

Organisational environment and NGO structure in Mexico and Portugal: what does the literature tell us?

Nuno Themudo

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***E-mail: nunothemudo@yahoo.com**

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"MANAGERS AS ARCHITECTS DESIGN work processes, create work groups, and specify hierarchy and procedure. They configure and structure organisations, combining available resources to achieve economically and socially desirable objectives. Then, as builders, they implement designs in organisations. Managers of nonprofit organisations engage in organisational design and construction by creating and filling positions, and combining paid staff with volunteers. They may concentrate decision making for key areas of strategy in small groups or diffuse it widely.[...] Organisational design and design implementation are core management responsibilities in any organisation because they can have enormous consequences for organisational effectiveness. That is, how well an organisation is 'put together' can affect its performance" (Kushner and Poole, 1996:119)

1. INTRODUCTION¹

In this paper I review relevant NGO, nonprofit and organisational theory literature. These literatures contain insights into the research problem - the relation between organisational structure and environment in NGOs. The review of the existing literature revealed three main types of deficiencies. The first is a lack of empirical research on the relation between organisational environment and structure in NGOs. There has been extensive research on this topic in the general organisational literature, but very little has been said about NGOs in particular. The second deficiency in the literature refers to weaknesses in studies previously carried out in the area. This study tries to build on them contributing new insights to the research area. The third is a general lack of descriptive material on NGOs when compared to other types of organisations, particularly in countries of intermediary development. Together these deficiencies in the literature provide the basis for the research objectives and a justification for this study.

Both the NGO and the nonprofit literatures are reviewed here because of (a) the general lack of academic research on the management of NGOs when compared to nonprofits and (b) the often artificial division in the literature between NGOs and

nonprofits (Lewis, 1999). Traditionally, the literature on NGO management has been considered a subset within the wider literature on nonprofit management. It has been argued, I believe correctly, that the management of NGOs shares much in common with the management of nonprofits working outside the development field (Billis and MacKeith, 1993; Fowler, 1989). The comparison between NGOs in an aid recipient (Mexico) and aid giving country (Portugal) called for a review of the literature of third sector organisations in both the South and the North. Mexico and Portugal escape easy slotting between North and South. Thus, NGOs working in these countries do not fall easily into definitions of NGOs or nonprofits based on work in developing vs. developed countries respectively (e.g., Billis and MacKeith's (1993) definitions).

The paper is divided into two main areas of literature review. The first relates to the analytical component of the research problem, that is, the relation between environment and structure in organisations. The second relates to the empirical context for the study – Mexico and Portugal. The paper begins by reviewing the literature on NGO structure. Given the general lack of research in this area, the following section reviews organisational theory in search for hypotheses about NGO structure. Next, from organisational theory Resource Dependency Perspective (RDP) is selected and described as providing a good conceptual framework to analyse the research topic. Two studies, which applied RDP to understand NGOs (Hudock, 1997;

¹ Nuno Themudo is a PhD candidate working at the Centre for Voluntary Organisation, London School of Economics and visiting researcher at the Programa Interdisciplinario de Estudios del Tercer Sector, Colegio Mexiquense. He is sponsored by the Programa Praxis XXI, Fundação para a Ciência e a Tecnologia, Lisbon.

Natal, 1999), are described and provide the basis for an understanding of the research topic. These studies did not however apply RDP to understand NGO structure. That is the aim of the present study. The second part of the paper reviews the existing literature on NGOs and nonprofits in Mexico and Portugal. Very little empirical research has been undertaken in this area. One study in particular looked at environmental NGOs in Mexico (Kurzin-ger et al., 1991). This study was described extensively providing the basis for some hypotheses, which were tested against empirical data.

2. ORGANISATIONAL STRUCTURE

This section examines questions around NGO structure through a review and discussion of selected previous research on the topic. Organisational structure is a fundamental concept in understanding organisation and management. According to an organisational theorist,

“All organisations have to make provision for continuing activities directed toward the achievement of given aims. Regularities in activities such as task allocation, coordination and supervision are established which constitute the organisation’s structure” (Pugh, 1990:1)

The study of organisational structure is at the heart of organisational theory. Again Pugh argues that (1990:ix)

“organisation theory can be defined as the study of the structure, functioning and performance of organisations, and the behaviour of groups and individuals within them.”

One of the most relevant questions for our present research around the determination of structure is whether it can be chosen. This question is related to the problem of management discretion, organisational autonomy and accountability (responsibility). Is structure determined by management or is it determined by external control (of

many different constituencies)? Or to what extent can management be made responsible for the structure of NGOs? To what extent can management be made accountable to the internal ‘regularities’ (structure), which impact organisational performance?

The issue of the influence of environmental variables on management practice is very relevant in a time when NGO accountability is at the forefront of academic and policy discussion (Brett, 1993; Edwards and Hulme, 1995; Fry, 1995; Leat, 1998). To the extent that NGO management is determined by external influences responsibility for NGO performance must also rest with those influences as well as on internal members. The poor performance of NGOs can (and perhaps should) be largely passed on to the ‘external controllers’ of the organisation. This is particularly true in organisations, which are very dependent on their environment for resources. That is the case of most NGOs (e.g., Fowler, 1997, Hudock, 1995). If NGOs are strongly controlled by external factors, financial accountability (and responsibility) is still possible. Strategic accountability on the other hand, can be only tentative because ultimate responsibility for dysfunctional structure and poor performance may lie outside the NGO. Pfeffer and Salanick (1978) mentioned this problem when they stated that we are more used to attribute responsibility to individual rather than situational factors. In the real world is however situational factors may be just as important as individual ones. NGOs and their managers could be made responsible for issues in which they had little impact or control.

The external control of organisations is a serious and unexplored issue in NGO management literature (Hudock, 1997). Much of the legitimacy of NGOs rests with their claim to being ‘non-governmental’ and ‘non profit making’ constituting a third sector of activity often being called the ‘independent sector’. The extreme implication of the ‘external control’ of NGOs is a third sector, which is not independent, used to serve the purposes of the public and commercial sectors.

On the other hand the external control of organisations has serious implications for NGO management practice. Seeking (or building) a fa-

avourable environment may be the single most important contribution of NGO managers to the effective running of the organisation. This is consistent with recent calls for (NGO) managers to be 'enablers' rather than controllers. We have had little theoretical advancement in this area since De Graaf (1987) alerted to the importance of monitoring the environment. In practice, however, some of the NGOs I researched already understand this. Their managers spend most of their time dealing with external issues. The dependence of NGOs on their environment has been recognised in the literature. However, little systematic research has been undertaken in this area (Hudock, 1997).

3. THE STRUCTURE OF NGOS

Despite a rapid growth in the academic literature on NGOs and NGO management the organisational structure of NGOs remains largely unexplored. Research on NGO management has looked, with rare exceptions, only indirectly into structure.

