Political Skill of Volunteer Board Members in the Nonprofit Milieu:

A Resource Dependency Perspective

Sarah L. Young, Ph.D., M.B.A.
Department of Political Science and International Affairs
University of North Georgia
Dahlonega, GA 30597
Email: Sarah.Young@ung.edu
Abstract
This paper proposes a theoretical model for the impact of political behavior and political skill on the development of social capital in the nonprofit setting, using a resource dependency lens. A systemic view of the effects of political skill analyzes the antecedents of political behavior, the resulting social capital development, and thus the expected advancement of organizational and self-resources. The public purpose and outcomes of nonprofits are incorporated to justify an additional antecedent to political will, extrinsic motivation. A moderating effect of political skill on political behavior and social capital expenditures is proposed. Finally, a feedback model employing a loop between outputs of social capital expenditures and political will antecedents is offered in the context of the nonprofit milieu. Potential practical implications are discussed, and a future research agenda is proposed.

*Key Words:* volunteers, board of directors, political skill, social capital, resource dependency theory
Nonprofit organizations are comprised of individuals working towards a common goal that is typically charitable in nature. These organizations play a critical role in the social, economic and political fields. The devolution of government increased its reliance on collaborative partnerships with nonprofit organizations to provide critical human services for communities. The increased responsibility in the nonprofit sector expanded the scope and size of nonprofit organizations (Gibelman, 1998). Nonprofit organizations are social entities afflicted with the same political behaviors ever-present in most organizations. The enactment of political behavior in organizations is a documented and effective method to secure desired outcomes (Ferris et al., 2002; Ferris et al., 1994; Gandz & Murray, 1980; Hochwarter, 2003a). Political behavior is especially important within the public sector (Vigoda, 2002). Yet, there is no research that assesses the use of political behaviors in nonprofit organizations.

Nonprofit organizations are uniquely led by voluntary boards of directors, who “…are the fiduciaries (that) steer the organization towards a sustainable future by adopting sound governance and financial management policies, and ensuring adequate resources” (National Council of Nonprofits, 2014, “Board Roles and Responsibilities,” para. 1). There are many studies about boards of directors’ fostering of social capital to raise philanthropic support, develop strategic partnerships, recruit new board members, participate in friendraising, engage in advocacy, contribute to collective action initiatives, and enhance community relations (King, 2004). In parallel, there are many studies on leaders’ use of political skill to “effectively understand others at work, and to use such knowledge to influence others to act in ways that enhance one’s personal or organizational objectives” (Ahearn et al., 2004, p. 311). Yet, these streams of literature have yet to be married together to assess the use of political behavior and skill among nonprofit boards of directors. This paper provides an in-depth literature review of
these two streams of literature and proposes a theoretical model to integrate the use of political skill by nonprofit boards of directors.

First, I extend Mintzberg’s (1985) framework of political will as an antecedent of political behavior, by applying the model to the nonprofit sector. Thus, extrinsic motivation is argued to be an additional antecedent. Second, in accordance with Mintzberg’s (1983) model I evaluate the use of political skill in the nonprofit sector as a moderator to the enactment of political behavior. Third, I assess the development of social capital from the enactment of political behavior when moderated by political skill. Fourth, I evaluate the development of social capital to rescale the imbalance of power that occurs during exchanges, in accordance with resource dependency theory, and thus the resulting organizational and self-resources that transpires. Finally, the feedback channels that are expected to ensue, due to external rewards feeding the extrinsic motivation of voluntary board members, are added as a critical systemic view to the nonprofit milieu.

The primary purpose of this paper is to put forth a theoretical model that extends the political skill construct as an important tool in the development of social capitol within the nonprofit sector. The enactment of political behavior in the nonprofit sector may have significant, and important distinctions that are proposed here. This paper contributes to a gap in the literature in three ways. First, this paper is the first to address positive aspects of participation in political behaviors and the social capital accrued in the process within the context of the nonprofit environment. Second, it extends the idea of social capital as a function of resource dependency to voluntary boards of directors of nonprofit organizations within a systemic context. Third, building upon the existing literature, a theoretical model is developed through rational analysis. A theoretical model that intertwines these aspects is an important step for
scholars to move the topic forward for further research. But perhaps more importantly, a theoretical model may be useful to help practitioners understand volunteer boards of directors’ motivations.

