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## **Maintaining Registration and Tax Benefits: Consequences for Professionalisation of Voluntary Membership Organisations in Norway and the UK**

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### **Abstract**

This paper investigates how regulation related to maintaining state registration and tax beneficial status affects professionalisation, covering paid staff and volunteers with specialist skills, of political parties, advocacy groups and service providing organisations. The paper fills a gap in the literature which until now has been mainly concerned with the influence of state funding on professionalisation. To study the consequences of first-time exposure to reporting requirements, eight organisations in two contrasting regulatory regimes, UK and Norway are analysed, on the basis of extensive documents and a series of semi-structured interviews with different organisational actors. The study finds that organisations - irrespective of type - exposed to constraining regulation adjust to reporting requirements through recruitment of specialised personnel. Organisations' financial capacity determines whether the organisation professionalises by taking on specialist volunteers or by taking on paid staff. The study demonstrates the pervasive impact of regulation on organisational maintenance of voluntary membership organisations in contemporary democracies.

**Key words:** regulation, professionalisation, advocacy groups, parties, service providers

## **Introduction**

In recent decades, contemporary democracies have adopted a more pronounced regulatory role towards different types of voluntary organisations, covering political parties, advocacy groups and service organisations, by providing for example legal status recognition, tax benefits and state funding (Casas Zamora, 2005; Fraussen, 2013; Toepler & Salamon, 2015; van Biezen, 2004; van Biezen & Kopecký, 2014, p. 183). This paper systematically explores the link between regulation, which sets the rules for maintaining registration with a state body for acquiring indirect benefits such as legal personality, ballot access, opening bank account or tax benefits, and professionalisation in different civil society organisations. Addressing how regulation, commonly considered a more coercive policy instrument than state funding, contributes independently to professionalisation, closes a gap in the existing literature that mostly has been concerned with how state funding affects professionalisation (see e.g. Fraussen, 2013; Salgado, 2010; Suarez, 2010a; Svåsand, 1994; Stavenes, 2019, but see Ivanovska Hadjievska, 2019). Understanding drivers of professionalisation is paramount, as professionalisation might enhance internal capacities to sustain an organisation, but also divert an organisation from its core mission. Specifically, the study looks at the ways in which voluntary membership organisations adjust internally when exposed to reporting requirements related to maintaining state benefits for the first time.

Voluntary membership organisations such as political parties, advocacy groups and service organisations are an integral part of civil society and crucial linkage structures between citizens and the state. Political parties are defined as voluntary membership organisations which compete for legislative or executive office (Sartori, 1976; Schattschneider, 1942), advocacy groups represent political interests and aim to influence public policy without competing for public office (Beyers et al., 2008; Fraussen & Halpin, 2016, p. 3), while service-providing organisations exist predominantly to provide services to members and/or the general public

(Saurugger 2012, p. 74). All three organisational types link citizens to the state in different ways and contribute to different stages of the policy-making process: agenda setting, decision making and implementation.<sup>1</sup> Crucially, they share the traits of having a membership rooted in a broader constituency and being non-profit, setting them apart from other non-profit entities (e.g. foundations, think tanks etc.), for-profit and public organisations. They also have overlapping organisational traits, such as leadership structure, human resources, similar sources of financing (e.g. private donations, membership fees, state funding), which makes their comparison feasible, and conceptually and theoretically useful (Fraussen & Halpin, 2016; Bolleyer, 2018).

There is a plea in the literature (see e.g. Fraussen & Halpin, 2016), to study parties and interest groups in conjunction, both being political organisations which organise citizens and aggregate individual preferences (Allern & Bale, 2012, p. 9). We argue that service-providing organisations, being a significant part of civil society, should also be included in such cross-organisational comparisons on organisational maintenance. Even though founded to provide services to members or the broader public, service providers periodically contribute to the policy making process with their knowledge of beneficiaries' needs, which blurs the boundaries between them and advocacy groups (Minkoff, 2002; Bolleyer & Weiler, 2018).<sup>2</sup> Following Bolleyer (2018) we argue that it is beneficial to study different organisational types together to understand how the state steers their behaviour and organisational capacity to pursue their core missions and survive within the regulatory regime they are operating.

Our main argument is that reporting requirements imposed through regulation related to registration for indirect benefits (e.g. legal recognition, electoral participation) and tax benefits incentivise professionalisation. We broadly define professionalisation as recruitment of competencies by the organisations, capturing the recruitment of *both* specialist volunteers and

paid staff. Specialist or skilled volunteers are considered to be part of staff because they are engaged in organisations over many years (in leadership positions on the executive organ or as day-to-day volunteers), but they do not earn a living from this work like paid staff does (Staggenborg 1988, p. 586). However, both staff types are similar in terms of their qualifications and competences (e.g. managerial, administrative, legal or accounting skills) and may contribute to streamlining of operational and strategic decision-making, with similar impact on the ‘professionalisation’ of organisational governance. By including specialist volunteers we conceptually expand the current understanding of professionalisation, which until now has focused mainly on the role of paid staff and its specialisation (Suarez, 2010a; Klüver & Saurugger, 2013), reflecting the current literature’s empirical focus on ‘large, affluent, and heavily professionalised groups’ (Fraussen & Halpin, 2016, p. 6). Addressing that empirical limitation of the current literature, we study eight *smaller* national organisations across two contrasting regulatory contexts – the UK and Norway – in a qualitative comparative design drawing on document and interview analysis. The study utilises interviews with past and current actors with different roles in the organisations, which in combination with in-depth document analysis represents a strong foundation for making valid empirical assessments.

