Expanding Nonprofit Governance Research: Linking Actor-Network Theory with the Dominant Coalitions Perspective

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Over the past decade, several scholars have highlighted the need for new perspectives and research on nonprofit boards and governance (e.g. Renz, 2006; Stone & Ostrower, 2007; Cornforth, 2012, 2013; Guo, Metelksy & Bradshaw, 2013). Renz and Andersson (2011, 2012) respond to this call by reintroducing the concept of the dominant coalition to the study of nonprofit governance. Renz and Andersson’s perspective challenges scholars to dismantle and examine power-relations inside and outside the boardroom. What needs to be dismantled is the black box of who really governs a nonprofit organization. Rather than assuming that the board is always at the center or in control and authority of the governance process, they argue more research is required to open the black box of governance politicking, power struggles, and actual board behavior and decision making. To progress research about nonprofit boards and governance, they suggest scholars may need to go beyond the established frameworks and images and begin to pull in alternative views and ideas to better comprehend questions such as who really governs.

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While the dominant coalition lens provides an alternate entry point, Renz and Andersson also note scholars need to explore and examine it from multiple perspectives, and that a key questions to answer is which additional theoretical perspectives are likely to be more or less useful in understanding the dominant coalition and, therefore, the larger phenomenon of dominant coalitions in nonprofit board governance. The purpose of this paper is to highlight one such theoretical perspective, actor-network theory (ANT) and discuss how it brings interesting and useful insights to the study of dominant coalitions as well as nonprofit governance. In brief, ANT is deemed a useful complement to the dominant coalition perspective because, analytically, ANT focuses on elements such as the ways in which actant networks overcome resistance and strengthen internally, how they gain coherence and consistence; how they enlist others to invest in or follow the program; how they bestow qualities and motivations to actors; and how they become functionally indispensable. All of these features are of great interest when considering dominant coalitions and nonprofit governance.

In the subsequent section we provide a general overview of ANT and present two central ANT concepts: transcription and enrollment. The purpose of this paper is to focus on the latter of these concepts and apply it to a critical governance incident - the firing of a founder of a cooperative. We assess this incident from a “conventional” nonprofit governance lens, a dominant coalition lens, and an ANT lens to show how these lenses help illuminate different aspects of nonprofit governance.

**Actor-Network Theory**
ANT is useful because it can be used to examine a broad ecosystem of communication and can include a multitude of what ANT researchers term “actors” or agents: “… any actors—cell phones, blogs, people, and so forth—that have the ability to act and do act within the network” (Potts, 2010, 285-286). Spinuzzi describes ANT as, “a materialist, non-Cartesian approach and as such it does not draw lines between humans and nonhumans,” (Spinuzzi, 2007, 50). In such a way, ANT is radically symmetrical. One of the most startling features—and its most defining—is this symmetry among actors, human and nonhuman alike. That is, rather than human-centered theory, which place a premium on human agency and activity, ANT supports a broader examination of actors—both big and small—and is useful for analyzing and understanding the networks that support an organization, itself a network and an actant (Latour 1992; Latour 1999; Mara & Hawk 2010; Spinuzzi 2007). Because it has enrolled many actors including governments, employees, funders or investors, etc., a large corporation or a university could be a stronger, more robust network than a small business or cooperative like the Public House:

Each actant enrolls the others; that is, it finds ways to convince the others to support its own aims. The longer the networks are and the more entities that are enrolled in them, the stronger and more durable they become.

(Spinuzzi, 2007 p. 49).

This symmetrical, non-Cartesian approach is sometimes troubling as it politicizes material artifacts, even seemingly mundane texts like memos, emails, signs, etc. ANT is useful because it gives us a way to consider acts of enrollment—the ways humans and nonhumans work together to accomplish tasks and, importantly, build networks. The
following paragraphs will look at the links between transcription and enrollment. At the human-nonhuman level, enrollment and translation occur to create and strengthen networks.