**Literature Review**

**Resource Dependency Theory**

Resource dependency theory looks to explain interorganizational relationships through the exchange of resources and power imbalances that occur throughout the exchange process (Johnson, 1998). Pfeffer and Salancik (2003) argue that organizations are not able to produce all their needed resources, thus they will interact with other organizations that control such resources. The extension of resource dependency theory by these authors highlights the asymmetrical nature of exchange relationships and the resulting power imbalance that occurs within these relationships.

In the nonprofit sector, the constrained resource environment creates a niche need for voluntary board members that can exploit specific skill sets to garner resources for their organization. Board members enter voluntary exchange relationships to gain resources necessary to achieve the organizations’ goals. The continuous cycle of exchange relationships creates a pattern of reciprocity among the participants that develops into a form of social currency, termed social capital (Putnam 1993). Nonprofit board members seek to develop high levels of social capital to balance the power in the exchange process (Adler and Kwon, 2002; Pfeffer and Salancik, 1978). The process is fluid and dynamic; as relationships evolve, social capital is developed, and new feedback channels are created. As the process evolves the resource dependency-interdependency affiliation changes based on the individual participant’s needs (Forrester, 1961). The exchange is an on-going interaction-driven process and thus the
distribution of power fluctuates. For board members to be successful in the long-term, they must accumulate social capital through the enactment of certain behaviors.

To date, the resource dependency literature has yet to consider the cyclical interaction system that occurs among nonprofit boards of directors and the external environment. Collaborations and exchanges between board members result in the acquisition of critical resources. Each participant has certain organizational and self-needs that must be met (Austin, 2000). The motivation to engage in these collaborations and exchanges is fueled by the individual participants’ political will and antecedent motivations to meet those needs. While resource dependency theory accounts for feedback loops within the exchange of goods relationships, it fails to describe the variables and the relationships that drive these feedback mechanisms. Therefore, it doesn’t fully account for the ever-changing dynamic behavior of the relationship between board members and the external environment. In this paper, I argue that the feedback loops are integral to the behavior of the system within the social and political context. Therefore, an emphasis on the dynamics of resource exchange in the nonprofit environment is a potentially useful theory.

Discussion

Determinants of Political Behavior in the Nonprofit Setting

Political behavior serves mediates the relationship between political will and the resulting organizational process or outcome. This behavior is defined as “the management of influence to obtain ends not sanctioned by the organization or to obtain sanctioned ends through non-sanctioned means” (Mayes and Allen, 1977). Political behavior is motivated by the desire to gain control over needed resources (Mintzberg, 1983).
Researchers conceptualized several models that depict the antecedents of political behavior within the organizational setting. Ferris, Fedor and King (1994) demonstrated the ability to navigate the political arena within organizations determines managerial effectiveness. The locus of control, Machiavellianism, and the ability to self-monitor were central to the authors’ model of political behavior. Ferris, Hochwarter, Douglas, Blass, and Kolodinsky (2002) demonstrated that previous research failed to take into consideration the motivational components of political behavior in organizations. Finally, Treadway, Hochwarter, KAcmar, and Ferris (2005) determined that intrinsic motivation and need for achievement were strong antecedents to political behavior within organizations. In this model, the authors argue that willingness and motivation to exert influence is critical to the decision to engage in political behavior. Yet, research fails to address the difference in political behavior outcomes, initial influences, and the resulting feedback loop, when considered in the context of the nonprofit sector.

*Figure 1:* Proposed model of the antecedents to political behavior in the nonprofit sector

**Political will.** Political will represents a willingness to engage in political behavior in pursuit of an ultimate outcome or goal. Political will is a necessary catalyst for engaging in political behavior (Mintzberg, 1983). An individual’s political will is an input to their political
behavior. The enacted political behavior, when mixed with political skill, creates a process or an outcome for the organization (Treadway et al., 2005). Yet it is not enough to be willing to engage in political behavior, the actor must also expend resources and be willing to engage in such behavior when the outcome desired is of value or meets a need in the organization. However, to date most research surrounding political behavior and will focus on the negative aspects of politicking and negative outcomes (Bacharach & Lawler, 1980; Ferris, Russ & Fandt, 1989; Pfeffer, 1981). More recently a few research studies look at the use of pro-political behaviors (Graham & Van Dyne, 2006; Hochwarter, 2003b). Recent studies demonstrate how individuals can use their resources to benefit the organization (Dutton & Heaphy, 2003). Thus, it is important to understand the motivational inputs to political behavior and how the variedness of those inputs changes the intended behavior and resulting outcome.