The article first presents the central concepts, then our expectations developed by bridging the literatures on parties, advocacy groups and service organisations. Thirdly, we present the research design and the cases. A short overview of the regulatory frameworks in Norway and the UK follows, before we present our analysis, showing that constraining regulation related to registration and tax beneficial status leads to recruitment of skilled personnel across organisational types, whilst this is absent within organisations operating in permissive regulatory regimes. We conclude with a discussion bringing together the findings and its wider implications.

## **Analytical Framework**

### ***The Conceptual Scope: Professionalisation and Regulation***

Professionalisation is a complex concept. Some simply conceptualise it as the presence of professionals in the organisation (see e.g. Eliassen & Pedersen, 1978; Webb & Kolodny, 2006), whilst others as the staff ratio to members. Some party scholars also refer to the role staff plays in the organisation (Karlsen & Saglie, 2017; Scarrow et al., 2017). This diversity is reflected in empirical works which have sought to analyse how many staff an organisation has, the level of professionalism (see e.g. Poguntke et al., 2016; Webb & Fisher, 2003) and the characteristics and behaviour of professionalised organisations (Farrell, 1996; Jordan & Maloney, 1997, 2007; Salgado, 2014).

We propose a broader concept of *professionalisation, defined as the recruitment of people with competencies necessary for organisational maintenance, which encompasses both paid and unpaid (voluntary) labour*. Traditionally there has been a distinction between paid staff and volunteers (Hwang & Powell, 2009) and as outlined above, professionalisation has often been associated with paid staff (Suarez, 2010a). However, third sector researchers have noticed that organisations can also professionalise through recruitment of skilled volunteers in the executive body in response to increased environmental pressures. For example, Smith, (2011, p. 214) argued that boards professionalise to maintain state funding, while Cornforth (2003) has argued that boards professionalise to be able to meet their legal responsibilities. According to Smith (2011, p. 214) the executive body can professionalise through the recruitment of ‘lawyers, accountants and high-tech entrepreneurs’ and exclude volunteers or members who do not possess such competencies.

Organisations increasingly recruit ‘organisational professionals’ (DiMaggio & Powell, 1983) for unpaid voluntary positions and volunteers with managerial, administrative, legal and accounting skills (see Abzug & Galaskiewicz, 2001; Groninger, 2011, p. 24; Harrow & Palmer, 2003; Guo, 2008). Hwang & Powell (2009, p. 274) suggest that there is a ‘spread of expertise’ coming from ‘volunteer executive directors and board chairs who are employed in professional activities in the for-profit or government sectors and “loan” their skills to nonprofits.’ Managerial professionals are particularly recruited to fill-in leadership and board positions (Suarez, 2010b; Abzug & Galaskiewicz, 2001).

Professionalisation, as defined here, has consequences on who leads voluntary organisations and the prevalence of an instrumental over an expressive logic of operation (Frumkin, 2002). Therefore, to capture organisational adaptation to external regulatory constraints we should expand the concept of professionalisation to include both the hiring of part-time or full-time staff (Klüver & Saurugger, 2013, p. 187) and recruitment of professionals for unpaid positions for the purpose of organisational maintenance (Smith, 2011; Guo, 2018). This expanded concept travels well across organisational types, because similar to service providers and advocacy organisations, parties may seek skilled volunteers in their executive organ to be able to survive and grow. This distinction allows us to capture patterns of adaptation across organisations with varying financial capacity (i.e. total annual income) and exposed to varying intensity of regulatory constraints.

Whilst our concept transcends the paid-unpaid staff divide, – in light of our research interests - it deliberately focuses on human resources, being a core prerequisite for changes in organisational governance from an associational towards a bureaucratic and managerial logic of operation (Billis, 2010; Meyer & Maier, 2015). As mentioned before, organisational studies

pay attention to various aspects of organisational professionalisation e.g. strategic planning, streamlining of decision-making processes to increase efficiency, implementation of professional criteria for recruitment, training and career development (Klüver & Saurugger, 2013; Baluch, 2012; Saurugger, 2012; Hanegraaff & Poletti, 2019), as well professionalised marketing and communication strategies for recruitment of donors and supporters (Jordan & Maloney, 1997, 2007). Whilst these aspects of professionalisation are important, their emergence is commonly preceded by change in the human resources basis, which crucially shapes the way organisations are governed (Salgado, 2010; Billis, 2010). Hence, to understand the consequences of regulation on internal governance of voluntary membership organisations more broadly, it is key first to understand how regulation shapes the human resources of such organisations.

*Regulation* is defined as an authoritative policy tool (Bemelmans-Videc et al., 1998; Howlett, 2011) setting the rules and directives which mandate organisations and individuals to act in accordance with what they order (Vedung, 1998, p. 31). This paper focuses on legal regulation relevant to the maintenance of registration and tax benefits to all three types of voluntary membership organisations. These rules encompass the number of requirements to stay an officially registered party/ registered non-profit and number or requirements to maintain tax benefits. Depending on the regulatory constraints relevant to maintaining such state privileges, drawing on Bolleyer (2018) – taking an organisational perspective – we distinguish between constraining and permissive legal regulation.<sup>3</sup> This distinction helps us to ‘capture how costly it is for voluntary organisations to gain access to and maintain the state privileges available in one legal environment as compared to another’ (Bolleyer, 2018, p. 35). In this paper, constraining legal regulation imposes extensive reporting and administrative requirements (i.e.

high costs) for maintaining registration and tax beneficial status, whilst permissive regulation provides either lenient reporting and administrative requirements (i.e. low costs) or none at all.

