INFORMATION TO USERS

This dissertation was produced from a microfilm copy of the original document. While the most advanced technological means to photograph and reproduce this document have been used, the quality is heavily dependent upon the quality of the original submitted.

The following explanation of techniques is provided to help you understand markings or patterns which may appear on this reproduction.

1. The sign or “target” for pages apparently lacking from the document photographed is “Missing Page(s)”. If it was possible to obtain the missing page(s) or section, they are spliced into the film along with adjacent pages. This may have necessitated cutting thru an image and duplicating adjacent pages to insure you complete continuity.

2. When an image on the film is obliterated with a large round black mark, it is an indication that the photographer suspected that the copy may have moved during exposure and thus cause a blurred image. You will find a good image of the page in the adjacent frame.

3. When a map, drawing or chart, etc., was part of the material being photographed the photographer followed a definite method in “sectioning” the material. It is customary to begin photoing at the upper left hand corner of a large sheet and to continue photoing from left to right in equal sections with a small overlap. If necessary, sectioning is continued again — beginning below the first row and continuing on until complete.

4. The majority of users indicate that the textual content is of greatest value, however, a somewhat higher quality reproduction could be made from “photographs” if essential to the understanding of the dissertation. Silver prints of “photographs” may be ordered at additional charge by writing the Order Department, giving the catalog number, title, author and specific pages you wish reproduced.

University Microfilms
300 North Zeeb Road
Ann Arbor, Michigan 48106
A Xerox Education Company
HOCK, Michael Dennis, 1943-
FACTORS SHAPING ALLOCATION DECISIONS IN A
VOLUNTARY SOCIAL SERVICE SYSTEM.

The Ohio State University, Ph.D., 1972
Political Science, public administration

University Microfilms, A XEROX Company, Ann Arbor, Michigan

THIS DISSERTATION HAS BEEN MICROFILMED EXACTLY AS RECEIVED
FACTORS SHAPING ALLOCATION DECISIONS
IN A VOLUNTARY SOCIAL SERVICE SYSTEM

DISSERTATION
Presented in Partial Fulfillment of the Requirements for
the Degree Doctor of Philosophy in the Graduate
School of the Ohio State University

By
Michael Dennis Hock, B.S.Ed., M.C.P.

The Ohio State University
1971

Approved By

[Signature]
Adviser
PLEASE NOTE:

Some pages may have
indistinct print.
Filmed as received.

University Microfilms, A Xerox Education Company
ACKNOWLEDGEMENTS

Without the support of a number of individuals, this study would not have been possible. Foremost is Dr. Daniel Stufflebeam, my graduate advisor, who provided kind support, firm guidance, constructive criticism, and warm friendship throughout the course of my graduate career. The members of my dissertation committee, Daniel Stufflebeam, Roald Campbell, and John Stanley, provided an atmosphere of intellectual stimulation conducive to completing this study, through their thought-provoking questions and deep interest in the findings of this study. Each of these gentlemen has given willingly of his time and energy in assisting me to complete this dissertation.

Other members of the faculty graciously discussed the ideas in this study with me, and their contributions -- those of Donald Sanders, Robert McCormick, and Christopher Jonassen -- hopefully are reflected in the conception of this study, although its shortcomings and limitations are my own.

Without the assistance of Frank Shea, Budget Director of United Appeal of Franklin County, and William Davis, Administrative Assistant of United Community Council, the data of this study could not have been obtained. Mrs. Blanche Conrad helpfully guided me in
sorting through the massive amount of information in the files of those two agencies.

Without the concern shown by Walter Tarpley, Executive Director of United Community Council, this study would have not been possible; through his generosity in freeing me to undertake this study, and his help and advice whenever called upon, his contribution to this study cannot be measured.

The assistance of many persons on the United Community Council staff made the completion and production of this study feasible. Letty Rutter, Mary Buttes, and Beverly Tomblin (who worked nights and weekends), Janie Gibson, and Loren Ell all provided help at innumerable scheduled and unscheduled moments in the production of this study; the help of the ladies mentioned above who typed many drafts of this study can never be fairly rewarded.

Analysis of the data in this study was made possible by a grant from the Instruction and Research and Computer Center of Ohio State University; Dixon Call freely allowed me to employ the resources of this organization.

Finally, and perhaps ultimately, the understanding and acceptance by my wife Ellen of the demands and tensions of producing a dissertation must be acknowledged. She cared, and was there.
VITA


1964 . . . . . . . . . . B. Sci. in Education, The Ohio State University, Columbus, Ohio

1968 . . . . . . . . . . M. C. P., The Ohio State University, Columbus, Ohio

FIELDS OF STUDY

Major Field: Educational Evaluation

Studies in Educational Evaluation, Professor Daniel L. Stufflebeam

Studies in Educational Development, Professor Donald Sanders

Studies in Statistics, Professor Robert Wherry

Studies in Urban Planning, Professor Israel Stollman
TABLE OF CONTENTS

ACKNOWLEDGMENTS .................................................. ii
VITA ........................................................................ iv
LIST OF TABLES ....................................................... viii
LIST OF FIGURES .................................................... ix

Chapter

I. INTRODUCTION TO THE STUDY ............................... 1

II. THE SETTING OF THIS STUDY ................................. 7

   The Domain of the Study
   A Brief History of the Columbus United Fund
   The Voluntary United Fund Organizations in Columbus:
      1958-1968
   United Fund Organizations Since 1968
   United Community Council's Charge, as Amended in 1969
   United Appeal's Position on its Charge and Method of Work
   Clarification of Understanding Between United Community Council and United Appeal
   Perceptions of the Environment
   The Budgeting Function Within the United Fund

III. LITERATURE RELATING TO THE STUDY .................. 34

   Overview
   A Focus on Decision Making
   Evaluation Concepts Relevant to this Study
   The Process - Outcome Nexus
   A Focus on Expenditures
   Allocation Decisions as Externally Determined
Allocation Decisions as Internally Determined
Types of Budgets
Synthesis of Major Concepts in the Literature
Theoretical Concerns in Relation to this Study

IV. METHODOLOGY OF THIS STUDY ...................... 80

Overview
The Problems Motivating this Study
Major Investigative Questions
A Summary of the Variables Employed in Investigative Questions
Data Collection Techniques Used in this Study
Nature of the Sample
The Unit of Analysis in this Study
Questions/Variables/Data Matrix
Naive and Complex Prediction Models
Data Analysis Techniques in this Study
Synthesis and the "Fit" of the Models

V. DATA ANALYSIS AND FINDINGS .................... 105

Overview
General Character of the Samples
Differences in Agencies Included and Not Part of the Sample
A Note on 1968 and 1970 Sample Comparison
General Descriptions of the Data of this Study
The Relationship Between Outcome as Share of Allocations and Budgeting Authority Under Two Different Allocation Structures
The Relationship Between General Types of Service and Outcomes
The Relationship Between Outcome and Environmental Munificence
The Relation Between Outcome and Agency Dependence
The Relationship Between Outcome and Agency Sharing of Goals
The Relationship Between Agency Resourcefulness in Acquiring Other Income, and Outcome
# LIST OF TABLES

<table>
<thead>
<tr>
<th>Table</th>
<th>Description</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Agencies in the 1970 Sample</td>
<td>109</td>
</tr>
<tr>
<td>2</td>
<td>Sample Agencies Budgeted by United Community Council in 1968</td>
<td>110</td>
</tr>
<tr>
<td>3</td>
<td>1970 Sample Agencies Budgeted by United Appeal in 1968</td>
<td>111</td>
</tr>
<tr>
<td>4</td>
<td>Share of Allocations, Sample and Remaining Agencies, By Percent, 1970 and 1968</td>
<td>112</td>
</tr>
<tr>
<td>5</td>
<td>Variables Employed in this Study</td>
<td>115</td>
</tr>
<tr>
<td>6</td>
<td>Mean Percent Change and Share, By Service Area, 1971/1970</td>
<td>119</td>
</tr>
<tr>
<td>7</td>
<td>Mean Percent Change and Share, By Service Area, 1969/1968</td>
<td>121</td>
</tr>
<tr>
<td>8</td>
<td>Percentage Changes, Sample, 1967-1971</td>
<td>124</td>
</tr>
<tr>
<td>9</td>
<td>1967 and 1971 History of United Appeal Operating Allocations</td>
<td>125</td>
</tr>
<tr>
<td>10</td>
<td>Intercorrelations Between Dependent (21 and 22) and Independent Variables 1970-1971</td>
<td>131</td>
</tr>
<tr>
<td>11</td>
<td>Intercorrelations Between Dependent (21 and 22) and Independent Variables 1968-1969</td>
<td>132</td>
</tr>
<tr>
<td>12</td>
<td>Percent of Budget United Fund: Dependency on United Fund, 1970</td>
<td>133</td>
</tr>
<tr>
<td>13</td>
<td>1968 Sources of Income: Mean Percent of Revenue From Non-United Fund Sources</td>
<td>139</td>
</tr>
<tr>
<td>14</td>
<td>1970 Sources of Income: Mean Percent of Revenue From Non-United Fund Sources</td>
<td>140</td>
</tr>
</tbody>
</table>
LIST OF ILLUSTRATIONS

<table>
<thead>
<tr>
<th>Figure</th>
<th>Description</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>I</td>
<td>United Community Council Committee Structure, 1970</td>
<td>19</td>
</tr>
<tr>
<td>II</td>
<td>The Board and Budget Panel Structure of the United Appeal of Franklin County, Inc.</td>
<td>22</td>
</tr>
<tr>
<td>III</td>
<td>UCC and UA Roles in Budget Decision Making</td>
<td>31</td>
</tr>
<tr>
<td>IV</td>
<td>Budget Panel Guidelines Provided by United Appeal For 1970-1971 Budget Cycle</td>
<td>171</td>
</tr>
</tbody>
</table>
CHAPTER I
INTRODUCTION TO THE STUDY

The focus of this study is generally upon factors which influence a decision making process, and more specifically upon factors which influence decision making about allocations to be granted to individual agencies within a context of an organizational coalition: the United Fund of Columbus, Ohio. The domain of this study is a portion of the voluntary social service system, referred to throughout this study as the "United Fund." The United Fund in Columbus can be characterized as a loose coalition of autonomous, voluntarily-funded agencies who have banded together for various reasons: (1) because of their mutual interests in meeting human needs within the city; (2) because of their similarity of legal status; and (3) because of their needs for united planning, fund raising, and allocation of funds. Currently, the United Fund in Columbus is composed of 70 agencies providing service to more than 500,000 Central Ohio residents, and supported during the 1970 calendar year by over $5,000,000 of private contributions given to the United Appeal of Franklin County.

The environment around these agencies can be characterized simply (though not simplistically). Resources from private contributions are severely limited; at the same time, agencies are largely dependent on voluntary contributions for maintenance of ongoing
programs. Funding patterns and possibilities are becoming more complicated, stemming largely from the passage of new governmental legislation and appropriations in the areas of social service and health service delivery. At the same time, the state and county have assumed new responsibilities in certain service areas. Needs for human services are changing; new issues are arising; and new roles are being suggested for voluntary agencies. In this context, budget personnel--staff and volunteers--try to make well-reasoned allocation decisions.

The problem motivating this study is the conflict between a wish of participants in allocation decision making to have flexibility to produce allocation outcomes which can be translated into services which meet human needs, and the fact that resources are limited, decision making is complex, and strong pressures exist which generally produce only incremental changes in allocation outcomes.

Currently, allocation decisions within the United Fund appear to be constrained by resource restrictions, with resulting decisions based largely on precedent and ongoing commitments. In addition, the complexity of making calculations on budget requests results in the decision process appearing incremental and guided by "fair share" and "maintenance of effort" considerations (on the one hand), and the concern for acquiring resources which will eliminate pressure on United Fund monies (on the other hand). In this setting, many recommendations regarding allocations are made: some emanate from United Community Council (the community-wide planning body with responsibility for
making recommendations regarding allocations from voluntary funds); some emanate from agencies—either their boards of trustees or their professional staff; and some emanate from members of the contributing public and citizens at large. Many recommendations, and much current planning activity, appear to be based on a rational model of allocation decision making, and appear to presume either large resources available from the United Fund, or a willingness for agencies and budgeteers to calculate costs and benefits in a comprehensive fashion and make decisions about large, internal reallocations of funds, or both. Thus, a conflict appears possible. The decision making process about allocations could be characterized as a "satisficing" process, in which allocations are based on precedent and previous commitments, are reactions to budget requests presented by agencies in which the most satisfactory change for all participants is receiving more than (or no less than) the allocations previously received, and which results in incremental change within an environment of sharply constrained revenue. On the other hand, steps in planning and formulation of recommendations at times appear to be both rational and comprehensive in nature, based on assumptions about willingness to change, and opportunities for reallocation or acquisition of resources. In this context, the question for planning personnel, budget specialists, and lay volunteers in the United Fund is: what type of allocation decision making behavior is most appropriate for organizations concerned about responsive change, and how might those organizations work with factors
which shape current allocation decision making processes? To address this question, this study attempts to describe how precedent and policy shape allocation decisions.

The immediate goal of this study is to define how budgetary allocation decisions currently are made in the United Fund, in relation to precedent and policies of groups responsible for allocation. One reason for this goal is to provide a basis for understanding the constraints upon allocation decision making, so that the United Fund can better understand roles of various participants in the allocation process, and take action to improve the effectiveness and efficiency of that process. A second reason for this goal is an interest in illuminating how explicit and implicit criteria for allocation decisions (precedent and policy) are injected into the decision making process. Information about this aspect of decision making can serve as a guide to planners, program analysts, budget specialists, and evaluation personnel in attempting to use information to influence decision making.

This study will comprise six major stages. First, an analysis will be undertaken to determine the variables most likely to shape the allocation decision making process, from a theoretical (precedent-based) and experiential (policy-based) point of view. In this stage, concerns in the literature relevant to this study, and major investigative questions stemming from the setting of this study, will be formed which will suggest aspects of precedent and policy which enter allocation decision making. Second, a set of relationships will be
constructed between allocation outcomes and precedent for previous allocations, in each of two years of allocation. Third, a series of mathematical models will be constructed, attempting to relate the specific operation of those variables of precedent to outcomes of the allocation process, in an attempt to predict the forces and constraints operating within the allocation decision process. Fourth, an analysis will be made of allocation decisions which cannot be predicted through the operation of precedent alone. At this point, information on specific policy statements will be employed to suggest reasons why a set of simple mathematical models cannot fully predict observed allocation outcomes. Both naive and complex prediction models will be analyzed for their fit to actual allocation outcomes, in an attempt to identify the model (or models) which best portrays the forces that influence the allocation decision process. Fifth, the meaning of the predictive power of the models, and influence of policy statements, will be interpreted in light of the purported functions of participants in the allocation process. Sixth, suggestions for organizational redesign will be offered, in order to improve the allocation process. In addition, possible new roles for various participants in the allocation process of the United Fund in Columbus will be suggested.

In the remaining chapters of this study, a number of points will be addressed. Chapter II outlines the setting of the study, and describes the roles of participants in the allocation process, as well as a brief history of the United Fund in Columbus.
Chapter III highlights literature relating to the focus of this study, with emphasis on the forces which appear to influence and constrain the making of allocation decisions; the chapter ends with a synthesis of concepts in the literature which can be employed to guide a study of the allocation process. Chapter IV outlines the methodology of this study, suggesting a number of investigative questions regarding the influences of precedent, policy, and resource constraints (among others) which shape the allocation decision process. Those investigative questions will be used both to indicate relationships between allocation outcomes and precedent, and to develop models for predicting allocation outcomes. To the extent that simple prediction models do not fit well to actual allocation outcomes, policy variables will be suggested (along with other forces of influence) which might help to describe allocation decision making. Chapter V describes the findings and methods of data analysis of this study, in relation to the major investigative questions. Chapter VI outlines the conclusions of this study, interpretations of the findings from a theoretical and experiential viewpoint, and implications both for organization redesign of the United Fund allocation decision process in Columbus, and for further studies of the allocation decision process in other settings.
CHAPTER II
THE SETTING OF THIS STUDY

THE DOMAIN OF THE STUDY

The domain of this study is a portion of the voluntary social service system in Columbus, Ohio. Specifically, the focus of this study is on the factors which influence the allocation of privately contributed funds to a number of agencies which are part of a coalition of voluntary social service agencies who had banded together for a number of reasons. The domain of this study, referred to throughout this report as the "United Fund", can be characterized as a loose coalition of agencies who have joined together because of (1) their interest in meeting human needs within the city, and (2) their needs for united planning, fund raising, and allocation of funds. Currently, the United Fund in Columbus is composed of 70 agencies, providing service to more than 500,000 Central Ohio residents, and supported during the 1970 calendar year by over $5,000,000 of private contributions given to the United Appeal of Franklin County.

The 70 agencies deliver various services in the social welfare, health, recreation, and community and urban development areas. Two of those agencies are significant in this study, for they pro-
vide common services—planning, fund raising, and allocation of contributed funds—to the remaining agencies. Those two agencies are the United Appeal of Franklin County and the United Community Council. United Appeal is the fund raising and budgeting body for all agencies who are financially affiliated with it; it attempts to provide a balanced and sound program of voluntarily-financed services to Franklin County, at the same time making it possible for an individual contributor to support 70 agencies with one contribution. To undertake its functions, United Appeal conducts a campaign during the autumn of the year, and distributes raised funds during the several months following the campaign.

United Community Council, on the other hand, is a United Appeal financially-affiliated agency which undertakes community-wide planning, as well as providing certain services to United Appeal. United Community Council encourages, organizes, and provides staff assistance for volunteer and professional citizens who jointly participate in planning, development and advocacy of policies and programs to serve needs in the areas of social welfare, health, recreation, employment, vocational training and education, housing, economic development, and neighborhood and community-wide physical development. While United Appeal undertakes the allocation function for its financially-affiliated agencies, United Community Council has a responsibility to provide recommendations to United Appeal regarding priorities of need to which United Appeal should
respond, and recommend new programs (either on a demonstration or permanent basis) as well as the discontinuous of programs that no longer meet a valid community need.

The agencies which are currently (during the 1970 fiscal year) financially-affiliated with the United Appeal of Franklin County now comprise 71 affiliates. Generally, the agencies include settlement houses and other neighborhood-oriented agencies; family and childrens services (including family counselling and day care services); various associational health agencies providing service for clients with particular diseases; agencies providing service for youth; and various specialized health agencies. In addition, several planning and research organizations which provides service throughout Ohio are financially-affiliated with United Appeal.

A BRIEF HISTORY OF THE COLUMBUS UNITED FUND

To put the study in historical perspective, the historical development of the current United Fund will be outlined. As outlined in a history prepared for both United Appeal and United Community Council (Horchow, 1962), the development of planning and financing in health, welfare, and recreation services in Franklin County is somewhat complicated. The coalition of charities and other voluntary social service organizations in Columbus appears to date back, in organized form, to 1885. In that year, the first united planning group for Columbus, the Society for Organized Chari-
ties, was formed by Dr. Washington Gladden to prevent overlapping and duplication of charitable activities.

In 1899, the Associated Charities was organized to consider the problem of numerous appeals for charitable support. The organization aimed to serve as a type of community planning group. Among the leaders who initiated that agency are persons whose names are still familiar in Columbus today — Jeffrey, Lazarus, Gladden, Deshler, Poindexter, Firestone, and others. Within its first year, Associated Charities had found their financial campaign had raised sufficient funds to add a clerk to their staff — the beginnings of formal staffing of charitable associations in Columbus. In 1905, exploratory steps toward federation of charities were taken, as Associated Charities invited other charitable organizations to a conference to discuss activities which all were working on to serve the needs of poor persons during the coming year. By 1907, a loose federation had been achieved, with 24 charitable organizations joining Associated Charities.

In 1910, the Central Philanthropic Council was formed out of a study commissioned by the Columbus Chamber of Commerce; 17 societies represented by 26 delegates designated Associated Charities as the Council's agent. During the First World War, parallel to the Central Philanthropic Council, the Columbus War Service Chest was organized to receive request funds from the war-related agencies
and recommend them to the Council; the Chest existed until the close of the First World War.

In 1921, the Central Philanthropic Council met in order to form a Council of Social Agencies. The Council of Social Agencies elected an Executive Board and hired an executive secretary for the Council; at the same time, the Philanthropic Council was dissolved. The new Council of Social Agencies undertook the beginnings of united planning in Columbus. During the same year, the Chamber of Commerce organized the Columbus Advisory Council, sharing an executive secretary with the Council of Social Agencies and having overlapping board membership. The Columbus Advisory Council began a discussion of central financing of charities in Columbus, spurred by a request from the Retail Merchants Association for an approved list of charities to which their members could contribute. (By this time, Associated Charities had become a family service agency, and removed itself from planning or fund raising for other groups.) During 1922, the feasibility of central financing was explored, and by the end of the year approval of significant groups in Columbus had been received. The following year, 1923, the Council of Social Agencies designed a formal plan for a single campaign. The campaign, organized under the name of the Community Fund Committee, later became the Columbus Community Fund. At this time, 37 agencies previously in independent campaigns became part of the single campaign. Until
1959, campaigns were conducted by national professional fund-raising organizations.

During the Second World War, the focus of the Community Fund (now referred to as the Community Chest) turned toward the war effort; the "War Chest" devoted most of its energy in funds to agencies providing war-related services.

Following the war, independent campaigns appeared to multiply again in Columbus; as a result, by 1951, the Chamber of Commerce, Merchants in Columbus, and other groups had requested the Community Fund to study the demands on the public made by a multiplicity of campaigns. A steering committee, and a citizen's committee composed of trade, professional, and civic group representatives developed the concept of the United Appeal of Franklin County. Charles Y. Lazarus, grandson of Fred Lazarus (who helped organize Associated Charities) became the first campaign chairman.

Seven years after the United Appeal of Franklin County was formed, the Columbus Community Chest, its affiliated agencies, and the Council of Social Agencies merged to become the United Community Council. A memorandum of agreement was drawn up spelling out the basic policy of the new agency, as well as a set of articles of incorporation which made United Community Council the cooperating organization of United Appeal, succeeding the Columbus Community Chest. The code of regulations of United Community Council set forth, among others, certain reasons for the re-organization: a need to simplify
and integrate planning and budgeting operations; a need to insure flexibility to meet changing conditions; a need to speed up study and action steps; a need to focus effort on problems of broad community concerns; and a need to formulate community policies in health, welfare, and recreational matters to order to gain acceptance for them.

The earlier Council of Social Agencies had been composed almost entirely of representatives of affiliated agency staff. United Community Council, on the other hand, showed an interest in being a volunteer organization in terms of its representation. Several principles guided the development of the agreements about United Community Council: it should be controlled by volunteers; there should be machinery for centralized policy-making and program determination; there should be broadening of affiliation with interested community groups and organizations; and there should be a partnership of laymen and professionals in developing plans, with free channels for expressing agency ideas and professional knowledge.

THE VOLUNTARY UNITED FUND ORGANIZATIONS IN COLUMBUS: 1958-1968

In 1958, United Community Council was formally constituted. At that time, the securing of funds for financially participating affiliates was carried out through the United Appeal. The broad purposes of United Community Council, in 1958, were: the development of broadly representative volunteer participation in activities
and projects; the conduct of factfinding and research; the under- 
taking of evaluative studies of agencies and services; taking action 
when necessary to eliminate, modify, or further develop services; 
and undertaking other planning functions. In addition, the United 
Community Council from 1958 until 1968 undertook budgeting for finan-
cially-affiliated agencies of United Community Council.

In that allocation process, three major committees played 
a critical role. First, the Budget and Admission Committee was 
responsible for (1) reviewing applications for financial affiliation 
with the Council; (2) managing all financial relations between the 
Council and its affiliated agencies; and (3) annually reviewing bud-
ggets of affiliates, making recommendations to the Board of Trustees 
regarding annual allocations, and formulating and recommending to the 
Board of Trustees uniform policies to guide the overall allocation 
process. A second committee, the Priorities and Research Committee, 
was the arm of United Community Council concerned with coordinating 
agency services, evaluating programs in relation to community needs, 
developing plans and agreements for improving services, and super-
vising the Council's planning staff. This committee undertook major 
studies and formulated recommendations, for use by the Budget and 
Admissions Committee. Finally, the Administrative Committee was 
charged with assisting in supervising the administrative aspects of 
the overall operation of United Community Council.

From 1958 until 1968, United Community Council undertook
annual budget reviews of agencies. Six "budget panels", each responsible for five or six agencies, reviewed with financial affiliates their plans and budgets for modifications in programs and financial needs. Panels received background statements from the Priority and Research Committee on each of the major fields of service. The object of that annual budget review was to reach an understanding with agencies on the financial requirements for conducting an agreed-upon program. The annual review was carried out in two phases. In the pre-campaign phase, the panels reviewed programs and budgetary proposals only in broad outline, while in the post-campaign phase, final action on allocations was taken in light of funds known to be available as a result of the campaign of United Appeal.

The organizational structure of United Community Council (in relation to the committees mentioned above) was composed entirely of volunteer citizens. Each of the committees was provided with staff assistance from the staff members of United Community Council. In addition, another committee of the Council, the Conference of Executives (composed of the executives of financially-affiliated agencies), provided information upon request.
In 1967 and 1968, a joint UA-UCC study committee spent a year attempting to clarify the roles of the two agencies. Out of that study, a decision was made that UCC should devote its predominant energy to community-oriented planning, while at the same time providing certain specified services to United Appeal and its financial affiliates. The Code of Regulations of United Community Council was amended, to conform to the joint study recommendations which transferred all budgeting functions to United Appeal; as amended, United Community Council was to become the major planning group for the community-at-large. Following the reorganization of functions, each group attempted to redefine its responsibilities, restructure its organization, and develop procedures for fulfilling its responsibilities.

In 1969, United Community Council reviewed its charge, and began to clarify how it would organize to carry out its assigned and self-imposed tasks. Its Code of Regulations summarized the results of that review.

The Code sets forth the organizational structure for the operation of the agency. The Code states that UCC is organized to
plan and initiate, develop and support sound, progressive social policies and programs in the metropolitan area of Columbus, Ohio in the interest of conserving and improving human resources. It provides for the election of ninety-nine elected members at every Annual Meeting of the organization, who in turn will elect twenty-seven members of the Board of Trustees from its ranks, plus additional persons provided for in the Articles of the Code.

The management of the property, funds and affairs of the corporation resides with the Board of Trustees which also have the power to appoint the Executive Director.

The Executive Committee, on the other hand, has charge of the business and affairs of the corporation in the interim between meetings of the Board of Trustees, with power to implement the policies and programs established by the Board of Trustees. The Executive Committee is directly responsible to the Board.

The Code also provides for the appointment of eight standing committees: (1) Metropolitan Social Services; (2) Public Welfare; (3) Health Services; (4) Group Work Agencies; (5) Community Relations; (6) Governmental Liaison; (7) Nominating and Affiliations; (8) Personnel and Operations; and other committees as may be authorized by the Board of Trustees.
Two new committees have recently been added to the UCC structure: the Research Advisory Committee, and the Public Affairs Committee, which started to function in January, 1971. A Priorities Committee was also reactivated in 1968.

Resulting from the reorganization, United Community Council developed a committee-based organization which served to generate, process, and legitimize items of work for the organization. That structure is depicted in Figure I.

