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Pepperdine University

Graduate School of Education and Psychology

THE INFLUENCE OF MISSION STATEMENTS ON SELECT ASPECTS OF ORGANIZATIONAL DECISION MAKING BY EXECUTIVE DIRECTORS OF CALIFORNIA STATE UNIVERSITY NONPROFIT CHARITABLE FOUNDATIONS

A dissertation submitted in partial satisfaction
of the requirements for the degree of
Doctor of Education in Organizational Leadership
by
Brian M. Nowlin
May, 2009
Kent Rhodes, Ed.D.–Dissertation Chairperson

This dissertation, written by

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under the guidance of a Faculty Committee and approved by its members has been submitted to and accepted by the Graduate Faculty in partial fulfillment of the requirement for the degree of

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DEDICATION

To my parents, Robert and Lucile Nowlin, and to my family, friends, and colleagues, whose many words of support and encouragement provided me the strength and determination to pursue my passion.

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ABSTRACT

Organizations of all types devote time, resources and attention in pursuit of the perfect mission statement. Mission statements may serve to provide purpose, identity and direction to those both internal and external to an organization. After an organizational mission statement is adopted, the totality of benefit is not always clear. This dissertation examines what, if any, influence mission statements have with respect to leader decision making. More specifically, this dissertation focuses on Executive Directors of California State University nonprofit charitable foundations and what, if any, influence the mission statement of their organization may have on their decision making. In order to evaluate the mission statement influence consistently amongst these leaders, a survey was developed to assess decision making within five functional areas common to each. The five functional areas include, human resources, grants and contracts, accounting, finance and investments, and information systems. The survey also asked each leader to assess mission statement influence on overall decision making and on organizational planning. Lastly, these leaders were asked to provide an example of a decision they made that was influenced by their organizational mission statement. Both quantitative and qualitative data were collected and analyzed. This mixed methods approach provided data which complement one another and support the conclusion that finance and investment decisions are more heavily influenced by organizational mission statements for these leaders than are other types of decisions.

Chapter 1:

Statement of Problem

Introduction

The economy of the United States is greatly influenced by government, business, and nonprofits. Social services are a large segment of the economy. The largest direct providers of social services are nonprofit organizations, although government (federal, state, or local) supports a variety of social issues. Drucker (1990) describes the products of businesses as either goods or services, and the products of government as policies. Drucker contends that the products of nonprofits are changed lives. "Their 'product' is a cured patient, a child that learns, a young man or woman grown into a self-respecting adult: a changed human life altogether" (p. xiv).

Mission statements can have a tremendous impact on an organization. "Therefore all things whatsoever ye would that men should do to you, do ye even so to them: for this is the law and the prophets" (Matthew 7:12; King James Version). Falsey (1989) suggests that the earliest use of a mission statement can be found in the Bible. "Your organization exists because of your mission. It continues because of your mission. Most of your board, staff, and volunteers show up because of your mission" (Brinkerhoff, 2004, p. 16).

It is common to find organizations of all shapes and sizes evaluating their operations and establishing their missions for the world to see. However, accurately defining the mission of an organization might not always be easy. "A mission statement should succinctly describe what the organization does, whom it serves, and what it intends to accomplish" (Knauft, Berger & Gray, 1991, p. 120). Drucker (1973) believes that organizations do not put enough time and attention in the consideration of organizational mission. Drucker believes that inadequate attention to organizational mission can ultimately lead to organizational failure. Drucker notes that because managers of an organization view the mission from different angles, their perception of the organization’s mission will be different. He further asserts that it is through these divergent views that an organization can truly discover its mission.

In the early 20th century, the field of psychology was dominated by behaviorists who believed that both human beings and animals responded in a reflexive manner when presented with stimuli. It was believed that such reflexive behavior was a combination of positive reinforcements and negative reinforcements combined with environmental adaptation (Watson, 1913). “While decisions have been made from the moment of human consciousness, it has only been in recent times that we have systematically studied decision making and brain functioning to gain new insights into how decisions are made” (Hoch & Kunreuther, 2001, p. 8).

Clearly, nonprofit organizations play a vital role in shaping not only the U.S. economy, but also aid in weaving the social fabric of the country. The guidepost of many organizations is the mission statement. It identifies the organization and defines the path of purpose. While organizational leaders have at their disposal a variety of tools and other resources to help in decision-making activities, organizational mission or purpose could play a key role in forming decisions. In this study, the researcher desires to examine the convergence of organizational mission and decision making within the nonprofit setting. Further, this particular nonprofit setting is embedded within the higher education arm of the California public education system. Given the vital contributions of the California State University system, both statewide and nationally, this study will focus attention on a nonprofit auxiliary organization therein.

Statement of the Problem

This study will focus on mission statements and decision making in one specific type of nonprofit organization. Within the California State University system, most campuses have a nonprofit auxiliary organization responsible for the administration of externally funded research as well as other special programs (Business and Finance, Office of the Chancellor, 2002). Many of these organizations are referred to as foundations, although this term is not consistent throughout the California State University system. California State University auxiliary organizations bring in a significant level of financial resources into the university system. In the fiscal year ending June 30, 2006, of the total $3.2 billion in revenue generated by the California State University system, $1.1 billion of that was revenue generated and administered by California State University auxiliary organizations. Of the $1.1 billion in auxiliary-generated revenue, $450 million, or 39%, came from externally funded grants and contracts administered by California State University Foundations (KPMG LLP, 2006).

Mission statements are believed to be important to an organization for a number of reasons. A mission statement describes the organization and its purpose (Phills, 2005). Some go on to include vision or other key factors important to the organization, but the essential elements are organizational identity and purpose. “In addition to being the initial source of direction, mission serves as a source of inspiration by defining the significance and importance of the organization’s work” (p. 15). An organizational mission can inspire not only those internal to the organization, but also people external to the organization.

One element common to most nonprofit organizations is the mission to address social needs unmet by other sources. Phills (2005) points out that even with the large number of nonprofits in the United States, many social ills remain. Further, Phills reminds that funding to address many social needs is limited. Phills contends that most mission statements are purposely vague, and that it is through strategy that the details regarding mission accomplishment are developed and implemented. “Although strategy is inherently more bounded and specific than mission, it must still be translated into action through the large number of choices that are made in every organization on a day-to-day basis” (p. 18).

Purpose of the Study

The purpose of this study is to identify the influence, if any, organizational mission statements have on the decision making among leaders of California State University nonprofit foundations. Given the lack of research on mission statements and leader decision making, this study will add to the body of knowledge in this field.

In addition to collecting data related to overall decision making among nonprofit leaders, this study will also collect data related to the level of influence, if any, the mission statement has on decision making within specific functional areas of the organization. The functional areas of the organization include: (a) human resources, (b) grants and contracts, (c) accounting, (d) finance and investment, and (e) information systems. This study will also look at decision making among nonprofit leaders as it relates to organizational planning and the potential influence of the organizational mission statement.

Background data will be collected from the organizational leader in an attempt to understand how important, if at all, the mission statement is to the individual. Data will be collected in order to understand how long the current mission statement has been in existence at each surveyed organization and whether the leader was involved in the development of the current mission statement. These data will be compared with the responses about mission statement influence on decisions related to the organization's functional areas to determine whether any relationship exists between the data elements and decision making by the organization's leader.

Research Questions

In order to address appropriately the purpose of this study, seven research questions have been developed to assess the influence of mission statements on leader decision making in a specific type of nonprofit organization.

1. To what extent, if at all, does the mission statement of a California State University Foundation influence the overall decision making of the organization's leader?
2. To what extent, if at all, does the mission statement of a California State University Foundation influence the human resources decision making of the organization's leader?
3. To what extent, if at all, does the mission statement of a California State University Foundation influence the grants and contracts decision making of the organization's leader?
4. To what extent, if at all, does the mission statement of a California State University Foundation influence the accounting decision making of the organization's leader?

5. To what extent, if at all, does the mission statement of a California State University Foundation influence the finance and investment decision making of the organization’s leader?
6. To what extent, if at all, does the mission statement of a California State University Foundation influence the information systems decision making of the organization’s leader?
7. To what extent, if at all, does the mission statement of a California State University Foundation influence the organizational planning decision making of the organization’s leader?

Importance of the Study

Much of the literature available on organizational leadership issues is geared toward for-profit businesses. Any new research will serve to advance the field because of the unique nature of nonprofit organizations. Since most nonprofit organizations deliver services to benefit society, any advancement in the operational efficiency and effectiveness of nonprofit organizations will, in turn, have a positive impact on society. While this study is geared specifically toward nonprofit organizations, the nature of many of the topics examined is sufficiently broad to benefit the for-profit organization.

Within this study, the importance and effectiveness of mission statements is discussed in great detail. For the new organization that has not yet developed a mission statement, the leader will be able to understand better whether a mission statement is right for his or her organization. If a mission statement is found to be desirable, the elements of a mission statement are described in sufficient detail to give the leader a head start on crafting an appropriate mission statement for his or her organization. The importance of disseminating the organization’s mission statement cannot be overlooked. “A fundamental responsibility of leadership is to make sure that everybody knows the mission, understands it, lives it” (Drucker, 2008, p. 13). The mission of an organization serves as a guide for the leader, but also as a guide for the followers. Collins (2008) describes how a sense of mission provides a sense of connection and belonging for people. Collins also notes the ability of a mission statement to help in good times and in bad, “They have a desperate need for a guiding philosophy, a beacon on the hill to keep in sight during dark and disruptive times” (p. 19).

This study focuses on a specific type of decision making—that related to mission statements. Organizational leaders will learn about any relationships linking the two, which will enable them to hone their decision-making skills. Any understanding and advancement in the realm of decision making will surely enhance the effectiveness of the organizational leader. The membership of nonprofit boards of directors will also benefit for the same reasons. Through their oversight of the many nonprofit organizations throughout the United States, these individuals will be enabled to develop policies and procedures that will, in turn, enhance the delivery of the needed social services provided by these organizations. This will be especially important in the coming years. Health care and education make up significant elements of the nonprofit spectrum, and both economic sectors are expected to experience dramatic increase in demand in the near future (Drucker, 1999).

Foundations within the California State University system will also likely benefit from this study. Although they are nonprofit organizations and they operate in the same general manner as most other nonprofit organizations, their place as an auxiliary organization within the California State University places unique guidelines and restrictions on their operations and activities. These guidelines and restrictions are in addition to those of any other nonprofit, which impacts the overall operation of the organization. Scant research exists about California State University Foundations in general. Leaders of these nonprofits as well as university administrators will benefit from this study as it provides an additional source of light and guidance into these essential partners who help to advance the educational mission of the California State University system.

Assumptions

Several assumptions have been made throughout the course of this research study. First, it is assumed that mission statements are a potential source of beneficial guidance to leaders of nonprofit organizations and that the study of mission statements and certain benefits they might provide generate a common interest among the nonprofit community. The organizations that were the focus of this study are all auxiliary organizations of each of the California State University campuses. It is assumed that each auxiliary organization has its own mission statement and that the mission statement likely reflects the mission statement of campus of which it is a part. It is also assumed that the survey instrument was sufficient to gather honest and open responses from the survey population. This study further assumes that those surveyed accurately recall and report their use or nonuse of mission statements within the areas studied. Last, it is assumed that a high level of consistency was achieved by focusing on organizations that operate in a distinct and similar fashion.

Most of the assumptions noted herein reflect information generated by the researcher while reviewing the literature and the researcher’s familiarity with the type of organization studied.

Limitations of the Study

The survey instrument used in this study and the other analytical aspects of this study, more thoroughly described in the Methods Section, were carefully designed in order to minimize any potential limitations. Further, while this study was designed to examine a specific type of organization and a specific population therein, certain limitations must be noted.

This study is limited to nonprofit organizations, which might limit transferability of the results to any other type of organization. Another limitation is the higher education setting of the study. Additionally, the nonprofit organizations studied operate within the scope and spectrum of a large state university system, thus further limiting any transferability of results. More specifically, this study is limited to foundations operating within the California State University system.

The researcher has maintained a business relationship of many years with some of the survey participants. This relationship could have caused some participants to respond in a more favorable manner than they might have otherwise. Responses might have also been affected by the size of the population. With only 23 organizations surveyed, and that many of them are familiar with one another, there might have been some reluctance or hesitance on the part of the participants to provide accurate information, particularly if that response was believed to cast either the individual or his or her organization in a negative light.

Finally, the researcher has been employed by a California State University foundation for 22 years, and presently serves in a leadership capacity. Although the researcher endeavored to remain neutral in all aspects of this study, biases can occur. A number of measures were undertaken within this study to mitigate the possibility of researcher bias. First, because the population was relatively small, the entire population was surveyed. Since the entire population was studied, the researcher was prevented from drawing inferential conclusions. Next, the statistical analysis utilized in this study was limited to frequency distributions. The frequency tabulations collected from the questions utilizing a Likert-type scale are supported by the completed survey questionnaires, which were reviewed by a colleague of the researcher. Finally, the one open-ended question underwent topic coding by the researcher, and was also reviewed by a colleague of the researcher. These use of a colleague not associated with this research study helped to ensure reasonableness and accuracy of data tabulation and interpretation and helped to mitigate researcher bias.

Definition of Terms

Certain terms were used throughout this study. In this section, the researcher endeavors to provide a common definition for some of these terms.

California State University—With 23 campuses, and more than 450,000 students, the California State University is the largest university system in the United States (Office of the Chancellor, 2007).

California State University Auxiliary Organization—Private, nonprofit organizations organized by the State of California to supplement and support education and other administrative activities within the California State University System. These organizations might include: (a) Associated Student Body Organizations, (b) Student

Unions, (c) Foundations, and (d) Commercial Activities (Auxiliary Organizations Association, 2008).

California State University Foundation—“Auxiliary organizations classified as foundations are generally considered to be those auxiliary organizations which have as a primary functions the administration of externally funded projects including research, workshops, conferences and institutes and/or other fund development activities” (Business and Finance, Office of the Chancellor, 2002, p. 42)

Decision Making—For this study, the term decision making reflects the process of considering two or more options and selecting an option based on one or more factors. These factors might include, but are not limited to, personal, internal, emotional, organizational, political, financial, and/or instinctual.

Executive Director—For purposes of this study, the term executive director is intended to refer to the highest level of leadership within the nonprofit auxiliary organization studied. Generally, this position reports to a board of directors.

Mission Statement—A mission statement generally identifies an organization and describes in general terms the purpose of the organization. Mission statements are considered to have important meaning to those internal to the organization as well as to those outside of an organization.

Nonprofit Organization—Within this study, the term nonprofit or nonprofit organization is intended to refer to those organizations classified under section 501(c)(3) of the United States Internal Revenue Code.

Strategic Planning—For purposes of this study, *s*trategic planning is a rational process used to identify an appropriate future state for an organization as well as course of action to achieve it (Kaufman, Oakley-Browne, Watkins, & Leigh, 2003).

Organization of the Study

This study is divided into five chapters. Each chapter offers a unique perspective on the topic of the study. The first chapter provides an introduction to the problem along with an explanation of the purpose and the importance of the study. Chapter 1 also introduces the research questions that will be used in the study. Chapter 1 further describes the limitations and assumptions along with definitions of key terms used in the study. Chapter 2 helps to orient the reader to the topic by providing a comprehensive review of the relevant literature available on the topic. Chapter 3 discusses how the research was designed and conducted. It further discusses the sample population along with the techniques used for data collection and data analysis. In Chapter 4, the findings of the analyzed data are presented, and in Chapter 5 conclusions, implications, and recommendations for further research are discussed.

Summary

In this chapter, the problem is introduced and stated in an effort to provide a degree of background on the topic. The purpose is stated in order to describe why the study took place and what it would accomplish. The research questions to be used in the study are introduced and key terms are defined. The researcher explained why the study was important along with the assumptions made throughout the study and any anticipated limitations. Last, an overview of the organization of the study was provided.

Chapter II:

Review of the Literature

Introduction

This literature review focuses on the four primary topics covered by this study: Higher Education in the United States, Nonprofit Organizations, Mission Statements, and Decision Making. The first section, Higher Education in the United States provides a brief history of both U.S. higher education, and California higher education. An overview of the California State University system is presented along with the auxiliary organizations thereof. One type of auxiliary organization, foundations, is discussed in more detail given is prominent position in this research paper. The next section on Nonprofit organizations details the types of services provided by these organizations and the significant role they play in terms of social services and economic enrichment in the United States. The third section, Mission Statements, explains the purpose behind mission statements and the benefits they can have both internal and external to an organization. Finally, a section on Decision Making details the intricacies of the decision making process as well as the role internal and external influences can play in this process. Within this section a specific type of decision making, Strategic Planning, is also presented as it relates to organizational mission.

Higher Education in the United States

The oldest university in the United States, Harvard, was established in 1636 in Newtown, Massachusetts. The town would later be renamed Cambridge. Most institutions of higher learning in that era had religious roots and were devoted to educating men who would go on to become ministers and other church leaders. The required courses were modeled after those offered in European universities and represented knowledge passed down through the ages. “The curriculum basically was a combination of confessional religious piety, and late Renaissance arts and literature” (Lucas, 1994, p. 109). Although many colleges in colonial America received state subsidies, none were state institutions. The earliest American universities were not reserved solely for the upper class. Although a large number of students were from well-off families, commoners were also admitted. Many years later, as university operating costs escalated, it became more and more difficult to admit those who did not have sufficient financial means. In the late 1700s, a number of new colleges opened. Many believed that so many institutions would adversely affect the quality of higher education in the United States. After the Civil War, universities slowly shifted their focus to more secular teachings by offering more courses in the arts and sciences.

Lucas (1994) identifies Virginia, established in 1825, as the first state university. Many states established universities as a result of the Northwest Ordinance. After 1804, new states west of the Appalachians were granted two townships by the federal government to be used for state universities. The state universities had difficulty competing with the colonial era universities on the east coast. Land-grant colleges produced little or no revenue and had to be supported by state funds if they were to survive. While they attempted to mirror the course offerings of their east coast counterparts, they had difficulty competing and enrollment at state universities lagged. In 1862, the Morrill Land Grant Act was passed, authored by Vermont congressman Justin Smith Morrill. Morrill believed that if state universities were to survive, they needed to teach a more useful curriculum. A curriculum rich in Agriculture and Mechanical Arts (or

A & M) replaced the more archaic teachings of the established eastern universities.

Public Higher Education in California

The College of California, established in 1855, offered a curriculum modeled after the east coast universities. In 1866 the first land grant institution, the Agricultural, Mining, and Mechanical Arts College was established in California. The early years in California higher education show a state that was continually looking for ways to compete with the more established institutions on the east coast. This competitive pursuit did help garner support from the state legislature in the appropriation of funds. Public education in California is made up of three tiers: the University of California, the California State University, and community colleges. The community colleges bring higher education to the community level and focus primarily on the delivery of the first two years of college-level course work. The California State University provides bachelor’s and master’s degrees and some joint doctorate programs. The University of California provides bachelor’s, master’s, and doctoral degrees. Partly because of the overlapping functions of the three systems, struggles and conflict among them have emerged throughout the years. Much of the conflict has involved the growth and focus of the systems as well as the type and scope of research conducted within the institutions (Smelser, 1974).

California State University

The California State University system has enjoyed a rich history. The earliest campuses in the system began as normal schools, which were devoted to training teachers. The California State Normal School in San Francisco started as the first state-funded normal school in 1862. When it opened, there were three instructors and six students. Throughout the years, several other campuses were established in response to a growing population and a demand for teacher education. In 1921, the Normal Schools were renamed Teacher Colleges. In 1935, the Teacher Colleges were renamed State Colleges. In 1972, the system underwent another name change to the California State University and Colleges. The present name of the system, the California State University, was established in 1982 (Gerth & Grenier, 1983).