It is important to note that in some countries access to both legal personality and tax beneficial status occurs through a one-step registration process and in others through separate procedures. This has implications for the intensity of reporting requirements organisations are exposed to, namely, in countries where separate procedures apply, organisations will be exposed to higher constraints and oversight by different state bodies. Moreover, state privileges available for organisational types within a certain legal regime may differ. Parties in some contexts are eligible for tax benefits, whilst in others they are not, hence this has implications for the potential ‘constraints’ organisations may be exposed to within a legal regime.

### ***A Framework for Studying the Impact of Regulation on Professionalisation of Voluntary Membership Organisations***

To be able to perform its core functions, organised interests have to survive (Lowery, 2007). The state enhances the chances of survival of different voluntary organisations by offering ‘financial resources and legal recognition’ (Fraussen, 2013, p. 408). During their lifetime organisations have some choice regarding which policy instruments they will be exposed to, these being either beneficial or penalising (see e.g. Bemelmans-Videc et al., 1998). An organisation can for example choose to register to get legal status, and it can choose to fulfil the criteria for tax benefits. However, to be able to efficiently pursue its core mission<sup>4</sup> avoiding such state benefits might be costly, since they will give basic means for operation in society – and importantly, legitimacy and credibility in front of donors, beneficiaries and the public. Therefore, a resource dependency relationship between the state and voluntary membership organisations forms, in which voluntary organisations ‘conform to the rules, norms, and requirements of [state] actors on whom they depend for valued resources’ (D’Aunno & Price,



1985; see also DiMaggio & Powell, 1983). Taking this as a starting point, we assume a *convergence* in the way voluntary membership organisations develop within the same regulatory environment (Fraussen & Halpin, 2016).

Voluntary membership organisations often access legal status in the early years of their existence, which enables them to open a bank account, to access loans, to own, rent and sell assets, to enter into contracts and provide limited liability of members (Cordery et al., 2016, p. 284). In some countries, organisations can get legal personality qua formation, while in others the process entails registration in a state-given register. Registration with the state-entity can be a condition for fulfilling core functions (e.g. participating in elections) or operating as a legal entity, getting a tax identification number and opening a bank account.

Maintaining registration with a state body involves becoming subject to certain reporting and accountability requirements (Salamon & Flaherty, 1996, p. 11). Given the benefit of being registered, voluntary organisations will seek to comply with related reporting requirements. Such reporting may span from simple obligations such as reporting changes to the registration details, to more comprehensive reporting, such as submission and disclosure of financial and administrative accounts. The latter obligations require specialist knowledge and skills, for example related to accounting which brings us to pressures related to professionalisation. Given that registration is part of the formation stage of an organisation, we argue that organisations recruit skilled personnel (paid or unpaid) in order to secure compliance with the registration requirements.

Similarly to registration, accessing and maintaining tax beneficial status in some countries (particularly Anglo-Saxon countries with the tradition of charity regulation) requires registration with a special state entity and compliance with complex reporting and accountability requirements (Salamon & Flaherty, 1996; Bolleyer, 2018). Tax benefits are fiscal exemptions and credits granted to organisations, sometimes directly through registration

as a legal entity and sometimes through a separate procedure for accessing tax beneficial status (see Ewing, 2007). In most democracies, tax benefits are granted directly to the organisation as well as to its donors. Therefore, organisations are ‘motivated’ to maintain tax beneficial status due to the material incentives (i.e. more income through non-taxable donations) by complying to coercive elements in the regulation (i.e. threats of losing tax beneficial status or inspection for financial mismanagement). Similar to maintaining registration, we expect that organisations operating in regulatory contexts where maintaining tax beneficial status entails complex reporting procedures will adjust by recruiting skilled personnel. The ability to hire paid staff is determined by the financial capacity of the organisation and it changes over time, hence organisations with low financial capacity (resource-poor) will recruit specialised volunteers to deal with constraining regulatory requirements.

To summarise, organisations exposed to constraining reporting requirements relevant to maintaining registration and tax benefits will professionalise as a result, whilst organisations exposed to permissive reporting requirements will not. As widely recognized in the literature resource-rich organisation professionalise through employing specialist staff, whilst resource poor organisations professionalise by recruiting volunteer staff to deal with regulatory constraints – a point which has not been investigated so far. This means that professionalisation through the recruitment of specialised volunteers will occur - across parties, interest groups and service organisations - when constraints are high and when there is no paid staff to take care of the regulatory constraints.

### ***Case Selection: Studying Parties, Advocacy Groups and Service Providing Organisations in Contrasting Regulatory Regimes***

In order to assess the consequences of regulation we have selected UK and Norway as two contrasting cases of legal regulation, UK being one of the most constraining and Norway being one of the most permissive regulatory regimes for voluntary membership organisations among

19 developed democracies (Bolleyer, 2018, p. 173). Moreover, the UK represents a common law tradition of non-profit law where the concept of *charity* is central<sup>5</sup>, while Norway is a case of Scandinavian tradition of non-profit law (van der Ploeg, 2009). The two contrasting cases best bring to light the consequences of constraining versus permissive regulation on the professionalisation patterns of parties, interest groups and service providers.

To capture the effect of regulation most clearly, new (established post-1980) and smaller national organisations were selected. These organisations, due to their age and size, are similarly vulnerable to external demands (Stinchcombe, 1965) such as regulation (for a party argument see Casal Bértoa & Spirova, 2017) because they have more malleable and less institutionalised structures (Gauja 2016, p. 115), lower memberships and smaller budgets (see e.g. Casas-Zamora, 2005; Mair & Biezen, 2001). Also, smaller voluntary membership organisations are the most frequent type of organisations in the population.

