form of contributions and access to an expanded network of services would improve their ability to stay responsive and aid in building capacity. In addition, the ability to maintain open communications and collaborate with other organizations placed increased outreach opportunities close behind. Informing others about the network and being aware of network and outside (periphery) services provided to veterans and their families was a popular response by a majority of the respondents regardless of asset strength.

Sustainability was mentioned by half of the respondents across all categories as a real concern long term and were encouraged by what the proposed CMCNN intended to offer. One
respondent (with extensive asset strength) suggested that military nonprofits shy away from referring to themselves as charities and adopt the label “not-for-profit”, while seeking to expand their depth of services and assistance; increase their level of expertise; recognize the greater good they are contributing to by seeking to improve their reputation and legitimacy. And finally, under programs and services a few respondents (mostly with large to extensive asset strength) indicated that developing new methods of tracking outcomes and gaining access to other member data might be useful example of collaboration.

According to Brass et al. (2004) the most important objective of collaboration is to become sustainable in a competitive environment by creating benefits for all stakeholders. Remaining sustainable over the long term remains a very real concern to every respondent interviewed, and is especially critical now due to the current economic uncertainty that remains prevalent today. Williams (2009b) notes that the focus should be on development of a dynamic process that sustains itself over time to benefit its members in many ways. This would manifests itself into the type of effective network Krebs and Holley (2002) depicts with the most active military charity organizations at the core, and a large number of grass root organizations on the semi-periphery and periphery contributing their varied skills and talents.

O’Toole (1997) made the point that the success of networks relies, to a great extent, on maintaining relationships that facilitate cooperative action and recognize the interdependence of the participants whether at the core or operating on the periphery. Mandell and Keast (2008) state that at the operational level effectiveness is determined by the extent to which members have developed not only a better understanding of each other, but whether they have developed a shared language and culture, new ways of communicating and the ability to find common
ground, and resolving issues. It is the emphasis on the processes (building new relationships, changing behavior, developing new attitudes, perceptions and values) that would be the critical factor in measuring performance within the CMCNN, and how a network adds value to the work of its member organizations (Mandell and Keast, 2008).

National Policy Consensus Center (2012) suggests that collaborative governance takes as its starting point the idea that working together creates more lasting, effective solutions leading to more buy-in for all stakeholders. "Governance" can encompass both formal and informal systems of relationships and networks for decision making and problem solving. The governance system proposed for the CMCNN would need to be based on ‘trust’ over the long-term as long as several key principles are adhered to: transparency; equity and inclusiveness; responsiveness; effectiveness and efficiency; and accountability (National Policy Consensus Center, 2012). The importance of these same key principles was acknowledged repeatedly by a large majority of the respondents (with large to extensive asset strength) who provided negative feedback relating to past experiences involving a series of collaborative endeavors.

An overwhelming majority of the respondents (representing all categories) approximately 95% indicated that they would not be interested in joining a formal network. Two of the respondents (with extensive asset strength) were emphatic that an informal network based on their past experiences would not be successful. However, they conceded that possibly a memorandum of understanding (MOU) might be a good idea which would allow participants to be aware of what the others deemed appropriate in terms of network membership responsibilities or expectations.
A majority of the respondents roughly 86% (mostly representing medium to extensive asset strength) did point out that a governance structure would eventually be required if the network proved itself sustainable over the long run and thus consideration of that eventuality would need to be discussed. About half of the respondents (mostly representing medium to extensive asset strength), mostly those with high net assets believed that a convener or lead organization possessing sufficient resources would be required to “jump start” an informal network and help reinforce the network’s joint endeavors. About a third of those respondents (mostly representing medium to extensive asset strength) suggested that there needed to be a core group that would need to formulate a strong policy which would help guide the network. Yet, a lot would depend on the consensus of the network members in terms of the network’s mission/vision aimed at improving the quality of life for soldiers and their families.

Over 75% of those polled (mostly representing medium to extensive asset strength) expressed concern about the network acquiring a bad reputation due to improper vetting of potential members, which one respondent labeled as some “bad apples” spoiling the bunch, thus guilt by association as another respondent called it. All categories agreed that if an informal network were to launch there would need to be a balance between “givers” and “takers” with the group shunning those who were labeled as more takers than givers.

The literature review suggests originators typically build networks to create capacities they believe are needed. So the researcher asked this question of respondents: What will be the purpose behind a collaborative military community network? A majority of the respondents (regardless of net asset strength) supported the idea behind building a network and creating connectivity which they viewed as the answer to a perceived capacity problem (Plastrik and Taylor, 2004). In their
view building organizational capacity within the network adds value and helps to reassure all stakeholders that network members are focused on their vision/mission, leadership duties, resources, outreach, and products/services especially during times of economic uncertainty (Devita and Fleming, 2001).

Booher and Innes (2002) state that reciprocity exists when agents realize they can gain and create new opportunities by sharing what each organization uniquely can offer and when they can expect the other players to contribute. Reciprocity is the basis of trust. The existence of trust and reciprocity in turn means members will have a reason to continue to work together. Ostrom (1998) has shown empirically that building conditions of reciprocity, reputation, and trust can help to overcome strong temptations for individuals to work only toward their short-term self-interest as demonstrated in the game of Prisoner’s Dilemma (Axelrod, 1984).

Oliver (1990) also notes that the key consideration is outcomes at the network level rather than for the individual organizations that compose the network. The preference is for optimization of the whole network even if it comes at the cost of local maximization for any group in the network (Provan et al, 2007). A few of the respondents (with medium to extensive net asset strength) followed this logic with a bit of skepticism and commented that their past experience with collaboration revealed that a lot had to do with the particular personalities present within each organization.

Furthermore, Kanter (1994) explains that successful partnerships often “cannot be controlled by formal systems, but require a dense web of interpersonal connections and internal infrastructures that enhance learning”. This is what Kanter (1994) calls “collaborative
advantage”. For alliances to be successful, network members need to be able to complement each other in knowledge, resources and skills with differences in organizational cultures recognized and common values negotiated. Longitudinal studies by Gulati (1995) and Powell et al. (1996) provide evidence that once network relations are established, experience with networking, mutual learning, and diversity of ties stimulate the formation of further networking relationships.

Many of the respondents who have experienced working within collaborative groups noted that building a high-trust relationship with other organizations was based on the personalities involved and centered on reciprocity between groups. Thus, respondents (across all categories) supported the premise that through a CMCNN, members could in theory function as ‘connectors’ sharing information cross-functionally with other internal core members and/or external organizations operating on the network’s periphery as emerging “grass-root” organizations.

In addition, there must be some commonality of purpose to provide incentive for becoming a member of a network. Collaborations are informal and usually undertaken for a specific occasion or a limited purpose. Networks typically are formed to address complex problems or as Williams (2002) calls it “wicked issues” that are not easily solved by one organization. However, collaborations cannot succeed without a basic level of trust and transparency. Ring and Van de Ven’s (1992) found that organizations build trust by completing transactions successfully over time, and thereby demonstrate that they are capable of fulfilling commitments.

The literature review stressed the need for skillful collaborative leaders performing in an organizational boundary-spanning role; capable of framing organizational issues in consideration of all stakeholders; helping to construct inter-organizationally a future that is proactive and opportunistic toward expanding the resource pie rather than threatening and coercive of others;
and implementing a learning methodology within and outside their respective organizations (Goldman and Kahnweiler, 2000). Thus, non-profits that measure the effectiveness of their efforts offer a perceived SVAB and are better able to argue the validity of their grant requests or in seeking larger contributions from potential donors (Poderis, 2010).

Thus, Kopenjan (2008) believes that actors participating in collaborative networks have to find ways of determining effectiveness. The difficulty of determining the effectiveness of network collaboration is due to the fact that traditional measures used solely for an organization are inadequate. Performance measures should reflect the complexity and important magnitude of the outcomes built through the collaboration within networks. Each of the respondents interviewed possessed a unique set of metrics that helped track program effectiveness and the organization’s level of impact within the military community. Many of the respondents expressed a desire to learn more about what other organizations tracked and were willing to share their metrics, while acknowledging that what might work for one group would not necessarily work for other members.

**Analysis:**

After reviewing the remarks of all of the respondents participating in the oral survey, the researcher validated the importance of creating a collaborative military centered nonprofit network (CMCNN) based on performance measures which seek to build organizational capacity, increase long term sustainability and enhance mission impact by providing a perceived social value added benefit (SVAB) within the organizational framework of a core/periphery model. O’Toole (1997) makes the point that the success of networks relies to a great extent on maintaining relationships that facilitate cooperative action and recognize the interdependence of
the participants whether at the core or operating on the periphery. This leads to increased social and service integration and helps reinforce what the researcher has termed a SVAB.

A majority of the respondents (regardless of net asset strength) felt that an increased number of referrals between members would add value and help to strengthen the collective bottom line of all network members and other stakeholders by reducing duplication of effort while increasing their knowledge of other organization's capabilities. In turn, developing a network strategy for identifying, tracking and evaluating long term mission impact helps promote the benefits of network membership by adding a perceived value to the prospects of a healthy double bottom line (i.e. both financial and social health).

About half of those polled (representing those with medium to extensive asset strength) strongly indicated in one form or another that they would attempt to seek open dialogue, work from point of agreement, offer mutual reinforcement and share performance measures of operational effectiveness with network members. Furthermore, respondents (with medium to extensive asset strength) acknowledged that the demand for increased accountability and transparency would help strengthen a SVAB for all stakeholders including donors by enhancing the perception of value creation among existing and potential network members.
Research Issue 3 - Collaboration Breeds New Knowledge Creation and Enhances Network Value

Research Question 3: Would charitable contributions from donors increase if a military-centered nonprofit network could collaboratively demonstrate to stakeholders a perceived SVAB?

Introduction

This portion of the study showed that increased donor contributions can be realized when a perceived SVAB is perceived by stakeholders who view increased sustainability and an enhanced level of impact as positive steps toward building capacity and increased contributions. Along with that, donors typically perceive network members engaged in organizational learning as another SVAB leading to lower transaction costs, increased effectiveness and accountability.

According to Newell and Swan (2000) trust is considered to be the key to effective networking arrangements for innovation involving the creation and diffusion of knowledge. Some networks exist to share knowledge in order to create and develop new ideas and then to diffuse these ideas. The assumption is that such collaboration through networking can lead to ‘positive sum gains.’ In other words, that the partners can obtain mutual benefits, to include increased contributions that they could not have achieved independently.

Findings:

As found in Research Question 1, the researcher showed that the tenets of a military culture help to form the basis for establishing a collaborative military centered nonprofit network. The researcher’s premise was that a consortium of military focused nonprofits can
successfully work together within an informal collaborative network demonstrating greater network efficiency and increased mission effectiveness, thus influencing donors to contribute more funds to member nonprofits. A majority of the respondents (with medium to extensive asset strength) indicated that donors are looking for increased efficiency and perceived value and that the services provided are not being duplicated by multiple agencies which may adversely impact an organization's double bottom line. Also, it was noted by a majority of the respondents (with large to extensive asset strength) that a military charity network offering a perceived social value added benefit with members remaining autonomous can aid in developing a simple process to examine common practices and policies, while collaborating on agreed upon criteria for assessing key aspects of mission effectiveness.

A majority of the respondents (representing all categories) agreed with the concept that leveraging both individual and collective learning among network members would add to an organization’s perceived value, while helping to strengthen an organization’s financial and social bottom lines in the long term. About 75% of those polled (representing all categories) believed the primary advantage derived from participating in the proposed CMCNN would be the ability to raise funds and increase what the researcher has come to term the knowledge mobility of how to better serve the military community. One respondent (with large net asset strength) framed it this way: “We need to see who wants to play in the sandbox.” Over 90% of the respondents (representing all categories) mentioned strength in numbers which meant the increased ability to advocate on behalf of veterans’ issues and deal with the multiple needs and complexities that military families often face. For example, dealing with post traumatic stress disorder, traumatic brain injury, the sharing of caregiver responsibilities, loss of family income, and in some case the daily threat of suicide to name only a few.
Support came from Provan et al. (2003) whose research focused on attitudes toward trust and collaboration. They found that collaboration tends to be built most readily around shared information. In addition, Kreiner and Schultz (1993) noted that collaboration breeds more collaboration and collaborative relations can expand in multiple directions, adding new participants and new contents to the military centered network discourse. Therefore, the stage is set to create and develop new knowledge from existing information being shared. As a result, increased value is created due to the cross-fertilization of ideas, expertise, and differing perspectives.

Although a majority of the respondents (representing all categories) foresaw a formal structure as potentially unnecessary layers of bureaucracy, they admitted that an informal structure could suffer from disorganization, lack of focus and discipline; while at the same time informal organizations could be more nimble and react to changes quickly. Also, an informal structure could manage expectations more openly through cross sector communication, referrals, and by adopting and sharing “best practices” through trial and error. Just about all of the respondents (representing all categories) saw an advantage in efficiency of service at the regional or state level as opposed to the national level. However, they conceded that due to the expansion in social media the world has gotten a lot smaller than it used to be and therefore collaboration on a national scale was now a more doable objective.

