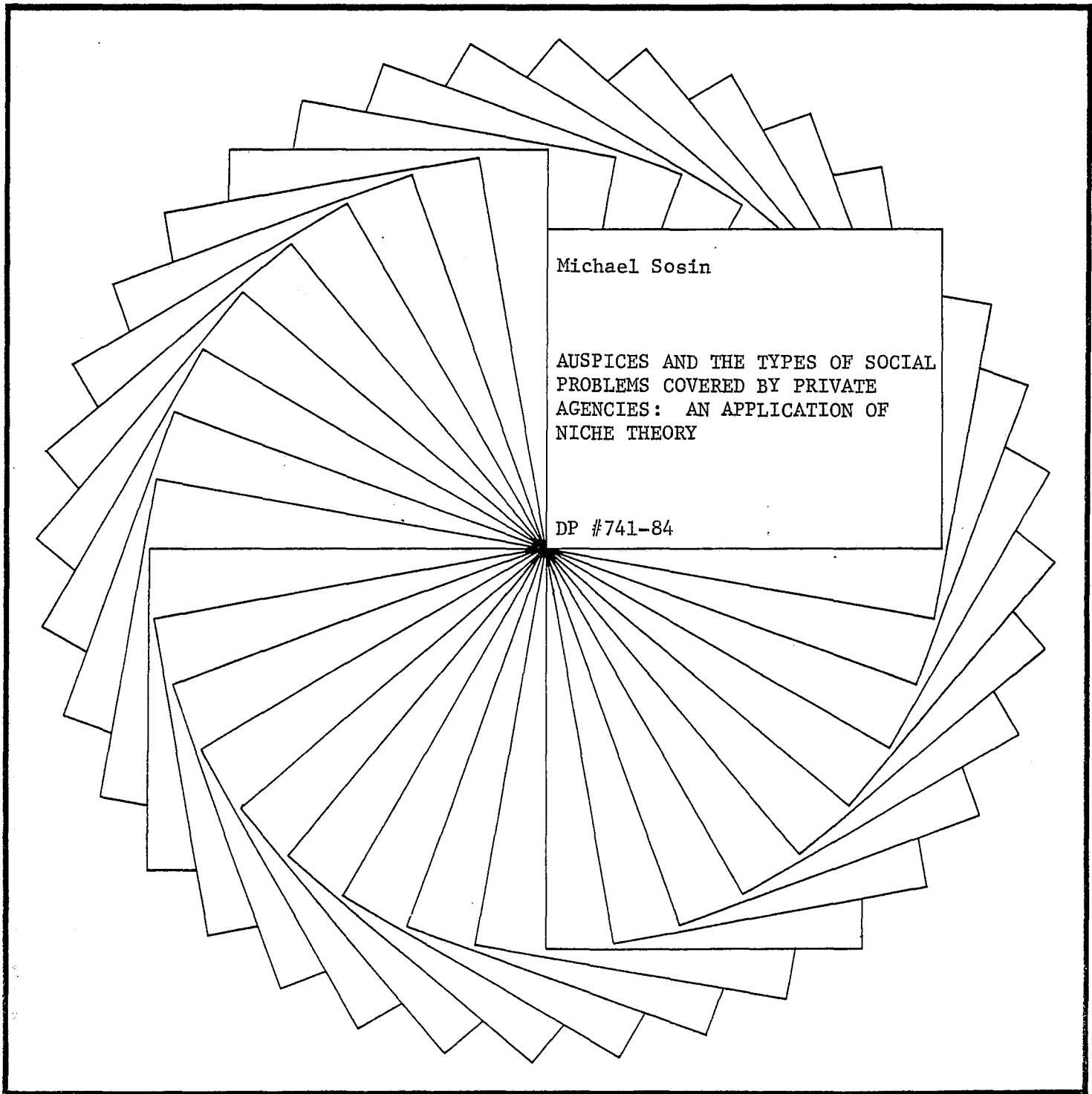


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# IRP Discussion Papers

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Michael Sosin

AUSPICES AND THE TYPES OF SOCIAL  
PROBLEMS COVERED BY PRIVATE  
AGENCIES: AN APPLICATION OF  
NICHE THEORY

DP #741-84

Institute for Research on Poverty  
Discussion Paper 741-84

Auspices and the Types of Social Problems Covered by  
Private Agencies: An Application of Niche Theory

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January 1984

This research was supported in part by a grant from the Graduate School of the University of Wisconsin-Madison and in part by funds provided the Institute for Research on Poverty by the Department of Health and Human Services. The conclusions are those of the author. Thanks to my research assistant, Mark Kleczewski.

## Abstract

Some scholars claim that the type of problems with which private welfare agencies deal varies with agency auspices--whether administrative control is national or local, religious or secular. However, there are few empirical discussions of the issue. This paper thus develops and tests hypotheses concerning how auspices relate to the social problems that agencies cover. Results support a series of hypotheses derived from "niche theory," an approach which implies that the interests of the special constituency (i.e., niche) tied to each form of auspice affects the problems covered. It is argued that the results of the analysis help explain some previous findings concerning the organization of private agencies, specify the relation between auspices and social problems covered, aid in extending an understanding of historical trends in patterns of service, and begin to suggest that it is important to consider the special interests of the constituency in further discussion of private agencies.