_Transcription and Enrollment_

Transcription and enrollment are important concepts to many actor-network approaches as they provide language to talk about the linkages between actor: what it means to be enrolled in a network,” how these “little actors become big actors” by “translating the interests of other actors and enrolling them,” often through exchanges of power, money, commodities, obedience, etc. (Myers, 1996, 12). Transcription is the act of translation of interests that occurs at the site of the writer and reader. An actor-network approach to writing attends to a broader range of actors to account for the social, political, material, and economic implications of the network.

Myers explains actor-network theory’s concern with the role of transcription as a part of network enrollment,

In an analysis based on actor-network theory, attention shifts from the writer as subject to a range of other potential actors constructed in the text, and to text itself as a circulating artifact. The text makes complex links between various kinds of actors, links we understand and draw on without thinking about them. (26).

Myers’s view of text as “circulating artifact” resonates with Latour’s text as “circulating reference.” Both see the act of transcription as part of the enrollment and translation
process: exchanges and links of power. To demonstrate the importance of transcription in exchanges in power Myers uses actor-network theory to examine the texts of the Heysham nuclear power stations in Ireland:

The plant is kept safe, if it is safe, by written plans, testing procedures, monitoring systems, record keeping, and training manuals. It is marked as dangerous, if it is dangerous, by reports on health statistics, techniques for interpreting those statistics, estimates of seepage and diffusion and currents, models of decontamination, routes of trucks and trains. Plans for energy needs and costs argue for it, financial accounts that include decommissioning argue against it. (6-7).

The plant’s reality is transcribed and translated into manageable, transportable artifacts. Discourse makes a cut into the plant’s reality that goes beyond the text, but is made accessible to humans via a network of texts. Myers’s examination resonates with Latour’s emphasis on scientific instruments as inscription devices (Latour ????, 28-29; Pickering, 1993, 564). Latour writes, “Yes, scientists master the world, but only if the world comes to them in the form of two-dimensional, superimposable, combinable inscriptions” (29). Latour and Myers show discourse not as a neutral tool, but as a way of understanding and capturing a moment of reality.

Texts are integral to enrolling objects in a network. Two examples of an actor-networked approach to enrollment, on very different scales, are Latour’s door-closer and the Heysham power station. Myers first draws uses Latour’s example to show that both
small and large systems operate through the same complex of enrollment. Myers sums up Latour’s famous door-closer example:

First, people build walls. But they need doors to get through them. But doors need closing. They could hire a person, a groom, to do this job. But they delegate this job to a machine. Now that the machine is broken, a text must be substituted to enroll the passing door user in closing the door.

(Myers, 1996, 13).

On a much larger scale, Myers then demonstrates that the Heysham nuclear power station, though vastly larger and more complex, relies on the same processes of enrollment as the unassuming door-closer:

The same processes of delegation are going on in the safety system of the Heysham nuclear power plant. Machines are substituted for humans watching, texts substituted for humans directing, organizations speak for individuals; the whole system can be seen as a complex of the human and nonhuman. (14).

The plant should be understood to be a part of an ongoing process of enrollment and disenrollment. Myers’ description of the Heysham station accounts for its imbrication in the social and cultural network around the object and for a range of humans and nonhumans actors.

Myers’s and Latour’s work are examples of enrollment and transcription. Actor-network theory could help reflect on human-nonhuman interactions by providing a framework for accounting for the totality of the material world, rather than focusing
solely on the human agent acting in the world. This broad ecological analysis is especially useful when accounting for political change in an organization, to begin to analyze the role people, texts, places, narratives, objects, and the whole web of enrolled actors that makes up an organization. The fundamental symmetry of actor-network approaches makes it well fit in an analysis of large ecologies, whole systems involving humans and nonhumans, including texts.

**Examining A Critical Governance Incident: The Firing of A Founder**

In order to begin to comprehend how ANT can contribute to the field of nonprofit governance we seek to analyze ANT using a critical governance incident. The critical incident technique (CIT) is a widely used qualitative research approach and is recognized as an effective exploratory and investigative tool (Woolsey, 1986). As its name suggests, CIT involves the study of critical incidents e.g. significant instances of a specific activity, as experienced or observed by the research participants. Analyzing such instances in detail it enables researchers to look for patterns and to seek insight into how and why people engage in the activity.