A majority of the respondents (with medium to extensive asset strength) believed that constituents would benefit the most because government agencies often seemed stymied and incapable of consolidating services and collaborating across sectors. Thus, a collaborative network like the proposed CMCNN could gain and disseminate more information about clients’
needs and places of where to receive care and treatment in a timelier manner making the concept more viable. One respondent (with large asset strength) summed it up this way: “It would allow us the ability to boost resources through the synergistic application of more brain power to the network.”

In the literature review Wilensky and Hansen (2001) suggests that nonprofits can support change by transforming themselves into learning organizations that benefit from cross-functional collaboration and by sharing lessons learned from prior successes and failures. A majority of the respondents endorsed social media as a tremendous enhancement toward promoting collaborative efforts. It gives people the space and tools to form virtual communities of practice focusing on shared goals and values, as well as the ability to share information, expand training and help build consensus among many other benefits (Mainwaring, 2011).

Almost every respondent (representing all categories) preferred face-to-face meetings whenever possible in order to facilitate cooperation and communication, and voiced that it was the most beneficial toward maintaining lasting relationships. However, every respondent did mention that it was usually too costly and therefore relied on email and/or texting along with the telephone to communicate regularly with their constituents and other nonprofit leaders. However, they were concerned about the use of social media such as Facebook, Twitter, Instagram and Linked-in because not every nonprofit agency utilized social media effectively and believed it to be too cumbersome. Texting was deemed to be quicker and a more convenient part of the social media arsenal. Nevertheless, many nonprofit leaders that were interviewed still chose email as the preferred method of communication, but recognized the powerful impact of social media and therefore were constantly thinking of ways in which to enhance its use.
According to Larsson et al. (1998), the creation of new knowledge is planned to be a function of the total amount of knowledge that is disclosed and absorbed among the organizations. Hence, both the transparency and receptivity of each of the interacting organizations need to be considered simultaneously in order to predict the amount of shared value. There are clear benefits of being a member of an inter-organizational network, including being at the leading edge of information, having access to new ideas, gossip and happenings in other sectors, professions and organizations. Thus a military centered network offers members the benefit of ‘being in the loop’ (Williams, 2002).

A few of the respondents (representing all categories) suggested utilizing webinars as a means to provide educational opportunities on selected topics and increase knowledge mobility among network members as well as those organizations operating on the periphery. One respondent (with extensive asset strength) suggested sharing file copies of suggested metrics that could possibly help aid other organizations in building capacity. Nearly half of the respondents (mostly with large to extensive asset strength) suggested yearly conferences to take advantage of face-to-face discussions where they could collaborate and build relationships. However, they were discouraged in the past when these face-to-face meetings turned out to be no more than back-slapping sessions resulting in self-aggrandizement. Some respondents (representing all categories) suggested utilizing online newsletters in order to share information about new service organizations and connect recipients with new treatment programs. All recognized the need to have a user friendly website in order to stay engaged and properly linked with stakeholders.

Multiple studies show that collaboration cultivates a strong social return on investment (SROI), adding to the belief that collaboration among mutually compatible organizations brings
better value to their stakeholders. Also, an organization’s brand recognition stands to increase when forming a collaborative social network with other charitable entities, thereby leveraging brand-building, marketing and advertising capabilities with network members (Ashworth, 2009).

Collaborations are often preferred vehicles for intergroup action because they preserve the autonomy of member organizations while providing the necessary structure for unified effort. Enabling people to link special interests, share information and diverse expertise, and incorporate various skills and levels of experience (Connolly and York, 2002). Organizations can continue to focus on what they do best and preserve their own resources while relying on others for related tasks and expertise (Advantages of Building Collaborations, 1994). This was echoed by many respondents (especially those with medium to extensive asset strength) who had had previous success with collaborative relationships.

The researcher found that community reintegration remains an ongoing dynamic process by which a service member returns to civilian life following deployment and strives for physical, social, economic, and psychological well being. A majority of the respondents noted that just as the service member must integrate back into their community; there needs to be acknowledgement, understanding, and adaptability provisions from employers, educators, and other members of the community encouraging successful reintegration (Healthy Homecomings for Veterans, 2012).

Along those lines, the most informed nonprofit organizations understand that the purpose of any social entity is to create value for its board members, recipients, staff and donors. Donors are no longer viewing their contributions as gifts, but are focused more on a social return on their investment (O’Malley, 1998; Drucker, 1990) from those nonprofits which provide a SVAB to
multiple stakeholders. Many respondents (who possess medium to extensive asset strength) stated that when searching for a SVAB based on intangible commodities, it is not easy to clearly identify the amount of “added value” contributed by each program or member organization.

The researcher found that measuring collaboration successes through “outcome measurement” has been an allusive obstacle at both the individual and network levels; however, it is one that is necessary in order to prove the benefits of a collaborative network to current and potential contributors as well as to network members. Camarinha-Matos and Afsarmanesh (2006) refer to this as ‘perception of value’. The actual meaning of a benefit depends on the underlying “value system” that is used in each context by stakeholders. It is commonly accepted that the behavior of an individual organization, network and/or society as a whole is determined by its value system.

Galaskiewicz et al. (2006) state that it is people’s interest in being identified with something worthwhile, and others who support it that ultimately drives their gifts of time and money. One reason that networks are so effective is that they can provide access to information that can help organizations overcome economic uncertainty. The characteristic of donative transactions is that network providers compete for support based on a donors’ perceived value of the goods or services to recipients, the cost to provide these goods and services, and the likelihood that network providers will deliver the goods in an effective manner.

Rosenblatt (2004) observed that intermediary organizations (boundary spanners) focus on building relationships with these audiences, listening to their needs and translating those needs into services. These intermediaries play a special role in connecting audiences with a range of network suppliers who can meet their needs (Casson and Cox, 1993). Capacity builders need to
help organizations focus on what they do best so they can outsource the rest, thus raising the collective effectiveness and value of the entire network moves the relationship from a zero-sum game to a positive-sum game in which all parties learn to benefit from collaboration (Ebers, 2012; Basadur et al., 2000; O’Malley, 1998).

The most compelling rationale for engaging in collaborative relationships indicated by the literature review is the advantage an organization accrues by gaining access to complementary areas of expertise, knowledge, skills, technology, or resources that it cannot produce on its own (Powell et al., 1996). Most researchers on strategic alliances concur that the value added from collaboration comes primarily when partners have complementary needs and assets. The researcher discovered similar sediments from respondents (with medium to extensive asset strength) who are pursuing collaborative relationships in efforts to increase efficiency, gain knowledge and exploit dwindling resources.

Values-driven organizations are ones that incorporates their core values as a key component of both mission and vision statements and infuse those values throughout their organization, which in turn leads toward how they conduct themselves when relating to various stakeholders (Ebener, 2004). Rangan (2004) recognized that if a set of core values can be articulated, identified, communicated, activated and evaluated by nonprofit boards and management staff, and are balanced between instrumental (economic) and expressive (humanitarian) values (Steane, 1999), then the organizations are more likely to obtain a healthy double bottom line. Thus, realizing what the researcher calls a perceived SVAB in the long-term.
The researcher explored with respondents the increased emphasis on outcome measurement and found unanimous agreement that it simply allows a nonprofit to effectively explain return on investment to its funders. However, some of those polled (with minimum to large asset strength) indicated that they felt like they were at different stages on the journey and acknowledged that they would like to collaborate on obtaining better measures in which to evaluate their programs and services. The researcher noted that organizations possessing medium to extensive net assets along with a seasoned nonprofit staff were capable and willing to share performance metrics with grass root organizations. It is important for nonprofits to say that their administrative costs are a low percentage of revenue and that their programs and services are reaching the people they’re designed to reach and thus leading to hopefully to identifiable results (making an impact) (Broussard, 2008). In addition, Broussard notes that programs that produce positive measurable outcomes are generally further supported and/or expanded, as there is definitive proof of success. Thus, nonprofits which measure outcomes, and who disseminate this information are generally well regarded and viewed as reliable in their communities.

Easterling (2000) noted that grants are seen less and less as gifts or contributions, but more as investments. Thus the pressure is on nonprofits from a variety of funders to demonstrate results, who themselves are under renewed scrutiny to be accountable and to maximize the impact of their social investments (Hatry, 2002). Young (2001) notes that as serious competitors for societal resources, nonprofits are asked now to measure up to the standards of business. Thus member organizations of a CMCNN would need to concern themselves with taking into account both a financial and social bottom line approach in performing their mission.
Evans (2012) recognizes value based management as making decisions that recognize value and benefits within a broader context, continuously seeking out performance standards commonly referred to as best practices, and threading high levels of accountability into all major activities of a nonprofit organization in order to add value.

The researcher found that in order to fulfill their missions, nonprofits must adapt and maintain sound business practices that allow them to grow, to continuously improve and measure their success (Broussard, 2008). Also, Som and Nam (2009) state that from a social-mission perspective nonprofits need to focus on performance indicators and on how their programs and services produce benefits to their intended clients (Drucker, 1990; Hatry et al., 1996). This finding was verified by a majority of the respondents (regardless of asset strength) who indicated that processes such as everyday tasks that lead to the fulfillment of their organizational mission were consistently tracked (ex: Number of workshops presented; low ratio of operating expenses to contributions; number of previously homeless veterans finding employment; number of months a veteran remains drug and alcohol free, etc.).

When partnerships are formed to enhance organizational legitimacy or reputation (Galaskiewicz et al., 2006), one expects a positive effect on organizational learning and on improved inter-organizational relationships which may hopefully lead to increased contributions. Hence, lead organizations seek to build their collaborative relationships with a respected organization not only to enhance their own reputation and gain greater legitimacy, but also to develop a foundation for future collaboration (Chen and Graddy, 2010).
Analysis:

After reviewing the remarks of respondents (in all categories) participating in the oral survey, the researcher validated the assumption that charitable contributions from donors would in theory increase if a military-centered nonprofit network could collaboratively demonstrate to stakeholders a perceived SVAB.

In addition, the researcher found that collaboration among members breeds new knowledge creation and enhances network value by creating value driven organizations supported by outcome measurement. In turn, a CMCNN helps create a perceived SVAB for all stakeholders by establishing legitimacy, accountability and transparency. Thus, the feeling of trustworthiness being shared among network members, donors and other stakeholders adds immeasurably toward realizing a SVAB which according to a majority of the respondents (operating with large to extensive net assets) emboldens trust and confidence.

The optimism over increased long term sustainability helps promote the benefits of network membership by adding a perceived value to the prospects of a healthy double bottom line viewed as both financial and social health. Along with that, donors are seeking a social return on their investment (SROI) and want to know that networked organizations are using donated funds wisely enhancing the perception of value creation among all stakeholders especially during times of economic uncertainty.

Kaplan (2001) notes that the topic of accountability and performance measurement has become urgent for nonprofit organizations as they encounter increasing competition from a proliferating number of other nonprofit organizations, all competing for scarce resources. The
overwhelming consensus among respondents confirms that non-profits who measure the effectiveness of their efforts will be better able to argue the validity of their grant requests in seeking increased contributions from potential donors (Hart et al., 2007).
**Research Issue 4 - Enhanced Network Value Serves to Attract and Leverage Resources for All Stakeholders**

*Research Question 4:* By increasing value creation for stakeholders could a collaborative military nonprofit network attract and then leverage resources to effectively "expand the resource pie" (more contributions) making it a more positive sum game (win-win) for all stakeholders?

**Introduction**

Historically, "win/lose" or "zero-sum" thinking was based on the underlying assumption that there is a fixed pie of value to be divided up among stakeholders principally recipients, board members, staff/volunteers, and donors; so that the interests of major stakeholders must be traded off against one another. However, by adopting an ‘expand the pie’ (win/win) approach to network management individual charities can alter their thinking along several dimensions in an effort to realize an increased SVAB and ultimately a positive-sum outcome over the long term (Dhanaraj and Parkhe, 2006).

Basadur et al. (2000) suggest a little `out of the box’ thinking in terms of problem definition (See Figure 6) as the key to making a perceived `fixed pie' larger, moving beyond what he calls “the shackles of zero-sum, win-lose, compromise thinking.” If a problem can be conceptualized from a new angle in such a way that each party believes its resolution would provide a high level of satisfaction or SVAB, then the parties will be more likely to work together collaboratively (Fisher et al., 1991).

Researchers of nonprofit collaborations argue that it is the pooling, leveraging of resources and knowledge that can lead to the solution of otherwise insoluble problems (Trist,
In addition, Hardy et al. (2003) mention that if the aim is to empower communities and resolve both intractable and ill-defined social problems, then surely the aim should be to leverage available resources and collaborate for knowledge creation. Interagency collaboration is based on the premise that value is created both for the organizations and for the clients they serve when different organizations work together. This value may come in many forms, from reduced duplication of services to improved service technologies that treat the needs of clients.

