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Mary Helen Fagan

Salisbury State University, [mhfagan@ssu.edu](mailto:mhfagan@ssu.edu)

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# **Community and Non-Profits on the World Wide Web**

[Mary Helen Fagan](#)

Information and Decision Sciences, Franklin P. Perdue School of Business,

Salisbury State University, Salisbury, MD 21801

mail: [mhfagan@ssu.edu](mailto:mhfagan@ssu.edu); WWW: [www.mhfagan.com](http://www.mhfagan.com);

Phone: 410 860-1582; Fax: 410 548-2908

## **Abstract**

The recent focus on electronic commerce on the part of researchers implicitly excludes the large body of non-profit organizations who make use of the WWW for information gathering, dissemination, transaction processing and community building. Non-profit organizations also need to utilize the latest advances in the field of electronic commerce. Furthermore, commercial enterprises need an understanding of how non-profit organizations successfully build online communities in order to achieve the returns they expect from their WWW investments. This paper describes some of the various ways that non-profit organizations are currently using the WWW. Some of the issues involved in community building are discussed and illustrated through an action research project in community building, the Eastern Shore Non-Profit Nexus.

## **Introduction**

As businesses make increasing use of the World Wide Web (WWW), academicians have started to speak of this new arena as the field of electronic commerce (or e-commerce). However, as scholars and practitioners align on the term electronic commerce to describe the complex issues involved with information gathering, distribution and financial transactions on networks such as the WWW, they implicitly omit a significant group of people and organizations, many of whom have been using the Internet and the World Wide Web since its inception. This group includes over 900,000 voluntary associations in the United States, a nonprofit "third sector" which, according to Peter Drucker, is "actually the country's largest employer" (Drucker, 1989). Unlike businesses who exist to profit from their commerce, "community building is the underlying rationale for the creation of all non-profit organizations" (Zeff, 1996a).

This paper holds that both non-profit and for-profit organizations will benefit from a better understanding of the value of computer-mediated communications, and the WWW in particular, for information gathering, dissemination, transaction processing and community building. To address these issues, the paper first describes several key ways that non-profit organizations use the WWW which dovetail with the key concerns of e-commerce research. The paper then explores some of the issues involved in building a virtual community and describes an action research project in community building, the Eastern Shore Non-Profit Nexus.

## **Non-Profit Uses of the World Wide Web**

Some major uses of the WWW for non-profit organizations include electronic publication, communication, research, advocacy, and fundraising. Advances in the field of electronic commerce are directly applicable to these applications in non-profits.

**Electronic Publishing:** Non-profit organizations must develop and print a variety of brochures and handouts as well as provide staff to answer phone requests for this information and mail this material. The WWW provides another method of informing interested parties of the availability of this information and of providing it to them 24 hours a day, 7 days a week, without the need for a human intermediary.

**Communication:** WWW pages become increasingly useful to the degree that they are interactive. Most web pages provide for two way communication with members, clients, volunteers and contributors by adding an email link to their web pages. In addition, many non-profits develop online forms that visitors to a web page can fill out in order to perform numerous online transactions such as requesting publications, volunteering, and making suggestions. As the WWW evolves, new avenues for communications are developing. For example, online chat facilities let many people communicate simultaneously. Organizations who make effective use of these tools can develop and enhance a sense of community among those who are interested in their group's purpose.

**Research:** Every non-profit organization can benefit from using the web as a source of information by utilizing online resources such as non-profit resource directories, discussion lists for non-profits, volunteer centers, fundraising resources, and technical assistance resources.

**Advocacy:** One of the most interesting developments among non-profits is the use of the WWW as a tool to organize action. Online advocacy involves the use of web pages, discussion lists, and other tools to inform people and groups of events that may interest them and to coordinate joint action. One site, *WebActive*, is specifically designed to support and encourage the use of the WWW for advocacy and activism.

**Fundraising:** Increasingly, non-profit organizations are experimenting with "cyberfundraising" (Allen, Warwick and Stein, 1996). This approach can consist of a membership web page or a page that solicits donations. Some sites have a donation form which visitors can print off and mail in, but increasingly sites are soliciting contributions online, often through a secure means.

### **Non-Profit Needs Parallel those of EC Web Sites**

As electronic commerce (EC) is a relatively new field of study, there are many varying definitions of this area's domain. One recent book describes EC as "a modern business methodology that addresses the needs of organizations, merchants and consumers to cut costs while improving the quality of goods and services and increasing the speed of delivery" (Kalakota and Whinston, 1997). Aside from the fact that the stakeholders in non-profit organizations are typically clients, volunteers and donors, this general definition does address some of the capabilities that the WWW provides for non-profits.