UNITED APPEAL'S POSITION ON ITS CHARGE AND METHOD OF WORK

During the period of reorganization, United Appeal attempted to clarify how it would relate to agencies which previously were affiliated with United Community Council for planning and budgeting purposes. After 1968, United Appeal had three basic functions: (1) conducting the campaign to raise revenue for financial affiliates (the task it had previously performed); (2) undertaking decision making regarding allocations for financially-affiliated agencies (a new task); and (3) managing systems of fiscal accountability which were necessary for the role of "steward" of the voluntary dollar (largely, monitoring cash flow within agencies, in relation to their United Appeal allocation).
FIGURE I

UNITED COMMUNITY COUNCIL COMMITTEE STRUCTURE, 1970

ELECTED MEMBERSHIP

BOARD OF TRUSTEES

EXECUTIVE COMMITTEE

STANDING COMMITTEES:

1) Community Relations
2) Group Work Services
3) Development
4) Health Services
5) Public Affairs
6) Public Welfare
7) Research
8) Social Services

OTHER COMMITTEES:

1) Personnel
2) Nominating
3) Governmental Liaison
4) Priorities
On August 20, 1968, the United Appeal Executive Committee approved a position statement outlining their relationships with other members of the United Fund coalition. That statement says:

"United Appeal agencies are autonomous organizations governed by volunteer citizen Boards of Directors, responsible for the conduct of their staffs and for the satisfactory performance of service programs relevant to the needs of people. The Agency Boards of Directors are responsible to their constituencies and to the contributing public that supports the United Appeal campaign.

United Appeal, through its Board of Directors, is responsible to the contributing public as well as to provide financial support for all the United Appeal agencies.

If any agency, or its staff, does not satisfactorily carry out a relevant program, or if any agency or its staff acts irresponsibly, or in such a way as to jeopardize the support of its fellow agencies, the United Appeal Board of Directors in its stewardship capacity, after consultation with the agency concerned and the United Community Council, will determine whether or not such agency will continue to receive financial support from United Appeal.

The United Appeal Board of Directors annually signs contracts with United Community Council for provision of services by 59 UA agencies and directly with 10 additional UA agencies. Current contracts in existence are for the calendar year 1968 and cover funds raised in the 1967 campaign. A determination whether to continue financial support of any agency will be made when contracts are signed.
for the coming 1969 calendar year for the allocation of funds raised in this year's campaign.

Beginning in 1969 the United Appeal Board of Directors will determine what allocations should be made to all the agencies, based upon the recommendations of its Budget and Finance Committee to be established under the new UA constitution. That committee will meet continually throughout the year."

In order to carry out its responsibilities for budgeting, United Appeal developed a committee structure of budget panels similar to those which had existed during the period when United Community undertook budgeting. The members of those panels were jointly appointed by United Appeal and United Community Council: each organization appointed 50% of the members. In addition, United Appeal developed committees devoted to its other responsibilities in fund-raising. The structure of those committees is depicted in Figure II.

CLARIFICATION OF UNDERSTANDING BETWEEN UNITED COMMUNITY COUNCIL AND UNITED APPEAL

In 1970, and in various forms since that time, "guidelines" committees have been jointly developed between the two organizations to clarify their working relationships. In 1970, a memorandum of understanding was developed and adopted by both organizations outlining a set of partnership roles for the respective organizations that
THE BOARD AND BUDGET PANEL STRUCTURE OF THE UNITED APPEAL OF FRANKLIN COUNTY, INC.

BOARD OF DIRECTORS

EXECUTIVE COMMITTEE

CAMPAIGN AND RELATED COMMITTEES

INVESTMENT COMMITTEE

BUDGET AND FINANCE COMMITTEE

BUDGET PANELS:

1) Family Services
2) Community-Wide Youth Services
3) Day Care and General Dependency Services
4) Central Services and Red Cross
5) Health Services
6) Recreation and Group Services
7) Services to the Handicapped
memorandum clarifies the working relationship between UA and UCC. It places the relationship on a "coordinate and co-equal basis -- UCC is the planning partner and UA is the financing and budgeting partner. The memorandum delineates the partnership role and the spheres of cooperation in which UA and UCC could derive mutually beneficial results while pursuing their respective activities.

As outlined in the memorandum, three of UCC's major functions are:

1. To encourage, organize and staff joint participation of volunteer and professional citizens in the planning and promotion of policies and programs which serve the areas of social welfare, health and recreation, which may include, without intending to be all-inclusive, employment, vocational training and education, rehabilitation, housing, poverty, racial tensions and urban development.

2. To establish community priorities in the areas of concern.

3. To provide leadership, initiative and resources for all persons, agencies and organizations who desire to explore the areas of concern in a cooperative manner.
UCC also recommends priorities of need to UA by September 1 of each year; recommends priority of need for proposed Capital Campaigns; recommends new programs either on a demonstration or permanent basis; and recommend the discontinuance of programs that no longer meet a valid community need.

The primary function of UA is understood as the raising, budgeting and disbursing of funds, with the objective of assuring essential health, recreation and welfare and other community services are adequately provided. In assessing agency efficiency through the budget process, UA is to request that UCC make studies as to the effectiveness of agency operations and UA, in consultation with UCC, then will assess the feasibility of agency programs.

One of the major products of that partnership is the production of United Community Council "priority plans" designed both to guide the allocation process of United Appeal and to suggest to the community-at-large areas of problems, needs, and opportunities for action. In 1970, United Community Council produced its first formal statement of a priority plan, and transmitted it to United Appeal. That plan contained a statement of priority areas of need in the community, a set of recommendations for programs which should be developed using United Appeal and other resources, a set of criteria of
"relevance and quality" to guide members of United Appeal budget panels in assessing budget requests, and a new set of categories of allocation: program maintenance allocations, to identify and continue relevant, quality programs which were already in existence; development allocations, to develop (using "seed" or "matching" monies) solutions to priority problems, or to respond to new opportunities for multiplying the impact of United Appeal funds; and demonstration allocations, to develop and fund demonstration programs that seek to test or refine new ideas. Throughout the plan, the theme of using voluntary dollars to motivate or augment the allocation of other (governmental or non-governmental) funds was pervasive.

In 1971, United Community Council produced its second formal priority plan, suggesting new concepts to guide United Appeal allocations and at the same time adding detail to items in its previous plan. That second plan included statements of social policy, and general goals, for the voluntary social service system for the next decade, and also suggested priorities and policies to guide the allocation of United Appeal dollars. While the first priority plan was approved by the United Appeal Board of Trustees, and the criteria of "relevance and quality" circulated to members of its budget panels.
for their use, the second priority plan was adopted by United Appeal in time for use in budgeting. In each year, staff members of United Community Council, and members of volunteer committees of that organization, attempted to use concepts from the plan in guiding their work of analyzing needs and reviewing agency operations.

The second priority plan suggested three goals for the voluntary dollar: (1) to provide direct services to meet human needs; (2) to advocate the individual's right to the common good, and to his participation in decision processes which affected him, and (3) to improve, expand, and coordinate planning and the development of new programs at all levels in the social service system, voluntary and non-voluntary. In addition, the second priority plan suggested programs to be developed using voluntary funds; those funds could be allocated from United Appeal in any of the three previously-suggested categories of allocation.

Finally, the second priority plan suggested policies to guide United Appeal allocations which were different from those which it was currently employing. Those policies were: (1) only those services which compare favorably with specific criteria in regards to relevance and quality should be funded by United Appeal (this was an attempt to further pursue the development of criteria in the first
priority plan); (2) allocations should be made for "core services" to financial affiliates—allocations for the basic administration, or the basic service which an agency provided, but not necessarily the entire amount which the agency had previously received; (3) allocations should be made for the selective purchase of services from the agency or agencies best able to supply them (where previously almost all budgeting done by United Appeal was deficit financing of affiliated agencies, this policy suggested the purchase of entire services which were clearly specified, to insure accountability and flexibility, with the option of purchasing services from non affiliated agencies); (4) United Appeal should support selective evaluation on a regular basis of purchased services provided by agencies (where previously agencies only reported their financial condition to United Appeal, and only were "evaluated" by United Community Council on its initiative or on the request of United Appeal); and (5) agencies should be encouraged to find sources of funds other than, but in addition to, United Appeal funds.

These statements were an attempt to eliminate the major constraint on United Appeal allocations: the fixed level of private contributions to the campaign.

In addition, the policies attempted to provide flexibility for
reallocating of funds among the existing coalition of services, and provide the option of allocation outside the coalition. Finally, the policies attempted to build on the theme of "stewardship," by suggesting a need to clarify the nature of services purchased with United Appeal funds (rather than simply purchasing a deficit), and a need to develop machinery to evaluate services and hold providers of service accountable for their performance. Clearly, a major question, raised within and outside the United Community Council structure, is: what is, or what would be, the effect of adoption and further development of these policies, and how can they be used by persons involved in the allocation process?

PERCEPTIONS OF THE ENVIRONMENT

The environment around these agencies can be characterized simply (though not simplistically). Resources are severely limited, as indicated by a decline in per-capita giving to UA. Funding patterns and possibilities are becoming more complicated, stemming largely from the passage of new Federal legislation in the areas of social service and health service delivery, and community development programs, at the same time that the state and county have assumed new responsibilities in the area of services for mental health and the
mentally retarded. Human needs are changing—in quantity, as the city grows, if not in kind. New groups are emerging to make their demands felt: inner-city Blacks and Appalachian migrants feel needs they perceive as unique, stemming from their cultural heritage. New issues—the demand for increased citizen participation—and new solutions to problems—consideration of a guaranteed annual wage administered by the Federal government—cause earnest discussion among the leadership of voluntary agencies, some of whom search for new roles and opportunities, and others of whom "keep on keeping on." In this context, budget personnel—staff and volunteers—try to make reasoned allocation decisions.

THE BUDGETING FUNCTION WITHIN THE UNITED FUND

Currently, budgeting is undertaken by United Appeal, with certain information provided by both United Community Council staff and committee members, United Appeal staff, and agencies whose budgets are being reviewed. Historically, almost all budgeting is deficit financing, as observed before; during 1970, however, several small "demonstration" and "development" allocations were made. The overall pattern of allocations, by agency, from 1967 to 1971, is portrayed in Table 9.
The budgeting process is largely a process of reaction to agency requests for funds. As portrayed in Figure III, budgets are submitted in September of a year, for the following fiscal (calendar) year. In some cases, United Community Council committee reports have been prepared on some aspect of a problem area, or on an agency in particular. At times, requests for agency studies emanate from the previous year's hearing by a United Appeal budget panel, and are undertaken selectively by United Community Council. In addition, United Community Council provides a staff report on an agency's budget, and provides a staff member for the budget hearing. (That person does not necessarily provide staff services for the budget panel; rather, he serves as a source of information and interprets United Community Council policies or positions in relation to the agency budget request.) Separate budget panels hear agency requests, in a hearing taking from 45 minutes to two hours. Recommendations for levels of allocation are made by the panels, and transmitted to the Executive Budget and Finance Committee of United Appeal, composed of the chairman and vice-chairman of the panels, and the officers of United Appeal. That committee makes trade-offs between the requests of different panels, and may also make changes in the levels of allocation recommended for specific agencies.
FIGURE III

UCC AND UA ROLES IN BUDGET DECISION-MAKING

AGENCY'S BUDGETS AND REQUESTS

INDIVIDUAL BUDGET PANEL(S)

(makes recommendations on funding level of programs within specific areas of social action, i.e., Health)

UNITED APPEAL EXECUTIVE BUDGET AND FINANCE COMMITTEE

(makes major decisions on funding level of programs and agencies, and interpretation of local priorities)

With assistance from UCC by means of:

1) UCC staff analysis of individual agencies and programs
2) UCC staff reports on new funding sources and opportunities for new programs
3) reports and recommendations from UCC committees and sub-committees, and requested studies
4) priorities for funding suggested by UCC through its priority plan(s)
In 1971, the Executive Budget and Finance Committee divided the overall campaign acquisition and requested that panels make detailed recommendations; in previous years, the panels made recommendations first and had them ratified.) Finally, the United Appeal Board of Trustees reviews, makes changes upon, and approves levels of allocation for agencies.

Emanating from this history are a number of reasons why a study of the allocation process is appropriate. First, a number of criteria have been suggested to guide the operation of panels. Questions have been raised about which criteria are most often employed, and how they might be better used. Second, within the organizations which comprise this study, there has been much discussion of the respective roles of participants, yet little is known about how they interact to shape decisions, what factors constrain them, and where they might improve their working relationships. Third, there appear to be competing styles of decision-making at work: United Appeal appears to employ a "satisficing" model, while United Community Council is attempting to broaden the view of the world taken by budget panels, is taking steps to provide more (and more complex, and perhaps more comprehensive) information for panel members, and is suggesting a number of criteria for use in allocation which budget
panel members may value, but may be unable to employ. Thus, if budgeting is incremental, concerned with boundary maintenance, overshadowed by precedent, and guided by concerns for insuring a fair "share-of-the-pie" in order to keep the coalition of United Fund organizations together, then different planning and evaluative strategies may be appropriate than if budgeting is synoptic or opportunistic. Fourth, myths abound regarding how "irrational" budgetary decisions are made--on many sides, citizen groups argue that "the rich get richer," that "only the Boy Scouts and the Red Cross benefit from voluntary giving," that "power and ignorance dominate budgeting," or that "whenever you get studied, it costs you money from your allocation." Clearly, myths will continue, but light can be shed on certain of these myths, in order to make communication more reasoned and problem-solving more productive.
CHAPTER III

LITERATURE RELATING TO THE STUDY

OVERVIEW

The focus of this study is generally upon factors which influence a decision making process, and more specifically upon factors which influence decision making about allocations to be granted to individual agencies within the context of an organizational coalition: the United Fund of Columbus, Ohio. The purpose of this chapter is to explicate factors which appear to influence and constrain the decision making process. In so doing, this chapter draws selectively from a number of intellectual traditions. The selection of literature has been based on experience of the investigator in the setting of this study, as well as interests in generating questions to guide the study of allocation decision making. While hypotheses might be generated from many sections of the literature, the function of this chapter is to define broadly how the allocation decision making process might be viewed, in order to interpret findings of this study. Major investigative questions of the study (outlined in Chapter IV) are based on a consideration of this literature as it relates to a United Fun-
organization. Thus, the questions grow out of concerns represented in the literature, while at the same time they are designed to assist in describing the allocation decision process in Columbus.

In the following sections of this review, a number of broad topics will be treated: the decision making focus of this study; evaluation concepts relevant to this study; the "process-outcome nexus," where aspects of the decisional process and influences on that process interact to produce decision outcomes; the focus on expenditures in this study; influences which make allocation decisions appear as if they are externally determined; influences which make allocation decisions appear as if they are internally determined; and types of budgets which reflect different notions of how proposed and actual expenditures might be portrayed. At the end of this review, two syntheses will be made. First, the general concepts and concerns of the literature will be summarized, to indicate in brief fashion how the literature treats the process of allocation decision making. Second, those concerns and concepts will be translated into general questions to guide the later stages of this study, as outlined in the methodology of Chapter IV.

A FOCUS ON DECISION MAKING

As Robinson and Majak (1967, p. 175) have observed, decision and decision making currently command increasing attention as objects
of study in the social sciences. The literature on decision-making is both vast and disparate; it is found in psychology, sociology, economics, business administration, political science, and other disciplines, and each discipline has its own particular emphasis regarding application of the concept. A number of syntheses of the literature relating to decision-making can be found in these various substantive fields (Edwards, 1954; Wasserman and Silander, 1958 and 1964; Dyckman, 1961; and Ostrom and Ostrom, 1971). Similarly, expositions of the study of decision-making can be found in books relating to substantive fields of social psychology (i.e., Kelley and Thibaut, 1969; and Collins and Raven, 1969) and organizational theory (Taylor, 1965). With such a vast array of literature, it becomes critical that a definition of decision-making, and a domain of interest, be quickly defined.

The notions suggested by Herbert Simon that a decision is like a conclusion derived from a set of premises will serve as a useful model for analyzing the process of decision-making (Simon, 1958). The concept of a process has as its essence a set of steps or operations to be performed, and some time order to the process. Simon identifies three steps in the decision-making process, in a simple, basic, descriptive fashion: intelligence, design, and choice. Again, in Simon's words, the steps are finding occasion for making a decision, finding possible sources of action, and choosing among courses of action (Simon, 1965). Clearly, there are alternative
conceptions of the steps in the decision-making process; this
definition, however, because it seems so parsimonious, will remain
to guide the further review of literature in this study.

Another problem is the scope of activities to which a
definition applies; it can describe individual, as well as collective
decision-making; decision-making regarding a house to purchase, as
well as a social security program to develop; or a privately-made,
as well as a publicly-defended decision. It is unclear whether
decision-making differs systematically in various settings in which
it occurs. As Diesing has observed, "all decisions occur within a
decision structure of some sort...." (1962, p. 198). Later in this
review, determinants of decision-making which are specific to certain
organizations will be outlined. Here, a general bounding of this
study's domain of decision-making will be made. The decision struc­
ture under consideration in this study is an organization, or
collection of organizations, devoted to providing human services to
members of a particular community by use of voluntary funds.

In a broad sense, a "political" decision process is the focus
of this study. Following Robinson (1967, p. 176), Easton's (1953)
definition of politics as the authoritative allocation of values can
be linked to a decision-making focus as Riker (1962, p. 10) has
done:

Now if, as Easton asserts, politics is the
authoritative allocation of values and if, as I
interpreted, "allocation" refers not to a physical
process but to the social process of deciding how a physical process shall be carried out then the subject studied .. is decision-making.

However, Wood (1961) notes that it is inappropriate to generalize findings about private decision behavior to public decision behavior for the reason that public decision differs from private "transaction" in four ways: (1) in the political economy, the basic unit of decision-making is a formal or informal group, not the individual producer or consumer; (2) the mechanism at work in the public sector is the budgetary process rather than other mechanisms; (3) the "products" provided by government are public and thus are "indivisible" among persons; and (4) the "goals" of political decision-making include such factors as "votes and influences", not just cost and production as in private transactions. Public decisions are "collective"; private decisions, non-collective. All these differences may be true, but it is important to know that others (Downs, 1957; Downs, 1967; and Simon in Easton, 1966) tend to equate private and public decision-making. Thus, it is important to proceed with caution in generalizing from non-political to political settings in applying findings and concepts relevant to decision-making.

There are important considerations regarding the choice of a decision-making focus in any particular study. Buchanan (in Easton, 1967) outlines an individualistic theory of the political process, in which the polity is examined as a social organization in a manner
similar to that in which the economy has traditionally been analyzed—as something which emerges from the choice processes of individual participants. (A significant example of the analysis in the domain of business is Cyert and March's analysis of "a behavioral theory of the firm"). In Buchanan's opinion, such an approach to political theory differs from the notion that "public" or "general interest" exists separate from the interest of individual participants. One of the major reasons behind Buchanan's analysis at the individual level is the empirical judgment that the political process can be "factored down" to the level of individual choices (Buchanan, 1967, p. 27). Such an individual focus—with the individual's decision-making process one of the critical items of analysis in political theory—does not mean that exclusive or even predominant relevance should be given the individual in making predictions about political decision processes. (Consideration of the "pluralist" school of political thought will be outlined in a later section.) However, Rosenau (1967, p. 197) has observed the effect of the focus on decision-making (presuming an individualist or at least a small-group theory of politics): an analyst of policy-making looks at individuals rather than at characteristics of a state or an organization to which he belongs. Thus, when an analyst assumes a decision-making approach, long-standing habits of analysis of policy-making in relation to a state or its circumstances is not necessarily required or desirable. In a sense, as suggested in Weber's notion of
the "Protestant ethic", a philosophy or cultural heritage may impinge strongly upon individual participants in societal processes; however, the unit of analysis of political behavior becomes the individual, with other factors viewed as exogenous to his being (although perhaps strongly influential in his behavior). A focus on individual decision-making does not mean that individual decision-making must be judged only in terms of participants' perceptions. Behavior of individuals should be related to what those individuals conceive to be reality. (For a further discussion of this point, see Miller, Galanter, and Pribram, 1960).

In summary, a focus on decision-making presumes a focus on individual participants in that process, as they move through steps which Simon has outlined. A major question stemming from such a decision-making focus is: what are the individual roles in the decision-making process, and what mechanisms do individuals use to manage the process of moving from intelligence, through design, to choice—what are those management mechanisms, and how are they generated and applied?

EVALUATION CONCEPTS RELEVANT TO THIS STUDY

A new area of theoretical and practical interest focuses on the evaluation of programs in various social welfare fields. Program evaluation concepts have particular relevance to the role of United Fund organizations in responding effectively to human needs, and in-
suring careful stewardship over the voluntary dollar. Evaluation has been defined in a variety of ways: perhaps the most broad definition is that suggested by Stufflebeam:

Generally, evaluation means the provision of information through formal means, such as criteria, measurement, and statistics, to provide rational basis for making judgments which are inherent in decision situations....Simply stated, evaluation is the science of providing information for decision-making (1971, p.53).

There is considerable agreement about the focus of evaluation activities on decisions to be made, and much deliberation about the steps which such a process should manifest (see Scriven, 1967; Provus, 1969; and Suchman, 1967). Generally, these discussions develop an input-process-output model of the decisional process: they presume a context within which a decision is to be made (in terms of some organizational structure--see Hammond, n.d.), presume that information is needed to arrive at a decision, and proceed to develop a conception of what type of information is needed. In addition, these models of how evaluation might be undertaken presume a sequence to decision-making in relation to any particular course of action.

Returning to Simon (1965), a decision can be viewed as involving steps of intelligence, design, and choice; these models view organizational decision-making in parallel terms. For example, Stufflebeam (1971) describes four types of decisions which educators make: (1) planning decisions (to decide the domain or system of
concern; needs, problems, and opportunities to be dealt with; and major goals to be sought); (2) structuring decisions (to decide objectives of action; assess alternative procedures for attaining objectives; and develop detailed plans); (3) implementing decisions (to decide deviations from plans, and determine corrective action); and (4) recycling decisions (to decide to continue, modify, or terminate actions) based upon information about results.

In relation to each of these types of decisions, Stufflebeam suggests a particular mode of evaluation: respectively, context, input, process, and product evaluation. Such a differentiation of evaluation modes is based on the presumption that each class of decisions requires a different sort of information for its resolution. In a similar fashion, Provus (1969) suggests five stages of evaluation, conforming to different needs of decision-makers in various phases of programmed activities: Stage I (program definition); Stage II (program installation); Stage III (analysis of the progress of a program toward its interim objectives, within specified constraints); Stage IV (determination of whether a program has achieved its terminal objectives); and Stage V (a cost/benefit analysis of the program).

What is significant in such discussions is not so much the specification of different information needs for different decisions, but the notion that information should be tailored to the needs of decision-makers. For example, Stufflebeam states:
The first part of evaluation design is that of focusing the evaluation. The first step is to identify the major levels of decision-making for which evaluation information must be provided. The second step is to identify and define the decision situations to be served at each level. Given our present low state of knowledge about decision-making, this is a very difficult task. First, decision situations should be identified in terms of those responsible for making the decisions. Next, major types of decision situations should be identified, e.g., appropriational, allocational, approval, or continuation. And, finally, an attempt should be made to explicate each important decision situation in terms of the alternatives which may reasonably be considered in reaching the decision.

Once the decision situations to be served have been explicated, the third step is to define relevant information requirements. Specifically, one should define criteria for each decision situation by specifying variables for measurement and standards for use in the judgment of alternatives.

This study is addressed, in part, to the "present low state of knowledge about decision-making" to which Stufflebeam refers; specifically, what Stufflebeam calls for is an explication of the criteria which decision-makers employ in choosing among alternatives in varying decision situations. In a later work (Stufflebeam, et. al., 1971), decision settings which differ in (1) the amount of change possible, and (2) the amount of information available are outlined: here, Stufflebeam and others indicate that ability to take certain actions may be constrained by the amount of information available about the environment, and environmental constraints, such that decisional criteria (and resulting evaluation information de-
mands) may change. This study attempts to pick up on that conception (which Stufflebeam drew, in part, from Braybrooke and Lindblom, 1963), and outline how information complexity and environmental constraints result in the use of simple rules in a particular decision setting and situation—the allocation of funds within a local United Fund.

However, alternative conceptions of the evaluation process exist, which do not focus primarily on criteria which a decision-maker uses. Stake (1967) has noted that Scriven (1967) has charged evaluators with responsibility for passing on the merit of an (educational) practice. An extension of this notion would suggest that anywhere an evaluator is involved, his own criteria should be introduced into evaluation activities. Stake in the same article argues that whether or not evaluators accept Scriven's charge, they should seek out and record the judgments of others in relation to an object of evaluation—judgment data become part of the evaluation record. In this sense, criteria which others use to judge become part of the evaluator's consideration. Regardless of the role of the evaluator vis-a-vis a decision-maker-as-client, consideration of criteria used in judging is crucial: first, as a basis of understanding the current method of deciding in a setting where the evaluator works; and second, as a basis for understanding differences between different points of view about the worth of an evaluation.

There are several problems with explicating criteria on which decisions are based. Morris (1971) has suggested that many major
decisions are "decisions of encounter" rather than "programmed decisions", characterized as a decision which precludes much reflection, delegation, or assistance from outside sources. In such decisions, intuition plays a major role, and often "a decision-maker either does not or cannot be explicit about some aspect of that decision situation". Thus, asking people what criteria they employ may be unproductive. From another viewpoint, Dror (1970) outlines one of the tasks of policy science as making explicit many tacit assumptions and implicit choice made in political decision-making. However, in such a task, policy scientists (and evaluators aiming at improving bases for decision-making could be so 'construed) "transgress into what is regarded as the 'secret art of politics', therefore endangering the self-image of politicians" (Dror, 1970, n.p.). Dror proceeds: "softening down of disagreements and... avoidance of explication of underlying assumptions and values--those are features of contemporary politics in all countries, which are both convenient and, to some extent, necessary....Frank recognition of the factors inhibiting explication of values and of assumptions...is essential for an understanding of policy-making reality and for its improvement." (Dror, 1970, n.p.) Clearly, an attempt to unearth the bases of decision-making may have repercussions for the researcher wishing to remain viable within an organization he is studying; in such situations, an indirect attempt may be the best method of determining decisional criteria to guide
Dror's observation of the avoidance of clear statements of values coincides with observations by Cohen (1970) of the difficulties faced by program evaluators who often "complain that the programs lack any clear, concise statement of aims, a condition which they deplore because it muddies up evaluations.... I propose to... question the intellectual fuzzy-mindedness of much educational evaluation. It generally has not grasped the diverse and conflicting nature of social action programs...." (Cohen, 1970, p. 231). Similar analyses of the muffling of values and criteria of decision can be found in Meyerson and Banfield (1955) in discussing politics, planning, and the public interest, while analyses of the problem of use of ill-fitting studies or evaluations can be found in Marris and Rein (1967) in discussions of research within a community action program.

Such concerns of the evaluation specialist are important for voluntary agencies for at least two reasons. First, many programs are becoming involved in mixed funding, where previously voluntary agencies chose to remain almost entirely dependent on private resources. When governmental funds are involved, evaluation requirements increasingly accompany such funding. (Current development of evaluation techniques within the Federal government is reviewed and assessed in Wholey, et. al., 1970.) Second, the voluntary movement represented in the United Way is becoming more concerned about the meaning of "stewardship". MacNaughton (1971) before a group of
United Way leaders suggested dilemmas facing the voluntary movement (a limit to contributions vs. burgeoning needs; needs to continue agency programs vs. demands for innovation; needs for experimentation vs. demands for accountability of performance; and others) and a changed pattern of financing services coupled with sound evaluation activities. "The community will look upon the United Way as the steward of the contributed dollar," stated MacNaughton; "in a sense, it will say that the traditional functions of the United Way - accounting for income and expenditures - is not enough; that the United Way must also be measured in terms of results,..." through built-in measures of performance (1971, p. 8). Such forces for evaluation require that voluntary movements, and studies of their decisional processes, be guided by consideration of criteria currently used for decision-making.

In summary, the questions arising out of current evaluation concepts which relate to this study are: (1) what criteria are currently being employed in decision-making; and (2) to what aspects of the environment do such criteria direct the decision-maker to attend?