We selected organisations based on membership size for service providers and advocacy groups and position in the party system for party size (see Copus et al., 2009; Herzog, 1987; Smith, 1991). Organisations belonging to different policy fields were selected, to secure the inclusion of organisations with different ideologies (for parties) and environmental competitiveness<sup>6</sup> (for advocacy groups and service providers), as both have been considered drivers of professionalisation. We included organisations that both had and did not have state benefits for many years (see Table 1), to observe organisational changes influenced by regulation at different points in their lifecycles.<sup>7</sup>

Our starting point for selecting organisations were lists of advocacy groups, service providers and parties compiled for surveys conducted by the Regulating Civil Society Project at the University of Exeter.<sup>8</sup> We first coded organisations' policy field, membership size, year of foundation, year of registration, and access to tax benefits (if applicable). Secondly, we selected comparable organisations in Norway and the UK: two green parties, two environmental

advocacy groups, two service-providing organisations in the field of elderly care and two political parties focusing on pensioners and healthcare issues.<sup>9</sup> Table 1 gives key information about the organisations.

[Table 1 near here]

In the analysis of parties, we account for electoral cycle, as parties may take on staff related to campaigns (see e.g. Farrell, 1996; Farrell & Webb, 2000). Moreover, we account for changes in membership size as that can alter the financial capacity of organisations, which in turn can influence professionalisation.<sup>10</sup>

### ***The Data and its Application***

We collected data from public sources such as the Electoral Commission, the Charity Commission of England and Wales, Companies House in the UK, the Legal Entity Register, the Voluntary Register, and the Party Register in Norway. Information about the organisations' lifecycles was collected via organisational websites, newsletters/magazines, media articles and private archives. Finally, we conducted 26 semi-structured interviews with different actors in the organisations including current and past members, employees, leaders, local/regional party representatives, founders and trustees.<sup>11</sup>

To analyse the regulatory settings, we identified regulation governing state registration and receipt of tax benefits for parties, advocacy groups and service providers in the two countries. Appendix B outlines the results. In the organisational level analysis, we first reconstructed the trajectories of the selected organisations based on documents and identified when the organisations accessed state benefits during their lifetime (see Table 1). Then, we triangulated data across sources and within sources to be able to assess each of the expectations (Hammersley, 2008).

## **Analysis**

### ***The Regulatory Settings and their Evolution in Norway and the UK***

In this study we only focus on the rules for maintaining access to indirect benefits through registration (e.g. ballot access, legal personality) and maintaining tax beneficial status. Advocacy groups and service providers in the UK can access legal status by registering with the Companies House and gain tax beneficial (charity) status by registering with the Charity Commission and tax authorities (Cordery et al. 2016, p. 292). Until 2013 effectively there was no specific legal form for charities in the UK (like the charitable incorporated organisation), and charities willing to gain legal personality had to register as companies limited by guarantee, which means they became subject to double accounting and reporting obligations (Cordery et al., 2016, p. 292). The first statutory framework for charity accountability was established in 1992 (Morgan, 2008, p. 9), and since then reporting requirements for charities have been expanded (Hyndman & McMahon, 2010). The simplified accountability rules introduced with the 2006 Charity Act do not apply to lower-income charities registered as companies (up to £250,000 income) and they are subject to more elaborate financial reporting (Cordery et al., 2016, p. 292).

To effectively operate, political parties in the UK - which usually operate as unincorporated associations - have since 1998 had to register with the Companies House to be able to access broadcasting time (Registration of Political Parties Act 1998, Article 14). Since 2000 parties may register with the Electoral Commission according to the Political Parties, Elections and Referendums Act 2000 (PPERA) if they want their party name, description and emblem to appear on the ballot papers.<sup>12</sup> Political parties faced reporting requirements (disclosure of

annual financial statements) related to their registration from 2000 (Electoral Commission Report and Financial Statements, 2009, p. 9). There are no tax benefits for parties in the UK.

Norwegian parties, advocacy groups and service providers need to register in the Legal Entity Register to effectively operate as legal entities (e.g. to open bank account) and be approved by the local tax authorities to access tax benefits. Reporting requirements related to maintenance of registration Norway are permissive and include keeping the registrar updated on changes to the executive council. There are no reporting requirements for maintaining tax beneficial status in Norway, as long as the non-profit purpose of the organisation remains unchanged. Norwegian parties do not have to register to have ballot access, but registration in the Party Register ensures that a party's name is exclusive to that party<sup>13</sup> and frees a party from the signature requirement.<sup>14</sup> Political parties face reporting requirements related to this registration since 1998, and since 2006 these must be fulfilled in order to avoid losing state funding.

Based on the legal analysis of regulatory constraints related to maintaining registration and tax benefits as summarised in Table 2 we expect organisational convergence in patterns of professionalisation in the UK and Norway respectively: While we expect organisations in the UK to professionalise to comply with constraining reporting requirements, we expect Norwegian organisations - apart from parties after 1998 - to remain unchanged.<sup>15</sup>

[Table 2 near here]

### ***Patterns of Professionalisation under Permissive and Contrasting Regulation***

The analysis is presented country by country to clearly display similarities in patterns of professionalisation *across* different voluntary membership organisations contrasting constraining (the UK) with permissive (Norway) regulatory regimes.

### ***Maintaining Registration and Tax Benefits in a Constraining Context (the UK)***

Irrespective of organisational type, UK organisations that lack financial capacity to hire specialised staff and become exposed to reporting requirements related to maintaining registration and tax benefits, rely on skilled volunteers. Interestingly, the most constrained organisational form - charities – after employing professional staff due to increased financial capacity, continue to rely on competent volunteers in the executive/advisory bodies to meet accountability and reporting requirements related to maintaining indirect benefits. Organisations operating as charitable companies are both registered legal entities and have tax beneficial status.

