



**THE STRENGTH OF STRONG AND WEAK TIES:
Building Social Capital for the Formation and
Governance of Civil Society Resource Organizations**

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by Darcy Ashman, L. David Brown & Elizabeth Zwick

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Abstract

Strong civil societies, composed of diverse community groups and non-governmental organizations, are increasingly seen as necessary for the robust economic growth and effective democratic governance of countries. Typically, however, financial and other resources for civil society organizations are scarce. This paper compares the founding and governance of eight resource-providing organizations in Africa, Asia and Latin America to show such organizations can be created and sustained. A clear conclusion is that social capital, in the form of social relationships within and between diverse social groups, is pivotal for success. Based on the comparative analysis, suggestions for founders of new civil society resource organizations are offered.

Introduction

Civil society resource organizations (CSROs) address critical social problems like poverty, ill-health and environmental degradation in Africa, Asia and Latin America by providing financial grants and other resources to those grassroots, community-based organizations (CBOs) or non-governmental organizations (NGOs) working directly on such issues. Legally constituted as foundations or trusts, CSROs are indigenous civil society organizations which support other civil society organizations in their common struggles for social and economic development.

A major challenge for CSROs is that they must perform two different functions in order to be effective: generating financial resources with which to make grants, and making grants to civil society groups and

organizations for social purposes. This dual nature, which CSROs share in common with US community foundations (Hall, 1989), requires them to bridge two very different constituencies: the relatively resource-rich world of elite groups, businesses and donor agencies who can provide funds; and the relatively resource-poor world of social development agencies and the marginalized farmers, urban squatters, women or other poor who will utilize grants and resources to improve their lives. The challenge of bridging these divergent organizational environments of resource-mobilization and grant-making can be managed by building and maintaining relationships with people and organizations in both environments. Through these relationships, CSROs gain the resources, information and social legitimacy necessary for accomplishing their missions. These types of relationships, which undergird social cooperation among as well as within organizations, are so valuable for long-term effectiveness that they have been named social capital (Coleman, 1990; Putnam, 1993).

Building social capital across diverse environments like these is not easy. In many societies, people most easily associate with others like themselves (Blau, 1994; Granovetter, 1973). Mutually beneficial cooperation occurs more readily among people of similar social identities who are relatively equal and share common bonds such as profession, ethnicity, family, status or recreational interest. Such relationships are often characterized by emotional bonds of friendship, intimacy and reciprocity, and they tend to endure over time—earning them the name ‘strong ties’ in social network theory (Granovetter, 1973).

In contrast, ‘weak ties’ tend to be more instrumental, less frequent and less intimate. They are more common among people who are unequal and socially heterogeneous (Putnam, 1993; Blau, 1994; Ibarra, 1993). People with different values, interests, degrees of power and ways of interacting often find it more difficult to find common bonds which will build trust. Such relationships are more likely than strong ties to be threatened by conflicts or domination unless parties can learn ways of overcoming their differences through mechanisms such as friendship (Uphoff, 1992), intermediaries who perform bridging roles (Brown, 1993), or participatory decision-making (Brown & Ashman, 1996, 1998 forthcoming reference). However, weak ties which connect otherwise socially isolated groups have been noted for their capacity to bring new information and resources that would otherwise not be accessible (Granovetter, 1973).

Many organizations in both for-profit and non-profit sectors are governed by socially homogeneous and interconnected individuals recruited through formal and informal social networks, whether they be social movements, professional associations, social clubs or families (Blau, 1994). Yet if CSROs are too homogeneous and over-associated with either the resource generating or grant-making environment, they can fail to bridge the two environments effectively—and risk becoming irrelevant to their own missions. Over-alignment with the perspectives of poor and marginalized constituencies can lead to alienation from the priorities of financial resource donors and managers, which in turn leads to the declining availability of funds for grant-making. But over-compliance with demands of donors and financial managers for certain kinds of projects, strict financial accountability and quantifiable results of social development projects can lead to grant-making relationships which are perceived by recipients as controlling rather than supportive of their development priorities and processes. In the first scenario, CSROs become irrelevant because they lack the funds to make grants, while in the second, they may continue to make grants but fail to establish legitimacy with key civil society constituencies—and come to be seen as instruments of elite or foreign domination (Ylvisaker, 1987).

