



# **The Effect of the Political Context on Nonprofit Advocacy: Evidence from Singapore**

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# Introduction

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- **The increasing scholarly interest in nonprofit advocacy**
  - (Andrews & Edwards, 2004; Berry & Arons, 2005; Child & Gronbjerg, 2007; Frumkin, 2002; Guo & Saxton, 2010; Schmid, Bar, & Nirel, 2008; Suárez & Hwang, 2008)
  
- **The limitations of this emerging body of literature**
  - It focuses almost exclusively on the advocacy activities of nonprofit organizations in Western democracies, little attention paid to other political and cultural settings



# Introduction

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- **Nonprofit advocacy in other political and cultural settings demonstrates different patterns**
  - Salamon and Anheier's (1997) observe that authoritarian political regimes leave little room for a truly independent nonprofit sector in these societies
  - Research progress on nonprofit advocacy in China
    - Guo and Zhang (2011) find that advocacy-oriented organizations are more heavily regulated and closely monitored by the government than are service-oriented organizations in China
    - Zhang & Guo (2012) find that the intensity of advocacy activities by Chinese nonprofits is relative low and varies by organizational type, by degree of professionalism, and by dependence on government funding



# Research Objectives and Questions

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## □ **Research Objective**

- To address the limitation of existing literature by exploring the role of the political context in shaping the advocacy practices of nonprofit organizations in Singapore, a City-State in South-East Asia that is non-liberal democracy with a history of colonial rule

## □ **Research Questions**

- What is the effect of the external environment (political context, tasks and constituent demands) and internal environment (organizational communication and constituent inputs) on the nonprofit advocacy in Singapore?
- How do the scope, intensity, and content of advocacy activities evolve with the changing political context in Singapore?



# Nonprofit Sector in Singapore

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- **The Singapore paradox**
  - The rapid and effective industrialization and transformation to a global financial center
    - Singapore's GDP per capita was US\$50,123 in 2011
  - The social forces in Singapore failed to exert much pressure for greater openness and democratic changes (Lam 1999; Rodan 1996; Kadir 2004)
    - The most advanced state in Southeast Asia remained highly centralized, one-party dominant, quasi-democracy



# Nonprofit Sector in Singapore

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- **Three developmental stages of Singapore nonprofit organizations**
  - During colonial rule, civil society was ‘indigenous and strong’
  - Under the dominance of People’s Action Party (PAP) rule between 1960s and 1980s, a civil society was stifled
    - Societies Act; Internal Security Act
    - “Administrative state”, “developmental state”, “corporatist state”
  - Since 1990s, with leadership change, Singapore started the democratizing process
    - 2011 general election and presidential election; 2011 and 2012 two by-elections
      - More aggressive and assertive of civil society
    - It created opportunities and spaces for civil society



# Prior Literature

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- **What drives nonprofit advocacy?**
  - **Task environment**
    - To represent disadvantaged group to the state and mediate between government and constituents (Berry, 2001; Salamon & Geller, 2008; Schmid, 2004)
      - Advocacy organizations
      - Service organizations
  - **Institutional environment**
    - Resource dependence and neo-institutional theories (Berry & Arons, 2003; Guo, 2007; Schmid, Bar, & Nirel, 2008; Zhang & Guo, 2012)
      - Governmental funding
      - Regulatory regime



# Prior Literature

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- **Organizational mission & tasks and nonprofit advocacy**
  - Research shows that most involvement in advocacy is mission-driven. (Bass et al., 2007; Berry and Arons, 2003; Donaldson, 2007)
    - To further their missions
      - “Mission” does not refer merely to a mission statement but rather more generally to an organization’s understanding of its own purpose and function
        - The characteristics of the target population
        - The demand from the “market” or constituents





# Prior Literature

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## □ **Governmental funding and nonprofit advocacy**

- Child and Gronbjerg (2007) find the odds of doing core advocacy decreased with substantial reliance on government funding (i.e., 50% or more of total revenue from government)
- Guo and Saxton (2010) find a negative relationship between the percentage of government funding and the scope of an organization's advocacy efforts
- Schmid, Bar, and Nirel (2008) also observe that reliance on funding from local authorities decreased the scope and intensity of advocacy and political activity
- Overall, existing research seems to suggest a suppressive effect of government funding
- However,
  - Zhang & Guo (2012) find positive relationship between government funding and nonprofit advocacy in China



# Prior Literature

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- **Political threats and nonprofit advocacy**
  - Gais and Walker (1991) find that a more conflictual political environment leads to more aggressive lobbying, including direct and grassroots lobbying
  - Nicholson-Crotty (2007) suggests that nonprofits are motivated to advocate when there is a threat from the government to limit their ability to deliver services



# Hypotheses – Task Environment

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- H1:
  - The scope and intensity of an organization's advocacy efforts is positively related to its mission (serving disadvantaged groups)
  
- H2:
  - The scope and intensity of an organization's advocacy efforts is positively related to the market demand for its programs/services



# Hypotheses – Institutional Environment

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- H3:
  - The scope and intensity of an organization's advocacy efforts is positively related to its dependence on government funding
  
- H4:
  - The scope and intensity of an organization's advocacy efforts is positively related to perceived threat of government intervention



# Hypotheses – Internal Environment

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- H5:
  - The scope and intensity of an organization's advocacy efforts is positively related to the extent of constituent inputs.