The earliest form of governance for the system was through the California State Board of Education. The University of California, on the other hand, enjoyed recognition in the constitution of California. In the early years of the state college, the mission of the institution was to train teachers. In 1946, liberal arts degrees unrelated to the field of education were authorized. In 1947, master's degrees related to teacher training were allowed. Master's of Science degrees in vocational fields were allowed to be offered in 1955. In 1958, master's degrees not related to teacher education were authorized in the state university (Gerth & Grenier, 1983).

The 1950s ushered in a new push for American education. The Soviet Union successfully launched the world's first manmade satellite, Sputnik I, in 1957. The belief that Americans were unprepared to compete with the Soviets in technology and science elevated concentration on improving the American education system (National Aeronautics and Space Administration [NASA], 2007). On the federal level, congress passed the National Defense Education Act (NDEA) in 1958. The NDEA laid the groundwork for changes in programs in elementary and secondary schools. The NDEA also provided greater access to higher education for Americans through loans and fellowships (United States Department of Education [USDOE], 2008). In California, legislators were concerned as well. In 1959, the Master Plan for Higher Education in California was commissioned. The master plan was intended to address the future of education in the state from four segments of the educational system: the University of California, State Colleges, junior (known as community) colleges, and private colleges. Educational leaders from around the state were appointed to develop the Master Plan (Gerth & Grenier, 1983).

The initial draft of the master plan presented six recommendations (Gerth & Grenier, 1983):

- To restrict admission to the University to the upper 12.5 percent of high school graduates (from 15 percent) and to the state colleges to the upper one-third of the graduates (from 45 percent);
- To reduce the proportion of lower division students in the university and colleges to no more than 40% of the enrollment;
- To require 56 units of credit for transfer of students originally ineligible for admission to the state colleges or University;
- To create a new governing Board of Trustees for the state colleges with the same autonomy and a similar membership as that of the University Board of Regents;
- To create a Coordinating Council as an advisory body on higher education, with representation on the Council from all segments;
- To reserve to the University research, professional education, and doctor’s degrees, whereas the state colleges could grant master’s degrees and engage in research related to instruction. (p. 24).

Many faculty members of the State College expressed concern over a number of these recommendations. The faculty members believed that constitutional recognition of a separate board of trustees might not be able to address adequately their needs. The intent of the recommendation by the master plan for a board of trustees similar the university board of regents was not only to elevate the stature of the institution but also to insure its financial security. The faculty members were also concerned about the recommended restrictions on research and on admissions. The Donahoe Higher Education Act, named for the Assemblywoman author Dorothy Donahoe, was passed in 1960. The final version of the legislation did not provide for constitutional recognition of the board of trustees, nor did it include the admissions quotas. The State University did gain formal approval to conduct research consistent with the primary function of the university. In 1961, the California Legislature authorized the California State College System as a separate body governed by its own board of trustees (Gerth & Grenier, 1983).

California State University Auxiliary Organizations

In the California State University system, certain services are provided by auxiliary organizations. For the most part, these auxiliary organizations are incorporated as nonprofit, 501 (c)(3) organizations.

Title 5 of the Education Code of the State of California provides a description of the types of organizations that can serve as auxiliary organizations within the California State University. Section 89901 of the California Education Code (as cited in “West’s Annotated California Codes,” 1989) defines auxiliary organizations as:

1. Any entity in which any official of the California State University participates

as a director as part of his or her official position.

2. Any entity formed or operating pursuant to article 1 (commencing with Section 89300) of Chapter 3.
3. Any entity which operates a commercial service for the benefit of a campus of the California State University on a campus or other property of the California State University.
4. Any entity whose governing instrument provides in substance both of the following:
    a. That its purpose is to promote or assist any campus of the California State University, or to receive gifts, property, and funds to be used for the benefit of such campus or any person or organization having an official relationship therewith.
    b. That any of its directors, governors, or trustees are either appointed or nominated by, or subject to, the approval of an official of any campus of the California State University, or selected, ex officio, from the membership of the student body or the faculty or the administrative staff of campus. (pp 604–605)

Auxiliary organizations serve to augment and enhance the educational mission of the California State University. The California State University system allows a few different types of auxiliary organizations to operate. Some of the auxiliaries recognized by the California State University include student body organizations, foundations, service operations, and housing operations (Business and Finance, Office of the Chancellor, 2002). There are more than 80 auxiliary organizations throughout the 23 campus California State University system. On some campuses, auxiliaries operate independently of one another while on other campuses auxiliaries can be a combination of two or more types (Auxiliary Organizations Association, 2008).

California State University Foundations

One type of auxiliary organization recognized by the California State University, as noted above, is a foundation. The California State University defines foundations as, "Auxiliary organizations classified as foundations are generally considered to be those auxiliary organizations which have as a primary function the administration of externally funded projects including research, workshops, conferences, and institutes and/or fund development activities" (Business and Finance, Office of the Chancellor, 2002, p. 42).

University Research

Research is an important component of most universities. The role of the faculty member is usually divided between teaching and research. The focus of the individual university might play a role in determining what proportion of the faculty member's time is devoted to teaching and what proportion of time is devoted to research. Tied closely to this dual role is the university's distribution of resources. When faculty members are expected to conduct research in addition to teach, physical space, and financial support must be addressed. Research adds value to an institution of higher learning in several ways. First, the individual faculty member gains recognition for his or her contribution to a field of study. Next, the university benefits from all forms of research generated at the institution. This helps in attracting students and new faculty members. Finally, students benefit from learning from faculty members who generate new information, and in some cases, students work directly with faculty members who conduct research. Degrees granted by universities that conduct a lot of research are perceived to have greater value than those that do not. A university's positive reputation will also help to generate donations (Balderston, 1995).

Some research is conducted by faculty members without any supplemental funding. However, a large segment of research is conducted as a result of funding made available by federal agencies, state agencies, local agencies, and private organizations.

Government Contracting. Most California State University Foundations rely heavily on federal grants or contracts with government agencies for a portion of their revenue. "The benefits government agencies seek through contracting out services to nonprofit organizations include lower costs, more flexibility, less need for permanent government staff, and greater responsiveness to clients' needs" (Ott & Dicke, 2000). The acceptance of government funding generally comes with the requirement that the recipient organization operate in a fashion similar to that of a government agency, but at the same time remain independent of the government. While executives of nonprofit organizations that do contract work for government agencies are accountable to their own volunteer board, they must also work to maintain a positive relationship with government officials to whom they rely for continued funding (Herman & Heimovics, 1991).

Nonprofit Organizations

Nonprofit organizations are relatively new to the economic scene. More than 90% of the nonprofits in existence were formed after 1950. They have only been recognized as a distinct economic sector since 1970 (Hall, 2005).

Nonprofit organizations have no owners and are overseen by an uncompensated board of directors. The greatest concentrations of nonprofit organizations are devoted to the fields of religion, research, health care, social services, and the arts (Wilcox, 2008). The Internal Revenue Service recognizes more than 30 different types of nonprofits. In 2005, there were 528,023 nonprofits registered with the Internal Revenue Service (Wing, Pollak, & Blackwood, 2008).

While most nonprofits do not produce any sort of product, and receive little or no compensation for the services they provide, they are still notable contributors to the U.S. economy. In 2006, nonprofits added $666 billion, or 5%, to the U.S. gross domestic product. Even this does not give an adequate picture of the impact of nonprofits on the U.S. economy. Some believe that, for the most part, since no goods or services are sold, a better measure of the financial relevance of nonprofits is to measure the expenses reported from year to year. Expenses of nonprofits result in money flowing into the U.S. economy. In 2005, nonprofits reported more than $1.4 trillion in expenses. In the same year, nonprofits also reported in excess of $3.2 trillion in assets (Wing et al., 2008).

In describing the impact of nonprofits on the U.S. economy, it is helpful to understand the impact they have in the job market. In 2005, nonprofits employed 12.9 million people, or roughly 10% of the total U.S. workforce. From 1998 to 2005, nonprofit employment grew by an average of 2.2% per year. Compared to the overall U.S. employment rate, which only saw an average .7% increase per year, nonprofits were responsible for bringing a higher proportion of people back into the workforce. In 2005, nonprofits reported $42.9 billion paid in salaries and wages, or roughly 8% of the total wages paid in the U.S. (Wing et al., 2008).

In many sectors of American nonprofits, the challenges faced by organization leaders have risen dramatically in the past decades. The operational separation between a for-profit and a nonprofit has grown cloudy. Where nonprofits used to be the sole providers of many products and social services, more and more are finding direct competition with for-profit businesses (Salamon, 2005).

Nonprofit leaders are continually challenged to stay abreast of the advancements made in their particular field and the numerous changes in public policy, which also affect them. For-profit businesses extend their reach into areas formerly the domain of nonprofits. Nonprofit leaders must strive to understand and serve their changing customers, stakeholders, donors, and business partners (Salamon, 2005).

In the 1960s, the federal government expanded funding for scientific research, and for health and social services. Rather than perform these services directly, the government contracted with nonprofit organizations to act as service providers. In the 1980s, in an effort to adjust U.S. economic policy under the Reagan administration, the federal government dramatically curtailed domestic spending in a number of sectors. “Indeed, outside of pensions, public education, and health, overall government social welfare spending declined by more than $30 billion between 1981 and 1989” (Salamon, 2005, p. 84). Hardest hit were nonprofit organizations that relied heavily on the government for financial support of their operations.

Government spending on social programs did not rebound until the late 1990s. While the previous forms of government funding had been directed to nonprofit organizations, the 1980s and 1990s began an era of consumer vouchers. This allowed voucher recipients to use their subsidies at either nonprofit or for-profit organizations. Thus, the increase in consumer choice in the marketplace resulted in a sharp increase in competition for nonprofits (Salamon, 2005).

Some for-profit organizations have also ventured into the social service arena. It is not unusual to see large defense contractors also providing job training programs. Their experience in working with the government on defense-related contracts positioned them to be alternative service providers in the eyes of some funding agencies (Salamon, 2005).

Just as with any other type of business, nonprofits must keep up with the latest technological advances. However, nonprofits have not had an easy time. Downturns in both government spending and private donations have resulted in fewer funds available for capital expenditures. Further, financial institutions have not been extremely supportive of lending to nonprofits. While for-profits have moved forward technologically, nonprofits struggle to catch up (Salamon, 2005).

Nonprofits once enjoyed a somewhat limited level of accountability. At one time most nonprofits enjoyed little or no competition. The need to prove that their services were either efficient or effective was usually limited to the agency that provided the funding. Increased competition from the for-profit sector has required nonprofits to demonstrate how their performance stacks up against their for-profit counterparts. Added to this is an increase in demonstrable performance required by government agencies (Salamon, 2005).

Although nonprofits by nature are not in business to make a profit, they are responsible to a number of parties with respect to their performance. They each have boards of directors, clients, and society in general that rely on the organization to meet some form of performance criteria. The criteria, and the standards for measuring the criteria, may vary from nonprofit to nonprofit. Nonetheless, nonprofits compete with other nonprofits, and in some cases for-profits, for scarce resources. It is in the best interests of nonprofits to operate efficiently and effectively if they are to remain in service to society for the long term (Hill & Jones, 2004).

Nonprofit organizations operate similarly to their for-profit counterparts. As with for-profit organizations, accounting, finance, and human resource functions must function effectively. Not only must nonprofit leaders have a good understanding of all standard for-profit functions, they must also employ skills specific to the nonprofit arena (Herman & Heimovics, 1991).

In attempting to meet the organizational mission, leaders of nonprofits are held accountable to a number of groups. With a for-profit organization, customers generally provide a source of revenue in return for the goods and services produced by the organization. It is easy to see why the wants, needs, and values of a customer are held in high regard by a for-profit organization. In the nonprofit world, an organization generally looks to a funding source for revenue. Funding sources might be federal, state, or local governments, or they might be private individuals or organizations. On the other side, a nonprofit generally has another customer who receives the goods or services provided by the organization. Even with a clearly articulated purpose, achieving a positive balance for all constituents is not easy (Herman & Heimovics, 1991).

Nonprofits are challenged to remain open and flexible in an ever-changing environment. New programs, new funding sources, and new funding agency regulations require nonprofits to respond quickly and accurately if they are to remain viable. Often, nonprofits compete with other nonprofits for funding, and in some instances, they might even compete with similar organizations in the for-profit sector (Herman & Heimovics, 1991).

Governance

“Governance is the function of oversight that a group of people assume when they incorporate under the laws of a state for an organizational purpose that qualifies for nonprofit status” (Ott, 2001, p. 2). At the highest level of a nonprofit organization is generally a board of directors, governors, trustees, or some similar body. In order to incorporate as a nonprofit in all states, a nonprofit must be governed by such a board. The board “is the ultimate point of responsibility and accountability for a nonprofit organization” (p. 1).

Governance—Board of Directors

The role of a board is to chart the course of the organization. Boards often develop, approve, and maintain oversight of the strategic plan of an organization. They are empowered to establish an organization’s agenda, set priorities, and approve policy (Chait, Ryan, & Taylor, 2005; Herman & Heimovics, 1991). This is not to say that staff does not play an important role in the establishment of organizational policy. Because of the close proximity of staff to organizational issues, staff members often have significant influence on the development of policy. Quite often, staff members provide insight into policy and procedural issues and make recommendations to the board on a prescribed course of action (Block, 2001).

Nonprofit Leadership

In the world of for-profit organizations, the overriding mantra is to do whatever it takes to make money. Employees benefit from profit; organizational leaders benefit and shareholders benefit from profit. In the world of nonprofit organizations, the mantra is mission. Nonprofits are generally established to benefit social causes. The mission of most nonprofits announces the groups and causes that are the focus of their efforts. Individuals who work for nonprofit organizations are in many cases drawn to a nonprofit organization because of the social cause it serves. Thiagarajan (2004) discusses the role of leaders of nonprofit organizations and their ability to demonstrate “Missionary Leadership” (p. 39) when they use the mission of the organization to enroll and inspire others to the cause. This subtle, yet powerful, distinction about nonprofit organizations must be clearly understood by their leadership. If used correctly, the notion of personal mission can mean the difference between a successful nonprofit and an unsuccessful nonprofit. As noted previously, nonprofits are generally devoted to aid social causes. Thiagarajan believes that when missionary leadership is not practiced in nonprofit organizations that society is the ultimate loser. Thiagarajan identifies four elements of successful missionary leadership as, (a) presence of a powerful mission, (b) commitment to the mission, (c) motivation from within, and (d) cohesiveness as a team bound by a common cause.

Presence of a powerful mission means a true sense of mission must go deeper than any mission statement published by an organization. Commitment to the mission means individuals feel so strongly about the mission of the organization that they are willing to do whatever it takes to accomplish the mission. Motivation from within means individuals feel so strongly about the mission of an organization that they adopt it as their personal mission. Cohesiveness as a team bound by a common cause means the mission of the organization resonates throughout the organization such that groups work toward that goal in unison (Thiagarajan, 2004).

Mission Statements

While some extol the value of mission statements, others believe they are of little worth. It appears that those who have them are the ones singing their praises most loudly. Those who favor mission statements believe they can help to establish organizational priorities, define the service market, or define a company's direction. Many mission statements do some or all of these (Falsey, 1989).

Mission Development

Organizational missions come about in any number of ways. Hay (1990) describes how the mission of a nonprofit organization originates from the nonprofit administrator and his or her perceptions of the world. Hay asserts that organizational missions are essentially the combination of a product or service combined with an unmet need. In some instances the administrator perceives a need and then develops a product or service to satisfy that need. In other instances, a product or service exists and the administrator later becomes aware of a need that the product or service could satisfy.

Hay (1990) further describes how products and services of a nonprofit organization must be evaluated to determine their appropriateness for a given need. The first evaluation is of the cost of the product or service. Most nonprofits receive revenue in some form or fashion for the products and services they deliver. When all production costs are considered, the product or service must cost less than the revenue received. The next evaluation relates to the perceived benefits of the product or service. The product or service must be perceived by the target audience as a benefit to it. The last evaluation is that of value. The product or service is determined to have value when the cost to produce it is less than the benefit perceived by the target audience. "The value of the product/service is usually expressed in the marketplace as a price that a person is willing to pay for the product/service" (p. 90).

Mission Statements

Effective mission statements include an element of purpose. They explain, from a customer's perspective, why the organization exists, what line of business the company is in, and why it does what it does (Blanchard & Stoner, 2003).

Some suggest that, although most companies have a mission statement and that much time and effort is devoted to developing mission statements, their link to organizational performance is questionable at best (Krohe, 1995). Still others who have studied the nonprofit sector believe that a clear mission statement is key to an effective organization (Knauft et al., 1991).

Mission Statements and Nonprofits. In some cases, an effective mission statement can aid in the acquisition of new sources of funding for nonprofit organizations. Nonprofits with poorly crafted or nonexistent mission statements tend to apply for funding from any available source. While that tact might secure a stream of revenue in the short run, over time, it can result in an organization that hasn't developed a focus or proficiency. As the organization goes on to apply for funding from other agencies, the lack of dedicated experience or programmatic capacity becomes apparent, and new funding opportunities begin to diminish (Angelica, 2001).

Mission Statements and Strategic Planning. Mission statements can play a critical role in the strategic planning process of an organization. During strategic planning, participants might find it helpful to refer to the mission of the organization. If they find that the existing mission statement is out of alignment with current operations, the resulting strategic plan might recommend a realignment of operations or a realignment of the mission statement to meet current operations. In either case, the mission statement has served an important role in the strategic planning process (Caruthers & Lott, 1981).

Each nonprofit organization serves a particular clientele or market. Mission statements should also be considered when determining how to meet the particular needs of a given market. As with the for-profit business counterparts, nonprofits should continually assess their market needs. In some instances, operations might need to be adjusted to meet market needs. At other times, it may be advisable to maintain current business operations. In making this determination, nonprofits should consider their mission to determine if the change would result in a deviation from the stated mission of the organization (Brinkerhoff, 2003). As with for-profits, nonprofits should be careful when making a change to the organizational mission. Markets change, and so do organizations. When the change of business is thoroughly considered, a change in mission might be well received. However, a change in mission in response to a fad or an ill-conceived idea might be disastrous (Knauft et al., 1991).

Mission Statements—Change. The world is changing more rapidly than ever. Leaders in both for-profit and nonprofit organizations endeavor to keep up with the rapid changes with which they are faced. Some change might be more procedural in nature and not have much effect on the overall organization. Other types of change require a greater degree of organizational change or refocus if the organization intends to remain viable. However, most organizations are made up of people. People do not always respond well to rapid change in their personal lives or in the workplace. A well-defined, well-conceived mission statement can act as a guidepost to employees during a time of rapid change. When all else appears to be changing around them, some employees find comfort in a mission statement in which they can find constant meaning and purpose. It allows a window through which an employee can see hope in the future (Pollard, 2002).

Mission Statements—Motivation. Organizations are finding more and more that their mission statements can work as a source of motivation for employees. A well-crafted mission statement might speak to the inner sense of purpose of the individual. Employees who feel this type of alignment with the purpose of their employer function more creatively and with quality. However, employees do not always connect with an organizational mission statement on their own. Often a leader who understands and believes in the message of the mission statement must work to help employees understand the message in their own terms (Pollard, 2002). “Effective leaders bring passion, perspective, and significance to the process of defining organizational purpose” (Bennis, 2002, p. 13).

Pollard (2002) describes the mission of an organization as a key element in enrolling and engaging the whole employee. Employees come into a work environment from a variety of backgrounds. They each have different wants, needs, and concerns. When an employee is not aligned with the mission of the organization, he or she might perceive what they do as just a job. Conversely, an employee who believes in the mission of the organization for which they work might view his or her job as more of a calling.