This study compares eight civil society resource organizations in seven countries to see how they dealt with the challenge of building social capital across such different environments. The authors analyze the formation and governance of the CSROs in order to identify the common strategies which enabled them to raise and disburse funds and other resources for social development. The findings are relevant to practitioners who work

with CSROs, as well as to scholars of civil society organizations interested in how social capital supports social development.

Methodology and Case Summaries

The cases used in this study were selected to represent successful examples of civil society resource organizations operating in developing countries throughout the world. The cases were developed by the Synergos Institute, supported in part by a grant from the Ford Foundation, as part of a long-term program focused on developing resources which would support local poverty alleviation projects by civil society organizations. The Institute developed a series of questions to guide the creation of each case and hired consultants familiar with the CSROs to write them.

Each CSRO accorded the casewriters full cooperation in collecting data and examining early drafts of the case studies. The casewriters used data from interviews, annual reports, newspaper articles and other archival sources in preparing their cases. Drafts of cases were discussed by the CSRO staff, board and other key stakeholders, and were revised to reflect increased understanding and improved information from those discussions. The casewriters and CSRO leaders were also able to discuss all the cases and emerging lessons at a conference that brought them together with other experts prior to the final revisions of the cases.

Table 1 briefly summarizes the eight cases to be considered in this analysis. It provides information about the missions, programs and resources of each CSRO. The CSROs were anywhere from four to 32 years old at the time the cases were written. Four cases are in Central and Latin America, three are in South and Southeast Asia, and one is in Africa. Their programs support activity in rural and urban economic development, education and environmental conservation. Some also support political advocacy on issues of importance to grassroots populations. Grants for program activities in a recent year ranged from \$500,000 to \$8.5 million.

When the cases were largely completed, the Synergos Institute invited staff at the Institute for Development Research (IDR) to carry out a comparative analysis of the resulting cases. Their goal was to identify lessons on a range of topics pertinent to founding CSROs for those who may want to do so in different settings. The authors of this paper—which is a product of that comparative analysis—sought to compare cases which are diverse in many aspects in order to identify emerging patterns without sacrificing each case's richness as an independent experience. To do so they have used a multiple case comparison approach pioneered by Yin (1994) and by Miles & Huberman (1994). In the analysis below, the authors develop a series of matrices in which the cases can be compared, including a number of the critical issues involved in funding and governing these institutions which must span worlds to carry out their missions.

The economic, political and social contexts in which new organizations are founded provide political and social motivations, as well as material and institutional resources, that are reflected in organizational missions and programs (Weber, 1947; Scott, 1992; Hall, 1989). These cases describe civil society resource organizations which have emerged in very different settings. In addition to being created at different times over a 28-year period, most of the CSROs were created in different countries and regions. They were also created to address a wide range of social problems. But there were also important similarities in their economic, political and social circumstances.

From an economic perspective, all the CSROs were founded in the developing countries of Latin America, Asia and Africa—but in those countries which were *not* among the 'poorest of the poor' by global standards. Indeed, by the standard of total GNP, all the countries were in the top half of the world's countries (World Bank, 1995). All but India fell into the upper or lower middle categories of per capita income. While India as a whole falls into the lowest of the four per capita income categories, it has a very large middle class which

can provide resources to a CSRO like Child Relief and You (CRY). The absence of CSROs in this sample from very poor countries may be the result of an unintended selection bias—but it may also confirm previous work which suggests that some economic surplus in the society is important for the provision of resources to formal organizations (Weber, 1947; Scott, 1992).