MacKeith (1993) undertook a review of NGO management literature. Research on NGO structure did not feature prominently in her review. She identified four major themes and issues in the NGO management literature. The first theme is the strengths and weaknesses of NGOs and the implications for their role in development. The second theme is NGO organisational problems and the nature of NGO management. The relationship between NGOs and governmental agencies is the third theme. Finally, the fourth theme is the relationship between Northern NGOs and Southern NGOs. It is within the general theme of organisational problems and the nature of NGO management that reference to organisational structure can be found. The references identified by MacKeith (1993) centre around the question of the centralised vs. decentralised structure, the adequacy of a bureaucratic structure, and the pressures for a participatory structure. [expand especially to include the exceptions]

Underlying the theme of organisational problems and the nature of NGO management, there is an important discussion in the NGO and nonprofit

management literature concerning the distinctiveness of these organisations vis-à-vis state and for-profit organisations (Billis and MacKeith, 1993). On the one hand some authors (e.g., Ditcher, 1989) believe NGOs are essentially like any other organisation. They should apply 'nut and bolt' management theory to their organisation before they even consider any distinctiveness. On the other hand, other authors (e.g., Billis and MacKeith, 1992, 1993) have warned against the indiscriminate adoption of other, mainly private, sectors into nonprofits and NGOs. This debate is very relevant because, as it will be shown later in this paper, there is a lack of theoretical development around the management of NGOs. This lack led me to search for relevant theories in the generic organisational literature looking for theories, which could help understand NGO reality. To the extent that NGOs are distinctive theories developed by researching other types of organisations will be less useful. To the extent that NGOs are similar to other organisations, general organisational literature will be more useful. Assessing NGO distinctiveness is therefore an unavoidable aspect of this research.

There is an underlying theme in the literature around the legitimisation of decentralised structures for NGOs. Young (1992) described the tension between centralisation and decentralisation in international advocacy NGOs. He presents the model of federal organisational structure as the most adequate organisational form to accommodate the demands of national diversity and international coordination. Hudson and Bielefeld (1997) also looked into international NGOs. They concluded that their most likely structure is umbrella-like and that unitary hierarchical corporate structures are not likely to be found in international NGOs. Brown and Covey (1987 in MacKeith, 1993) argue that the bureaucratic structure may be inappropriate for the work and internal constitution of NGOs. Instead a multiple bridge structure of connected, smaller, more informal modules may be more suitable. Similar explorations of the relation between central offices and local affiliates can be found in the nonprofit literature (e.g., Bailey, 1992).

In terms of participatory structure, Sheehan (1998) argued that NGO management (and struc-

ture) is often claimed to be participatory, but little has been written on it. This is even more surprising since there is a large number of references to participatory development. Much has been written on the external aspect of participatory development, but not much on the, internal, organisational factors which may be related to participatory development. [why?] He relates a participatory structure to the nature of NGOs' participatory development work

“‘participatory management’ may represent a conscious effort to exercise management authority in ways that are consistent with the broader social values of the NGO. In particular, it may be seen as an attempt to address the management challenges that the task of promoting community participation imposes on an organisation” (p. 25)

Various studies on NGO management challenges indicated the expectations of staff to participate in all levels of decision making (e.g., Billis and MacKeith, 1993), i.e., their desire for a participatory structure. Contrasting with the previous views, De Graff (1987) argued that NGOs should not necessarily adopt a participatory management style (or structure) just because development should be participatory.

In the nonprofit literature, structure and performance have been shown to be correlated. Kushner and Poole (1996) examined 19 nonprofits and concluded that dysfunctions in structure are associated with organisational failure. They also observed that a variety of structures are associated with good performance.

Bordt (1997) represents one of the few works in the literature that directly researched nonprofit structure. She undertook a study on the structure of women's nonprofit organisations in New York. She began by reviewing previous studies on women's nonprofits, which described a division of organisational structures around two ideal types: bureaucracies and collectivities. She then tested the main factors affecting structure (derived from a literature review): ideology, tasks, environment, size, and age as predictors of struc-

ture (p. 55). She found that age was the most important predictor of structure. This finding is consistent with the organisational life-cycle literature (e.g., Perkins, Nieva and Lawler, 1983). It contradicts however Stinchcombe's (1965:143) claim that there is a “correlation between the time in history that a particular type of organisation was invented and the social structure of organisations of that type which exist at the present time”. Organisations that are born during the same era will look alike and will carry that structural ‘imprint’ for the duration of their lives (Bordt, 1997). If Stinchcombe (1965) were correct the older women's organisations should have been collectivist in structure because they were imprinted as such during the early years of the women's movement. Bordt (1997) found the opposite is true. Older organisations were more bureaucratic which is consistent with the ‘life-cycle’ literature (Perkins, Nieva and Lawler, 1983).

Bordt (1997) also found that ideology and tasks were strong predictors of structure. Organisations with routine tasks are more likely to adopt bureaucratic structure than organisations with non-routine tasks. This finding is consistent with contingency theory (e.g., Perrow, 1967). In terms of ideology, more explicitly feminist groups tended to be collectivities. This finding is consistent with a large literature which claims that NGOs (nonprofits) are value driven (e.g., Brown and Covey, 1989; Handy, 1988; Mason, 1996).

More controversial is Bordt's (1997) finding that the environment (state funding and relation with other organisations) and organisational size were not very important factors influencing structure. This finding conflicts with a classic study from the general organisational literature. The Aston Group (Pugh et al., 1976, 1977, 1981) analysed purpose, ownership, technology, size, and dependence on formal structure. This study collected extensive data from organisations in a variety of fields. They concluded that finding that both size and environment were important predictors of structure. The larger the size the more structured the organisation is. This finding contradicts Bordt's conclusions. Also contrary to Bordt's findings, environment is another important influence on

structure. The more dependent on external organisations the less autonomy and the more centralised the decision making.

This conflict between the findings of Bordt and the Aston Group is very important for our purpose of understanding NGO structure. On the one hand the Aston Group's evidence is much stronger than that of Bordt. Bordt (1997) collected her data on 26 nonprofits. She estimated that the population of women's nonprofits in New York is 200. Her sample of 26 organisations is too small for conclusive conclusions to be drawn. In contrast, the Aston Group's experiment is held out as a classic study on organisational structure (Pugh, 1990). Unfortunately, Bordt's (1997) study did not comment enough on this conflict. She referred to previous studies on women's nonprofits (Matthews, 1994; Martin, 1990; Reinelt, 1994) which

"question the inevitability of the impact [of state funding on structure], leaving open the possibility that women's organisations can resist bureaucratic pressure or even affect government structures and practices themselves" (Bordt, 1997:59)

to support the idea that it is uncertain whether the environment has an impact on structure. But Bordt's findings run counter to the growing recognition of the importance of the environment on organisational structure. This view shared by a variety of contemporary theoretical perspectives (e.g., population ecology, resource dependence, new institutionalism) is that structures are created to deal with environmental pressures and that these pressures vary among environments (Meyer, 1992).

Bordt's research focuses on NGOs (nonprofits) and as such her findings may be defended on the grounds that NGO management is distinctive of that of other sectors of organisation, i.e., from general organisational theory. Most of organisational theory ideas have been generated studying large companies (Meyer, 1992). They may be inappropriate for understanding NGOs (Billis and MacKeith, 1993).