Auspices and the Types of Social Problems Covered by  
Private Agencies: An Application of Niche Theory

Although private social welfare agencies may deal with many social problems in the contemporary United States, their ability to meet community needs is constrained organizationally. Much of the discussion concerning these agencies naturally turns to an analysis of such constraints. One key topic is the role of the auspices under which private agencies operate--that is, the nature of the group or organization that has final administrative control. Previous authors claim that there have been two historical trends in auspices that affect the types of social problems agencies cover: the trend from religious to secular auspices, and from local to national auspices.<sup>1</sup> Wilensky and Lebeaux thus speculate that greater stress on the needs of the middle class results from the trend to secular auspices, while Grønberg indicates that a reduced focus on basic, material needs accompanies the growth of national auspices.<sup>2</sup>

The analysis of these issues nevertheless remains at a preliminary stage. The discussions noted above do not contain direct empirical comparisons of agencies falling under different auspices, and there are relatively few other empirical investigations of the topic. Most studies concerning auspices deal with the technology of services or the source of funds rather than with the social problems covered.<sup>3</sup> Most important for present purposes, discussions do not draw to any great extent on the literature that might best help explicate the patterns of relations--namely, the literature dealing with theory of complex

organizations. The studies thus rarely build a broader framework that encourages a growing sophistication through cumulative explorations from a theoretical perspective.

To deal with these shortcomings, this paper attempts to present an analysis of the relation between two aspects of auspices--the choice between national or local, and between religious or secular--and the types of problems that the agencies cover. It argues that these issues can be conceptualized in terms of "niche" theory as developed by organizational analysts. It presents some hypotheses derived from this theory, tests them, and briefly discusses how the test results indicate a potentially fruitful method for analyzing some other behaviors of private agencies.

## THEORY

Organizational theorists point to an expansion in theoretical focus over the last two decades.<sup>4</sup> Many earlier studies focused largely on the internal operation of organizations and neglected the fact that various forces in the general environment of the organization might also affect internal behavior. More recent work often takes this "environment" into account. Various strands of open-systems theory point out that the survival of an organization depends upon obtaining resources from the environment (financial support, staff, legitimacy, information, and so forth),<sup>5</sup> and that resources are dispensed to organizations that produce some "output" desired by those who might provide support. One implication is that viable organizations must maintain a service or product that will result in sufficient resources. For example, they may provide a

type of counseling service that clients pay for or they may deal with clients for whom a governmental agency provides support.

Niche theory is a further elaboration on the open-systems approach.<sup>6</sup> This perspective is concerned with the manner in which variance in the environment leads to variance in the types of organizations that are likely to develop and survive. It claims that organizations must find a niche--that is, a constituent group in the environment that will provide resources. In order to do so, the successful agency must focus on a particular type of domain that a constituency will support.

Previous applications of niche theory are often concerned with substantive problems that are not relevant to the present inquiry. For example, the theory has been used to predict whether successful agencies are generalists or specialists under different community patterns of resources. Analysis also often focuses on one specific class of business organizations.<sup>7</sup> Clearly, the present paper concerns a different range of agencies and problems other than generalism as opposed to specialization.<sup>8</sup>

Nevertheless, niche theory is particularly important in suggesting a causal chain. The niche involves a source of support; this in turn suggests that if different auspices result in different patterns of problems covered, one reason could be the need to satisfy the desires of individuals constituting the source of support available to an agency. In other words, niche theory suggests that the type of auspice leads to reliance on a specific segment of the population for support. As a result agencies with a given auspice tend to cover the types of problems that have a strong appeal to this group of the population (that is, auspices define the niche).

This line of reasoning can be explicated by an example. In his analysis of the March of Dimes, Sills<sup>9</sup> discusses how this national organization sustains itself. He argues that one important element in obtaining sufficient resources is stressing an issue that is highly legitimate in each locality in which there is a local affiliate. Legitimacy assures the participation of volunteers as well as donation of sufficient resources. Polio was such an issue; when it was controlled, birth defects became central to the domain of the March of Dimes. The niche theory explanation is that, as a national organization, the March of Dimes' niche consisted of middle-class volunteers and donors in each local community. To obtain sufficient resources from this constituency, the agency had to deal with a type of concern that interested the volunteers and donors. Polio and birth defects are two such problems.

If such case studies can be explained in terms of niche theory and the causal chain it implies, it seems reasonable that the theory can also aid in developing new insights. Accordingly, this paper utilizes niche theory in considering the relation of auspices to the problems covered. It develops new propositions from the theory, tests them, and thus demonstrates the predictive utility of the niche perspective.

#### HYPOTHESES

Niche theory suggests that, to understand the relation between agency auspices and the social problems covered, one must consider the relevant niche. Each choice--between national or local auspices, and between religious or secular auspices--might involve a different niche and thus a stress on different types of problems. Accordingly, it is useful to

develop hypotheses comparing national with local auspices and religious with secular auspices, relying on niche theory (and, of course, previous substantive work on private agencies) for the explanatory principles.

#### National and Local Auspices

A useful place to start in comparing agencies under national auspices with those that are not so affiliated is to consider the special resources that a national auspice makes available. From the perspective of an agency in a given community, the national association helps provide resources in a number of ways. It may have a fund-raising campaign that redistributes money among local units and that helps local units with their own fund-raising activities. It also provides a degree of legitimacy that encourages individuals or even the local United Way to offer support.<sup>10</sup>

Obviously, many of the benefits depend upon national organizations' development of expertise in a particular problem area. The area must have some degree of consistency across the country; if it does, each local program must make a similar appeal and the national organization is able to develop some useful suggestions for all. As Sills<sup>11</sup> implies, consistency is also important because local support of the national organization depends upon local volunteers' and donors' perceptions that they are part of a legitimated mission that is national in scope. It seems likely that in the absence of consistency the national organization will fail, either because local affiliates will not obtain resources or because the affiliates will resign from the association.