**Findings:**

The literature review revealed that inter-organizational learning can be achieved by transferring existing knowledge from one organization to another organization, as well as creating completely new knowledge through interaction among the organizations. Both the transfer and creation of knowledge require simultaneous transparency and receptivity at some level among collaborating organizations in order for value added inter-organizational learning to occur.

Brown and Duguid (1998) found that a knowledge-based point of view influencing organizational knowledge creation provides a synergistic advantage not replicated in the current nonprofit environment. While knowledge is often thought to be the property of individuals, a great deal of knowledge is both produced and held collectively. Such knowledge is readily generated when people work together in the tightly knit groups known as ‘communities of practice’ (Frößler, Rukanova, Higgins, Klein and Tan, 2007).

Also, Brown and Duguid (1998) cite Lave and Wenger (1993) who refer to reciprocity as "legitimate peripheral participation." They note that people learn by taking up a position on the
periphery of skilled practitioners and after interacting are allowed to move slowly from lurking on the periphery (See Figure 2) into what they term ‘the community of practice’ (As cited by Brown and Duguid, 1998, p. 107). With regard to other members within the network, Granovetter (1973) emphasizes the "strength of weak ties," suggesting that it was often people loosely linked to several communities who facilitated the flow of knowledge among them.

The researcher noted Kilpatrick, Barrett and Jones (2011) belief that learning communities can be a powerful means of creating and sharing new knowledge. Learning communities not only facilitate the sharing of knowledge, but have the potential to create new value added knowledge that can be used for the benefit of the community as a whole and/or its individual stakeholders allowing learning community like the CMCNN to attract and leverage more resources effectively expanding the resource pie.

Bolland and Wilson (1994) observed that when organizations providing more than one type of service to clients about available services and otherwise interact with organizations providing different types of services, the interests of multiple-need clients are served more effectively than if such interaction does not occur. This collaborate activity within a CMCNN is the essence of integrative coordination, which would occur in the delivery of services, the building of organizational capacity and the perceived creation of value to stakeholders allowing the resource pie to expand encouraging increased contributions.

Also, Hager et al. (2004) found that the survivability of an organization rests largely in its ability to successfully compete or cooperate (or both) with other provider organizations in what is referred to as its micro-niche space. Social capital theory argues that social networks among both individuals and organizations add value and thus enhance member survival chances because
they help actors access resources that otherwise would be unavailable to them. Thus, organizations that satisfy multiple client needs should not only improve their monetary outcomes but also reduce operational costs through collaboration.

In fact, a majority of the respondents (with medium to extensive asset strength) believed that constituents would benefit the most from collaboration because government agencies often seemed stymied and incapable of consolidating services and collaborating across sectors. Thus, a collaborative network like the proposed CMCNN could gain and disseminate more information about clients’ needs and places of where to receive care and treatment in a timelier manner making the concept more viable. One respondent (with large asset strength) summed it up this way: “It would allow us the ability to boost resources through the synergistic application of more brain power to the network.”

However, many of the respondents (representing all categories) expressed the potential for mistrust and what some called the siloed mentality with isolated groups, which could possibly add to the duplication of services in certain areas. In terms of group bias, one respondent (with large asset strength) summed it up best: “Frankly, some groups just don’t play well together.” All of the respondents indicated in one way or the other the challenge of keeping peace within the network because of different personalities and resource strength. And finally, the likely fear mentioned by a few members with large to extensive net asset strength that network interlopers might seek to abscond with a member’s donor list thereby exacerbating the potential for distrust within the CMCNN.

In the literature review, Sirmon et al. (2007) offer the following thoughts on transforming resources into value creation. Resource management is a comprehensive process using a firm’s
resource portfolio, then bundling those resources to build capabilities, and finally leveraging those capabilities with the purpose of creating and maintaining value for all stakeholders. Value creation is optimized when a firm synchronizes the processes in and between each resource management component such that the net benefit is maximized for all stakeholders. The integration and balancing of components to ensure harmony in the process leads to making it a more positive sum game for all stakeholders.

In addition, Devita and Fleming (2001) note that the effective allocation and leverage of available resources are keys to the long-term success and value creation within a nonprofit organization. The more people who know about the organization and its work, the more opportunity there is to attract people to the organization as board members, staff, volunteers, clients, or supporters. In short, they help build the organizational relationships (or social capital), that are important to organizational stability, which was noted by all of the respondents (regardless of net asset strength) as significant toward long term sustainability and making it a more positive sum game.

In contrast, Kaplan notes that success for nonprofits should be measured by how effectively and efficiently they meet the needs of their constituencies (their stakeholders) using the balanced scorecard approach in terms of creating a value added benefit. The researcher modified Kaplan’s original premise by changing the perspectives evaluated and incorporating a strategy component which includes: objectives, measures and action initiatives (See Figure 5). The balanced scorecard approach measures value proposition or how the organization creates value for its targeted customers, and by focusing on what output and outcomes the organization intends to achieve not what programs and initiatives are being implemented. The researcher
believes that military nonprofits that would make up the CMCNN should consider an overarching mission objective, for example: Improve the quality of life of the military community at the top of their scorecard (Kaplan, 2001).

The researcher notes Connolly’s (2011) view that more often nonprofits measure how much they do and the cost of that effort, rather than focusing on the impact of their programs which nonprofits must define through the eyes of those they serve as well as other stakeholders. Organizations can connect with funders and others within the network over time by sharing results at a level that resonates with them in order to inspire long-term sustainability and accountability. Also, organizations that collect and use high-quality data from program evaluation, and then gather key stakeholder input for planning and strategy implementation efforts are significantly more sustainable (build capacity) than those that do not. Thus, membership in a CMCNN would aid in creating value for all stakeholders over the long term leading to a positive sum game.

The researcher referenced using the logic model and balanced scorecard approach during the oral survey. However, some of the respondents (mostly with minimum to medium net asset strength) indicated a lack of familiarity with the logic model possess (inputs-activities-outputs-outcomes) despite the fact that the United Way advocated its use. However, many respondents (with minimum to medium net asset strength) confessed that due to limited staff and time management constraints they were not able to currently implement its full use into assessing their programs. In addition, the researcher mentioned the Balanced Scorecard Approach as a tool to help nonprofits keep an objective yardstick evaluating what creates value within their
organization using the four perspectives suggested by the researcher in Figure 5: financial, stakeholder, internal processes and building capacity.

The researcher found that a key element of win/win scenarios is they are aimed more at creating opportunity than at minimizing costs. The theory being that in a well-designed value-creation system, almost any transaction can become a win/win or positive-sum game, if it is managed within the context of an appropriately long time frame. By making the entire system more efficient and effective there is an increase in realized/perceived value (Gottlieb, 2012). In other words, if a CMCNN seeks to achieve a "value-adding advantage" now, then military network members are likely to be more successful than their nonprofit competitors over the long run by establishing a sustainable process of value creation (O’Malley, 1998).

Thanks to the maturation of social media, a proposed CMCNN could be one “virtual” organization formed from several organizations. The researcher believes that the focus of a CMCNN is to encourage a win-win relationship by providing more of a social value added benefit over the long-term, thereby creating more value among network members and other stakeholders with each contributing particular resources. Thus, participants would achieve a higher level of satisfaction than they believed possible (As cited in Basadur et al., 2000, pp.56-58).

Gottlieb (2012) notes that most organizations are not culturally prepared for win/win thinking through genuine collaboration. The researcher found this to be the case when interviewing respondents (across all categories) during his oral survey. This was especially noteworthy when organizations perceive that they are in competition for limited funds with the very organizations they are asked to collaborate with which leads to the question: *Whom do you*
trust? Axelrod (1984) explored this topic in what has been termed the *Prisoner’s Dilemma*, suggesting that a player has a short-run incentive to defect, but can do better in the long run by developing a pattern of mutual cooperation with the other. Thus, if planning for the long-term…practice reciprocity!

The principle of continuous creation (Evan, 2012) says that a nonprofit (run like a business) as an institution can be a source for creating value. Cooperating with stakeholders and motivated by their values, people continuously create new sources of value (Freeman and Phillips, 2002). Tannenbaum (2003) states that aligning the decision-making process to an organization’s core values (such as military core values) helps to focus the organization, increase performance/productivity; and aid in development of a committed workforce (p. 4). Also, setting performance goals and targets with respect to the concerns and expectations of key stakeholders is emerging as an important means for leveraging stakeholder relations within a potential CMCNN in order to bolster a SVAB.

From a stakeholders’ perspective, they assess their relationships with nonprofits based on how well their expectations are met and how they are treated by these organizations (Herman and Renz, 2004). Jensen (2001) believes that tracking value creation within the organization/network over the long term is the scorecard by which stakeholders will measure success. Therefore, nonprofits enhance the likelihood of being perceived as responsive to stakeholder needs and the public interest when they align their organization’s values, missions, and capabilities with the expectations of stakeholders (Balsar and McClusky, 2005).

The researcher found that the lack of inclusion of input from all stakeholders can limit the
use of performance management and create barriers to generating support from those stakeholders (Behn, 2003). In addition, Jensen (2001) states that stakeholders include all individuals or groups who can substantially affect the welfare of the firm, or whom are affected by the achievement of the organization’s purpose. Therefore, the development and use of logic models, inextricably linked to program evaluation, is a concrete method for addressing some of the barriers to using performance measurement for organizational decision making in nonprofits (McLaughlin & Jordan, 1999; Schalock & Bonham, 2003).

Stone et al. (1999) agree that little exists on how to define and measure performance in nonprofits because of their vague goals, multiple constituencies, and the uncertain relationship between service activities and outcomes (Hatten, 1982; Santos et al., 2001). This was reaffirmed by respondents during the interview process. Some of those polled (with minimum to large asset strength) indicated that they felt like they were at different stages on the journey and acknowledged that they would like to collaborate on obtaining better measures in which to evaluate their programs and services. About 75% of the respondents (representing all categories) mentioned that their respective organizations handed out pre and post session surveys in order to evaluate client satisfaction with the program or service offered. In most cases they asked family members for feedback to evaluate whether a soldier’s disposition improved or remained unchanged.

A few of the respondents (with large to extensive asset strength) indicated that they had success measuring board member expectations toward achieving the organization’s goals. However, an increased number of respondents (mostly with large to extensive asset strength)
were content with tracking the number of grants, the number of common needs met, expense to revenue ratios, how many referrals coordinated, number of youth assistance programs funded and special events staged. One respondent (with extensive asset strength) indicated that their group looked at collective impact by following up with all of their clients. For example, tracking client progress over a nine month provided feedback equating to an 80% client success rate for maintaining employment.

Plantz, Greenway and Hendricks (2006) add that outcome measurement shifts the focus from activities to results; from how a program operates to the good it accomplishes (Hatry et al., 1996). Therefore, establishing systems for sharing information (via social media, newsletters, emails, texting, webinars, etc.) within the CMCNN about successful efforts and the context in which they were applied would save the network a lot of time and expense while offering particular benefits for military nonprofit organizations (Plantz et al., 1997).

All of the respondents overwhelming suggested that social media was the preferred method for sharing information saving time and money, but admitted that some of their colleagues still lacked proficiency in application. Ashworth (2009) notes that multiple studies have shown that collaboration cultivates a strong SROI, adding to the belief that collaboration among mutually compatible organizations brings better value to their stakeholders by leveraging brand-building, marketing and fundraising capabilities with other network members

The researcher adopted Evans’ (2012) views on value based management as making decisions that recognize value and benefits within a broader context, continuously seeking out performance standards commonly referred to as best practices, and threading high levels of
accountability into all major activities of the CMCNN. Also, Evans (2012) endorses the use of the logic model which can neatly capture cause-effect relationships within the value-chain proposed by the researcher of a collaborative military-centered nonprofit network.

In the literature review, Mandell and Keast (2008) state that the main purpose or function of a network is to link members and their resources, facilitate joint action and learning. In doing so, they leverage these collective interactions in response to the environment in new and innovative ways. However, there needs to be a collaborating type of network such as the CMCNN which is based on higher levels of trust and reciprocity promoting a methodology for selecting variables that measure impact on outcomes.

Plantz et al. (2006) conclude that the measurement of a program's outcomes, the benefits or results it has for its customers, clients, or participants can and will have a tremendous impact on nonprofit health and human service organizations in terms of program improvement and donor contributions. The most important reason for implementing outcome measurement is that it helps programs improve services and helps provide proof of a SVAB. Broussard (2008) notes that programs that produce positive measurable outcomes are generally further supported and/or expanded, as there is definitive proof of success. Thus, those nonprofits which measure outcomes and who disseminate this information, are generally well regarded and reliable in their communities as providing a SVAB.

Saul (2003) notes that it is also critical to more efficiently manage funder expectations. Putting performance measurement capabilities into the hands of nonprofits offers them the ability to articulate and track their own goals and then work collaboratively with funders and network
members to produce information that is mutually valuable. Performance measurement should be introduced as a tool aimed at helping individual organizations leverage resources in an effort to expand the resource pie making it a more positive sum game. This is supported by Powell et al. (1996) who cite Lester Thurow’s (1980) book *The Zero-Sum Society* in which he mentions that competition is no longer seen as a game with a zero sum outcome, but as a positive-sum relationship in which new mechanisms for providing resources develop behind advances in knowledge (As cited in Powell et al., 1996, p. 143) to expand the resource pie, which tends to support the researcher’s belief in the formation of a CMCNN.