There are two main flaws with this argument. First, the idea that NGOs are distinctive has

been used more as a warning about, than a rule against, applying general organisational theory to NGOs or nonprofits. The need for 'nuts and bolts' management theory (Dichter, 1989) has dominated both practice and research on NGOs. It has not led to distinctive theory building or to the rejection of any particular theory from the generic organisational literature. Instead, it has suggested the need to expand some of the existing theories to include some particularities of NGO organisation. We should, thus, question Bordt's findings in the light that they run counter to much of organisational theory, but we cannot instantly reject them because it may be that the environment has some influence but in NGOs that influence is too small to show.

Second, a closer look at arguments for the distinctiveness of NGOs shows that Bordt's study is not controversial in relation to 'distinctive' issues. NGOs have been said to be distinctive because of, for instance, their ownership (Hansmann, 1996), the motivation of members (Etzioni, 1961), and type of activity (public good provision without state power) (Anheier, 1990). Bordt's controversial findings were about size and environment. Not much has been said about the distinctiveness of the environment NGOs are immersed in as a cause of organisational distinctiveness. Could NGOs face a different organisational environment from other organisations and be distinctive organisations as a result? Perhaps an initial answer to this problem revolves around the recognition of multiple constituencies that NGOs face. Contingency theory (Lawrence and Lorsch, 1967) defended that different parts of organisational environment will influence differently different parts of structure. As such the structure will reflect the many different sub-environments facing the organisation. In the NGO literature, some authors have alluded to the impact of these multiple constituencies in changing NGO structure (e.g., Brown and Covey, 1989).

Bordt (1997) found that receiving state funds did not have an important influence on the structure of the nonprofits she studied. This finding goes against much descriptive data on NGOs and nonprofits. There is an important body of literature on the 'contract culture', which contradicts

Bordt's finding that the environment does not have much influence on structure. The argument is that, basically, as nonprofits receive more income from the state in a contract form they become increasingly bureaucratised (see Billis and Harris, 1996). A similar literature exist on NGOs about their dependence on resource providers on their environment, such as official agencies (Edwards and Hulme, 1997) or Northern NGOs (Hudock, 1997).

Researchers on NGOs are increasingly recognising the importance of the organisation's environment. Although the environment has not yet been directly tested as a predictor of structure, references to its impact are common (e.g., Carroll, 1992; Edwards and Hulme, 1992; Hudock, 1995, 1997; Natal, 1999). An important theme in NGO management research is the relation with the state (MacKeith, 1993). There are many references to the possibility of formalisation or institutionalisation when NGOs become too close to the state. One possible consequence is a change from a participatory structure to a bureaucratic one (Natal, 1999). A similar thesis is put forward in nonprofit research and its analysis of the 'contract culture' (see Billis and Harris, 1996). In their research on NGOs Brown and Covey (1989) found that NGOs have multiple internal realities reflecting different external constituencies. They argued for an external as well as internal perspective in the diagnosis of organisational problems. It is often in the external environment that internal problems originate.

The influence of the environment on NGOs goes beyond the problem of resource dependency. It has also been observed that NGOs (nonprofits) are highly institutionalised organisations (Etzioni, 1961). Although Scott and Meyer (1991) did not consider NGOs in particular I would expect NGOs to resemble mental health clinics, schools, legal agencies, and churches as organisations with stronger institutional environments and weak technical environments (technology).

Despite the importance of the institutional environment to NGOs very little research has analysed this relation. Hudock (1997) is a notable exception, providing the most detailed analysis of the impact of the institutional environment on NGOs.

She developed and applied a conceptual framework to analyse the relation between Southern and Northern NGOs. Her framework was based on Resource Dependency Perspective (Pfeffer and Salancik, 1978). She argued that the quantity and quality of relations to resource providers are critical to the resource dependency of a NGO. The more resource providers a NGO has the less resource dependent it is but the more resources it has to spend maintaining those relations. Her work provides a stepping stone for the application of RDP to NGOs, which will also provide the basis for this study. Her work will be described in more detail below.

Hudock's (1997) conceptual framework however was developed to understand relations between organisations and not organisational structure. Thus it is not suitable to the objectives of this study concerned with organisational structure. The original approach used by Hudock was also developed to explain organisational structure (Pfeffer and Salancik, 1978:chapter 9). Very few works have used RDP to understand nonprofits (in May/1999 according to the Social Science Citation Index around 1910 academic publications cited Pfeffer and Salancik' (1978) RDP, but only 10 titles were about nonprofits, none of which was concerned with structure!).

This is an unresolved debate needing more empirical investigation. In particular, the relation between the environment and structure must be specifically addressed. On the one hand, most writings on NGO management ignore the influence of the environment (Hudock, 1997). Even despite the widespread acceptance in the non-management literature that the environment has an important influence on NGOs. Bordt's (1997) study provides a strong reinforcement of this position after establishing a very weak correlation between environment and structure.

Fundamental to the understanding of the relation between environment and structure is the concept of slack (March and Cyert, 1963). Slack permits to buffer the influence of the environment allowing time for adaptation and learning. Slack also permits the loose coupling of (formal) structure and activities. Formal structure can then res-

pond to the environmental demands made on the organisation, while activities can respond to effectiveness imperatives (Meyer and Rowan, 1991). Slack is extremely important if effectiveness is to be achieved in strongly institutionalised environments, where organisations have to devote a large part of their resources to maintaining a structure which gives the organisation legitimacy. Despite the relevance of the concept there has never been a study of slack in NGOs or nonprofits.

4. ORGANISATIONAL THEORY

Until now I have argued that the literature on NGOs and nonprofits does not provide an adequate and thorough examination of NGO structure. Organisational structure has been a perennial research object of organisational theory (Pugh et al., 1990). Looking into this literature would seem like a valuable step toward understanding NGO structure. It seems appropriate to apply the ideas developed in this field to the emerging academic field of NGO management. Organisational theory has often been usefully applied to understand NGO management (e.g., Billis and MacKeith, 1993; Harris, 1995; Hudock, 1997).

The application of organisational theory ideas to NGOs must however be done carefully. Most of its ideas have been generated studying large companies in the US (Meyer, 1992). They may wholly inappropriate for understanding and explaining NGOs (Knoke and Prensky, 1984) and cannot thus be readily applicable to NGOs. While some authors have emphasised the similarities between generic management and NGO management (Dichter, 1989) the NGO literature indicates many potentially distinctive aspects of NGO management. Given that organisational theory has thus far essentially concentrated organisations other than NGOs, bringing in a new type of organisations may yield interesting test to its theories and models. This is one of the objectives in this study. Testing organisational theory models in new settings as well as testing the idea of NGO distinctiveness from the NGO management literature. Also, adding research on NGOs to organisational theorists' databank on or-

ganisations, in and of itself, is another important contribution.