An understanding of the niche seems to flow directly from these points. For successful national more than successful local



organizations, an appeal for support must be made to a number of individuals in nearly every locality. (There must be many local affiliates to legitimate the national association.) Further, because a specific niche demands a particular focus, appeal must be to a similar niche across the nation; otherwise, varying demands would make it difficult to maintain the needs of consistent programs.

Grønberg<sup>12</sup> seems to indicate that developing such a niche normally involves appealing to those relevant norms and interests that may mobilize many middle-class individuals in nearly every locality. Appealing to more specific interests is a problem because the appeals may need to vary in order to obtain a sufficient local response. Similarly, appealing to the poor is not as beneficial because poor individuals cannot contribute sufficient funds or mobilize others to contribute.

Our framework suggests that the problems covered are those that the constituency is sympathetic to--in this case, those that seem consistent with a core middle-class group in nearly every locality. Judging from the discussions mentioned in the introduction of this paper,<sup>13</sup> one attribute of the problems might be that they are perceived to potentially affect nearly all middle-class families. This is important because it helps create a sense in the broader community that the issues affect people just like them. A second attribute might be a focus on issues involving very little controversy in methods. With a low degree of controversy, the affiliates will utilize similar methods across the nation, as is necessary according to the argument.

Borrowing the general conceptualization from Austin,<sup>14</sup> the issues that best fit these criteria might be termed "social and physical supports." Health issues constitute one example. All middle-class

individuals can perceive a need for health supports, because health problems are recognized as potentially affecting any family. In addition, the technology of research and medical treatment is relatively noncontroversial. Another possibility is family recreation and personal development, which includes such organizations as the Boy and Girl Scouts. Here a large section of nearly all communities may find a need for the service, while the methods, which stress very commonly accepted activities, are noncontroversial. Aid for natural disasters, or perhaps even family planning (which, while morally controversial, must have relatively standardized methods and broad family scope) may also be involved.

While some agencies under local auspices may also appeal to the broad middle-class society and focus on social and physical supports, our discussion suggests that a larger proportion will appeal to a more specific group in each community. Arguing positively, without the need to maintain consistency across the nation, local organizations will be able to appeal to specific niches rather than to general middle-class society. Arguing negatively, local organizations cannot as easily claim to cover the very general social and physical support problems that appeal to broad middle-class society as a whole; coverage of these problems often appears to demand national legitimacy. For example, a local agency will have problems claiming to be particularly suited to directing research to control the national problem of cancer.

Niche theory suggests that an appeal to a specific niche demands covering the problems that the niche demands. It follows that local organizations, making more specific appeals than nationally affiliated agencies, are prone to cover problems that might be supported by less

global niches. Looking at case studies of local organization, the most likely hypothesis is that local agencies develop special niches (local government, individuals who might pay fees, and so forth) by claiming to cover the problems faced by a subpopulation of the community with special needs. For example, there may be a number of individuals in a community who are willing to support an agency that focuses on teenage drug problems if this is perceived by the local government or by some parents as a special local priority. Or the local school system might be willing to support services dealing with school disruptions.<sup>15</sup>

Nevertheless, not all problems involving subgroups may receive equal respect. Without national legitimacy, local organizations must naturally claim some type of special expertise. As analysts of social services point out, only rehabilitative issues generally have such legitimacy.<sup>16</sup> When dealing with problems that seem to demand rehabilitation, employees of social agencies can bill themselves as behaving much like doctors who deal with individual problems. Otherwise, the agencies cannot easily find a claim to legitimacy that many in local communities accept. Rehabilitative issues include school problems, child welfare needs, physical disabilities, mental health problems, alcoholism, developmental disabilities, drug abuse, and (a borderline category) problems of unemployment. These types of issues might well appeal to local groups that would provide support for agencies.

This theoretically based discussion suggests two hypotheses:

Hypothesis 1. Agencies under national auspices deal with issues of social and physical supports more than agencies under local auspices.

Hypothesis 2. Agencies under local auspices deal with rehabilitative issues more often than agencies under national auspices.

### Religious and Secular Auspices

It is almost a tautology to note that agencies under religious auspices tend to receive support from those who share the agency's religious ideology. Support is often given by churches or through direct donations as a means of supporting an agreed-upon cause. Even though those who do not share the ideology might contribute support, they probably only do so if they believe that it makes sense for a religious agency to provide the relevant services.

The obvious conclusion is that agencies operating under religious auspices will tend to cover those problems that have a religious rationale. Past research suggests that an important set of such issues involves delivering material assistance.<sup>17</sup> This function is sometimes part of the "good-works" philosophy of some religions. That is, part of a religious ideology may support the belief that dispensing material assistance helps improve the general spirit of the society and thus leads it in a religious direction. Others dispense such assistance as part of an effort to convert those in need. (This is highly legitimate in some religious circles, under the assumption that those with material needs might also have spiritual needs.) Finally, religious material assistance helps support the solidarity of a local church or religious community.<sup>18</sup>

More speculatively, it also seems likely that such agencies will focus on problems for which many claim that there is a special religious solution. These may be problems for which religions claim that a lifestyle choice between a religious or nonreligious existence is involved. My own experience suggests that day care is a clear example, as many religious groups believe that religious socialization differs from

secular socialization. Other services that fall under the rubric of "life-style issues" include family counseling and, perhaps, problems of the aging. Two additional hypotheses follow.