**THE PROCESS - OUTCOME NEXUS**

The decision process suggested by Simon, as well as the evaluation concepts of Stufflebeam and Provus (among others), can be developed as an input-process-output model, in systems analytic terms
(wherein some input—"intelligence"—is transformed through some relationship among elements in a process—"design"—into some output—"choice") (VanCourt Hare, 1967, p. 20). As such, the decision process can be viewed at several points: its inputs, its process, its outcomes, or some relation between inputs, process, and outcomes.

Outcomes of the decision process can be viewed in several terms: in light of an individual's values (the domain of utility theory—see, for example, the work of Davidson, Suppes, and Siegel, 1957), or in light of the values of special interests (groups of individuals), or in the light of the public interest (the domain of welfare economics). A variety of concepts of the public interest abound. Meyerson and Banfield (1955, p. 323) identify unitary conceptions ("organismic", wherein a body politic has ends or values such as continued vitality; and "communalist", wherein all individuals in a plurality share universal values) and individualistic conceptions. Individualistic conceptions of the public interest, of necessity, require some balancing among competing ends (such as balancing the "greatest happiness for the greatest number" against interests of whatever minority remains), and in an egalitarian society runs amuck of Arrow's paradox (1951) of creating some equitable distribution of values for people who differ without imposing or dictating choices. Simply, judging outcomes alone is not only difficult, but not enlightening of how to change a process which
produces an unjust outcome.

The decision process can be viewed in terms of its component steps, and how those steps might be undertaken under differing conditions of information certainty, time pressure, and conflict about values. Much of this literature has been reviewed elsewhere (Hock, 1968) and will not be repeated here. However, it is important to note that there is no single conception of the decision process. The classical rational model (referred to by Lindblom as the "synoptic" model—Braybrooke and Lindblom, 1963) and Simon's model of "bounded rationality" in which "satisficing" is substituted for "optimizing" behavior (Simon, 1957) appear to be the major, competing conceptions of how information complexity influences steps in the decision-making process. (These two models will be discussed further in a later section.)

It is important to differentiate the individual decision-making process from the process of decision-making in groups. March and Simon suggest that intergroup conflict over decision-making in organizations may take one of four major forms (1958, p. 129). Decision-making processes may take the form of problem solving (in which goals are assumed shared, and the problem is one of finding a solution that satisfies shared criteria); of persuasion (in which goals differ, and search focuses on some reference to commonly-held values tested among participants for consistency); of bargaining (in which disagreement over goals is presumed fixed, and agreement
without bargaining is sought); and/or of politics (in which a bargain-
ing situation exists, but participants may expand the arena of bar-
gaining to include additional "allies"). March and Simon (1958, pp. 130-31) further hypothesize that, since bargaining has potentially disruptive characteristics, organizations will tend to define conflict over decision-making as if it were individual conflict, and will use analytic processes to resolve decisions—organizations will define disputes as analytical problems, and will react through problem-solving and persuasion. A corollary of this hypothesis is that bargain-
ing will be concealed in an analytic framework, or that bargain-
ing will be sidestepped through simple and equitable rules. However, while such observations and hypotheses may shed light on the decision process, little is learned about the type of decision outcomes which will be produced.

It is for the reason that decision analysis looks for process variations which are related to outcome variations that Robinson (1967, p. 187) has suggested that "(a)mong the most important tasks of decision-making studies is the extension of research to the process-outcome nexus. To date, the greatest part of decision analysis has been 'within the process,' rather than on the relation of process to outcome." Processes of decision, studied alone, tell little about how process relates to outcomes; thus, one of the major challenges of this study is to deal with how patterns and character-
istics of the decision-making process shape decision outcomes.
Currently, at least three major domains of study have been explored across the process-outcome nexus. Cyert and March (1963) in studying economic decision-making within a firm applied a classical model of decision behavior, and found it wanting, since businessmen appeared to have a multiplicity of goals, an uncertain environment within which to work, were unable to gather sufficient information to maximize attainment of their goals, and as a result built each decision to a great extent on the results of preceding decisions. Wileddavsky (1964) in a detailed investigation of Congressional decision-making in relation to department budgets found a similar decision process: because of the complexity of the environment, participants in budgeting "solved" budget decisions through the use of various simple aids to calculation, notably through experiential, incremental "satisficing" behavior, built on concepts of "fair share" and "base" as simple alternatives to consider in decisions. Along a similar line, Crecine (1967) developed a computer model of the budgetary decision process in municipal government. His model predicted actual budget decisions quite well given a resource-constrained environment, uncertainty about the future, a considerable interest in precedent (or "base"), and an inability on the part of participants to conceive of or calculate the benefits accrued from radical shifts in existing patterns of outcome from past decisions. In each of these cases, the process-outcome nexus was the focus of study.

Certainly, there is a problem to be confronted in using a
single model of the decisional process (as well as the case in the
case in the three works cited above), as Rein (1971) has suggested: simply put,
when political analysis is guided by procedural foci, incremental
concepts of change, and values of pragmatic process, it becomes dif­
cult to see when non-incremental analysis should be undertaken, or
that non-incremental change is possible. Nonetheless, a major
question to be investigated is: how do criteria of decision-making
become applied within a specified setting so that outcomes can be
derived from, or related to, aspects of the decisional process?

A FOCUS ON EXPENDITURES

Treatments of the expenditure side of resource allocations
appear to be few in number. As Crecine (1969, p. 1) has observed,
in the municipal government sector, while the domains of public
finance, municipal decision-making, and political science are far
from empty, there is a tremendous pre-occupation with revenue side
of municipal resource allocation with a corresponding neglect of
municipal expenditures. Thompson (1965, p. 256) parallels this ob­
servation: "literally, public expenditures and public services are
typically cast as exogenous variables— even as constants— that are
extraneous to the proper study of local public finance." However,
expenditures as the outcome of an allocation decision process (such
as that within a United Fund organization) are one of the foci of
this study. In this sense, expenditures as outcomes represent the
product of Easton's process of the "authoritative allocation of values" referred to earlier.

Expenditures may be analyzed in at least two terms; what they are (a descriptive analysis), and what they are worth (an analysis of the value of those expenditures to various parties of concern). In the usual economic transaction, a user is charged for the costs of service he consumes; this analysis is not strictly valid for government transactions, or perhaps for any transaction, as there are always side affects to a particular act or expenditure. Collective goods, and the goods characterized by external economies of consumption—spillovers—are difficult to analyze for their value, as in neither case is the provider of the goods able to collect from beneficiaries a charge commensurate to benefits conferred. Thus, the analysis of expenditures from governmental or quasi-governmental sources is subject to one of a number of possible classes of analyses.

Niskanen (in Goldman, 1967) identifies four types of analyses of expenditures (all forms of marginal analyses) promenading under similar names. Classical marginal analysis, within that body of literature refer to as the theory of the firm, represents a businessman as maximizing the difference between a discounted stream of revenue and a discounted stream of costs, both measured in dollars; generally, the output (or action) is optimum when marginal revenue equals marginal cost. Cost-benefit analysis is similar to classical marginal analysis, except as it refers to public investment.
Differences relate to use of opportunity cost (where these differ from market prices of resources) in addition to other cost, and all benefits which accrue at the margin, including those which do not lend themselves to efficient marketing. When benefits and costs are properly defined (again, in dollar terms), classical marginal analysis is used. A major problem in cost-benefit analysis is the determination of the type and distribution of benefits across various interest groups, and weighting to be given to the value preferences of various interests. A fourth type of analysis, cost-effectiveness analysis, is directed to those public investment decisions where the output cannot be evaluated in market prices, but the inputs can. Finally, classical operations analysis is conducted in physical or other non-monetary terms, where the problem is one of maximizing effectiveness subject to a specific set of resource constraints measured relative to the total amount of several types of resources available.

Clearly, collective goods are difficult to analyze as expenditures. As Dorfman has noted (1965, p. 5) "...the consumer of a good or service is not the only beneficiary, and the amount he is willing to pay does not measure the entire value of the good to society."

Ott and Ott (1965) identify semi-public goods as a particular type of expenditure of governmental and quasi-governmental organizations representing a particular type of cost-benefit or cost-effectiveness analysis. Semi-public goods are "goods and services in which benefits to individual users are less than the total benefit derived
from them by society... for example, the case of education, which provides direct benefit to the user in the form of a higher expected life income,...(and) provides additional benefits to society as a whole...." (1965, p. 116). In such a case, to determine what expenditures should be allocated to semi-public goods, the benefit accruing both to the individual and those benefits received by the community must be identified.

There are two issues of concern within the literature of expenditure analysis which relate to this study. First, expenditure analysis has been conceived largely as marginal analysis, but little investigation has taken place of the information used in the analysis. For example, if cost-benefit analysis is undertaken, in what terms are benefits defined, and what constitutes the "margin" that is focused upon? In the classical "synoptic" decision model (outlined later), demands are made on the decision-maker to process all costs and benefits which accrue, to complete the analysis. In the "satisficing" model (in March and Simon, 1958, p. 49), "adaptive motivated behavior" on the part of a decision-maker is generated by some difference between current affairs and his "aspiration level", and search for some new action (i.e., some new level of expenditure of energy or funds) terminates when new levels of aspiration are achieved. Analysis is marginal, with the decision-maker comparing sequentially each alternative until he finds some "satisfactory choice" which attains his aspiration level. Thus, a question to be
raised is: in a particular setting, what rules focus the analysis of expenditures which decision-makers undertake, and how extensive is their analysis?

A second issue relates to settings in which such analyses of expenditures take place. Most literature on expenditure analysis does not deal directly with deficit financing of semi-public goods, or such collective goods as the community information service of a drug education program; nor has direct study been made of expenditure analysis within a voluntary social service system such as a United Fund. Thus, a second question to be raised is: how are rules of expenditure analysis applied in a voluntary social service system which supplies some semi-public and some collective goods through its allocation process?

**ALLOCATION DECISIONS AS EXTERNALLY DETERMINED**

If an input-process-output model of the allocation decision process is developed, then factors which influence the process can be conceived as being external to or internal to the decisional process. Easton (1966, p. 144) finds it useful to interpret political life as "a complex set of processes through which certain kinds of inputs are converted into the type of outputs we may call authoritative policies, decisions, and implementing actions...." As such, the political system is surrounded by physical, biological, social, and psychological environments. In looking at the variable capacity
of political processes to respond to stresses around them (or, con-
versely, their stability under stress), Easton suggests that a
system "need not react to a disturbance just by oscillating...
(around) a prior point of equilibrium or by shifting to a new one.
It may cope with the disturbance by seeking to change its environment
so that the exchanges between its environment and itself are no
longer stressful; it may seek to insulate itself against any further
influences from the environment; or the members of the system may
even fundamentally transform their own relationships and modify their
own goals and practices so as to improve their chances of handling
the inputs from the environment." (1966, p. 146). Easton suggests
two broad classes of inputs which can sum up the most important
stresses or influences which impinge upon a political system: "de-
mands" and "supports". In general terms, "demands" may be viewed as
the forces for allocation of certain values, while "support" in-
cludes financial and human resources allowing actions to be taken.

Among major external influences on the allocation decision
process are influence structures and economic resources. Key (1940,
p. 1143) has suggested that the influence of pressure groups in de-
termining the allocation of funds is strong. There are those, says
Key, who "contend that the pattern of expenditures resultant from
the interplay of these forces (emanating from each spending agency
and its clientele) constitutes a maximization of return from public
expenditure, since it presumably reflects the social consensus on
the relative values of different services." Dahl, in his work on which persons influence decision processes, contends that while few individuals or groups are active and exert influence in any given decision, different sets of people operate in different decision areas, resulting in dispersed decision influence. On a single issue, however, the sum of the exerted forces determines the decision (1961). Hunter, in work with a parallel focus (1953), contends that there is a relatively stable and small group of influentials in a community, but their influence is so pervasive that their power is exerted in many major decisions.

On the other hand, Wildavsky (1964) looks at the Congressional actions in relation to a budget as a product of influence, upon which calculations are made to produce final allocations: "(i)f politics is regarded in part as conflict over whose preferences shall prevail in the determination of national policy, then the budget records the outcomes of this struggle." (1964, p. 4; italics added). Thus, one view is that interests vying with one another have their preferences recorded in a budget, but that calculations around the final determination of allocations have little to do with influence from exogenous forces. Crecine reports a similar position: "a tentative conclusion of our study, relative to (municipal) budget-level decisions, is that influence groups are either an unimportant part of the process or that a stable influence group exists." (1969, p. 191).
Two related notions of the operation of influence in allocation decisions might be mentioned to provide alternative interpretations of how influence can be manifested. Olson (1965) discusses notions of how groups are formed to provide collective goods for their members which no one singly can provide, in terms where "the achievement of any common goal or the satisfaction of any common interest means that a public or collective good has been provided for that group" (1965, p. 15). Olson proceeds to observe (among other things) that "log-rolling" may be a way of handling differing interests—each participant agrees to participate in a coalition striving toward one interest, in return for similar participation in seeking his own interests. In such a situation, influence may appear stable over a short period, but may manifest a cyclical influence on decisions in the long run.

A second notion, suggested by Lindblom, is that "rational" policy emanates from partisan mutual adjustment, through which "a set of interdependent decisions is coordinated if each decision is adapted to the others in such a way that for each adjusted decision, the adjustment is thought to be better than no adjustment in the eyes of at least one decision-maker." (1965, p. 24). "Partisan," in Lindblom's usage, denotes a decision-maker who does not assume that there exists some knowable criteria acceptable to he and other decision-makers sufficient to govern adjustments among them. Through the operation of partisan mutual adjustment, a solution to competing influences may be effected, although the distribution of benefits may be an
item of quarrel. Thus, influence may be a strong force, but only within those arenas where partisans contend—that is, it simply may not manifest itself in a final budget, but rather in the preparation of an initial budget requesting funds from an unconstrained source.

A second external influence on the allocation decision process is economic. The allocation of values consumes human, material, or monetary resources, and as such may be influenced either by the economic development of the social system in which allocation occurs, or by the limitations of revenue to be allocated, or both. Dye (1966) assessed the impact of economic and political structure variables on policy outcomes, and reported: "Again, the evidence seems conclusive: economic development variables are more influential than political system characteristics in shaping public policy in the states.... There are only seven policy outcomes which appear to be more influenced by political variables than by economic variables (out of 54)." (1966, p. 296). Dye looked at state-made policy outcomes in education, welfare, highways, public regulation, and taxation; economic variables included indices of urbanization, industrialization, income, and education of the states. Similarly, Dawson and Robinson reported that, in analyses of state likelihood to adopt certain social welfare programs, per capita income, industrialization, and urbanization were sufficiently influential to make for differential inputs as one moves from more to less favorable conditions for the adoption of social welfare programs (1963).
A major question is the extent to which process calculations regarding allocation decisions mediate the influence of either economic factors or the activities of interest groups. Crecine (1969) has suggested that resources constrain the allocation decision process, and that influence from exogenous sources is at least stable and perhaps absent. If such is the case, then a simple model of the allocation may fit well to predicting outcomes from that process. Thus, a major question is: do resources from the external environment operate as a constraint or an influence on allocation decisions, and to what extent do simple and stable rules produce predicted allocations closely fitting to actual allocations? If the environment is largely uncertain or randomly-influencing the allocation process, external factors should have little systematic effect on the process; over the long run, as Crecine suggests, influence may change attention rules which decision-makers use, while economic development and influence interacting may change resource levels.

**Allocation Decisions as Internally Determined**

Simon (1957) has postulated a "satisficing" model of decision-making which has dominated much recent literature about how decisions are made. In his early work, Simon suggested that the rational model (what Braybrooke and Lindblom, 1963, termed the "synoptic" model) of decision behavior, was a normative picture of how decisions were made. The "synoptic" model presumes certain information: it
requires that a decision-maker specify all possible states of affairs, all alternatives under consideration, and a payoff function specifying the value of all possible states of affairs; and then, given a particular set of future states with varying utilities and likelihoods of occurrence, the task of the decision-maker is to choose a course of action. Simon argued that the world was both too complex and too uncertain to meet the demands of such a model, and further that the human mind was incapable of managing the involved calculations such a model would demand. As an alternative model, Simon developed the concept of "satisficing": each organism has an aspiration level— as it is set high, the organism becomes unsatisfied; the lower the satisfaction of the organism, the more search for alternative courses of action will be undertaken; as search proceeds, it proceeds sequentially, so that the organism examines each alternative in terms of whether it satisfactorily exceeds its aspirational level; when the level is exceeded, the organism ceases search—if the level is not reached, the organism lowers its aspiration level, and proceeds to search until it obtains its expected value of reward. Such a model as Simon's, then, does not require complete information, or a comprehensive assessment of all alternatives in relation to a complete utility function—merely a comparing of marginal benefits accruing from any new alternative.

Simon, working with March (March and Simon, 1958, pp. 113-117) expands this notion first to the individual, and then to groups in
decision-making situations. March and Simon suggest that an individual, when he cannot make a clear "satisfactory" choice, confronts personal conflict; in such a case, he has several alternative courses of action. If he is uncertain about which of two alternatives is better, he will first search for clarification, and then (if need be) search for additional alternatives. If neither alternative is acceptable, he will search for new alternatives, and failing that, redefine "acceptable". If time is short search will be vigorous, and will first focus on looking for a bland alternative. Finally, if he is unable to compare two alternatives, his choice will depend on attention and the order in which alternatives are presented: the first satisfactory alternative will be chosen.

At the level of group or interpersonal decision-making, March and Simon (1958) suggest a complex web of relationships in resolving differences about decisions. Intergroup conflict, or the inability to resolve decision matters, stems from three sources: a felt need for decision-making; differences in goals among group members; and differences in perceptions of the environment. The extent to which goals are perceived as shared is a function of the strength of identification with the group; this, in turn is a function of interaction within the group, the number of individual needs satisfied within the group, and the amount of competition within the group. (Such a generation of shared goals may be similar to the forces which bring agencies into the United Fund affiliation, and cause them to remain
a part of the coalition.) In turn, felt need for joint decision-making depends on the munificence of the environment: if resources are scarce, pressure for joint decision-making is greater, when participants are mutually dependent on limited resources. (Such a condition is quite similar to the limited-resource coalition of agencies within the United Fund organization.) Differences in perceptions depend both on the numbers of information sources and on channeling of information. In response to such conflict, motivation to reduce conflict is generated. To resolve conflict, four mechanisms—identified earlier as problem solving, persuasion, bargaining, and "politics"—may be invoked, but due to strain generated within the group, these situations often are viewed as individual conflict and defined as problems of analysis, in which Simon's model of individual decision behavior is elicited.

Later, March and Simon (1958, p. 177) relate choice behavior to planning, suggesting that the main requirement of an organizational program (of choices) is to satisfy certain criteria. When one or more criteria are not being met, an action program will be initiated. For the most part, the world is viewed as largely empty of complicated causal interrelations, and so action programs are related to each other primarily through the demands they make on the scarce organizational resources available for carrying on action. In short, when programs are "satisfactory", no search is undertaken; when search is undertaken, it is sequential—there will be no attempt
to find all possible alternatives, but only the first, best one—and search will terminate with an alternative that fits into the existing structure of resource commitments.

Lindblom (1959, p. 79) suggests many public administrators follow a similar process - with little guilt, since it appears to work in practice. The administrator sets out his goal, disregarding many other values as beyond his present interest. He would outline those relatively few policy alternatives that occurred to him, and compare them (with most familiar from past experience); and would rely heavily on past experience with small policy steps to predict the consequences of similar steps in the future. He then would choose both ends and means at the same time. Similar to March and Simon, Lindblom calls for a selective, incremental examination of alternatives; further, Lindblom introduces the role of precedent or past experience into decision-making as a strongly influential factor.

In a different setting, Cyert and March (1963) have viewed internal resource allocation within a firm, and find similar determinants of and steps in the decision process. There are several concepts introduced in this work related to allocation decisions (1963, pp. 116-125): resolution of conflict, where conflicts are resolved by viewing goals as a set of independent constraints which programs must satisfy, by subdividing problems and assigning them to different subunits, by sequential attention to goals rather than simultaneous consideration, and by using acceptable-level decision
rules rather than optimization; uncertainty avoidance, by maintaining a stable environment and using feedback to resolve unforseen problems; problemistic search, when simple solutions are called up first, until a more elaborate model of problem solution seems required, and where previous solutions provide designs for new solutions; and organizational learning, where attention rules and success rules are fixed until proven unworthy, and then changed slowly along lines which previously provided successful adaptation. The predominant theme in this work is that there exists a widely-shared process of decision-making (applicable to non-economic organizations as well), in which precedent and simple rules play a major role.

Wildavsky, in analyzing Congressional decision behavior, finds similar activities, as suggested earlier: concepts of "base" represent the impact of precedent on decision processes; "fair share" is a manner on dealing with incremental change in a non-conflict-producing fashion; and calculations which participants employ are based on simple rules designed to deal with exceeding complex budget documents, conflicting goals, and an uncertain environment.

Downs (1967, pp. 251-252) suggests several procedures of budgetary evaluation which parallel those of Wildavsky. Participants focus attention mainly upon marginal changes; they divide the budget into parts that can be treated by "specialists" easily; they focus on aspects they are knowledgeable about, at the expense of viewing the entire budget (or set of budgets) as an integrated (and possibly
coordinated) whole; they focus on areas which have generated the
greatest stress in the environment—concerned constituencies, or sup­
portive clients; and they trust feedback to correct mistakes which
are produced by incremental changes, with those changes based on
only minor modifications of past activities.

Crecine (1969, pp. 218-219) applied the March and Simon model,
drawing on the Wildavsky work, to the arena of municipal government
operations budgeting, and found many of the concepts to apply in that
setting. Among his substantive conclusions were: (1) municipal
budget decisions are but one part of a sequence, in which each pre­
ceding decision sets constraints on following decisions; (2) the
revenue constraint imposed by taxation policies (limiting the munifi­
cence of the environment) appeared to be the only link with external
influences—political pressure or citizen demands appeared not to be
connected with departmental or councilmanic budgeting; (3) simple
decision rules were both dominant and internal to the decision pro­
cess, based on requirements for a balanced budget, forced into
historical comparisons by using the same forms year after year, and
tightly bound by a uniform wage policy which made salaries a pre­
dominant and continuing part of any budget request; (4) each year's
budget represented a sort of equilibrium solution to new budget
allocations, such that new budgets represented marginal adjustments
on old ones; (5) the lack of comparable performance data perceived
by decision-makers makes precedent the primary reference point for
future decisions; (6) the more "complex" the problem, the simpler the
decision rules used to solve it; and (7) the decision system appeared
to be responsive outside these findings only in cases of special op-
portunities for new revenue, in cases of emergency, or over the long
run to cumulative and gradual adjustment of decision rules. The only
role which appeared to be played by external forces was in changing
the resource constraints under which the system operated--the base of
taxation--with observable pressure to keep rates constant.

An interesting peripheral analysis undertaken by Crecine (1969,
p. 195) focused on subunit conflict within budgeting: the question
might be raised whether large units would get larger at the expense
of small ones, or, in other words, whether "the rich get richer" in
such a process. While this did not hold in Crecine's analysis, a
log-rolling phenomenon might be occurring (along the lines of Cyert
and March's notion of sequential attention to goals), in which in-
creases in allocations are passed around from one year to the next.
The presence of this phenomenon seems not to have been investigated.

If these contentions regarding the allocation decision process
hold in a voluntary social service system, several questions may be
raised: can simple models be developed, along the lines developed
in governmental budget decision processes, to fit the voluntary
social service system, using simple rules of both a similar and a
situational nature, which can fit to predict decision outcomes in a
situation where problems are treated individually, where precedent
is a strong force, where there exists shared dependence on limited resources and a concomitant need to maintain a coalition structure, and where uncertainty about the environment and complexity of problems make decision-making exceedingly difficult for volunteer members of the United Fund?

**TYPES OF BUDGETS**

If the notions regarding external and internal influences on the allocation process have any generalizability, they may be expected to apply to a setting such as the United Fund organization in this study. However, the nature of the budget itself may be of some influence in the application of such notions.

First, a distinction should be made between operating budgets and capital budgets. Operating budgets indicate expenditures necessary for an organization to maintain its proposed program of activities during a specified period, while capital budgets indicate planned expenditures and time phasing of acquisition of fixed assets—buildings and grounds, for example. In this study, only the operating budgets within the United Fund organization are considered; indeed, major capital expenditures are dealt with, in Columbus, through conducting a separate Capital Fund Drive, once every ten years or so, with a separate allocation process for the purpose of budgeting capital expenditures.

Second, a distinction should be made between the classification
and reporting of expenditures. Both of these items are contained in United Fund budgets (when in "standardized" form, as indicated by the Standards of Accounting and Financial Reporting for Voluntary Health and Welfare Organizations, National Social Welfare Assembly, 1964). Before discussing content of such budget forms, a distinction should be made between various ways of portraying general content of budget types.

Hartley (1968, p. 128) identifies several types of budget formats: the object budget, consisting of a listing of objects of expense such as salaries, supplies, equipment, etc.—sometimes referred to as a line-item budget—without regard to the function of these expenditures; the function-object budget, identifying broadly-defined functions within the organization, and then specifying line items of cost in relation to these functions as sub-items; and the program budget (to be discussed shortly). Where the object budget may have been primarily used for cost control, the function budget may serve for making trade-offs between different programs which an organization undertakes; thus, a function-object budget is more a tool for management planning.

Historically, volunteer organizations used a number of different budget forms, depending on their personal preferences, standard policies or practices which national organizations (and their local affiliates) developed, and notions which auditors working with individual agencies suggested to guide budget forms. Generally, early
budgets were line-item budgets, only identifying objects of expenses in terms of resource inputs: salaries, supplies, maintenance, etc.

Recently, an attempt has been made to standardize accounting and financial reporting forms for voluntary health and welfare associations. Those standards have guided the form and content of budgets employed in the United Fund in Columbus. In relation to expenditures, current standards (National Social Welfare Assembly, 1964, pp. 56-75) have been developed for the classification and reporting of expenditures. In essence, the standards suggest a combination of object and function categories for classifying and reporting expenditures. Four primary expenditure classifications are suggested: program services; supporting services; major property and equipment acquisitions; and payments to affiliated organizations. (Generally, the classification of major property and equipment acquisitions is used only when inclusion of a fixed asset acquisition in expenditures of particular service functions would seriously distort the total expenditures of the particular functions by comparisons with other years (National Social Welfare Assembly, 1964, p. 63).)

Thus, three major categories comprise the "operating" budget of affiliated agencies to the United Fund. Supporting services as an expenditure item includes two sub-items: management and general support; and fund-raising. Payments to affiliated organizations include payments to "trade associations", such as the National Social Welfare Assembly, or to national organizations (such as the National
Program services are not defined in a standard form accepted by many agencies; also, no standard program service categories have been adopted by the United Fund in Columbus. Nonetheless, an attempt has been made to standardize the program services, in a form that will allow uniform reporting by service areas from different agencies. The United Community Funds and Councils of America (1968) has developed an extensive listing of program service categories which might be employed in reporting expenditures for voluntary agencies.

In addition, analysis of functional expenditures is based on expenditures reported in line-item form for each primary expenditure classification (National Social Welfare Assembly, 1964, pp. 71-75). Those expenditure categories include: salaries; employee health and retirement benefits; payroll taxes, etc.; professional fees and contract service payments; supplies; telephone and telegraph; mail and shipping; occupancy; outside printing, etc.; local transportation; subscriptions and reference publications; specific assistance to individuals; membership dues and support payments; awards and grants; equipment and other fixed assets; and miscellaneous expenditures. (The forms employed by the United Fund in Columbus are portrayed in Appendix D.)

Program budgeting, of which the function-object budget is an intermediate form, ideally should portray inputs (line items) and outputs for each program (or function) as it currently exists, and
as it is projected ahead for a period of from one to perhaps five years (Hartley, 1968, p. 147). In such a budget format, a single fiscal year thus becomes an arbitrary unit while the budget becomes a financial plan for providing expenditures to fulfill specific functions over a specified period of time.