Both NAPA (service provider) and the Independent Community and Health Concern Party (political party) recruited skilled volunteers to meet regulatory constraints when they had no financial capacity to hire. Since foundation and registration with the Companies House in 1997, NAPA was effectively run by volunteers who were professionals in the care sector and could respond to the reporting requirements related to legal personality. For example, one of the board directors in 1997 had 20 years' experience as an Education and Policy officer for Age Concern, a big charity in the UK (Newsletter, 2003, 7:2, p. 5). In the immediate period after accessing legal personality the organisation did not have access to state funding (Newsletter Spring, 1999, 2:3). When exposed to higher reporting requirements related to charitable status in 1998, NAPA took on trustees with considerable experience in the charity sector (Newsletter, 1999, 2:3, p. 3; Newsletter, 2000, 4:3, p. 2; Newsletter, 2002, 5: 3, p. 4). With increased financial capacity (from private and state funding) in 2000-2001, NAPA hired part-time project and administrative staff, and in 2005 they hired a full-time executive director to support the operational management (Newsletter Spring, 2001, 4:3; Accounts and Reports, 2001). The increase of financial capacity thus enabled hiring staff that supported trustees in meeting reporting requirements (NAPA, 06.06.2017). Despite having paid staff they continued recruiting trustees

with experience in non-profit governance (Newsletter Summer/Autumn, 2003, 7:1; Newsletter Spring, 2005, 9:1).

In 2013 NAPA's financial capacity and staff figures dropped. In the same year they developed a strategy for allocating specific tasks to the trustees with the aim to "make use of their talents and enhance the Officers' work." (Accounts and Reports, 2013, 8). Additionally, in 2013 NAPA started recruiting specialist advisors with the aim to complement the skills that members of the board were missing (e.g. a legal advisor on governance matters). In 2015 NAPA recruited highly skilled and experienced trustees (Accounts and Reports, 2015). One of the trustees highlighted the need for expert knowledge on the board of a charitable company like NAPA:

"We don't know everything. We need people who are experts. When you're a trustee you're supposed to be an expert in everything [-] legal, financial, democratic, philosophical. All sorts of questions come-up and decisions have to be made." (NAPA, 06.06.2017)

The professionalisation of the board can be related to the need to enhance the pool of competencies NAPA could use on a voluntary basis, in light of decreased financial capacity and paid support whilst operating under high regulatory constraints.

Similarly, the Independent Community and Health Concern Party, without financial capacity to hire throughout its existence, recruited skilled volunteers among their members that enabled the party to meet the reporting requirements related to their registration with the Electoral Commission in 2000 (Health Concern, 03.08.2017; 08.08.2017). According to an interviewee, the party attracts highly educated and skilled members who volunteer for specific tasks and help with reporting requirements. For example, the party has a trained accountant for a treasurer (Health Concern, 03.08.2017; 08.08.2017). The annual accounts and other documents are prepared by a treasurer (Health Concern, 08.08.2017). The Health Concern Party never accessed direct state funding.



In contrast to the Health Concern party, the Green Party already had staff when it registered with the Electoral Commission in 1999 (Bennie, 2016, p. 201), but still recruited a National executive officer - who was an accountant - to be able to meet the reporting requirements after registration (Green Party, 13.06.2017; 26.06.2017; EC Report and Financial Statements, 2012, p. 7). In the period from 2008 until election year 2015, the number of employees of the national party grew from around 6 to 45. This coincided with membership growth, as well as access to Short money<sup>16</sup> in 2010. Despite the growing staff numbers, the central party still relies heavily on volunteers' support (EC Report and Financial Statements 2011, p. 6). Local Green parties in particular, being registered separately with the Electoral Commission, often lack the financial capacity to employ staff. They recruit skilled volunteers for key positions (e.g. accountant for treasurer) when becoming exposed to reporting requirements (Green Party, 04.07.2017, 26.06.2017).

Similarly to the Green Party, SAS (advocacy group) hired staff in the first year after formation - and before registering - because their income, mainly from membership fees and sales, allowed it (SAS, 26.05.2017). Upon registering as a company limited by guarantee in 1994 the organisation had eight employees (SAS, 26.05.2017). Still, SAS recruited competent people to the executive board to advise the staff on legal matters related to company law: '[...] some of the work was done by volunteers [...] the financial sign off was done by a volunteer [...]'. (SAS, 26.05.2017). Upon accessing charitable status in 2012 the trustees became responsible for the charity's management and the annual reporting in line with charity and company law. Afterwards, the organisation received services from trustees and their connected business organisations, including legal services (Accounts and reports, 2014). Despite having nine employees when accessing charitable status in 2012, SAS still benefited from the help of trustees and volunteers' competencies: '(...) we had some pro-bono support from a solicitor's firm and two of our trustees at the time had legal experience' (SAS, 16.06.2017). Moreover,

gaining charitable status helped to recruit externally voluntary trustees that helped with the managing of the charity and had relevant policy, legal and PR skills (SAS, 16.06.2017; The Exeter Lectures, May 2016).

*Maintaining Registration and Tax Benefits in a Permissive Context (Norway)*

As expected, none of the three types of Norwegian organisations professionalised to maintain registration and tax beneficial status. Rather does financial capacity determine the organisations' patterns of professionalisation, emphasising cross-organisational convergence.