Table 1: Civil Society Resource Organizations

Organization	Initial Mission	Programs & Resources Allocated
Mexican Foundation for Rural Development (FMDR) Mexico, 1969	<ul style="list-style-type: none"> • Provide funds for rural agricultural development 	<ul style="list-style-type: none"> • Credit and training to small farmers • \$1.2 million in 1994
Philippine Business for Social Progress (PBSP) The Philippines, 1970	<ul style="list-style-type: none"> • Promote rural development and enable socially responsible business 	<ul style="list-style-type: none"> • Grants, credit, training and marketing assistance to promote area resource management, local empowerment and intersectoral partnerships • \$5 million in 1993
Fundacion par la Educacion Superior (FES) Colombia, 1964	<ul style="list-style-type: none"> • Mobilize funds for university education and research 	<ul style="list-style-type: none"> • Grants and training for education, science, culture, health, income generation and environment • \$8.5 million in 1994
Child Relief and You (CRY) India, 1979	<ul style="list-style-type: none"> • Assist underprivileged children 	<ul style="list-style-type: none"> • Grants and awareness-raising for support to deprived children; sales of cards • \$530, 00 in 1994
Fundacion Esquel-Ecuador (FEE) Ecuador, 1990	<ul style="list-style-type: none"> • Promote self-help of poor and alternative development models 	<ul style="list-style-type: none"> • Grants, credit and technical training for health, income generation and environment • \$675,000 in 1995
Puerto Rico Community Foundation (PRCF) Puerto Rico, 1985	<ul style="list-style-type: none"> • Promote community and economic development, health, education and culture 	<ul style="list-style-type: none"> • Grants for community organizations • \$1.6 million in 1994
Foundation for the Philippine Environment (FPE) The Philippines, 1992	<ul style="list-style-type: none"> • Biodiversity conservation 	<ul style="list-style-type: none"> • Grants and capacity-building for biodiversity preservation and community action on environment • \$2.06 million in 1994
Kagiso Trust (KT) South Africa, 1985	<ul style="list-style-type: none"> • Assist apartheid victims and anti-apartheid movement 	<ul style="list-style-type: none"> • Grants for community-based organizations and development • Amounts not available

The political and legal contexts for these CSROs, while quite diverse, had similarities nevertheless. They were all formed as private organizations and registered as private foundations or trusts in legal terms so they would remain under the control of their founders. While national legal codes differed in many respects, they all offered the option of incorporating as a foundation to achieve social missions, with the right to receive and disburse funds, to enjoy tax concessions for donations and earned income, and to utilize a governance structure independent of the state. In most cases the national government was not involved in founding or governing these CSROs. The Foundation for the Philippine Environment (FPE), in exception to the general pattern, was created jointly by the national government and with bilateral assistance from the US government. Another

exception, the Kagiso Trust (KT), was founded with funds from the European Union (EU) to challenge the apartheid regime in South Africa. Two CSROs, Philippine Business for Social Progress (PBSP) and the Mexican Foundation for Rural Development (FMDR), were created in part to respond to revolutionary movements which, from the perspective of the business community, constituted a threat to social and economic stability.

The social backgrounds of the founders of these CSROs were quite privileged in comparison to the average citizens of their respective countries. Most were founded by individuals from socially elite or professional classes, and many were highly visible leaders in their societies. PBSP, for example, was launched by a network of the top business leaders in the Philippines; prominent church and union leaders in South Africa started the Kagiso Trust. Even the founders of CRY—a middle-class visionary and his friends—were relatively privileged by Indian standards. Contrary to Western experience, these CSROs were not started by extremely wealthy individuals or families—but the social positions of their founders did provide the experience, self-confidence and access to resources that enabled them to conceive and launch ventures which probably would have been impossible to less well-placed individuals.

Comparative Analysis

The following analysis seeks to identify patterns in the early formation and governance experiences of the aforementioned civil society resource organizations. Although the selection of these cases and the design of this research do not permit any firm conclusions about patterns identified, we do believe that any patterns found across such a wide range of cases and contexts are worth further exploration by both researchers and practitioners alike.

The founders of any new formal organization face similar tasks. They must organize themselves by meeting and deciding to form an organization together. They must mobilize resources necessary for the new organization and create governance mechanisms to perform essential responsibilities such as establishing the organization's legal and social legitimacy, generating funds and ensuring accountability for them, as well as providing guidance to staff in accomplishing the organizational mission (Stone & Wood, 1997). The following section compares the ways in which the CSROs dealt with the three tasks of self-organization, resource mobilization and governance.

The founders of the civil society resource organizations in this study are, quite obviously, the individuals and groups who played the most critical roles in the formation of the new organizations. They include the national social leaders and groups who invested their ideas, time, and resources in founding the organizations and who usually became governing board members. They also include the international foundation or government representatives who may not have become board members, but who were directly involved in generating ideas, providing support and mobilizing resources for the new organizations. In fact without international founders in three of the cases, Puerto Rico Community Foundation (PRCF), Foundation for the Philippine Environment, and Kagiso Trust, CSROs probably would have never developed.

Self-organization

The networks of individuals founding these organizations varied in several dimensions. The longevity of social ties is one dimension. In some cases, the individuals who founded the CSRO were members of long-standing social networks; in others, new alliances of previously unacquainted individuals or groups and organizations came together. A second dimension is the sectoral base of network members. In some cases,

members of the founding networks were all from business or all from civil society; in others, they came from more than one sector. A third dimension is the national origin of members of the founding network. In some cases they all came from the country of the resulting CSRO; in others they came from that country and other countries as well.