Ideally, the program budget is the outcome of a process through which objectives of an agency or organization are identified, alternative programs of service are considered in relation to their relative costs and benefits, and trade-off analyses are undertaken to permit the presentation of an "optimal" budget. A number of problems have arisen in the application of program budgeting, especially in its PPBS form, in both governmental and non-governmental agencies. (For a complete discussion of problems within the Federal Government sector, see "the Analysis and Evaluation of Public Expenditures; the PPB System", a compendium of papers submitted to the subcommittee on Economy in Government of the Joint Economic Committee, Congress of the United States--three volumes, Washington: U. S. Government Printing Office, 1969.) Since a fully-designed PPBS system is not in use in Columbus, it will not be discussed here.

In relation to types of budgets, a major question to be raised in this study is: what factors influence allocation decision-making in a setting in which a function-object or modified program budget is employed?
SYNTHESIS OF MAJOR CONCERNS IN THE LITERATURE

In the preceding review of literature relating to this study, a number of notions regarding the decision process, its outcomes, and forces which appear to influence the decision process have been discussed. Certain of those notions can be synthesized, to provide a frame of reference for this study, and to provide later guidance in interpreting the findings of this study.

Decision making can be conceived as a process of intelligence, design, and choice activities, with counterparts at the level of individual, small group, and organizational decision making behavior. In a political realm, the output of such decision making processes is the authoritative allocation of values, to which participants agree through some consensus-formation or sanction machinery. The focus on decision making of this study requires that the characteristics of individual decision makers be considered in analysis of decision outcomes.

Different decisions appear to require different types of information, tailored both to the needs of the individual decision maker and to the decision setting in which he is performing his task. There are certain settings in which there exists little opportunity for change, and low information; great opportunity for change, and low information; great opportunity for change, and much information; and so on. In each of these settings, information requirements differ; a major focus of evaluation activities is upon the types of informa-
tion required by decision makers, in relation to their criteria for making decisions. However, it is often difficult, or imprudent, to attempt to define criteria which decision makers employ, and indirect means of ascertaining criteria, or the normative statement of such criteria by some "expert," may be required for the delivery of information to decision makers. Within the voluntary social service system, some have suggested that "customary" criteria of careful expenditures and efficient use of income should be augmented by criteria of performance of services for which expenditures have been granted; such a statement is an example of normative expressions of criteria to be employed in decision making.

Rather than focusing only on outcomes, or the process, or the inputs of the decisional process, it has been suggested that the "process-outcome nexus" is a logical sphere of study in attempts to understand how decisions are shaped. As a part of this, expenditure analysis can be employed, in looking at outcomes; a question then arises of what form of analysis is generated by a decisional process—a marginal, or a comprehensive analysis, and focused upon what aspects of costs and benefits of particular outcomes. Analysis of the decision making process in terms of criteria employed should shed light on how process calculations and decisions outcomes are related.

Some have argued that decision outcomes are largely determined by forces external to the decision process: political influence, and environmental munificence (or resources in the environment about which
decisions are to be made). Others have argued that while such forces may constrain decision processes, they do not enter the process directly. Still others have suggested that such influences may be stable at some times, and influential at others: that influence may operate to produce first benefits to one group, then to another, in a cyclical fashion, or that influence may operate only in some types of decisions.

Another view is that decision outcomes are largely determined by forces within the decisional process—mainly, the inability of the human mind to produce complex calculations, and the inability of human groups to manage conflict among those with differing viewpoints about appropriate outcomes. Two alternative classes of decision models, the "synoptic" and the "satisficing" models, have been suggested as representative of differing assumptions about the ability of persons to handle calculations and make trades among different sets of values. Generally, the decisional environment has been categorized as uncertain, and filled with conflicting claims about ends to be sought, and arguments mounted against the "synoptic" model as a descriptive model of most decisional behavior. If those assumptions about the environment hold, then it has been suggested that decision makers manage such complexity through the use of simple rules in decision making, and the results of their calculations are likely to be incremental changes which can later be modified based on feedback from the environment. Such results have been observed in business and government.
In group decision making situations, resolution of differences over decision making appears no problem when there are sufficient resources for all contenders in the arena. However, when resources are limited, there is a great deal of mutual dependence on those limited resources, and the possibility of conflict over goals, decision making by consensus becomes difficult. In such likely conflict situations, it has been suggested that problems are managed by treating decision problems as problems of analysis, after which similar procedures as individuals employ are used to make decisions. In group settings such as the one described above, the concepts of "base" and "fair share" appear to be employed in Congressional, and municipal government settings to eliminate conflict, and manage environmental complexity, in relation to allocation decisions. While differing forms of budget documents have been employed as tools for rendering reasonable decisions, simple rules appear to hold in many decision settings, by which outcomes of decision processes can be related to decisions made before, to precedent, and to commitment.

THEORETICAL CONCERNS IN RELATION TO THIS STUDY

Concerns from the literature can be used, in conjunction with experiences in the setting of the United Fund of Columbus, to suggest broad areas of theoretical concern to be explored in this study. Such concerns can be translated into investigative questions, and can be used in interpreting the findings of this study; both of these activities are a part of this study. In general, the following
concerns from the literature relate to this study:

1) is the decisional setting of this study constrained by lack of resources (or low environmental munificence), and demanding of complex and difficult calculations, such that the use of simple rules to manage complexity which are found in other settings also operate within the United Fund of Columbus?

2) within such a decisional setting, whatever its nature, what mechanisms do individuals use for making choices--what criteria do they appear to apply to render allocation decisions?

3) do the criteria which individual decision makers apply seem to be the same as have been suggested in other settings--a strong influence of precedent and previous commitments, a consideration of conflicting interests, and a need to maintain shared efforts toward shared goals, such that individual decision behavior produces group decision behavior heavily influenced by considerations of "base" and "fair share" in making allocation decisions?

4) what specific aspects of the environment do such rules direct the decision maker toward: inputs, or outputs in terms of performance, and does there appear to be any difference in such a focus according to the organization undertaking budget decision making: does an agency which does planning and budgeting, purporting to take a comprehensive view of community needs, behave any differently than an agency only concerned with allocation decision making?
5) to what extent do such simple rules hold—are there different influences shaping non-incremental than incremental decisions, which emanate from factors external to the decision process such as influence or economic considerations, or the statement of new needs in policy form?

6) overall, does the "satisficing" or the "synoptic" model appear more descriptive of the allocation decision process?

These theoretical concerns are clearly mixed with questions emanating from experience in the setting of this study. However, these concerns have shaped certain of the investigative questions to follow, and will further be employed in analysis of the findings of this study, in order to suggest areas for further study of the relation between factors influencing the allocation process, within and outside a voluntary social service system.
CHAPTER IV

METHODOLOGY OF THIS STUDY

OVERVIEW

The immediate goal of this study is to define how budgetary allocation decisions are related to implicit and explicit policies of the groups responsible for allocation. The study focuses on analysis of the relations between budgetary outcomes of the allocation process within a voluntary social service organization (The United Fund of Columbus, Ohio), and factors which influence policy within which those allocations are made. One goal of this study is to serve as a basis for understanding the constraints upon allocation decision-making, so that United Fund agencies, the United Community Council, and United Appeal can better understand their respective role and take action to improve the effectiveness and efficiency of the allocation process in order to better meet human needs. A second goal of this study is to indicate how both explicit and implicit criteria for allocation decisions are injected into the decision making process, as a guide to planners, program analysts, budget specialists, and evaluation personnel in attempting to use information to influence decision-making.

This study will comprise five major stages. First, an
analysis will be undertaken to determine the variables most likely to shape the allocation decision process, from a theoretical and experiential point of view. In this stage, extracts of concepts from the literature and policy statements emanating from United Community Council and United Appeal will be employed to shape major investigative questions which will guide later analyses of the data.

Second, a series of mathematical models will be constructed, attempting to relate the specific operation of those variables to outcomes of the allocation process, in an attempt to predict the forces and constraints operating within the allocation decision process. In this stage, several naive and complex prediction models of allocation outcome decisions will be made, employing a step-wise multiple regression model.

Third, an analysis will be made of the residuals produced by operation of the model (that is, those allocation outcome decisions which are not well predicted by the model), and the forces which influenced unpredictable outcomes will be hypothesized. In this stage, information on influences external to the allocation process, and the influence of specific policy statements resulting from the interaction of United Community Council and United Appeal (for example, the statement that 20% of the United Appeal allocations should be expended within the "inner city") will be employed.
In this stage, the alternative naive and complex models will be analyzed for their "fit" to actual allocation outcomes, in an attempt to identify the model which best portrays the forces that influence the allocation decision process. Implications for model re-design will be identified at this point.

Fourth, the meaning of the predictive power of the model(s) will be interpreted in light of the purported functions of both the planning and budgeting agencies, to determine if current organizational energy is mis-spent in the light of findings of the study. In this stage, the support or lack of support given by the findings of this study to concepts previously identified in the literature, and to notions which experienced practitioners in the allocation process have about how it operates, will be identified and discussed.

Fifth, suggestions for organizational re-design will be offered (should they be warranted), in order to improve the operation of each organization which participates in planning for or allocating resources from the United Fund.

THE PROBLEMS MOTIVATING THIS STUDY

Currently, allocation decisions within the United Fund appear to be constrained by resource restrictions, with resulting decisions based largely on precedent and ongoing commitments. In addition,
the complexity of making calculations on budget requests results in the decision process appearing incremental and guided by "fair share" and "maintenance of effort" considerations (on one hand), and the concern for acquiring resources which will eliminate pressure on United Fund monies (on the other hand). At the same time, recommendations for allocations which emanate from United Community Council, and much current planning undertaken by that organization, appears to be based on a synoptic model (often introduced through a lengthy group process), and appears to presume either larger resources than are available from the United Fund, or a willingness for agencies and budgeters to calculate costs and benefits in a comprehensive fashion and make large, internal re-allocations of funds, or both. Thus, while the decision making process about allocations appears to be "satisficing", steps in planning and formulation of recommendations appear to be "synoptic". In this context, the question for planners, budget specialists, and lay volunteers in the United Fund system is: what is a descriptive model of current allocation decision making, what constrains it, and what type of behavior is most appropriate for organizations which are concerned about change if they wish to work with or re-shape the current decision making process about allocations? The investigation of this problem should shed light on specific
directions to be taken for organizational redesign of both the planning and budgeting organizations, in order to formulate new goals, functions, roles, and ways of interrelating to make the respective organizations' performance more effective or efficient in relation to allocation decision making.

**MAJOR INVESTIGATIVE QUESTIONS**

A number of investigative questions guide this study. In each of the questions, the major form of the question is: what relationship exists between factors influencing the allocation process, and outcomes of the decision process? Outcomes are defined in two general terms: (1) changes in dollar allocations made to agencies and services which are a part of the United Fund; and (2) changes in the share of total allocations made which any individual agency receives.

The major investigative questions are categorized as to whether they relate to environmental forces, influences of precedent, and influences of policy, in relation to outcomes of the allocation process. The questions are:

**A) Environmental forces:**

1) What is the relationship between outcome and environmental munificence (the benevolence of the giving public)?

**B) Influences of precedent:**

2) What is the relationship between the economic significance of an agency's total budget (its size, and proportion in salaries and wages) and outcome?
3) What is the relationship between agency dependence on shared resources from United Appeal, and outcome?

4) What is the relationship between agency perceived sharing of goals, and outcome?

5) What is the relationship between agency resourcefulness in acquiring other income, and outcome?

6) What is the relationship between skill in presenting a rationalized budget, and outcome?

7) What is the relationship between precedent for allocations of a certain type and level, and outcome?

8) What is the relationship between type of budgetary changes proposed, and outcome?

C) Influences of policy:

9) What is the relationship between outcome and budgeting authority under each of two differing forms of allocation structures: one in which the same organization undertakes planning and budgeting (United Community Council, in 1968), and a second in which planning and budgeting are undertaken by different organizations, with the budgeting organization (United Appeal, in 1970) linked only by agreement that it shall obtain recommendations from the planning organization (United Community Council, in 1970)?

10) What is the relationship between general types of service requested for support, and outcome?
11) What is the relation between the nature of policy support in relation to specific decision rules—positive or negative—for a change in allocation, and outcome?

12) What is the relationship between the content of policies relating to allocations, and outcome?

A SUMMARY OF THE VARIABLES EMPLOYED IN INVESTIGATIVE QUESTIONS

For the years 1968-1969 and 1970-1971, two dependent variables will be employed as outcome measures of the allocation process. Those variables are (1) change as a percent of the previous year's allocation, by agency, and (2) share of United Fund allocations received by a particular agency.

As independent variables in analyzing outcomes, two discontinuous variables will be employed to construct different sets of analyses. First, dependent and independent variables will be analyzed for their relationship across 1968 data, and across 1970 data, predicting 1969 and 1971 outcomes respectively. Second, service areas supported by United Appeal monies will serve as categories of analysis; where differences appear practically significant, relationships will be discussed according to five service areas. Those five areas are: family-oriented social services; welfare-related social services; recreation and youth services; health services; and neighborhood-based services.

A number of independent variables indicative of precedent and previous commitment will be employed, in order to develop naive and
complex prediction models for predicting allocation outcomes. (See the following sections of this chapter.) Those independent variables are: the total number of years an agency has been a member of the United Fund; the percent of its total budget which an agency receives from the United Fund; the percent of total United Fund allocations which an agency receives during a year; the percent of total expenditures which an agency had during a year; the extent of other resources employed by an agency, composed of private contributions, fees for service, and government purchases; the extent of previous commitments to salaries and wages, and property maintenance; and actual dollar allocations which an agency received from the United Fund during a year. In addition, proposed changes which an agency requests for its new (predicted, in this study) allocation have been included as independent variables indicative of types of changes proposed and accorded. Those variables include total proposed allocations from the United Fund for an agency; proposed changes in existing salaries, wages, and property maintenance; proposed new salaries; and proposed demonstration or seed-money allocations. Finally, fiscal responsibility of the agency for the two years preceding its proposed allocation are included for purposes of depicting a balanced budget in a deficit financing allocation system.

All of these variables will be employed in determining first-order relationships to dependent variables, and they will be employed in naive and complex prediction models.
A number of policy variables have been suggested as possible reasons for the lack of fit of allocation outcomes to predictions from various naive and complex models. Policy variables will be employed in an attempt to explain large residual differences resulting from prediction models, and also to categorize data as to whether outcomes resulted from allocation processes under the authority of a planning and budgeting organization, or under a budgeting organization alone. Additional policy variables to be employed in analysis of residuals include: policy support during a year for increased allocations in the following year; policy statements for a year regarding the relevance, quality, coordinative character, comprehensiveness, and non-duplication of services which an agency offers; and policy regarding ability to finance services from some other source of funds.

DATA COLLECTION TECHNIQUES USED IN THIS STUDY

The approach used in this study will be indirect and historical. Such an approach seems both valid and prudent: valid, since the history being surveyed and analyzed is recent, and well-documented; prudent, since budgeting is underway and recent events have produced a substantial level of anxiety about United Community Council's involvement in allocation decision making—a level sufficient to make it difficult to investigate directly or observe the operation of the current year's allocation process.

The primary source of data for this study is formal records of
meetings and allocations of United Community Council and United Appeal Budget Panels, Boards of Trustees, Executive Budget Committees, Budget and Admission Committees, and major study committees or standing committees. These documents are public (although some of them are difficult to obtain by persons outside the organization), and include relevant financial data, as well as records of discussion and adoption of policy statements applying generally to the United Fund and to specific services and agency budgets. While minutes must be analyzed carefully for selective attention to content and phrasing, it is precisely this type of analysis which shapes the minutes of these two organizations. Often, one observes a legalistic analysis of minutes and documents for legitimacy or precedent for a course of action. Furthermore, both organizations are deeply concerned about "process" -- the deep group discussion of issues of relevance before an action is taken, to insure both support and familiarity with basic facts and positions resulting from their interpretation.

Major data sources, then, are three: (1) formal records of allocations made by Boards of Trustees of the respective organizations; (2) budget documents submitted by those agencies which comprise the sample of this study, including data from previous years' budgetary plans, and actual allocations and expenditures; and (3) formal policy statements emanating from United Community Council
and United Appeal in the form of "priority plans," "guidelines for budget panels," and recommendations for allocation decisions which appear in various portions of the minutes of the two organizations.

Within this general approach, specific information to be gathered has been depicted in the questions/variables/data matrix. A process for collecting that information will be developed. A format for organizing that information has been prepared (see Appendix C for examples of organizational format). Instruments developed include recording forms for financial data and information regarding the processes of recommending and allocation.

To identify the major decision rules, in policy statement form, which are purported to guide allocation, a guide for categorizing policy statement has been developed. These guides for categorizing statements will be applied to policy documents (including "Guidelines for Panels" provided by United Appeal for its 1970 fiscal year in making 1971 allocation decisions). Use of this process has resulted in the specification of policy variables identified earlier. Following the work of Lasswell (Lasswell and Rubenstein, in Robinson, ed., 1966; Lerner and Lasswell, 1951), a set of statements for guiding the categorization of policy pronouncements has been developed. For purposes of this study, policy will be defined as a directive to guide action; it must be explicit and public, to stimulate discussion and understanding.
All policies in this study are considered to be those of the two major United Fund organizations, United Appeal and United Community Council.

Policies manifested in minutes of these two organizations, and relevant public documents used in their operation, can be categorized in the following terms:

1) promotion (a demand for action in relation to a possible allocation option)
   --guide: pressure for a general policy innovation or against proposed change (goes beyond mere mention of alternatives to expressions of preference for an alternative)
   --example: "It was brought out that this agency should possibly expand."

2) prescription (a recollection of or formal passage of an explicit policy statement as part of the proceedings of a meeting or of the organizational code).
   --guide: instituting a general rule or formal declaration of policy, or affirmation that such policy exists
   --examples: "...motion was made...that the recommendation contained in the report be approved...and was passed."
"UCC funds are not to be used for direct support of persons or families."

"Although UCC policy requires that allocations be made through...affiliated agencies,..."

3) invocation (provisional application of alleged prescriptions to concrete situations)

--guide: a demand to apply general prescriptions to concrete circumstances; a proposed provisional finding of conformance or non-conformance; based on alleged organizational rules, or on standards of some other, internal, group)

--examples: "...felt that this Settlement was not doing the job it should be, and that it was working against UCC and the community." "...in the discussion that followed, it was the opinion of the Committee that if every agency took action to increase salaries without prior approval,...UCC would be in serious financial trouble."

4) application (final application of alleged prescriptions in formal normative form)

--guide: explicit decision

--example: "...on the basis the UCC supports approximately 50% of the total budget of the Salvation Army
excluding the camp budget, the committee has granted an additional allocation of $1,500 towards these salaries."

**NATURE OF THE SAMPLE**

The study of allocation outcomes encompasses two years, 1968 and 1970, referred to as "base" years. The two years are calendar fiscal years, and were chosen for several reasons. First, a new director arrived at United Community Council in 1967 and has remained through the date of this study; as a major figure in determining the "style" of the organization, it seems appropriate to control study years for relatively constant executive leadership. Second, 1968 was the last year in which United Community Council (rather than United Appeal) functioned as both the budgeting and planning organization. Third, 1970 was a year in which United Appeal undertook budgeting functions; in the same year, in which United Community Council first attempted to formally develop a set of priority recommendations in public form for use in budgeting (the "priority plan"), resulting in a rather clear statement of goals for the voluntary dollar, and criteria to be employed in allocation. This document appeared to herald a new approach to recommendations for budgeting, making 1970 an appropriate year for study. Fourth, there had been no changeover of budgeting staff (at the high level of administrative assistant to the executive of either agency) during this period, and persons involved
in budget staff analyses are both currently present. Thus, the two
years' study findings can be compared to unstructured interview data
from key participants. Fifth, minutes from the precedings of critical
meetings in both organizations were maintained by the same persons
during both study years, providing continuity of interpretation. In
both these years -- 1968 and 1970 -- predictions will be made to out-
come allocations for the 1969 and 1971 fiscal years. Thus, dependent
variables in this study are allocation outcome decisions for the
following fiscal year, while the predominant data base of this study
is the 1968 and 1970 fiscal years respectively.

The actual allocation decisions which are the predominant data
of this study are gathered from a subset of the 68 affiliated agen-
cies of the United Fund coalition. Agencies were omitted from the
final sample for several reasons. First, agencies which did not sub-
mit a formal budget for the two years of study were omitted. Second,
agencies whose budget was based on calculations external to the
United Fund budgeting process -- those agencies who function as mem-
bers of a state-wide or national coalition (such as the United Ser-
vice Organization and the Ohio Citizen's Council) whose budget re-
quest is a "fair share" of the total allocations of each of the
United Funds across the state (or across the nation) who provide re-
sources to those agencies were omitted. Third, agencies which were
new to the coalition of United Fund affiliates in either of the study years were omitted, as no data about the allocation decisions in previous years were available for these agencies. Thus, the actual sample of allocation outcome decisions comprises the allocations of 33 and 44, of 72, financially-affiliated members of the United Fund in Columbus.

Finally, allocation decisions emanating from only one of several organizational units within the United Appeal (or United Community Council) organizational structure were employed in this study. As noted earlier (in the description of the setting of this study), budget panels customarily make preliminary allocation decisions, which are then reviewed by an Executive Budget Committee or a Budget and Admissions Committee (depending on the organization under discussion), and finally are modified and/or ratified by the Board of Trustees of the respective agencies. Only the allocation outcome decisions which were formally ratified by the Board of Trustees of the respective organizations are included in this study.

THE UNIT OF ANALYSIS IN THIS STUDY

The unit of analysis in this study is the set of single allocation decisions rendered by United Appeal (or United Community Council, when the role was theirs). Budget panel members, in response to (1) the environment within which they are working, and
(2) budget requests which they have received from individual agencies. Thus, the unit analyzed in this study is a single decision, relating to the allocation to be granted to a single agency.

**QUESTIONS/VARIABLES/DATA MATRIX**

To portray the relationship between data to be gathered, independent and dependent variables in this study, and major investigative questions, these items have been portrayed in a matrix. For each major investigative question, the major dependent and independent variables have been identified and are listed in relation to each question. For each variable mentioned, the datum (or data) employed in operationally defining and measuring that variable have also been listed. Finally, some of the data will be transformed into a new datum, as, for example, in the creation of a proportional change figure using current and past levels of expenditures. Those new variables have been indicated as "transgenerated" variables, and are also listed. These matrices are portrayed in the Appendix (see D). In each matrix, dependent variables are identified by a D code, while independent variables are identified by an I code; in addition, subscript numbers have been applied to each variable to aid in their identification. Also, basic datum has been identified by numbers, so that transgenerated datum can be portrayed as a mathematical operation
involving the manipulation of two numbers or more. Finally, years of
data have been indicated in the following form: year (X+1) = the
year of requested budget allocations, or predicted outcomes (ie.,
1971); year (X) = the base or current year (ie., 1970); and year
(X-1) = the preceding year (ie., 1969). The questions/variables/
data matrix is portrayed in Appendix B.
NAIVE AND COMPLEX PREDICTION MODELS

Several models will be created and tested in an attempt to determine the relationship between independent and dependent variables. The models will be in a linear or multiple regression form, as follows:

1) Linear Regression Form:
\[ \hat{Y} = B_0 + B_1(X) \]
where \( Y \) = the dependent variable;
and \( X \) = one independent variable.

2) Multiple Regression Form:
\[ \hat{Y} = B_0 + B_1(X_1) + B_2(X_2) + \ldots + B_n(X_n) \]
where \( Y \) = the dependent variable;
\( X_1 = \) the first independent,
\( X_2 = \) the second independent,
\[ \ldots \]
\( X_n = \) the \( n^{th} \) independent variables, respectively

Using these forms, models will be created by forcing different independent variables into equations hypothesized to predict specific dependent variables. Thus, singly and in combination, independent variables identified previously will be employed in an attempt to test hypotheses regarding their influence in predicting allocation outcomes. In addition, an attempt will be made using all
variables which contribute significantly to the variation in allocation outcomes in a multiple regression model to determine the best, overall fit of the independent variables to predicting allocation outcomes.

Two naive models will be tested for their predictive power. The first model, based on considerations of precedent and Wildavsky's concept of "base", considers outcomes to be a function of a constant proportional share of previous allocations, thus:

\[(\text{Eq. 1}) \ \hat{Y} = B_0 + B_1(X)\]

where \(Y = \text{year (X+1) \$ allocation; } B_1 = \text{some constant, reflecting change in goal value as a percent of previous year's goal; } X = \text{year (X) \$ allocation}\)

An alternative statement of this first model is, simply, that the share of total allocations which an agency receives is a function of the share which it previously received. Thus, a second formal statement of this model would be:

\[(\text{Eq. 2}) \ \hat{Y} = B_0 + B_1(X)\]

where \(Y = \text{the share of total $ allocations received in year (X+1); } B_1 = \text{some constant close to 1; } X = \text{the share of total $ allocations received in year (X)}\)
The second model, based on considerations of both "base" and Wildavsky's notion of "fair share" of increases, considers outcomes to be a function of precedent for allocations of a certain level, as well as representing a proportional share of any increases in resources obtained (i.e., revenue from the United Fund campaign). In this case, change in allocations would be some function of a "fair share" of changes in overall revenue received and partialled out to coalition members, thus:

\[ Y = B_0 + B_1(X) \]  

where

- \( Y \) = change in $ allocations from year (X) to year (X+1), either by subtraction or as a percent change;
- \( B_1 \) = the share of total $ allocations which the agency received in year (X);
- \( X \) = the change in resources from year (X) to year (X+1) received through the United Fund campaign, either by subtraction or as a percent change.

Modifications of these models will be created, using other variables indicated as possibly related to outcomes; those models will be of the multiple regression form indicated above. Finally, for each model, residuals will be analyzed to suggest hypotheses for the lack of fit of certain cases to the model.
DATA ANALYSIS TECHNIQUES IN THIS STUDY

Data in this study will be analyzed according to several subsets. First, data will be analyzed according to base year. Second, data will be analyzed across all agencies in the sample for any single year. Third, data will be clustered according to service areas, and analyzed across service areas for any single year.

Within these subsets, several forms of analysis will be undertaken. First, a simple description of the data will be made, depicting each variable in terms of means, standard deviations, standard errors of means, maximum and minimum values, and ranges. For subsets of data, sample sizes will be indicated. Second, across the two base years and across services, tests will be undertaken to determine if the subsets differ significantly; if so, these data will continue to be treated as subsets; if not, they will be pooled and treated as a single unit for further analysis.

Third, a correlation matrix reflecting the intercorrelations between dependent and independent variables in the study will be generated. Such a matrix will allow an analysis of the simple relationships of concern in a number of the investigative questions
guiding this study. Following this analysis, specific models depicting the joint action of more than one independent variable in relation to dependent variables will be developed, drawing on the correlations computed.