None of the Norwegian organisations state that maintaining access to the Legal Entity Register is a requirement they perceive as demanding when asked about legal constraints (Simonsen, 16.06.2017; Langemyr Larsen, 08.06.2017; Green Warriors, 14.07.2017; Gaupset, 15.05.2017; Lonstad, 08.06.2017). This is no surprise as the only requirement to maintain registration is to keep the registrar updated on changes in the leading organs, which does not require specialist skills. Moreover, there are no requirements for maintaining tax beneficial status in Norway, as long as an organisations' main purpose remains non-for profit, hence there is no evidence indicating tax-related reporting by organisations.<sup>17</sup> Organisations that have been approved to receive tax-deductible donations have to report the gifts to the Tax Authorities (Skatteetaten, undated), which the Green Warriors (advocacy group) did from 2004 (Annual report, 2004). The organisation had one administrative employee at the time (Green Warriors, 14.07.2017), and there is no indication from other data (Green Warriors, 14.07.2017; Oddekalv, 30.05.2017; annual reports) that this additional reporting engendered further recruitment of staff.

Financial capacity, rather than the processes of accessing and maintaining indirect state benefits, has shaped professionalisation in the three types of Norwegian organisations. Both the Green Party and the Green Warriors had hired staff prior to registering, with the help of private and public funds. In 1994, the year before registration, the Green Party in Norway hired part

time staff, relying on income from members, sales and subnational state funding (transferred to the national level) (Miljøpartiet de grønne, 1994a, 1994b, 1994c). When the party's income from membership fees and the state increased from 2006 and onwards, the number of staff increased from two part-time staff in 2008 to six (part- and full-time) in 2014 (Financial accounts, 2006-2015; Annual account, 2013, 2014, Gaupset, 15.05.2017). The Green Warriors similarly benefited from corporate donations (Rødland and Oddekalv, 2006, p. 47; Oddekalv, 30.05.2017) since foundation in 1993, which allowed them to hire seven employees that year (BT, 1993).

Similarly, Senior Net (service provider) and the Pensioner Party professionalised due to increased financial capacity. Senior Net hired its first part time employee in 2000 (Senior Net Magazine, nr. 1, 2017) three years after it registered. An increase in the sum received from state funding led the organisation to hire its first full-time member of staff in 2005 (Langemyr Larsen, 08.06.2017; Senior Net Magazine, nr. 1, 2017; Financial account, 2003-2005). The new employee was not hired to deal with reporting, but to work on establishing new branches. That said, the party already had two administrative (part-time) employees in the organisation who could see to that (ibid). The Pensioner Party hired a part-time employee (the party leader) from 1995 (Annual account, 1995-1996), paid for with the help of subnational state funding. By the time the party registered with the Legal Entity Register in 2002, the party had let this employee go, due partially to a decrease in state funding, financial mismanagement, and leadership change (Financial accounts, 1996, 1998, 1999; Bekken, 1999; Hansen & Støtvig, 1998). When the party accessed national state funding in 2006, it hired a secretary (Annual account, 2007; Pensjonistpartiet, 2007).

Interestingly, the fact that the two political parties professionalised before becoming subject to more constraining reporting requirements in 1998, documents that the parties' recruitment of staff was linked to financial capacity, and not to increased reporting. That said, the already hired

staff were responsible for securing compliance with the reporting. In 1998, the Green Party in Norway still had one temporary employee (Miljøpartiet de grønne, 1998) who dealt with the reporting (Simonsen, 23-24.10.2017). Similarly, the Pensioner Party still had its leader employed in 1998 (Financial account, 1998), who could see to reporting related to maintaining registration.

### **Discussion: The Link between Regulation and Professionalisation**

The analysis shows that constraining regulation related to maintaining registration and tax benefits leads to professionalisation through unpaid staff and permissive regulation does not, across parties, advocacy groups and service providers. Concretely, British parties, advocacy groups and service providers with low financial capacity recruit volunteers with specialised skills when exposed to constraining regulation related to maintaining registration and tax benefits. The Independent Community and Health Concern Party, local Green Parties and NAPA in its early days-maintained access to indirect benefits by relying on the competences of highly educated and skilled volunteers. Importantly, organisations with higher financial capacity exposed to constraining regulation (e.g. charitable companies), such as NAPA (after 2001) and SAS, continued to recruit trustees for unpaid board positions with rich experience and skills to be able to navigate the complex and constraining legal environment – in addition to relying on staff. In contrast, exposure to permissive regulation in Norway does not lead to recruitments of skilled volunteers or paid staff in the three organisational types.

Our analysis showed that organisations operating in both constraining and permissive contexts professionalised by hiring specialised staff whenever they gained financial capacity to do so. The dynamic of professionalisation in permissive regimes like Norway is linked exclusively to increased financial capacity, whilst in a constraining regime like the UK it is both linked to regulatory constraints and increased financial capacity, underlining the value of looking at how not just state funding, but also regulation can impact professionalisation. Hence our study

illuminates the different role of legal regulation in shaping organisational capacity. In the UK, the government has established constraining and complex accountability and oversight requirements for charities since the 1990s to be able to prepare organisations such as service providers and advocacy groups for increased engagement in social service provision (Cornforth, 2003, p. 4-5). In Norway however, the state is to a much larger extent in charge of social service delivery itself (Anheier & Salamon, 2006; Saglie & Sivesind, 2018), which means the state does not have the same interest in facilitating professionalisation of the sector. Furthermore, the UK government wants to prevent abuse of the extensive tax benefits for organisations and donors by subjecting organisations to stringent scrutiny (Cornforth, 2003, p. 4-5). After all, charities should serve the public interest, and the state – through enhanced accountability requirements - protects it. Legally speaking, the burden of compliance falls on the trustees or individuals responsible for the general management (Locke et al., 2003), which explains why we find that advocacy groups and service providers are incentivised to recruit volunteers with specific skills and experience with charity operation when becoming exposed to reporting requirements. Similarly to other organisational types, parties' accountability capacities are enhanced through regulatory requirements instead through state funding, which is scarce for parties in the UK.