Hypothesis 3. Organizations under religious auspices are more likely to focus on material needs than are secular organizations.

Hypothesis 4. Organizations under religious auspices are more likely to focus on life-style issues than are secular organizations.<sup>19</sup>

#### DATA AND METHODS

This paper tests the four hypotheses in an effort to determine the utility of niche theory. The data for the tests are from all of the social service agencies in twelve counties. The counties were randomly selected under a stratified sampling design. Because the design borrowed from work concerning the public welfare system,<sup>20</sup> the stratification criteria included whether the county's AFDC grant was high or low, whether the grant was flexible or flat, and whether there was an emergency assistance program. These criteria, although not relevant to this particular paper, divide counties rather evenly within each cell; the resulting sample is therefore very close to a randomized one.

The major source of data is social service directories obtained from each county in 1981. The directories, which include information about all social service agencies in each community, seem to be quite extensive and inclusive. After excluding agencies that are not normally considered to be social service agencies (such as legal aid clinics with no social service component) as well as public agencies, 1025 private agencies remain.

The relevant variables were coded for each agency in each directory. It was determined whether each agency was under religious auspices or not and whether each was nationally or locally affiliated.<sup>21</sup> A large list of social problems was drawn up, and the coding system noted whether each agency covered each problem.

This paper makes use of combination variables that divide the list of social problems into four groups: social and physical supports, rehabilitation, material needs, and life-style concerns. The measures of agency coverage are four dichotomous variables, indicating whether or not each agency covers any problem within the given group. Table 1 reports the problem areas and the specific problems within them. It should be noted that the scheme is meant to include all problems that were originally coded, with the exception of those covered by an extremely small fraction of private agencies.

#### Methods of Analysis

To summarize, this research involves testing four hypotheses. In each case the dependent variable is dichotomous--whether an agency does or does not include a given type of problem in its domain. The two independent variables are also dichotomous: whether an agency is under national or local auspices, and whether it is under religious or secular auspices.

Hypotheses concerning more than two dichotomous variables are best dealt with by a relatively new procedure called the multiple logit analysis. This paper relies on the logit technique. A somewhat complicated procedure, it has become popular in recent years and is explained in

Table 1  
 Groups of Problems Covered by Private Agencies  
 (N = 1025)

Problem Area	Percentage of Agencies Covering those Problems
<u>Social and Physical Supports</u>	<u>33.2</u>
Health	16.1
Individual and family development	13.6
Family planning	5.7
Disaster aid	1.9
<u>Life-Style Issues</u>	<u>27.5</u>
Individual and family counseling	14.6
Day care	10.8
Aging	9.0
<u>Rehabilitation</u>	<u>42.1</u>
Physical handicap	10.2
Unemployment	10.2
Mental health	8.6
Alcoholism	7.7
Developmental disabilities	7.6
Criminal justice	3.2
Drug abuse	3.0
Dependency and neglect	2.3
<u>Material Needs</u>	<u>14.3</u>
Emergency needs	10.7
Homelessness	4.2

Source: Directories of social service agencies in twelve U.S. counties.

Note: Agencies may cover more than one of the problem areas or more than one problem within an area. Accordingly, subtotals do not add to 100 percent while individual items do not add to subtotals.

great detail elsewhere.<sup>22</sup> In brief, the procedure turns the variables to be related to each other into a set of cells--in this case, eight cells for each hypothesis, cross-classifying national and local auspices, religious and secular auspices, and having or not having a given type of problem in the domain. The procedure then calculates the odds of falling in a given cell and turns the odds into a "logit" by taking the natural log. Next, a series of models (determined by the researcher) concerning how the variables affect each other are developed and statistically evaluated. A chi-square test compares the predictions made by each model to the actual cell frequencies; the larger the chi-square statistic, the less well a model predicts the frequencies.

Testing hypotheses depends upon comparing chi-square statistics of the various models. In the current research, a number of models are compared. First, for each dependent variable a chi-square statistic is developed for a model assuming that whether or not a given type of problem is covered by an agency is independent of both auspice variables. This statistic is compared to the chi-square statistic for a model in which it is assumed that the variable representing national or local auspices is related to whether the type of problem is covered. If a statistically significant decrease in the chi-square exists, then there is support for the hypothesis that national or local auspices affect the probability that a given problem is covered. The size of a coefficient, representing the strength of the relation, is also calculated. This procedure is repeated by next adding the effect for religious or secular auspices, and then adding the interaction effect. Each time it is determined whether a statistically significant decrease in the chi-square statistic occurs.



It might be claimed that there are hypotheses concerning only one of the two auspice variables for each of the four types of problems--either national or local auspices, or religious or secular auspices. In theory, it would be reasonable to test only the model involving the hypothesis. However, such an approach reduces the information that may be gained. Models including the effect of both auspices dichotomies, and the interaction between them, are therefore tested for all four types of problems covered.

## RESULTS

Tables 2 through 5 present the results of the multiple logit analysis. The same general procedure is used for reporting the analysis in each table. First, the chi-square statistic is reported for the model in which it is assumed that there are no effects of either of the two independent variables (national as opposed to local auspices, and religious as opposed to secular auspices). Next, the results of the model assuming an effect of national or local auspices are reported. The chi-square statistic is given along with the result of subtracting the chi-square from the previous calculation, which reveals whether a statistically significant improvement in the predicted cell frequencies occurs. The reporting procedure is repeated after adding the effect of religious and secular auspices, and then after adding the interaction effect between the two variables. The tables also present statistically significant coefficients, which represent the degree of the relation between each independent variable and the dependent variable.