Organizational Mission—Employee Recruitment Retention. The recruitment and retention of employees is an ever-present concern for many employers. The recruitment and retention of child welfare caseworkers appears to be of particular concern to many social service agencies. In a report by the U.S. General Accounting Office (1995), 90% of states noted problems with finding and keeping employees who provide services essential to the welfare of children. The report noted some of the reasons for this included inadequate funding, substandard working conditions, and poor working conditions. In a later report, the U.S. General Accounting Office (2003) reported annual turnover rates for child welfare workers between 30% and 60% nationally. In some instances, turnover ran as high as 600%. In 1995, Rycraft attempted to shed light on the problem in this particular sector of employment. Noting that much of the prior research in this area had focused on the reasons employees left their employer, Rycraft (1994) tried to understand the reasons employees stayed. Rycraft interviewed 23 child welfare workers and analyzed their responses. One of the primary reasons interviewees reported for staying with their job was mission. In the context of this research and the interview responses, the term mission related to the personal belief the individuals had about the positive nature of the work they were doing to help children in need. Further, “They subscribed to the stated mission of their agencies to serve oppressed, disadvantaged, and at-risk populations, viewing their jobs as important to the clients they serve, their clients’ communities, and society as a whole” (p. 76). Rycraft believes that the employer can play a key role in the development of the individual’s sense of mission, and in this case, the employee’s decision to remain with that employer.

Mission Statements—Themes—Employees. In his review of mission statements from a variety of companies, Falsey (1989) notes several common themes found within them. They often mention the value and importance of their employees. Considering the costs most employers incur to recruit, train, pay, provide benefits, and in other ways retain talented employees, it is easy to understand the important role employees play in the success of an organization. By directing attention to the importance of the employee within the mission statement, an organization is signaling for all to see just who it is they value the most.

Mission Statements—Themes—Profit. Another theme in the missions of for-profit companies is the mention of a profit objective. Some are more overt, while others are more subtle in their reference. It is suggested that this type of theme is clearly an indicator of how the organization measures its own success. A profit theme can also be viewed as a signal to shareholders and potential investors that the organization has their financial interests in mind. The location of the mention of financial success can sometimes be important. Some organizations note the profit motivation in the first line. Others place it at or near the end. One such company, Johnson & Johnson, referenced profits in the final sentence in its mission statement. It was the company's belief that if it followed all of the other commitments in its mission statement, financial success would be achieved (Falsey, 1989).

Mission Statements—Themes—Customer Community. While, as noted above, some mission statements hold employees in high regard, others focus on the customer. Given the competitive nature of most industries, leaders realize that the customer is the one who ultimately determines the success or failure of the organization (Falsey, 1989). A similar type of relationship exists with the community served by the organization, which is another common theme. Organizations and communities often work hand in hand and rely on one another for their success or failure. Organizations bring employment, tax dollars, and other forms of support to a local economy.

Mission Statements—Themes—Environment. Some mission statements include an element of environmental commitment in concert with a community reference. This might be of particular importance to companies that, because of the nature of their operations, might otherwise be viewed as damaging or in some other way unfriendly to the environment. An environmental theme will typically note either a commitment to environmental protection or natural resource preservation, or both (Falsey, 1989).

Mission Statements—Themes—Ethical Conduct. Ethical conduct on the part of the organization might be found in some mission statements. In some cases it is tied to the community theme through an expression of being an ethical member of the community. Many organizations choose to mention their ethical responsibilities separately in an internal code of conduct statement (Falsey, 1989).

Mission Statements—Themes—Quality/Excellence. Another common element of mission statements related to customer focus and is the expression of a commitment to high quality and excellence in either products or services. Clearly, most organizations rely on loyal, satisfied customers. By exclaiming this commitment, the organization might also be hoping to establish the image it wishes to achieve in the marketplace. In some companies, commitments to quality and excellence are not limited to their products or services. They express a commitment of quality and excellence in every area of their organization (Falsey, 1989).

Mission Statements—Themes—Hard Work. A theme of the commitment to hard work can be found in some mission statements. An organization might use this theme to announce to the world that the products or services provided by the organization do not come easy. Or they might use this theme to tell employees that hard, productive work is what is expected of them. For some employers, it may be a little of both (Falsey, 1989).

Mission Statements—Themes—As a Communication Tool. An organization ultimately uses the statement as a communication tool whatever theme or combination of themes selected for use in a mission statement. It can be a tool to communicate to those on the outside and to those on the inside (Falsey, 1989). Falsey also sees the communication aspect of a mission statement as a two-way street. An organization uses its mission statement to display to the world its values and aspirations. Conversely, when either customers or constituents see that the organization is not living up to its mission statement, it presents an opportunity for communication between either the customer or the employee and the leadership of the organization to discuss why or how the organization has missed its mark.

Mission Statements—Global Consideration. Just a few years ago, when organizations were developing mission statements, they did so with a much smaller focus. Depending on the size of the organization, many looked to community or regional customers as recipients of their goods or services. It seems that many companies have expanded their operations to serve global markets. With this market expansion, organizations should review their mission statements to see if they are still relevant and accurate. Probably almost as important, organizations should determine whether their mission statements translate appropriately into other languages (Nelton, 1994).

Mission Statements—Performance. A mission statement is of critical importance to the success of a nonprofit organization. Whereas a for-profit organization looks to profit to determine its success, a nonprofit looks to its mission statement. If the nonprofit meets its stated purpose, most would agree that it is successful (Knauft et al., 1991).

Mission Statements—Point of Focus. Mission statements help to clarify to all exactly what is important within an organization. They act as the hub around which everything else revolves. Mission statements also often provide guidance and direction to decision makers regarding how organizational resources should be distributed. Organizational structure can be another offshoot of a clear mission statement. Leaders benefit from understanding the focus of the organization and from that are better able to determine what organizational structures are needed to carry out the mission (Bryson, 2004)

Mission Statements—Conflict. Conflict has a way of surfacing in most organizations. Organizational conflict often involves who has power and who does not. Another common conflict theme in organizations relates to structure and to how resources should be distributed. When an organization develops a clear mission statement and everyone is committed to fulfilling the mission, the mission statement can be used to isolate the conflict and provide direction for resolution (Bryson, 2004).

Decision Making

Managerial Decision Making

Managers are continually faced with making decisions. Hay (1990) suggests a sequence of steps to consider when making organizational decisions. First, a manager becomes aware of an issue that requires attention. He or she must then develop an understanding of the factors that cause the issue to require a decision. An evaluation of the factors combined with a comparison of the alternatives generally follows. Hay admits that not all managers follow a scientific approach to information gathering and decision making. Rather, in some cases, decisions are reached based more on instinctual factors than hard evidence.

Executives of organizations must face a myriad of situations requiring various levels of their attention. Decision making is only one such activity in their day-to-day activities, but it is an important one and one that is not taken lightly. In this data-driven age, leaders receive vast amounts of information. They are unable to digest enough of the information to make a fully informed decision. There is no time to analyze or process all of the information, so they do the best they can with what information they can absorb. Most attempt to find similarities buried within the array of facts and figures so that decisions can at least be made efficiently (Drucker, 2001; Etzioni, 2001). Still others will to pour through mounds of information and take in only that information that is important to them, accepting some facts and rejecting others (Alexis & Wilson, 1967). In certain situations, some leaders decide to leave well enough alone. Rather than take on the due diligence and responsibility for making a decision, they allow the current issue to remain unchanged. If it's not broke, don't fix it. "In business, where sins of commission (doing something) tend to be punished much more severely than sins of omission (doing nothing), the status quo holds a particularly strong attraction" (Hammond, Keeney, & Raiffa, 2001, p. 151). Still others react to complex issues with an instinctual response. Years and years of dealing with certain types of issues result in leaders who rely heavily on their intuitive judgment as opposed to a heavy dose of facts (Hayashi, 2001). Some experts assert that the type of decision making required might allow for more intuition-based response than others. "Obviously, gut calls are better suited to some functions (corporate strategy and planning, marketing, public relations, human resources, and research and development) than others (production and operations management and finance)" (p. 174).

Psychologists have developed several models to describe human decision making. The normative model illustrates decision making in a thoughtful, rational process. The theory is not intended to describe the actual thought process that occurs when human beings make decisions. Rather, it is the approach intended to illustrate the process in a perfect sense. In the normative theory, when a decision maker is presented with options, the decision maker ascribes a value (or utility) to each of the options. If the options are believed to have varying chance of occurring, the decision maker then weighs the probability of the option with the perceived utility of that outcome (known as expected utility), and then chooses the option with the highest expected utility (Hoch & Kunreuther, 2001; Plous, 1993). In any consideration of the probability that an event or outcome might or might not occur, the element of risk enters the picture. Specifically, the decision maker's tolerance for risk must be considered. In some instances, a decision maker might select a less favorable outcome if he or she believes the more favorable outcome is a more risky alternative. The less-favorable outcome becomes more attractive if the decision maker has a higher intolerance for the possibility of failure that a more risky outcome might present (Harrison, 1975).

However, rarely does a decision maker follow a rational and thorough process in order to reach a decision. In general, the probability of outcomes are not considered in most instances, and even when they are considered, the option with the lesser probably is selected with erroneous or irrelevant justification (Hoch & Kunreuther, 2001). "Individuals tend to employ rather simple strategies, even in the presence of complex problems, to obtain desirable solutions, which are constrained by imperfect information, time and cost factors, frequently severe cognitive limitations, and manifold psychological forces” (Harrison, 1975, p. 7).

Environment

Discussions of decision making often focus on the process. One factor that cannot be overlooked in organizational decision making is the relationship the environment plays in this process. Decision makers are influenced by the environment of which they are a part, and the decisions they make influence the environment (Ebert & Mitchell, 1975).

The first level of environmental influence is at the individual level. At any given time, each decision maker has a self-image that has been shaped by his or her preceding life experiences. The decision maker also cannot separate himself or herself from the sum of decision-related experiences that have preceded any new decisions with which they are faced. For example, if a decision maker has always experienced good outcomes when presented with certain types of problems, his or her approach to the problem would likely be calmer and less anxiety filled. The environment external to the organization also plays a role. Even when making organization-specific decisions, the ideas, perceptions, thoughts, and dreams of decision makers at any given time have been shaped by family, church, education, and community, to name a few. The organization as an environmental system also plays a critical role in the organizational decision making process. Decision makers within organizations are presented with situations spanning a multitude of functions and topics and are composed of varying degrees of complexity. Further, the decision maker’s ability or desire to exert authority in any given area could change over periods of time (Ebert & Mitchell, 1975).

Beliefs and Values

When leaders make decisions, there is typically a set of beliefs about the outcome of the decision. Based on the information available at the time, the leader believes the decision he or she makes will result in a given outcome. Beliefs paint only part of the picture. Probably a more important determining factor about this aspect of the decision-making process is the level of value the decision maker places on the outcomes he or she believes will occur. When considering decisions that present a variety of possible perceived outcomes, the decision maker will usually attempt to rank the outcomes in order of the value he or she places on that outcome (Ebert & Mitchell, 1975).

Strategic Planning - Preplanning

Hay (1990) recommends that an evaluation of an organization's mission and objectives must occur prior to the strategic planning process. An evaluation of an organization's performance toward reaching organizational mission and objectives could result in a list of areas that are underperforming and need to be addressed. Alternatively, this evaluation could note areas of superior performance that might be used to accentuate or propel other areas of the mission and objectives.

Strategic Planning

Strategic planning provides an organization a formula for success. It involves establishing priorities and developing new ideas, which are used over time to achieve a desired goal. Strategic planning involves establishing goals beneficial to the organization, as well as a pathway to reach those goals (Espy, 1986). Effective strategic planning begins with a thoughtful evaluation of existing structures within an organization. People often feel threatened with this type of evaluation because change is most often the result.

However, the organization as a whole often benefits. If strategic planning is to be successful, it must involve those who will be affected by the change. Active involvement by individuals from different levels within the organization is essential to a successful outcome.

Before the planning process begins, those involved should take the opportunity to define both the nature and purpose of the organization. Understanding the starting point of the organization will help during the planning process with defining the steps needed to reach the desired destination (Espy, 1986). By undertaking this step in the preplanning stage, a number of other considerations might surface. One possible outcome is to learn that the effort and resources that were once devoted to the primary products or services of the organization have either been reduced or diverted to other activities. Another possible outcome is to learn that the organization has undertaken new products or services that are not associated with the original intent or purpose of the organization.The steps within this process also allow an organization an opportunity to gather information about trends within its industry. The realities of shifts in focus, direction, and new ways of doing things can all aid in understanding how best to approach the future (Espy).

Espy (1986) suggests that the next step of the strategic planning process is to evaluate the anticipated impact to the organization of doing nothing. By looking at historic industry information along with projected changes in the field, a nonprofit manager should be able to anticipate the impact that doing nothing might have on the organization in the near future. The results might identify programs or services that are most at-risk in the near future. This type of evaluation can provide sufficient information to determine changes that can be implemented immediately to help sustain the program or service. Conversely, the information can also be helpful in determining whether to continue the program or service.

At this point in the strategy process, participants should allow themselves an opportunity to wonder what could be. Organizational planners could decide to expand the original purpose or to explore a new venture. Either way, a deliberate, well-planned process does not result in an absolute commitment to the new endeavor. Rather, the resulting decision can be a long-range approach in which new steps, structures, processes, and/or procedures can be added as things progress (Espy, 1986).

Environmental Scanning. A formal process for gathering information about the external forces that could affect the organization is termed environmental scanning. Siri Espy (1986) describes the forces as economic, legal or regulatory, political, technological or medical, social, demographic, and competitive.

Economic. Understanding the economic climate within a given area or industry is essential. The availability of funding, the potential for expense increases or decreases can all affect a strategic decision.

Legal or Regulatory. Changes in laws and regulations can have a dramatic impact on a nonprofit organization. Certain laws and regulations can benefit an organization when they open up new opportunities to provide products or services. Conversely, nonprofits must also deal with complying with a variety of ever-changing laws and regulations.

Political. Activities of nonprofits can act to affect or influence the political climate. Nonprofits might directly or indirectly lobby to raise the awareness of their cause.

Technological or Medical. For nonprofits engaged in technologic or medical endeavors, monitoring the continual changes in these fields is essential.

Social. Many nonprofits are engaged in providing products or services to meet the needs of certain segments of the population. As societal beliefs, norms, and conditions evolve, nonprofits should closely monitor the changes. The information can be used to plan for the expansion of some services or reduction of others.

Demographic. Provides information about those who receive goods or services from an organization. It can be helpful to understand anticipated changes in demographics as well as potential opportunities within certain demographics. These data can also generate an understanding of how well an organization is perceived among a target population.

Competitive. Provides information about market competitors, as well as what they are doing and not doing.

In undertaking a strategic planning process, it is important to understand the realities of the environment. An understanding of which forces may affect a proposed strategy either positively or negatively could prove helpful (Espy, 1986).

The Givens. Throughout a strategic planning process, information about the processes, policies, procedures, and structures that cannot be altered should be understood by all who are involved in the planning. Espy (1986) identifies these as “the givens” (p. 30). To change any of the givens is to risk changing the fundamental identity of the organization.

Sacred Cows. Sacred cows are those irrational concepts that might upset certain individuals or organizational groups if they are changed or even questioned. Sacred cows have usually evolved over time and become second nature to some within an organization. It is not as though they cannot be changed, rather, those involved in planning should understand their existence and the potential obstacles they present (Espy, 1986). “Even if the conclusion is to allow the sacred cow a long and happy life, recognizing this limitation is useful knowledge as you proceed with your plan” (p. 31).

Corporate Identity. The process of strategic planning can give rise to a new understanding of an organization’s identity. While referencing a mission statement throughout the course of a strategic planning endeavor to ensure that you are within the boundaries of what you intend to do, the strategic decision process can help to develop new information about the nature of the organization and its purpose. Corporate identity and purpose are elements of a mission statement. A mission statement reminds the organization and tells the world who the organization is and what it does (Espy, 1986). “A good mission statement will encompass your services and programs in a way that is broad enough to be inclusive but narrow enough to be meaningful” (p. 32).

Mission Versus Profit

In considering organizational performance, it is understood that the driving force for a for-profit organization is to make a profit while the driving force of a nonprofit organizations is to satisfy a mission. The driving forces between these two types of organizations cannot be easily compared. In describing the differences of a for-profit, Phills (2005) describes what can be done with profits. Phills notes that profits can be measured, compared, divided, or distributed and they can also be exchanged. In the for-profit world, it is usually fairly easy to determine how well an organization has done in any given year. Comparisons in performance can also be made for an organization from year to year. Comparisons can be made between two or more for-profit organizations. Levels of performance can be determined and changes of performance can be evaluated. Owners or stakeholders can receive a portion of the profits, and, in the case of stocks, profits can be exchanged

Mission Logic

Phills (2005) goes on to describe differences between for-profit organizations and nonprofit organizations in terms of the logic they satisfy for individuals. For-profit organizations satisfy an economic logic as a result of their profit focus. Nonprofit organizations, on the other hand, satisfy a psychological and emotional logic as a result of mission or purpose the organization serves. The logic emanates from the perceived "social value" (p. 22) of the organizational mission. "The key feature of social value—whether it is spiritual, moral, societal, aesthetic, intellectual, or environmental—is that it transcends economic value" (p. 22). People work for, volunteer for, and donate to nonprofit organizations when the perceived social value of the organization aligns with their own moral beliefs.

Mission-Based Strategies

Strategies might be developed to address a variety of organizational issues. Hay (1990) contends that in order to meet the mission of the organization, strategies generally fall into one of three categories: (a) product/service enhancement strategies; (b) cost reduction strategies; and (c) market focus strategies.

Good Organizational Strategies

When considering the variety of strategies adopted by organizations, it is clear that some strategies are better than others. Hay (1990) believes that good organizational strategies fall into one or more of the following categories: create a competitive advantage; create value; integrate action; give a direction for the organization; create a value thrust to accomplish a mission; create a product/service-market mix; combine direction, value, thrust, and mix; or provide strategic fit.

Create a competitive advantage. Given the likelihood that most organizations will encounter some form of competition, the organization should strive to develop and maintain a competitive advantage. Such an advantage will enable the organization to enjoy the most favorable operating environment (Hay, 1990).

Create value. One way to create a competitive advantage is to create value in the product or service provided by the organization. Value is created when the benefits of the product or service outweigh the costs. Two of the most common ways to achieve value are to reduce the costs to generate the product or service, or to augment the product or service with other related benefits (Hay, 1990).

Integrate action. The products and services provided by an organization should blend well together, which can also serve to create a competitive advantage (Hay, 1990).

Give a direction for the organization. The direction of an organization can be determined by the chief executive through his or her evaluation of one or both of the following factors: organizational mission and external business environment. Organizational direction can include expansion of the operation, maintenance of the operation, or a reduction in the operation (Hay, 1990).

Create a value thrust to accomplish a mission. The organizational mission is key to this strategy. The focus of this strategy is to generate a product or service value for the clientele of the organization. Product and service value can be accomplished by improving the product or service, targeting a specific market for the product or service, or by reducing the costs required to deliver the product or service. By satisfying the needs of the recipients, and doing so by creating a sense of value to the recipients, the organization is better situated to accomplish its mission (Hay, 1990).

Create a product/service-market mix. Determining which products and services are offered and to which market is a strategic consideration for any organization. Products and services that have been offered for a period of time can be reintroduced to existing markets or offered to new markets. Similarly, new products and services can be offered to new markets or existing markets (Hay, 1990).