In Norway, on the other hand, the state regulates voluntary membership organisations by formulating broad principles that do not prescribe a targeted, strict accountability regime. Measures to secure and increase accountability, such as reporting, are tied to the receipt of state funding, where different grants/subsidies carry different reporting requirements. This explains why we see no push for professionalisation related to regulation per se. Only parties, from 1998 onwards, are subject to reporting related to registration. The evidence from our cases shows that *existing* staff in the parties saw to reporting introduced in 1998. The Norwegian state regulates organisations through state funding provisions. Norwegian parties currently get nearly

70 percent of their income from the state (Poguntke et al., 2016), while the share for other non-profit organisations is around 35 percent (Sivesind, 2007, p. 42). Therefore, organisations in Norway may be as constrained or even more constrained by the state than organisations in the UK through an alternative policy instrument – state funding.

## **Conclusion**

Several studies have approached the debate on the inter-linkage between state and civil society by investigating the relationship between state funding and professionalisation (see e.g. Fraussen, 2013; Suarez, 2010a). This paper's contribution was to explore the relationship between regulation related to maintaining registration and tax beneficial status and professionalisation in a cross-organisational design covering parties, advocacy groups and service providers. We expanded the concept of professionalisation to include both hired staff and specialised volunteers. Our in-depth analysis of eight organisations in a constraining (the UK) and a permissive (Norway) regulatory context showed convergence *across* different organisational types *within* the same regulatory context. Where the separate literatures have assumed that their "own" type of organisation is particularly exposed to legal regulation (Bolleyer 2018), this study first documents similarities in how organisational types are regulated within a country, and secondly it shows similar impact of legal regulation on organisations' recruiting patterns responding to reporting demands. Our findings enhance our understanding of how the state impacts voluntary organisations thus contributing to debates on how organisational governance is affected by environmental factors.

Our in-depth approach comes with some limitations that we welcome future studies to address. First, we have analysed professionalisation in a limited number of organisations in two contexts, and our scope for generalisation is constrained. Cross-organisational studies that include more

organisations from a broader variety of regulatory contexts can build on our framework, to empirically enrich our conclusions. Future studies including regulatory contexts in new and old democracies would be particularly interesting, given that laws regulating voluntary organisations differ greatly between these types of democracies (van Biezen & Borz, 2012; van Biezen & Kopecký, 2014). Secondly, our focus on smaller organisations – though relevant for vast majority of organisations – does not permit to make conclusions for the impact of regulation on big organisations. Exploring how regulation (potentially) shapes professionalisation in large, and affluent organisations will shed broader light on how ‘the visible hand of the state’ (Fraussen, 2013) impacts organisations in contemporary democracies.

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## APPENDIX A:

### Primary sources per organisation:

#### *The Green Warriors:*

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#### Interviews:

Kurt Oddekalv, leader of the organisation, 30.05.2017.

Kurt Oddekalv, leader of the organisation. Brief interview 11.12.2017.

Representative for Green Warriors, 14.07.2017

#### *The Greens:*

Annual account. 1995, 1996, 1998, 2007, 2008, 2009, 2010, 2011, 2012, 2013, 2014.

Financial account 2006-2015

Miljøpartiet de grønne. 1994a. 'Budsjettforslag sekretariatet'. Del av landsmøtedokument 1994. [Budget proposal for the secretariat, part of congress documents in 1994].

Miljøpartiet de grønne. 1994b. 'Dagsorden for landsstyremøte nr. 6/1994'. [Plan for National Council Meeting].

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All documents accessed in the Green Party's archive, 28.07.2017.

#### Interviews:

Natalia Golis, regional councillor Hordaland, 02.06.2017

Birte Simonsen, founder and currently member of executive committee, 16.06.2017 and written correspondence, 23-24.10.2017

Lars Gaupset, current party secretary, 15.05.2017

Former spokesperson, 28.06.2017

Lena M. Østerhus, Responsible for financial matters in the party office, brief interview 11.12.2017.

#### *Senior Net:*

Senior Net Magazine, nr 1. 2017

Annual account, 2003, 2004, 2005. Documents provided by the Senior Net secretariat.

Financial account 2003, 2004, 2005. Documents provided by the Senior Net secretariat.

Interviews:

Tore Langemyr Larsen, manager of Senior Net, 08.06.2017

Siri Mollatt, local representative, 09.06.2017

Ivar Leveraas, long-standing board member, 20.06.2017

Brief interview with Kirsten Moe, leader of secretariat, 11.12.2017

*The Pensioner Party:*

Annual account. 1991, 1995-1996 (Annual account for the period 21.04.1995-19.04.1996), 2007, 2008, 2010, 2012-2013.