For example, the ability to provide information on-demand 24 hours a day, 7 days a week, increases the speed of information delivery and potentially the user's satisfaction, while helping a non-profit organization keep down personnel and mailing costs. However, much of the literature relating to EC and the WWW seems to focus primarily on how to make a profit using this new medium. Thus, both the focus of much of the literature - profit making - as well as the name which has emerged to describe this new field of study - "electronic *commerce*" - can be viewed as excluding some of the primary concerns of non-profit enterprises.

Non-profit organizations are rapidly recognizing the value of the WWW and non-profit organization web sites are constantly evolving to make use of the best practices in WWW design. For example, eleven non-profit organization web sites (Fagan, 1996) were presented awards for Web Site Excellence at the first annual Nonprofits Online Conference (Zeff, 1996b). As these eleven web sites illustrate, many non-profit web sites are already concerned with processing financial transactions in order to handle membership applications and donations online. However, the line between non-profit and typical business web sites is becoming increasingly blurred as more and more non-profit web sites put up online stores with merchandise targeted toward their visitor's interests. In addition, organizations such as the Salvation Army are using banner advertising on major search engines in order to attract "hits". Other sites are looking for advertisers to put banners on the non-profit's home page. While some of these efforts, such as selling advertising space on a non-profit's web page can provide a potential revenue stream, such activities can also pose complex ethical, legal and technical issues (Snyder, Rosenbaum, Schalg, 1996). For organizations who have the technical and financial resources, the WWW presents an attractive medium for communication, just as it does for commercial enterprises. However, its ultimate value depends on a variety of factors, such as the ability to reach the people the organization serves through an electronic medium.

### **Building Community on the WWW**

Recognizing that "the notion of community has been at the heart of the Internet since its early days", two consultants are arguing that deliberate construction and cultivation of "electronic" or virtual communities is the key tool for businesses who hope to make money online (Armstrong and Hagel, 1996). They lay out a new business model which will enable companies to grow a community through various stages of "acquiring members, stimulating usage and extracting value from the community" (Armstrong and Hagel, 1997). This view of the purpose and value of virtual communities is viewed by some to be in sharp contrast to other literature which chronicles the use of computer networks to facilitate community building (Bonchek, 1995; Jones, 1995; Li, 1990; Rheingold, 1993; Schuler, 1994). In fact, as Armstrong and Hagel (1997) point out, "some of these observers believe that virtual communities are antithetical to commerce". Regardless of one's views on this subject, it would seem that just as non-profits can learn from the work on e-commerce, so businesses can learn a lot from the successful membership building and advocacy efforts of non-profits online.

### **The Eastern Shore Non-Profit Nexus Effort**

As part of an action research project, the author developed a non-profit web site called the Eastern Shore Non-Profit Nexus in the Spring of 1996 (located at <http://www.intercom.net/npo>). This effort has illustrated many of the issues and challenges involved in intentionally building a web site to promote an virtual community in the non-profit arena.

The vision of the Nexus was introduced in the first paragraph of its home page: *What, you wonder, is a "nexus"? Webster's dictionary defines a nexus as "a connection, tie or link between individuals of a group".*

*The primary mission of this web site is to help support connections between non-profit organizations, clients, volunteers, and donors on the Eastern Shore. We hope that by enabling people to share information more effectively, this web site can enrich our community.*

In order to envision how the Nexus could function as a "virtual" information resource, meetings were held with key individuals in the community such as the director of the local community foundation and the library director who maintained a local paper-based community file. A local Internet service provider donated space for non-profit web pages for this project and provided a link from their home page to an initial set of fifteen organizational web pages were developed by students in the author's electronic commerce course. Over time a large number of contacts have been initiated by people who already had an existing non-profit web page who wanted to be linked into the Nexus, by organizations who wanted a page, and by volunteers who were willing to help. With the help of a small grant from the Perdue Family Fund at the Community Foundation of the Lower Eastern Shore, a student has been assisting a local organization put their booklet describing over 100 local service agencies on the WWW under the Nexus organizational index.

A small core group of participants have a vision that over time the Nexus could develop from a virtual information resource into an embryonic "virtual community" of people who share a common interest in community development and service. In the same way that the Institute for Global Communications Networks and HandsNet functions as 'carrier' organizations on which other groups can piggyback themselves (Bonchek, 1995), the Non-profit Nexus can provide an infrastructure that reduces the cost and effort for organizations to go online. Once a 'critical mass' of relevant community information is available, the Nexus could become a place where people go to look for information, to make connections, and to interact. Personal experience and literature on community based networking and virtual communities suggest a number of steps that could help bring this vision into reality. However, there is little guidance to indicate how specific steps such as technical enhancements (such as an online forum) or interpersonal relationships in the 'real world' (such as networking at the monthly luncheon meeting of local non-profit service providers) would impact the vitality of the expanding Nexus effort. As such, the Nexus experiment reflects some of the challenges faced by those who would use the tools of electronic commerce to consciously construct community in cyberspace.

Note: This paper is available online with live links to sources at <http://www.mhfagan.com/research/ais97.html>

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