Combine direction, value, thrust, and mix. A combination of strategy characteristics could prove to be beneficial to the organization (Hay, 1990).

Provide strategic fit. A strategy must achieve the buy-in of the Chief Executive Officer (CEO) of the organization based on the following variables: (a) CEO philosophy, (b) External environment, (c) Desired strategy objectives, and (d) Organizational resources (Hay, 1990).

Mission/Strategy Dilemma

While leaders of nonprofits try to execute the mission of an organization through the development and implementation of strategy, barriers can occur. Nonprofits in many instances attempt to address societal issues that are either inadequately addressed or completely ignored by other industries. As society evolves, new or related societal issues emerge. It is a continual battle to develop new ways to meet the needs of society. New issues require new strategies. One common barrier for nonprofits continues to be funding. For the most part, nonprofits receive financial resources from either private or corporate donations or through government funding. Both sources tend to be scarce, especially during an economic downturn. The uncertainty of funding can inhibit or even derail a leader’s attempt to implement strategic objectives (Phills, 2005).

Mission-Based Investing

During the past several years, faculty, staff, student, and community voices have urged university leadership to become more socially conscious. One area of consciousness that has received a lot of attention is in the university’s investment policies and practices. Advocates for social responsibility have expressed their concerns to both public and private universities. Their goal is to urge university leaders to practice socially responsible investing. Socially responsible investing can be achieved by avoiding investments in companies the products, services, or operations of which are deemed unsafe or unjust. Conversely, socially responsible investing can also be achieved by directing investments toward companies that practice or support activities deemed favorable or friendly to the environment or society. One of the more recent student-led protests was focused on divesting interests in companies that operated or supported operations in Darfur. Widespread reports of human injustice and genocide in that region of Sudan sparked a call to action for many. Some universities have had to refine further investment policies to screen out socially undesirable investments while others have implemented practices to locate socially favorable investment options. Yet, with all of the attention these types of investments are receiving, many university investment managers are still charged with maximizing the returns they earn on these donated funds (Hignite, 2008).

Missionary Leadership

“The relationship between the leader and followers is based on their common, shared desire to serve the mission and is not purely relational” (Thiagarajan, 2004, p. 45). So often the concept of organizational mission is used more in terms of function whereas the concept of missionary leadership is more closely aligned with passion. Both the nonprofit leader and his or her followers genuinely believe in the mission of the organization. This leadership theory differs from other similar leadership theories in that the focal point of the relationship present among the members (leader and followers) is with the mission of the organization as opposed to between each other. Missionary leaders must be able to identify others who share the same level of passion toward the mission of the organization, and once they are hired, find ways to keep them. Similarly, a good missionary leader must be able to identify those who are unable to align with the mission, and not allow them to invade the organization. Naturally, just having a connection with the mission is not enough to be helpful to the organization. An individual must also be able to perform the job for which he or she is hired. Certainly, many skills can be learned. A good missionary leader understands the difference. For a nonprofit organization it is much easier to hire a person with a high degree of passion, but low technical skills, than it is to hire a person with high technical skills, but a low level of passion. Many different types of technical skills can be learned, but the depth of appreciation for the mission of the organization cannot.

Everyone has both intrinsic and extrinsic needs to fulfill and the level between the two types of needs varies from person to person. While food, clothing, and shelter are common basic needs for all, those with higher levels of extrinsic needs believe that tangible items will fulfill those needs. Leaders of for-profit organizations often attempt to provide satisfaction with higher salaries, bonuses, benefits, and perks. While they might provide a brief fulfillment, in time, the fulfillment fades and new material desires arise. This ongoing cycle continues in order to maintain the motivation within the individual. On the other hand, individuals with higher levels of intrinsic needs, when linked to a mission with which they identify, generate their motivation through doing a good job in support of that mission (Thiagarajan, 2004).

Chapter 3:

Methodology and Procedures

Overview

The purpose of this study is to explore mission statements within a specific type of nonprofit organization, and the level of decision-making influence they have, if any, on the leaders of those organizations. The nonprofit organizations studied are all foundations of the California State University system. Another common element of these organizations is that that they perform uniquely similar types of services. A survey instrument was developed to gather limited background information from these leaders. The leaders were also asked to rate the level of influence the current mission statement of their organization has on their decision making when considering the various operational units within the organization.

Restatement of Research Questions

In order to address appropriately the purpose of this study seven research questions were developed to assess the influence of mission statements, if any, on leader's decision making in a specific type of nonprofit organization. The 1st question relates to overall decision making, while questions 2-6 relate to decision making within specific functions within the organization. Question 7 examines decision making related to organizational planning.

1. To what extent, if at all, does the mission statement of a California State University Foundation influence the overall decision making of the organization's leader?
2. To what extent, if at all, does the mission statement of a California State

University Foundation influence the human resources decision making of the organization’s leader?

3. To what extent, if at all, does the mission statement of a California State University Foundation influence the grants and contracts decision making of the organization’s leader?
4. To what extent, if at all, does the mission statement of a California State University Foundation influence the accounting decision making of the organization’s leader?
5. To what extent, if at all, does the mission statement of a California State University Foundation influence the finance and investment decision making of the organization’s leader?
6. To what extent, if at all, does the mission statement of a California State University Foundation influence the information systems decision making of the organization’s leader?
7. To what extent, if at all, does the mission statement of a California State University Foundation influence the organizational planning decision making of the organization’s leader?

Research Approach and Design

Nature of the Study

This study uses quantitative data to determine the level of influence, if any, mission statements have on the decision making of leaders of California State University foundations. To collect these data, a survey instrument was developed for this research project. The survey instrument is two pages in length and contains three sections. The first section consists of seven closed-ended questions that relate to the seven research questions that are the subject of this study. The use of closed-ended questions in this survey helps reduce the possibility of coding errors (Weisberg & Bowen, 1977). The second section consists of background information about the organization, and the mission statement of the organization. The third section consists of background information about the respondent. A draft of the survey instrument is attached (Appendix A).

Population

This study focuses on the leadership of the 21 California State University foundations (Appendix B). Accordingly, the population targeted by this study is the 21 executive directors of these organizations. While the California State University system consists of 23 campuses, 2 of the campuses do not have foundation organizations as a part of their campuses.

Sample

Because of the relatively small size of this population, nonprobability sampling was used; therefore, each of the 21 organizations is included. One benefit of including all members of the population in the sample is that the incidence of sample error is virtually nonexistent (Leon, Brown, Ruch, & Johnson, 2003).

Analysis Unit

The analysis unit of this study is an executive director of a California State University foundation.

Instrumentation

A survey instrument was developed to query the target population about specific decision-making aspects and the influence the organization’s mission statement might have, if any, on these decisions. The survey is two pages in length (Appendix A). In describing the advantages of survey research, Thomas (2003) states:

> Surveys are most useful for revealing the current status of a target variable within a target entity, such as within a nation, region, neighborhood, religious denomination, ethnic group, political party, business organization, gender group, university, basketball league, and the like. (p. 44)

Section 1 of the survey consists of seven questions. Survey question 1 addresses the executive director’s overall decision making. Survey questions 2 through 6 focus on specific functional operations that are common to each California State University foundation. Specifically, the operational areas assessed include human resources, grants and contracts, accounting, finance and investments, and information systems. The questions were developed to inquire about the operational areas separately as opposed to combining operational areas. Using multipart or overcomplicated questions places a heavier burden on the respondent to interpret the question (Groves et al., 2004). Survey question 7 focuses on decisions involving organizational planning issues. Survey question 7 is differentiated from survey question 1 in that organizational planning suggests a future orientation as opposed to overall decision making, which would combine all aspects of organizational operations. Section 1 of the survey collects ordinal data. Soliciting broad responses such as this for questions in Section 1is the most reasonable approach, as exact responses for this type of question would not be realistic (Fowler, 1993). These data reflect the intensity of the influence mission statements have on various aspects of decision making. A common instrument for collecting intensity responses is the Likert scale, which measures the level to which values increase or decrease in order (Nardi, 2003).

Section 1 utilizes a Likert scale with a consistent, 5-point intensity measure spanning from never to always. While each respondent might differ in his or her definition of the intensity measure, the responses will be relative (Fowler, 1993).

Section 2 of the survey consists of three questions. Survey question 8 asks whether the executive director was involved in the development of the mission statement of the organization, and question 9 asks when the current mission statement of the organization was first used. Survey question 10 asks the executive director of the organization to rate the importance of his or her organization's mission statement. Question 8 collects nominal, dichotomous data, and question 9 collects nominal data. Question 10 utilizes a Likert scale with a consistent, 5-point intensity measure spanning from unimportant to very important.

Section 3 of the survey collects basic background of both the respondent and the organization. While other types of surveys might collect background information in the first part of survey, Leon et al. (2003) recommend that mailed surveys collect background information at the end. In addition to self-identification and position of the respondent, questions in this section include a request for the name of the organization, the date the organization was established, how long the respondent has been with the organization, and how long the respondent has been in his or her current position. Last, the respondent is asked to provide his or her gender and age.

In order to affirm the validity of the survey instrument, a panel of experts was asked to review and comment on the instrument. The panel of experts consisted of three individuals knowledgeable of foundation operations within the California State University system.

Panel of Experts

The survey questionnaire was developed to elicit responses from nonprofit executive directors regarding their decision making in targeted areas of their organization. Although most California State University foundations operate similarly, some differences in structure and organization exist. The validity of the questions used in the survey questionnaire was tested through a review by a panel of experts. The panel of experts was composed of three individuals who have extensive experience within the California State University system and/or California State University foundations (Appendix C). The individuals were initially contacted via e-mail through which their participation in the survey validation process was requested. Once they agreed, an explanation of the study, the survey questionnaire, a list of research questions from the study, and a response form were e-mailed to each panel member. Samples of the materials sent to each panel member can be found in Appendix D. The response form asked the panel members to rank each question in one of three categories. The categories included on the response form included: (a) Valid/Needs No Modification; (b) Irrelevant/Delete, and (c) Valid/Needs Modification. For any question that was ranked in the third category, the panel member was asked to provide a suggestion as to how the question could best be modified. Once all response forms were returned, the researcher reviewed the responses to each question individually. For each question for which at least two of the panel members agreed on a ranking that the question was valid and did not need modification; the question was accepted with no modification made. For all questions posed to the panel, at least two of the members ranked the questions as valid and not needing modification. Therefore, the survey instrument was used in its entirety without any modifications from the original version.

Protection of Human Subjects

On February 27, 2007, the researcher completed the Human Subjects Protection Education for Research Teams. This online training is provided by the National Institutes of Health. The researcher complied with all human subjects protection requirements throughout the duration of this study.

Once the survey instrument was approved, it was submitted to the Pepperdine University Institutional Review Board (IRB). The human subjects who are the focus of this study are the executive directors of California State University foundations. Because of the minimal, if any, potential risk to the survey participants, the researcher requested an expedited review from the IRB. On November 11, 2008, the Pepperdine University Institutional Review Board approved the application as submitted and exempted this study from further review by the IRB.

Each of the human subjects in this study received information in addition to the survey instrument. A cover letter introduced the individual to the research. The cover letter provided an overview of the study and clearly noted the voluntary nature of the individual’s participation (Appendix E). Also in the cover letter was a discussion of the confidential nature of the information provided by the respondents. Each of the human subjects also received an informed consent form (Appendix F) The informed consent form identified any potential risk to the survey participant. The informed consent form also described to each participant his or her ability to refuse participation in the study as well as their right to withdraw his or her consent at any time. Survey participants also were provided with contact information in the event that they had questions about the proposed research or if they had questions about their rights as a research participant.

Data Collection

Data collection was accomplished by way of a self-administered mailed survey. This type of data collection method is the most common (Punch, 2003). “A survey design provides a quantitative or numeric description of trends, attitudes, or opinions of a population by studying a sample of that population” (Creswell, 2003, p. 153). This type of data collection process is considered to be an efficient, low-cost method of gathering data from a survey population that is dispersed over a large geographic area (Leon et al., 2003). The survey was mailed to each of the executive directors. A list of the executive directors was obtained from the Auxiliary Organizations Association (2008) Web site. In the mailed packet, in addition to the survey, each executive director received a personal cover letter from the researcher. The cover letter described the nature and purpose of the research project. The mailed packet also included an informed consent form, which the executive directors were asked to sign and return along with the survey. Approximately 1 week prior to mailing the surveys, an e-mail message was sent by the researcher to the executive directors to inform them about the survey. The executive directors were requested to return the completed survey instrument and their informed consent form within 2 weeks. A self-addressed, stamped envelope was provided for this purpose. Approximately 1 week after the packets were mailed, a second e-mail message was sent to any executive director who has not already retuned the materials. The e-mail message was a gentle reminder about the survey and the need for 100% participation.

Data Analysis

This study is nonexperimental in nature and incorporates descriptive research techniques. Johnson and Christensen (2004) define descriptive research as, “research focused on providing an accurate description or picture of the status or characteristics of a situation or phenomenon” (p. 347). Descriptive research is a form of nonexperimental research that endeavors to provide an accurate description of select aspects or elements of the study. The result of a descriptive research study is typically a written pictorial within which select variables and the relationship among those variables are presented. This type of research focuses more on presenting current conditions rather than uncovering outside influences.

When each survey was returned, it was reviewed to insure that all questions were answered. To ensure confidentiality, each survey was coded with a unique number. Leon et al. (2003) recommends that a double data entry system be used to reduce the possibility of error. Accordingly, the data from each survey was entered twice and compared to make sure the data match. The Section 1 data was analyzed to determine if any relationship exists between the organization’s mission statement and decisions made within the areas covered by the survey. Once all of the data in Section 1 was entered, correlation testing was conducted to determine the frequency of responses for each survey question. Data in Section 2 were also used for correlation testing with frequency results generated. Last, the Section 3 data were used to describe further the survey population.

Mixed Methods

While many studies rely on a single research methodology, this study incorporates a mixed-methods approach. Both qualitative and quantitative data were gathered and analyzed. The integration of these data types has provided a conclusion that might have been otherwise lost had a single form of data collection and analysis been used.

One of the earliest references to a mixed methodology is by Campbell and Fiske (1959). The nature of their study involved the convergence of alternative quantitative methods as a means of data validation. Later scholars experimented with mixing qualitative and quantitative data as a means of validating data or providing another dimension of support or dimension. In his discussion of data triangulation, Jick (1979) comments on mixing qualitative and quantitative methods:

> It is largely a vehicle for cross validation when two or more distinct methods are found to be congruent and yield comparable data. For organizational researchers, this would involve the use of multiple methods to examine the same dimension of a research problem. For example, the effectiveness of a leader may be studied by interviewing the leader, observing his or her behavior, and evaluating performance records. The focus always remains that of the leader's effectiveness but the mode of data collection varies. Multiple and independent measures, if they reach the same conclusions, provide a more certain portrayal of the leadership phenomenon. (p. 602)

The understanding of mixed methods continues to evolve as researchers add their unique perspective to the field. Johnson, Onwuegbuzie, and Turner (2007) reviewed 19 different definitions developed by leaders in this emerging field. Content analysis was conducted on the definitions as a means of developing thematic groupings. From the thematic groupings emerged a definition that the authors believe embodies the most comprehensive current understanding of this methodology. Johnson et al. offer this, "Mixed methods research is an intellectual and practical synthesis based on qualitative and quantitative research; it is the third methodological or research paradigm (along with qualitative and quantitative research)" (p. 129).

Brewer and Hunter (1989) suggest that any singular form of social research contains certain strengths and weaknesses. They believe that the combination of approaches helps to accentuate the strengths of any individual method and to modulate any inherent weaknesses. Johnson and Christensen (2004) discuss the strengths and weaknesses of mixed methods research. While the strengths and weaknesses are many, those believed to be relevant to this study include:

> Strengths
>
> Word, pictures, and narrative can be used to add meaning to numbers.
>
> Numbers can be used to add precision to words pictures and narrative.
>
> A researcher can use the strengths of an additional method to overcome the weaknesses in another method by using both in a research study (this is the principle of complementarity).
>
> Can add insights and understanding that might be missed when only a single method is used.
>
> Weaknesses
>
> The researcher has to learn about multiple methods and approaches and understand how to appropriately mix them.
>
> It is more time consuming. (p. 414)

One other inherent weakness in mixed-methods research is the difficulty in replicating the study. Monomethod qualitative research alone can present replication issues. When combining qualitative data with quantitative data the difficulty with replication is further enhanced (Jick, 1979).

Both qualitative and quantitative research methods focus on making sense of the data variables under study. Both types of research methods provide unique perspectives from which different conclusions can be drawn. Quantitative data is structured and perhaps more easily understood and defensible. However, qualitative data can provide a richness of data unobtainable with quantitative methods (Tashakkori & Teddlie, 1998).

In this study, the researcher analyzed data collected from seven closed-ended research questions and one open-ended research question. Although the use of qualitative data appears minimal, Creswell and Plano Clark (2007) believe this type of study meets their criteria for mixed-methods research.

In their discussion of various mixed methods research designs, Greene, Caracelli, and Graham (1989) discuss the complementarity design. “In complementarity designs, the paradigmatic framework for both types of methods should also be similar, and interpretability is best enhanced when the methods are implemented simultaneously and interactively within a single study” (pp. 266-267).

Within this study, all data were collected at the same time through the survey questionnaire. Creswell (2003) notes, “When data are collected concurrently, both quantitative and qualitative data are gathered at the same time in the project and the implementation is simultaneous” (p. 212).

Summary

A self-administered, mailed survey was used to collect the necessary data to conduct this study. Survey questions have been developed to generate responses specific to the research questions posed in this study. Great care was taken to assure that human subjects were protected throughout this project. The data was analyzed to determine the level of frequency of responses for each of the survey questions.

Chapter 4:

Findings of the Study

Overview

The purpose of this study is to explore mission statements within a specific type of nonprofit organization and the level of decision-making influence they have, if any, on the leaders of those organizations. The nonprofit organizations studied are all foundations of the California State University system. Another common element these organizations share is their inclusion of a grants and contracts administration function within their operations. These organizations rely heavily on revenue generated by grants and contracts and all have a structure that contains common functional areas. In addition to analyzing data related to overall decision making by these nonprofit leaders, this study also analyzed data related to the level of influence, if any, the mission statement had on decision making within specific functional areas of the organization. The functional areas studied include: (a) human resources, (b) grants and contracts, (c) accounting, (d) finance and investment, and (e) information systems. Finally, this study also analyzed data concerning decision making related to organizational planning and the potential influence of the organizational mission statement.

The survey population was asked how important, if at all, the mission statement of the organization is to the individual. The population was also asked how long the current mission statement has been in existence at each surveyed organization and whether the leader was involved in the development of the current mission statement. These data were compared with the responses about mission statement influence on decisions related to the organization’s functional areas to determine whether any relationship exists between the data elements and decision making by the organization's leader. Brief profile data was also collected from the respondents.

Data Collection and Analysis

Of the 23 campuses in the California State University system, only 21 of the campuses have a distinct foundation organization. Each of the 21 California State University foundation executive directors were mailed a packet that contained a cover letter, survey questionnaire, informed consent form, and stamped, self-addressed return envelopes. At the end of the data collection period, 20 of the 21 executive directors returned survey questionnaires. The data gathered from those 20 were used in this study.

Both the quantitative data and the qualitative data were collected concurrently through the survey questionnaire. Priority is given to the quantitative data (seven closed-ended questions) over the qualitative data (one open-ended question). Accordingly, the data collected from the single open-ended question is intended to complement the data collected from the seven closed-ended questions rather than triangulate the data. In addition to the quantitative and qualitative data collected, information pertaining to select characteristics of the participant population was also collected.