### Social and Physical Supports

Table 2 shows the analysis for problems within the category of social and physical supports. The hypothesis is that nationally affiliated organizations are more likely to include these types of problems in their domain than are local organizations. The results support the hypothesis. That is, when the effect of the variable representing national as opposed to local auspices is added to the equation assuming independence, a statistically significant decrease in the chi-square statistic occurs. The decrease is quite large.

The table also shows that there is no statistically significant decrease when adding the secular-religious comparison to the model. There is also no interaction effect. Thus, there is support solely for the stated hypothesis that nationally affiliated organizations focus on these types of problems more than do local organizations.

The relevant coefficient is a respectable .89. This indicates that when an organization is under national rather than local auspices, its domain is much more likely to include social and physical supports. In a general way, the relation is thus consistent with the theoretical argument that the niche that national auspices creates is unusually consistent with obtaining resources by focusing on issues that are highly legitimate to middle-class families and that are noncontroversial.

### Rehabilitation

Table 3 reports the analysis for rehabilitation. The relevant hypothesis is that local organizations are more likely than nationally affiliated ones to focus on problems in this area. Again, there is

Table 2

Relation between Auspices and the Agencies' Focus  
on Social and Physical Supports  
(N = 1025)

Model	Corrected Chi-Square Statistic	Change in Chi-Square Statistic	Statistically Significant Coefficients		
			National Auspices	Religious Auspices	Interaction Effect
Social and physical supports are independent of auspices (3 degrees of freedom)	154.68	--	--	--	--
National and local auspices added (2 degrees of freedom)	.95	153.73*	.89	--	--
Religious and secular auspices also added (1 degree of freedom)	.86	.09	.89	--	--
Interaction added (no degrees of freedom)	.00	.86	.43	--	--

\*p < .05.

Table 3  
 Relation between Auspices and the Agencies'  
 Focus on Rehabilitation  
 (N = 1025)

Model	Corrected Chi-Square Statistic	Change in Chi-Square Statistic	Statistically Significant Coefficients		
			National Auspices	Religious Auspices	Interaction Effect
Rehabilitation issues are independent of auspices (3 degrees of freedom)	37.72	--	--	--	--
National and local auspices added (2 degrees of freedom)	5.80	31.92*	-.42	--	--
Religious and secular auspices also added (1 degree of freedom)	3.30	2.50	-.41	--	--
Interaction added (no degrees of freedom)	.00	3.30	-.29	--	--

\*p < .05.

strong support for the hypothesis. The addition to the model of the effect of national as opposed to local auspices results in a statistically significant decrease in the chi-square statistic. The coefficient, while smaller than that in Table 2, indicates that when an organization is under local auspices, rehabilitation is stressed more often than when an agency is under national auspices.

There is no statistically significant additional effect for adding religious as opposed to secular auspices as a causal variable. Further, no statistically significant decrease in the chi-square statistic occurs when the interaction effect is next added. However, if one compares the model with the interaction effect added to that including only national auspices, the change in chi-square is merely .19 away from statistical significance. There is thus a very small, almost statistically significant, interaction effect. Even though the coefficient (-.09) is also not quite statistically significant, its direction indicates that local religious organizations are slightly less likely than local secular ones to be involved in rehabilitation.

Because there is strong support for the hypothesis that local organizations are more likely to include rehabilitation in their domain (as predicted), it is plausible to argue that these organizations find a constituency (niche) that supports special services to deal with problems of specific local concern. There also is a very small suggestion that local religious organizations are somewhat less likely to be involved in this activity than secular ones, and further studies could look for explanations of the unexpected result. For example, perhaps religiously affiliated organizations are less able to legitimate such services because they are perceived by their constituency as less professional.

### Material Needs

The third hypothesis is that material needs are more likely to be dealt with by agencies under religious auspices than those under secular auspices. Table 4 indicates strong support for this hypothesis. Adding the relevant independent variable produces a very large decline in the chi-square statistic. The coefficient representing the relation is .98, indicating that agencies under religious auspices are to a relatively great degree more likely than other agencies to stress material needs.

It should also be noted that adding the effect of national as opposed to local auspices has no additional effect, nor does the interaction effect. In fact, the table shows that the coefficient for religious as opposed to secular auspices is approximately the same in each equation, and that it is similar even if religious auspices were added into the equation without the variable involving national or local auspices.

The fact that there is support for the hypothesis indirectly supports the presumed causal chain. As the theory notes, the coverage of material needs by many religiously affiliated agencies may be in keeping with the responsibilities the relevant constituency expects from agencies claiming to represent its religious traditions.

### Life-Style Issues

Table 5 presents results of the models involving life-style issues. The hypothesis is that religious agencies are more likely to deal with problems of this nature than secular agencies. In this case, there appears to be a somewhat more complicated set of relations than was

Table 4

Relation between Auspices and Agency  
Coverage of Material Needs  
(N = 1025)

Model	Corrected Chi-Square Statistic	Change in Chi-Square Statistic	Statistically Significant Coefficients		
			National Auspices	Religious Auspices	Interaction Effect
Material needs issues are independent of auspices (3 degrees of freedom)	117.97	--	--	--	--
National and local auspices added (2 degrees of freedom)	117.67	.30	--	--	--
Religious and secular auspices also added (1 degree of freedom)	.72	116.95*	--	.98	--
Interaction added (no degrees of freedom)	.00	.72	--	.94	--

\*p < .05.