Table 2 shows the three dimensions for each of the cases. Longevity is shown in the first column. The CSROs in the top four rows were founded by long-acquainted networks of individuals. Both PBSP and FMDR were founded by networks of Catholic businessmen that pre-date the idea of the CSRO; CRY drew on the friendship network of its charismatic founder. In contrast, the organizations in the bottom three rows were created by new networks formed for the express purpose of creating CSROs. To start PRCF, Puerto Rican civil society leaders joined together with a Ford Foundation representative and a Puerto Rican advocacy group in the US. A mixed network of primarily long-standing ties with one new relationship is represented by the Esquel Foundation (FEE), shown in the fifth row. FEE, a Latin American network of development professionals, drew a sympathetic US civil society organization into their founding process.

Table 2: Dimensions of Ties among Founding Members

Case	Longevity		Sector			Nationality	
	Long-standing	New	Market	Civil Society	State	Domestic	Inter-national
FMDR	x		x			x	
PBSP	x		x			x	
FES	x			x		x	
CRY	x			x		x	
FEE	x	x		x		x	x
PRCF		x	x	x		x	x
FPE		x		x	x	x	x
KT		x		x	x	x	x

The other two main columns of Table 2 indicate the sectoral and national bases from which members of the founding networks came. Two networks were grounded in national business communities (FMDR, PBSP), and two others were grounded in national civil societies (FES, CRY). The other networks drew national and international members from a single sector (FEE), or they drew national and international members from civil society and government (FPE, KT). In short, the networks that formed these foundations varied considerably in homogeneity at the start of the CSRO; some networks began as relatively homogeneous networks in both sector and national origin, while others spanned very diverse constituencies from the dual worlds bridged by the CSRO from the start.

The pattern of Xs in Table 2 suggests that longevity and homogeneity are related dimensions. The CSROs in the first four rows have fewer Xs; they were created by individuals in social networks which were both long-standing and homogeneous (based in either the domestic market or civil society). Following Granovetter (1973), we call them strong-tie networks. Conversely, the CSROs in the last three rows show relatively more 'x's' in the last two columns: they were founded by individuals in newly-created and heterogeneous, or weak-tie, networks. FEE, shown in the middle fifth row, may be considered a mixed-tie network because it was composed of both long-standing and new ties and was heterogeneous in nationality.

The relationships holding together the long-standing, homogeneous networks were relatively strong in that they were based on common values and goals and previous experience in associating together for common interests.

Most of these networks founded CSROs in order to increase either the impact, autonomy, or both of the work they were already doing. Conversely, the relationships among members of the newly-created, heterogeneous networks were relatively weak as they were not tested by time, and involved socially diverse individuals with different values and interests. The domestic individuals and groups gained significant financial resources for their purposes by allying themselves with international organizations, who, for their part, achieved their international strategic goals by allying with the domestic groups. The differences in the relative strength of ties among the members of the founding networks had significant consequences for the subsequent organizational development of the new organizations, as the following comparative analysis of their early resource mobilization and governance experiences shows.

Resource mobilization

Three types of resources were required in order to found the organizations and begin making grants: financial resources to maintain the organization and disburse to civil society organizations; informational resources such as expertise in CSRO governance, national legal codes, foundation management and social development work; and legitimacy with influential groups in their own societies. The members of each founding network brought some of the resources necessary for start-up and lacked others. Table 3 shows the critical resource shortages perceived by the leaders of each CSRO at start-up, along with the strategies they used to mobilize them for the new organization.

The leaders of strong-tie network CSROs perceived different critical resource shortages than those in the weak-tie networks. The four strong-tie CSROs needed financial resources and information, while the most common need of the three weak-tie CSROs was enhanced legitimacy in their domestic societies. The leaders of the mixed-tie network, FEE, felt they needed all three.

The second column indicates that similar resources were mobilized through similar strategies. Finances and information were primarily gained through developing relationships with resource-rich individuals and organizations across national or sectoral boundaries. FMDR, PBSP, FES and FEE all contacted international foundations. CRY entered the market sector by starting a greeting card business. The top businessmen of PBSP formed an alliance with a rural priest involved in social development who gave them information about and access to rural poor people. The CSROs which needed to enhance their legitimacy (bottom four rows) primarily did so by recruiting influential and knowledgeable individuals from domestic society for their boards of directors. In addition, the two CSROs with strong connections to NGO communities convened national consultations to validate the new organizations (FEE, FPE).