**Analysis:**

After reviewing the remarks of respondents from across all categories participating in the oral survey, along with the studies found in the literature review, the researcher validated the premise that by increasing value creation for stakeholders a collaborative military nonprofit network can attract and then leverage resources to effectively "expand the resource pie" (more contributions) making it a more positive sum game (win-win) for all stakeholders.

Also, the researcher determined that all of the respondents had some form of outcome performance measures in place, but indicated that they would like to collaborate on obtaining better measures in which to evaluate their programs and services. Therefore, establishing systems for sharing information within the CMCNN about successful efforts and the context in which they were applied will save members a lot of time and expense, offering particular benefit for other military nonprofit organizations operating on the periphery as well (Plantz et al., 1997).
The literature review found that members of the military centered nonprofit network would undoubtedly have to achieve outcome goals as a precondition for future funding. Thus, the trend toward increased accountability, the infusion of technology, and the emergence of nonprofit networking will eventually force an overall improvement in the effectiveness and efficiency of service delivery within the military community over the long term.

The researcher concludes that a collaborative network can lead to the creation and transfer of new knowledge. Therefore, outcome measurement has the potential to add value by leveraging this new knowledge and creating what Dhanaraj and Parkhe (2006) call an ‘expand the pie’ approach to network thinking. In so doing, the resource pie expands creating a “positive-sum” game, compared to going it alone as an individual charity which typically results in a “zero-sum” game overall (Basadur et al., 2000; O’Malley, 1998).
Research Issue 5 - Aligning Stakeholder Expectations to Build Capacity

Research Question 5: Could a more positive sum game aimed at building capacity lead to long-term sustainability, greater mission impact and increased donor contributions?

Introduction

In the literature review Connolly (2001) notes that “capacity building” refers to activities that strengthen an organization and help it better fulfill its mission. Capacity building can occur in virtually every aspect of an organization, including programs, management, operations, technology, human resources, governance, financial management, fund development, and communications.

In addition, Collins (1998) believes that by measuring outcomes, nonprofits gain a barometer to guide management, motivate staff and focus the organization's mission. Having accessible outcome data also improves the organization's capacity to fundraise and advocate on behalf of its mission and clients. Donors increasingly expect nonprofit organizations to demonstrate their effectiveness. As a result, many accreditation bodies require a periodic review of program outcomes. Therefore, a computerized outcomes measurement system is critical in aiding a CMCNN to collect, sort and aggregate the results of a member organization's programs, thus allowing for the better dissemination of information to network members.

The literature supports the premise that building organizational capacity within the proposed CMCNN would add value and help to reassure all stakeholders that network members are focused on their mission, leadership, resources, outreach and the services they provide especially during times of economic uncertainty. In addition, there is the belief that a perceived
social added benefit would allow a CMCNN to attract and leverage resources and effectively expand the resource pie allowing for increased contributions making it a more positive sum game (or win-win) for all stakeholders thus improving an organization’s double bottom line.

**Findings:**

The researcher found that the first step in building network capacity begins with aligning stakeholder expectations with a set of common core values. This is what Argandona (1998) concludes is the theory behind ‘the common good’ of the organization and its stakeholders, as well as for society as a whole. Stakeholders assess their relationships with nonprofits based on how well their expectations are being met (Herman and Renz, 2004). Thus by aligning the expectations of stakeholders with one’s own values, mission and capabilities, a nonprofit enhances the likelihood of being perceived as responsive to stakeholder needs and the public interest, and therefore an effective organization (Balsar and McClusky, 2005).

Also, Gill et al. (2005) believe that assessing one’s own board and evaluating its organizational performance is important in demonstrating accountability and generating public trust and a key enabler of success (Artley, Ellison and Kennedy, 2001). The ability of a nonprofit to deliver on this trust requires transparency. Transparency allows the constituent to easily ascertain that the nonprofit is doing what it is suppose to do (Evans, 2012).

The literature review noted that an organization is composed of multiple stakeholders. A multiple constituency model as suggested by Herman and Renz (1999) would emphasize that an individual and/or groups of individuals may form evaluations of a nonprofit’s activities, and may be able to influence the activities of that organization with each using different criteria to evaluate that nonprofit’s effectiveness. For example, retired military and veterans serving as
prominent stakeholders have significant influence over the criteria used to evaluate military nonprofits and can focus on the criteria and impressions they deem most relevant to a majority of their stakeholders (Mistry, 2007). All of the respondents participating in the oral survey agreed with the above premise. On grounds both of conceptual clarity and empirical evidence, Connolly et al. (1980) supports the multiple-constituency approach which appears to provide a more systematic approach aimed at defining effectiveness and building capacity over the long run.

Consequently, it is no surprise that a growing number of stakeholders believe that investing in capacity building helps leverage the impact of their philanthropic resources (Connolly and York, 2002). Tsui (1984) states every organization must discover and continually seek to improve its practices and be consistent with its values, mission and stakeholders’ expectations without adding to their costs (Gose, 2011). Also, the literature review indicated that an organization needs to be clear about their strengths. In other words, what will your nonprofit organization bring to the CMCNN, and what are the other member’s strengths? By collaborating, charities offer a more complete set of services along with a perceived SVAB that might make their pitches to donors more likely to succeed (Bridgespan Group, 2012).

Hatry et al. (1996) believe that organizations need to provide more transparency and accountability into how they operate while building and strengthening relationships. Outcome measurement provides a learning loop that feeds information back into programs on how well they are doing. It offers findings that members of a CMCNN can use to adapt, improve, and become more effective as they build capacity.

The literature review supports Ebrahim’s (2005) claim that stakeholders need to reconsider the balance between reporting systems designed for short-term accountability and
those that can enable longer-term change through organizational learning. This means that improving accountability is not only about accounting for donor funds but also about making progress toward a mission that results in a more positive sum game for all stakeholders aimed at building capacity, which leads to long-term sustainability, greater mission impact and increased donor contributions.

According to Speckbacher (2003) outcome measures impart a sense of focus and businesslike competence on the part of a nonprofit, which can be enormously comforting to donors who want to make sure that their charitable dollars are being used in the most efficient and effective manner possible. Nonprofits that have adopted and implemented effective systems of performance measures will be well positioned to take advantage of this trend toward accountability over the long term. What’s more, Herzlinger (1996) notes that if an effective measurement system is not implemented, public trust in nonprofit organizations are bound to be lost. An organization is said to have a competitive advantage when it is implementing a value creating strategy not simultaneously being implemented by current or potential competitors seeking donations (Gill et al., 2005).

In the literature review, Moore (2000) cites Oster (1995) the author of Strategic Management for Nonprofit Organizations: Theory and Cases who agrees that the principal value delivered by the nonprofit sector is the achievement of its social purposes and the satisfaction of the donors’ desires to contribute to the cause that the organization embodies (As cited by Moore, 2000, p. 186). It is the satisfaction that comes from aligning themselves with, and contributing toward, an effort to achieve a large public purpose for which there is no readily sustainable market (As cited by Moore, 2000, p. 194). A majority of the respondents (representing all
categories) agreed that nonprofit organizations can gain more revenues by attracting charitable contributions from those who share their cause, thus expanding the resource pie toward a more positive sum game. Also, one can reasonably argue that nonprofit organizations create value for society in ways other than achieving their mission. For example, the literature review revealed that individual satisfaction (or utility) may be generated in the lives of donors through their gift giving. If this is true, then value is created at the upstream end of the organization’s work as well as at the downstream end.

Zajac and Olsen (1993) introduced the transaction value approach, by examining the processes by which joint value is created and claimed. They view exchange partners in inter-organizational strategies as primarily concerned with how to estimate a SVAB over the long term and how that value is distributed between exchange partners over time as the resource pie is given a chance to expand. Also, Samples and Austin (2009) cite Forbes’ (1998) *Measuring the Unmeasurable: Empirical Studies of Nonprofit Organization Effectiveness from 1977 to 1997* which states that for nonprofits to successfully acquire external funding, maintain government support, retain competent staff and/or address the outcomes relevant to community stakeholders, they need to continuously improve their ability to measure results and build capacity in order to make decisions that lead to long-term sustainability (As cited by Samples and Austin, 2009, p.4).

Saul (2003) observes that nonprofit professionals are seeking more relevant and cost-effective ways to track and measure results. Compounding this is the pressure on nonprofits from a variety of funders to demonstrate results, who themselves are under renewed scrutiny to be accountable and to maximize the impact of their social investments (Hatry et al., 1996). A
practical step might be to improve nonprofit capacity (to articulate outcomes and measures), create better tools (to track data) and develop common standards (to interpret and compare performance with similar programs).

This is consistent with a majority of the respondents polled (with minimum to large asset strength), who indicated that they felt like they were at different stages on the journey and acknowledged that they would like to collaborate on obtaining better measures in which to evaluate their programs and services. For example, one of the respondents (with extensive asset strength) handed out a survey focusing on their reputation. They sought to gain a better perspective on how they were viewed within the community. In other words: *How do we look to others? Are we following up with the clients that we serve?* A few respondents (with large to extensive asset strength) indicated that they tracked interest on their advocacy programs. For example, the number of hits on their website which they felt was significant. A few of the respondents (with small to large net asset strength) stated that tracking outcomes was not easy but it would be helpful to share ideas and were anxious to do just that.

Mistry (2007) notes that nonprofit organizations evaluate effectiveness to demonstrate a SVAB to stakeholders, thereby renewing legitimacy, establishing credibility, ensuring survival, and to give feedback to staff and volunteers about the impact of their contributions (Himmelman, 2001). Similar observations were voiced by all respondents. Balsar and McClusky (2005) note that cultivating relationships with stakeholders helps facilitate the ability to be responsive to stakeholder concerns, which would be recognized as best practices in the nonprofit sector (Drucker, 1990). Menefee (1997) believes that foundations will demand more accountability from nonprofits regarding the use of resources and quality of service outcomes. As mentioned
previously, members of a military nonprofit will undoubtedly have to achieve outcome goals as a precondition for future funding.

Easterling (2000) in the literature review comments that grants are seen less and less as gifts or contributions, but seen more and more as investments. Moreover, donor foundations operating under this new paradigm are much more impressed with outcome evaluation (i.e. an objective assessment of the actual effects of the funded program on the target population). Understandably, measuring outcome and impact is often tedious if not impossible over the long term. The researcher mentions the issue of latency which can be addressed to some extent by measuring shorter term outcomes (e.g., increases in knowledge, new skills) that hopefully will serve as proxies for the ultimate long-term outcome of a social program. Easterling (2000) notes that logic models help connect the shorter term and longer term outcomes together in a chain of causality.

Hatry (2002) cautions that making a precise calculation of future outcomes is usually quite difficult and signals the need to recognize performance partnerships. Thus within a CMCNN, outcomes, outcome measurement procedures and outcome targets could be jointly established by network members helping to promote a perceived SVAB for all stakeholders. During the oral survey all of the respondents indicated that they track mission impact to a certain degree. However, some of those polled (with minimum to large asset strength) indicated that they felt like they were at different stages on the journey and acknowledged that they would like to collaborate on obtaining better measures in which to evaluate their programs and services.

Furthermore, Bolland and Wilson (1994) observed that when organizations providing one type of service refer clients, get information about available services, and otherwise interact with
organizations providing different types of services, the interests of multiple-need clients are better served and more effective than if such interaction does not occur which results in a positive sum game. Thus, adhering to the mission and cultivating stakeholder relationships are recognized as best practices in the nonprofit sector (Drucker, 1990).

With regard to CMCNN, Gill et al. (2005) state that organizational effectiveness measures can fulfill stakeholders’ expectations by demonstrating high standards of professionalism and accountability; communicating well with outside stakeholders within the military community and by adapting to the network’s changing needs. A majority of the respondents (representing all categories) indicated that increased resources in the form of contributions and access to an expanded network of services would improve their ability to stay responsive and aid in building capacity. In addition, the ability to maintain open communications and collaborate with other organizations placed outreach opportunities close behind. Informing others about the network and being aware of network and outside services provided to veterans and their families was a popular response by a majority of the respondents (across all categories).

In the literature review, Devita and Fleming (2001) define capacity building as the ability of nonprofit organizations to fulfill their missions in an effective manner. A strong mission orientation is a distinguishing characteristic of the nonprofit sector and a motivating force for many military nonprofit organizations to effectively collaborate in forming a CMCNN. While some military nonprofit organizations engage in some type of networking or sharing of information, how actively they pursue this goal of forming a network such as a CMCNN, and with whom they seek external contacts may vary depending on their overall vision and mission
toward assisting members of the military community. Kreiner and Schultz (1993) support the premise that an increased SVAB can be created due to the cross-fertilization of ideas, expertise, and differing perspectives. Enabling people to link special interests, share information and diverse expertise, and incorporate various skills and levels of experience (Connolly and York, 2002).