# Method and Data

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## □ Data collection

- A survey of nonprofit executives from a randomly selected sample of Singapore nonprofit organizations
  - The sampling frame includes 569 Institutions with Public Characters (IPCs) by March 2012, from organizational directories provided by the Charity Council and the Commissioner of Charities, Singapore
    - <https://www.charities.gov.sg/charity/index.do>
      - Societies
      - Charities
      - IPCs
  - 67 GONGOs removed, sample includes 400 out of 502
  - 125 returned, response rate 31.25%



# Method and Data

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## □ Key Dependent Variables

### □ Scope of Advocacy

- a composite measure of the scope of advocacy strategies employed by an organization. We base this index on ten advocacy strategies (research, lobbying, public education, etc.). Specifically, we define our **advocacy strategy index** as the total number of these advocacy strategies employed by each organization.

### □ Intensity of Advocacy

- a continuous variable measuring the level of organizational resources spent on advocacy activities. “If your organization is involved in any advocacy work, what proportion of your organization’s resources (time, money, etc.) is spent on it? (Enter rough percentage from 0-100).”

# Method and Data (cont'd)

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## □ Key independent variables

### ■ Task Environment

- Mission
  - =1 if serves disadvantaged groups; 0 otherwise
- Market demand
  - =1 if demands for your organization's services or programs have increased over the last three years; 0 otherwise

### ■ Institutional Environment

- Dependence on government funding
  - Percentage of government funding
- Perceived threat from government intervention
  - Dummy: Stricter policy in any of the five areas (e.g., Government contract procurement, client eligibility, etc.)
- Laws and regulations
  - Dummy: “Laws and regulations put such limits on my discretion that it is difficult to run my organization effectively.”





# Method and Data (cont'd)

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## □ Other variables

### ■ Internal Environment

#### □ Organizational Communication with Constituent

- A summative **index** of organizations' responses to seven constituent-communication items, such as "Through research and feedback, including suggestions from community groups, service agencies, advocacy groups and users, we know the needs of our constituents".
- Factor scores are generated.

### ■ Controls

- Organizational age
- Organizational size (expenses)

# Descriptives

Variable	Obs	Mean	Std. Dev.	Min	Max
Scope of advocacy	125	4.528	3.463114	0	10
Intensity of advocacy	125	.08472	.120567	0	.8
Age	125	30.16	25.83427	1	158
Size (expenses)	123	4599006	7,725,093	2500	58,163,087
Mission (disadvantaged)	125	.4	.4918694	0	1
Demand (dummy)	125	.736	.4425731	0	1
Govt funding	123	.4059675	.322838	0	1
Threat from government	125	1.8	1.616448	0	5
Laws and regulation	125	2.352	.873037	1	5
Communication	125	24.2	5.90653	7	35

# Results

Hypo & DVs	Scope of Advocacy (Poisson regression)	Intensity of Advocacy (Tobit)
Mission (disadvantaged)	<b>0.166*</b>	0.021
Market demand	<b>0.384***</b>	-0.023**
Dependence on government funding	<b>0.213</b>	0.048
Perceived threat from government	<b>0.008**</b>	0.003
Laws and regulations	<b>0.172***</b>	0.020
Organizational communication	<b>0.087*</b>	0.026**
Control Variables	Age, Size	

\* p<.1      \*\*p<.05      \*\*\*p<.01



# Discussions

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- The scope and intensity of nonprofit advocacy in Singapore are moderate
  - Scope
    - 4.528 of 10 advocacy strategies employed
  - Intensity
    - 8.472% of total resources spent on advocacy
- A significant portion of Singapore nonprofits missioned for disadvantaged groups
  - 40% with mission of relief of those in disadvantage
    - Other mission categories include education, religion, community development, environment, animal welfare, sport, art and heritage, etc



# Discussions

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- The market demand increased significantly in recent years
  - 73.6% Singapore nonprofits reported increased demand from constituents over the past 3 years
- Singapore nonprofits significantly rely on government funding
  - 40.6% funding sources come from the government
- The perceived political threat and adverse regulatory regime are moderate in Singapore
  - Political threat
    - 1.8 out of 5
  - Adverse regulatory regime
    - 2.35 out of 5



# Discussions

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- The communication with constituents in Singapore nonprofit is relatively smooth
  - 24.2 (min 5; max 35)



# Discussions

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- The mission and demand driven nonprofit advocacy in Singapore
  - The scope of nonprofit advocacy is positively correlated with the mission for disadvantaged groups and the constituent demands
  - The intensity of nonprofit advocacy is positively correlated with the constituent demands
- There is no significant correlation between government funding and nonprofit advocacy



# Discussions

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- Political threat and adverse regulatory regime affect the **scope** of nonprofit advocacy
  - The scope of nonprofit advocacy is positively correlated with the perceived political threat, but the correlation is very weak
  - The scope of nonprofit advocacy is positively correlated with the perceived adverse regulatory regime
- There is no significant correlation between perceived political threat & adverse regulatory regime and the **intensity** of nonprofit advocacy





# Discussions

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- The organizational capacity plays important role in promoting nonprofit advocacy in Singapore
  - The scope and intensity of nonprofit advocacy are correlated with organizational communication



# Discussions

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- **A mixed civil society and corporatist state model of nonprofit advocacy in democratizing Singapore**
  - Nonprofit sector still enjoy autonomy to engage in policy process
    - Demand driven
    - Smooth organizational communication further channeled more constituent demands to the nonprofits
  - The state still impose certain constraints on nonprofit advocacy, but the constraints are diminishing
    - Singapore nonprofits cope with the political context with more advocacy strategies and tactics, but seems unnecessary to increase resources spent on advocacy

Thank you!

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