First, the quantitative data were analyzed and reported. Next, the qualitative data were analyzed and reported. Descriptive statistics were used in the form of simple frequency distributions. "A frequency distribution identifies the frequency (number of cases or counts) or percentage (relative frequency) with which specific categories of an attribute or intervals of a variable occur" (McCall, 2002, p. 13). Huck (2004) describes a simple frequency distribution as one that "can help us understand the characteristics of a group relative to some categorical (rather than numerical) variable of interest" (p. 19).

Finally, a discussion of how the qualitative data either supports or complements the quantitative data is presented. “In a complementary mixed-method study, qualitative and quantitative methods are used to measure overlapping but also different facets of a phenomenon, yielding an enriched, elaborated understanding of that phenomenon” (Greene, et al., 1989, p. 258).

Select Characteristics of the Sample Population

In addition to the research questions posed in the survey, certain characteristics about the sample population were also obtained.

Participants of the survey were asked to provide their ages. The age range common to most of the participants is between 53 and 59 years (see Figure 1). In looking at combination of age-range categories, 60% of the participants are 53 years of age or older.

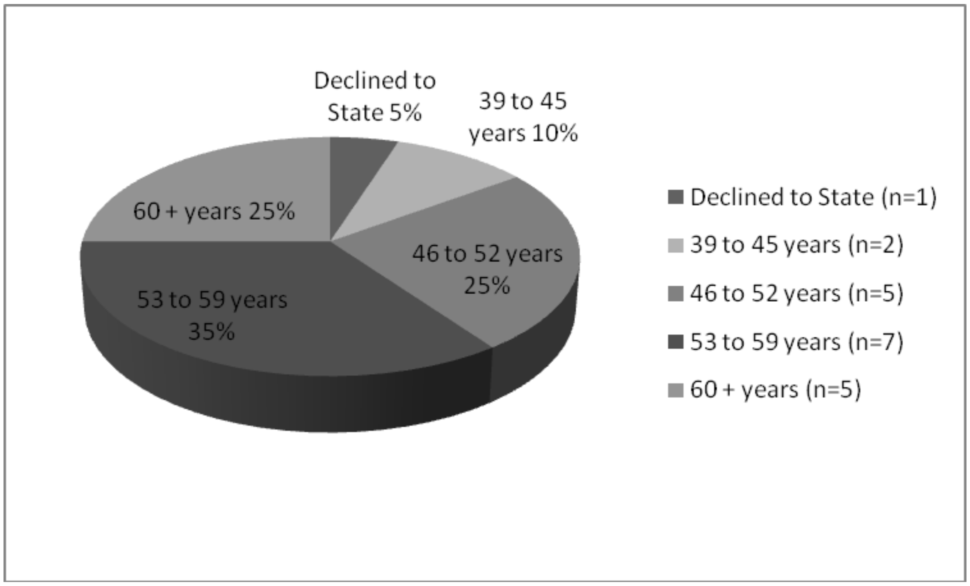

Figure 1. Participant’s age (n = 20).

In this population of 20, 60% are male and 40% female (see Figure 2).

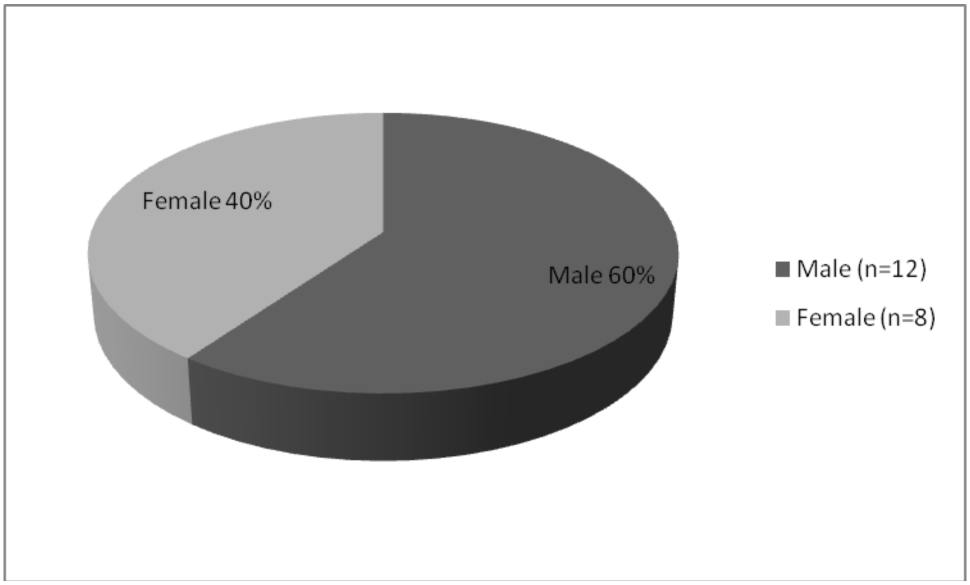

Figure 2. Participant’s gender (n = 20).

It is not uncommon for an individual to begin work with an organization in one position and later make a transition to a new position. For this population, 30% have been with the organization for 13 years or more. Conversely, 50% had been with their respective organization for six years or less (see Figure 3).

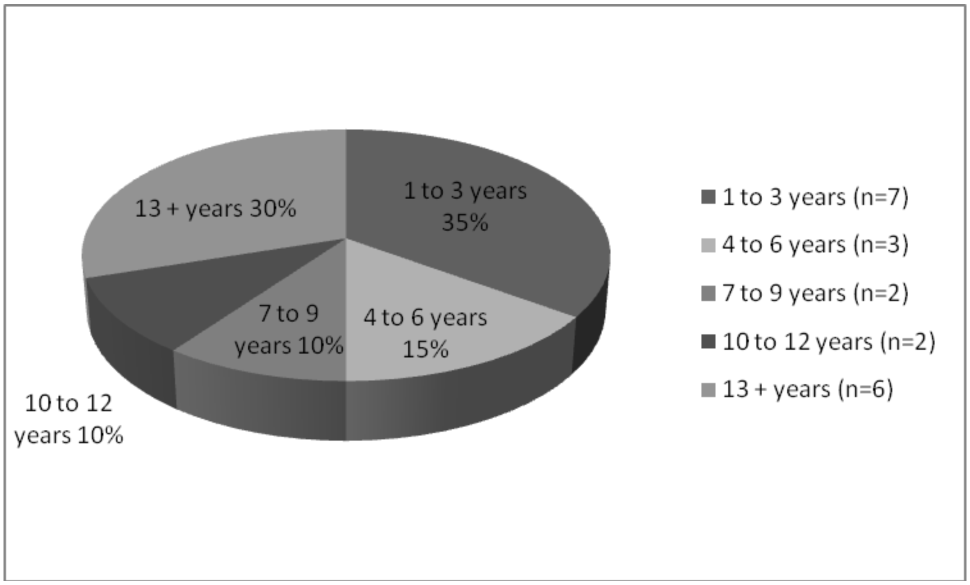

Figure 3. Number of years with organization (n = 20).

With respect to the length of time they have been in their current position, only 20% of the respondents have been the executive director of their organization for 13 or more years. The most number of responses for this question was in the category one to three years which received seven responses, or 45% of the population. A review of responses across Likert categories shows that 12 of the respondents or 60% of the population have been in their current position for six years or less, while 15 of the respondents or 75% of the population have been in their current position for nine years or less (See Figure 4).

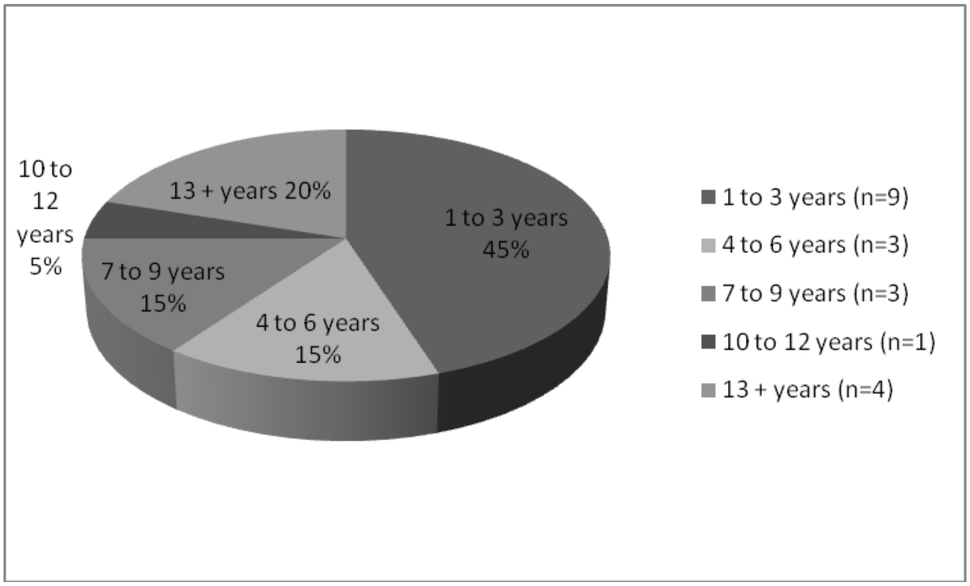

Figure 4. Number of years as executive director (n = 20).

The survey population was also asked how long the current mission statement of their organizations had been in use. The largest number of responses provided by this survey population was reported in the category of unknown in which seven respondents, or 35% of the population reported. Further, two respondents, or 10% of the survey population, reported their mission statements had been in use between four and six years. In the category indicating of between seven and nine years of mission statement use, five respondents, or 25% of the population reported. Within this survey population a total of six respondents, or 30%, selected the Likert category which reflected their mission statements had been in use for 10 years or more. Lastly, when reviewing years of mission statement use across Likert categories, 13 of the survey respondents, or 65% of the survey population indicated their current mission statements have been in use for at least 4 years (see Figure 5).

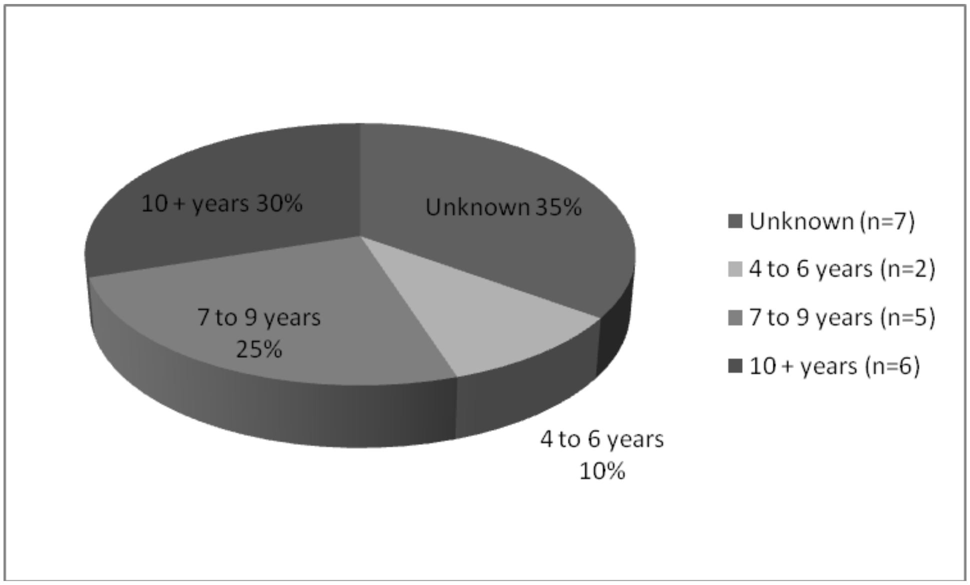

Figure 5. Number of years current mission statement has been in use (n = 20).

Just 35% of the participants were involved with the development of their current mission statement (see Figure 6).

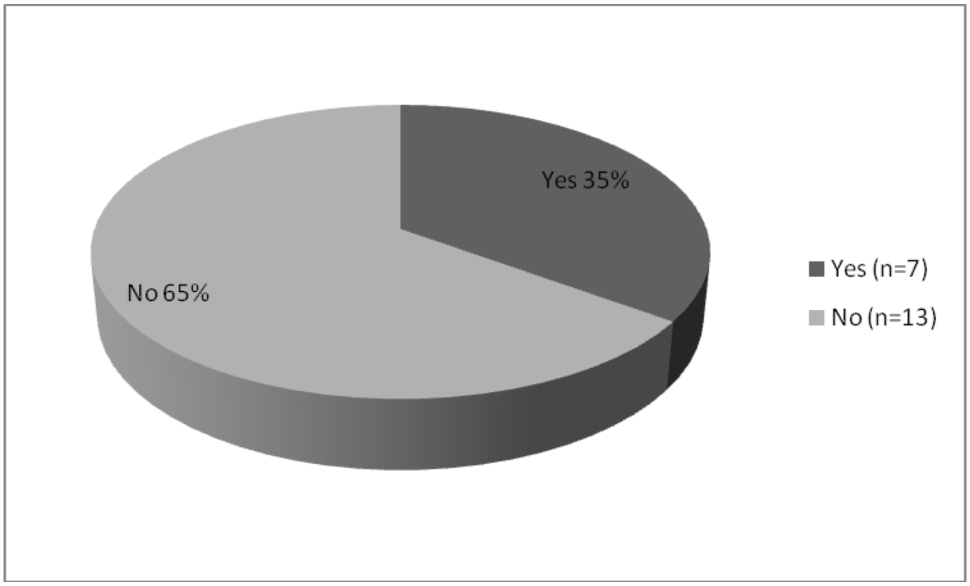

Figure 6. Participant involved with mission statement development (n = 20).

When asked the level of importance they placed on their organizational mission statement participants responded: 45% very important, 25% important, 20% moderately important, 5% of little importance, and 5% believed that their mission statement was not important (see Figure 7). Within the group that reported their mission statement as very important the average age of this group was 56 years, and these individuals had been with their organizations for 6.7 years and in their current position for 6.5 years. The mission statements of their organizations had been in place for over 11.3 years, and 33% had been involved in the development of their current mission statement.

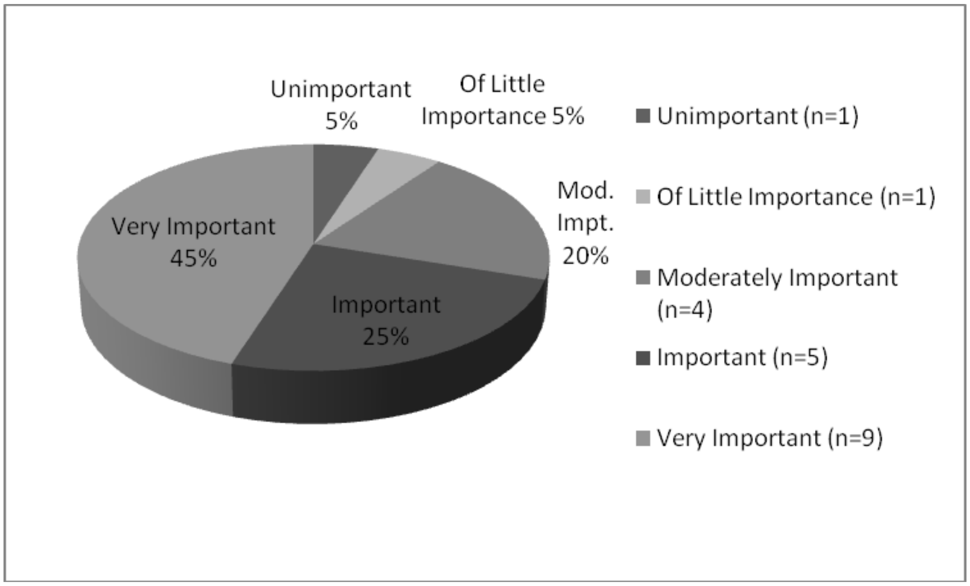

Figure 7. Importance of the mission statement to the executive director (n = 20).

Research Questions

This study endeavors to determine what, if any, influence organizational mission statements have on decision making among executive directors within specific operational areas of California State University foundations. Accordingly, seven research questions were presented to the population in the form of a survey questionnaire. To follow is the analysis of the data collected in response to those questions.

Research Question 1

The first research question asked: To what extent, if at all, does the mission statement of a California State University Foundation influence the overall decision making of the organization's leader? Most participants believed that their mission statement was either usually (45%) or always (30%) an influence to their overall decision making (see Figure 8). A review of the demographics for the respondents to this question reveals the average age for the group reporting in the always category was 53.5 years. These respondents had been with their organizations for 8.1 years, and in their current positions for 7.1 years. Their mission statements had been in use for approximately 9.5

years, and 66% of this group had not been involved in the development of their current mission statement.

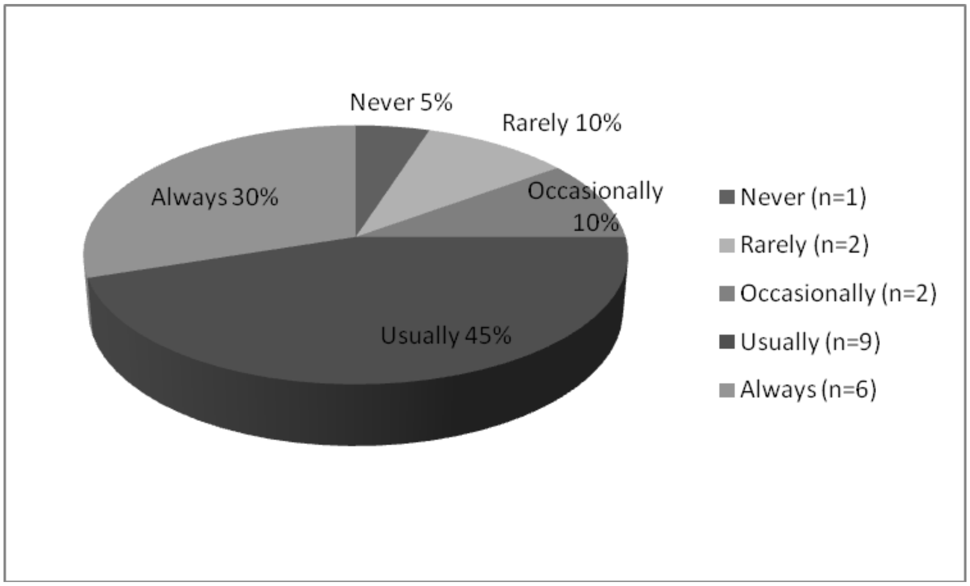

Figure 8. Mission statement influence on overall decision making (n = 20).

Research Question 2

In research question 2 the survey population was asked: To what extent, if at all, does the mission statement of a California State University Foundation influence the human resources decision making of the organization's leader? In response to this question two participants, or 10% of the survey population indicated that they were always influenced by their mission statement when making human resources decisions, and just 35% indicated that they usually were influenced (see Figure 9).