Consequently, over 90% of the respondents (representing all categories) thought that joint activities should focus on educating others on the current methods of helping wounded veterans reintegrate back into the mainstream of society. In addition, the ability to refer wounded veterans, caregivers and other family members to the right service provider was deemed critical. And viewed as probably the biggest hurdle is navigating through the myriad of bureaucracies that populate government agencies who sometimes thwart or delay needed treatment (i.e. the Veterans Administration).

A majority of the respondents (with medium to extensive net asset strength) thought the list of joint activities was pertinent but a few suggested adding “best practices” and how to formulate better proposals. One respondent (with large asset strength) suggested “staying on the Pentagon’s radar” as she put to keep bureaucrats advised of the programs military nonprofits offer and the needs of their client base. In short, gain exposure in a positive way! Two of the respondents (with large asset strength) suggested seeking out pioneers and others who think outside the box to explore new opportunities. One respondent (with extensive asset strength) recommended exploring where the overlap or gaps are and establish procedures for disseminating information.
Accordingly, Van Alstyne (1997) discusses a value adding collaborative partnership as consisting of sharing knowledge and organizational “know how” through information management to create value. Lasker et al. (2001) state that by leveraging the individual perspectives, resources, and skills of the partners, a collaborative group creates something new and valuable together, a whole that is greater than the sum of its individual parts. Martin et al. (1983) report that service integration as a strategy for collaborative service delivery reduces duplication, improves coordination, minimizes costs, and improves responsiveness and effectiveness. Also, Legler and Reischl (2003) add that one of the essential elements related to a successful inter-organizational collaboration begins first with diversity of stakeholders and a belief that their participation in the coalition such as a CMCNN will leverage resources and promote a perceived SVAB. This in turn leads to a positive sum game aimed at building capacity, long term sustainability, greater mission impact and increased donor contributions.

Innes and Booher (2003) observed that the most effective collaborations build their own capacity by tracking outcomes they are producing and by providing this information back to participants to enhance their learning process. Collaborative networks that do these things are recognized and respected in their communities, which in turns increases their capacity (Booher and Innes, 2002). Along with that, Huxham and Vaugen (2000) state that organizational networks aim to gain collaborative advantage by achieving outcomes that could not be reached by any of the organizations acting alone. Also, having an appropriate cross-section of members is most frequently mentioned as a success factor by Huxham and MacDonald (1992), all of which helps promote value to stakeholders.
In the literature review, Newell and Swan (2000) note that knowledge confers an ability to recognize the value of new information, assimilate it, and apply it to accomplishing one’s mission. These abilities collectively constitute what Cohen and Levinthal (1990) call a firm’s absorptive capacity, which once again refers not only to the acquisition or assimilation of information by an organization but also to the organization's ability to exploit it. Provan et al. (2003) suggest that client referrals represent an important form of network involvement and are a good indicator of the building of community capacity, which was also acknowledged by all respondents who participated in the researcher’s oral survey. In addition, it is an important way for organizations to cooperate with one another because referrals involve the actual provision of services to clients.

The researcher found consistent agreement among respondents that support a culture of accountability and transparency, which ensures that an individual organization and fellow network members do in fact create value (a SVAB) for their stakeholders. Of primary concern to just about every respondent (spread across all categories) was: “What if others in the network did not share the same interest or would not share ideas (i.e. more takers than givers)?” Two key concerns surfaced. What if the network took on the appearance of more talk and less action? Also, concern about the lack of transparency within the group was repeated by about half of the respondents regardless of their net asset strength and years of nonprofit experience. After all, when people give of their time and/or money, they are saying this: “I trust and believe in what the military nonprofit is doing.” The ability of a nonprofit to deliver on this trust requires transparency. Transparency allows the constituent to easily ascertain that the network member is doing what it is suppose to do (Evans, 2012).
Furthermore, the literature review highlights collaborations as preferred vehicles for intergroup action because they preserve the autonomy of member organizations while providing the necessary structure for unified effort. Thus a collaborative military network would enable people to link special interests, share information and diverse expertise, and incorporate various skills and levels of experience (Connolly and York, 2002). This would allow groups who are at different stages of their own internal development to have an equal say, thus enabling tangible benefits to accrue from collaboration. For example, organizations can build capacity by continuing to focus on what they do best and preserve their own resources while relying on others for related tasks and expertise (Advantages of Building Collaborations, 1994). Thus informational synergy is manifested in the thinking and actions that result from collaboration, and also in the ongoing relationship of partnerships existing inside the broader military community.

**Analysis:**

After reviewing the remarks of respondents participating in the oral survey, along with the studies found in the literature review, the researcher validated his premise that a more positive sum game aimed at building capacity can lead to long-term sustainability, greater mission impact and increased donor contributions.

Furthermore, the researcher found that by adopting an ‘expand the pie’ strategy, a military charity network can expand their collective interests more broadly to include the interests of all stakeholders so a SVAB can materialize for other CMCNN members over time. This allows member organizations to easily adapt and maintain their own distinct identities and organizational authority separate from the collaborative identity (Thomson and Perry, 2006).
By aligning stakeholder expectations in an effort to build capacity a more positive sum game surfaces. Thus by leveraging resources organizational effectiveness is better defined and a shared SVAB emerges by promoting transparency and accountability within the membership. Capacity building is a process and over time it strengthens a military nonprofit’s ability to fulfill its mission and can enhance the overall network as it strives to positively impact the military community (Connolly, 2001). Thus, expanding organizational capacity helps articulate a more positive sum game resulting in long term sustainability, enhanced mission impact and hopefully increased donor contributions as the resource pie expands over time.
Additional Observations Stemming From Oral Interview Survey:

It was apparent during the oral interviews that military-centered nonprofits possessing a high net asset strength were cautiously willing to pursue the idea surrounding an informal collaborative military-centered nonprofit network (CMCNN) providing it did not restrict their current fundraising efforts, adversely impact their own time management issues or limit their organizational autonomy. Just about all of the respondents classified as having either a large to extensive net asset strength possessed a strong opinion about what was plausible and what had been tried before with what they called limited success. However, there was a willingness to explore options that the researcher had proposed acknowledging his credibility as a practitioner and now as a researcher familiar with issues surrounding veteran care and the challenges faced by caregivers and the veteran’s family.

Respondents with either minimum to small asset strength were more regionally focused and therefore held a somewhat limited opinion on national issues, and how they relate to the entire spectrum of concerns that veterans and their families face. All of the respondents were concerned about the economic environment and its impact on donor contributions stating empathically that they were not willing at this point to share their donor list or provide revenues to jump start a proposed CMCNN.

In an attempt to compare and contrast, several respondents (possessing large to extensive net asset strength) mentioned that a convening authority had previously provided sufficient funding believed to be between $125M and $150M to form a military focused nonprofit network of 50 nonprofits in 2008 named the Coalition for Iraq and Afghanistan Veterans (CIAV). The CIAV began with the best intentions but failed due to member mismanagement and a failure of
affiliate organizations to build sufficient capacity. When the money ran out in 2010 only a handful of its members were prepared to continue collaborating. Several of the respondents took advantage of the lessons learned from membership in CIAV, and stated that they would be agreeable to exploring a collaborative endeavor that was focused more on helping network members to “build organizational capacity” aimed at insuring long-term sustainability and enhanced mission impact something the CIAV was not equipped or focused on doing. All of the respondents were intrigued at the concept of perceived value creation and agreed that a social value added benefit, which the researcher proposed might have some merit toward obtaining increased donor contributions.

The literature review showed that the CIAV was intended as national non-partisan partnership of organizations committed to working with and on behalf of all veterans, their families, survivors and providers to strengthen the existing system of care and support for all those affected by the wars in Iraq and Afghanistan. The CIAV vision was to build strong partnerships with the non-profit community, Department of Defense, Armed Forces, National Guard, and the Department of Veterans Affairs (VA) to ensure the well-being of our military and veteran communities. The CIAV aim was to increase access to quality care and services for post 9-11 veterans, service members, families and survivors through collaboration among service providers and subject matter experts (Coalition for Iraq Afghanistan Veterans, 2010).

The CIAV was committed to strengthening and supporting an inclusive community of providers. Also, by honoring all members of the armed services, veterans of every branch of service, active duty, guard or reserve, officer or enlisted, as well as their families and survivors. In addition, the CIAV sought to educate the civilian community and augment the existing system
of care for our military and veteran community, which included advancing the cause of the military community, which included veterans and their families, survivors and providers, through the provision of high-quality services and referrals. Additionally, the CIAV wanted to advance research and information sharing to identify and support best practices on behalf of the military community.

Citing another effort, several respondents (possessing large to extensive net asset strength) mentioned the disappointment surrounding the U. S. Defense Department (DoD) program America Supports You (ASY). ASY was a DoD program which attempted to connect citizens and corporations with military personnel and their families serving at home and abroad. The ASY was launched in 2004 and provided opportunities for citizens to show their support for the U.S. Armed Forces. ASY attempted to connect individuals, organizations, and companies to hundreds of non-profit support groups called homefront groups, which offered a variety of support services to the military community. These still existing homefront groups provide support in many ways, including writing letters and e-mails, sending care packages, offering scholarships, and helping wounded service men and women when they return home (Quigley, 2007).

However, in May 2006 The New York Times reported on allegations that money had been improperly moved from the Stars and Stripes newspaper budget to fund the ASY’s public relations program. The people involved believed that they did nothing improper, but because the program needed to be absolutely transparent, above board and beyond reproach, the Assistant Secretary of Defense for Public Affairs asked the DoD Inspector General (IG) to take a look at the program’s funding practices (Schogol, 2007).
In December 2008 the DoD IG found that the American Forces Information Service working under the Deputy Assistant Secretary of Defense for Internal Communications and Public Liaison was conducting the ASY program in a questionable and unregulated manner. As a result, the ASY program produced results that were not consistent with the program’s primary objective, which was to inform our troops and military families on the ways and means in which the American public could support them. Along with that, a private nonprofit fund using the ASY name and logo was subsequently established to collect monetary donations, creating confusion and a lack of transparency between the official DoD ASY program and the private ASY fund. As a result, the DoD IG concluded that the public may have had a problem differentiating between the DoD program and the private ASY fund. Thus, by allowing the private fund to operate under the DoD program name basically constituted an implied endorsement by the Department of Defense, presenting a possible liability for any misuse of donations, and the private fund benefits from DoD branding the ASY program name. Furthermore, issues identified during the audit were referred to the DoD Inspector General, Directorate for Investigations of Senior Officials for review as potential senior official misconduct (Hanafin, 2008).

Also, it was suggested that the researcher review information about the Code of Support Foundation (COSF). The COSF states that their mission is to engage and leverage the full spectrum of the nation’s resources to ensure that our service members, veterans and their families receive the support they need and have earned through their service and sacrifice. In addition, they strive to encourage collaboration between civilian and military groups, as well as support organizations to come together to strengthen the health of our nation. The researcher reviewed the COSF’s financial data which included the 2013 IRS Form 990, or “Return of
Organization Exempt from Income Tax.” Their most recent IRS Form 990 revealed that the national organization formed in 2010 has limited resources or what the researcher categorizes as minimum net assets in which to currently execute their programs effectively (Code of Support Foundation, 2015).

With that in mind, the Code of Support Foundation (2015) has three ambitious programs in place designed to better connect the military and civilian communities. The Case Coordination Program provides service-members, veterans and their families with personalized, comprehensive and long-term assistance in navigating their transition from military to civilian life. COSF case coordinators serve veterans from any era, regardless of discharge status. The Warrior, Veteran and Family Support Network is a collaborative effort that works to identify resources and create partnerships between support organizations at both the local and national levels. No one agency - government or non-profit - has the capacity to meet the mounting needs of our veterans and their families alone. COSF works with hundreds of organizations across the country to change the paradigm of stove-piped service delivery. Finally, the Awareness and Engagement program is designed to provide the civilian community (about 99% of the population) with a variety of recommendations, tools, events and opportunities to learn about, connect with and support military and veteran families (the other 1%). Thus with their low minimum net asset strength after four years of existence, the researcher doubts whether COSF can accumulate the resources necessary to sustain their present operations tempo in the future.

The informal collaborative military-centered nonprofit network (CMCNN) as the researcher envisions does not parallel or compete with the COSF as described above. In fact, all of the respondents (except one in the small net asset category) believed that a CMCNN sharing a
common military culture and core values could form a sound bedrock for cultivating a perceived social value added benefit for all network stakeholders. Also, respondents (except one in the small net asset category) agreed with the researcher’s premise that a consortium of military focused nonprofits could conceivably work together within an informal CMCNN with the aim being to provide greater long-term sustainability, enhanced mission impact, and an opportunity for increased donor contributions. In addition, most of the respondents (possessing medium to extensive net asset strength) remained optimistic about the researcher’s premise suggesting that increased value creation for stakeholders may allow a collaborative military nonprofit network to attract and leverage their organizational resources, and thus effectively "expanding the resource pie" (more contributions) making it a more positive sum game (win-win) for all stakeholders.

