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The Interorganizational Relationships of a Public Welfare Agency

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The American social welfare field is best characterized as a highly decentralized sphere of activity in which autonomous organizations define and pursue their goals in a fairly independent fashion. The complex nature of modern social problems, however, requires concerted action by a variety of organizations if effective solutions are to be developed. This conflict between the structural nature of the welfare field and the demands of the problems to be addressed has meant that social welfare planners have had to be concerned with the conditions affecting the willingness of independent organizations to engage in cooperative activities with each other.

The purposes of the present paper are twofold: (1) To identify some of the major variables that affect the interorganizational activities of social welfare organizations; and (2) to describe the actual interorganizational patterns of one such organization, a county board of public assistance.

Conceptual Framework

The major theoretical orientation of the present study is the social systems approach to formal organizations as initially developed by Selznick and Parsons. A useful definition of social systems is offered by Katz and Kahn who view them as:

... the patterned activities of a number of individuals. Moreover, these patterned activities are complementary or interdependent with respect to some common output or outcome; they are repeated, relatively enduring, and bounded in space and time... The stability or recurrence of activities can be examined in relation to the energic input into the system, the transformation of energies within the system, and the resulting product or energic output.
When an organization is viewed as a social system one's attention is immediately directed to two areas of activities that characterize all social systems: The first pertains to the production of an "output" (i.e., the performance of a function) and the second to the insurance of a supply of "energic inputs" (i.e., resources) so that the system will be able to exist over time. 7 Students of organizational behavior frequently place a higher priority on one or the other of these activities, depending upon whether they concentrate on the purposeful, goal-seeking behavior of organizations or their system-maintaining activities. 8 Aside from the question of which activity is given more importance at any given time, there is clear agreement that organizational functioning and survival require that both concerns be in the forefront of the thinking and actions of administrators. That is, one can expect that the bulk of an administrator's time will be spent either in maintaining a sufficient and stable supply of resources, or in insuring that the product or service produced by the organization is functional to the needs of some group. 9

These characteristics of the organization as a social system have a direct bearing upon the capacity and willingness of an organization to engage in interorganizational activities. Namely, this approach to organizational behavior suggests that an organization's willingness to relate to another organization will be a direct function of the extent to which that other organization can affect either its inputs or outputs. 10 For the social welfare organization the major inputs are money, personnel, clients to serve, and some form of sanction from the larger community. An organization can be expected to direct its external activities to those organizations that either control the supply of these resources or have surpluses of one or more of these resources that they are willing to exchange for something else. The outputs of welfare organizations fall into two general categories: The first contains those agencies which provide outputs that directly meet the consumption needs of its clientele (e.g., agencies providing money, housing, employment, child care); the second contains those agencies that provide "social services," which, in turn, are usually defined as some form of counseling or therapy directed toward altering the behavioral patterns of individuals, groups, or neighborhoods. Welfare organizations, then, can also be expected to direct their external activities to other organizations that might impinge upon these outputs; these could include rival organizations that offer the same or similar outputs, or organizations whose services are complementary or supportive.

This theoretical orientation suggests, then, that the interorganizational relationships of social welfare organizations will
be guided by two concerns: (1) The need to maintain or expand a resource base, and (2) the need to insure the utilization of the organization's services. Moreover, there is some agreement in the literature that the maintenance of input resources will be paramount since organizational survival is directly and immediately dependent upon that.

Statement of the Problem

This conceptual framework was used to guide an empirical investigation of the factors associated with the pattern of interorganizational relationships engaged in by a county board of public assistance (hereinafter, the CBA). Specifically, this approach suggests two questions that should be asked of any organization's patterns of interorganizational relationships: (1) To what extent is the organization's activities with other organizations directed toward those organizations that control its resources; and (2) to what extent does it relate to organizations that affect its services, either in a competitive or complementary manner?

These questions served as the general hypotheses for the present study. This general scheme was then applied to the CBA in order to develop specific working hypotheses. There are two major characteristics of the CBA that have a direct bearing on the general hypotheses. The first is the structural location of the CBA within a state-wide department of public assistance. As such, the CBA is not an independent organization, but instead is a "branch" of a larger organization. The major implication of this fact for the present study is that the vast bulk of the input resources of the CBA are controlled by one organization, the parent state agency. Since organizations can be expected to direct their major interorganizational efforts toward maintaining stable input resources, it was hypothesized that the CBA would be a "vertically oriented" organization, i.e., it would have limited interactions with organizations in its immediate environment and direct its attention upward to the parent agency.