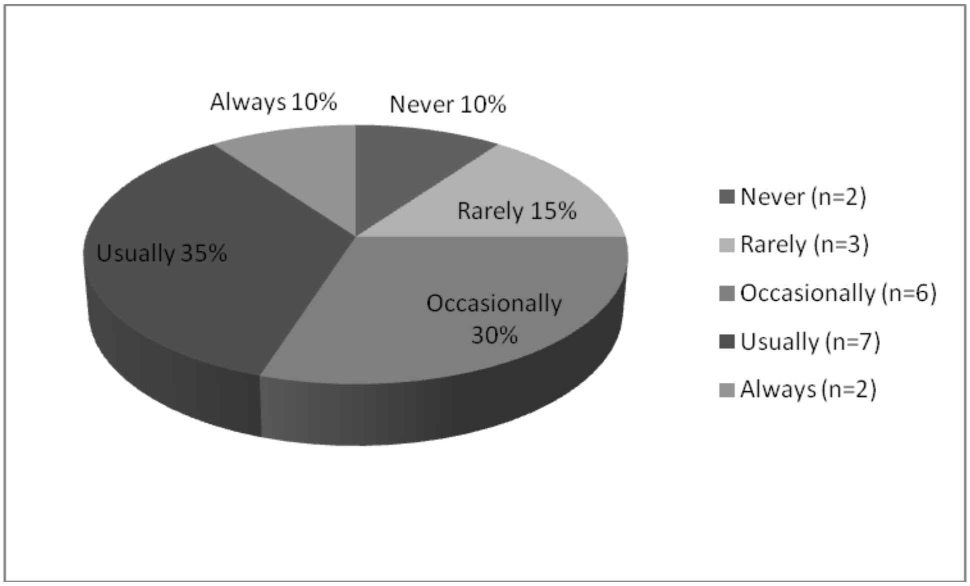

Figure 9. Mission statement influence on human resources issues (n = 20).

Research Question 3

For research question 3, this study proposes to determine: To what extent, if at all, does the mission statement of a California State University Foundation influence the grants and contracts decision making of the organization’s leader? Given the high degree of reliance on grants and contracts for organizational revenue there could be an expectation of a high response rate in the always category. However, only three respondents, or 15% of the survey population reported that they were always influenced by their mission statements when making grants and contracts decisions. The highest reported category was usually in which 9 of the respondents, or 45% of the survey population selected the usually Likert category (see Figure 10). At the opposite end of the scale, four of the respondents, or 20% of the survey population, reported that their mission statement was never influential on grants and contracts decision making. These participants of the never response had an average age of 54 years, had been with their organizations for over 10 years, and in their current positions for over seven years. Within this population 66% indicated they had been involved in the development of their current mission statement, however only 33% reported when their mission statement was first used.

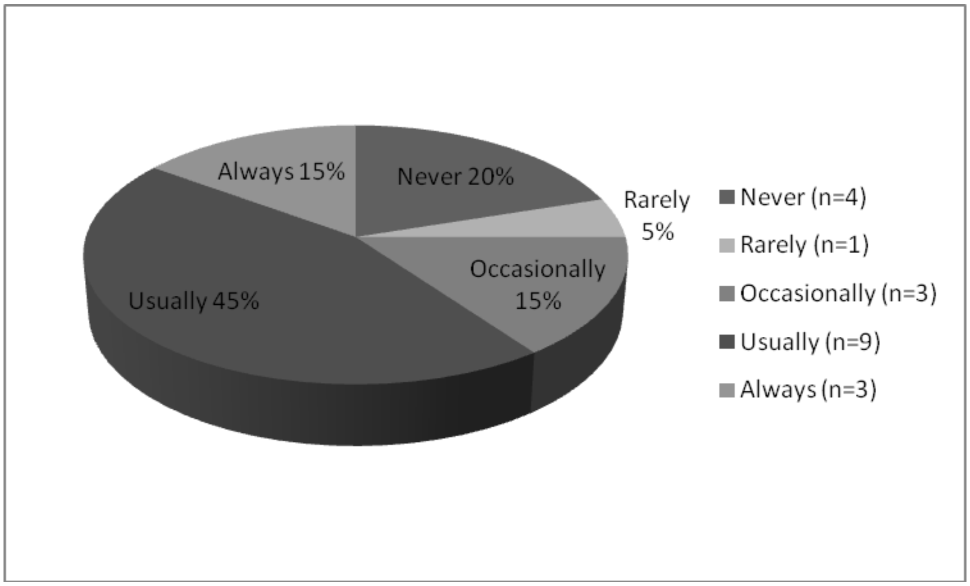

Figure 10. Mission statement influence on grants and contracts issues (n = 20).

Research Question 4

Next, in research question 4, this study asks: To what extent, if at all, does the mission statement of a California State University Foundation influence the accounting decision making of the organization’s leader? The Likert category of always was reported by three of the respondents, or 15% of the survey population. The Likert category of usually was reported by five of the respondents, or 25% of the survey population. For this question, three of the respondents, or 15% of the survey population reported that their mission statement was never influential in decision making related to accounting issues. When evaluating responses across Likert categories, 14 of the survey respondents, or 70% of the population reported that their mission statement was at least usually influential in their decision making process for accounting issues (see Figure 11). In reviewing the demographic information provided by survey respondents reporting a never response, this population had an average age of 54 years, had been with their organizations for over 10 years, and in their current positions for over seven years.

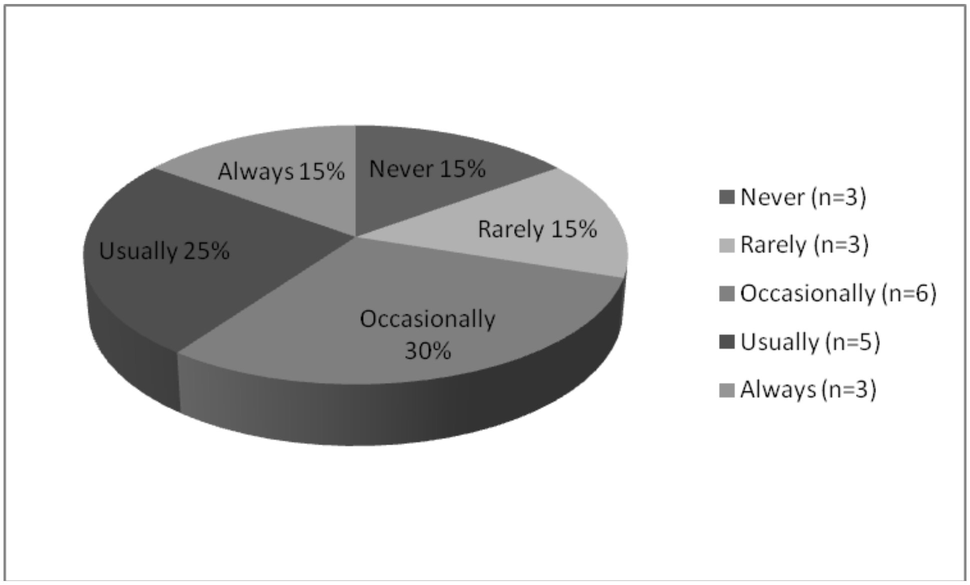

Figure 11. Mission statement influence on accounting issues (n = 20).

Research Question 5

In research question 5, this study attempts to determine: To what extent, if at all, does the mission statement of a California State University Foundation influence the finance and investment decision making of the organization's leader? For this question, five respondents, or 25% of the survey population reported always. Another five respondents, reflecting 25% of the survey population, reported usually as the frequency of mission statement influence (see Figure 12). The category of rarely was selected by four of the survey respondents, or 20% of the population, and two respondents reflecting 10% of the population reported that their mission statement was never an influence on finance and investment decisions. When evaluating these survey responses across Likert categories, 14 of the survey respondents, or 70% of the population reported that their mission statement was at least usually influential in their decision making process for finance and investment issues (see Figure 12). The rating of always came from a population of which 83% are male, with an average age of 55.8 years. These individuals had been with their organizations for an average of 9.8 years, and in their current positions for an average of 8.2 years. The current mission statements for their organizations had been in existence for an average of 13.8 years.

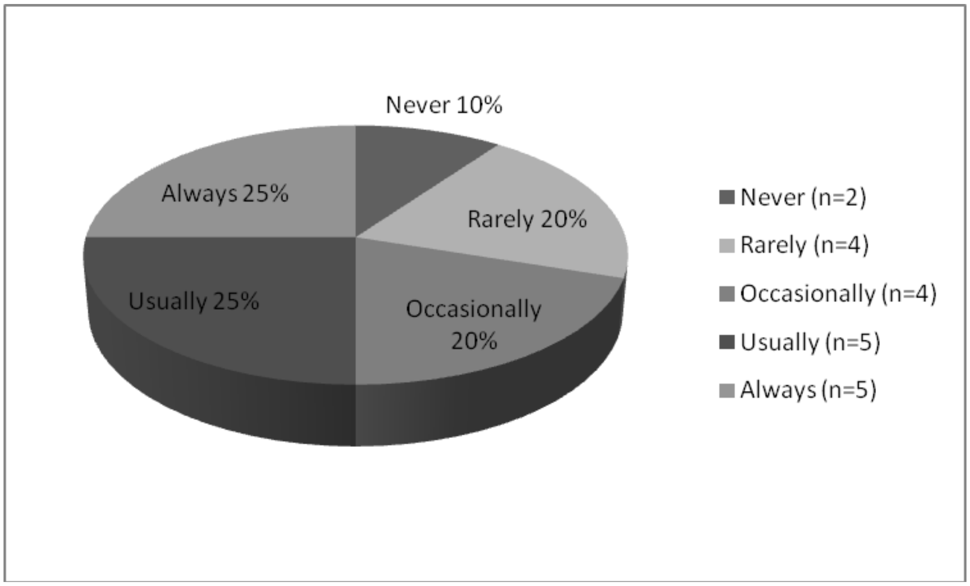

Figure 12. Mission statement influence on finance and investment issues (n = 20).

Research Question 6

Research question 6 asked: To what extent, if at all, does the mission statement of a California State University Foundation influence the information systems decision making of the organization's leader? None of the participants reported that they were always influenced by their mission statement when making decisions related to information systems, and only 25% reported that they were usually influenced. The highest number of responses were reported in the occasionally category where seven respondents, or 35% of the survey population selected this category. When combining Likert categories, these survey results show that 8 respondents, or 40% of the survey population, reported a response of either rarely or never. Conversely, 12 of the respondents, or 60% of the survey population, reported that their mission statement was influential either occasionally or usually with respect to decision making on information systems issues (see Figure 13).

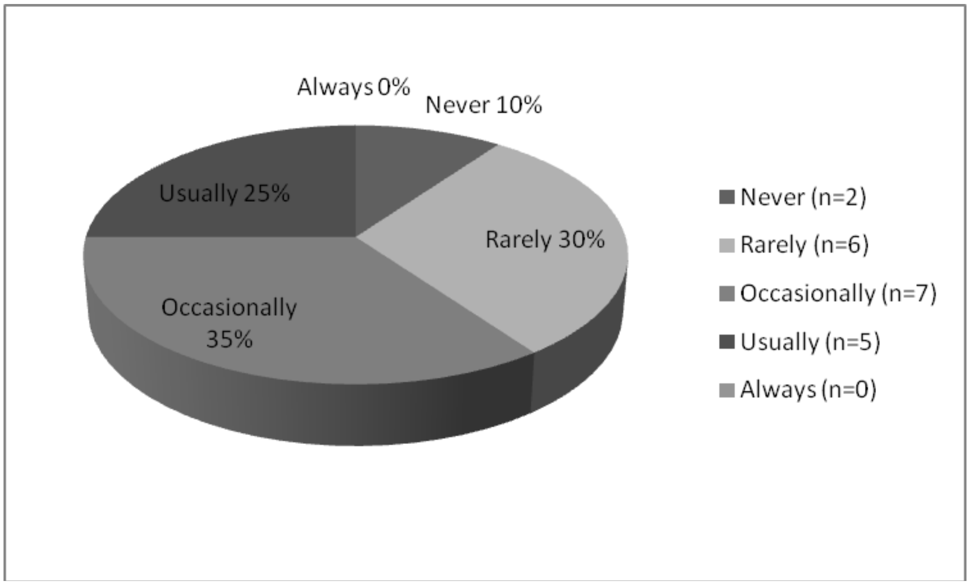

Figure 13. Mission statement influence on information systems issues (n = 20).

Research Question 7

Finally, research question 7 attempts to determine: To what extent, if at all, does the mission statement of a California State University Foundation influence the organizational planning decision making of the organization's leader? According to the survey responses, organizational planning decisions were always influenced by the organization's mission statement for nine of the respondents, or 45% of the survey population. The category of usually was selected by three of the survey participants, or 15% of the survey population. The two categories either rarely or never were selected by three participants, or 15% of the survey population. Combining the categories of occasionally, usually and always, shows a total of 17 respondents reporting in one of these categories, or 85% of the survey population (see Figure 14). A demographic review shows that the population indicating always response in this category has an average age of 55.6 years, has been with their organization for 7.7 years, and in their current position for 7.1 years. Their current mission statements have been in existence for an average of

11.2 years, and 78% of them believe their mission statement is very important.

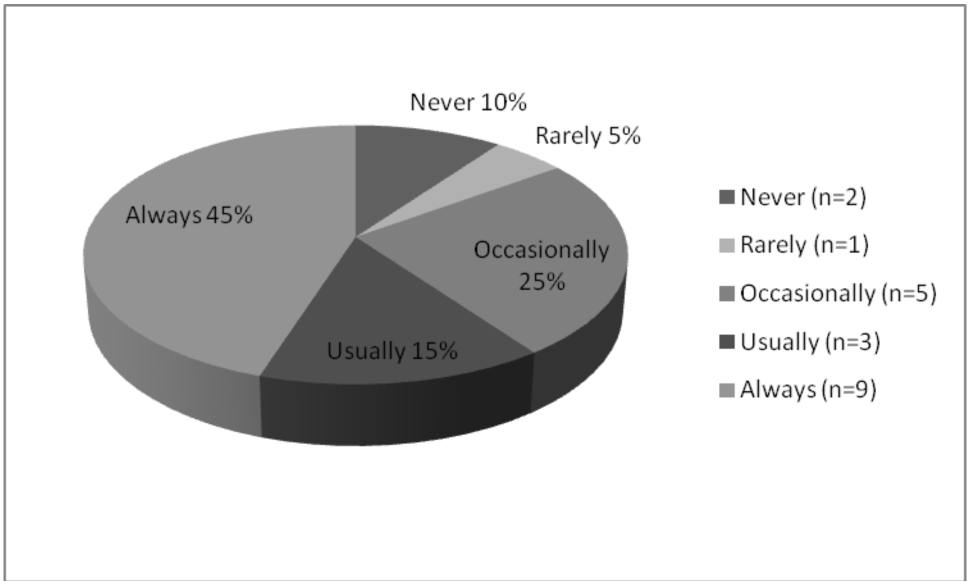

Figure 14. Mission statement influence on organizational planning issues (n = 20).

Frequency of an Always Response

The survey questionnaires were also reviewed to determine how often the category of always was selected within each of the five functional areas: Human Resources, Grants and Contracts, Accounting, Investment and Finance, and Information Systems. A total of 13 respondents, or 65% of the survey population, selected the always category in at least one of the five functional areas. The always category was selected most often in the functional area of finance and investment decisions. This category was selected by five of the survey respondents, reflecting 38% of the population who selected an always category in at least one of the five functional areas, and 25% of the total survey population. The functional area of Information Systems received no always responses. The category of always influential was selected three times for Accounting, three times for Grants and Contracts, and two times for Human Resources (see Figure 15).

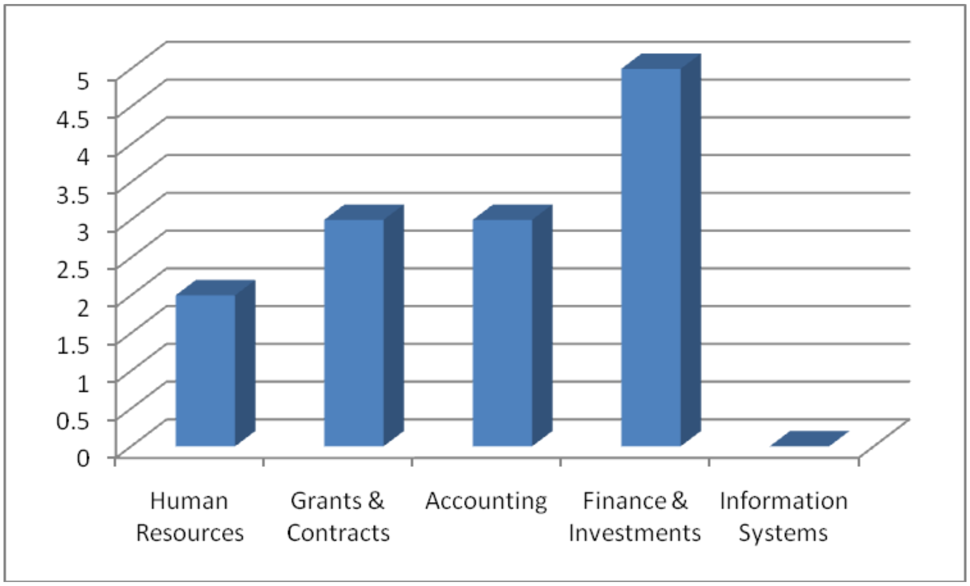

Figure 15. Frequency of an always response (n = 13).

Frequency of a Never Response

The survey questionnaires were also reviewed to determine how often the category of never was selected within each of the five functional areas: Human Resources, Grants and Contracts, Accounting, Investment and Finance, and Information Systems. A total of 13 respondents selected the category of never in at least one of the five functional areas. The never category was selected most often in the functional area of Grants and Contracts decisions. The Grants and Contracts category of never was selected by four of the respondents, reflecting 30% of the respondents who selected never for any of the functional areas, and 20% of the total survey population. The category never was selected two times for Human Resources, three times for Accounting, two times for Finance and Investments, and two times for Information Systems (see Figure 16).

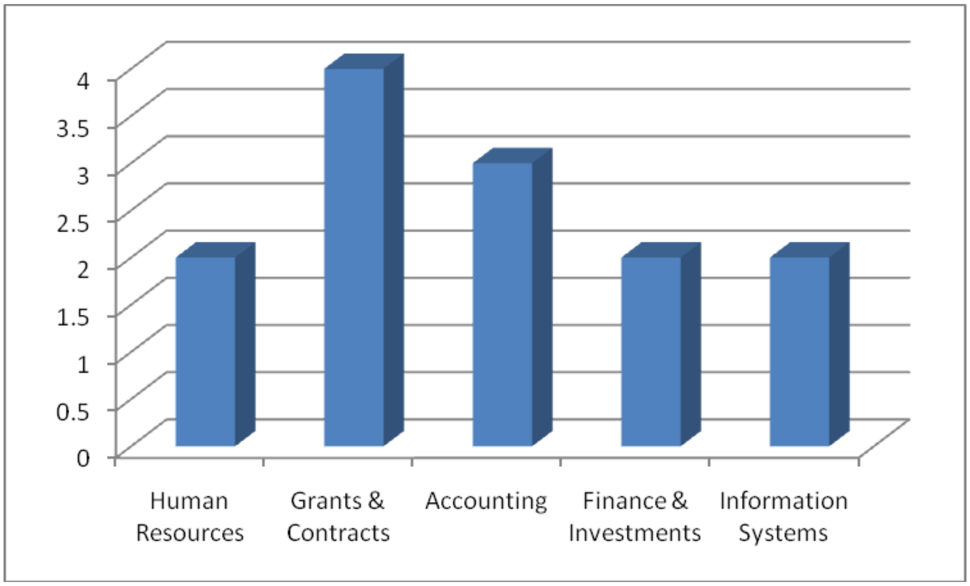

Figure 16. Frequency of a never response (n = 13).

Participant Identified Areas of Influence

In order to provide additional insight into the answers to the research questions about specific or functional decision making influence, participants of this study were also asked one open-ended question: Describe a time when the mission statement of your organization affected a decision you made. This question was included in order to understand better what types of decisions executive directors self-reported as mission influenced. Out of the 20 participants who completed a survey questionnaire, 11 provided an example of mission statement influence. The 11 examples are shown below.