The CMCNN Model developed by the researcher was not shared with the respondents prior to the oral interview sessions. In hindsight, the researcher acknowledges that a copy of the CMCNN Model should have been included as an attachment to Appendix C, “Oral Interview Questions” with reference to the research issues to be explored. This would have provided a visual depiction and aided the respondent in following the researcher’s hypothesis and research questions addressed during the oral interview session.

Finally, one of the respondents (in the large net asset category) suggested that the researcher explore the benefits of establishing a more regionally based CMCNN versus establishing a national CMCNN. It was further suggested that this would allow for better collaboration with military focused nonprofits operating at the state and regional level and serve to better test the researcher’s hypothesis. The researcher admits that this suggestion has merit.
and could eventually lead to the establishment of possibly 5 to 6 regional CMCNNs with each serving the diverse needs of their respective regions more effectively with greater efficiency.
V. Conclusion

Introduction

This research study explored the various theoretical positions contained in the literature review and held by key stakeholders in the establishment of a proposed CMCNN. After conducting an in-depth literature review and research with various senior nonprofit leaders, the researcher validated that a CMCNN would help build organizational capacity, bolster long-term sustainability, enhance mission impact and increase donor contributions. Also, the researcher believes that a CMCNN will collectively facilitate a greater collaboration among veterans’ charities across America while retaining the unique quality and mission of each individual organization. Furthermore, the researcher contends that a CMCCN will help organizations maximize what he calls a perceived ‘social value added benefit’ (SVAB) for all stakeholders.

In addition, the researcher explored various issues regarding the expectations some military nonprofits might have regarding the formation of a proposed network. For example: What advantages do they perceive would be gained by joining an informal military charity network? What would they be willing to contribute to a CMCNN? What types of services would be made available to each member of the network? What would be the governance structure of the proposed network? How they would support each other? What type of synergistic effect would the network members expect toward improving capabilities and building capacity? Also, the researcher discussed with respondents the merits of utilizing a logic model along with Kaplan’s (2001) balanced scorecard approach in determining outcome performance. Finally, the researcher explored what concerns each interviewee might have about retaining autonomy and control, and how best to safeguard their interests.
However, this research study was not an attempt to pre-judge how collaborating firms would split the resources generated by a military nonprofit network or the mechanics behind establishing an outcome measurement system. That would depend on the governance structure put in place by the collaborating body operating within the core/periphery model the researcher described in Figure 2. Consequently, a proposal on building a governance structure was not discussed in this study as well, but should be considered the focus of a future research study.

Also, consideration should be given toward addressing for example: What will be the mission/core values of a proposed military nonprofit network? Would a proposed military nonprofit network be better suited at the regional or state level? How will a charitable military network build legitimacy both from within and outside the military community? What will the negotiating processes be for governing and exchanging views? How will administration and the allocation of responsibilities be handled within the network?

**Significance of the Research Study**

Since September 11, 2001, more than two million troops had deployed to Iraq and Afghanistan. Multiple deployments, combat injuries, and the challenges of reintegration have had far-reaching effects on not only the troops and their families, but also upon America’s communities as well (Strengthening Our Military Families, January 2011).

Williams (2002) concludes that many of our nation’s complex social problems are not always amenable to linear thinking, which assumes a simple methodical relationship between inputs and desired outcomes. He suggests that collaboration, partnership and networking appear to be more suitable for the task in order to tackle what he calls society’s “wicked issues” through
their ability to apply collaborative skills and mindsets to the resolution or improvement of complex problems.

A popular theme throughout the researcher’s review of related literature is for nonprofit organizations to manage themselves better and more efficiently in the new competitive and performance-driven world they now face. Improving management is seen both as a way of raising operational effectiveness and as a method of reducing cost. Thus, this paper hypothesizes that increased donor contributions can be realized when a perceived SVAB to be gained fosters participation in a collaborative military centered nonprofit network, which in turn builds capacity, demonstrates long-term sustainability and greater mission impact.

**Theoretical Analysis**

Agranoff (2005) states that the underlying purpose of collaborative action has everything to do with public-value creation or increased worth. A collaborative culture adopting integrated strategies built on interactive platforms, based on such qualities as trust, creative opportunity, and continuous learning have the potential to add value.

The researcher found that the tenets of a military culture will help to form the basis for a collaborative military focused nonprofit network. The premise being that a consortium of military focused nonprofits can successfully work together within an informal CMCNN demonstrating greater network efficiency and increased mission effectiveness which could favorably influence donors to contribute more funds to member nonprofits.

Also, the researcher introduces the term “homophily” which refers to the tendency for people in this case to interact more with their own kind because of their common military
experience. Thus, the military nonprofit network paradigm focuses on how to develop mutual trust in a long term relationship which is bound by common life experiences (i.e. stresses experienced during combat, loss of comrades in arms, life changing disabilities, ongoing struggles of the military family, etc.).

The research study showed that collaboration among members can breed new knowledge creation and enhance network value by creating value driven organizations supported by outcome measures that track mission performance. In turn, a CMCNN would help create a perceived SVAB for all stakeholders by establishing legitimacy, accountability and transparency. What’s more, Agranoff and McGuire (1999) acknowledge that networks have emerged because of their interdependent orientation and due to their flexibility and capacity for innovation. Thus, networks offer the potential for rapid adaptation to changing conditions, flexibility of adjustment, and the capacity for innovation (Agranoff and McGuire, 1999). In addition, the research study found that a collaborative military centered nonprofit network can lead to the creation and transfer of new knowledge by forming knowledge communities who seek a social return on investment (SROI). A SROI would attempt to measure the value of knowledge based resources that are created and shared by stakeholders in fulfilling the organization’s mission.

Achrol (1997) states that a network organization is distinguished from a simple network of exchange linkages by the density, multiplicity, and reciprocity of ties and a shared value system defining membership roles and responsibilities. Thus, it is of no surprise to veterans that trust within the military community has been shown to be a key factor related to performance and mission effectiveness. Therefore, the military nonprofit network paradigm that the researcher is proposing would focus on nurturing mutual trust in a long term relationship.
level of trust in a network is indicated by each member’s confidence in its partner’s willingness to refrain from opportunistic behavior.

Manning (1994) noted that combat experience alone is recognized as the primary force in bonding soldiers and produces strong pressure to unite in a common effort. Also, affective cohesion is based on confidence that others in the group will help if the need arises before, during, and after deployments (Five Tips to Reinforce Unit Cohesion, 2012). It is the bonding together of soldiers in such a way as to sustain their will and commitment to each other, the unit, and the mission.

In light of this, the larger question remains of how one develops a culture of support and camaraderie, where senior leaders of member organizations can be expected to act in the interest of the common good of the entire military nonprofit network. The network paradigm focuses on how to develop mutual trust in a long term relationship. Again, the level of trust in a network is indicated by each member’s confidence in its partner’s sincerity, reliability, loyalty, and willingness to refrain from opportunistic behavior (Valentinov, 2008).

Trust was consistently shown to be a determinant of critical factors related to performance and mission effectiveness. The military culture typically engenders this trust (Achrol, 1997). Gulati et al. (2000) support this belief after observing relationships within the military, and by examining its structure and membership composition. Tie modality (especially in the military) enters into the equation because it establishes a set of institutionalized rules, strategies and norms that govern appropriate behavior or transactions within the network (Laumann et al., 1978).
Outcomes measurement adds value to the military nonprofit network paradigm by leveraging this new knowledge and creating what Dhanaraj and Parkhe (2006) call an ‘expand the pie’ approach to network thinking. By understanding what helps generate a perceived value creation (or SVAB) for stakeholders a collaborative military-centered nonprofit network could effectively "expand the resource pie" (more contributions) over time, thus making it a more positive sum game (win-win) for all stakeholders versus a zero-sum game (composed of winners and losers) (Basadur et al., 2000; O’Malley, 1998).

In support of a CMCNN, Ostrom (1998) believes that a reputation for trustworthiness is one of three core factors (the other two are trust and reciprocity) that increase the likelihood of collective action. Organizations collaborate because they intend to achieve a particular purpose which is something a military community network can deliver (Thomson and Perry, 2006). One of the principal administrative dilemmas for leaders and managers in collaboration is managing the inherent tension between self-interests and collective interests. This concern over self-interest was reflected in the oral interview sessions that the researcher conducted, especially among respondents with medium to extensive net asset strength.

Ahuja (2000) citing Burt’s (1992) *Structural Holes: The Social Structure of Competition* emphasizes the importance behind building networks with large numbers of indirect ties which may be an effective way for actors to enjoy the benefits of network size without paying the costs of network maintenance associated with direct ties (As cited in Ahuja, 2000, p.425). In line with this, Ahuja (2000) also cites Rogers and Kincaid’s (1981) book titled *Communication Networks: Toward a New Paradigm for Research* in which they agree that a network of inter-firm linkages
thus serves as an information conduit, with each firm connected to the network being both a recipient and a transmitter of information (As cited in Ahuja, 2000, p. 430).

Jarillo (1988) and others support the researcher’s premise that networks are more efficient because of transaction costs economics compared to markets or hierarchies when a network arrangement minimizes the transaction costs for participating firms. Gulati et al. (2000) notes that network ties are important sources of referrals that enable prospective partners to identify and learn about each other’s capabilities. In fact, this is made easier through electronic collaboration by providing organizations the ability to interact with each other despite their geographical separation (Coleman, 2012). They can also facilitate better due diligence so that each network member has a greater knowledge about the other’s resources and capabilities, and a greater confidence in their mutual assessments. In short, a CMCNN can greatly reduce the informational asymmetries and further mitigate transaction costs (Valentinov, 2008).

Head (2008) and others support the belief that networks bring to the table a diversity of stakeholder views and thus diverse perspectives about goals, processes, and outcomes. Skills in bridging (boundary spanning) and mobilizing among the stakeholder groups are important for long-term consistency (Williams, 2002). Boundary spanners serve as important ‘enablers’ that increase the potential for success, such as enhancing knowledge mobility and building capacities (Lasker et al., 2001; Goldman and Kahnweiler, 2000).

Through collaboration, organizations aim to leverage resources, exchange information, reduce risks, minimize cost, increase skills and share their knowledge. Williams (2010a) and others encourage collaborative groups to take advantage of the creativity of interaction among diverse perspectives within a collaborative network, and to look beyond the narrow interests of
his/her own organization or community and to consider the potential contributions of other
groups.

Consensus during the literature review found that the main purpose or function of a
network is to link members and their resources, facilitate joint action and learning, and gain
leverage from these collaborative endeavors in new and innovative ways. These sediments were
also expressed by respondents in all asset categories during the oral interview sessions conducted
by the researcher. O’Toole (1997) strengthens the point that the success of a network such as the
proposed CMCNN relies on maintaining relationships that facilitate cooperative action and
recognize the interdependence of the participants. Thus synergy within the CMCNN stimulates
new alternatives that otherwise would not have been considered.

In addition, Adler and Kwon (2002) define social capital as the goodwill that is
engendered by the fabric of social relations and that can be mobilized to facilitate action. Burt
(1997) shows how social capital enables brokering activities that bring about a reciprocal
outflow of information that the entire network will benefit from over the long term. By
establishing a proposed network like the CMCNN, members can develop a better understanding
of each other by sharing a common language and culture, new ways of communicating and the
ability to find common ground, and resolving issues. Mandell and Keast (2008) found it is the
emphasis on the processes (building new relationships, changing behavior, developing new
attitudes, perceptions and values) that would be the critical focus in measuring performance
within the CMCNN and how a network adds value to the work of its member organizations.

The researcher found that reciprocity exists when members realize they can gain and
create new opportunities by sharing what each uniquely can offer and when they can expect the
other players to contribute. In that reciprocity is the basis of trust, Booher and Innes (2002) found that trust and reciprocity in turn means members will have a reason to continue to work together. Ostrom (1998) showed empirically that building conditions of reciprocity, reputation, and trust can help to overcome strong temptations for individuals to work only toward their short-term self-interest as in the game of Prisoner’s Dilemma (Axelrod, 1984).

**Concluding Observations**

No single organization is equipped to address all the needs surrounding veteran care and family support. Even so, the U. S. Government as well as state and local governments cannot possibly meet all of the needs affecting our veterans and their families especially during their time of crisis. Add to that, the current economic environment where perspective donors securitize and evaluate charitable organizations by estimating the level of impact their contributions will have across the vast landscape of military charities. In spite of all that, participating military charities need to remain focused on the big picture, not forgetting our soldiers, disabled veterans, their families, and the military community at large. *However, the challenge remains how do we generate support among possible donors?*

Across the country there exist established military affiliated nonprofits and numerous “grass-root” nonprofit organizations willing to make a difference in the lives of those who have unselfishly defended our way of life and the freedoms we sometimes take for granted. While well established nonprofits with high net assets typically serve as the core agencies responding to the needs of the military community, “grass root” charities remain engaged on the periphery (Wei-Skillern and Marciano, 2008) operating on a ‘shoestring’ budget serving the military community with a volunteer spirit living up to their innovative label as “social entrepreneurs.”
Current nonprofit organization literature stresses the need for skillful collaborative leaders performing in an organizational boundary-spanning role; capable of framing organizational issues in consideration of all stakeholders; helping to construct inter-organizationally a future that is proactive and opportunistic toward expanding the resource pie rather than threatening and coercive of others; and finally implementing a learning methodology within and outside their respective organizations (Goldman and Kahnweiler, 2000).