Applying the Treadway et al. (2005) model to the nonprofit sector, the antecedents for political will, intrinsic motivation and need for achievement, are altered by the public purpose of the organization, as well as the board members’ voluntary stakeholder claim to the organization. As such, when political will is enacted through political behavior by volunteer board members, it may occur in a quid pro quo context. For example, board members spend their personal political currency to garner a resource or opportunity for their organization. The nonprofit relies on the board members’ political behaviors to aid in fundraising efforts and act as gatekeepers.

**Antecedents of political will.** Political will is the motivation to expend energy in pursuit of political goals and is an important precursor to political behavior (Mintzberg, 1983). It directly influences an individual’s political behavior (Treadway et al., 2005). There are several studies on the antecedents of political will, including the individuals’ need for power (Porter, Allen & Angle, 1981); self-monitoring, Machiavellianism, and locus of control (Ferris, Fedor & King,
1994); and intrinsic motivation and need for achievement (Treadway, et al., 2005). Treadway et al (2005) found that intrinsic motivation is a necessary aspect of political will, which is positively related to political behavior. However, there are currently no studies that relate extrinsic motivation to political will.

In the nonprofit sector, political will may garner additional resources for the organization, since nonprofits typically operate within a constrained resource environment. However, while a few studies evaluate extrinsic motivation among nonprofit employees (Park & Word, 2012), studies have yet to evaluate extrinsic motivation among volunteer board of directors. When extrinsic motivation is coupled with Self Determination Theory (Deci & Ryan, 1985), extrinsic motivation leads to doing something because of a separable outcome (Ryan & Deci, 2000). When applied to a constrained resource environment by volunteer board members, extrinsic motivation may be a factor that could explain nonprofit board members’ political will.

Nonprofit boards of directors exert political behavior to garner a resource for the organization. Thus, board members’ political will, which catalyzes their political behavior, may be directly affected by their intrinsic need to positively affect the organization and extrinsic motivation of seeing new resources acquired to further the organization’s mission. It is anticipated that when the Treadway et al., (2005) model is applied to the nonprofit sector, the intrinsic motivation and need for achievement antecedents are joined by a positive extrinsic motivation construct. Furthermore, the resulting extrinsic motivation is expected to alter the resulting political behavior to positively benefit the organization.

**Proposition I: Extrinsic motivation will be positively related to political behavior.**

**Political skill in the nonprofit setting.** Organizations are inherently political arenas (Mintzberg, 1985). Political skill is a need to be successful (Pfeffer,1981) and was further
defined as the ability to “combine social astuteness with the capacity to adjust their behavior to different and changing situational demands in a manner that appears to be sincere, inspire support and trust, and effectively influences and controls the responses of others” (Ferris et al., 2005). In nonprofit organizations, an important function of both the executive leadership team, including the volunteer Boards of Directors, is the ability to adjust to social situations in a manner that disguises potential ulterior motive. A reduction in government funding, devolution of federal social programs, and shift in mentality from grant programs to service contracts changed the financial landscape of the nonprofit sector (Gronjberg & Salamon, 2002). Under resource dependency theory, there is increased need for political and strategic dimensions of board performance; leading to increased organizational resources and performance (Guo & Acar, 2005). A constrained resource environment heightens the need for politically skilled board members that can secure funding revenues through the development of social capital.