Academic interest on organisational structure is very old. Among the first ideas developed were Weber's concept of bureaucracy and Taylor's scientific management. Weber (1947, original in 1924) outlined bureaucracy as the ideal rational structure for administration. Taylor (1912) emphasised the technical requirements of production as the imperative for structure. Later human motivations of those working in an organisation was recognised as a main drive for organisational structure (e.g., Mayo, 1949; McGregor, 1960).

It was only much later that ideas about the influence of environment on structure originated with contingency theory. The influence of the environment was first understood as technical environment (Lawrence and Lorsch, 1967; Thompson, 1967). Later theories dedicated focused their attention on the institutional environment. These theories include resource dependency, resource mobilisation, new institutionalism, and new institutional economics. Resource Dependency Perspective (Pfeffer and Salancik, 1978) emphasised organisation needs for resources from the environment and the consequent claims for control of the organisation by resource providers. Resource Mobilisation Theory (McCarthy and Zald, 1973) looked at social movement organisations. It emphasises the need for organisational resources by social movement organisations. New Institutionalism (Meyer and Scott, 1983; Powell and Dimaggio, 1991) looks at the processes of institutionalisation (structuration) of organisation. New Institutional Economics (North, 1990; Williamson, 1985) focused on transaction costs to explain organisations. Different institutional settings can affect the cost of transacting and thus affect the choice of organisational forms used.

At it was mentioned above the understanding of what determines organisational structure has been a major field of inquire in organisational theory. Not surprisingly the answer to this problem is controversial. There is a long standing debate over the possible relation between organisational environment and structure. There are three broad positions in this debate. The first states that envi-

ronment and structure are uncorrelated. Structure is determined by other factors, normally internal ones such as motivation or ownership. The second defends that environment (explanatory variable) determines structure (dependent variable).

1. Environment and structure are uncorrelated

Some authors have explained organisational structure ignoring environment. Weber (1947), for instance, emphasised one particular structural form as more efficient, due to rationalisation principles, regardless of context. Bureaucracy would be a more efficient, more rational, structure. McGregor (1966) is another example. A motivational approach (Theory Y, i.e., participatory management) determines the ideal structure applicable to all organisations in all environments.

Other authors, did not address the issue of structure specifically, but a reading of their arguments seem to indicate that they included structure when they referred to organisation in general. Chester Barnard (1948) has a functionalist view of organisation (and consequently its structure). He argued that organisations exist to fulfil a purpose. The structure, thus, is dependent on the purpose of the organisation. It will only be correlated to organisational context when purpose is dependent on context. The main influence on structure is however from purpose. Etzinoni (1961), has a similar view on organisations. He understands organisations as instruments. Thus, their emphasis on performance. The structure, is dependent on the coordinating the kind of power used with the kind of individual involvement in the organisation. Thus a structure based on normative power will be suited for a moral involvement. Tannenbaum (1968), on the other hand, argues that organisations are systems of control of individuals. The structure, this view would imply, serves the purpose of control rather than adaptation to the organisational environment.

2. Environment (explanatory variable) determines structure (dependent variable)

Population models of organisation (e.g., Hannan and Freeman, 1989) are the most radical proponents of the subordination of structure to environment. Based on a biological model of organisations they claim that in an environment of limited resources where different organisations compete for them only organisations with an appropriate structure will survive. Death is the cost of having an inadequate, not adapted, structure. The mechanism is the survival of fittest or most adapted. Inadequate structures will not survive in the competitive environment.

Some authors have emphasised the importance of technology in determining structure (Woodward, 1965; Thompson, 1967). Other authors have emphasised the uncertainty, instability, and diversity of the context in determining structure. For Burns and Stalker (1966) the mechanistic structure is adapted to stable conditions and the 'organic' structure to unstable conditions. For Lawrence and Lorsch (1967) the integration and differentiation (two opposing principles) in organisational structure depends on *uncertainty* and *diversity* of environment. For Emery and Trist (1969) the structure should be designed according to environmental complexity and turbulence.

For Chandler (1977) the evolutions in transportation and integration of markets, which lead to a growth of potential market, have determined the evolution of structures. Thus, the functional structure was succeeded by the multi-divisional structure to deal with the complexities arising from market expansion.

The Aston group (Pugh et al., 1976, 1977, 1981) analysed the impact of purpose, ownership, technology, size and dependence on formal structure (which they defined as the structuring of activities and concentration of authority). The influence of ownership and technology was not very significant. The higher size the more structured. The more dependent on external organisations the less autonomy and the more centralised the decision-making.

Pfeffer and Salancik (1978) developed the Resource Dependency Approach. In essence, the structure satisfies *external demands* (stakeholders or constituencies). External demands are a function of munificence, scarcity, and competition. Structure result of negotiation between external demands and the search for autonomy of internal members.

For New Institutionalism authors (e.g., Powell and DiMaggio, 1991) the institutional demands for legitimacy determine (formal) structure. Mission and efficiency determine informal structure. Slack permits this difference between formal and informal structure.

It is important to note that although the influence of the environment on structure is not as questionable today as it was in the past, there is still a debate around the relative importance of internal and external determinants of structure. Also, "Historically, organisational analysis [including NGOs] has focused attention on internal rather than external aspects of organisations" (Hudock, 1997:chapter one, p.30). This fact leads to a bias in the literature toward internal explanations of structure.

3. Structure determines environment

Is the reverse relation possible? That is, can the structure determine the environment?

Pfeffer and Salancik (1978) believe this is a possibility. Organisations can chose and influence their environments. A department may even exist (in the structure), which is responsible for doing that. By undertaking successful lobbying, for instance, organisations may influence their environment, making it acceptable for structure rather than the other way round.

On the other hand, it has also been said that different parts of the organisation face different environments (or sub-environments, Lawrence and Lorsch, 1967). The structure, different combination of sub-parts in the organisation, will thus determine which sub-environments is the overall environment made of.

These authors have also referred to the importance of environment in determining structure.

So what they are drawing our attention for is that structure and context have a mutually dependent relation, in a cyclical process. "The cycle of contextual effect, organisational response, and new contexts must be examined more fully in the future to describe adequately the external control of organisations." (Pfeffer and Salancik, 1978:concluding sentence)

Lindblom (1959) mentions an aspect, which is important not to understand the relation between the organisational environment and structure but between structure and mission. He argues that very often the structure (means) will determine the mission (ends).

Some more radical approaches have alerted to the fundamental importance of the environment in understanding organisations (contingency theory, population models). Other approaches have enriched the picture of the relation between organisations and their environment by also stressing the ability of organisations to influence their environment (RDP, New Institutionalism, New Institutional Economics). NGOs are not thus just the product of their environment but they also produce it.

Miles and Snow (1984) offered a conciliatory position on the debate between internal vs. external factors affecting organisational structure. They used the concept of organisational strategy as a link between internal and external factors. They argue that there should be a close fit between structure (internal) and environment (external) for effective performance. Strategy should ensure this fit. Since I am interested on the relation between environment and structure, the internal response (strategy) is fundamental to understand this relation. The idea of strategy does not however reduce the need to look into the relation between structure and environment. The idea of 'fit' as a desirable organisational strategy to improve performance is not however unproblematic.