In addition, the researcher believes that the tenets of a military culture helps to form the basis for a collaborative military focused nonprofit network. The researcher’s premise is that a consortium of military focused nonprofits can successfully work together within an informal collaborative network demonstrating greater network efficiency and increased mission effectiveness, thus influencing donors to contribute more funds to member nonprofits. Hence, expanding the resource pie and creating a “positive-sum” game (win-win), versus going it alone as an individual military centered nonprofit which typically results in a “zero-sum” game (win-lose) (Basadur et al., 2000; O’Malley, 1998).

Kreiner and Schultz (1993) support the premise that collaboration breeds more collaboration and collaborative relations can expand in multiple directions, adding new participants and new contents to the military-centered network discourse. Therefore, the stage is set to create and develop new knowledge from existing information being shared. As a result, increased value is created due to the cross-fertilization of ideas, expertise, and differing perspectives.

Dhanaraj and Parkhe (2006) and others support the premise that a dispersed knowledge structure that induces collaborative networks also necessitates an enhanced capability within the
network to learn and teach across organizational boundaries. Thus, ‘mobility of knowledge’ within a network can promote value creation by being on the leading edge of information, having access to new ideas, gossip and happenings in other sectors, professions and organizations. In essence, a military-centered nonprofit network offers members the benefit of ‘being in the loop’ (Williams, 2002).

**Summary**

Taylor (2012) states that as competition among nonprofits increases, nonprofit organizations must rise to the challenge of providing a SVAB by improving accountability and performance measurement in order to survive and grow. In addition, Plantz et al. (2006) add that outcome measurement shifts the focus from activities to results; from how a program operates to the good it accomplishes (Hatry et al., 1996). Therefore, establishing systems for sharing information (via social media, newsletters, emails, webinars, etc.) within the CMCNN about successful efforts and the context in which they were applied would save the network significant time and expense while offering particular benefits for military nonprofit organizations (Plantz et al., 1997).

Connolly (2001) notes that “capacity building” refers to activities that strengthen an organization and help it better fulfill its mission. Capacity building can occur in virtually every aspect of an organization, including programs, management, operations, technology, human resources, governance, financial management, fund development, and communications. Consequently, it is no surprise that a growing number of stakeholders believe that investing in capacity building helps leverage the impact of their philanthropic resources (Connolly and York, 2002).
Thus, the introduction of outcome measures impart a sense of focus and businesslike competence on the part of a nonprofit, which can be enormously comforting to donors who want to make sure that their charitable dollars are being used in the most efficient and effective manner possible. The literature review found that nonprofits that have adopted and implemented effective systems of performance measures will be well positioned to take advantage of this trend toward accountability over the long term which serves to increase what the researcher terms a perceived SVAB for stakeholders. Hence, by adopting an ‘expand the pie’ strategy, a military nonprofit network can expand their collective interests more broadly to include the interests of all stakeholders so a SVAB can materialize for member organizations over time.

It was apparent during the oral interviews that military-centered nonprofits possessing a high net asset strength were cautiously willing to pursue the idea surrounding an informal collaborative military-centered nonprofit network (CMCNN) providing it did not restrict their current fundraising efforts, adversely impact their own time management issues or limit their organizational autonomy. However, there was a willingness to explore options that the researcher had proposed acknowledging his credibility as a practitioner and now as a researcher familiar with issues surrounding veteran care and the challenges faced by caregivers and the veteran’s family.

Respondents with either minimum to small asset strength were more regionally focused and therefore held a somewhat limited opinion on national issues, and how they relate to the entire spectrum of concerns that veterans and their families face. All of the respondents were concerned about the economic environment and its impact on donor contributions stating
empathically that they were not willing at this point to share their donor list or provide revenues to jump start a proposed CMCNN.

Also, respondents (except one in the small net asset category) agreed with the researcher’s premise that a consortium of military focused nonprofits could conceivably work together within an informal CMCNN with the aim being to provide greater long-term sustainability, enhanced mission impact, and an opportunity for increased donor contributions. In addition, most of the respondents (possessing medium to extensive net asset strength) remained optimistic about the researcher’s premise suggesting that increased value creation for stakeholders may allow a collaborative military nonprofit network to attract and leverage their organizational resources.

Additionally, one of the respondents (in the large net asset category) suggested that the researcher explore the benefits of establishing a more regionally based CMCNN versus establishing a national CMCNN. It was further suggested that this would allow for better collaboration with military focused nonprofits operating at the state and regional level and serve to better test the researcher’s hypothesis. The researcher admits that this suggestion has merit and could eventually lead to the establishment of possibly 5 to 6 regional CMCNNs with each serving the diverse needs of their respective regions more effectively with greater efficiency. The researcher believes that this could be the subject of a follow-on research study.

And finally, the core values of cohesive military institutions can serve as the cultural thrust for establishment of a collaborative military centered nonprofit network (CMCNN). In turn, a CMCNN seeking long term sustainability and enhanced mission impact should provide a perceived SVAB to stakeholders. It is highly conceivable that charitable contributions from
donors would increase if a military-centered nonprofit network can collaboratively demonstrate to stakeholders a perceived SVAB. By increasing value creation for stakeholders, a collaborative military nonprofit network would have the opportunity to attract and leverage resources and effectively "expand the resource pie" (more contributions) making it a more positive sum game (win-win) for all stakeholders as opposed to a zero sum game (win-lose) outcome. The researcher believes that a more positive sum game aimed at building capacity would lead to long-term sustainability, greater mission impact and ultimately increased donor contributions.
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Moncher (2014). “Understanding Military Culture in order to better serve our Military Communities.” Downloaded from the NH Department of Health and Human Services website at https://www.naminh.org/uploads/docs/MilitaryCulture.pdf on January 7, 2015


Strengthening Our Military Families (January 2011). This report was prepared by an Interagency Policy Committee (IPC) involving representatives from the staffs of all Cabinet Secretaries, with oversight from the NSS and Domestic Policy Council (DPC), and in response to Presidential Study Directive/PSD-9.


Appendices
Appendix A

Dear Potential Research Participant:

I would appreciate your help in assisting me in an important research study which will be used solely in completing my doctoral dissertation studying the merits of establishing an informal collaborative military-centered nonprofit network. I will treat the information you share with me using the utmost discretion and with the expectation being that I will not divulge to others in ways that are inconsistent with the understanding reached between us as a fellow practitioner and independent researcher studying this topic.

My study will explore the various theoretical propositions stakeholders (i.e. beneficiaries, donors, board members, etc.) would favor as a perceived social value added benefit (SVAB) in the establishment of an informal collaborative military-centered nonprofit network capable of instilling trust, reducing the duplication of services, increasing financial contributions, and positioned to better serve the worldwide military community. In addition, it is my belief that this informal network would collectively facilitate a greater basis for collaboration among veterans’ charities (still operating autonomously) across America while retaining the unique quality and mission of each individual organization.

Furthermore, I believe that the tenets of a military culture will help to form the thrust behind a collaborative military-centered nonprofit network based on working together within an informal network demonstrating greater network efficiency and increased mission effectiveness (more impact), and positively influencing donors to contribute more funds to member organizations.

The objective behind my telephone or face-to-face interviews will be to better understand the reasons that would possibly motivate or encourage existing military charities to join (or prefer not to join) an informal collaborative network of military-centered nonprofits.

My research questions focus on the premise that during a time of serious economic uncertainty a collaborative military-centered nonprofit network advocating increased “mission impact” would provide a perceived social value added benefit (SVAB) to most stakeholders (i.e. board members, recipients, donors, etc.). Thus, by embracing the core values of the military community (i.e. trustworthiness, integrity, etc.) along with better accountability measures, increased efficiency and improved mission effectiveness an organization has the opportunity to experience long term mission impact leading to increased donor contributions?

If you would like to assist me in this research study please respond back to this email. Afterwards, I will schedule an interview time in which to discuss the merits of my study. The interview should last between 30 to 40 minutes. I can be reached via e-mail at doughjp@auburn.edu or by phone at (334) 663-5415. Thank you in advance for participating in this interview process which will be used strictly to benefit the military community.

Respectfully,

Joseph P. Dougherty
Colonel, USAF (Ret)
Doctoral Candidate
### OPERATIONALIZATION FRAMEWORK

"Creating a Social Value Added Benefit (SVAB) Through a Collaborative Military Centered Nonprofit Network (CMCNN)"

<table>
<thead>
<tr>
<th>Independent Variables</th>
<th>Concept Measuring</th>
<th>Dependent Variable</th>
<th>Indicator</th>
<th>Research Questions</th>
<th>Survey Question</th>
<th>Predicted Relationship to Oral Interview Questions</th>
</tr>
</thead>
<tbody>
<tr>
<td>(A) Long Term Sustainability</td>
<td>Benefits of Creating a Collaborative Military Centered Nonprofit Network (CMCNN)</td>
<td>Perceived Value Creation or SVAB</td>
<td>Subjective Assessment Interview</td>
<td>1,2,3,4,5,6,7,8,9</td>
<td>10,11,12</td>
<td>Positive (The optimism over increased long term sustainability helps promote the benefits of network membership by adding a perceived value to the prospects of a healthy double bottom line [i.e., both financial and social health]).</td>
</tr>
<tr>
<td>(A-1) Potential for Increased Efficiency</td>
<td></td>
<td></td>
<td></td>
<td>3,4,5,6,7,8,9,10,11,12</td>
<td>Positive (Donors are looking for increased efficiency and perceived value that the services provided are not already duplicated by multiple agencies which may adversely impact an organization's double bottom line).</td>
<td></td>
</tr>
<tr>
<td>(A-2) Informational Synergies</td>
<td></td>
<td></td>
<td></td>
<td>3,4,5,6,7,8,9,10,11,12</td>
<td>Positive (Taking advantage of potential informational synergies helps to strengthen a SVAB by enhancing the perception of value creation among potential network members).</td>
<td></td>
</tr>
<tr>
<td>(B) Long Term Mission Impact</td>
<td>Benefits of Creating a Collaborative Military Centered Nonprofit Network (CMCNN)</td>
<td>Perceived Value Creation or SVAB</td>
<td>12,3,4 and 5</td>
<td>1,2,3,4,5,6,7,8,9,10,11,12</td>
<td>Positive (Developing network strategy for identifying, tracking and evaluating long term mission impact helps promote the benefits of network membership by adding a perceived value to the prospects of a healthy double bottom line [i.e., both financial and social health]).</td>
<td></td>
</tr>
<tr>
<td>(B-1) Potential for Increased Mission Effectiveness</td>
<td></td>
<td></td>
<td></td>
<td>1,2,3,4,5,6,7,8,9,10,11,12,13</td>
<td>Positive (A military charity network offering a perceived social value added benefit with members remaining autonomous can develop a simple process to examine current practices/policies and collaborate on criteria for assessing mission effectiveness).</td>
<td></td>
</tr>
<tr>
<td>(B-2) Source of Referrals Between Members</td>
<td></td>
<td></td>
<td></td>
<td>1,2,3,4,5,6,7,8,9,10,11,12,13</td>
<td>Positive (An increased number of referrals between members adds value and helps to strengthen the collective bottom line of all network members and other stakeholders by reducing duplication of effort while increasing their knowledge of other organizations' capabilities).</td>
<td></td>
</tr>
<tr>
<td>(B-3) Leverage Individual and Collective Learning</td>
<td></td>
<td></td>
<td></td>
<td>1,2,3,4,5,6,7,8,9,10,11,12,13</td>
<td>Positive (Leveraging both individual and collective learning among network members and other stakeholders by reducing duplication of effort while increasing their knowledge of other organizations' capabilities).</td>
<td></td>
</tr>
<tr>
<td>(B-4) Increased Knowledge Mobility</td>
<td></td>
<td></td>
<td></td>
<td>1,2,3,4,5,6,7,8,9,10,11,12,13</td>
<td>Positive (The opportunity for increased knowledge mobility provides a SVAB by creating a perceived value to key stakeholders in addition to network members).</td>
<td></td>
</tr>
<tr>
<td>(C) Help Build Organisational Capacity</td>
<td>Benefits of Creating a Collaborative Military Centered Nonprofit Network (CMCNN)</td>
<td>Perceived Value Creation or SVAB</td>
<td>12,3,4 and 5</td>
<td>1,2,3,4,5,6,7,8,9,10,11,12,13</td>
<td>Positive (Building organizational capacity within the network adds value and helps to measure all stakeholders that network members are focused on their values, mission, leadership abilities, resources, outreach &amp; products/services especially during times of economic uncertainty).</td>
<td></td>
</tr>
<tr>
<td>(C-1) Military Culture - Shared Core Values</td>
<td></td>
<td></td>
<td></td>
<td>1,2,3,4,5,6,7,8,9,10,11,12,13</td>
<td>Positive (Collaborating with organizations that share similar core values adds to the perception of a social value added benefit for all stakeholders especially network members).</td>
<td></td>
</tr>
<tr>
<td>(C-2) Trustworthiness</td>
<td></td>
<td></td>
<td></td>
<td>1,2,3,4,5,6,7,8,9,10,11,12,13</td>
<td>Positive (An invigorating feeling shared among network members, donors and other stakeholders toward realizing a SVAB by embedding trust and confidence which bolsters perceived value creation).</td>
<td></td>
</tr>
<tr>
<td>(C-3) Increased Accountability and Transparency</td>
<td></td>
<td></td>
<td></td>
<td>1,2,3,4,5,6,7,8,9,10,11,12,13</td>
<td>Positive (The demand for increased accountability and transparency helps to strengthen a SVAB for all stakeholders including donors by enhancing the perception of value creation among potential network members).</td>
<td></td>
</tr>
<tr>
<td>(C-4) Stakeholder Perceptions of Legitimacy/Reputation</td>
<td></td>
<td></td>
<td></td>
<td>1,2,3,4,5,6,7,8,9,10,11,12,13</td>
<td>Positive (The perception of stakeholders [i.e., internal and external] in terms of legitimacy and reputation have a direct impact on value creation which leads to a SVAB for network members and key stakeholders).</td>
<td></td>
</tr>
<tr>
<td>(D) Increased Donor Contributions</td>
<td>Benefits of Creating a Collaborative Military Centered Nonprofit Network (CMCNN)</td>
<td>Perceived Value Creation or SVAB</td>
<td>1,2,3,4 and 5</td>
<td>1,2,3,4,5,6,7,8,9,10,11,12,13</td>
<td>Positive (Optimism over a perceived social added benefit (SVAB) would allow CMCNN to attract and leverage resources and effectively expand the resource pie [more contributions] making it more positive sum game [win-win] for all stakeholders improving a double bottom line especially during times of economic uncertainty).</td>
<td></td>
</tr>
<tr>
<td>(D-1) Social Return on Investment - under Economic Uncertainty</td>
<td></td>
<td></td>
<td></td>
<td>1,2,3,4,5,6,7,8,9,10,11,12,13</td>
<td>Positive (Donors are seeking a social return on their investment [SRO] and want to know that networked organizations are using donated funds wisely enhancing the perception of value creation among all stakeholders especially during times of economic uncertainty).</td>
<td></td>
</tr>
</tbody>
</table>