Politics is a neutral phenomenon determined by the actor’s underlying intention (Ahearn et al., 2004). The political skill of the actor determines the effectiveness of the social interaction to create interpersonal influence within the enacted political behavior and the resulting process. Furthermore, individuals who possess high levels of political skill are more aptly aware of their social settings and more adept at interpreting others behavioral and motivational factors. The resulting self-confidence and personal security creates a sense of control over, and understanding of, individuals, events and behaviors. Heightened portrayals of political skill allow individuals to execute, influence and proactively navigate strategic situations (Ferris et al, 2002; Perrewe, Ferris, Frink & Anthony, 2000). Ahearn et al (2004) argue that through political skill, “The accumulation of friendships, connections, and alliances allows leaders to leverage this social capital to help facilitate change efforts for increased effectiveness.” Thus, I propose that
politically skilled leaders are more effective at enacting political behaviors. These skills should contribute to increased efforts to influence, which should be associated with greater network influence and facilitate greater change efforts.

*Proposition II: Political skill moderates the relationship between political behavior and social capital development. For individuals high in political skill, political behavior results in greater network influence and social capital development.*

**Social Capital Theory**

*Figure II: Proposed model of social capital development in the nonprofit sector*

Social capital theory as originally defined by Putnam (1993) “refers to features of social organizations such as networks, norms and social trust that facilitate coordination and cooperation for mutual benefit.” Social capital is a collection of social resources and values shared among organizational stakeholders (Coleman, 1988). Social capital is constructed of three components: structural, relational and cognitive (Nahapiet & Ghoshal, 1998). Structural refers to the components of a social network. Density, connectivity and hierarchy are structural components of networks that are extensively researched. Relational components refer to trust
within the networked relationships. “Actors in the network obtain the characteristic of trustworthiness by association with trusted others and by their behavior over time” (King, 2004). From these relationships, the norms of reciprocity develop (Adler & Kwon, 2002). Finally, the cognitive component refers to norms developed among actors that evolve into commonly shared values and meanings over time (Putnam, 1993). Collective goals and a shared vision become deeply rooted within the established social relationships and thus a continuous feedback loop develops between all three components of social capital.

In the nonprofit sector, social capital theory has been used to explain the extent of nonprofit foundlings (Saxton & Benson, 2005), community capacity (Goodman et al, 1998) community development (Gittell & Vidal, 1998), executive leadership and management (King, 2004), team performance (Ahearn et al., 2004), among many other areas. Specifically, King (2004) argues that functions of nonprofit leaders, such as strategic planning, advocacy, fundraising, and community support building, requires the building of social capital. Yet, there are no empirical studies that evaluate social capital within the context of nonprofits boards of directors. Instead, most research on social capital is focused on the organizations paid executives. This presents a gap in the literature because in the nonprofit sector the volunteer boards of directors make up a critical component of organizational leadership. Yet, their voluntary status makes them substantially different than the organizations paid executives.

Voluntary board members have a significant impact on overall organizational performance (Bradshaw, Murray & Wolpin, 1992). Therefore, their ability to generate social capital should be positively and significantly related organizational performance. A few very initial studies look at some of the prescribed outcomes of social capital development. For example, board members utilize networking to acquire new revenue streams and increase
outcome measures (Alexander, 2000). Another study found that boards using recommended board practices, which include several outcomes of social capital such as fund-raising, public relations, and new board member recruitment, are positively and significantly related to more effective nonprofit organizations (Herman & Renz, 2000). Thus, while some of the literature evaluates board members’ ability to generate outputs associated with social capital, researchers have yet to identify the prescriptive link between social capital theory and political behaviors. Thus, I propose that political behaviors, when moderated with high levels of political skill, will result in additional social capital. When nonprofit boards of directors accumulate social capital, they may exploit it through their political skill to garner additional resources for their nonprofit.

Proposition III: Political skill moderates the relationship between social capital and additional resources garnered for self and organization. For individuals high in political skill, greater social capital will be developed.

Proposition IV: There is a positive relationship between the amount of social capital a nonprofit board of director has and the amount of resource they can garner for themselves and the organization.
The Feedback Loop

*Figure III: Proposed model of feedback loop in the nonprofit sector*

In many ways, the nonprofit environment varies drastically from the for-profit setting. Comparatively, there is an additional level of transparency and accountability required among nonprofit organizations. Where for-profit organizations rely primarily on earned income sources, it is one of several sources of revenue for nonprofit organizations. Yet, perhaps the largest difference between the two sectors is the difference in the claims that stakeholders, such as voluntary board members, have to these organizations.