There is a conflict between the idea of fit proposed by Miles and Snow (1984) and the concept of loose coupling advanced by Meyer and Rowan (1991) in the New Institutionalism school. In heavily institutionalised environments (such as in industrialised societies) loose coupling of with

the environment may be the best option to optimise efficient performance. Organisations have a loose coupling with their environment when they shape formal structure according to institutional demands (to comply with institutional 'myths') but shape their actual activities (informal structure) according to performance needs. What would appear then to be a 'misfit' between structure (informal) and environment is an optimising strategy.

5. ORGANISATIONAL THEORY AND NGOS

As we saw earlier an important research on the structure of NGOs, Bordt (1997), found that the environment was not a very good predictor of structure in the NGOs observed. This finding contradicts many organisational theorists claims that the environment is a fundamental influence on structure. Moreover, as mentioned earlier, Bordt's (1997) findings contradict a growing recognition among researchers on NGOs about the importance of the environment in influencing NGOs. This conflict suggests a need for more empirical research in this area.

To gain more understanding about the relation between structure and environment in NGOs an appropriate theoretical framework is needed. There are a number of possible theoretical frameworks in organisational theory. They were briefly reviewed above. This research tries to be relevant to real life issues and is problem based (following the tradition at the CVO for a straight relation between NGO theory and practice). Resource dependency is a widely recognised problem for NGOs (Fowler, 1997; Hudock, 1997; Natal, 1999). In their study of Mexican environmental NGOs, Kurzinger et al. (1991) showed that in a self evaluation of their work, financial dependency was the only problem where the majority of NGOs gave a negative evaluation of their work (see section 6.2 Environmental NGOs).

RDP and its focus on resources, environment, and structure appeared thus as the most indicated approach to look into these issues. RDP has been usefully applied to the study of nonprofits and most

importantly NGOs (Hudock, 1997; Natal, 1999). This study then adds to previous research on using RDP to look into NGOs. It also expands it by looking into a problem, which had not been looked at previously – the impact of the environment on NGO structure.

Hudock (1997) was the first researcher to apply RDP into the study of NGOs. RDP had been previously applied to the study of nonprofits to research executive leadership (Heimovics et al., 1993) and the relation between the state and nonprofits (Saidel, 1991). Hudock (1997) however took the approach developed in a Northern setting and showed that it helped explain NGOs in Sierra Leone and The Gambia. She focused on the relation between NNGOs and sNGOs. nNGOs constituted the main source of resources in the sNGOs institutional environment. She also looked into capacity building efforts made by nNGOs on their Southern counterparts.

Natal (1999) used RDP to inquire into whether receiving funding from the state increased or decreased NGO ability to foster beneficiary participation. He looked into a regional government scheme to fund local environmental NGOs. He found that in the cases that he looked at receiving funding from the state did not reduce NGO ability to promote participation. On the contrary he points to a number of positive influences that state funding had on NGOs which translated into higher participation promotion. State funding, for instance, gave an incentive for NGOs to improve their management and organisation. NGOs were then more capable of motivating and involving beneficiaries in their projects.

Having reviewed the relevant literature on NGOs, nonprofits and organisational theory I will now review relevant literature about the specific country contexts for this study: Mexico and Portugal.

6. THE COUNTRY CONTEXTS: MEXICAN NGOS

There is very little academic work on NGOs or nonprofits in Mexico and even less in Portugal. This is an area lacking in systematic empirical research.

ch. In this section the existing academic work on the NGOs in Mexico is reviewed so as to provide an initial picture of the sector. In the following section, work on Portuguese NGOs is reviewed. The lack of research on NGOs in these two country contexts is an important justification for this study. In particular, only one study has been undertaken on environmental NGOs in Mexico and none on environmental NGOs in Portugal. Moreover, this study intends to compare the two countries as intermediary development countries, that is, countries which do not fit easily definitions of 'North' or 'South', but instead lay somewhere at their edge (Santos, 1997). Both Mexico and Portugal belong to the 'South' of 'Northern' trading blocks, NAFTA and EU respectively. To date, there has been no specific research the NGO sector of intermediary development countries. Although not directly concerned with this issue, this study generated interesting hypotheses to be tested by future research on the NGO sector in intermediary development countries.

6.1 NGO sector

There is very little academic work on the Mexican NGO sector. I draw on findings from Bebbington and Farrington (1993) and Carroll (1992) on Latin America and Landim (1998) for Brazil, in the search for additional clues to help understanding the Mexican NGO sector. Looking at the Brazilian experience can be helpful in understanding Mexico because "Brazil exemplifies the complex set of forces which has given the Latin American nonprofit sector its distinctive flavour" (Anheier and Salamon, 1998:24).

There are three main denominations for NGOs. NGOs could be either 'civil associations' (*asociaciones civiles*), 'private institutions for social assistance' (*instituciones privadas de asistencia social*), or numerous types of popular organisations (*organizaciones populares*) that could come under the group of grassroots membership NGOs, such as cooperatives or neighbourhood associations. The different legal denominations reflect differences in aims, activities, type of constitution, and tax regime.

The history of NGOs in Mexico is yet to be written (CEMEFI, 1991). Bebbington and Farrington (1993b:201) identified three generations of NGO formation in Latin America: (1) the oldest NGOs emerged out of the charitable work of the Church, (2) later NGOs have their roots in liberation theology, community development and Freire's work, (3) the youngest type of NGOs appeared in the mid-1980s and could be denominated 'technocratic' NGOs, which are concerned with implementation and not with politics. Today all generations exist alongside each other, but to a large extent they remain tied to the original motivations. There are interesting parallels between Bebbington and Farrington (1993) account and Korten's (1987) generations (relief and welfare, local development, and sustainable systems development). It is not clear however if Mexico will develop a 'fourth' generation of 'advocacy networks' as predicted by Korten (1990).

In the Mexican context NGO activity probably started in the XIX century and it was restricted essentially to church related NGOs. After the socialist revolution (1910-20) the Mexican state took on social responsibilities of looking after the needs of the poor. Since to a large extent the state was successful in doing so and most social interests where represented in the state civil society never became very strong. There was a general attitude in society that the state should take care of social matters (CEMEFI, 1991).

Mexico City's 1985 earthquake was a turning point in the organisation of civil society. The emergency and the scale of the urgent need in a city with a population of around 20 million people pushed the state's capacity to a limit and civil society was invaluable in its co-operation. Many groups formed to tackle the social problems provoked (or aggravated) by the earthquake, such as homelessness, extreme poverty, poor health conditions. These organisations outlived the immediate relief action, often becoming formal NGOs dedicated to welfare provision (Natal and Themudo, 1996).

Landim (1998) shows that nonprofit law in Brazil reflects the historical tension between the centralised, often autocratic, state and the volun-

tary associations. Under these laws and regulations organisations classified as “public interest utilities” by the state received favourable benefits that went beyond tax exemption. While any nonprofit organisation can be designated as a public interest entity only a fraction of the entire sector has been able to win this designation, which in practice has often been handed out as a political favour. As a result the application of the law became politicised and was used by the state to channel resources to allied groups and organisations. Only since 1990, with the process of democratisation, have legal and administrative changes been put in place to make the law both less restrictive and less political.