Note: In the model including religious or secular auspices but not national or local auspices, the change in chi square is statistically significant and the coefficient is .97.

Table 5  
 Relation Between Auspices and Agency  
 Coverage of Life-Style Issues  
 (N = 1025)

Model	Corrected Chi-Square Statistic	Change in Chi-Square Statistic	Statistically Significant Coefficients		
			National Auspices	Religious Auspices	Interaction Effect
Life-style issues are independent of auspices (3 degrees of freedom)	57.20	--	--	--	--
National and local auspices added (2 degrees of freedom)	45.72	11.48*	-.34	--	--
Religious and secular auspices also added (1 degree of freedom)	8.17	37.55*	-.39	.52	--
Interaction added (no degrees of freedom)	.00	8.17*	-.25	.63	-.28

\*p < .05.



originally suggested. The table points out that all three sets of relations are statistically significant. When national auspices as opposed to local are added to the equation, a statistically significant change in the chi-square statistic occurs. In addition, the model adding the effect of religious as opposed to secular auspices also results in a statistically significant decline in the explained variance. Finally, there is also a statistically significant interaction effect. In keeping with this analysis, all three of the relevant coefficients are also statistically significant in this final model.

Looking at the coefficients, we find that these results support the hypothesis and also add further suggestions. The hypothesis is supported because the positive coefficient for religious auspices indicates that such agencies are more likely to deal with life-style issues than are secular ones. At the same time, the negative coefficient for national auspices suggests that nationally affiliated agencies are less likely than locally affiliated ones to deal with these issues. Finally, the interaction effect suggests (according to the way the model was set up) that national, religiously affiliated organizations are less likely to cover such issues than one would expect on the basis of simply adding the effects of having a national and a religious affiliation. Adding the effects together, the coefficient for a religious national organization is positive, although somewhat attenuated by the interaction effect.

The analysis therefore supports the presumed causal chain and also suggests additional considerations. It provides some support for the idea that religious organizations have a niche favoring activities that involve a religious ideology, and thus are more likely than secular ones to be involved in life-style issues. However, it also appears that

nationally affiliated organizations are less likely to engage in these activities than are local ones. Perhaps this occurs for reasons similar to our argument for rehabilitation. Given the controversies surrounding the issues, it may be easier for local organizations, with ties to their own community, to develop an approach that is acceptable to a local niche. In contrast, national organizations, apparently forced to standardize their services to some degree, are less able to develop the appropriate match.

The last finding is that national religious agencies are less likely to be involved in such issues than one would expect on the basis of the two main effects. One possible explanation is that, as opposed to local religious organizations, national affiliates are forced to have a broader, more general set of missions. If they did not, their organizations might be questioned by the constituencies in some local communities where different local values are expressed. For example, the Salvation Army may have a more general religious orientation than a local Baptist day care center. Perhaps this general orientation makes it more difficult to focus on life-style issues, where a definite view of a preferred life-style is needed--a view slightly more controversial<sup>1</sup> for an agency with a general as opposed to a specific religious ideology.<sup>23</sup>

#### DISCUSSION AND CONCLUSION

In the years since Wilensky and Lebeaux<sup>24</sup> raised the issue, there has been speculation that the particular auspices of private agencies affect the types of problems with which they may be concerned. This paper contains relatively strong evidence that this is the case. It confirms

hypotheses that national organizations deal with issues involving social and physical support, while local agencies are more likely to focus on rehabilitation. There is also support for the hypotheses that religiously affiliated organizations are more likely than secular ones to focus on material needs and life-style issues. There is also evidence for other findings--which go beyond the hypotheses and thus must be treated with more caution. These are that local organizations are more likely than nationally affiliated ones to deal with life-style issues and that national, religiously affiliated organizations are somewhat less likely to focus on life-style issues than would be predicted solely by their two traits taken separately.

Certainly one can think of other points that this paper does not discuss. For example, the paper does not consider variation in the methods used by agencies under varying auspices--a topic that is avoided because it has already been studied by Grønberg, Sedlak and Scott.<sup>25</sup> The research also is only concerned with patterns of the coverage of social problems that may develop, not with the historical causal chain by which the patterns occurred. It may be that the decision to select a given affiliation comes first and that the choice of problems follows, or the pattern may be the reverse. Historical case studies point to both possibilities. In organizing the Red Cross, Clara Barton seemed more interested in forming a secular national organization than in focusing on such physical and social support issues as blood banks or aid to those who have been burned out of their homes.<sup>26</sup> Over time, however, she apparently realized that such activities were important in maintaining the enterprise as a national organization with affiliates in many communities. On the other hand, in forming the Salvation Army, William

Booth seemed to first have the idea of focusing on material needs and life-style issues, and later developed a formal, national, religious organization.<sup>27</sup> (While evidence is hard to find, another possibility is that organizations might fail if they refuse to focus on the appropriate problems.) In short, the suggested causal chain speaks to outcome rather than process.

Nevertheless, within its own framework the results have many implications for understanding the role of the private sector in delivering welfare benefits. For example, it has been noted that some authors claim that the trend since World War II has been toward national affiliation and toward secular organizations. The results of the analysis help suggest the trends in services one might expect if this is indeed the case. Nationally affiliated organizations frequently focus on physical and social supports and often avoid rehabilitation or life-style issues. Secular organizations focus less frequently than religious affiliates on material needs or life-style issues. The perceived trends thus suggest an increased focus on physical and social supports and less emphasis on rehabilitation, life-style issues, and material needs. However, my own reading of the historical evidence suggests that local secular organizations increased in number more than any other kind. If so, the data in this article suggest that more emphasis will be placed on rehabilitation and life-style issues than would otherwise be the case.