Nonprofit board members have unique roles. Even though they are voluntary stakeholders, they are responsible for the overall fiscal health of an organization. Yet, the motivation to engage is critically altered by the lack of payment for their services. Their individual motivation includes some of the same intrinsic components and need for achievement that are found in the for-profit sector (Treadway, 2005). Perhaps though, they are also driven by the extrinsic motivation of seeing their hard work culminate in resources for an organization that
they are personally and emotionally invested in. For example, the Ronald McDonald House of
Tampa Bay, a home away from home for parents with chronically ill children in the hospital, as
well as a top-rated charity on CharityNavigator.com, increased its income as a percentage of
fundraising annually since its inception. In 2013 (most current data available), more than half of
their $2.8 million-dollar annual budget comes from the fundraising efforts of their voluntary
board of directors (CharityNavigator.com, 2013). As a result, the organization grew to serve over
1,800 families annually, with the expansion of four additional homes in the Tampa Bay area to
aid families during a time of crisis (Ronald McDonald House, 2014). Board members were able
to directly correlate their efforts to services provided for the community.

This example, along with countless others indicate that volunteer board members may be
motivated by the success of seeing their organizations flourish. Nonprofit organizations are
unique in that their mission-oriented purposes provides a necessary community good that
collectively serves a public purpose. Individuals that are skilled leaders engage in these
organizations because of an intrinsic motivation and a need for achievement. But, they stay
involved because of the long-term successes they see in the organizations, the purpose that the
organization serves in the community, and the additional self-resources that are generated from
being associated with a successful charitable organization. Thus, it is proposed that there is a
feedback loop from organization and self-resources garnered to extrinsic motivation, which
serves as a feedback mechanism that re-engages volunteer board members.

Proposition V: The organizational and self-resources generated through the development
of social capital creates a feedback channel that positively affects extrinsic motivation.
Conclusion

Nonprofit organizations face many of the same challenges that their for-profit counterparts face but have additional tribulations related to transparency, accountability, revenue sources, and voluntary fiscal agents. Due to the devolution of government and current economy, these organizations face increased demands to provide services, becoming increasingly important to their communities. The voluntary board of directors’ knowledge, skills and abilities are highly sought after to govern successful organizations.

This paper provides the first systemic view on the importance of political skill in the nonprofit milieu using a resource dependency lens. The asymmetrical nature of the exchange relationship found in resource dependency theory is an important foundational component when discussing political behavior and political skill of nonprofit board members. The need for an individual that can utilize political skill to moderate political behaviors to develop enough social capital that the imbalance of power is rescaled is crucial to a nonprofit’s ultimate success. Using the Treadway et al (2005) model, the political will that serves as an antecedent of political behavior is critical to understanding the motivation to engage in political behavior, but must be adapted to the nonprofit sector. The public purpose of the organization and the voluntary stakeholder claim of board members to the organization alter the motivational components of an individual’s political will. Further, the external reward of seeing an organization help a community prosper provides additional motivators for voluntary board members to foster and then spend their social and political currency. As a result, additional resources that are outputs of social capital such as funding, access, and awareness are garnered for the organization and additional credibility for the individual as a community leader is sowed. The resulting individual
and organizational successes creates a feedback channel to then re-employ political behaviors, starting the cycle anew.

The potential practical implications of this model are abounding. To date, there are no studies on the use of political skill among voluntary nonprofit board of directors. Yet, such a study could provide a significant contribution about a critical skill set board members need to help the progress of their nonprofits’ missions. Nonprofit organizations struggle to identify board members that can make a significant impact in both the governance and maturation of their organization. Better theory can drive the development of research, which could help to identify key indicators of potentially successful volunteer board members in the future.
References


About the Author

Sarah L. Young is an Assistant Professor in the Department of Political Science and International Affairs at the University of North Georgia. Sarah has provided leadership training to more than 100 state, county, and municipal public service entities; aided in the development of Florida State University’s Center for Civic and Nonprofit Leadership; and helped found Tallahassee Community College’s Institute for Nonprofit Innovation and Excellence. A previous board of director’s trainer and state director for a national nonprofit organization, Sarah applies a practitioner-oriented focus to her research and teaching.