Mexico has many NGOs working in its territory, both nNGOs and domestic NGOs. NGOs in Mexico are in general welcome by the state and seen as fundamental partners in development (Kurzinger et al, 1991). The Mexican government has at all administrative levels put much emphasis on civil society participating in the country’s development process. In these conditions we find some NGOs which depend on public funds for about half of their total income (Natal and Themudo, 1996). Those are however exceptions, normally working in welfare services, providing public services on state contracts or grants. As Landim (1998) puts about the nonprofit sector in Brazil it must be seen in the context of a strong state and a weak civil society.

In Latin America, grassroots support NGOs (Carroll, 1992) tend to be staffed by middle class, non-Indian, professionals and are administered by bureaucratic procedures. Grassroots organisations on the other hand tend to be composed of the rural poor, often Indian, and administered through less formal procedures (Bebbington and Farrington, 1993).

The most comprehensive database on Mexican NGOs was elaborated by the Mexican Centre for Philanthropy –CEMEFI (Centro Mexicano para la Filantropía)– and it contains records on 4,400 NGOs (September/1996). This database was compiled by combining the most important scattered state and private databases on NGOs. As elsewhere, NGOs in Mexico are on a clear ascending evolution in terms of number, influence, resources, size (CEMEFI,

1991). This trend appears to be rooted both in the relation between NGOs and the state, the increasing support by foreign donors (mainly US) and between NGOs and other members of civil society both domestic and international. Unfortunately, not enough data has yet been compiled about the impact of Mexico’s entry to NAFTA on the NGO sector.

CEMEFI’s database shows that (in 1996) 78% of Mexican NGOs are located in Mexico City, the capital and large metropolis, which contains only 25% of the country’s total population. Moreover, it would be fair to say that at least another 10% of the NGOs are also located in large urban areas. This tells much about the urban, educated, character of most Mexican NGOs. In terms of areas of activity the study found out that welfare (27.8%) is the most common activity. Education follows (21.2%), health (20.3%), development (13.2%), research (8.2%), environment (3.9%), arts (3.9%), and human rights (1.5%).

Johns Hopkins study on nonprofit sector in Mexico

6.2 Environmental NGOs

In the early 1970s the first environmental NGOs were formed. These were essentially associated with professionals, educated urban citizens, concerned with the large infrastructure development path at the time being pursued by the Mexican state. They emerged as a social movement reflecting similar evolution in other countries such as the US during the 1960s. In the first half of the 1980s when Mexico received more information about environmental movements and the green parties of the industrialised countries the formation of new environmental NGOs intensified (Kurzinger et al., 1991:91).

The first National Meeting of Environmentalists, in 1985, provides a landmark in the history of the environmental NGO sector in Mexico. The growth in number of NGOs further accelerated. Opposition against nuclear power was a strong incentive for the formation of NGOs around this time (Kurzinger et al., 1991). Around this time the threat of the construction of a nuclear power plant

in a very important ecological site, Laguna Verde, aroused the opposition of a number of groups which united against the state project.

The discussion around the entrance of Mexico to the NAFTA, in the late-1980s, appears to have divided the environmental NGOs between those who opposed it and others who saw it as a new opportunity for Mexico's economy and environmental protection. Those NGOs that were against Mexico's joining NAFTA argued against the industrialisation path that would follow. Those in favour of NAFTA believed it was inevitable in the country's development and it would bring new opportunities to tap on the US and Canada's often very strict environmental legislation bringing new environmental awareness to Mexico.

Simon (1997:244) commented about the environmental NGO sector in Mexico

"The part of Mexico that is highly developed, the first world Mexico, supports a small but highly influential group of environmentalists who are concerned about air pollution and urban transportation, but who also worry about global issues like climate change and loss of biodiversity. [...] There is a small academic community that is less public but highly influential in formulating policy. [...] But there is no mass membership organisation or political movement associated with environmentalism in Mexico; by and large it remains an elite issue"

One study, Kurzinger et al. (1991), provides a comprehensive description of the environmental NGO sector in Mexico. Their study generated extensive information about the organisation and the activities of the NGOs and the general Mexican context within which they operate. It constitutes, to date, the only systematic empirical effort to understand Mexican environmental NGOs. As such this study will be extensively described here.

Kurzinger et al. (1991) should be treated as a fundamental introduction to the environmental NGO sector in Mexico. They should also however be treated with caution for three main reasons.

First, the sample base for the study was very small. They collected data from 42 environmental NGOs. Second, the sample was selected trying to cover a wide range of organisations on the basis of the indication of two individuals directly related to NGO work. But, "it was not possible to obtain a representative sample in the quantitative sense" (p. 24). So it is impossible to determine the statistical confidence of the results. They justified this methodology on the grounds that no universe frame existed on all environmental NGOs (p. 24). Third, as Kurzinger et al. (1991) have found, environmental NGOs during the 1980s NGOs were being formed at an increasing rate. This trend probably continued and even accelerated during the 1990s, if it followed a similar pattern to that of most NGOs in Mexico (Chalmers and Piester, undated). Almost a decade has passed since Kurzinger et al. (1991) collected their data and the sector may now be very different from what it was like then. One of the main objectives of this study is thus to collect more descriptive data on Mexican environmental NGOs to fill this important gap in academic knowledge.

6.3 ENGO structure

Kurzinger et al. (1991) analysed NGO structure. The majority of NGOs has constituted themselves as 'civil associations' (*asociaciones civiles*) (p. 92). They tend to be small both in terms of workers (paid or unpaid) and members. Only 5 NGOs had more than 10 workers. Only 7 NGOs had more than 50 members (pp. 91-92). It is notable that, with the exception of three NGOs, all workers were graduates. There is a strong tendency for these graduates to have a natural sciences degree instead of social sciences (p. 92). The majority of NGOs has physical premises, with phone and typing machine or computer. In 14 of 20 cases where the equipment belonged to the NGO, they had international financing. On the other hand none of the 15 NGOs which had equipment belonging to their members received international funding.

The decision making structure of was carefully examined. The dominant form of organisation (in 19 cases of 40) was a "horizontal [structure] that combines the democratic participation of

members with a collective leadership" (p. 92). A horizontal structure also combined with individual leadership (4 cases). A vertical structure, with various hierarchical levels was present both with a collective leadership (5 cases) as individual leadership (3 cases). In other 8 cases one leader dominated a little differentiated organisation (p. 92). The last organisation had a little differentiated organisation with horizontal structure. If we rearrange the information presented by Kurzinger et al. (1991) we can see that 24 cases had a horizontal structure. Vertical structure was present in 8 cases. The remaining 8 cases had a undifferentiated structure. Decision making was collective in 24 cases and individual in 16 cases. These findings would lend support to the thesis that the structure of environmental NGOs like women's nonprofits (Bordt, 1997) can be divided into bureaucracies and collectivities. According to Kurzinger et al. (1991) collectivities would be the dominant structure (more than half the cases), with bureaucracies representing about one quarter of all NGOs and undifferentiated structures being the other quarter.