Fourth, a series of multiple linear regression equations will be computed, in a stepwise manner. For naive models suggested earlier, variables will be forced into the equations. For complex models, variables will be added sequentially (and perhaps removed) in proportion to the variance they contribute (or, conversely, in proportion to their reduction in the error sum of squares); after the first variable is added, remaining variables will enter in relation to their partial correlation with the dependent variable. Using the Ohio State University Instruction and Research Computer Center's version of BMD02R (Dixon, 1962, pp. 233-257), a stepwise regression program for the IBM Model 360/75, each step of the analysis will produce multiple R's; ANOVA tables; regression coefficients for variables in the equation; and partial correlation coefficients and F-to-enter figures for unincluded variables. Following the computation of specified models, residuals will be produced for further analysis of deviations from the general prediction model.
Residuals, the difference between an individual observation and the "best" prediction of that observation using a specified model, may be analyzed from several vantage points. In performing a regression analysis, as Draper and Smith (1966, p. 86) note, several assumptions are made about residuals: they are dependent errors with zero mean, a constant variance, and are normally distributed. Thus, the essence of the analysis takes the form of answering the question of whether the residuals make it appear that these assumptions are incorrect. A conclusion can generally be reached that (1) the assumptions appear not to have been violated; or (2) the assumptions appear to have been violated (in a way that can be specified). In this study, residuals will be plotted overall, as a check on the normality of distribution. In addition, they will be plotted against the predicted dependent variables, to determine if a systematic departure from the fitted equation has occurred, or if the model appears inadequate, reflecting a need for extra terms or additional variables. If violations occur, the final step of analysis will be an attempt to suggest hypotheses which could explain the nature of the pattern of residuals.
SYNTHESIS AND THE "FIT" OF THE MODELS

As a last step in analysis of the ability of the models developed to indicate the relationship between factors which influence allocation outcomes, the several sets of predictions generated from the models will be compared to the observed distribution of outcomes, to determine if significant differences exist. This comparison, in conjunction with the measures of variation in dependent variables accounted for by variation in independent variables, will serve as a basis for making an overall judgment regarding the utility of the models in this study.
CHAPTER V
DATA ANALYSIS AND FINDINGS

OVERVIEW

In this chapter, findings of the study are presented in relation to major investigative questions. First, the general character of the samples in the study is discussed. Second, the general relationships between outcomes and general types of services supported by the United Fund, and between outcomes and budgeting authority under two different allocation structures (i.e., the years 1968-1969 and the years 1970-1971) are discussed. Third, relationships between outcomes and independent variables of precedent are examined. Fourth, naive and complex prediction models are developed and examined, to illustrate the relationship between different sets of independent variables of precedent and outcomes. Fifth, analysis of the residuals from those models is undertaken, in an attempt to portray the lack of fit of predictions to actual outcomes in relation to policy and other variables. Sixth, a synthesis of the models is undertaken, and suggestions are made as to the "best" model for depicting forces which shape allocation outcomes. Last, a summary of the findings of this study is rendered, to serve as a basis for conclusions, interpretations, and implications of the study.
GENERAL CHARACTER OF THE SAMPLES

The sample in this study comprises 33 agency allocations for the year 1969 and 44 agency allocations for 1971, and data on independent variables for those samples for the years 1968 and 1970. Of the 70 United Fund agencies, exclusions from this sample were made for several reasons. First, United Appeal and United Community Council were excluded, by virtue of their providing services different than the remaining agencies. (No other agency purports to do community-wide planning, or has the responsibilities for making recommendations to United Appeal, which are the functions of United Community Council. Furthermore, no other agency has overall fund-raising and allocation functions--the functions of United Appeal.) Second, certain agencies do not provide information to United Appeal in the same form as is requested on standardized budget forms: the American Red Cross, for example, has customarily submitted its budget request in letter form, with neither supporting nor historical information regarding allocations. (1971 was the first year in which the Red Cross submitted a standardized budget.) Third, certain agencies with either national affiliations or with funds coming from other United Funds in Ohio do not employ a standard form, but instead request funds from the United Fund in Columbus on a formula basis; these agencies have been excluded. Fourth, certain agencies did not fill in budget request information fully, and gaps in data resulted; these agencies, therefore, have been excluded from the sample. Fifth, some health agencies were not in the
allocation process of United Appeal in 1968, and are not included in that year's sample in order to more clearly describe United Community Council's allocation process.

The agencies represent different areas of service provided through United Fund allocations. The service areas represented in the sample break down as follows: six agencies provide primarily family-related services; six agencies provide primarily welfare-related services; 19 agencies provide health services (either direct service, or services advocating the needs of persons with categorical health problems); five agencies provide primarily youth-related services; and eight agencies provide service on a neighborhood basis. Generally, family-related services included family counseling, services to unwed parents, adoptive services, and other social services to families in crisis. Welfare-related services included temporary assistance to families without funds, clothing, food, or shelter; services to transients (both low-income clients and mobile youth); and day care services to working mothers, allowing those mothers to supplement their income. Health services include direct services in the areas of mental health; homemaker services; screening and detection services; and advocacy of certain client groups (such as the retarded). (Services to the alcoholic are construed to be mental health services.) Services to youth include group services to young women (both educational and recreational) and young men (including troop-type activities such as Scouting); camping services; and assistance to young servicemen.
Neighborhood services included settlement house services, and services to ethnic (Jewish) and racial (Black) groups. The services which were excluded from this study, by virtue of lack of data, included some health services, legal aid services, rehabilitative and after-care services to delinquent girls, recreational services to girls through troop-type activities, and boys' club services. The agencies in the 1970 sample are listed in Table 1; the agencies budgeted by United Community Council in the 1968 sample are listed in Table 2; and the agencies receiving allocations from United Appeal in 1968 (not part of this sample) are listed in Table 3.

DIFFERENCES IN AGENCIES INCLUDED AND NOT PART OF THE SAMPLE

There are minor differences between agencies in the sample and agencies not part of the sample, in terms of the share of United Fund allocations received. The share of allocations by sampled and non-sampled agencies for 1968 and 1970 are portrayed in Table 4. New and transferred agencies are not included. The samples represented somewhat more than half of the small agency allocations, and somewhat over-represented moderately-sized agency allocations. Middle-size allocations were well-represented, while the large agency allocations were under-represented. (Among the large agencies not included in either sample were United Appeal and United Community Council, and the American Red Cross, for reasons identified earlier.)
### TABLE 1


<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Family Service Agencies</strong></td>
<td></td>
</tr>
<tr>
<td>Family and Children's Bureau</td>
<td>X</td>
</tr>
<tr>
<td>Florence Crittenton Services</td>
<td>X</td>
</tr>
<tr>
<td>Friend's Home</td>
<td>X</td>
</tr>
<tr>
<td>Catholic Social Service</td>
<td>X</td>
</tr>
<tr>
<td>Jewish Family Service</td>
<td>X</td>
</tr>
<tr>
<td>Buckeye Boys' Ranch</td>
<td>X</td>
</tr>
<tr>
<td><strong>Welfare-Related Agencies</strong></td>
<td></td>
</tr>
<tr>
<td>Traveler's Aid</td>
<td>X</td>
</tr>
<tr>
<td>Salvation Army</td>
<td>X</td>
</tr>
<tr>
<td>Volunteers of America</td>
<td>X</td>
</tr>
<tr>
<td>South Side Day Care Center</td>
<td>X</td>
</tr>
<tr>
<td>North Side Day Care Center</td>
<td>X</td>
</tr>
<tr>
<td>West Side and Ohio Avenue Day Care Centers</td>
<td>X</td>
</tr>
<tr>
<td><strong>Health Agencies</strong></td>
<td></td>
</tr>
<tr>
<td>Children's Psychiatric Hospital</td>
<td>X</td>
</tr>
<tr>
<td>Children's Mental Health Center</td>
<td>X</td>
</tr>
<tr>
<td>Columbus Goodwill Industries</td>
<td>X</td>
</tr>
<tr>
<td>Hearing and Speech Center</td>
<td>X</td>
</tr>
<tr>
<td>Columbus Council on Alcoholism</td>
<td>X</td>
</tr>
<tr>
<td>House of Hope for Alcoholics</td>
<td>X</td>
</tr>
<tr>
<td>Maryhaven, Inc.</td>
<td>X</td>
</tr>
<tr>
<td>Vision Center</td>
<td>X</td>
</tr>
<tr>
<td>Cancer Clinic</td>
<td>X</td>
</tr>
<tr>
<td>Columbus Public Health Nursing Service</td>
<td>X</td>
</tr>
<tr>
<td>Poison Control Center</td>
<td>X</td>
</tr>
<tr>
<td>Association for Retarded Children</td>
<td>X</td>
</tr>
<tr>
<td>United Cerebral Palsey</td>
<td></td>
</tr>
<tr>
<td>Arthritis Foundation</td>
<td></td>
</tr>
<tr>
<td>Mental Health Association</td>
<td></td>
</tr>
<tr>
<td>Central Ohio Diabetes</td>
<td></td>
</tr>
<tr>
<td>Association for Coordinated Community Services</td>
<td></td>
</tr>
<tr>
<td>Multiple Sclerosis Society</td>
<td></td>
</tr>
</tbody>
</table>
TABLE 1—Continued

1970-1971 SAMPLE AGENCIES

Health Agencies, continued

Epilepsy Association

Neighborhood-Based Agencies

Columbus Urban League
Y.M.C.A.
Gladden Community House
Godman Guild
Central Community House
Neighborhood House
Jewish Center
South Side Settlement

Youth-Serving Agencies

Y.W.C.A.
Boy Scouts of America
United Service Organization (local)
Community Camp
Lockbourne Air Force Base Dependent Youth Program

1968-1969 SAMPLE

X
X
X
X
X
X
X
X
X
# TABLE 2

1968-1969 SAMPLE AGENCIES BUDGETED BY UNITED COMMUNITY COUNCIL IN 1968

<table>
<thead>
<tr>
<th>Agency Name</th>
</tr>
</thead>
<tbody>
<tr>
<td>Buckeye Boys' Ranch</td>
</tr>
<tr>
<td>Catholic Social Service</td>
</tr>
<tr>
<td>Family and Children's Bureau</td>
</tr>
<tr>
<td>Jewish Family Service</td>
</tr>
<tr>
<td>Friends' Home</td>
</tr>
<tr>
<td>Florence Crittenton Services</td>
</tr>
<tr>
<td>Travelers' Aid</td>
</tr>
<tr>
<td>North Side Day Care Center</td>
</tr>
<tr>
<td>South Side Day Care Center</td>
</tr>
<tr>
<td>West Side and Ohio Avenue Day Care Centers</td>
</tr>
<tr>
<td>Salvation Army</td>
</tr>
<tr>
<td>Volunteers of America</td>
</tr>
<tr>
<td>Instructive District Nursing Association</td>
</tr>
<tr>
<td>Columbus Cancer Clinic</td>
</tr>
<tr>
<td>Blind Association of Central Ohio</td>
</tr>
<tr>
<td>Columbus Area Council on Alcoholism</td>
</tr>
<tr>
<td>Columbus Goodwill Industries</td>
</tr>
<tr>
<td>Hearing and Speech Center</td>
</tr>
<tr>
<td>House of Hope for Alcoholics</td>
</tr>
<tr>
<td>Maryhaven, Inc.</td>
</tr>
<tr>
<td>Children's Mental Health Center</td>
</tr>
<tr>
<td>Children's Psychiatric Hospital</td>
</tr>
<tr>
<td>Council for Retarded Children</td>
</tr>
<tr>
<td>Poison Control Center</td>
</tr>
<tr>
<td>Y.W.C.A.</td>
</tr>
<tr>
<td>Boy Scouts of America</td>
</tr>
<tr>
<td>Community Camp</td>
</tr>
<tr>
<td>Lockbourne Air Force Base Dependent Youth Program</td>
</tr>
<tr>
<td>Columbus Urban League</td>
</tr>
<tr>
<td>Jewish Center</td>
</tr>
<tr>
<td>Central Community House</td>
</tr>
<tr>
<td>Gladden Community House</td>
</tr>
<tr>
<td>Godman Guild</td>
</tr>
<tr>
<td>Neighborhood House</td>
</tr>
<tr>
<td>South Side Settlement House</td>
</tr>
<tr>
<td>Camp Mary Orton</td>
</tr>
<tr>
<td>TABLE 3</td>
</tr>
<tr>
<td>---</td>
</tr>
<tr>
<td>1970-1971 SAMPLE AGENCIES BUDGETED BY UNITED APPEAL IN 1968</td>
</tr>
</tbody>
</table>

- American Red Cross
- American Social Health Association for Coordinated Community Services
- Arthritis Foundation
- Diabetes Association
- Epilepsy Association
- Multiple Sclerosis Society
- United Cerebral Palsey
- Mental Health Association
- United Community Council
- United Service Organization (local)
- Ohio State University Scholarship Fund
- Contingency Reserve
TABLE 4

SHARE OF ALLOCATIONS, SAMPLE AND REMAINING AGENCIES, BY PERCENT, 1970 & 1968

SHARE, AS PERCENT

<table>
<thead>
<tr>
<th></th>
<th>0.00</th>
<th>1-1.99</th>
<th>2-2.99</th>
<th>3-3.99</th>
<th>4-4.99</th>
<th>5 or More</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>1968</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>SAMPLE</td>
<td>20</td>
<td>12</td>
<td>7</td>
<td>1</td>
<td>3</td>
<td>1</td>
</tr>
<tr>
<td>REMAINING</td>
<td>10</td>
<td>4</td>
<td></td>
<td></td>
<td></td>
<td>3</td>
</tr>
<tr>
<td><strong>1970</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>SAMPLE</td>
<td>18</td>
<td>14</td>
<td>7</td>
<td>2</td>
<td>2</td>
<td>1</td>
</tr>
<tr>
<td>REMAINING</td>
<td>11</td>
<td>4</td>
<td></td>
<td></td>
<td></td>
<td>3(a)</td>
</tr>
</tbody>
</table>

a) American Red Cross, United Appeal, and United Community Council
A NOTE ON 1968 AND 1970 SAMPLE COMPARISONS

In 1968, the first period of this two-period study, the majority of budgeting was undertaken by United Community Council. At the same time, however, certain agencies were budgeted by United Appeal. Those agencies were almost exclusively health agencies, with the exception of a blanket allocation to United Community Council (for its own allocation process), and allocations to the United Service Organization at the national and local levels and a contingency reserve. United Community Council, in 1968, made allocation decisions regarding 69 discrete budgets presented to it; United Appeal, on the other hand, made allocation decisions for 11 discrete agencies, not counting blanket allocations to United Community Council or to the reserve. In order to more clearly portray possible differences between the allocation process during United Community Council's period of responsibility (in 1968), and that of United Appeal (in 1970), only those agencies which were a part of the 1968 allocation process of United Community Council for which comparable data can be obtained during the 1970 allocation process of United Appeal are included in this sample.

Table 2 indicates sample agencies budgeted by United Community Council in 1968. These agencies are included as the 1968 sample. One difference in data calculations will be necessary for this sample. One dependent variable, share of total allocations received by an agency, will be made in relation to allocations which United Appeal had available in total for allocation. (United Appeal, in its
recommendations from the United Appeal Screening Committee to United Appeal Board of Directors at the end of 1968, recommended that of a total allocation of $4,607,583, a total of $3,590,400 be granted to United Community Council for its allocations.) For purposes of comparison, Table 3 indicates agencies in the 1970 sample which were budgeted by United Appeal in 1968; these agencies are not included in the 1968 sample, in order to more accurately portray the operation of United Community Council's allocation process.

GENERAL DESCRIPTIONS OF THE DATA OF THIS STUDY

The data for this study are depicted in Appendix A of this report, as only selective portions of the entire set of data will be used in this analysis. Appendix A contains data separately for the 1968-1969 sample and the 1970-1971 sample. It includes the means of all variables used in the study, and measures of the dispersion of those data; such descriptions are rendered for the overall samples of each year, and the subsamples of agencies categorized by service area. In addition, tables of intercorrelations between the variables of this study for both years, for the overall samples, are included. A list of the variables employed in this study follows, together with their identification number; a similar list is included in the data of Appendix A.
<table>
<thead>
<tr>
<th>VARIABLE NUMBER</th>
<th>CHARACTER OF VARIABLE</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Year (X+1) dollar allocation, agency</td>
</tr>
<tr>
<td>2</td>
<td>Year (X) dollar allocation, agency</td>
</tr>
<tr>
<td>3</td>
<td>Year (X) total United Fund allocation</td>
</tr>
<tr>
<td>4</td>
<td>Total expenditures, Year (X), agency</td>
</tr>
<tr>
<td>5</td>
<td>Number years affiliation, agency</td>
</tr>
<tr>
<td>6</td>
<td>Year (X+1) proposed allocation</td>
</tr>
<tr>
<td>7</td>
<td>Year (X+1) proposed existing salaries</td>
</tr>
<tr>
<td>8</td>
<td>Year (X+1) proposed new salaries</td>
</tr>
<tr>
<td>9</td>
<td>Year (X+1) proposed property maintenance</td>
</tr>
<tr>
<td>10</td>
<td>Year (X+1) proposed demonstration allocation</td>
</tr>
<tr>
<td>11</td>
<td>Year (X+1) proposed seed-money allocation</td>
</tr>
<tr>
<td>12</td>
<td>Year (X) private contributions</td>
</tr>
<tr>
<td>13</td>
<td>Year (X) fees received</td>
</tr>
<tr>
<td>14</td>
<td>Year (X) government purchase-of-service payments</td>
</tr>
<tr>
<td>15</td>
<td>Fiscal responsibility, Year (X-1)</td>
</tr>
<tr>
<td>16</td>
<td>Projected fiscal responsibility, Year (X)</td>
</tr>
<tr>
<td>17</td>
<td>Year (X+1) total United Fund allocation</td>
</tr>
<tr>
<td>18</td>
<td>Year (X) existing salaries</td>
</tr>
<tr>
<td>19</td>
<td>Year (X) property maintenance</td>
</tr>
<tr>
<td>20</td>
<td>Year (X+1) proposed revenue before United Fund allocations</td>
</tr>
<tr>
<td>21</td>
<td>Percent change, Year (X):Year (X+1)</td>
</tr>
<tr>
<td>22</td>
<td>Share of allocations, Year (X+1)</td>
</tr>
<tr>
<td>23</td>
<td>Percent budget from United Fund, Year (X)</td>
</tr>
<tr>
<td>24</td>
<td>Percent budget contributions, Year (X)</td>
</tr>
<tr>
<td>25</td>
<td>Percent budget fees, Year (X)</td>
</tr>
<tr>
<td>26</td>
<td>Percent budget government, Year (X)</td>
</tr>
<tr>
<td>27</td>
<td>Share of allocations, Year (X)</td>
</tr>
<tr>
<td>28</td>
<td>Percent budget existing salaries, Year (X)</td>
</tr>
<tr>
<td>29</td>
<td>Percent change in salaries, Year (X) to Year (X+1)</td>
</tr>
</tbody>
</table>
THE RELATIONSHIP BETWEEN OUTCOME AS SHARE OF ALLOCATIONS AND BUDGETING AUTHORITY UNDER TWO DIFFERENT ALLOCATION STRUCTURES

Allocation outcomes (both dollar allocations and share of total allocations) were computed for 1969 and 1971. Because of the perfect intercorrelation between dollar allocations and share (see correlations of 1.00 between variables 22 and 1 in Table 10), only share of allocations was used to make comparisons between the two periods. As complete data were available for all 62 agencies, as well as for the sub-sample of 44 agencies used for this study, an analysis was made of the differences between the share of allocations received by each agency in the respective years. (Data for the two years, in the form of dollar allocations, share of allocations, and difference in share of allocations over the two years, is depicted in Appendix A, in mean form.)

For the sample of 62 agencies which were members of the United Fund during the two years, the mean difference in share was 0.0149; employing Student's t test for analyzing the differences between means of correlated samples, a t of 0.4901 was obtained—not significant statistically at the .05 level. Similarly, for the sample of 33 agencies comprising this study, the mean difference in share was -0.0218; the resultant t was 0.6124—again, not statistically significant. Only agencies represented in both the 1968-1969 and 1970-1971 samples were included in this analysis. The analysis of percent change is reported in detail in the section on naive and complex prediction models. Overall, no difference in share appears to result from the two years.
THE RELATIONSHIP BETWEEN GENERAL TYPES OF SERVICE AND OUTCOMES

As indicated previously, the study sample has been divided into five areas of service provided by United Appeal funds. These service areas correspond to the budget panels which hear requests for allocations from the respective agencies, and represent a sample closely similar to the overall pattern of services provided from United Appeal funds. (Divergences from the entire coalition are identified in an earlier section describing the sample of this study.)

As a frame of reference, the dependent variables of this study, and their mean values, have been tested for differences, to determine if the subsamples might be pooled and treated as a unit. However, in relation to both percent of change in allocation, and share of allocation, there are significant differences across areas of service. Thus, in this section, the service areas will be discussed separately. Because of the small size of samples in each service area, prediction models were not developed for the separate service areas; this consideration will be discussed later.

1) Tests using Student's t were employed, using means and standard errors of those means, with all differences significant at the .05 level; the formula used was:

\[ t = \frac{m_1 - m_2}{\sqrt{\sigma_{m_1} + \sigma_{m_2}}} \]
In relation to the dependent variables, percent change from 1970 to 1971 and share of allocation for 1971, data are portrayed in Table 6. For purposes of comparison, the share of allocation for 1970 is depicted. Figures represent overall means across the sample of 44 agencies, as well as means by service areas. One striking finding, in relation to the concept that resource constraints limit the amount of percent change in an allocation, a service area, and overall, is that during the 1971 allocation period, certain agencies which were perceived as governmental responsibilities (largely in the field of mental health) were put on a limited budget, pending their transference to governmental funding (through the Mental Health and Mental Retardation Board of Franklin County). Thus, the percent change for the "average" agency is markedly higher than the four percent increase which would be expected on the basis of changes in either the campaign goal or the actual acquisition of funds during the 1970-1971 period. This point will be discussed further in the section relating outcomes to environmental munificence.

Confirming the notion of incremental change, however, is the data in Table 6, which depict the shares the "average" agency received in 1970 and 1971. Overall, and for three of the service areas, the percentage increase in share was small—from .02 to .20 percent. In the case of health services, an area perceived as increasingly a governmental responsibility, the "average" share declined, while among neighborhood-based services, the "average" share increased.
TABLE 6

MEAN PERCENT CHANGE AND SHARE, BY SERVICE AREA, 1971/1970

<table>
<thead>
<tr>
<th>AREA</th>
<th>% CHANGE 70-71</th>
<th>% SHARE 71</th>
<th>% SHARE 70</th>
</tr>
</thead>
<tbody>
<tr>
<td>OVERALL</td>
<td>92%</td>
<td>1.44</td>
<td>1.42</td>
</tr>
<tr>
<td>FAMILY</td>
<td>102%</td>
<td>2.08</td>
<td>2.01</td>
</tr>
<tr>
<td>WELFARE</td>
<td>95%</td>
<td>1.38</td>
<td>1.35</td>
</tr>
<tr>
<td>HEALTH</td>
<td>78%</td>
<td>0.86</td>
<td>0.94</td>
</tr>
<tr>
<td>YOUTH</td>
<td>101%</td>
<td>1.52</td>
<td></td>
</tr>
<tr>
<td>NEIGHBORHOOD</td>
<td>108%</td>
<td>2.36</td>
<td>2.16</td>
</tr>
</tbody>
</table>
These data would indicate, on the one hand, that incremental increases in share take place when services are transferred to other sources of funding and removed from the coalition, and on the other hand, that some selectivity exists in determining which service areas receive increased funding. That selectivity may be a function of policy, or it may be a function of other factors. This matter will be discussed further in the section relating outcomes to precedent.

For the period 1968-1969, resources available for allocation were sharply constrained; thus, as Table 7 shows, there was little percent change for the "average" agency during that period. However, youth-serving and neighborhood-based agencies did receive a larger "average" percentage increase than other areas of service. The 33 agencies in the 1968-1969 sample represent agencies included in the 1970-1971 sample that were budgeted by United Community Council; it appears that the larger percent changes given to youth-serving and neighborhood-based agencies was continued over the two years of the study. It again appears that share and percent change outcomes are incremental differences from previous years, with a relatively stable pattern of allocations in years such as 1968-1969 when resources are sharply constrained.
TABLE 7

MEAN PERCENT CHANGE AND SHARE, BY
SERVICE AREA, 1969/1968

<table>
<thead>
<tr>
<th>AREA</th>
<th>% CHANGE</th>
<th>% SHARE 69</th>
<th>% SHARE 68</th>
</tr>
</thead>
<tbody>
<tr>
<td>OVERALL</td>
<td>101%</td>
<td>1.7</td>
<td>1.8</td>
</tr>
<tr>
<td>FAMILY</td>
<td>100%</td>
<td>2.0</td>
<td>2.3</td>
</tr>
<tr>
<td>WELFARE</td>
<td>100%</td>
<td>1.3</td>
<td>1.4</td>
</tr>
<tr>
<td>HEALTH</td>
<td>100%</td>
<td>1.2</td>
<td>1.3</td>
</tr>
<tr>
<td>YOUTH</td>
<td>104%</td>
<td>1.8</td>
<td>1.8</td>
</tr>
<tr>
<td>NEIGHBORHOOD</td>
<td>103%</td>
<td>2.2</td>
<td>2.4</td>
</tr>
</tbody>
</table>
Environmental munificence can be characterized in several ways. The most important characterization, for affiliates of the United Fund, is the benevolence of the giving public in contributing to the United Appeal campaign. Thus, a measure of environmental munificence is the goal and acquisition of funds from each year's campaign as established and obtained by United Appeal. Looking at the study period from 1967 until 1971 (although the years through 1970 are excluded from further detailed analysis), the campaign goal established by United Appeal was set four percent higher each year than in the preceding year. Thus, through compounding, if 1967 is considered a base year, the percent increases in environmental munificence projected by those who set the campaign goal are as follows: 1967, 100%; 1968, 104%; 1969, 108%; 1970, 112%; and 1971, 117%. Thus, a reasonable expectation, in light of an environment in which nothing influences allocations with the exception of resource availability, is that allocations would increase for all agencies 17% over the period 1967-1971. (To provide recent data on the form and magnitude of campaign increases, in 1969, the goal was $5,721,485, while attainment was $5,414,404; in 1970, the goal was $5,750,000, while attainment was $5,650,000; in 1971, the goal was $5,900,000, while attainment was $5,925,000. These data portray a four percent increase over each preceding year.)

However, over the period 1967 to 1971, the agency allocations in this study do not reflect a straight-line four-percent-per-year
increase. Table 8 portrays the changes in percent over a 1967 base of the agency allocations in this study; clearly, more agencies received low percentage changes, relative to a 17% expectation, and more received percent changes above 20%, than did those agencies receiving from 15 to 19.99 percent increases. (Overall, a great number of rates of percent increase prevailed during the period 1967 to 1971; for all agencies who were affiliated with the United Fund coalition during those years, and their percent change during that period, see Table 9.)

Again, it would appear some selectivity is operating in the allocation process, such that certain agencies receive a greater percent increase than others over the long run. The specific nature of factors which contribute to this phenomenon will be discussed in the section dealing with complex prediction models of percent change in allocations.