This pattern of resource mobilization is consistent with the predictions of social network theory (Granovetter, 1973). The strong-tie networks were more likely to need external resources like finance and information. The weak-tie networks, conversely, were formed around relationships which carried finance and information between non-affiliated groups. This lack of affiliation caused the incoming funds to be perceived as illegitimate in the domestic society. This is not uncommon in African, Asian and Latin American societies, where foreign funds often are known to be 'tied' to foreign interests. PRCF, for example, had to overcome its image of being a Ford Foundation project, and Kagiso Trust recruited leading anti-apartheid activists to its board to strengthen its image in the movement.

Table 3: Critical Resource Shortages & Mobilization Strategies

Case	Critical Resource Shortage	Mobilization Strategy
<i>Strong tie basis</i>		
FMDR	Finance	• Contacted US foundation; promoted among Mexican businessmen
	Information	• Contacted US foundation
PBSP	Information	• Contacted international donor for technical assistance grant; rural priest to reach poor
FES	Finance	• Contacted US university & foundations
CRY	Finance	• Started greeting card business
<i>Mixed tie basis</i>		
FEE	Finance	• Contacted US foundations
	Information	• Study tour to US & Latin American foundations
	Legitimacy	• Recruited domestic social leaders to board; convened NGO consultations
<i>Weak tie basis</i>		
PRCF	Legitimacy	• Recruited domestic social leaders to board
FPE	Information	• Study tour to US foundations
	Legitimacy	• Recruited domestic NGO leaders to board; convened NGO consultations
KT	Legitimacy	• Recruited domestic anti-apartheid leaders to board

Governance

Three aspects of governance are important in shaping the direction and effectiveness of any new organization: governance structure, board composition and the nature of emerging conflicts confronting its leaders. All eight new CSROs created governance structures in accordance with their domestic legal codes. They chose one of two main governance structures: a membership-based elected board or a founder-selected board which elected or selected new board members from the community. The membership-based structure was chosen by the two business-based CSROs (PBSP, FMDR) which allowed the founding membership groups to keep control of the organization. The founder-selected model was preferred by civil society founders and their international partners who used their boards to integrate the organizations into the broader communities (Stone & Wood, 1997).

Board composition in foundations and trusts is especially important because board members make final

decisions about grant awards. As the first column of Table 4 shows, in all eight cases, the initial boards were composed of individuals from the domestic-based founding networks. No additional members were recruited by the four organizations founded by strong-tie networks, which is consistent with the nature of strong ties to maintain boundaries between insiders and outsiders. As noted above, the three weak-tie and one mixed-tie network did recruit new members who brought the valuable resource of legitimacy to the new organizations. In addition, FEE and PRCF recruited domestic business leaders who could also help to mobilize funds and technical information for running the organization in the future.

Given the relatively privileged social contexts of the CSROs they also needed to extend their ties with the poor communities and NGOs in their grant-making environments. However, only three recruited board members with expertise in social development (FEE, PRCF, FPE), and those recruited were from well-known civil society organizations and NGOs rather than from the community-based or grassroots groups which were potential grantees. Several CSRO leaders feared that conflicts of interest among potential grantees would paralyze board decision-making.

This suggests that, at the governance level, the new CSROs felt it more important to secure relationships with their resource-generation environments and peers in their social development environments than with their prospective grantees. Instead, they relied on their professional staff to relate directly to grant recipients. In several of the CSROs, this contributed to a shortage of information about the perspectives of social development actors at the governance level and board–staff conflicts over grant-making criteria, as described below. At least two CSROs added board-level consultative mechanisms with community and grassroots groups later in their development (PBSP, CRY).

The CSROs experienced a range of conflicts over time as they gained operational experience and their financial resource mobilization and grant-making environments changed. The second column of Table 4 shows the two different types of conflict at the governance level faced by different types of founding networks. The strong-tie CSROs faced internal conflicts between board members and staff, often related to the value differences between resource mobilization and grant-making. Those founded by weak- or mixed-tie networks faced external conflicts between the organizations and their environments, related to the strategic inflexibilities created in order to bring together their diverse founders.