A critical incident implies something beyond normal activity, for example, a major crisis or turning point. According to Flanagan (1954, p. 338) “an incident is critical if it makes a ‘significant’ contribution, either positively or negatively to the general aim of the activity’ and it should be capable of being critiqued or analysed”. For this paper we focus on a critical governance event: the firing and exit of a founder of an organization in Milwaukee. We decided to use this event because firings are entangled in governance in
multiple ways involving issues such as accountability, authority, and strategic leadership. The subsequent section will describe the particular incident in more detail.

Riverwest Public House Cooperative

The Riverwest Public House Cooperative (Public House) has a two-tiered pyramid structure (riverwestpublichouse.wordpress.com). The top tier consists of member-owners, individuals who have bought into the cooperative by paying a fee. Membership privileges include participating in member-only events, voting in elections, and other privileges, some of which are dictated by state law (riverwestpublichouse.wordpress.com/membership/; Zeuli and Cropp n.d.). The second tier consists of the Workers’ Collective and the Board of Directors.

The Workers’ Collective, a collective of autonomous workers that includes bouncers, bartenders, an inventory coordinator, an events coordinator, and a finance team, manages the RWPHC. The Workers’ Collective is responsible for the daily operations, scheduling, bookings, and stock of the bar. In addition to working closely with member-owners, the Collective responds directly to the Board of Directors. Recently, a pseudo-manager has been instated to supervisor the bar.

The Board of Directors is a group of nine members democratically elected by co-op members in open elections and is dictated by Wisconsin state law as legally responsible “for the co-ops continued viability” and accountable to the member-owners.
While the Board is legally accountable for the actions of the cooperative at the state and federal level and oversees the Workers’ Collective, the workers manage the day-to-day operations of the bar, from hiring and training, to inventory and events. Though the Board of Directors shares the burden of legal responsibility, the bar operates exclusively by collective management. Additionally, the bar supports a full bartending, cleaning, auxiliary, and door-tending staff.

**The Firing**

A founder, “Sophia,” was recently fired. Sophia was integral to the founding of the Public House, having worked on the idea from its conception. However, Sophia was a self-admitted alcoholic and at times, while intoxicated, would act inappropriately. During her tenure as the financial officer, the Public House went through an intense financial crisis including unpaid bills and missing deposits. While Sophia was not implicated in the crisis explicitly, because of behavior and suspicion, several people on the board and in the Workers Collective (she was a member of both) were unhappy with her. Following a series of write-ups by the manager, Sophia was first suspended by the board, who then provided the Workers Collective with a mediator to decide whether to reinstate, suspend, or fire Sophia. After a brief meeting with a mediator, it was unanimously decided that Sophia’s employment would be terminated.

**Looking at “The Firing” From Different Perspectives**
In this section we will examine the firing incident from three perspectives and discuss how bringing in additional perspectives help illuminate and open up the way we approach and understand nonprofit governance.

*The “Conventional” Perspective*

The terms “firing” or “termination” primarily occurs in the conventional governance literature as part of a particular board role i.e. nonprofit boards must fulfill their fiduciary as well as legal responsibilities and perform such tasks as hiring and firing the executive director, ensuring that the organization’s mission is protected, and so on. Yet, after searching the existing literature we found little nonprofit governance research focused on the dynamics or process of firings. One exception is Hartenian (2007), who analyzed circumstances and behaviors associated with the termination of nonprofit volunteers (but not managers or other paid staff). There is however plenty of research focusing on various factors that can be important to understand when trying to comprehend and analyze firings, for example, founder’s syndrome (e.g. Block & Rosenberg, 2002), nonprofit “scandals” (e.g. Gibelman & Gelman, 2001), properties of executive transitions (e.g. Allison, 2002) as well as accountability and oversight dimensions including nonprofit risk-management-, fraud detection-, and internal control systems and practices (e.g. Greenlee et al, 2007; Petrovits et al, 2011).
Overall, the existing “conventional” literature is very useful for bringing context and formal boundaries to nonprofit governance. However, it can sometimes be overly normative, a bit static and/or focused on structure, inputs and output rather than the dynamics that help explain and bind these elements together. Greenlee et al (2007), for example, studied fraud in the nonprofit sector and found that 72% of the fraud cases they examined resulted in termination, and goes on to offer practical advice how to boost accountability by improving board quality, buy insurance, and have an audit committee. Interestingly, the authors also note that seven percent of the fraud cases resulted in no punishment, and when they asked why they received answers such as “fear of bad publicity” or “internal discipline sufficient”. Despite, at least from our perspective, the interesting governance implications of these statements the authors did not examine them in any further detail.