It should be pointed out, as Table 8 portrays, that in the short run—over a period of a single year—there are differences in the percent change in allocations which different service areas receive. Those differences, however, are markedly smaller than differences apparent over a five-year period. While the data are not strictly comparable, from 1967 to 1971 both health and welfare services show a mixed pattern of increases and decreases, and from 1970 to 1971 show lower rates of increase than other services; the converse holds for neighborhood-based services and youth services—a general trend can be observed, with deviations the result of other likely factors discussed later in this study.
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>0</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>8</td>
<td>4</td>
<td>4</td>
<td>5</td>
<td>6</td>
<td>7</td>
</tr>
</tbody>
</table>

* 1 new agency not present in 1967 omitted
#### TABLE 9

**1967 and 1971 HISTORY OF U.A. OPERATING ALLOCATIONS**

<table>
<thead>
<tr>
<th>AGENCY AND SERVICE AREA</th>
<th>1967 ALLOCATION</th>
<th>1971 ALLOCATION</th>
<th>PERCENT OF INCREASE OR DECREASE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Specialized Health Services</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>American Red Cross</td>
<td>$581,478</td>
<td>$675,000</td>
<td>+16.1%</td>
</tr>
<tr>
<td>Columbus Cancer Clinic</td>
<td>71,454</td>
<td>60,000</td>
<td>-16.0</td>
</tr>
<tr>
<td>Columbus Goodwill</td>
<td>45,000</td>
<td>30,000</td>
<td>-33.3</td>
</tr>
<tr>
<td>Hearing &amp; Speech Center</td>
<td>54,961</td>
<td>60,000</td>
<td>+9.6</td>
</tr>
<tr>
<td>IDNA &amp; Homemakers Services</td>
<td>157,671</td>
<td>203,000</td>
<td>+28.7</td>
</tr>
<tr>
<td>Poison Control Center</td>
<td>7,530</td>
<td>11,000</td>
<td>+46.1</td>
</tr>
<tr>
<td>Speech &amp; Hearing Service</td>
<td>-</td>
<td>4,000</td>
<td>-</td>
</tr>
<tr>
<td>United Cerebral Palsy</td>
<td>113,789</td>
<td>139,000</td>
<td>+22.2</td>
</tr>
<tr>
<td>Vision Center</td>
<td>52,750</td>
<td>65,000</td>
<td>+23.2</td>
</tr>
<tr>
<td>Totals</td>
<td>$1,084,633</td>
<td>$1,247,000</td>
<td>+14.8</td>
</tr>
</tbody>
</table>

| Associational Health Services |               |               |                                 |
| American Social Health       | 2,704          | 3,000          | +10.9%                          |
| Arthritis Foundation         | 60,350         | 60,000         | -0.6                            |
| Assn. Coord. Community      | -              | 42,224         | -                               |
| Central Ohio Diabetes Assoc. | 24,810         | 28,000         | +12.5                           |
| Council for Retarded Children | 22,941         | 24,000         | +4.6                            |
| Epilepsy Association         | 3,262          | 7,500          | +129.9                          |
| Franklin County Mental Health Association | 51,078 | 55,000 | +7.7 |
| Multiple Sclerosis Society   | 39,704         | 43,000         | +8.3                            |
| Totals                      | $204,849        | $262,724        | +28.3                           |
TABLE 9—Continued

<table>
<thead>
<tr>
<th>AGENCY AND SERVICE AREA</th>
<th>1967 ALLOCATION</th>
<th>1971 ALLOCATION</th>
<th>PERCENT OF INCREASE OR DECREASE</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Mental Health Services</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Children's Mental Health Center</td>
<td>$ 46,708</td>
<td>$ -</td>
<td>-100%</td>
</tr>
<tr>
<td>Columbus Area Council on Alcoholism</td>
<td>20,948</td>
<td>1,750</td>
<td>-91.6</td>
</tr>
<tr>
<td>Columbus Children's Psychiatric Hospital</td>
<td>9,489</td>
<td>1,000</td>
<td>-89.5</td>
</tr>
<tr>
<td>Diocesan Child Guidance Center</td>
<td>15,000</td>
<td>-</td>
<td>-100%</td>
</tr>
<tr>
<td>House of Hope for Alcoholics</td>
<td>20,800</td>
<td>2,000</td>
<td>-90.4</td>
</tr>
<tr>
<td>Maryhaven</td>
<td>-</td>
<td>3,500</td>
<td>-</td>
</tr>
<tr>
<td>Mental Health (648)</td>
<td>-</td>
<td>86,805</td>
<td></td>
</tr>
<tr>
<td>Board Emergency Fund</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Totals</strong></td>
<td>$ 112,945</td>
<td>$ 95,055</td>
<td>-15.8</td>
</tr>
<tr>
<td><strong>Family Services &amp; Child Welfare</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Catholic Social Service</td>
<td>$ 169,319</td>
<td>$ 190,000</td>
<td>+12.2%</td>
</tr>
<tr>
<td>Family &amp; Children's Bureau</td>
<td>242,814</td>
<td>231,000</td>
<td>-4.9</td>
</tr>
<tr>
<td>Isabelle Ridgway Home</td>
<td>52,750</td>
<td>-</td>
<td>-100%</td>
</tr>
<tr>
<td>Jewish Family Service</td>
<td>86,189</td>
<td>103,000</td>
<td>+19.5</td>
</tr>
<tr>
<td><strong>Totals</strong></td>
<td>551,072</td>
<td>524,000</td>
<td>-4.9</td>
</tr>
<tr>
<td><strong>Residential Treatment Facilities</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Alvis House</td>
<td>$ -</td>
<td>$ 15,000</td>
<td>-%</td>
</tr>
<tr>
<td>Buckeye Boys Ranch</td>
<td>33,170</td>
<td>39,000</td>
<td>+17.6</td>
</tr>
<tr>
<td>Rosemont School</td>
<td>45,775</td>
<td>50,000</td>
<td>+9.2</td>
</tr>
<tr>
<td><strong>Totals</strong></td>
<td>$ 78,945</td>
<td>$ 104,000</td>
<td>+31.7</td>
</tr>
</tbody>
</table>
TABLE 9-Continued

<table>
<thead>
<tr>
<th>AGENCY AND SERVICE AREA</th>
<th>1967 ALLOCATION</th>
<th>1971 ALLOCATION</th>
<th>PERCENT OF INCREASE OR DECREASE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Maternity Home Care</td>
<td>$</td>
<td>$</td>
<td></td>
</tr>
<tr>
<td>Florence Crittenton</td>
<td>$ 57,432</td>
<td>$ 60,000</td>
<td>+4.5%</td>
</tr>
<tr>
<td>Services</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Friends Home</td>
<td>$ 20,371</td>
<td>$ 22,871</td>
<td>+12.3</td>
</tr>
<tr>
<td>Totals</td>
<td>$ 77,803</td>
<td>$ 82,871</td>
<td>+6.5</td>
</tr>
<tr>
<td>Day Care</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Day Care Study</td>
<td>$ 25,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>North Side Day Care</td>
<td>$ 45,723</td>
<td>$ 53,000</td>
<td>+15.9</td>
</tr>
<tr>
<td>Center</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>South Side Day Care</td>
<td>$ 43,166</td>
<td>$ 59,000</td>
<td>+36.7</td>
</tr>
<tr>
<td>Center</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>West Side &amp; Ohio Avenue</td>
<td>$ 97,767</td>
<td>$ 122,000</td>
<td>+24.8</td>
</tr>
<tr>
<td>Day Care Center</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Totals</td>
<td>$ 186,656</td>
<td>$ 259,000</td>
<td>+38.8</td>
</tr>
<tr>
<td>General Dependency</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Community Emergency Fund</td>
<td>$</td>
<td>$ 2,000</td>
<td></td>
</tr>
<tr>
<td>Hospitalization Fund</td>
<td>$ 82,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Salvation Army &amp; Camp</td>
<td>$ 100,077</td>
<td>$ 108,500</td>
<td>+8.4</td>
</tr>
<tr>
<td>Volunteers of America</td>
<td>$ 26,376</td>
<td>$ 15,000</td>
<td>-43.1</td>
</tr>
<tr>
<td>Totals</td>
<td>$ 208,453</td>
<td>$ 125,500</td>
<td>-39.8</td>
</tr>
<tr>
<td>Special Services</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Columbus Urban League</td>
<td>$ 78,981</td>
<td>$ 128,000</td>
<td>+62.1%</td>
</tr>
<tr>
<td>Legal Aid &amp; Defender Society</td>
<td>$ 26,214</td>
<td>$ 32,000</td>
<td>+22.1</td>
</tr>
<tr>
<td>Travelers Aid</td>
<td>$ 58,590</td>
<td>$ 70,000</td>
<td>+19.5</td>
</tr>
</tbody>
</table>
### TABLE 9-Continued

<table>
<thead>
<tr>
<th>AGENCY AND SERVICE AREA</th>
<th>1967 ALLOCATION</th>
<th>1971 ALLOCATION</th>
<th>PERCENT OF INCREASE OR DECREASE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Veterans Service Council</td>
<td>16,670</td>
<td></td>
<td>+19.5%</td>
</tr>
<tr>
<td>Totals</td>
<td>$ 180,455</td>
<td>$ 230,000</td>
<td>+27.5</td>
</tr>
<tr>
<td>Community Wide Building - Centered Programs</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Jewish Center</td>
<td>$ 98,405</td>
<td>$ 115,000</td>
<td>+16.9%</td>
</tr>
<tr>
<td>YMCA - All Branches</td>
<td>274,480</td>
<td>310,000</td>
<td>+12.9</td>
</tr>
<tr>
<td>YWCA</td>
<td>117,150</td>
<td>130,345</td>
<td>+11.3</td>
</tr>
<tr>
<td>Totals</td>
<td>$ 490,035</td>
<td>$ 555,345</td>
<td>+13.3</td>
</tr>
<tr>
<td>Settlement Houses</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Central Community House</td>
<td>$ 52,276</td>
<td>$ 67,000</td>
<td>+28.2%</td>
</tr>
<tr>
<td>Columbus Federation of Settlements</td>
<td>18,149</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Gladden Community House</td>
<td>60,974</td>
<td>72,000</td>
<td>+18.1</td>
</tr>
<tr>
<td>Godman Guild &amp; Camp</td>
<td>73,699</td>
<td>95,000</td>
<td>+28.9</td>
</tr>
<tr>
<td>Neighborhood House</td>
<td>93,111</td>
<td>116,000</td>
<td>+24.6</td>
</tr>
<tr>
<td>St. Stephen's Community House</td>
<td>40,759</td>
<td>78,000</td>
<td>+91.4</td>
</tr>
<tr>
<td>South Side Settlement &amp; Camp</td>
<td>48,182</td>
<td>73,000</td>
<td>+51.5</td>
</tr>
<tr>
<td>Totals</td>
<td>$ 387,150</td>
<td>$ 501,000</td>
<td>+29.4</td>
</tr>
<tr>
<td>Area Youth Services</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Community Camp</td>
<td>$ 18,012</td>
<td>$ 22,900</td>
<td>+27.1%</td>
</tr>
<tr>
<td>LAFB-Youth Activities</td>
<td>9,535</td>
<td>11,648</td>
<td>+22.2</td>
</tr>
<tr>
<td>Totals</td>
<td>$ 27,547</td>
<td>$ 34,548</td>
<td>+170.6</td>
</tr>
</tbody>
</table>
TABLE 9-Continued

<table>
<thead>
<tr>
<th>AGENCY AND SERVICE AREA</th>
<th>1967 ALLOCATION</th>
<th>1971 ALLOCATION</th>
<th>PERCENT OF INCREASE OR DECREASE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Associatesional Youth Services</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Big Brothers Association</td>
<td>$69,772</td>
<td>$89,000</td>
<td>+27.6%</td>
</tr>
<tr>
<td>Boy Scouts of America &amp; Camp</td>
<td>$167,057</td>
<td>$208,000</td>
<td>+24.5</td>
</tr>
<tr>
<td>Camp Fire Girls &amp; Camp</td>
<td>53,096</td>
<td>70,000</td>
<td>+31.4</td>
</tr>
<tr>
<td>Milo Grogan Boys' Club</td>
<td>29,688</td>
<td>34,438</td>
<td>+16.0</td>
</tr>
<tr>
<td>Seal of Ohio Girl Scouts &amp; Camp</td>
<td>74,608</td>
<td>88,000</td>
<td>+17.9</td>
</tr>
<tr>
<td>USO-Columbus &amp; National</td>
<td>37,160</td>
<td>47,500</td>
<td>+27.8</td>
</tr>
<tr>
<td>West Side Boys' Club</td>
<td>33,593</td>
<td>43,562</td>
<td>+29.7</td>
</tr>
<tr>
<td><strong>Totals</strong></td>
<td><strong>$464,974</strong></td>
<td><strong>$580,500</strong></td>
<td>+24.8</td>
</tr>
<tr>
<td>Planning &amp; Financing</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ohio Citizens' Council</td>
<td>$11,689</td>
<td>$13,500</td>
<td>+15.5%</td>
</tr>
<tr>
<td>United Appeal</td>
<td>252,535</td>
<td>365,359</td>
<td>+44.7</td>
</tr>
<tr>
<td>United Community Council</td>
<td>241,112</td>
<td>305,084</td>
<td>+26.5</td>
</tr>
<tr>
<td><strong>Totals</strong></td>
<td><strong>$505,336</strong></td>
<td><strong>$683,943</strong></td>
<td>+35.3</td>
</tr>
<tr>
<td>Common Services</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Hospitalization Insurance Program</td>
<td>$14,400</td>
<td>$12,000</td>
<td>-16.7%</td>
</tr>
<tr>
<td>National Assembly</td>
<td>1,300</td>
<td>1,300</td>
<td>0.0</td>
</tr>
<tr>
<td>Property Maintenance</td>
<td>30,000</td>
<td>20,000</td>
<td>-33.3</td>
</tr>
<tr>
<td>Retirement Insurance Program</td>
<td>55,000</td>
<td>90,000</td>
<td>+63.3</td>
</tr>
<tr>
<td><strong>Totals</strong></td>
<td><strong>$100,700</strong></td>
<td><strong>$123,300</strong></td>
<td>+22.4</td>
</tr>
</tbody>
</table>
THE RELATION BETWEEN OUTCOME AND AGENCY DEPENDENCE

If, in an environment in which resources are constrained and dependent upon volunteer help in the acquisition of funds, there is a need to reward agencies for remaining active participants in the processes of the United Fund coalition, then one could assume that rewards would be granted more readily to those with a large stake in the operation of the coalition than to others. That is, one might expect that agencies highly dependent on United Appeal monies for their existence would receive a larger percent increase, or at the least some favorable treatment from participants in the allocation process. However, as Tables 10-11 show, the intercorrelation matrix depicting relationships between the variables of the study, there is no statistically significant relationship between agency dependence on United Fund monies (variable 23, percent of budget from United Appeal funds) and either percent change (variable 21) or share of allocations (variable 22) during the study year.

There is a difference, however, in the dependence of the "average" agency upon United Appeal funds, and the "average" agency in different areas of service supported by United Appeal. As Table 12 shows, the overall mean dependence on United Appeal funds is 59.55% of an agency's budget; however, youth-serving agencies are less dependent; family-serving and health agencies are about equally dependent; and welfare-related and neighborhood-based agencies are much more dependent on United Appeal. Such differences could indicate a differing
TABLE 10

INTERCORRELATIONS BETWEEN DEPENDENT (21 AND 22)
AND INDEPENDENT VARIABLES
1970-1971
(N=44)

<table>
<thead>
<tr>
<th>VARIABLE NUMBER</th>
<th>% CHANGE, VARIABLE 21</th>
<th>1971 SHARE, VARIABLE 22</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>0.404</td>
<td>1.000</td>
</tr>
<tr>
<td>2</td>
<td>0.263</td>
<td>0.984**</td>
</tr>
<tr>
<td>3</td>
<td>-0.128</td>
<td>0.110</td>
</tr>
<tr>
<td>4</td>
<td>-0.028</td>
<td>0.339*</td>
</tr>
<tr>
<td>5</td>
<td>-0.276</td>
<td>-0.404**</td>
</tr>
<tr>
<td>6</td>
<td>0.293*</td>
<td>0.952**</td>
</tr>
<tr>
<td>7</td>
<td>-0.023</td>
<td>0.310*</td>
</tr>
<tr>
<td>8</td>
<td>0.015</td>
<td>-0.013</td>
</tr>
<tr>
<td>9</td>
<td>0.002</td>
<td>0.278</td>
</tr>
<tr>
<td>10</td>
<td>0.010</td>
<td>-0.043</td>
</tr>
<tr>
<td>11</td>
<td>0.285</td>
<td>-0.072</td>
</tr>
<tr>
<td>12</td>
<td>0.156</td>
<td>0.482**</td>
</tr>
<tr>
<td>13</td>
<td>0.076</td>
<td>0.286</td>
</tr>
<tr>
<td>14</td>
<td>-0.549**</td>
<td>-0.169</td>
</tr>
<tr>
<td>15</td>
<td>0.105</td>
<td>-0.025</td>
</tr>
<tr>
<td>16</td>
<td>0.013</td>
<td>-0.057</td>
</tr>
<tr>
<td>17</td>
<td>0.0</td>
<td>0.0</td>
</tr>
<tr>
<td>18</td>
<td>-0.059</td>
<td>0.275</td>
</tr>
<tr>
<td>19</td>
<td>0.013</td>
<td>0.313*</td>
</tr>
<tr>
<td>20</td>
<td>-0.088</td>
<td>0.051</td>
</tr>
<tr>
<td>21</td>
<td>1.000</td>
<td>0.404</td>
</tr>
<tr>
<td>22</td>
<td>0.404</td>
<td>1.000</td>
</tr>
<tr>
<td>23</td>
<td>0.272</td>
<td>0.074</td>
</tr>
<tr>
<td>24</td>
<td>0.280</td>
<td>0.146</td>
</tr>
<tr>
<td>25</td>
<td>0.021</td>
<td>0.016</td>
</tr>
<tr>
<td>26</td>
<td>-0.662**</td>
<td>-0.255</td>
</tr>
<tr>
<td>27</td>
<td>0.263</td>
<td>0.984**</td>
</tr>
<tr>
<td>28</td>
<td>0.083</td>
<td>0.028</td>
</tr>
<tr>
<td>29</td>
<td>0.213</td>
<td>0.051</td>
</tr>
</tbody>
</table>

For two variables where N=44, the following correlation coefficients are statistically significant:

* p less than .05 where r > ± .288
** p less than .01 where r > ± .372
TABLE 11

INTERCORRELATIONS BETWEEN DEPENDENT (21 AND 22) AND INDEPENDENT VARIABLES
1968-1969
(N=33)

<table>
<thead>
<tr>
<th>VARIABLE NUMBER</th>
<th>% CHANGE, VARIABLE 21</th>
<th>1969 SHARE, VARIABLE 22</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>0.246</td>
<td>0.000</td>
</tr>
<tr>
<td>2</td>
<td>0.180</td>
<td>0.997</td>
</tr>
<tr>
<td>3</td>
<td>0.384*</td>
<td>0.191</td>
</tr>
<tr>
<td>4</td>
<td>0.193</td>
<td>0.691**</td>
</tr>
<tr>
<td>5</td>
<td>-0.242</td>
<td>-0.266</td>
</tr>
<tr>
<td>6</td>
<td>0.177</td>
<td>0.983**</td>
</tr>
<tr>
<td>7</td>
<td>0.209</td>
<td>0.867**</td>
</tr>
<tr>
<td>8</td>
<td>0.160</td>
<td>0.249</td>
</tr>
<tr>
<td>9</td>
<td>0.067</td>
<td>0.589**</td>
</tr>
<tr>
<td>10</td>
<td>0.055</td>
<td>-0.063</td>
</tr>
<tr>
<td>11</td>
<td>0.0</td>
<td>0.0</td>
</tr>
<tr>
<td>12</td>
<td>0.407*</td>
<td>0.601**</td>
</tr>
<tr>
<td>13</td>
<td>0.039</td>
<td>0.232</td>
</tr>
<tr>
<td>14</td>
<td>-0.161</td>
<td>-0.142</td>
</tr>
<tr>
<td>15</td>
<td>0.147</td>
<td>-0.277</td>
</tr>
<tr>
<td>16</td>
<td>0.295</td>
<td>-0.220</td>
</tr>
<tr>
<td>17</td>
<td>0.0</td>
<td>0.0</td>
</tr>
<tr>
<td>18</td>
<td>0.237</td>
<td>0.861</td>
</tr>
<tr>
<td>19</td>
<td>0.015</td>
<td>0.562**</td>
</tr>
<tr>
<td>20</td>
<td>0.160</td>
<td>0.474</td>
</tr>
<tr>
<td>21</td>
<td>1.000</td>
<td>0.246</td>
</tr>
<tr>
<td>22</td>
<td>0.246</td>
<td>1.000</td>
</tr>
<tr>
<td>23</td>
<td>0.069</td>
<td>0.166</td>
</tr>
<tr>
<td>24</td>
<td>0.196</td>
<td>0.244</td>
</tr>
<tr>
<td>25</td>
<td>-0.058</td>
<td>-0.020</td>
</tr>
<tr>
<td>26</td>
<td>-0.210</td>
<td>-0.330</td>
</tr>
<tr>
<td>27</td>
<td>0.180</td>
<td>0.997**</td>
</tr>
<tr>
<td>28</td>
<td>0.032</td>
<td>0.184</td>
</tr>
<tr>
<td>29</td>
<td>-0.065</td>
<td>-0.072</td>
</tr>
</tbody>
</table>

For two variables where N=33, the following correlation coefficients are statistically significant:

* p less than .05 where r > ± .325
** p less than .01 where r > ± .418
TABLE 12

PERCENT OF BUDGET UNITED FUND:
DEPENDENCY ON
UNITED FUND, 1970

<table>
<thead>
<tr>
<th>AREA</th>
<th>VARIABLE 23: % OF BUDGET FROM UNITED FUND 1970</th>
</tr>
</thead>
<tbody>
<tr>
<td>OVERALL</td>
<td>59.55</td>
</tr>
<tr>
<td>FAMILY</td>
<td>57.37</td>
</tr>
<tr>
<td>WELFARE</td>
<td>76.46</td>
</tr>
<tr>
<td>HEALTH</td>
<td>53.41</td>
</tr>
<tr>
<td>YOUTH</td>
<td>43.82</td>
</tr>
<tr>
<td>NEIGHBORHOOD</td>
<td>72.93</td>
</tr>
</tbody>
</table>
set of relationships between dependence and outcome among subsets of agencies. For example, welfare-related services are primarily provided in the form of temporary assistance to meet food, financial, clothing, and shelter needs—needs which governmental agencies cannot provide with the flexibility of the voluntary social service sector. Thus, there may be an interactive relationship between availability of governmental funds, the need for temporary assistance, and the flexibility which highly-dependent welfare-related agencies possess, such that outcomes might be related (especially in terms of percent change from year to year) to dependence. A similar pattern appears to hold for the 1968-1969 period.
THE RELATIONSHIP BETWEEN GUTCOME AND AGENCY SHARING OF GOALS

As suggested in the previous section, some favorable treatment may be expected to be accorded those agencies which share the goals of the United Fund, either in the form of being dependent on United Appeal monies (thereby engendering cooperation), or by long involvement with the coalition—an indicator of general agreement with the goals, methods, and benefits of the coalition. While there appears to be no statistically significant relationship, over a one-year period, between percent change in allocations (variable 21) and sharing of goals of the coalition as indicated by length of time in the coalition (variable 5), there is a significant relationship between length of time in the coalition and share of allocations received (variable 22) in 1971, Table 10. Since the relationship between length of time in the coalition is barely non-significant (at the .05 level) in the short run, while length of time is related to share of allocations received, a hypothesis focusing on the longer term may be suggested. It is possible that budget panel members, and other participants are responding to the historical importance of agencies who have remained with the coalition for some time, and who likely had a large share of the allocations granted them in years past when fewer agencies were included in calculations of "fair share." Thus, knowledge of an agency and knowledge of its historical share of allocations interact to retain larger shares for older coalition members than for younger ones. Conversely, newer members of the coalition
would unlikely be admitted to the United Fund unless they provided little threat to the established pattern of dividing a limited fund of resources, and hence would tend to receive smaller shares of the total allocation.

1969, however, was a year in which resources were constrained, and 1971 illustrates a different pattern. In 1971, through the movement out of the coalition of agencies which appeared to qualify for governmental funding, additional resources were available for increasing shares to established agencies. In 1969, however, there is no significant relationship between outcomes of either type and long involvement with the coalition, illustrating what might be termed a "hold-the-line" policy in relation to both new and older agencies which are part of the coalition. Only when there is an increase in revenue available does long involvement in the coalition appear to have influence on the allocation process.2

2) Variable 5, number of years an agency has been a financially-affiliated member of United Appeal or some earlier allocation and campaign organization, has been coded in "year of admission," rather than "number of years of affiliation;" hence, the correlations in this study are negative, but should be interpreted as if they were positive, since year of admission is inversely related to years of affiliation. In the section above, agency share of allocations is positively related to the year of admission.
Analysis of the relationship between agency resourcefulness in acquiring other income and outcome of percent change or share of allocation is somewhat complex. Neither in 1968-1969 nor in 1970-1971 is there any statistically significant relationship between percent change or share of allocations, and percent of budget in fees (variable 25) or percent of budget in private contributions (variable 24). However, in 1968-1969, there is a statistically significant and positive relationship between actual dollars gathered through contributions (variable 12) and percent change (r = .407) and share of allocations received (r = .601). Thus, in a period of resource constraints, it appears that some reward exists for obtaining large amounts of private contributions, though not in relation to total expenditures, and a favorable allocation from the United Fund. In 1970-1971, a similar relationship held with share of allocations (r = .482), but not in relation to percent change. It would appear, then, that other factors operate in a period of available revenue to account for changes in percent increase.

When there appears the likelihood of obtaining government funding, however, as manifested by government purchases of service during the preceding year, there appears to be an opposite effect. A penalty appears attached to obtaining funds from government sources.
There is a moderately high negative correlation, statistically significant, between percent of budget from government purchase-of-service payments (variable 26) and percent change in 1971. When government funds are available, those agencies with high current payments from government sources appear to be candidates for lower percent increases and shares of total allocations—a reasonable response to increasing government assumption of responsibility for services when the voluntary sector finds it difficult to fund all those services which are demanding monies. Even in 1968-1969, when no significant correlation existed between percent of budget from government purchases of services, a negative correlation existed. It may well have been that during the earlier period of the study there were fewer sources of government funds available, as during the period 1970-1971 large sums of money were available for mental health-related programs, accounting for the large negative relationship ($r=-.66$) between government funds as a percent of budget and percent increase. In general, it appears the better able an agency is at obtaining government funds, the more likely it is not to receive a high percent change in its allocation.

There appear to be differences in sources of income received by agencies in different service areas from outside the United Fund, as Tables 13 and 14 show. Clearly, health agencies received increasing government funding over the study years, and, in fact, were partly moved from the coalition. However, the findings above should be tempered by the notion that they may not be generalizable to each area.
<table>
<thead>
<tr>
<th>AREA</th>
<th>% BUDGET FEES</th>
<th>% BUDGET CONTRIBUTIONS</th>
<th>% BUDGET GOVERNMENT</th>
</tr>
</thead>
<tbody>
<tr>
<td>OVERALL</td>
<td>15.47</td>
<td>10.46</td>
<td>9.45</td>
</tr>
<tr>
<td>FAMILY</td>
<td>23.23</td>
<td>6.45</td>
<td>15.09</td>
</tr>
<tr>
<td>WELFARE</td>
<td>2.65</td>
<td>8.96</td>
<td>5.73</td>
</tr>
<tr>
<td>HEALTH</td>
<td>21.69</td>
<td>7.65</td>
<td>18.20</td>
</tr>
<tr>
<td>YOUTH</td>
<td>26.84</td>
<td>21.84</td>
<td>5.79</td>
</tr>
<tr>
<td>NEIGHBORHOOD</td>
<td>6.61</td>
<td>12.05</td>
<td>0.00</td>
</tr>
</tbody>
</table>
TABLE 14

1970 SOURCES OF INCOME: MEAN PERCENT OF REVENUE FROM NON-UNITED FUND SOURCES

<table>
<thead>
<tr>
<th>AREA</th>
<th>% BUDGET FEES</th>
<th>% BUDGET CONTRIBUTIONS</th>
<th>% BUDGET GOVERNMENT</th>
</tr>
</thead>
<tbody>
<tr>
<td>OVERALL</td>
<td>11.23</td>
<td>12.27</td>
<td>12.47</td>
</tr>
<tr>
<td>FAMILY</td>
<td>31.75</td>
<td>7.93</td>
<td>1.48</td>
</tr>
<tr>
<td>WELFARE</td>
<td>5.21</td>
<td>8.54</td>
<td>5.91</td>
</tr>
<tr>
<td>HEALTH</td>
<td>6.43</td>
<td>8.74</td>
<td>24.32</td>
</tr>
<tr>
<td>YOUTH</td>
<td>16.28</td>
<td>24.81</td>
<td>8.16</td>
</tr>
<tr>
<td>NEIGHBORHOOD</td>
<td>9.17</td>
<td>18.87</td>
<td>0.19</td>
</tr>
</tbody>
</table>
As portrayed in Table 9, there is a considerable range of total expenditures represented by agencies who are financially affiliated with the United Fund. In 1970-1971, the average of expenditures including United Fund allocations of the study sample is $197,738, with a range in 1970 from a high of $1,485,299 to a low of $6,200. In 1968-1969, the average was $161,491, with a range from $533,800 to $30,200. Interestingly, in relation to share of allocations, there is a positive relationship between share of allocations and total expenditures (in 1968-1969, \( r^2 = .691 \); in 1970-1971, \( r^2 = .339 \)).