To illustrate the internal conflicts, the Philippine Business and Mexican foundations experienced tensions between board and program staff over the criteria by which project success should be evaluated. Board members tended to demand quantifiable, often financial, indicators of success, while program staff argued for attention to the qualitative and long-term process-based results of social development activities. The Columbian foundation relied on its vice president for social development to champion social development values with both board and fellow staff members. As all of the organizations relied on external funding, their boards were concerned with demonstrating success and accountability according to the criteria of funders and investors in the market and international foundation constituencies. The conflict in CRY was similar, even though board and staff roles were reversed—CRY’s founder faced a revolt among his volunteer board when he proposed hiring an MBA as executive director.

Table 4: Governance of New CSROs

Case	Board Composition	Emerging Conflicts
<i>Strong tie basis</i>		
FMDR	Businessmen	<i>Board–Staff:</i> Grant-making priorities
PBSP	Businessmen	<i>Board–Staff:</i> Grant-making priorities
FES	University & City Elite	<i>Board–Staff:</i> Social development values
CRY	Friends of Founder	<i>Board–Staff:</i> Hiring MBA as executive director
<i>Mixed tie basis</i>		
FEE	Development professionals; recruited domestic social leaders from academia, business & development	<i>CSRO–Environment:</i> Did not attract expected funding
<i>Weak tie basis</i>		
PRCF	Domestic civil society; recruited domestic civil society & business leaders	<i>CSRO–Environment:</i> Exit of US business with tax law change
FPE	Interim board: USAID, US NGO PBSP Permanent: Recruited Philippine NGOs	<i>CSRO–Environment:</i> Biodiversity mission not consistent with goals of Philippine NGOs
KT	Church leaders; recruited anti- apartheid leaders	<i>CSRO–Environment:</i> EU approval of grants, forced partnering with European NGOs, exit of EU with transition to democracy

Weak-tie organizations, on the other hand, all faced changing environmental conditions which undermined the original strategic fit of the founding agreements. The Puerto Rican Community Foundation's US business partners withdrew when the US tax code was changed to eliminate relevant tax concessions. The foundation lost an expected source of income and eventually dropped one of its program directions. The leaders of Philippine Environment struggled with the implementation of the US-imposed mission of biodiversity conservation, which proved incongruent with the sustainable development needs of Philippine environmental NGOs and CBOs. Kagiso Trust's effectiveness in its early years was limited in at least two ways by its founding agreement. First, its grant-approval processes were unduly lengthened by the EU's insistence that several layers of bureaucracy in South Africa and Brussels be involved. Second, it was forced to partner with European NGOs in its first years of grant-making despite the board's view that there were many competent

South African NGOs with whom to work. Later, and somewhat paradoxically, KT's original alliance with the EU became a liability when the anti-apartheid movement succeeded and a democratic government was established in South Africa. The EU dropped the Trust and re-established relations with the government, leaving it with neither sufficient funds nor a funding constituency to support its work.

FEE, the mixed-tie case, did not report any internal conflicts. As a minority, the business leaders on its board may not have been able to influence FEE's visionary development professionals to accommodate market-oriented perspectives within the organization. FEE valued qualitative and process-oriented grant-making criteria more than the other CSROs. In becoming so strongly aligned with its social development environment, however, it may have misperceived its resource-providing environment. FEE's main problem was a lack of funds when new foundation funding did not materialize. Continuing to find like-minded funders who appreciated their alternative approach to development proved to be more difficult than they expected.

The findings of this analysis are summarized in Table 5. Two different patterns of organizational development, associated with the relative strength of the ties among founding network members, emerge from our comparison of their formation, resource mobilization and governance processes. The first column shows the strong-tie pattern (FMDR, PBSP, FES, CRY). The third column shows the weak-tie pattern (PRCF, FPE, KT). The column in between shows the single mixed-tie case (FEE).

The strong-tie based CSROs were formed by groups of socially homogeneous individuals who shared values and interests which provided the common ground on which to found their new organizations. Shared experience in working together served as a basis for expanding cooperation into a formal organization. Once founded, the key challenges they faced were mobilizing additional financial and informational resources and managing the emerging conflicts between board members and staff over the balance between financial and social development values within the organizations.

The weak-tie organizations followed a different pattern. They were founded by individuals and organizations with diverging motivations and agendas. Domestic founders gained large sums of money for their domestic goals. They did not have domestic business or elite leaders in their networks, so these civil society leaders, NGOs and political activists needed financial resources to support their own resource-providing roles. Funds provided by international governments, foundations or business were influenced by each contributor's interests, defined in the context of their own national societies. As domestic founders did not have the bargaining power to fully assert their own values and interests (Yan & Gray, 1994; Brown & Ashman, 1996), they were saddled with founding agreements which did not fit well with their environments, especially if and when conditions changed (PRCF, FPE and KT). Domestic founders realized that they were not connected well enough to their domestic societies to ensure the legitimacy of their efforts. Their main challenges, therefore, were to expand their ties to domestic constituencies and to manage the conflicts caused by the constraints of their original agreements when environments changed.