Table 2: Creating a SVAB Through a Collaborative Military Centered Nonprofit Network (CMCNN)
Appendix C
Oral Interview Questions Referencing:
Creating a Social Value Added Benefit (SVAB)
Through an Informal Collaborative Military-Centered Nonprofit Network (CMCNN)

Research Hypothesis:

During a time of serious economic uncertainty an informal collaborative military-centered nonprofit network with members embracing similar core values and modalities may provide a perceived social value added benefit (SVAB) to stakeholders leading to increased organizational capacity, while achieving long term sustainability, greater mission impact and increased donor contributions.

Research Issues to be Explored:

1. Can the core values of cohesive military institutions serve as the cultural thrust for establishment of an informal collaborative military centered nonprofit network (CMCNN)?

2. Can members of an informal collaborative military-centered nonprofit network seeking to improve long term sustainability, build capacity and enhance mission impact provide a perceived SVAB to stakeholders?

3. Would charitable contributions from donors increase if a military-centered nonprofit network could collaboratively demonstrate to stakeholders a perceived SVAB?

4. By increasing value creation for stakeholders could a collaborative military nonprofit network attract and then leverage resources to effectively "expand the resource pie" (more contributions) making it a more positive sum game (win-win) for all stakeholders?
5. Could a more positive sum game aimed at building capacity lead to long-term sustainability, greater mission impact and increased donor contributions?

**Network Definitions:**

- **Informal network** = made up of various ‘communities of practice’ who share a common passion in serving the military community. Informal networks are based on the objective of achieving a reciprocal exchange of information, capable of expanding the network at will to include not only core members but organizations operating on the periphery, more laterally structured, members can enter and exit the network at will.
- **Formal Network** = more top down directed, vertically structured, more centralized, characterized by an organizational system based on cultural norms.

**Research Premise:** By increasing a perceived value creation (or SVAB) for stakeholders a collaborative military-centered nonprofit network could effectively "expand the resource pie" (more contributions), thus making it a more positive sum game (win-win) for all stakeholders versus a zero-sum game (winners and losers).

**Overall Focus:** To further my research, I would like to obtain your thoughts relating to the following questions during the interview:

Q1: How interested are you in participating in an informal collaborative military-centered nonprofit network? What would be the clincher to convince you to participate? What would be a deal breaker? What concerns might you have initially?

Q2: If you were to consider being part of an informal collaborative military-centered nonprofit network, how would you envision its governance structure (e.g. ranging from a formal organization with members paying dues with by-laws and a charter; OR to a simple list of military charities that exchange information with each other and focus on bettering the quality-of-life of the military community)?
Q3: What do you see as the advantages or disadvantages to participating in a military-centered nonprofit network as described above?

Q4: Would you join such a network if it meant that network organizations could offer a more complete set of services that might make their pitches to donors more likely to succeed (*i.e.* increased contributions, better return on investment to all stakeholders), why or why not?

Q5: What specifically would you be willing to contribute (*e.g.* information, resources etc.) to establish such a network?

Q6: What capacity building benefits for your organization would you expect to see in a collaborative military-centered nonprofit network? (*e.g.* increased contributions (resources); enhanced core values (*mission/vision*); demonstrated long term mission impact (*programs and services*); increased knowledge base (*outreach*); better social return on investment for stakeholders (*leadership*); etc.)?

Q7: Do you see a benefit in having shared similar military core values (*i.e.* trustworthiness, credibility, honesty, etc.)? If so, do you see it resulting in increased legitimacy/reputation for the network by being a member organization?
Q8: In your opinion which specific group of stakeholders would gain the most benefit from participation in a collaborative military-centered nonprofit network (i.e. your Board, staff member, clients/beneficiaries, donors, volunteers, etc.)? Specifically, please list what you think those benefits would be (e.g. help eliminate duplication of services; increased efficiency; greater mission effectiveness; etc.)?

Q9: Assuming there are benefits to being part of a military-centered nonprofit network, what outcomes would you track in order to score mission impact? Does your organization currently track outcome performance measures? If so, what are they?

Q10: Specifically, how could a collaborative military-centered nonprofit network assist your nonprofit in being more responsive? What would you see as most valuable in terms of building your organizational capacity? Are you familiar with employing logic model methodology or the balance scorecard approach? What would you want the network to stay away from?

Q11: How could the network facilitate cooperation and communication across member organizations? What would you like to see (e.g. newsletters, conferences, webinars, training programs, fund-raising support, mentoring programs, etc.)?

Q12: What kind of joint activities should the network engage in (i.e. increased knowledge mobility; leverage collective learning; build organizational capacity; serve as a source of referrals between members; search for better methods of efficiency and increased mission effectiveness; monitor/track outcome performance measures; etc.)? What else would you add to the above list?
Q13: Would you agree conceptually with creating an informal military-centered nonprofit network if you could maintain your own distinct identity and autonomous authority while collaborating with core members and other (periphery) nonprofits in serving the military community?

CONCLUSION: From a practical perspective, the interviews will serve as a way of exploring how to structure a proposed network in order to determine what services were needed and how to engender true cooperation and collaboration among network members and potential members operating initially on the network’s periphery.

THANK YOU FOR COMPLETING THIS QUESTIONNAIRE IN PREPARATION FOR OUR ORAL INTERVIEW.
Appendix D

C O L L E G E  O F  L I B E R A L  A R T S
D E P A R T M E N T  O F  P O L I T I C A L  S C I E N C E

Informed Consent
For a Research Study entitled

“Creating a Social Value Added Benefit through a Collaborative Military Nonprofit Network”

You are invited to participate in a research study which will be used solely in exploring the merits of establishing an informal collaborative military-centered charity network. This study is being conducted by Joe Dougherty, a PhD Candidate under the direction of Dr. James Seroka in the Auburn University Department of Political Science. You were selected as a possible participant because you possess specific knowledge in the area of providing assistance to members of the military community and that you are age 19 or older.

1. EXPLANATION OF THE RESEARCH STUDY:
You are being asked to participate in a research study exploring the programmatical behind establishing an informal collaborative military focused charity network. My research study is titled: “Creating a Social Value Added Benefit through a Collaborative Military Nonprofit Network.” Results from this study may also be presented in academic or professional conferences or publications and in material that describes or promotes a new collaborative military charitable network.

2. YOUR RIGHTS TO PARTICIPATE, SAY NO, or WITHDRAW: Participation in this research project is completely voluntary. You have the right to say no. You may change your mind at any time and withdraw. You may choose not to answer specific questions or to stop participating at any time. Whether you choose to participate or not will not be viewed in either a negative manner with respect to conducting my research or on the validity or reliability of the data gathered.

3. YOUR PRIVACY WILL BE PROTECTED: I will treat the information you disclose with the utmost discretion and with the expectation being that I will not divulge to others in ways that are inconsistent with the understanding reached between us as a fellow practitioner and independent researcher studying this topic.

4. COSTS AND COMPENSATION FOR BEING IN THE STUDY: You will not be compensated for participating in this voluntary research study. You will have the satisfaction in knowing that the information gathered will be used in exploring the merits of establishing an informal network comprised of military-centered charities sharing a common need, background and culture capable of capitalizing on informational synergies in order to operate more efficiently and effectively.

Participant’s Initials: _____ 1 of 3
4. DOCUMENTATION OF INFORMED CONSENT. A signature is required on this form along with verifying the date/time of the scheduled interview session. The interview session will last between 30 to 45 minutes, or can last longer if the interviewee wishes. You can indicate your voluntary agreement to be interviewed by forwarding this consent form via e-mail (signed pdf. copy) or by faxing the consent form to the fax number provided below. Again, participation by interview is completely voluntary. Thank you in advance for participating in this study benefiting active duty military, veterans and the military community at large.

5. CONTACT INFORMATION FOR QUESTIONS AND CONCERNS: If you have any questions relating to this research study please contact: Colonel Joe Dougherty, USAF (Ret) via e-mail at doughjp@auburn.edu or over the phone at (334) 663-5415. If you have questions or concerns about your role and rights as a research participant, would like to obtain information or offer input, or would like to register a complaint about this study, you may contact the researcher’s Faculty Advisor Dr. James Seroka at (334) 844-6151. Or, if you wish you can register a complaint anonymously with the Auburn University’s Office of Research Compliance at (334) 844-5966, or e-mail hsetbac@auburn.edu, or regular mail at 115 Ramsay Hall, Auburn University.

Thank you for taking time out of your busy schedule and to agreeing to participate in this interview session. Your information will remain confidential and will be used strictly for research purposes only. A copy of this document will be given to you to keep.

HAVING READ THE INFORMATION PROVIDED, YOU MUST DECIDE WHETHER OR NOT YOU WISH TO PARTICIPATE IN THIS RESEARCH STUDY. YOUR SIGNATURE INDICATES YOUR WILLINGNESS TO PARTICIPATE.

Participant’s Signature  Date  Investigator obtaining consent  Date

Printed Name  Printed Name

/  Date/Time of Planned Interview

Please provide the following information:

Contact Name (Optional)

Title/Position

CONTINUED ON NEXT PAGE

Participant’s Initials: _____

2 of 3
Name of Organization

Effective date of 501 (c) (3) exemption

Years with Organization

Your experience as a nonprofit board member (Y/N) ________ Years ________

Organization’s Approximate Total Net Assets (please check one):

$50,000 - $250,000 ______;

$251,000 - $500,000 ______;

$501,000 - $1,000,000 ______;

$1,000,001 - $5,000,000 ______; and

Over $5,000,000 ______

PLEASE NOTE:

• THE PREFERRED METHOD OF RESPONSE IS VIA EMAIL CONVERTING THE CONSENT FORM INTO A PDF FORMAT AFTER COMPLETING THE ENTRIES ON THE FORM ALONG WITH YOUR SIGNATURE.

• IF YOU CANNOT CREATE A PDF PLEASE FAX ALL (3) PAGES TO: (615) 851-9484 ANNOTATE ATTN: COL DOUGHERTY

• ALSO, IF YOU PREFER, I CAN SEND YOU A STAMPED SELF-ADDRESSED ENVELOPE TO HELP FACILITATE YOUR RESPONSE.

THANK YOU FOR PARTICIPATING IN THIS STUDY. YOUR RESPONSES WILL BE KEPT IN STRICT CONFIDENCE.

Participant’s Initials: ________ 3 of 3