This tendency toward a collectivity structure conflicts with Bebbington and Farrington's (1993) description of grassroots support NGOs as being staffed by professionals and administered by bureaucratic procedures. According to Kurzinger et al. (1991) environmental NGOs in Mexico tend to be staffed by professionals but administered by participatory, collective, procedures. How can we account for this conflict?

6.4 ENGO environment

Funding is a fundamental aspect of the relation between NGO and its environment. Kurzinger et al. (1991) state that 75% of the cases they looked at had some form of self financing (p. 92-93). Strangely, they say, financing through regular dues from members is very unusual in Mexico (11 cases). Selling of products is an important source of resources (12 cases) as well as consultancy jobs (8 cases). In relation to donations. "Less than one quarter of all cases receive donations (9 cases). That

is due, partially, to the difficulty in being recognised as a public utility organisation" (p. 92).

About half of the NGOs (20) receives funds from Northern NGOs. Official agencies provide funds to 8 NGOs. The smaller support from official agencies is in great part explained by the fact that (at the time of the study) most official agencies preferred cooperation nNGO-sNGO, giving funds to the nNGO which then gave them to a Mexican NGO. The state gives funding to 12 cases, generally supporting specific projects. In five cases however this support implies financial dependency since the state is the single funding provider.

In terms of relations with other (Mexican) NGOs, 75% (29) of the cases cooperate sporadically with other Mexican NGOs; 40% (16) cooperates on a permanent basis with other NGOs (pp. 95-96). Kurzinger et al. (1991) conclude that as a whole the level of exchange among Mexican NGOs is not high. The main benefit of cooperation was information exchange (mentioned in 24 cases). Less important were "strengthening of negotiation power" (16), "undertaking of concrete actions" (15), "moral support" (15), and "personal and infrastructure support" (13). Forty percent of the cases did not belong to any national networks. No network can claim to represent the environmental movement in Mexico as a whole (p. 95).

Seventy-five percent (29) of the NGOs has links with foreign NGOs. The majority of the cases (20) receive financial support from the foreign NGO, 7 receive consultancy support and 2 get lobbying support (pp. 96-97). The geographical origin of the foreign NGOs is split between European (20) and US (19). Contact with Canadian or Latin American NGOs is very small. It is important to note that finance, consultancy and interest support comes exclusively from the relation with NGOs from Northern, or "industrialised", countries. The relation with Latin American NGOs is restricted to information exchange.

Kurzinger et al. (1991:97) noted some criticisms of Mexican NGOs toward their foreign counterparts. In particular there was a disapproval of the tendency of some foreign NGOs to "impose the policies and development themes of the moment" and the general paternalistic behaviour (4 cases).

The short term financing was another complaint (4 cases). There was also specific complaints that some NGOs required too detailed and perfectionist accounts given the small amount involved, which limits the time for actual work. There was also a lack of 'institutional' support, that is, only projects would be supported, but not the minimal infrastructure and organisation of the Mexican NGO.

Surprisingly more than 75% of the NGOs (34 cases) has links with the state, mainly at federal but also state and local level. Thirty percent (12) of all NGOs interviewed receive financial support from the state. Moreover, the fact that 27.5% (11) work as consultants to the state and 22.5% (9) undertakes projects with the state "allows us to conclude that there exists a surprisingly close web of relations between NGOs and the state" (p. 98). Many NGOs 22.5% (9), however, had no relation with the state. Despite the closeness in the relation NGOs-state, there is much scepticism. In 17 cases there were criticisms as to the lack of executive capacity of the state. In 15 cases there were complaints about the excessive bureaucracy of the state. Other complaints were the lack of interest in NGO work (12 cases), repeated efforts to coopt NGO members (10). NGOs were able to mention more than one criticism. Unfortunately, Kurzinger et al. (1991) do not tell us whether the same NGOs made all the criticisms or whether all NGOs were equally critical. Kurzinger et al. (1991) emphasise that one quarter of all NGOs had to face some form of state repression. In 4 cases the repressive actions were specifically directed at the NGO and its members. In a number of cases public demonstrations had been violently dissolved by the police and indirect threats probably done by public officers (p. 98). An issue not explored by Kurzinger et al. (1991) is how do we account for the coexistence of a "surprisingly close web of relations" with the state of the sector and the actual threat of a repressive state. Is the repression directed at specific NGOs, leaving most NGOs unaffected? Or does the threat of repression permeate all relations, so that NGOs know physical force may be used against them?

About half of the NGOs (45%) has contacts with international official agencies. Twenty percent receives financial support and 10% give consultan-

cy to such organisations. Most NGOs (35 of 40) has links with universities, mainly as information exchange. Half of the NGOs (21) have links with the private sector. Twenty percent (8) received donations (financial or in kind). Nine NGOs had relations with the church, normally as intermediary between the NGOs and beneficiary groups. The relation with labour unions is almost non-existent.

Almost half of the NGOs had some link with political parties. These links were however mainly at personal or informal level. The main cause for the lack of official links is the protection of their political independence, avoiding arousing suspicions of political/party dependency (p. 99). Moreover the links with opposition parties could make their work more difficult.

In terms of organisational challenges, financing organisation and activities is clearly the leader (30 of 39 cases). Management and organisation is the next (20). Technical capacity is not a large problem for these NGOs (5 cases mentioned it). Cooptation intents (5) and repression to the NGO (4), repression to the beneficiaries (3) are important obstacles to their work. The lack of time (3) (i.e., lack of labour resources) and the lack of tax deductibility (3) were also important problems. Thus, most NGOs (26) said they required financial support for their management, 22 mentioned they needed financing for projects, 15 mentioned (information) exchange, 11 consultancy and 10 lobbying (p. 146).

One of the most interesting findings of Kurzinger et al.'s (1991) study relates to NGOs's self evaluation. Organisations were asked to evaluate their own (organisational) work. The results are reproduced in the following table:

Theme	Positive evaluation (number of NGOs)	Negative evaluation (number of NGOs)
Conscientisation	26	2
Concrete projects	24	8
Self evaluation	21	2
Collection and processing of information	21	3
Public profile	20	1
Cooperation	19	3
Political weight	16	1
Technical capacity	16	7
Access to target group	15	9
Stopping of harmful projects	13	6
Methodological advances	13	1
Organisational capacity	12	8
Survival as a group	11	2
<i>Financial independence</i>	7	15

Source: Kurzinger et al. (1991:146, emphasis added)

Financial independence was *the only* theme where NGOs gave an overall negative evaluation of themselves. The NGOs were essentially satisfied enough with other aspects of their work so as to give them an overall positive evaluation. However, in terms of financial independence, the negative evaluations more than doubled in number the positive ones. It could then be argued that by and large there is a strong sense of financial dependence in the environmental NGO sector in Mexico. This is perceived by the NGOs themselves.