The exception to the two most obvious patterns, FEE, shares elements of both and highlights the divergence of the constituencies spanned by these CSROs. FEE has many characteristics of the strong-tie pattern—the relative strength of the ties among founders, the motivations which brought them together and the need for additional financial and informational resources to start the new organization. Its strong ties were regional rather than domestic, however. Despite some degree of shared values and interests, they were relative outsiders in the domestic context, so they behaved like a weak-tie network in recruiting additional domestic leaders to the board of the new organization. Similarly, FEE's major governance conflict—with its external environment—was more typical of the weak-tie cases. Their initial success in contacting like-minded overseas funders may have led them to over-estimate the likelihood of finding more.

Table 5: Organizational Development Patterns of CSROs

	Strong-tie based CSROs (4)	Mixed-tie based CSRO (1)	Weak-tie based CSROs (3)
Formation & Governance Challenges			
<i>Self-organization of founders</i>	<ul style="list-style-type: none"> • Long-standing ties among individuals • Common identities of sector and nationality • Common interests precipitated the formation of CSRO to increase impact or gain more autonomy 	<ul style="list-style-type: none"> • Mostly long-standing ties and one new tie • Common sectoral identities: Latin American regional identities and one US identity 	<ul style="list-style-type: none"> • New ties among individuals and groups • Diverse identities of sector and nationality • CSRO formation precipitated by desire of domestic groups to receive large sums of money for activities and for foreigners to fulfill strategic interests
Implications for Resource Mobilization			
<i>Primary perceived needs</i>	<ul style="list-style-type: none"> • Financial resources • Information 	<ul style="list-style-type: none"> • Financial resources • Information • Domestic legitimacy with business and civil society 	<ul style="list-style-type: none"> • Domestic legitimacy with civil society
<i>Primary mobilization strategies</i>	<ul style="list-style-type: none"> • Extended ties to international foundations 	<ul style="list-style-type: none"> • Extended ties to international foundations • Recruited new board members • Convened NGO consultations 	<ul style="list-style-type: none"> • Recruited new board members • Convened NGO consultations (1)
Implications for Governance			
<i>Board Composition</i>	<ul style="list-style-type: none"> • No additional recruitment 	<ul style="list-style-type: none"> • Recruited leaders from business, academia and civil society 	<ul style="list-style-type: none"> • Recruited leaders from civil society and business (1)
<i>Emerging Conflicts</i>	<ul style="list-style-type: none"> • Internal conflicts between board and staff 	<ul style="list-style-type: none"> • Did not attract expected financial resources 	<ul style="list-style-type: none"> • Conflicts between organization and environment negatively impact mission

Discussion

Social network scholars have long debated the relative value of strong and weak ties for social groups and organizations. Granovetter (1973) argued for “the strength of weak ties”, emphasizing that close-knit social groups need external ties to gain new resources such as money and information. Taking an opposing stance, Krackhardt (1992) demonstrated “the strength of strong ties”—how personal bonds within relatively large formal organizations are related to successful organizational change. This comparative analysis of eight civil society resource organizations suggests that, for similar reasons, both kinds of ties are important. Strong ties provide the social cohesion and weak ties provide the new resources organizations need for the successful implementation of their missions to raise and disburse funds for social development. These organizations, which straddle such divergent environments, highlight the advantages of both strong and weak ties.

Strong and weak ties are two different forms of social capital, broadly understood as the norms and networks of trust and cooperation in society. In contrast to Putnam (1993), who finds that social capital is a self-perpetuating phenomenon, unlikely to be created in social contexts where it is historically absent, this analysis suggests that the theory of strong and weak ties may be used to illuminate how new social capital can be created.

Social capital can be built across divergent environments, especially when founders further develop their relationships with external constituencies or extend themselves to create new relationships in the hope of compensating for the limitations associated with their original ties. Founders in strong-tie networks need to develop and extend weak ties with new funding partners whether they be donors, investors or customers. Founders in weak-tie networks, on the other hand, need to strengthen their connections with influential leaders in their domestic societies in order to gain the legitimacy which will validate their roles as domestic civil society actors.