The empirical results and theory also help understand many of the patterns in the problems covered by agencies that have been described in other case studies. For example, it may help explain the emphasis Zald noted in his study of the YMCA.<sup>28</sup> That organization often focuses on

recreational activities for families, housing services, and other services designed to support a Christian life-style. The current paper suggests that these concerns are consistent with the demands placed on national, religiously affiliated organizations. Such an affiliation tends to be unusually consistent with social and physical supports (recreation), material needs (housing), and life-style issues. Zald also notes that the agency was able to deal with special, inner-city concerns during the 1960s. Niche theory suggests that this might have been due to auspices; as a religiously affiliated agency, the YMCA may be able to obtain support for focusing on inner-city youths, as long as life-style issues are involved. Similarly, the theory can quite obviously be applied to help explicate previously published claims concerning the focus on family counseling (a life-style issue) in local secular agencies,<sup>29</sup> the focus on rehabilitation and life-style issues in contracts from public agencies to private local agencies,<sup>30</sup> or the focus on material needs in many religiously affiliated agencies.<sup>31</sup>

Because the paper finds support for hypotheses derived from a more general theory, it also offers indirect evidence for the utility of the theory. Thus, as suggested, it may very well be that particular auspices imply a particular type of niche, and that agencies match the problems covered to those that the relevant constituency is more likely to support. More specifically, agencies under national auspices may meet demands from the broad middle-class community for social and physical supports; local auspices may rely on specific local groups that demand services for rehabilitation or life-style concerns; and religious auspices may result in a reliance on the support of those who share the

religious sentiment and demand that problems involving a religious emphasis are covered.

Because niche theory is useful in the present inquiry, a final though speculative point is that it might even prove to be useful in developing additional hypotheses that move beyond auspices. For example, one might wish to look at the implications of other types of variation in niches. Variation in local community ideology, different demands of local and state governments, and special agency mechanisms for obtaining financial support might help predict the domain of private organizations. The population served or services rendered may be studied along with the social problems covered.<sup>32</sup>

Niche theory thus appears to be useful in understanding private social welfare agencies. The theory helps develop hypotheses that are supported by empirical evidence, helps explain some findings about private agencies noted by others, presents an argument to explain the relation of auspices and social problems, and suggests further directions for research. Niche theory thus appears to be a perspective that can help develop a cumulative body of knowledge about private welfare agencies.

## Notes

<sup>1</sup>Harold Wilensky and Charles Lebeaux, Industrial Society and Social Welfare (New York: The Free Press, 1965), Chapter X; Kirsten A. Grønberg, "Private Welfare in the Welfare State: Recent U.S. Patterns," Social Service Review, 56 (March 1982), 7-26; Ralph M. Kramer, Voluntary Agencies in the Welfare State (Berkeley: University of California Press, 1981).

<sup>2</sup>Wilensky and Lebeaux, Industrial Society; Grønberg, "Private Welfare."

<sup>3</sup>Grønberg, "Private Welfare;" Michael Sedlak, "Youth Policy and Young Women, 1870-1972," Social Service Review, 56 (September 1982), 448-464; Richard Cloward and Irwin Epstein, "Private Social Welfare's Disengagement from the Poor: The Case of Family Adjustment Agencies," pp. 40-63 in George Brager and Francis Purcell, eds., Community Action against Poverty (New Haven: College and University Press, 1967); David Austin, "The Political Economy of Benefit Organization," pp. 37-88 in Herman D. Stein, ed., Organizations and the Human Services (Philadelphia, Temple University Press, 1981). Cloward and Epstein do focus on the types of problems covered, but they focus on only one type of agency. Various other studies consider auspices in a very different context. Examples are Bernard J. Coughlin, Church and State in Social Welfare (New York: Columbia University Press, 1965); Dennis R. Young and Stephen J. Finch, Foster Care and Non-Profit Agencies (Lexington, Mass.: Lexington Books, 1977). Other related studies are noted later in this article.

<sup>4</sup>Charles Perrow, Complex Organizations: A Critical Essay (Glenview, Ill.: Scott, Foresman and Company, 1979); W. Richard Scott, Organizations: Rational, Natural, and Open Systems (Englewood Cliffs, N.J.: Prentice-Hall, 1981); Yeheskel Hasenfeld, Human Service Organizations (Englewood Cliffs, N.J.: Prentice-Hall, 1983).

<sup>5</sup>Daniel Katz and Robert Kahn, Social Psychology of Organization (New York: John Wiley and Sons, 1966), Chapter 2; James Thompson, Organizations in Action (New York: McGraw Hill, 1967), Chapter 1; Howard Aldrich, Organizations and Environments (Englewood Cliffs, N.J.: Prentice-Hall, 1979).

<sup>6</sup>Organizational analysts often call this the "ecological" approach. See Jack W. Brittain and John Freeman, "Organizational Proliferation and Density-Dependent Selection," in John R. Kimberley and Robert H. Miles, eds., The Organizational Life Cycle (San Francisco: Jossey-Bass, 1980); Johannes M. Pennings, "Environmental Influences on the Creation Process," in the same volume; Arthur L. Stinchcombe, "Social Structure and Organizations," in James March, ed., Handbook of Organizations (New York: Rand McNally, 1965).