The second characteristic of concern here is that the CBA, while not a new organization, was at the time of the present study (January, 1972) attempting to launch a new function, namely, the delivery of social services by a public assistance agency. This meant that the CBA had to establish a functional role for itself in an existing service network. Given the second general hypothesis that organizations will relate to other organizations which affect their outputs, it was specifically hypothesized that the interorganizational relationships that the CBA did engage in would be directed toward agencies which were complementary or
supportive of its service activities.

If the conceptual scheme developed here has validity, then one can expect that the actual pattern of interorganizational relationships engaged in by the CBA would differ markedly from the one that could be predicted on the basis of the CBA's official program goals which placed a strong emphasis on extensive interagency relationships. A major change in the public assistance program in recent years has been the "separation of cash from services," i.e., the administrative separation of the provision of money payments from the delivery of social and rehabilitative services. The CBA in question had been in the forefront of this activity, and at the time of the present study had been operating on a separated basis for four years; that is, it consisted of two completely separate units, a money payments division and a service delivery division.

In addition, the service delivery division of the CBA was experimenting with a new program for the delivery of services. Among the many unique provisions of this program was the requirement that, in addition to directly providing services to its clientele, the CBA would take an active part in mobilizing existing community services on behalf of these clients, and also work with other organizations on the creation of new services to fill gaps in the existing system of services. This last aspect of the CBA's program made it an excellent subject for an examination of interorganizational relationships since it was operating under an explicit mandate to relate to other welfare organizations with the goal of maximizing the services available to its clients.

Methodology

Since complex organizations consist of both a "formal" (i.e., official) and an "informal" (i.e., operational) structure, research on organizations must take account of two major sources of data: The official statements and formal structural arrangements of the organization, and observations of the actual behavior of organizational members. Accordingly, the present study relied on both official and informal sources of data for measuring the interorganizational relationships of the CBA. The official sources include the formal structure of the organization (e.g., what resources were allocated for interorganizational activities, at what hierarchical level were these activities located), the stated goals of the CBA regarding interorganizational relationships (e.g., written policy, the views of administrators), and formal arrangements with other organizations (e.g., written agreements or contracts). The major source of data on the actual operations of the CBA in the interorganizational area came from interviews with all
personnel who had responsibility for administering, supervising, or delivering social services. These individuals were asked to report on the frequency and purpose of all interagency contacts they were involved in for the six-month period prior to the interview.16

A second methodological concern related to the operationalization of the dependent variable, i.e., how to measure "contacts" with other agencies. For the purposes of the present study the aspect of interorganizational contacts that is of most concern is the extent to which these activities are indicative of a sharing of resources between organizations with a consequent heightening of organizational interdependence. The underlying continuum here is the degree to which the sharing of resources involves a lessening of autonomy on the part of each organization, particularly in the area of internal decision-making processes. 17 At one end of this continuum are exchanges that involve little or no intrusions upon organizational autonomy (e.g., contacts for the purpose of sharing information about one's own services or gaining information about the services of other organizations), while at the other end are exchanges that involve a major inroad on organizational decision-making (e.g., joint programs, contractual arrangements). This variable was termed "purpose of contact" and was measured at an ordinal level: Information (low interdependence), service (moderate interdependence), and joint activity (high interdependence). 18 In addition, a measure was obtained of the frequency with which a particular organization was contacted.

Data Analysis

This section will start with the data derived from reported interorganizational contacts by CBA personnel and move on to data on the official, structural arrangements for interorganizational activities within the agency. Table 1 presents the data on the total number of organizations (by auspices) contacted by CBA personnel during the study period. The total figure of 183 takes on greater meaning when compared with the total number of health and welfare agencies located in the county (as listed in a local health and welfare directory) which is 157. One can assume, then, that CBA personnel contacted every significant agency in their immediate environment and many beyond county limits. The distribution of auspices reflects the nature of the health and welfare system in the United States (and especially in the Northeastern states where the CBA is located) in which the voluntary agency is still the dominant mechanism for the delivery of services.