The analysis of the cases suggests that domestic founders have a choice regarding when and how to initiate the weak ties which bring finances and information. Most of the domestic founders chose one of two strategies: they either created their organizations and then forged new relationships as additional resources were needed, keeping them external to the organization, or they included resource-rich partners in the initial founding processes. With the first choice, the CSROs faced on-going pressure to mobilize new financial resources, but, since they shared common values and past experience, the founders were sufficiently like-minded to steer the organization in new directions when appropriate and manage emerging internal conflict. The second choice brought a different bargain: they faced little or no pressure to mobilize financial resources, but their strategic flexibility was severely compromised by their original agreements with international donors. Neither path was easy, but both choices were potentially viable. New CSRO founders, if prepared for the predictable consequences of each choice, may be more effective in meeting the challenges of resource mobilization and governance.

Further research is needed to validate these findings, of course, but to the extent that practitioners wish to apply the insights of this analysis, we offer suggestions to three groups who may be most interested: founding networks of new CSROs, international donors considering supporting the founding of new CSROs, and current CSROs and their advisers on funding or governance issues.

Members of founding networks of new CSROs can assess the relative strength of the ties among themselves in order to predict the types of additional resources they will need and the kinds of governance challenges they will face. If networks are composed of like-minded members without large or guaranteed financial resources,

they can use the weaker ties that members have to external individuals and groups able to provide the necessary resources. In many of the cases, outsiders who nevertheless shared some kind of social identity with network members, whether sectoral or national, served as conduits to needed resources.

Founding networks in relatively poor countries face greater difficulties in mobilizing domestic resources for their organizations. They may wish to follow the volunteer model of CRY, if domestic philanthropy patterns support it, or a mutual solidarity model, favored by social movement foundations in the US. These models start out on a relatively small scale but allow founders to maintain the integrity of the organization's identity and programs.

If, on the other hand, founders are domestic groups who have partnered with international donors in order to gain access to large sums, they should negotiate flexible founding agreements that will serve the long-term needs of new organizations. This is easier said than done, as it is often difficult for domestic civil society groups to mobilize needed bargaining power or to predict the areas for which strategic flexibility will be important.

Donor agencies providing large sums of money internationally could give greater priority to the values and interests of their CSRO partners than their own strategic interests. Again, this is not easy: the strategic international agendas of governments and corporations are constructed to serve their own self-interests, which are strongly influenced by their domestic environments. Yet if the purpose of international cooperation is to foster creative solutions to crucial social problems in other societies, international donors need to encourage flexible responses to problems—responses that make good use of local knowledge and capabilities.

CSRO leaders and their advisers expect to face certain types of conflicts in the life of the organization. At the governance level, strong-tie CSROs which have composed their boards of business representatives can expect on-going conflicts between market priorities and social development values. The demands of financial resource generation and management pull board members towards the market priorities of financial progress and accountability; relationships with potential grantees pull the operational staff to value the qualitative and process dimensions not easily measured by financial indicators. A better understanding of the sources of such conflict may ease some of the tension surrounding the internal debates. More importantly, such understanding may enhance capacity to use the conflicts to fuel more creative solutions.

CSROs based on strong ties among visionary development professionals, like FEE, may need to do some critical research to determine the probability of finding on-going funds. If funds are not forthcoming, grant-making roles can be scaled down in favor of other types of resources which can be provided on a voluntary basis. Finally, leaders of weak-tie CSROs may wish to build relationships with resource-rich constituencies in their own societies. Although it may not be easy to mobilize new funds when already well-funded by international sources, connections to domestic sources of funds can serve as insurance against changing conditions which may bring severe challenges to organizational identity and relevance. At the same time, such involvement can help to strengthen the commitment of relatively well-off individuals and groups to support the development of their own societies.

Conclusion

Civil society resource organizations can play vital new roles in strengthening the capacity of civil societies in Africa, Asia and Latin America to promote social and economic development within their own countries.

Their success depends, in part, on their ability to develop the social capital which will enable them to span constituencies historically separated by huge social and economic differences. Organizations which bridge such diverse environments in the interest of social problem solving face demanding futures, and require strong leadership and strategic flexibility (Brown, 1993). Successful CSROs must also develop the capacity to learn from their experiences in resource mobilization, governance and grant-making so they can craft strategic responses to internal conflicts and external shifts—shifts which would otherwise undermine their distinctive contributions to social and economic development.

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