<sup>7</sup>Jacques Delacroix and Glenn R. Carroll, "Organizational Foundings: An Ecological Study of the Newspaper Industries of Argentina and Ireland," Administrative Science Quarterly, 28 (June, 1983), 274-291; John Freeman and Michael T. Hannon, "Niche Width and the Dynamics of Organizational Populations," American Journal of Sociology, 88 (May, 1983), 1116-1145.

<sup>8</sup>The studies noted above claim that specialization is common when there is much environmental variation in demand within a given period of time, or when variation in demand within a given period of time is



smaller, but when variation in demand across organizations at any one time is moderate. Perhaps by considering the type of specializations of private agencies this article assumes that the conditions favoring at least some specialization exist.

<sup>9</sup>David Sills, The Volunteers (New York: The Free Press, 1957).

<sup>10</sup>Carl Bakal, Charity U.S.A. (New York: Times Books, 1979).

<sup>11</sup>Sills, The Volunteers.

<sup>12</sup>Grønberg, "Private Welfare."

<sup>13</sup>Wilensky and Lebeaux, Industrial Society and Social Welfare, Sills, The Volunteers.

<sup>14</sup>Austin, "The Political Economy of Benefit Agencies."

<sup>15</sup>Cloward and Epstein, "Private Social Welfare's Disengagement"; Michael Sosin, "Do Private Agencies Fill Gaps in the Public System?" Administration in Social Work (forthcoming, 1984).

<sup>16</sup>This attempt to match problems covered to local demand is a central theme of E. Teele and S. Levine, "The Acceptance of Emotionally Retarded Children by Psychiatric Agencies," in Stanton Wheeler, ed., Controlling Delinquents (New York: John Wiley and Sons, 1968), 103-126.

<sup>17</sup>Sosin, "Do Private Agencies?"

<sup>18</sup>A more complete discussion is found in Michael Sosin, Private Benefits (forthcoming).

<sup>19</sup>This paper thus tests these four hypotheses. Other considerations must, however, be kept in mind. First, there also may be "interaction effects," whereby, for example, the category of national religious auspices is more than simply the sum of national and religious affiliations. Because such predictions go far beyond what theory might suggest in an

area in which there is virtually no other study, these types of effects will need to emerge from the data.

The second consideration is that we are looking at trends, not absolute relations. Certainly, demands for services are so varying, and the ability of organizations to legitimate themselves so great, that many patterns are possible. The point of this paper is simply to test whether the hypothesized patterns are more likely, and thus to consider whether the constraints of a niche might operate in the private sector. There may be ways of overcoming such constraints, which can only be understood if other variables are considered (for example, the existence of special endowments or ties to government), and perhaps if other methodologies are selected.

Finally, as in any complicated examination, it is necessary to group problems into the forementioned categories. Clearly, there are borderline categories. One example is unemployment programs, which may be categorized under national aid as well as under rehabilitation. Similarly, problems of the aging may be considered a life-style issue, but may overlap with rehabilitation. In all cases, decisions were made in an attempt to maintain consistency. For example, problems of aging may belong with other life-style issues, because the two others also focus on issues of development of a given age group. In any case, the borderline problems are generally handled by a small number of agencies and do not substantially affect the results (see Table 1). A similar grouping is found in Austin, "The Political Economy of Benefit Agencies."

<sup>20</sup>Joel Handler and Michael Sosin, Last Resorts: Emergency Assistance and Special Needs Programs in Public Welfare (New York: Academic Press, 1983).

<sup>21</sup>Decisions about national or local auspices demand some judgment. An organization may belong to a national association, but if the association does not exercise administrative control, the local unit is not under national auspices. The researcher and a highly trained graduate student used their own knowledge to make such judgments.

<sup>22</sup>For example, David Knoke and Peter J. Burke, Log-Linear Models (Beverly Hills: Sage Publications, 1980).

<sup>23</sup>Multiple logit analysis uses one cell of a comparison as a constant and compares the other cells to it. In this case, the result also may be due to an unexpectedly high coverage of life-style issues in local secular organizations. Perhaps life-style issues can also be turned into "professional" issues that local secular organizations can most easily maintain in their domains.

<sup>24</sup>Industrial Society and Social Welfare.

<sup>25</sup>Grønberg, "Private Welfare;" Sedlak, "Youth Policy;" Robert A. Scott, "The Selection of Clients by Social Welfare Agencies: The Case of the Blind," Social Problems, 14 (Winter 1967), 248-257.

<sup>26</sup>Robert Berens, The Image of Mercy (New York: Vintage Press, 1967).

<sup>27</sup>Richard Colier, The General Next to God: The Story of William Booth and the Salvation Army (London: Collins St. James Press, 1965).

<sup>28</sup>Meyer Zald, The Political Economy of the YMCA (Chicago: University of Chicago Press, 1970).

<sup>29</sup>Cloward and Epstein, "Private Social Welfare's Disengagement."

<sup>30</sup>Margaret Gibelman, "Are Clients Served Better When Services Are Purchased?" Public Welfare, 39 (Fall 1981), 27-33.

<sup>31</sup>Sosin, Private Benefits; William D. Miller, A Harsh and Dreadful Love: Dorothy Day and the Catholic Worker Movement (New York: Liveright,

1973); John O'Grady, Catholic Charities in the United States: History and Problems (Washington, D.C.: National Conference of Catholic Charities, 1931).

<sup>32</sup>Sol Levine and Paul White, "Exchange as a Conceptual Relation for the Study of Inter-Organizational Relations," Administrative Science Quarterly, 5 (March 1961), 583-601.