Table 2 presents the distribution of agencies contacted by auspices and the frequency with which they were contacted. 19 The
<table>
<thead>
<tr>
<th>Auspices</th>
<th>No. (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Voluntary</td>
<td>94 (51)</td>
</tr>
<tr>
<td>Public</td>
<td>52 (29)</td>
</tr>
<tr>
<td>Federal</td>
<td>2 (1)</td>
</tr>
<tr>
<td>State</td>
<td>14 (8)</td>
</tr>
<tr>
<td>County/City</td>
<td>20 (20)</td>
</tr>
<tr>
<td>Religious</td>
<td>21 (11)</td>
</tr>
<tr>
<td>Commercial</td>
<td>16 (8)</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td>183 (100)</td>
</tr>
</tbody>
</table>

**TABLE 2**

**RELATIONSHIP BETWEEN AUSPICES OF ORGANIZATIONS CONTACTED AND CONTACT RATE**

<table>
<thead>
<tr>
<th></th>
<th>Voluntary-</th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>CONTACT RATE</td>
<td>Public</td>
<td>Religious</td>
<td>Commercial</td>
<td>TOTAL</td>
<td></td>
</tr>
<tr>
<td>Low</td>
<td>40 (77)</td>
<td>102 (89)</td>
<td>15 (94)</td>
<td>157 (86)</td>
<td></td>
</tr>
<tr>
<td>Moderate</td>
<td>11 (21)</td>
<td>11 (10)</td>
<td>1 (6)</td>
<td>23 (13)</td>
<td></td>
</tr>
<tr>
<td>High</td>
<td>1 (2)</td>
<td>2 (2)</td>
<td>0 (0)</td>
<td>3 (2)</td>
<td></td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td>52 (100)</td>
<td>115 (100)</td>
<td>16 (100)</td>
<td>183 (100)</td>
<td></td>
</tr>
</tbody>
</table>
major conclusion to be drawn from these data is that, while CBA personnel engaged in extensive contacts with a wide range of agencies, these contacts were not intensive in terms of the number of contacts with any one agency. Over three-fourths of the contacts fell in the "low" contact rate category, meaning that the vast majority of the agencies contacted were contacted by a few workers (less than one-fifth of the service staff) and on an infrequent basis (less than once a month). These data suggest a pattern of agency contacts that can be characterized as extensive but superficial.

When contact rates are broken down by auspices of the contacted agency a pattern of higher contact rates with public agencies is revealed. That is, nearly twice as many of the contacts with public agencies fell in the moderate-high categories, as did the contacts with voluntary and religious organizations (23 per cent compared to 12 per cent).

The data in Table 3 lends further support to the possibility of a pattern of extensive but superficial exchanges. The overwhelming bulk of contacts were for the purpose of obtaining service for clients. In the public sector more than half the agencies were most frequently contacted for service, while in the voluntary-religious sector this occurred in three-fourths of the cases. Joint activity was listed as a frequent purpose in a very few instances, indicating that the CBA, as predicted, was not engaged in intensive interorganizational relationships.

When purpose of contact is correlated with the auspices of the contacted organization it can be seen that auspices does not seem to play a role in determining contacts for the purpose of information; the distributions are fairly similar across all categories. However, in the service category, voluntary-religious organizations are contacted more frequently than public ones. The most notable difference appears in the joint activity category which is given as the purpose for contacting publicly-sponsored organizations twice as often as it is for the voluntary-religious organizations. Once again, the data point to a different pattern of relationships with public as opposed to other kinds of organizations. In this case, the difference becomes most pronounced as the upper-end of the scale of interorganizational exchanges. That is, at the level of information gathering the personnel of the CBA were just as likely to contact a public organization as a voluntary-religious or commercial one. At the other end of the continuum, however, when it came to pursuing more collaborative kinds of relationships the workers were twice as likely to pursue joint activities with public agencies than with voluntary-religious ones, and pursued none with commercial organizations.
TABLE 3

RELATIONSHIP BETWEEN AUSPICES AND PURPOSE OF CONTACT

N = 183
No. (%)  

<table>
<thead>
<tr>
<th>AUSPICES</th>
<th>PUBLIC</th>
<th>RELIGIOUS</th>
<th>COMMERCIAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>INFORMATION</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>None</td>
<td>35 (68)</td>
<td>88 (77)</td>
<td>12 (75)</td>
</tr>
<tr>
<td>Less than 50%</td>
<td>9 (17)</td>
<td>14 (12)</td>
<td>0 (0)</td>
</tr>
<tr>
<td>More than 50%</td>
<td>8 (15)</td>
<td>13 (11)</td>
<td>4 (25)</td>
</tr>
<tr>
<td>Total</td>
<td>52 (100)</td>
<td>115 (100)</td>
<td>16 (100)</td>
</tr>
</tbody>
</table>

| SERVICE |        |           |            |
| None  | 9 (17) | 18 (16) | 7 (44) |
| Less than 50% | 15 (29) | 13 (11) | 1 (6) |
| More than 50% | 28 (54) | 84 (73) | 8 (50) |
| Total | 52 (100) | 115 (100) | 16 (100) |

| JOINT ACTIVITY |        |           |            |
| None  | 34 (65) | 99 (86) | 16 (100) |
| Less than 50% | 15 (29) | 15 (13) | 0 (0) |
| More than 50% | 3 (6) | 1 (1) | 0 (0) |
| Total | 52 (100) | 115 (100) | 16 (100) |