7. THE COUNTRY CONTEXTS: PORTUGUESE NGOS

This section explores the Portuguese environmental NGO sector. There is no systematic empirical study of the environmental NGO sector in Portugal. This is an important gap in academic knowledge, which this study tries to address. I will draw on a wider literature on NGOs and nonprofits in general to get an initial picture of the sector, which provides us with hypotheses for empirical testing.

7.1 NGO sector

The legal denomination for Portuguese NGOs and voluntary organisations is very complex. In terms of social welfare and development third sector organisations can be called 'social solidarity associations' (*associações de solidariedade social*), social solidarity foundations (*fundações de solidarie-*

dade social), and mutual aid associations (*associações de socorros mútuos*). The 'social solidarity associations' is the most commonly used denomination. In terms of environmental work a different denomination is used: 'environmental protection associations' (*associações de defesa do ambiente*).

Before the socialist revolution in 1974, civil society organisations were largely limited to solidarity organisations run by the Catholic Church. The oldest and most important of these organisations were founded in the early XVI century, at the time when men joining the discovery effort left women and families in need. These organisations were specially oriented to health care provision. After the revolution, however, the Portuguese state took on the 'universalist' and centralised approach to the provision of welfare and took control over the health work done by the church charities. These charities united against an unfavourable post-revolution environment and entered the provision of new social activities mainly concerned with assisting children and the elderly. Today, they have proven to be very flexible organisations providing a very valuable service in those new areas of activity (Carriño, 1991).

After the socialist revolution a number of rural grassroots associations became formalised. The state strongly supported this associativism movement. Recently, from the mid-1980s, a number of new civil society organisations have sprung up. Aware of the limitations of the state in fulfilling the revolutionary promises and under a favourable democratic environment these organisations were formed essentially to complement the state trying to reduce its limitations in developmental and welfare work. Many of this generation of organisations were concerned with environmental matters.

The Portuguese state is very keen on cooperating with NGOs, which translates, for instance, into a large proportion of the NGOs funds having a public origin (Ribeiro, 1995). The European Union is another important source of funding for Portuguese NGOs working in regional development. Under the convergence funds many programmes have been implemented with and through NGOs. Ribeiro (1995:91) found, that for many of projects

of development NGOs, EU funding may amount for about half of total funding (55%), often with the Portuguese government providing another important share, in his study about 25%, private funding being only 20%. There appears to be therefore a large reliance in foreign and public funding being a potential source of larger impact but also of greater dependency. From 1993, the state gave civil society organisations representatives a voice in the Social Consortia Council, where together with representatives of the state, of industrialists, and of labour unions they discuss societal matters (Ferreira, 1993). This is based mainly on the recognition that NGOs can be an important vehicle for citizen participation. By being close to citizens NGOs are better able to express their need and involve them in development (Ferreira, 1993).

Portuguese civil society organisations are seen as responsible to supplement the scarce state resources, to ensure greater popular participation in the response to their needs, and to introduce flexibility and innovation in the welfare and development work (Fernandes et al., 1993). Moreover, civil society organisations greatly contribute to the strengthening of participatory democracy (Laureano Santos, 1991).

Fernandes et al. (1993) conducted a research on 29 Portuguese nonprofits, with activities in Lisbon. They had a number of interesting conclusions: the majority of the organisations had activities in one sector only; there is a dependency on state funds and consequently the organisations are managed according to public administration principles. Portuguese civil society organisations appear to be very professionalised. Fernandes et al. (1993) found in their research that only half of the organisations interviewed (N=29) had any volunteers. This excludes volunteer members of the board which is legally mandatory in Portugal (Fernandes et al., 1993). The greatest problems from the organisations' perspective is the *insufficiency of financial resources, and the consequent dependency on state funding, allied to the shortage of adequate human resources* (Fernandes et al., 1993).

7.2 Environmental NGOs

As for other NGOs in Portugal, the first period of environmental NGOs was before 1974 (the Socialist revolution). At that time the environmental movement was almost non-existent in Portugal. Two reasons are given for that. The first is that the authoritarian regime effectively eliminated any associativism, which were openly independent or confrontational. Second, at the time the Portuguese society was relatively closed: there was censorship, information flows were limited, the educational level low, so that environmental concerns which appeared in other countries had no echo in Portugal. Third, environmental problems at the time were relatively small, given the weak urbanisation and industrialisation of the country (Mello and Pimenta, 1993:147).

The second period is 1974-85. After 1974, associativism boomed in Portugal. Partly due to the lack of associative tradition, many associations during this time had no consistent organisation, so that environmental NGOs appeared and disappeared at a high rate. In 1977 there was an attempt by the government to build a nuclear power plant. Opposing this action represented the single point of convergence between Portuguese environmentalists. Once the government gave up the project (for economical reasons) the environmental movement again atomised between internal differences. The first attempt at unifying and coordinating the environmental movement took place at the National Meeting of Environmentalists (1984). As a result the NGOs involved in environmental work got to know each other (Mello and Pimenta, 1993:147-150).

The third period is between 1986 and 1988. During these years, the environmental NGO sector emerged as an important presence in Portuguese society. As the political-economic system stabilised, people were more open to environmental concerns. At the same time the entry into the EU and the opening to exterior gave those concerns, common in Europe, a new momentum. In 1987/88 the European Year for the Environment took place. This EU action made possible a large conscientisation campaign about the environment and the funding

of many environmental NGOs. This initiative was fundamental for the consolidation of many local groups.

Between 1989 and 1992 the environmental sector consolidated itself. More National Meetings of the environmental NGOs led to the creation of the Portuguese Confederation of Environmental NGOs (*Confederaçao Portuguesa das Associacoes de Defesa do Ambiente*), which unites more than half the total NGOs. The two largest NGOs, however, did not join the confederation. Mello and Pimenta (1993:155) think that

“Although still weak and small, by European standards, there is no doubt that the environmental movement in Portugal has reached its adulthood, if not its full maturity”

Today, there are about 200 organisations concerned with environmental protection (IPAMB, 1996).

7.3 ENGO structure

There is no academic work on the structure of environmental or any type of NGOs in Portugal. This is a gap in the literature in pressing need for systematically collected descriptive data.

7.4 ENGO environment

General information about the NGO environment has been described above, such as the state general attitude toward the sector. This data however is product of many different writings, which did not have the objective of describing NGO environment. These studies therefore do not constitute a systematic look into this topic, only providing some crude hypotheses for further empirical testing.

8. CONCLUSION

The aim of this paper was to demonstrate that some there are some important unaddressed gaps in the literature around the research topic. These

gaps revolve around (1) a lack of systematic descriptive data on the environmental NGO sectors of Mexico and Portugal and (2) analytical research on the relation between NGO structure and environment. In particular, despite the widely recognised importance attributed to the institutional environment and resource dependency in NGOs there is little empirical research on their effects on NGO organisation and the consequent responses of NGOs. Moreover, our understanding of NGO environment has been essentially descriptive with little analytical development (see Natal, forthcoming).

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