> Example 1—Our mission is to support faculty and staff research and projects. We often agree to accept projects with no or very low indirect costs. This acceptance of projects with limited indirect costs is in conflict with our goal of generating resources for the campus. However, our mission is to clearly support the scholarly work of our faculty (Participant 2, personal communication, December 19, 2008).
>
> Example 2—The most recent incident when the mission statement assisted in making a decision is when the auxiliary was requested to buy real property on

behalf of the university. The purchase was to be funded by the campus as a loan to the auxiliary and the auxiliary would pay back the loan within 5 years of the purchase. The mission statement assisted in reviewing the request and determining if the auxiliary should enter into a debt transaction on behalf of the campus and for the benefit of the campus (Participant 3, personal communication, December 8, 2008).

Example 3—The constant environment of financial accountability, compliance with regulations, and audits creates a tension with the foundation's mission to be of service to the university—to find helpful solutions to problems the university, its faculty, and staff are unable to solve for themselves. This meant that while we continued to do a good job of compliance, it had to be transparent: our job was to make things easy for our clients. This resulted in a reworking of some policies, forms, and procedures to make things flow better for our customers. We felt we were making our mission statement have day-to-day relevance (Participant 6, personal communication, December 1, 2008).

Example 4—Our mission includes CORE initiatives: communication expanded, operations streamlined, research support enhanced, excellence in service. One decision made has been to broaden our faculty outreach/communication by instituting informal brown bag sessions where faculty and administrators can meet with research foundation staff to discuss issues. We have provided training opportunities for some time, but I felt additional informal sessions would provide an opportunity to address issues that may not be covered by formal sessions and would strengthen our communication (Participant 7, personal communication, December 2, 2008).

Example 5—Hiring staff who had a sense of community service and what that means in day-to-day operations. Pressing for inclusion of Academic Affairs on the Investment and Finance Committee (Participant 9, personal communication, November 30, 2008).

Example 6—In our ongoing efforts to identify new revenue streams, we frequently look at entrepreneurial activities that may not coincide with our mission. We must refer to our mission statement to make sure that is the case (Participant 10, personal communication, November 20, 2008).

Example 7—The mission statement was often used when individuals and organizations approached me to use the foundation administrative, business, and accounting services to further their own cause. The individuals and organizations were often not even part of the university. I would rely on the mission statement as a reason to reject their requests (Participant 13, personal communication, November 24, 2008).

Example 8—In order to make it easier for faculty to apply for grants, I have requested that as many proposals as possible have a student involvement component (Participant 16, personal communication, November 25, 2008).

Example 9—Faculty/staff housing development project (Participant 18, personal communication, November 24, 2008).

Example 10—During the mid-1990s, the [name of organization deleted] made the decision to integrate all of its administrative, financial, and human resource functions with that of the university. Thus, foundation employees

> transitioned to university employment. As a result of this decision, and as time has passed, significant synergies have been realized by both organizations, which has the effect of reducing the overall costs of administration with the foundation, permitting a greater distribution of endowment earnings to campus programs (Participant 19, personal communication, December 4, 2008).
>
> Example 11—The decision to use corporation funds to support a university project (Participant 20, personal communication, December 11, 2008).

Each example provided was reviewed and coded by the researcher. Topic coding was used as a means of identifying the topic or topics identified by the participants in response to survey question 8. “Topic coding is used to identify all material on a topic for later retrieval and description, categorization, or reflection” (Morse & Richards, 2002, p. 117). All topic coding was reviewed by a colleague of the researcher to ensure reasonableness and to mitigate researcher bias. The topics that emerged included three that were subjects of the questions related to functional areas and three new areas. The topics include Finance and Investments, Grants and Contracts, Outreach/Customer Relations, Organizational Policy, Human Resources, and Training. Overwhelmingly, participants identified decisions related to Finance and Investment decisions to be the most common type of decision influenced by their organization’s mission statement (see Figure 17).

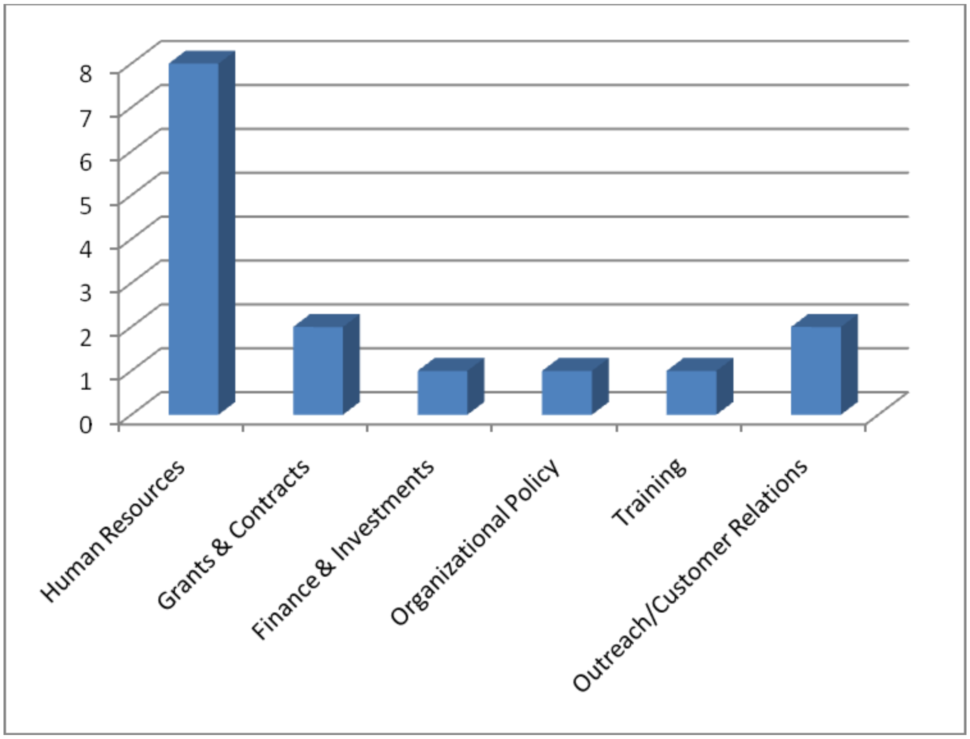

Figure 17. Participant identified areas of influence (n = 15).

For purposes of coding the examples, the following topic definitions were used:

Finance and Investments—For purposes of this study, the topic of finance and investments was considered in instances where the participant mentioned any financial or investment activity undertaken by a California State University foundation. Such activities might include revenue generation, investment of assets, endowment management, and real estate investment or development.

Grants and Contracts—Grants and contracts topics might include any mention of grant and contract administrative activities, indirect cost considerations, and scholarly research.

Outreach/Customer Relations—This topic was considered when participants mentioned any activity related to outreach, communication, or the development of better relationships with project personnel or university departments/divisions.

Organizational Policy—The topic of organizational policy was considered in instances in which the participant mentioned an activity related to policy and/or procedure development or revision.

Human Resources—Human resources topics include any activity normally associated with a Human Resources department. Activities might include hiring, employee benefits, employee relations, etc.

Training—While training might usually be considered to be a function of human resources, for purposes of this study it was intentionally separated into a separate category . Human resources training is normally associated with training provided by an employer to its employees. In reviewing the response example that indicated a training component, it clearly described an activity that was provided to faculty and administrators. Accordingly, a separate topic was used.

In their responses, participants identified decisions related to finance and investments to be the most common type of decision influenced by their organization's mission statement (see Figure 3). Finance and investment decisions were identified eight times (or 53%) followed by grants and contracts and outreach/customer relations, which were both identified two times (or 13%). Human resources, organizational policy, and training were each identified one time (or 7%).

Summary

The findings of this study appear to indicate that certain aspects of decision making by executive directors of California State University foundations are more influenced by the mission statement of the organization than are others. Specifically, of the areas addressed in the research questions of this study (human resources, grants and contracts, accounting, finance and investments, and information systems), participants reported that decisions related to finance and investments were more influenced by organization mission statements than were others. As a result of the one open-ended qualitative question, three new functional areas emerged in which decision making might be influenced by the organization's mission statement. Those areas include outreach/customer relations, organizational policy, and training.

Chapter 5:

Conclusions and Recommendations

Introduction

In Chapter 1, the foundation and framework for this study were described in detail. In Chapter 2, a review of the literature relevant to this study is presented. Chapter 3 describes how the data were collected and analyzed. Subsequently, the study was conducted and the findings are presented in Chapter 4. In this chapter, conclusions of the findings and implications of those conclusions along with recommendations for future research are presented.

This study attempts to understand what influence, if any, organizational mission statements have on leader decision making within a small, well-defined population. The organizations targeted in this study are all California State University foundations and the leaders who provided data are the executive directors of these organizations. Data was collected through a self-administered survey questionnaire. Through the survey, the executive directors provided information related to their organizational mission statement and overall decision making along with decision making within specific functional areas of the organization. The functional areas studied include: (a) human resources, (b) grants and contracts, (c) accounting, (d) finance and investment, and (e) information systems. Last, the survey questionnaire collected data about decision making related to organizational planning and the potential influence the organizational mission statement may or may not have in that process.

Interpretation of Responses

In order to provide a consistent method of evaluating the responses, the researcher established a standard that was applied to each research question. For purposes of evaluating the responses to questions 1 through 7, the researcher considered a strong influence to be present when at least 50% of the responses fell within the two highest categories on the Likert scale for that research question. If 50% or more of the responses were reported by combining the top three highest categories on the Likert scale for the respective question, a moderate influence was interpreted. Last, if 50% of the responses were not reported within the top three categories combined on the Likert scale for the respective question, a weak level of influence was interpreted.

Conclusions

Research Question 1

In research question 1, participants were asked: Does the mission statement of your organization affect your overall decision making? Responses to this question show that 75% of the participants believe that their organization’s mission statement either usually (45%) or always (30%) influences their overall decision making. This question was intended to understand the conscious thought process in everyday decision making among executive directors. The question did not specifically identify a particular area of the organization or type of decision. Rather, the question was intended to elicit a response regarding generic organizational decisions. While the responses clearly indicate a high level of influence, the question does not provide information about the variety or volume of decisions made each day by these participants. In general, these responses appear to indicate that the organization’s mission statement plays a key role in the everyday decision-making process. Since 75% of the responses fell within the top two categories for this question, a strong mission statement influence appears to be indicated for research question 1.

Executive Directors of CSU Foundations are generally charged with supporting the educational mission of their individual CSU campuses. This may include activities such as the administration of external funding, special program funding, handling real estate transactions, endowment management, just to name a few. Therefore, it is anticipated that most, if not all, view the preponderance of their overall duties as mission-driven. Accordingly, a strong level of mission influence for overall decision making is readily understandable for this population.

Research Question 2

Research question 2 asked participants: Does the mission statement of your organization affect your decision making on issues related to human resources? Responses to this question showed that only 45% of executive directors believed that their mission statement either usually (35%) or always (10%) influenced their human resources decision making. There are a variety of types of decisions within the human resources function. Some might require the involvement of an executive director while others might not. Many executive directors might tend to rely on the human resources professionals within their organization to make most human resources decisions. Except for organizational culture considerations, federal and state laws play a key role in forming many human resources decisions. “Five main areas of the legal environment have influenced human resources management throughout the past 25 years. These areas include equal opportunity legislation, employee safety and health, employee pay and benefits, employee privacy, and job security” (Noe, Hollenbeck, Gerhart & Wright, 2002,

p. 33). With such a high degree of regulation in the human resources function, executive directors might perceive there is little leeway for influence from mission statements or other factors. Taking all of this into account, the influence of mission statements on executive directors decision making in the human resources function does not appear to be as strong, with less than half (45%) of the responses falling within the top two categories on the Likert scale. When the third highest category is considered, the top three category response rate increases to 75%, indicating a moderate mission statement influence when considering human resources decisions.

Research Question 3

Executive directors next responded to research question 3: Does the mission statement of your organization affect your decision making on issues related to grants and contracts? More than half (60%) of the respondents indicated that their organizational mission statement either usually (45%) or always (15%) influenced their decision grants and contracts making. Foundations within the California State University system receive grant funding from a variety of sources. Sources include federal agencies, state agencies, local governments, and private organizations. A similar comparison can be made to human resources decisions in that many types of decisions are readily accounted for and determined by the funding agency. With respect to federal funding alone, the U.S. Office of Management and Budget proscribes in Circular A-21, “Cost Principles for Educational Institutions” (Office of Management and Budget, 2000) how educational institutions are required to administer federal grants. Responses to research question 3 achieve a 60% response within the top two Likert scale categories for this question, indicating a strong mission statement influence on grants and contracts decisions.

The largest component of overall revenue generated by CSU Foundation is in the form of grants and contracts. Grants and contracts allow university faculty and others the ability to hone their skills in their given discipline and in many cases allow students hands on experience with cutting-edge research. The research in turn further defines and enriches the campus supporting and producing such endeavors. Accordingly, many Executive Directors likely view grants and contracts as a key component of their overall activities. Accounting systems are designed to support the financial side of research, human resources systems are established to handle the unique needs of research staff, and information systems support both. As anticipated, Executive Directors feel the essence of their operations are grant and contract focused, and the link between mission influence and grant and contracts decision making is apparent from these responses.

Research Question 4

Research question 4 asked executive directors: Does the mission statement of your organization affect your decision making on issues related to accounting? Another heavily controlled administrative function in California State University foundations are their accounting activities. "Accounting is the language of business. It is the process of recording, classifying, and summarizing economic events through certain documents or financial statements. Like any other language, accounting has its own terms and rules" (Label, 2006, p. 4). Accounting processes are determined by generally accepted accounting principles. Responses to this question showed that only 40% of executive directors believed that their mission statement either usually (25%) or always (15%) influenced their decision making when considering accounting decisions. In evaluating responses, a 50% or greater response level is not achieved within the top two response categories. However, when including the third highest response category, research question 4 achieves a 70% response level, indicating a moderate level of mission statement influence on accounting decisions.

Research Question 5

Executive directors were next asked to consider the area of finance and investment decisions. Research question 5 asked: Does the mission statement of your organization affect your decision making on issues related to finance and investments? Responses showed that half (50%) of executive directors believed that their investment and finance decisions were either usually (25%) or always (25) influenced by their mission statement. Finance and investment decisions for many California State University foundations are made at the board of directors level. Board members may insert their own perspective on mission alignment in this area. The result of these decisions can have a far-reaching impact on the university campus associated with the respective foundation. Scholarships, professorships, and some program operations rely heavily on the funds invested. Accordingly, a 50% response level is achieved in the top two categories on the scale for this question, indicating a strong level of mission statement influence on finance and investment decisions.

Research Question 6

Research question 6 asked: Does the mission statement of your organization affect your decision making on issues related to information systems? The information systems functions of California State University foundations help other functional areas by providing data management and other support services. This question produced no always responses and the lowest frequency of usually (25%) responses. However, a 60%

response level is achieved when including the third highest scale category. Research question 6 indicates a moderate level of mission statement influence on decision making related to information systems.

It is not entirely unexpected that decision making in the area of Information Systems did not show a high level of influence. With the wide array of account types, funding sources and the type of accounting required to effectively manage the financial activities of a CSU Foundation, there are few options available with respect to software. Further, the primary goal of any information software is the ability to manage and report specific types of data when needed. With limited resource options, and limited output options, Executive Directors of CSU Foundations would not likely perceive decision made in this area to be mission influenced.

Research Question 7

In research question 7, executive directors were asked: Does the mission statement of your organization affect your decision making on issues related to organizational planning? The organizational planning question showed that 60% of the respondents believed that their mission statement either usually (45%) or always (15%) influenced their decision making. From this question it cannot be determined what frequency, type, or volume of organizational planning decisions executive directors face while leading a California State University foundation. However, given the 60% response level within the top two scale categories, research question 7 indicates a strong level of mission statement influence on decision making related to organizational planning.

From the responses to the above research questions, CSU Foundation Executive Directors perceive a high level of mission influence in overall decision making, in decisions related to strategic planning, as well as in the functional areas of grants and contracts, and finance and investments. These two functional areas likely take up the vast majority of each work day for most Executive Directors, and both have financial implications. If a Foundation is not bringing in a sufficient number of grants or contracts, the organization and its campus suffers. The same could be said for the finance and investments function. If these funds are not managed effectively, both the Foundation and its campus suffer. Given the high level of importance, it is understandable that Executive Directors view these functional areas as mission influenced.

Mission Importance

To understand better how executive directors valued the mission statements of their organizations, they were asked: How important is the mission statement of your organization to you? Responses indicated that a majority (60%) of executive directors rated their mission statements in the two highest categories of either very important (45%) or important (25%). The balance of the responses indicated that their mission statements were either moderately important (20%), of little importance (5%), or not important (5%). In using the same criteria for evaluating this question as used for questions 1 through 7, there appears to be a strong level of importance of the mission statement to the executive director.

Open-Ended Question

In the one open-ended question in the survey questionnaire, participants responded to: Describe a time when the mission statement of your organization affected a decision you made. The most frequently occurring theme noted was in the area of finance and investments. In eight instances (53%) finance and investment decisions were mentioned in the responses to this question. Grants and contracts decisions were identified two times (13%), and human resources was identified one time (7%). Three new themes emerged in the responses. Outreach/customer relations was identified two times (13%), organizational policy was identified one time (7%), and training was identified one time (7%). Out of the original categories covered in the survey, accounting and information systems were not identified as themes in any of the responses to this question.

Frequency of an Always Response

Participant-provided responses were evaluated to determine how often an always response was selected. This response option indicated that executive director's decisions surrounding a particular functional area were always influenced by the organization's mission statement. Within the five functional areas reviewed (Human Resources, Grants and Contracts, Accounting, Investment and Finance, and Information Systems), respondents selected always as their response most frequently (five times) for the Finance and Accounting function. Respondents selected an always response three times each for the Grants and Contracts, and Accounting functions. Always was selected two times for the Human Resources function, and there were no always responses for the Information Systems function.

Frequency of a Never Response

Responses were further evaluated to determine how often a never response was selected. This response option indicated that executive director's decisions surrounding a particular functional area were never influenced by the organization's mission statement. Of the five functional areas reviewed (Human Resources, Grants and Contracts, Accounting, Investment and Finance, and Information Systems), respondents selected never as their response most often (four times) for decision in the Grants and Contracts area. The never response was selected three times for Accounting, and two times for Human Resources, Finance and Investments, and for Information Systems.

Data Triangulation

The results of this study clearly show varying levels of mission statement influence on the decision making of executive directors of California State University foundations. The most consistent function influenced by the organization's mission statement is in the area of finance and investment decisions. This study incorporated both quantitative and qualitative data, which appear to support this conclusion. In reviewing the quantitative data, the responses for research question 5 indicated a strong level of mission statement influence on decisions executive directors make about finance and investment decisions. Further, a review of the seven research questions shows the finance and investment function received the highest number of always responses. These data are complemented by the qualitative data collected from the one open-ended question. This question showed an overwhelming (53%) indication of mission statement influence on decisions self-reported by the survey participants.

Secondary Analysis

In order to gain a deeper understanding of the responses received through the survey instrument, small proof secondary analysis was conducted to determine certain data groupings. Frequency analysis was used to compare Likert scale data with the demographic data collected from the participants. Areas considered to be of significance were those areas where respondents selected the highest or lowest level of response on a given Likert scale.

One area of significance that emerged was to the question: How important is the mission statement of your organization to you? The highest level of response (very important) was provided by 45% of the participants. Within this group, the average age of the respondents was 56 years, and these individuals had been with their organizations and in their current position for just over 6 years. The mission statements of their organizations had been in place for over 11 years, and just 33% had been involved in the development of their current mission statement. With an average age of 56 years, these individuals are in the latter half of their career, and the high level of mission importance was likely not learned in their current position. Only 33% had taken action to initiate a new mission statement for their organization. The others perhaps believed the mission statement that was in place when they started was sufficient or purposeful. In any event, these individuals share a value in the importance of an organizational mission statement and the direction, distinction, and purpose it can have for an organization.