However, there is no statistically significant relation between agency total expenditures and percent change; indeed, while not significant, there is a negative relationship with percent change. Such a finding may be interpreted in several ways. It may be possible that large agencies are more skillfully managed, and better able to present their "case" before budget panel members, thereby securing large shares of United Fund allocations. It also may be possible that United Fund allocations provide "core" or "base" services for large agencies, which allow them to continue basic services of planning, organizing, and controlling personnel who are then able to devote energy to obtaining additional non-United Fund resources to expand services which those agencies offer. The negative relation between economic significance and percent change is suggestive of a tendency to not grant increases.
to agencies which already have a large share of United Fund allocations and which, by virtue of their total expenditure level (and additional resources) would appear to suffer little from modest cuts in their United Fund allocations, which could then be granted to smaller agencies. Such an idea is corroborated by the finding that there is a significant negative relation between economic significance and percent of total budget received from United Appeal funds (variable 23; r = -.57) and by the findings that economic significance is positively related to 1970 private contributions (variable 12; r = +.34), fees for service (variable 13; r = +.61), and purchases from government sources (variable 14; r = +.42). Similar findings over the earlier study period hold, where the relationship between economic significance is positive and significant with 1968 private contributions (r = .64), and with fees for service (r = .72).
THE RELATIONSHIP BETWEEN SKILL IN PRESENTING A RATIONALIZED BUDGET, AND OUTCOME

Skill in presenting a rationalized budget has been simply defined for purposes of this study. In a system which undertakes deficit budgeting, a balanced budget appears a rational budget, when the budgeteer has taken into account the multitude of sources of income and policies he must conform to, and managed to work within resource constraints. In relation to the balance of the previous year's budget (variable 15) and the current year's projected expenditures (variable 16), there is no relation between either share of allocation or percent change. However, those agencies with high levels of expenditure seem better able at balancing their budgets, reflecting perhaps the same management skill which allows them to retain their share of allocations. A similar pattern holds in 1970-1971 and 1968-1969; however, such a finding may be an artifact of the United Fund policy that budgets be balanced (although such does not always occur), and budgeteers presume that budgets will be balanced in the short run. This factor may influence longer-run changes in either share of allocation received from the United Fund, or percent change, when for several years in succession an agency does not present a budget which appears fiscally responsible, and does not balance its books at the end of a fiscal year.
THE RELATIONSHIP BETWEEN PRECEDENT FOR ALLOCATIONS OF A CERTAIN LEVEL, AND OUTCOME

Precedent appears to have differential effects on the two dependent variables of this study. In relation to percent change, dollar value and percent of budget from government purchase seem to have negative effects; high values or percentages of government purchase are negatively correlated with percent of increase, as observed earlier. The ability to obtain private contributions, however, is positively related to percent change. Neither percent of budget in salaries and wages, nor expenditures for property maintenance, are related to percent change (variables 29 and 19, respectively). Overall, the major effect of precedent on percent change seems the dampening effect of increased governmental purchases.

Share of allocations, however, are influenced by different factors. The strongest relationship is between share of allocations in one year, and share of allocations received the following year (variables 27 and 22, respectively, with an $r=+.984$, and $r=+.997$). The longer the membership in the United Fund by 1970-71, the greater the share of allocation ($r=+.40$). The ability to obtain private contributions in one year, and fees, is also strongly related to share in the following year, as observed earlier.

In addition, expenditures for property maintenance are positively related to share of allocations (for the two years, $r=.31,.56$). Such a finding may indicate a commitment to capital investments long since made—a "sunk cost" which is still being assumed. However, there
seems to be no relation between expenditures for new staff and share of allocation, though there is a positive relation between proposed expenditures for existing staff and share of allocation (variable 7; $r=+.31$), indicating the role of precedent for maintaining commitments to current staff as a portion of the share of allocations—a personnel component of the "base." Indeed, in 1968-1969, the relation between proposed expenditures for existing staff and share of allocation was quite high ($r=.867$), indicating how in a period of constrained revenue the "base" of an agency's budget, its existing salaries and wages, is one of the foremost items to be maintained.

THE RELATIONSHIP BETWEEN OUTCOMES AND TYPES OF CHANGE PROPOSED

As observed above, there appears no relationship between proposed changes in new salaries, in property maintenance expenditures, in demonstration or seed-money requests, or in requests for existing salary expansions and percent change of allocation. However, there is a high positive relationship between overall proposed allocations and share of allocations received in both 1968-1969 and 1970-1971 (with $r=.98$ and $r=.95$, respectively). Such a finding could indicate several things. First, agencies requesting funds may be able to guess well what level of allocation they will get overall, based on their share during the past year and their presumptions about the actual funds received through the campaign. Second, budget panel members may know little about the actual needs of agencies, and so
give credence to professionals from agencies (who have prepared their budgets) when specific requests are made; the calculations of panel members, then, are largely changes in actual allocations made on the basis of the amount of funds raised through the campaign. In a year of tight resources (1968-1969), such a notion is corroborated by the finding that there is a relationship between proposed allocations and share of allocations (as there was in 1970-1971), but no relation between proposed allocations and percent change, as there was little percent change. In 1970-1971, however, when funds were more flexible, there is a significant (although low) correlation between percent change and proposed allocations ($r = .29$), suggesting that panel members respond to what is requested of them when changes are possible within revenue constraints.
OVERVIEW OF NAIVE AND COMPLEX PREDICTION MODELS

Two general classes of prediction models were developed for the years 1968-1969, and the years 1970-1971. In each of these classes naive and complex prediction models were developed, based on several observations. First, based on considerations of the literature which suggested that precedent was an important influence in predicting allocation outcomes in a resource-constrained environment, and the observation that precedent appeared strongly related to share of allocations as a dependent variable, a naive model was developed for each dependent variable. Second, based on the observation both of the resource-constrained environment, and on the observation that alternative sources of funds appeared to be strongly influential in shaping allocation outcomes (in the sense that changes in outcome were related to precedent for obtaining outside funds), a complex model employing resource considerations was developed. In the following sections those models will be described for each of the two years of the study, and compared and analysed in relation to their predictive power.

NAIVE MODELS FOR PREDICTION OF PERCENT CHANGE IN ALLOCATIONS

As outlined in the chapter describing the methodology of this study, the naive model for prediction of percent changes in allocation is founded in considerations of both "base" and "fair share." The model, in verbal terms, suggests that percent change in allocations is a function of precedent for allocations of a certain level (the "base"), and of a proportional share of the increase or
decrease which results from changes in revenues available (the "fair share" of increases or decreases). In such a case, changes in allocations would be predicated on previous allocations, and on changes in overall revenue partialled out among members of the United Fund coalition.

A) The 1969 Naive Model for Percent Change

The 1969 naive model, predicting percent change in allocations over 1968, takes the following form for the data of this study:

\[ Y = 1.00391 + 1.00724 X_1 + 0.037 X_2 + \text{error}, \]

where \( Y \) = percent change in allocations 1968 to 1969;
\( X_1 \) = dollar allocation to the agency in 1968;
\( X_2 \) = share of total allocations which the agency received in 1968.

For this equation, \( R^2 = .9195 \), with a standard error of estimate of .0161, indicating that the model fitted over 91% of the variation in the dependent variable by the least squares regression technique. (For this and all succeeding analyses, a stepwise regression technique for multiple regression models was employed.) For the model above, an \( F \) of 82.065 was obtained; with degrees of freedom of (2,30) for 33 cases, such an \( F \)-value is statistically significant at the .05 level.

The model generally indicates the nature of precedent and "fair share" considerations which enter into calculations of percent change in allocations, such that considerable variation in change can be related to changes in resource levels through "fair share" calculations.
B) The 1971 Naive Model for Percent Change

Using a similar formulation of forces which might influence percent change of allocations from 1970 to 1971, the following model was developed from the data of this study:

\[ Y = 0.93907 + 1.0225 X_1 + 0.116 X_2 + \text{error}, \]

where \( Y \) = percent change in allocations 1970 to 1971;
\( X_1 \) = dollar allocation to the agency in 1970;
\( X_2 \) = share of total allocations which the agency received in 1970.

For this equation, \( R^2 = .8597 \), with a standard error of estimate of .1741, indicating that the model fitted over 85% of the variation in the dependent variable through use of the independent variables of previous year's allocation and share of total allocations. However, in 1970-1971, the model would appear to fit less well to observed changes in percent change, as suggested by the fact that a larger \( R^2 \) (.9195) was obtained for 1969 than for 1971 (\( R^2 \) above), and the fact that the standard error of estimate, used to suggest the probable range of the population value of \( R \), was smaller for 1969 than for 1971. Indeed, the "fit" of the 1969 model is better in one sense, as will be discussed later. Here, however, a possible interpretation may be offered. 1969 was a year of sharply constrained resources, and it is likely that change would be both less possible and less tolerable to members of the coalition, due to the lack of flexible revenue. In 1971, conversely, several agencies moved out of the coalition, and additional resources from the United Fund were freed for internal
reallocating. While it appears from the naive model that much of that reallocation can be described as operations on "base" and "fair share" considerations, there is less variation explained by those forces than is the case in a tightly-constrained environment.

C) The 1969 Complex Model for Percent Change

Because of the apparent relationship between funding from outside sources (especially government sources) and the difference between 1969 and 1971 models for percent change based only on "base" and "fair share" considerations when resource constraints were changed, a complex model of percent change was developed, employing the notion that percent change might be better described as the resultant forces of "base" and "fair share," together with influences of other resources available. Under such a notion, the following model was developed:

\[ Y = 1.00877 + 1.00731 X_1 + (-0.02014) X_2 + (-0.00593) X_3 \\
+ (-0.01576) X_4 + .033 X_5 \]

where

- \( Y \) = percent change in allocations 1968 to 1969;
- \( X_2 \) = percent of 1968 budget in private contributions;
- \( X_3 \) = percent of 1968 budget in fees;
- \( X_4 \) = percent of 1968 budget from government sources;
- and \( X_1 \) and \( X_5 \) are, respectively, dollar allocation and share of allocations received in 1968.

For this equation, \( R^2 = .9244 \), with a standard error of estimate of .0164, and an F-value of 31.722 (with degrees of freedom of 5,27, significant at the .05 level). Thus, it appears that including other sources of revenue improves very slightly the percent of variation in percent change of allocations in the 1968-1969 data. This point will be discussed further in a later section on the fit of the models.
to observed data. However, a point should be made regarding the manner in which the variables contribute to percent change in allocation.

In neither year was there a great increase in resources available, but in 1969 there was almost no increase; in that year, the influences of previous fees, private contributions, and government resources available were negative—if an "average" agency was perceived as able to obtain fees, private contributions, and government funds during 1968, it was less likely to obtain a large percent increase in allocations in 1969.

D) The 1971 Complex Model for Percent Change

A similar model was developed for 1970-1971 data, employing the variables described for the 1969 complex model. The equation resulting was:

\[ Y = 0.94050 + 1.01812 X_1 + 0.14479 X_2 + 0.10707 X_3 + (-0.27391) X_4 + 0.096 X_5 \]

where the same variables as the 1969 model were employed.

For this equation, \( R^2 = .8886 \), with a standard error of estimate of .1623, and an F-value of 28.351 (with degrees of freedom of 5, 38, significant at the .05 level). Again, a very modest increase over the absolute power of the naive model is evident for 1970-1971 data. However, in this case, where resources were somewhat more plentiful than was the case in 1968-1969, neither obtaining private contributions (variable \( X_2 \)) nor obtaining fees for service (variable \( X_3 \)) appear to operate negatively, as penalties on obtaining a "base + fair
share" percent change in allocations. Only obtaining governmental resources in 1970 (variable X₄) enters the equation negatively, indicating a tendency to grant lower percent changes when the possibility of obtaining government resources appears to exist (based on such activity in 1970).

In summary, both naive and complex models of factors which shape percent change in allocations over the two study years appear to be strongly influenced by notions of "base" and "fair share," and the prediction of outcomes of this sort is somewhat improved, in a differential fashion according to overall resource constraints, by introduction of variables which depict the success which agencies experienced in obtaining funds for their services from sources outside the United Fund allocation process. However, the increase in absolute predictive power of the models is modest when considering influences of resources from outside the United Fund.

**NAIVE MODELS FOR PREDICTION OF SHARE OF ALLOCATIONS**

In relation to predicting share of total allocations from the United Fund which an agency receives, another naive model was developed for the years 1968-1969 and 1970-1971. The general form of that model, again based on the presumed strong influence of precedent in a system such as that represented by the United Fund in Columbus, is that the share of total allocations which an agency receives is a function of the share which it received during the previous year.
A) The 1969 Naive Model for Share of Allocations

For the period 1968-1969, a naive model for predicting share of allocations in 1969 was developed of the following form:

\[ Y = 0.0000 + 0.93163 X_1 + \text{error}, \]

where \( Y \) = the share of allocations received by an agency in 1969;
\( X_1 \) = the share of allocations which that agency received in the previous year.

For this equation, \( R^2 = .9973 \), with a standard error of estimate of .0010, and an F-value of 5639.387 (with degrees of freedom 1,31, significant at the .05 level). Thus, the naive model appears to predict over 99% of the variation in share of allocations through use of share of allocations during the previous year.

B) The 1971 Naive Model for Share of Allocations

For the period 1970-1971, a model of similar form was developed, resulting in the following equation:

\[ Y = -0.00106 + 1.08943 X_1 + \text{error}, \]

where \( Y \) and \( X_1 \) are the same as in the above model.

Thus, for this period, there appears to be a strong influence of precedent; for this equation, \( R^2 = .9842 \), with a standard error of estimate of .0024 and an F-value of 1293.712, again significant at the .05 level. The models differ in the respect that a larger coefficient appears on the \( X_1 \) term in 1971 than in 1969, perhaps reflecting the increased share which agencies were likely to receive when (as in 1971) resource constraints were loosened somewhat.
C) The 1969 Complex Model for Share of Allocations

Again looking at the influence of alternative sources of resources shaping allocation outcomes, a model was constructed employing share of resources obtained in the previous year, and variables describing the influences of alternative sources of funds obtained during the previous year, together with estimates of revenue offered by the agency for the coming (predicted) year. The following equation resulted for 1969 outcomes of share of allocation:

\[ Y = 0.00047 + 0.0000 X_1 + 0.00056 X_2 + (-0.00179) X_3 \\
+ (-0.00179) X_4 + 0.90714 X_5 + \text{error}, \]

where

\( Y = \) share of allocations in 1969;  
\( X_1 = \) projected revenue for the 1969 period not including United Fund monies;  
\( X_2 = \) percent of budget from private contributions in 1968;  
\( X_3 = \) percent of budget from fees in 1968;  
\( X_4 = \) percent of budget from government sources in 1968;  
\( X_5 = \) share of allocations received in 1968.

For this equation, \( R^2 = .9977 \), with a standard error of estimate of .0010, and an F-value of 1152.548 (with degrees of freedom 5, 27, significant at the .05 level). Looking at the model in relation to the naive model for 1969 share of allocations, a modest but almost imperceptible increase in absolute predictive power was achieved, with a similar standard error; thus, it appears little is gained by including additional variables. However, the action of the variables is interesting in relation to the complex model for predicting percent change 1968 to 1969, in that fees and the availability of government
funds in 1968 appear to contribute negatively to share of allocations received in 1969 (although such is not the case for private contributions, the converse of the percent change complex model). Again, the impact of revenue constraints appears in the model, as calculations regarding share of allocations appears to be influenced by the availability of alternatives for funding services.

D) The 1971 Complex Model for Share of Allocations

A model similar to the complex model for 1968 was developed for the period 1970-1971, to depict the influence of resource alternatives in relation to share of allocations. The following equation resulted:

\[ Y = (-0.00035) + (-0.00000) X_1 + 0.00144 X_2 + (-0.00043) \]
\[ + (-0.00431) X_4 + 1.07106 X_5 + \text{error}, \]

where the variables are the same as previously identified, respectively the contribution of projected revenues for 1971, and the private contributions, fees, and government funds received during 1970, together with share of allocations received in 1970. In this case, \( R^2 = .9892 \), with a standard error of estimate of .0021 and an F-value of 346.950 (with degrees of freedom 5,38, significant at the .05 level). Similar to the case in 1969, fees for services obtained in 1970, and government funds available during 1970, enter negatively, while obtaining private contributions appears not to penalize an agency in receiving a share similar to that received during the preceding year. In neither the 1969 nor the 1971 complex models does it
appear that projected revenues for the coming year (i.e., 1969 or 1971) are as influential as previous success (or failure) of obtaining funds from alternative sources of revenue during the past year. Again, only a modest increase in absolute predictive power is achieved by employing the complex rather than the naive model for 1971, in relation to share of allocations.

SYNTHESIS OF THE "FIT" OF THE MODELS

In order to determine which model appears to best portray outcomes which closely correspond to observations of actual changes in percent, or share of allocations, several logical techniques may be employed. First, of course, it is possible to compare the absolute predictive power of the models in terms of variation explained by independent variables included in the model. For such purposes, $R^2$ or the multiple coefficient of determination may be an appropriate measure. In relation to the models described above, the following figures resulted:

A) Naive Model for Percent Change:
   1) 1969: $R^2 = .9195$
   2) 1971: $R^2 = .8587$

B) Complex Model for Percent Change:
   1) 1969: $R^2 = .9244$
   2) 1971: $R^2 = .8886$

Generally, it appears that in each of the years, the complex model appears to provide better absolute predictive power than the naive model, with 1971 being more difficult to fit. A possible reason for
differences between 1969 and 1971 has been suggested: the slackening of resource constraints over the two years. In relation to the models for predicting share of allocations, the following figures resulted:

A) Naive Model for Share of Allocation:

1) 1969: $R^2 = .9973$
2) 1971: $R^2 = .9842$

B) Complex Model for Share of Allocation:

1) 1969: $R^2 = .9977$
2) 1971: $R^2 = .9892$

Overall, it appears that there is only a modest increase in the predictive power of the complex over the naive models in predicting share of allocations received in one year from share of allocations received in the following year.

Two alternative methods for analyzing the fit of the model to observed outcomes will be employed in the following sections. Here, an analysis of the divergence between observed and predicted outcomes will be made; in the following section, analysis of the residuals of the models will be analyzed in relation to factors which may explain why large residuals (differences between prediction and observations) were produced.

Divergences between observed and predicted outcomes have been analyzed in terms of what Crecine calls a "modified Bayesian-induction criterion" (1969, p. 120). Similar to the Chi-squared test for goodness of fit of data to some presumed population distribution, the criterion directs the investigator to choose a model as best-fitting
which minimizes the sum of squared deviations of prediction from observation, in relation to actual observed values, thus:

\[
\text{Min } \sum \left[ \frac{(\text{observed} - \text{predicted})^2}{\text{observed}} \right]
\]

Thus, the assumption made is similar to employing Chi-squared tests, presuming that the models generate probabilities that $1 will be allocated to an agency in the predicted manner, and analyzing the differences between actual and predicted outcomes of the allocation process.

Such a test, in practical terms, employs residuals from each of the prediction models, and compares their relation to the total values of observed allocation outcomes. For the models described above, the following results were obtained for each of the model years, employing different outcome variables and prediction models:

A) 1969:

1) Naive Model for Percent Change: .00829848
2) Complex Model for Percent Change: .00274178
3) Naive Model for Share of Allocation: .0038120
4) Complex Model for Share of Allocation: .00842025

B) 1971:

1) Naive Model for Percent Change: 2.57803974
2) Complex Model for Percent Change: 4.0991187
3) Naive Model for Share of Allocations: .0531632
4) Complex Model for Share of Allocations: .04319339

Thus, for the 1969 data, it appears that the complex model for percent change provides a better fit to the observed allocations
than does the naive model, introducing into the complex model the considerations of alternative resources obtained by agencies during the past year. On the other hand, the naive model for predicting share of allocation provides a better fit to 1969 shares of allocation than does the complex model.

For the 1971 data, it appears that the converse holds. The naive model provides a better fit to observed percent changes than does the complex model, perhaps reflecting the notion that when resources are less constrained, their influence in fitting predicted to observed outcomes lessens. For share of allocations, the complex model is somewhat better at fitting the data than is the naive model for 1971 data; however, the difference is rather small, and may not be of practical importance. (There exists no probability distribution of Bayesian-induction criteria, and thus tests of the significance of differences in criteria cannot be rendered. As suggested above, the criterion is primarily a logical tool for choosing which model provided a better fit to observed outcomes during the several years of the study.

Overall, it should be observed that none of the models provide what might be termed a "bad" fit to observed outcomes; the practical significance of this finding will be discussed in the chapter on conclusions, interpretations, and implications of this study.
ANALYSIS OF THE RESIDUALS PRODUCED BY THE MODELS

To shed further light on factors which influence the allocation process in addition to those previously identified, an analysis of residuals produced by the operation of the models. For such an analysis, the "unit normal deviate" form of the residuals serves as a point of reference (Draper and Smith, 1966, p. 88). Simply, assumptions are made about errors of regression: that they are independent, have zero mean, a constant variance, and follow a normal distribution. The unit normal deviate is a portrayal of the distribution of the errors, in relation to their mean. The residuals may be examined to determine if they appear to have a zero mean, and then examined to see if approximately 95% of the residuals fall within ± 1.96 standard deviations from that mean. If such should be the case, one could reasonably conclude that the residuals exhibit tendencies which do not deny assumptions made, and lead one to suggest that the fitted model is a reasonable model (if it appears interpretable in practical terms).

In the unit normal deviate analysis, residuals are related to their standard deviation (residual/standard deviation of residuals) and plotted; the plot then was tested using the Chi-square statistic to suggest whether the hypothesis of a normal distribution of the residuals (in relation to each year's sample) could be rejected.
The standard deviation of the residuals, the square root of its variance, is computed thus for each sample:

\[ s = \sqrt{\frac{\sum (e_i - e)^2}{n - p}} \]

across all residuals

The models, by year and form, will be discussed individually, and analyzed in relation to this method in the following sections. Where deviations from the overall pattern of residuals exceed two standard deviations from the mean of the residuals, they will be identified as "outliers," extreme cases of the data which must be analyzed in more detail to suggest reasons for their lack of adequate prediction by the variables contained within the model. (That analysis will be undertaken later.)

A) The 1969 Naive Model for Percent Change

Residuals from this model are non-normal in form around a zero mean of the residuals: the model quite consistently overpredicted the percent of change which an agency should have received. (In relation to a mean of zero, Chi-squared = 22.707: with three degrees of freedom, significant at the .05 level.) However, in relation to the mean of the residuals, the residuals appear normally distributed, with the exception of one "outlier" more than two standard deviations from the mean: the Hearing and Speech Center. The residuals ranged from an overestimate of 0.4% to an underestimate of 4.3%. Generally, it appears that the revenue constraints in this year resulted in practically no changes resulting for most agencies.
B) The 1971 Naive Model for Percent Change

Residuals from this model are non-normal in form around a zero mean of the residuals: the model somewhat underestimated the percent change which was observed in these data. In relation to the mean of the residuals, the residuals appear to be normally distributed, with five outliers: the Salvation Army, Gladden Community House, and three mental health agencies—Children's Mental Health, the House of Hope, and the Columbus Area Council on Alcoholism. The movement of the latter three agencies toward funding by the Franklin County Mental Health and Mental Retardation Board appeared to generally produce additional resources which were allocated to agencies according to budget requests which agencies made, as suggested in predictions of share of allocations for 1971.

C) The 1969 Complex Model for Percent Change

Introducing alternative sources of revenue into the complex model for 1969 appeared to produce a better fit to observed data. In this case, residuals appear to be normally distributed, with a Chi-squared value of 5.04 (not significant at the .05 level). Residuals ranged from an underestimate of 1.59% to an overestimate of 1.57%. One outlier was observed: the Vision Center.

D) The 1971 Complex Model for Percent Change

The residuals from this model again illustrate a non-normal distribution of residuals around a zero mean: the model consistently underestimated percent change. However, in relation to the mean of
the residuals, there appears to be a normal distribution. (For a zero mean, the Chi-squared value was 9.6, significant at the .05 level.) The range of residuals was from an underestimate of 11% to an overestimate of 15%. There appeared three outliers: the House of Hope, the Columbus Area Council on Alcoholism, and Children's Mental Health Center, all agencies being shifted toward funding from governmental sources, as observed previously.

E) The 1969 Naive Model for Share of Allocations

The residuals of this model reflect a consistent overestimate of share of allocations which an agency would expect to receive. The residuals were non-normal around a zero mean (Chi-squared was 13.08, significant at the .05 level). Residuals reflect a range from an overestimate of 0.20% of share to an underestimate of 0.15% of share of allocations received in 1969. However, in relation to the fit of this model to the data, it appears that a better fit was obtained employing the naive than the complex model, and only one outlier was observed: the Salvation Army.

F) The 1971 Naive Model for Share of Allocations

This model produced a normal distribution of residuals around a zero mean (Chi-squared was 2.80, not significant at the .05 level). The residuals ranged from an underestimate of 0.17% to an overestimate of 0.19% of share of allocations. However, there were seven outliers from this equation: overestimates in the cases of Family and Children's Bureau, the Salvation Army, the Cancer Clinic, the Columbus Area
Council on Alcoholism, and Children's Mental Health; and underestimates in the cases of the Urban League and Columbus Public Health Nursing.

G) The 1969 Complex Model for Share of Allocations

The residuals from this model are non-normal in form around a zero mean of the residuals; Chi-squared was 38.91, significant at the .05 level. The model consistently overestimated the share of allocations observed to be received by agencies in the sample, with residuals ranging from an overestimate of 0.20% of share to an underestimate of 0.10 percent of share of allocations. However, in relation to the absolute predictive power of the model, there appears to be a reasonable fit of predictions to observed outcomes. There were five outliers, all overestimated: Florence Crittendon Services, Catholic Social Services, the Salvation Army, Goodwill Industries, and the Hearing and Speech Center.

H) The 1971 Complex Model for Share of Allocations

This equation produced a normal distribution of residuals around a zero mean for residuals; Chi-squared was 2.83, not significant at the .05 level. The residuals ranged from an overestimate of 0.13% of share to an underestimate of 0.28% of share of allocations. There were five outliers: overestimated were the Family and Children's Bureau, the Columbus Area Council on Alcoholism, and Children's Mental Health; underestimated were the Urban League and Columbus Public Health Nursing.
INTERPRETATION OF OUTLIERS IN RELATION TO PRECEDENT AND POLICY

As suggested throughout the preceding discussion, the effects of precedent are strong over the study periods of 1968-1969 and 1970-1971. However, inclusion of these influences, in their various forms as portrayed in the models, did not account for certain specific cases referred to as "outliers." These cases are those whose residuals are more than 1.96 standard deviations above or below the mean of the residuals for the models employed, and suggest that other influences are operating which render predictions inadequately fitted to observed outcomes. Thus, it becomes important to look carefully at outliers, in an attempt to suggest forces which might account for those inadequate predictions. It might be observed here, however, that there are relatively few such cases, and that overall, it appears the effect of precedent and resource constraints on the allocation process allows one to develop a model which fits fairly well to observed outcomes.