*The unit of analysis that this table is based on is the total contact experience with an organization. For example, Agency X may have been contacted by four different workers, with each worker listing multiple purposes for contacting the organization. Contact experience refers to the aggregate of these contacts; the total number of contact experiences, therefore, equals the total number of organization visits. (Continued)
zations contacted, i.e., 183. Thus, the upper-left-hand cell of the table reads as follows: Of the total number of contact experiences in the public sector (i.e., the total number of public agencies contacted), 35 (68%) were not contacted for the purpose of information; going down the column, the next cell reads that in 9 (17%) of the contact experiences information was listed as the purpose less than half the time; and so forth.

CBA personnel were also asked to complete a questionnaire that asked, among other things, what they thought their "unique competence" was in their jobs. Content analysis of the responses produced the following four categories: (1) The services provided by the respondent's unit (e.g., family counseling, housing, home management, etc.); (2) the worker's skill in helping people; (3) knowledge of public welfare procedures; and (4) knowledge of community resources. Nearly one-half of the 27 line workers listed either service of the unit, worker's skill, or knowledge of agency procedures as their unique competence, while only three listed knowledge of community resources. (The remaining nine listed a wide range of activities as their unique competencies.) This suggests that the modal orientation of line workers in the CBA is toward activities performed within the organization.

This inward orientation became more pronounced as one moved up the agency hierarchy. At the supervisory level only two of the five unit supervisors specifically mentioned knowledge of community resources as a unique competence, and only one of the five had developed guidelines for interorganizational activities in that unit. At the level of the executive and deputy-executive positions, the orientation was entirely toward internal agency operations. The only activity initiated at the executive level pertaining to interorganizational relationships was a community-wide meeting to introduce the agency's new program; there were no additional activities to follow this up.

A second major source of data was derived from the structural arrangements made within the CBA for the pursuit of interorganizational relationships. The official program design for the CBA's service system called for the creation of a "service mobilization unit" that would be at a hierarchical level directly below the
service division manager, and on the same level as the chief of the
direct service operation. The functions of this office were to (1)
insure the availability of existing community services to CBA clien-
tele, (2) to stimulate the development of new services, and (3) to
enter into formal contractual relationships with other organizations
for the purchase of services.

The actual experience of the CBA with setting up and operating
the mobilization unit deviated markedly from these guidelines and
offers insight into the place of interorganizational activities in
the structure of the agency. When the service system was first in-
stalled the mobilization unit was not set up as a separate unit, but
put under the supervision of a community operations unit; when this
proved unsuccessful the unit was moved to the direct service unit.
It was not until six months after the service system had been in-
stalled that a separate mobilization unit was created in line with
the original guidelines.

In addition to difficulties in the location of the unit, the
staffing pattern never conformed to the guidelines. The individual
assigned to the position of service mobilizer had the organizational
rank of a line-worker. Therefore, regardless of the location of
the unit in the organizational hierarchy, its overall importance was
considerably diminished by the failure to appoint as head an indivi-
dual with sufficient authority. Moreover, no additional personnel
were assigned to the unit.

The result of these decisions was to transform the unit from a
line-operation with an organizational position and staff that would
have made it comparable in importance to the direct service unit,
to a minor staff-operation consisting of a single individual with
an ambiguous position in the organizational hierarchy and no direct
involvement in the line-operation of the agency. The service mobi-
lizer became dissatisfied with this arrangement and left the agency
a few months after the unit had been set up as a separate entity.
Moreover, this vacancy was not filled for four months, meaning that
for most of the time covered by the present study the mobilization
unit was inoperative. Because of the failure to make this unit
fully operational, the CBA only entered into three contracts with
outside agencies during the first year of operation of the new
service system. This is a low level of activity in this area con-
sidering the importance attached to contractual arrangements for
the delivery of services in the official guidelines.