The Dominant Coalition Perspective

Board research is sometimes accused of being involved in ideal models with assumptions far from practice, and thus, what is needed is research and insights into what is “actually going on” when we talk about governance. Renz and Andersson’s (2011, 2012) emphasis on dominant coalitions offers one step in this direction. A key question from a dominant coalition perspective is “who really governs a nonprofit?” and in order to answer it one must start to examine the political dynamics surrounding the formation of alliances and partnerships as well as how do power differentials among board members and other stakeholders influence nonprofit governance processes and outcomes. Hence, one way to understand disparities between what boards are expected to do and
what they actually do can be explained by power relations. Renz and Andesson argue that process studies integrating decision-making inside and outside the boardroom are very much needed, as we still know little about how power and influence inside and outside the boardroom contribute to nonprofit governance.

To comprehend the firing from a dominant coalition perspective it is essential to conduct our observing and theorizing based on what has/is going on in practice (rather than only making assumptions based on simple models) by exploring the politicking and strategizing in and around the boardroom, and how the stakes of various actors are balanced in reality. Which are the power sources and techniques applied by various actors, including the dominant coalition? Hence, a central premise of the dominant coalition perspective is that we must to consider both interior and exterior aspects of dominant coalitions. Thus, we must continue to develop our capacity to explore and analyze the power, behavior, processes and consequences of the dominant coalition as an entity/agent as it relates to governance, non-coalition members, and organizational outcomes, and we must also continue to work to understand and examine the role of power and influence etc. within the dominant coalition itself i.e. the governance of the dominant coalition.

Given “Sophia’s” role as a founder, Renz and Andesson (2013) would also suggest her firing is a particularly interesting governance incident as founder-driven dominant coalitions are an especially important and common form of dominant coalition in the nonprofit world, due to the fact that every organization begins with a founder or set
of founders who bring together some (often small) group of people to help them establish and develop the organization. Thus, unlike other types of coalitions that may but do not necessarily have to emerge at particular points later in the ongoing life of the organization, founder-based coalitions are a natural part of the start-up stage in the life of the organization.

At this very early stage, little empirical nonprofit governance research based on the dominant collation perspective exists. However, with its emphasis on human agency, power and coalitions it necessitates opening the black box of actual board member and stakeholder behavior to fully capture who really governs nonprofit organizations and how.

The ANT Perspective

Actor-network theory is especially useful here because, as we will see, the intensely social aspect of the Public House—a business that doesn’t have a pre-conceptualized structure of itself like a conventional business may have at the ready—these shifting networks of humans and nonhumans help to see how the business takes shape and changes over time. An analysis of a termination event as it unfolds can provide insight into how these kinds of big, political decisions are made a board level. Using actor-network theory’s non-Cartesian approach to understanding networks of political alliances allows us to trace power, “the political/rhetorical movements of complex heterogeneous networks” (Spinuzzi, 2007, 51).
Importantly, actors include texts and the individual founders. The founding actor network of the Public House is a mixture of individuals with different experiences, motives, values, and levels of expertise. Together with documents like bylaws and codes of conduct they formed a network that was stable and powerful. Other actors like “contractor,” “Common Council,” or “lender” could be temporarily enrolled through translation of goods and services, but this continually re-made network of founders formed a dominant coalition that largely controlled the organization. Renz and Andersson identify several key issues with founder-driver dominant coalitions, including high levels of influence and long-lasting impact on the structure. Even when, as Renz and Andersson go on to point out, founders may not be seeking this level of influence, for a democratically elected Board of Directors and an organization that strives to represent its membership, this influence may be problematic. Actors are enrolled for a variety of reasons and purposes and as long as they are continually enrolled into the network, their position is stable. Over time, as the business evolved, founders leave and new enrollments are added to the networks.