In 1969, the naïve model for percent change produced one outlier, overestimated: the model suggested that the Hearing and Speech Center should receive less than a fair share of increase, and the agency received even less than predicted. Minutes of the Executive Budget and Admissions Committee reflect the feeling of budget panel members that the agency should have been obtaining more revenue from fees which it charged clients than was the case during its preceding year, and than was reflected in the agency's
estimate of revenue to be produced during the 1969 fiscal year. In
the 1969 complex model for percent change, one outlier was produced:
the Vision Center was predicted to receive a modest increase over 1968,
and it actually received a larger increase than was predicted. Again,
minutes of the Executive Budget and Admissions Committee show that
the agency (then the Blind Association of Columbus) had overestimated
the revenue it would receive from private contributions, and based on
that overestimate had hired a new staff member; when contributions
lagged, an adjustment (in the form of an additional increase) was
granted to the agency to fulfill its commitment to the recently-
 hired staff member, for which approval had been granted during the
preceding year, but for which no expenditures were earmarked.

In the 1969 models for share of allocation, several outliers
were observed. One, the Salvation Army, was overestimated in relation
to percent change and to share of allocations; minutes of the Execu­
tive Budget and Admissions Committee report that budget panel members
believed that increased use should be made of county welfare depart­
ment monies for emergency services, and better use made of fees for
service--customarily not required by the Salvation Army. Other
overestimates were predicted for the Hearing and Speech Center (dis­
cussed previously); for Goodwill Industries (which minutes of the
Executive Budget and Admissions Committee show that panel members
believed that the agency should be largely self-supporting, as it
derived only a small share of its total budget from the United Fund
and gained considerable income from the sale of goods made by persons in their rehabilitation program, as well as receiving state funds for rehabilitation; for Florence Crittendon Services (which minutes of the Executive Budget and Admissions Committee show that panel members felt the agency ought to have been receiving significantly higher fees from those girls who came to the Home for residential treatment as unwed parents); and for Catholic Social Services (who, records of the Executive Budget and Admissions Committee show, had been operating without a balanced budget--generating a deficit--for the two years preceding the study period, and as a result caused the panel to state that additional increases should be held until the agency showed it was able to reduce its deficit).

For 1971 data, several agencies were consistently overestimated in relation to percent change and share of allocations predicted. Those agencies, the House of Hope, the Columbus Area Council on Alcoholism, and the Children's Mental Health Center, were all viewed as candidates for funding under the recently-passed levy which provided funds for the Franklin County Mental Health and Mental Retardation Board, and, in fact, during the year 1971 were moved toward full funding under that governmental agency. In relation to share of allocations received, one agency was consistently overestimated: the Family and Children's Bureau. Records of the United Appeal Executive Budget and Finance Committee record that panel members believed that rates which the agency charged for boarding children were too low in relation to costs
incurred, and that adoption costs which the agency projected were unrealistic in light of the agency's own projections of cases to be served, resulting in the recommendation that the agency be held at the previous year's level. That recommendation is manifested in overestimates of both percent change and share of allocations. Two agencies were underestimated by both the naive and complex models of share of allocations: the Urban League, and Columbus Public Health Nursing Service. Records of the Executive Budget and Finance Committee of United Appeal show that increases in the costs of medical supplies, coupled with decreases in payments from the Ohio Administration on Aging for services of homemakers and home health aides to the aged invalid produced a larger need for United Fund monies than might be expected based on precedent; thus, Columbus Public Health Nursing received a larger allocation than predicted. The Urban League appears to have been underestimated largely due to an interpretation that its services were of a high priority; records of the United Appeal Executive Budget and Finance Committee reflect that panel members believed the service should receive high priority for the year 1971, and also that the panel responded favorably to continued funding of a project developed through private foundation grants, in part, by United Fund monies. (Interestingly, in 1968, suggestions were made by the Board of Trustees that United Community Council, then undertaking allocations, provide twenty percent of their funds for services to the inner city, and informal conversations with budget panel members
produce the recollection that the Urban League argued, in the past several years—though not formally reported—that it played a major role in calming racial tensions during the summer of 1969 and 1970 in Columbus' inner city.) In relation to the naive model for predicting 1971 share of allocations, the Salvation Army and the Columbus Cancer Clinic were overestimated by the model. Records of the United Appeal Executive Budget and Finance Committee reflect that the panel rated the quality of the Salvation Army program as low, and also recommended that the United Community Council undertake a study of that agency during the 1971 fiscal year in order to evaluate the agency's services and obtain a more complete financial picture of the agency's revenues and expenditures. In the case of the Cancer Clinic, records of the United Appeal Executive Budget and Finance Committee show that panel members felt the agency did little to improve collection of fees for service, and did not bill major insurance companies for screening and diagnostic services which they provided; in addition, the agency reported a large deficit for the 1970 fiscal year, but had considerable monies in reserve funds; overall, the panel believed the agency was not adequately employing sources of funds from outside the United Fund.

In summary, most of the outliers produced from the operation of the prediction model can be explained through several hypothesized sources of influence. First, the intensity of feeling on the part of members of budget panels that agencies were not employing outside
resources adequately was not captured by the variables of precedent or projections made in agency budget requests which provided data for the models of this study. Second, some influences appeared to build incrementally over time, and not be captured in full through the cross-sectional portrayal of variables in the study, which looked only at single years of the allocation process. An example of this type of influence is the purported policy of expenditures in the inner city, or the influence on budget panel members' thinking of deficits which extend back in time over several years preceding the study.

In general, however, the outliers can be explained as extreme cases of the operation of influences already conceived to be operating: precedent, and resource constraints.

BUDGET PANEL GUIDELINES: POLICY BEHIND THE PREDICTION MODELS

In Figure IV, the guidelines prepared for members of budget panels during the 1971 budget cycle are depicted. Highlights of these policies reflect a concern for relevance and quality of service, and a concern for sound financial planning and management. The models of this study suggest that predominant influence over the allocation process is exerted by precedent and use of alternative sources of funds, and that the allocation process can be reasonably well described in terms of those influences. Thus, a major question—which motivated this study—can be restated: how might the participating organizations of the United Fund work with factors shaping allocation processes?
FIGURE IV

BUDGET PANEL GUIDELINES PROVIDED BY UNITED APPEAL
FOR 1970-1971 BUDGET CYCLE

1) Proposals received from agencies should be separated into two parts: requests relating to present services and new services.

2) Requests for funds for present services should be reviewed for:
   a) relevance to the needs of the community
   b) quality
   c) comprehensiveness
   d) non-duplication in the community

3) Requests for funds should be carefully reviewed relative to other sources of financing for the activity. We finance only "deficits" created by subtracting costs of performing services from all sources of income other than United Appeal. Other past and possible future sources to be considered by the Panels are:
   a) fees
   b) voluntary contributions
   c) government support funds
   d) other sources

4) The present financial position of each agency should be reviewed to determine its internal ability to finance services.

5) There has been a continued effort in United Appeal to encourage coordination and cooperation among our agencies to improve efficiency and to overcome duplication of effort. Panels should encourage agencies to continue working toward more and better coordination.
6) New service proposals should be reviewed for quality, relevance, comprehensiveness, etc. If the services appear to be desirable to the community, they should be presented (along with the estimated cost) to the Budget and Finance Executive Committee separate from existing services. The Executive Committee will have to evaluate all of the new service proposals to determine which are most desirable in light of overall community and United Appeal priorities.

7) Panels should attempt to remove from agency requests the costs of performing present services which are no longer relevant, or which duplicate, or which can be financed in other ways.

8) A UCC staff person will present to the Panels, prior to each agency hearing, a statement concerning the services of that agency.

9) The UCC Criteria of Review for evaluating service is attached.
SUMMARY OF FINDINGS

The findings of this study will be briefly summarized in this section, to provide a basis for conclusions, interpretations, and implications of the study in the following chapter.

In relation to the major investigative questions guiding this study, there appears to be a strong relationship between outcomes and environmental munificence (the benevolence of the giving public). When resources are constrained, little change in outcomes appears to occur. When resources are more flexible—either through the acquisition of additional United Fund monies, or through internal shifts in agencies part of the United Fund coalition, or through the possibility of obtaining additional resources from fees, private contributions, and government purchase-of-service funds, larger allocations are possible. The form of those larger allocations, however, appears to be shaped by relatively simple rules, as discussed later.

Outcomes in relation to the agency structure which undertakes allocation responsibility appear to differ little, over the two study years. Overall, no difference in share appears to result from action of other than the application of relatively simple rules, which hold their general form of applying precedent and resource constraints to a limited pot of funds; similarly, while shifts in percent change in allocations occur, almost all such shifts can be described in terms of application of simple rules. Whether an agency plans and budgets, or simply plans, appears not to influence the process.
There do appear to be differences in outcome according to different types of service provided by United Fund monies. However, the outcomes of the allocation process can be reasonably well described by the action of precedent and resource constraints, such that the allocations of agencies in different service areas can be explained as resulting in large measure from the application of simple rules.

There appears to be no relationship observed in the data of this study between agency dependence upon United Fund monies and outcomes; however, the extent to which an agency obtains (or is perceived as able to obtain) additional resources from other sources does enter strongly into predicted outcomes, as discussed later.

While there appears to be some positive relationship between agency sharing of goals (or tenure within the United Fund), such a relationship appears not to be part of the yearly allocation process except in an indirect way. It appears that the original share of allocations, and the dollar amount of allocations originally received, persist through successive iterations of the allocation process, with change occurring on an incremental basis but not observable through the cross-sectional analysis of time periods in this study.

Agency resourcefulness in acquiring other funds appears strongly related to outcome, especially if it appears that an agency's services could be supported through governmental monies. The action of acquiring outside resources is especially strong in the prediction
models, where interactions among sources of revenue become strong influences in shaping allocation outcomes. Generally, it appears that a period of constrained resources, such as 1968-1969, produces pressures to fully employ all available sources of revenue, while periods of more flexible resources allow agencies to receive both "base" and "fair share" allocations, and perhaps allow the development of innovative programs, should revenues be large enough to satisfy needs based in precedent.

While there appears a positive relationship between share of allocations and total agencies' expenditures, it does not appear that the rich get richer through the allocation process; rather, it appears that shares will likely be maintained from United Fund monies as long as no significant changes occur (or are perceived) in the availability of outside funds.

Generally, there appears to be no short-run relationship between agency ability to present a rationalized (i.e., balanced) budget and outcomes, although there may be cases where deficits (or surpluses) which extend over a series of years have impact upon the thoughts of budget panel members regarding percent change and share of allocations which an agency receives.

Precedent for allocations of a particular level, especially as those allocations are composed of salaries and wages, appears to be a predominant influence in the allocation process. In prediction models, precedent appears to have influence on both percent change and share of allocations, indicating the effects of an agency's "base."
Similar to findings on precedent, overall proposed allocations appear to be strongly related to share of allocations received, and positively related to percent change when resources are flexible, but not so when resources are constrained.

In developing both naive and complex prediction models, several findings are striking. First, naive models of both percent change and share of allocations work reasonably well in predicting observed outcomes, with the majority of extreme, unpredictable cases resulting from forces which can be interpreted as special cases of the application of precedent or resource constraint considerations. Generally, percent change appears to be influenced by what an agency received during the previous year, plus a fair share (proportional to its overall share of allocations) of any increases in revenue which may be forthcoming, with some corrections for use of alternative sources of funds in periods of tight resource constraints. In addition, share of allocations appears to be strongly influenced by previous shares of allocations, again corrected for use of alternative sources of funds in periods of tight resource constraints. Generally, such models can be employed to depict from 80 to 99 percent of the variation in allocation outcomes, with a reasonable degree of error in the residuals from the model—reasonable in a practical sense, for differences between observed and predicted outcomes are small.

Overall, the major impact of policy is on establishing
acceptable limits on shares to be allocated, and on resources to be employed. If relevance and quality of services enter calculations, they do so in a fashion difficult to portray through the operation of naive and complex models based on precedent and resource constraints and may operate such that relevance is manifested by simply staying in business from one year to the next, while quality is judged in terms of sound financial planning and the prudent use of available resources from within and outside the United Fund.
CONCLUSIONS, INTERPRETATIONS, AND IMPLICATIONS OF THE STUDY

The focus of this study has been upon factors which influence allocation decision making about allocations to be granted to individual agencies who are a part of the organizational coalition of the United Fund in Columbus, Ohio. From a theoretical perspective, major questions have been raised regarding the process of decision making regarding allocations, the types of rules employed, the aspects of the environment which such rules focus attention upon, and the location of influences on allocation decision behavior, within different settings. From an experiential perspective, major questions have been raised about the manner in which budgeting is undertaken, the role of planning in allocation decision making, and the bases for allocation decision behavior. It is from these two perspectives that this study may be viewed.

Foremost, it appears that the decision setting of this study is so severely constrained by limits on available resources, and so demanding of complex and difficult calculations, that the use of simple rules is required to manage the complexity of allocation decision making within the Columbus United Fund.

Further, it appears that those rules employed can be represented reasonably by mathematical formulations of rules, relating
to precedent for allocations and the likely or current ability to acquire additional resources. Generally, the results of such formulations suggest that precedent is given predominant importance in determining allocation outcomes, that conflicting interests are managed by not disturbing the status quo more than incrementally (unless there are reasons rooted in changing resource constraints), and that "base" and "fair share" calculations appear mathematically as a plausible portrayal of the lengthy and complex process of allocation decision making within the United Fund.

In such calculations, it would appear that the composite of individual decisions represented by the organizational decision making process regarding allocations can be described by the interaction of certain simple decision rules, and information about existing conditions within the United Fund and its environment. Overall, the decision process appears to consist primarily of a balancing of income and expenditures within resource constraints, a determination of the likelihood that alternatives for funding services are available, and an assessment of whether equity can be served and the United Fund coalition maintained by using precedent as a guide to future decisions about levels of allocation granted. Regardless of the structure which undertakes allocation decision making, whether it be the planning and allocation structure represented in the United Community Council of 1968-1969 or the United Appeal structure of 1970-1971, the same constraints appear to be operating and the same rules appear descriptive.
of the allocation decision making process. Thus, questions may be
raised regarding how such conclusions relate to theoretical questions
posed from an analysis of literature on decision making, and also re­
garding how such conclusions might be interpreted from the perspective
of participants in the allocation process. From such interpretations,
implications both for further studies and for behavior of the partici­
pants in allocation decision making may be suggested.

In looking at the theoretical concerns woven in this study,
influences of the environment of the United Way and of the interaction
between the decision process and its outcomes become evident. It appears
that the major influence of the environment of the United Way lies in
limiting resources available for funding voluntary social services. The
amount of funds raised for allocation increases only slightly from one
year to the next, and appears not to keep pace either with demands of
agencies for additional resources, or with needs for service in the
larger community. As a result, lack of funds from the United Appeal
campaign sharply constrains the magnitude of change possible in funding
social services from voluntary contributions. In a similar vein, other
resources—notably those provided from governmental sources—are avail­
able only for funding certain services, or are available on an inter­
nmittent basis (they become available only after a lengthy legislative
process, and perhaps fluctuate in amount or time of availability). This
fact, together with the reticence of some members of United Way orga­
nizations to actively seek and use governmental funds, creates an environ­
mental constraint on the entire allocation decision making process. In
addition, the bulk and amount of detail of information presented to
participants in the allocation decision making process, and the short
time available for deliberation over decisions, appears to produce a
demand for complex calculations quickly made, and results in the appar­
ent application of simple rules in decision making.

In response to questions emanating from a review of the litera­
ture, it appears the following answers can be suggested. First, the
decisional setting of this study is constrained by lack of resources
(or low environmental munificence), and within that environment complex
decisions are required about services which cannot be fully supported
by resources available, such that simple rules appear to be used to
manage the complexity of the allocation decision process. Second, it
appears that the overall allocation decision process (the composite
of individual decisions made at a number of levels within the United
Way organization) is guided by criteria focusing on a balancing of
all sources of income and expenditures, a consideration of precedent
and previous commitments, and a predisposition toward incremental
change if any change in magnitude of allocation is recommended. Third,
the criteria employed in the United Way organization appear to be
similar to those suggested by students of allocation decision making
in certain other organizational settings. The findings of the study
of allocation decision making in the United Fund of Columbus parallel
and support those of Wildavsky and Crecine in the congressional and
municipal spheres of allocation decision making, respectively. While Crecine developed a complex simulation model to depict individual steps which decision makers undertook, he found that naive models of the sort portrayed in this study conformed as well as his simulation model to observed outcomes, while the simulation model helped explain much of the behavior in individual decision steps. Indeed, it appears from this study that similar rules, having similar results in producing decision outcomes, were employed in the two organizational settings studied cross-sectionally: both the United Community Council of 1968-1969, and the United Appeal of 1970-1971, employed rules analogous to those suggested by Wildavsky and detailed by Crecine. Simply, those rules exhibit a strong influence by precedent and previous commitments both for political purposes and for their wealth of information about past successes, and illustrate considerations for managing conflicting interests and maintaining efforts toward shared goals within the United Fund coalition, such that rules produce group decision behavior heavily influenced by considerations of "base" and "fair share." Fourth, these decision rules appear to focus the decision maker on inputs of monetary and human resources, rather than outputs in terms of client change or service effectiveness. In such an environment as that depicted in this study, there is little purpose in analyzing performance of services; rather, the concern appears to be performance of those responsible for resource acquisition. Fifth, it appears that suggested new rules in the form of "priority plans" or policy changes have little
statistical significance in relation to changing allocation outcomes, and rather clearly no practical significance over the process when decisions about dollar amount of expenditures are of concern. Last, the overall decision model of the allocation decision making process appears to be of the "satisficing" form, with budget panels reactively calculating allocation outcomes in relation to budgets presented to them, with a satisfactory outcome being defined as allocating limited resources such that no one agency is markedly worse off in one year than it was in preceding years. Exceptions to this rule appear when agencies can gather outside resources: the resulting decision often takes the form of suggesting to that agency (directly or indirectly) that it obtain those resources wherever possible. If there exists a comprehensive set of calculations in relation to the costs and benefits derived from all possible alternative sets of expenditures, that set of calculations does not appear in the model as stated, unless those calculations are undertaken at an individual level and rendered in an extremely short period of time.

Before turning to organizational interpretations and implications of this study, several limitations of the study should be noted, and suggestions for further work should be detailed. First, the study depicts a composite of individual decisions in the allocation decision making process, rather than analyzing either individual decisions or individual cases--agency decisions and allocation decisions about that agency. Thus, the findings of this study cannot be generalized to the
behavior of either individual decision makers in any one setting of the allocation decision making process, or to a particular case of decisions about a single agency. Second, the study is cross-sectional, looking as it does at two points in time rather than analyzing the effects of decisions which accrue over, say, a ten-year period. Thus, changes which appear incremental on a one-year basis may appear major (and have great practical significance) when viewed in a different time frame. Similarly, policies may change over a long period, but such changes may not be discernable in a single year's allocation process. Third, caution must be exercised in presuming that rules identified in this study are either implicit or explicit policies—they may well be used by individual decision makers, but the rules are suggested as a parsimonious way of describing the allocation decision process, rather than as causes for decisional outcomes. The causitive character of the rules is yet to be investigated. Fourth, while criteria of relevance and quality often spoken of within the United Way organizations may in fact be a part of the allocation decision process, they were not a major part of the study; thus, only suggestions can be made about the influence of such concerns. Fifth, analysis of decision outcomes in terms of magnitude and changes of dollar expenditures may suggest that qualitative changes in the content of programs being funded are overlooked—while that was not the intent of the study, it is true that programs may change drastically in their content, but such a fact not be observed by the methodology of this study, looking
as it did at expenditures in dollar terms alone, rather than explicitly at what services those dollars purchased. Finally, only one decision was focused upon in this study; clearly, there are many other decisions both dependent and independent of the allocation decision which are of importance to theoreticians and practitioners of the art (or science) of allocation decision making, and such other decisions may be of more practical and theoretical significance that the focus of this study for further work with participants in United Way organizations.

Further work might be undertaken on developing more detailed models, both of the linear regression form or of the simulation form, to portray in detail the process by which allocation decisions are rendered. In addition, case studies of the dynamics within a single decision setting, such as the behavior of one or a group of individuals deciding allocations for a particular agency, may shed light on the criteria employed in deciding and the difficulties of the decisional process. Finally, comparative studies of organizations such as the United Way of Columbus and others with different patterns of allocation machinery, different services being funded, or different resource constraints, may shed light on both internal and external factors shaping allocations within a voluntary social service system.

Conclusions of this study appear to have major significance for the operation of the United Fund allocation process in Columbus. It will not be suggested that a simple equation be substituted for the lengthy review which is undertaken by budget panel members, or that a
"modest proposal" of the sort which Johnathan Swift developed be suggested for the United Fund, wherein budgets are submitted to a post-office box and allocations calculated mathematically. However, the expenditure of resources in much of the activity of the current allocation process may be questioned, and further questions raised about the extent to which rules described in this study are valid as descriptors of the process and useful as guides in achieving the goals of the United Fund and its constituent agencies.

What Stufflebeam has called a homeostatic decision setting appears to be the environment of the allocation process within the United Fund of Columbus: while a sizeable amount of information exists, little change is possible (if the rules suggested in this study are descriptively valid and normatively useful). However, there are many who would quarrel with the rules suggested as descriptively applicable, and many who would decry the lack of focus on outcomes of service and their relationship to the needs of the community. Nonetheless, if persons involved in the allocation decision process expect to produce either significantly different expenditure patterns than now exist, or wish to produce change in the social service system such that large internal reallocations can be made or new allocations offered, it appears that the decision process is not now operating in a fashion to permit such changes.

For convenience, implications may be discussed as relating to planning and to fund-raising and allocation functions, corresponding
to the predominant functions of the existing United Community Council and United Appeal organizations, respectively. Several alternative courses of action appear open to each of these organizations.

If United Appeal should choose to consciously employ the rules suggested for guiding the allocation decision making process, then it may reasonably make the allocation process more efficient by focusing consciously on financial inputs and expenditure outputs, without regard for such concerns as relevance and quality. On the other hand, if United Appeal should choose to seriously strive for relevance and quality of services to which it allocates funds, then it must look squarely at the forces which currently appear to interact in the allocation decision process, and analyze courses of action under its control. If existing budget policies, focusing on first allocating funds to existing services, financing of deficits, and striving for a balance between all sources of funds and expenditures, do in fact limit opportunities for flexible funding of services, then there may be a need for changing such policies, to provide both stability of funding to sound agencies and services, and more clear specification of services which are to be purchased. In addition, resource constraints may in fact be partly self-imposed, through the United Appeal process of goal-setting for the annual campaign; if so, there exists the possibility of revising the manner in which the goal is set (and its level), in concert with changing the manner in which campaigns are undertaken. Further, resource constraints may be lifted somewhat by
changing the manner in which fees for services are assessed, by revising the current allowances for memberships and private contributions which coalition agencies receive, and by other policy changes to permit more flexible acquisition of voluntary resources. Further resources might be developed through a selective matching of voluntary with governmental funds, if those governmental funds were viewed as appropriate to the purposes of voluntary agencies.

Aspects of the budget hearing or allocation decision process might also be called into question. United Appeal could consider a re-structuring of the form, process, and timing of individual budget panel hearings, to allow more time to understand and interpret requests from agencies for funding. In addition, the budget cycle itself might be altered, to allow panels to hear fewer budget requests at one time, or to spread the task of hearing requests over the entire fiscal year rather than concentrating on this task for a single month of the year. In any case, change from the current situation will result in demands for making complex and difficult decisions about which agencies and services ought to be funded through the United Way; the challenge to United Appeal is to move positively, rather than acting reactively to requests for funding and opportunities for additional resources.

United Community Council, as a purported community-wide planning organization with responsibilities to United Appeal, also appears to have several courses of action open to it. To provide a frame of reference for analysis of those courses of action, the role of United
Community Council could be viewed as part of the voluntary social service system. If one conceives of the major functions of a social system, at the most abstract level, to be system maintenance, system control, and system change (each of which at times conflict one with the other), then it would appear that much of the energy expended through the allocation process is system control effort resulting in system maintenance (based on one interpretation of the concept of "stewardship"). At the same time, much of the energy which United Community Council currently expends, directed toward the United Appeal allocation process through its statements of priorities and recommendations for change, is based on motives of system change. Further, these motives appear to be based on the presumption that the existing system, in many instances, can be changed through self-analysis and internal reallocation of energy and funds—an assumption which, at best, appears to work incrementally and slowly. For the energy expended by United Community Council, there appear to be few significant results (in a practical sense) of system change, and a strong likelihood that staff and volunteer participants in the efforts of the United Community Council will be disheartened by their results. Thus, it would appear a major question for those associated with the United Community Council should be whether to continue attempting to influence the United Appeal allocation process.

If United Community Council continues to relate as it has to the United Appeal allocation decision process, it appears there will
be little effect on the factors which shape allocation decisions as considered in this study. Certainly, one tactic might be to simply provide better information for allocation decision makers of the sort which appears to be useful in this study: more precise and useful information about income and expenditures. In addition, United Community Council might choose to change decisional criteria, within the framework of existing revenue constraints, such that decisions become based on relevance, quality, and maximum effect per dollar expended—clearly a task which might increase the complexity (though also the defensibility) of decision making about allocations. Further, United Community Council might strive to change the focus of analysis undertaken by persons making allocation decisions, so that services rather than agencies become the focus of analysis. Such a change might permit the decision maker to analyze the relative costs and benefits of programs within a particular service area across agencies providing those services; however, it appears such a change must also deal with the forces rendering each agency's total allocation to be generally the same as it was during the preceding year. Moving away from a focus on the individual decision maker, United Community Council might strive to change policies which create resource constraints, in concert with United Appeal—though such an effort must be based on the credibility and skill which United Community Council possesses in such a task. Also, United Community Council could attempt to influence the agency's (the individual coalition members of United Appeal) use of the budget,
such that it became less a method of control of flow of funds and more a planning and/or management tool; in such a case, United Community Council might work with individual agencies to develop alternative budgets representing different program emphases (for existing, modified, and new services) and different levels of proposed expenditures, to provide a greater range of choices of mixes of services and funding levels for those making allocation decisions.

United Community Council, however, might also choose not to relate to the United Appeal allocation process as it has in the past. It might choose only to serve as an external audit of the services provided through the voluntary social service system (a difficult role, demanding considerable community support). It also might choose to serve as a community advocate of the manner in which United Way funds should be allocated (a posture reflected in recent "priority plans" of United Community Council). In such a role, United Community Council might identify its own priorities on services to be provided and funds to be expended, working toward implementation of its ideas simply with those persons or agencies who rise to work with it. If United Community Council wishes to devote its energy to eliminating resource constraints in addition to taking such an advocate role, it could actively search for and develop machinery for the effective use of outside governmental (and large private) resources, such that those resources might be employed by United Fund affiliates and others in providing additional, responsive services to meet human needs.
Finally, the United Community Council might choose to be released from any obligations of a formal sort to relate to members of the United Way coalition, and perhaps choose not to receive funds for its activities from the United Way. It could develop, or reaffirm, goals which reflect what it sees to be the community need for large-scale, long-range, planning for the social service system. It could serve both an advocate and planning role, by identifying new needs, problems, and opportunities; by identifying services which are now good and need to be supported, and those that require modification or termination; and by identifying those persons and agencies which wish to work with it from both the private and public sectors.

Whatever steps are taken by participants in the current allocation decision making process, it appears that presently the allocation process is influenced by factors over which no one participant has control; thus, if system change is to occur, steps must be taken by a number of participants in the United Fund coalition to channel or control those internal and external influences on the allocation process.
BIBLIOGRAPHY


---


Dror, Y. "Implications of Policy Sciences for Politics," address before the Policy Sciences Symposium, Section K, American Association for the Advancement of Science. Chicago: (transcript), December 27, 1970.


---


---


Morris, W. T. "Matching Decision Aids with Intuitive Styles," unpublished speech of the College of Engineering, Ohio State University, Columbus, Ohio, 1971.