Implications for Planning

These data offer general support to the first hypothesis guid-
ing the present study that the CBA, as a "vertically-oriented"
organization, would have little involvement with organizations in its functional and geographic environment because of its dependence upon a parent body for the supply of virtually all major resources. Because of this, it was not possible to test the second hypothesis since there was not enough collaborative activity engaged in by the CBA to discern any patterns. The support offered for the first hypothesis, however, points to some important implications for planning.

As noted earlier, planners have always recognized the importance of interorganizational coordination because of their orientation to the complex causes of modern social problems. The present study hypothesized and documented a structural explanation of the causes of interorganizational coordination. Namely, an organization’s capacity to engage in interorganizational activities will be a function of its location vis-à-vis its major providers of resources. The CBA in the present study is typical of most public agencies in that it is located within a vertically-oriented, corporate structure. Its orientation can be expected to be upward (to the parent body) and inward (to internal operations) because of this. Therefore, if the causes of poor interorganizational coordination are structural, then the solutions must also be structural.

One such structural solution has been proposed by White and his colleague who argue that organizations should be provided with funds that can only be used for the services of other organizations. 20 This would be a way of attaining the goal of system integration that is informed by what is known about the behavioral dynamics of organizations. That is, it shifts the focus of intervention from the organization itself to the input constituency of the organization. In the case of the agency studied in the present research, this analysis suggests that the appropriate level for intervention is the parent body of the county board, i.e., the state agency. In order to get the local agency to shift its orientation from a vertical to a horizontal one, it would be necessary for the parent body to take an active role in specifically directing the use of funds.

If this analysis is correct then the current trend in domestic national policy toward decentralization of policy-setting and decision-making to local levels of government (the "new federalism") can be expected to exacerbate the already high degree of fragmentation in service delivery systems. A traditional approach to program integration in the past has been the guidelines surrounding the granting of federal funds to the states and localities; these guidelines have always placed a high priority on program coordination and integration as a condition of the receipt of funds. To the
extent that the "new federalism" pursues a strategy of "no strings attached" funds, then one can expect that the kind of internally-oriented behavior that characterized the public assistance agency in the present study to become more prevalent.

NOTES


3 The research study upon which this paper is based is reported in the author's unpublished Ph.D. dissertation, "The Effects of Patterns of Interorganizational Relationships on the Delivery of Social Services," Graduate School of Social Work and Social Research, Bryn Mawr College, 1973.


7 Parsons refers to this as a "double functional reference:"

Most functionally specialized organizations are agencies for the production of outputs other than the enhancement of their own solidarity . . . At the same time, they have the problem of maintaining their own solidarity. The latter may necessitate a different set of factors than the for-

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9 Parsons defines an organizational output as "an identifiable something which can be utilized in some way by another system; that is, the output of the organization is, for some other system, an input." "Suggestions for a Sociological Approach . . .," 63.


16. The preferred method would have been to do direct observation of the actual interorganizational contacts of all agency personnel; this, however, would have required a longitudinal study which was beyond the resources of the present study. The fact that all data concerning interagency contacts is derived from interviews and is based on the respondent's memory of these contacts for a six-month period constitutes a shortcoming of these data which places some restrictions on the kinds of interpretations that can be made. However, since it can be assumed that any errors due to memory will be randomly distributed among the respondents, and these data were used to establish an overall pattern for the organization as a whole, this method was considered acceptable.


18. Respondents were asked to describe the purpose of each contact with an outside organization. Content analysis was then done on these descriptions, with the following guidelines used for ranking the contacts: (1) Information - telephone contacts, informal meetings, letters, all for the sole purpose of obtaining information about the service of other organizations, or sharing information about CBA services. (2) Service - referrals to other agencies, follow-up contacts after referral, acting as an intermediary to facilitate obtaining service for a client, informal meetings around a case. (3) Joint activity - formal case management in which joint decision-making occurred, the development of a joint service (e.g., a common intake), contractual arrangements to purchase service from other organizations. Aiken and Hage (p. 914) argue that purchase of services should not be considered a form of joint activity since it does not involve sharing of organizational decision-making power. The experience in the social welfare field, however, particularly in the relationship of the federal government to state and local governments via the grant-in-aid programs, suggests otherwise. The purchaser of a service is in a position to affect the internal operations of the provider organization by imposing requirements on how services are to be offered, who should receive them, and under what conditions.

19. "Contact rate" is a two-variable index made up of the number of times an agency was contacted and the number of different workers making the contacts. The formula for weighting these variables is presented in Gummer, "The Effects of Patterns . . .," 95-97.

20. White, Levine, and Vlasak, 186.