Mission statement influence on overall organizational decision making was another category where respondents selected a high Likert response. Overall decision making was always influenced by the mission statement for 30% of the survey participants. The average age for this group was 53.5 years. They had been with their organizations for slightly over 8 years, and in their current positions for slightly over 7 years. Their mission statements had been in use for approximately 9.5 years, and 66% of this group had not been involved in the development of their current mission statement. The topic of overall decision making is purposely broad and intended to cross boundaries regarding the variety of decision types executive directors likely face. Given the fact that California State University Foundations are primarily financial organizations, the predominance of decisions made by executive directors are likely financial in nature. Although the majority had not been involved in the development of their current mission statement, they perceive value in the current mission statement for providing organizational guidance and direction.

Two functional areas received Likert ratings of no mission statement influence on decision making. Both Grants and Contracts and Accounting received a “never” rating by the same 15% of the population. These participants had an average age of 54 years, had been with their organizations for over 10 years, and in their current positions for over 7 years. Within this population 66% indicated they had been involved in the development of their current mission statement, however only 33% reported when their mission statement was first used. These results, noting that the mission statement was “never” influential in decisions made in either Grants and Contracts or Accounting decisions, while significant, is understandable for this type of organization. The administration of Grants and Contracts is typically fairly well established by the agency funding the grant or contract. This leaves little or no room to apply organizational mission when interpreting or administering a grant or contract. A California State University Foundation would also likely have difficulty procuring new sources of grant or contract revenue if it were to assert any mission or purpose other than that which supports higher education endeavors. To do otherwise could limit the funding opportunities available to that institution. Similarly, accounting applications and treatments are fairly well established and mentioning an accounting focus or purpose in a mission statement would not be common for this type of organization.

The functional area that received the highest number of "always" mission influenced on the Likert scale was for decisions related to Finance and Investments. Finance and Investments was rated as "always" influenced by 25% of the population. This rating came from a population of which 83% are male, with an average age of 55.8 years. These individuals had been with their organizations for an average of 9.8 years, and in their current positions for an average of 8.2 years. The current mission statements for their organizations had been in existence for an average of 13.8 years. As noted previously, California State University are primarily financial organizations. They administer grant and contract funding as well as university endowment funds. California State University Foundations are also often involved in entrepreneurial endeavors which may be impractical to administer through state channels. One example is the acquisition, development and/or management of real property. In order to provide adequate research space, or to develop new programs or operations to augment or support university operations, many campuses have had to expand beyond their established state-provided property. These operations are typically handled by the Foundations. This participant population is likely involved in ongoing endowment management or real estate endeavors, and understands that their organizations require a clear point of focus if they are to effectively support their university.

Lastly, 45% of survey respondents reported that their organization's mission statement was "Always" influential in decisions they made about organizational planning issues. This population has an average age of 55.6 years, has been with their organization for 7.7 years, and in their current position for 7.1 years. Their current mission statements have been in existence for an average of 11.2 years, and 78% of them believe their mission statement is very important. It should not be surprising that a high number of respondents reported that organizational planning issues were highly influenced by their mission statements. As noted above, California State University Foundations are heavily involved in financial endeavors. Accordingly, a predominance of organizational planning issues would also likely involve financial endeavors. However, the concept of organizational planning is intended to cross all categories or organizational operations. To find a high level of mission influence on organizational planning issues is not unexpected. Leaders in all types of nonprofit organizations look to their mission statements for direction for many reasons. Hay (1990) notes that organizational direction can include the expansion of operations, maintenance of operations, or a reduction in operations.

Implications of the Study

The demographics of the survey population might shed some insight into the responses received to the survey questionnaire. The age range for the participants separates around age 52. Half of the participants are age 52 or younger, and half are age 53 or older. On the surface, age does not appear to be a factor that might have influenced participant responses. With respect to gender, the population was made up of 60% male and 40% female. Gender does not appear to be an influencing factor in this study. The population in this study reports that the highest concentration of participants (35%) have been with their organization between 1 and 3 years. Further, 50% of the population has been with their organizations for 6 years or less. No conclusions can be drawn from this.

When asked how long they had been in their current position as an executive director, participants reported that 75% had been in their positions for less than 9 years, and just 20% had been in their position for 13 or more years. Although it is difficult to form a firm conclusion from this information, an individual early in his or her leadership career might be more aligned with mission influence than those who have weathered many years of leadership. On a similar note, the length of time mission statements had been in use at the organizations in this study ranged from 6 years or less (45%), to 7 or more years (55%). Again, a newer mission statement that reflects current ideas might be more of an influence than one that has been around for many years. Last, only 35% of the survey population was involved in the development of the mission statement for their organizations. A higher level of mission ownership and influence might be anticipated for this group.

Another factor that might have had a greater influence on the executive director responses to the survey used in this study could be the time at which it was distributed. The survey was distributed in November, 2008. In the first half of 2007, the world economic outlook appeared strong, with growth above 5%. By the end of 2007, global economic conditions began to weaken dramatically, and projections for 2008 began to show concern, especially for the United States. The world economic growth rate had been 5.4% in 2006, and 5.2% in 2007. By the end of 2007, the projected world growth rate for 2008 was 4.8%. Much of the concern for the U.S. markets involved the emerging problems in the mortgage industry (Callen, 2007). Accordingly, throughout much of 2008, executive directors were likely concerned about not only their personal finance and investment decisions, but also those of the organizations that they lead.

The California State University, Office of the Chancellor defines foundations as, "Auxiliary organizations classified as foundations are generally considered to be those auxiliary organizations which have as a primary functions the administration of externally funded projects including research, workshops, conferences, and institutes and/or fund development activities" (Business and Finance, Office of the Chancellor, 2002, p. 42). One fund development activity of many California State University foundations is the management and investment of the campus endowment funds. "An endowment is a gift that is held in perpetuity and invested in a manner that protects the principal from inflation. The investment income provides a stable funding source for purposes as scholarships, professorships, lecture series, and research centers" (Purdue University, n.d., para. 5). Although many California State University campuses rely on endowment earnings for student scholarships, professorships, and some operational functions, they are generally less reliant on endowment income for operational functions than some private institutions. In late-2008, the impact of a troubled economy began to surface for several higher education institutions. The University of Virginia reported a $1 billion dollar loss to its endowment. Vermont's Middlebury College saw a $724 million drop in its endowment. The endowment for Grinnell College in Iowa fell $1.2 billion, and in Massachusetts, Amherst College saw its endowment drop by $1.7 billion (Hechinger & Karmin, 2008). Even with those staggering losses, many in the education field were further jolted by the news of significant losses in the largest educational endowment in the United States. In December, 2008, Harvard University, the endowment of which stood at $36.9 billion at the end of June, 2008, announced an unprecedented 22% loss (approximately $8 billion) as of October 31, 2008. Harvard officials projected a total

30% loss by the end of the fiscal year (D. Faust & E. Forst, personal communication, December 2, 2008). Just 3 weeks before, Harvard President Drew Faust informed the Harvard community that the university could expect to be impacted by the global financial crisis (D. Faust, personal communication, November 10, 2008).

Recommendations for Further Research

This study attempts to understand what, if any, influence mission statements might have on leader decision making. The study focused on foundations within the California State University system, and specifically attempted to understand what influence might be present within five functional areas of the organizations surveyed. The five functional areas included: (a) human resources, (b) grants and contracts, (c) accounting, (d) finance and investment, and (e) information systems.

Further research could be done within the California State University system. The student government body, known as Associated Students, and the commercial operations, which generally operate the bookstore and food service operations on each campus, are two other types of auxiliary organizations recognized by the California State University system. A similar study could be developed with functional areas specific to those organizations, which might be helpful in understanding how similar or dissimilar the California State University auxiliary organizations are from one another. Another related type of study could include the presidents of each California State University campus. Melding the research into these three types of organizations could produce an insightful look into mission statement influence within the largest system of higher education in the United States.

Further research could also include other types of nonprofit organizations. Many of these organizations, both large and small, could benefit from understanding the impact of a well-crafted mission statement. This type of study could also be useful in the for-profit arena.

While this study attempts to understand mission statement influence on leader decision making, expanding this study to include other members of an organization. A study including leaders of the five functional areas used in this study would help to determine if perhaps certain areas are more mission influenced than others.

Further research would be helpful in understanding what, if any, link there might be between mission statements and organizational performance. Perhaps there are key words or phrases within a mission statement, or methods for communicating mission statements, which help to stimulate organizational performance or productivity. Organizational performance could be measured in terms of increased financial activity from year to year. A study of mission statements and their relationship to the achievement of organizational goals may also be helpful.

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Appendix A

Survey Instrument

Survey Instrument

Topic: The influence of mission statements on select aspects of organizational decision making of executive directors of CSU Foundations

Section I

1. Does the mission statement of your organization affect your overall decision making?
   _(1)_________(2)_____________(3)_____________(4)__________(5)__
   Never Rarely Occasionally Usually Always

2. Does the mission statement of your organization affect your decision making on issues related to human resources?
   _(1)_________(2)_____________(3)_____________(4)__________(5)__
   Never Rarely Occasionally Usually Always

3. Does the mission statement of your organization affect your decision making on issues related to grants and contracts?
   _(1)_________(2)_____________(3)_____________(4)__________(5)__
   Never Rarely Occasionally Usually Always

4. Does the mission statement of your organization affect your decision making on issues related to accounting?
   _(1)_________(2)_____________(3)_____________(4)__________(5)__
   Never Rarely Occasionally Usually Always

5. Does the mission statement of your organization affect your decision making on issues related to finance and investments?
   _(1)_________(2)_____________(3)_____________(4)__________(5)__
   Never Rarely Occasionally Usually Always

6. Does the mission statement of your organization affect your decision making on issues related to information systems?
   _(1)_________(2)_____________(3)_____________(4)__________(5)__
   Never Rarely Occasionally Usually Always

7. Does the mission statement of your organization affect your decision making on issues related to organizational planning?
   _(1)_________(2)_____________(3)_____________(4)__________(5)__
   Never Rarely Occasionally Usually Always

8. Describe a time when the mission statement of your organization affected a decision you made. (Please use a separate sheet of paper for your response, and attach it to this survey)

Section II

9. Were you involved in the development of the mission statement of your organization? Yes/No

10. In what year was your current mission statement first used? ______ year.
11. How important is the mission statement of your organization to you?

_(1)_________	(2)_____________	(3)_____________	(4)__________	(5)__
Unimportant	Of Little Importance	Moderately Important	Important	Very Important

Section III – Respondent Profile

How long have you been with this organization? _____ years.
How long have you been in your current position? ____ years.
Gender: Male/Female
Age: _____ years

Appendix B

Survey Population Sites

Survey Population Sites

CSU, Bakersfield Foundation
9001 Stockdale Hwy
40AW
Bakersfield, CA 93311

CSU, Chico Research Foundation
Foundation
Building 25, CSU, Chico
Chico, CA 95929

CSU, Dominguez Hills Foundation
1000 E. Victoria Street, SCC-2
Carson, CA 90746

CSU, East Bay Foundation
25976 Carlos Bee Blvd
Hayward, CA 94542

CSU, Fresno Association, Inc.
2771 E. Shaw Avenue
Fresno, CA 93710-8205

CSU, Fullerton
CSU Fullerton Auxiliary Services Corporation
2600 Nutwood Ave STE 275

Humboldt State University SP Foundation
P.O. Box 1185
Arcata, CA 95518-1185

CSU, Long Beach
CSULB Foundation
6300 State University Dr, 332
Long Beach, CA 90815

CSU, Los Angeles University Auxiliary Services
5151 State University Dr.
Golden Eagle Building, Rm. 314
Los Angeles, CA 90032
Mail Code: 8843

CSU Northridge – The University Corporation
18111 Nordhoff Street
Northridge, CA 91330-8310

Calif. State Polytechnic Univ., Pomona

3801 W. Temple Avenue
Pomona, CA 91768

CSU, Sacramento – University Enterprises, Inc.
6000 J Street
Sacramento, CA 95819

CSU, San Bernardino Foundation
5500 University Parkway
San Bernardino, CA 92407

San Diego State University Research Foundation
5250 Campanile Drive
San Diego, CA 92182

San Francisco State University Corporation
1600 Holloway Avenue
San Francisco, CA 94132

San Jose State University Research Foundation
210 N. Fourth Street
San Jose, CA 95112

Calif. State Polytechnic Univ., San Luis Obispo
Cal Poly Corporation
1 GRAND AVENUE
BUILDING 15
SAN LUIS OBISPO, CA 93407

CSU, Monterey Bay Foundation
100 Campus Center
Building 201, Suite 107
Seaside, CA 93955

CSU, San Marcos Foundation
333 S. Twin Oaks Valley Road
San Marcos, CA 92096

Sonoma State University
No separate foundation
1801 East Cotati Avenue
Rohnert Park, CA 94928

CSU, Stanislaus
One University Circle
Turlock, CA 95382

Appendix C

Panel of Experts

The panel members who participated in the review of the survey instrument included:

1. Dr. Janna Bersi, Vice President and Chief Financial Officer, Chapman University. Dr. Bersi has extensive experience with the California State University and CSU Foundation and was previously employed as the Associate Executive Director of the CSU, Long Beach Foundation.

2. Dr. Pat Hosegood-Martin, Associate Human Resources Director, Cal Poly Corporation. Dr. Martin has an extensive background in CSU Foundations.

3. Dr. Jeffrey Klaus, Director of Student Life and Development, California State University, Long Beach. Dr. Klaus has worked for many years at CSU, Long Beach.

Appendix D

Panel of Experts Cover Letter

October XX, 2008

XXXXXX
XXXXXX

Dr. XXXXXs:

Thank you very much for agreeing to participate as a member of the panel reviewing questions that I am planning to use in a survey of leaders of California State University Foundations. These questions are part of a study involving organizational mission statements and leader decision making. The study is related to a dissertation I am completing as part of a doctoral program in Organizational leadership at Pepperdine University. I am enclosing the following documents for your use in reviewing the interview questions:

1. Explanation of the study.
2. Survey questionnaire.
3. List of research questions from the study.
4. Response form.

Please review the explanation of the study, the survey questionnaire, and the research questions. Then rate each of the proposed questions on the response form as one of the following:

1. Valid/Needs No Modification.
2. Irrelevant/Delete.
3. Valid/Needs Modification.

I appreciate any suggestions you have for modifying the proposed questions. Suggestions for modification can be made in the last column on the response form. Please return the response form to me via an email attachment no later than Friday, October 31, 2008.

Thank you again for your help with my study.

Kind regards,

Brian M. Nowlin

nowlinb@csulb.edu

Appendix E

Survey Cover Letter

Brian M. Nowlin
XX XXXX
XXXX XXXX

November 16, 2008

Dear Colleague:

I am in the process of conducting a study on the influence organizational mission statements may have on decision making by leaders of nonprofit organizations. My study is specifically focused on Executive Directors of CSU Foundations. In your role as the Executive Director (or similar title or capacity) of a CSU Foundation, I am requesting your voluntary participation in the study.

The results of this study will used to determine what, if any, influence mission statements play in certain aspects of leader decision making. Since this study is specifically focused on CSU Foundations, the results may prove to be valuable to you and your organization.

Enclosed you will find two copies of an Informed Consent form, a Survey Questionnaire, and two self-address, stamped return envelopes. To participate, you will first need to read and complete the enclosed Informed Consent Form. Once signed, please place the Informed Consent Form in one of the return envelopes. You may retain the other copy of the Informed Consent form for your records. Next, you will need to complete the questionnaire, which should take no more than 10 minutes of your time. Once completed, please place the survey in the other return envelope. Place both of the return envelopes in the U.S. Mail. This study has been designed in this manner to protect your identity. Your responses will remain completely confidential, and all findings will be reported only in aggregate form. As a respondent to this survey you may request a copy of the study's findings.

Due to the small population of CSU Executive Directors, your response is extremely important to the validity of this study. A 100% response rate is highly desirable. Please return both the Informed Consent Form and the survey in the envelopes provided by **Friday, December 5, 2008**. If you have any questions, please feel free to contact me at XXX-XXX-XXXX, or via email at nowlinb@csulb.edu. Thank you in advance for your participation.

Kind regards,

Brian M. Nowlin

Enclosures

Appendix F

Informed Consent

Informed Consent

I authorize Brian Nowlin, a doctoral student under the supervision of Dr. Kent Rhodes, in Organizational Leadership at Pepperdine University, to include me in the research project entitled "The Influence of Mission Statements on Select Aspects of Organizational Decision Making by Executive Directors of California State University Nonprofit Charitable Foundations". I understand my participation n this study is strictly voluntary.

I have been asked to participate in a research project which is designed to study whether or not the organizational mission statements influence the decision making of Executive Directors of CSU Foundations in certain functional areas. The study will require me to complete a self-administered survey that is anticipated to take no more than ten minutes to complete. I have been asked to participate in this study because I am an Executive Director (or similar title or capacity) of a CSU Foundation. In the self-administered survey, I will be asked questions about my experiences with the mission statement of my organization and whether or not the mission statement influences my decision making. Following my completion and submission of the survey questionnaire, I understand that this research project may also include a telephone interview of up to 3 of the survey participants conducted by Brian Nowlin. The semi-structured telephone interview will ask questions related to how mission statements influence decision making within the same five functional areas covered by the survey questionnaire. However, I understand that my participation in the survey questionnaire portion of this study does not obligate me to participate in the telephone interview portion of the study.

The potential risks of participating in this study include loss of confidentiality and possible discomfort in responding to some questions. However, the risk is believed to be minimal, and the probability and magnitude of harm or discomfort anticipated are not greater in and of themselves than those ordinarily encountered in daily life.

I understand there is no direct benefit from participation in this study, however, the benefit to the profession may include an understanding of the influence of mission statements within Foundations of the CSU.

I understand that I have the right to refuse to participate in, or to withdraw from, the study at any time without penalty. I also have the right to refuse to answer any question I choose not to answer. I also understand that there may be times that the investigator may find it necessary to end my study participation.

I understand that no information gathered from my study participation will be released to others without my permission, or as required by law. If the findings of the study are published or presented to a professional audience, no personally identifying information will be released. The data gathered will be stored in a locked cabinet to which only the investigator will have access. The data will be maintained in a secure manner for 3 years at which time the data will be destroyed. I understand I will receive no compensation, financial or otherwise, for participating in this study.

Informed Consent, cont.
Page Two

I understand that if I have any questions regarding the study procedures, I can contact Brian Nowlin at xx xxx, xxx (or by phone at xxx-xxx-xxxx), to get answers to my questions. If I have further questions, I may contact Dr. Kent Rhodes, c/o Pepperdine University, Graduate School of Education and Psychology, 18111 Von Karman Avenue, Irvine, CA 92612 (or by phone at xxx-xxx-xxxx-). If I have further questions about my rights as a research participant, I may contact Dr. Doug Leigh, c/o Pepperdine University, Chairperson, Graduate and Professional Schools IRB, 6100 Center Drive, 5th Floor, Los Angeles, CA 90045 (or by phone at 310-568-2389).

I understand to my satisfaction the information in the consent form regarding my participation in the research project. All of my questions have been answered to my satisfaction. I have received a copy of this informed consent form which I have read and understand. I hereby consent to participate in the research described above.

____ _____/_____/_____
Participant's Signature Date

I have explained and defined in detail the research procedure in which the subject has consented to participate. Having explained this and answered any questions, I am cosigning this form and accepting this person's consent.

____ _____/_____/_____
Principal Investigator Date