Change

In this instance, as the founders left and enrollments changed, people began to relate to the organizational texts differently. They did not share the relationship to the texts that the original founders had. For example, the employee handbook is a relatively new document that came about because of tension over expectations of employees. The handbook was then enrolled into the new network through multiple connections and with a variety of rhetorical consequences. This is also the case with the newly formed incident
report, a document meant to function both horizontally and vertically by empowering the employee to take autonomous action in a situation and to inform the board of any issues in the Public House. Through transcribing a situation’s reality, employees were able to frame a scenario, to give it an authenticity to be acted upon by the Board. It goes to say that whomever wrote and submitted the incident report could, however unintentionally, reconstruct the scene with a bias. And just as new texts were newly enrolled in a growing and changing network, so to the Finance Committee and other founders enrolled into the new, stronger networks and shifted their allegiances to the texts.

However, other actors had fewer enrollments—fewer connections—and were thus enrolled in a weaker network. The same is true of the text entitled “Manifesto,” an older document that traces back to the very beginning of the Public House). So too with founders. Sophia found herself with fewer enrollments and a weak network, while new personnel like “experienced bartender” had multiple enrollments and thus a strong, stable position across the network, again, as long as “experienced bartender” was continually re-enrolled.

Firing

This change of enrollments led to the dissolving of a network. While actors could be re-enrolled again or enrolled in another network, for a multitude of reasons, they were not. The reconfiguring of the founding network and the dissolution of connections rendered Sophia in a weak position.
First, incident reports were submitted by the workers complaining of Sophia’s behavior, including violation of the business’s new Safer Space Policy. These incident reports went to the manager who issued write-ups and submitted the write-ups to the board. Second, members of the board acted upon those write-ups by suspending Sophia, then “empowering” the Workers Collective to act. Finally, the Workers Collective unanimously voted to fire Sophia. The dissolution of the old founding network was complete.

The incident report, the Safer Space Policy, and the manager were all newly enrolled actors with multiple connections, their interests translated across numerous nodes including the Workers Collective, the board, and member-owners. In these networks they held more power than Sophia’s appeals to an old network. Left without enrollments, Sophia was removed completely.

**Conclusion**

In this paper we have sought to expand the opportunities of the dominant coalition perspective for studying nonprofit governance by illuminating views and ideas from actor-network theory. According to Renz and Andersson (2011), scholars need to explore and examine the dominant coalition idea from multiple perspectives to determine which theoretical perspectives are likely to be more or less useful in understanding the dominant coalition and, therefore, the larger phenomenon of dominant coalition in nonprofit board governance. One of the theoretical perspectives they propose is social network theory, which could help answer questions such as: How are dominant coalition members linked
to each other and what is the nature of these relationships? Social network theory is indeed a strong perspective for understanding the power of human relatedness, and the advantages and opportunities made possible due to a person’s position.

ANT also encourages and enables scholars to take seriously the agency of nonhumans (machines and texts, among others) by showing how an ANT network can be conceived as a heterogeneous amalgamation of textual, conceptual, social, and technical actors. Rather than only focusing on human actors ANT uses the concept actant(s) to represent any agent, collective or individual, that can associate or disassociate with other agents. ANT is thus interested in how actants themselves develop as networks and become nested within other networks.

We illustrated the usefulness of ANT by examining a critical governance event: the firing of an organizational founder. An ANT analysis of this firing event as it unfolds reveals that network changes at the board level made it possible to firing a founding member who at one time held power. What this analysis reveals is the evolution of the network: it is ultimately Sophia’s lack of translations and enrollments in the new, robust network that enabled the Workers Collective and the board of directors to displace her completely.

Overall, paying close attention to the political and power-focused lens offered by the dominant coalition perspective, and combine it with an ANT lens is considered a promising approach for nonprofit governance research. Because ANT can be considered
as much a method as a theory it informs both the conceptual frame used for interpretation and guides the processes through which networks are examined.

References


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