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Interviews:

Liv J. Remman, treasurer, 20.06.2017, brief interview 11.12.2017

Ottar Gjermundnes, party leader, 20.06.2017

Einar Lonstad, former party leader, 08.06.2017

Per Walseth, former party leader, 01.06.2017

*National Activity Providers Association:*

National Activity Providers Association website: <http://www.napa-activities.com/about-us>

Accessed on 10.04. 2017 and 17.04.2017

Accounts and Reports 1998, 1999, 2001, 2002, 2003, 2004, 2013 and 2015. The National Association for Providers of Activities for Older People, Companies House Register

Newsletter, Spring 1999, Vol. 2, Issue 3

Newsletter, Winter 2000, Vol. 4, Issue 3

Newsletter, Spring 2001, Vol. 4, Issue 3

Newsletter, Spring 2002, Vol. 5, Issue 3

Newsletter, Summer/Autumn 2003, Vol. 7, Issue 1

Newsletter, 2003, Vol. 7, Issue 2

Newsletter, Spring 2005, Vol. 9, Issue 1

Interviews:

NAPA 30.05.2017

NAPA 06.06.2017

*The Independent Community and Health Concern Party:*

Annual Accounts 2002-2016, Electoral Commission

Interviews:

Health Concern 03.08.2017

Health Concern 08.08.2017

*Surfers Against Sewage:*

The Exeter Lectures: Hugo Tagholm, Chief Executive, Surfers Against Sewage, May 2016, accessed at: <http://www.exeter.ac.uk/diamondjubilee/events/exeterlectures/> on 14.04.2017

Pipeline Magazine, Surfers Against Sewage, issue 88, summer 2012

Pipeline Magazine, Surfers Against Sewage, issue 72, February 2008

Accounts and Reports 2012 and 2014, Surfers Against Sewage Ltd, Companies House Register

Interviews:

SAS 26.05.2017

SAS 16.06.2017

SAS 2 16.06.2017

*The Green Party of England and Wales:*

Electoral Commission Report and Financial Statements, Year ended 2009, 2010, 2011, 2012, 2013, 2014, 2015, The Green Party of England and Wales. All accessed on 10.04.2017

Interviews:

Green Party 04.07.2017

Green Party 26.06.2017

Green Party 13.06.2017



## APPENDIX B:

**Table B1:** Registration with the state related to functioning as legal entity/ performing core functions

	PARTIES	ADVOCACY  GROUPS AND SERVICE PROVIDERS
UK	<p><b>Regulation:</b> Registration of Political Parties Act 1998, Political Parties, Elections and Referendums Act 2000</p> <p><b>Registration body:</b> Companies House (1998 Act), The Electoral Commission</p> <p><b>Benefits:</b> Broadcasting time (Act 1998)</p> <p>Party name, description and emblem can appear on the ballot papers (Act 2000).</p> <p><b>Reporting requirements:</b> Written confirmation that the party is to remain registered three months following the registration anniversary at the latest (1998, Article 7);</p> <p>All parties and accounting units with income over £25,000 have to report the annual statements of accounts (Act 2000); Update for changes in constitution.</p>	<p><b>Regulation:</b> Companies Act 2006, and until 2008 had to comply with parts of Companies Acts 1985 and 1989</p> <p><b>Registration body:</b> Companies House</p> <p><b>Benefits:</b> Corporate personality and limited liability, ability to own, inherit, purchase and sell property in its own name, take loans, open bank account, enter into contracts, sue and be sued by others</p> <p><b>Reporting requirements:</b> Update for any changes in relevant information (regular reports on non-financial matters), annual return, financial accounts, company tax return (if directors receive salary, they have to file self-assessment tax return).</p>
NORWAY	<p><b>Regulation:</b> Political Party Act (2006, with amendments)</p> <p><b>Registration body:</b> The Legal Entity Register/The Party Register<sup>1</sup></p> <p><b>Benefits:</b> Get organisation number, which usually is a precondition to open a bank account. Have an exclusive right to use the party name in elections.</p> <p><b>Reporting requirements:</b> <i>Reporting regarding Legal Entity Register:</i> Reporting of changes to</p>	<p><b>Regulation:</b> Act on the Legal Entity Register (1994, with amendments)</p> <p><b>Registration body:</b> The Legal Entity Register</p> <p><b>Benefits:</b> Get organisation number, which usually is a precondition to open a bank account. To establish a ‘.no’-internet address requires organisation number.</p> <p><b>Reporting requirements:</b> Reporting of changes to the executive organ. All associations in Norway are required by</p>

the executive organ. In election years (by the 2nd of January), the party needs to report that the information regarding the executive organ is correct, and/or update it.

law to develop financial accounts given that they possess values (in the relevant financial year) that are worth more than 20 million NOK or have more than 20 full time employees (The Accounting Act, §1-2).

*Reporting regarding Party Register/Notarius Publicus (before 2001):* From 1998 registered parties that ran lists in national elections had to disclose annual income accounts, with an overview of donations exceeding 20.000 NOK. The account had to be approved by an auditor.

Registered parties in the Party Register currently (changes to regulation in 2006 and 2013/2014 respectively) must submit annual financial accounts, showing income and expenses. The financial account must be externally audited. Sponsoring arrangements and political/business agreements with donors are to be reported, the same applies for donations above 35.000 NOK. These rules do not apply to parties with an annual income of less than 12.000, excluding income from state support.

**Notes:**

<sup>1</sup> In order to be registered in the Party Register, the party first needs to be registered in the Legal Entity Register. Before the party register was introduced in 2001, political parties that wanted to ‘own’ their party name, registered with Notarius Publicus.

**Table B2: Registration with the state related to tax beneficial status**

	PARTIES	ADVOCACY  GROUPS AND SERVICE PROVIDERS
UK	Regulation: Registration body: / Benefits: /	<b>Regulation:</b> Charities Act 1992, Charities Act 1993, Charities Act 2006 and Charities Act 2011

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Requirements related to governance:/  
Requirements related to reporting:  
/

**Registration body:** The Charity Commission and Her Majesty Revenue and Customs

**Benefits:** Tax exemptions on income from land, bank interest, Gift Aid payments and other annual payments, trading income, profits from fundraising events etc.

**Reporting requirements:**

Update information; Mandatory accounting requirements (annual return and accounts depending on annual income); Trustees' annual report (narrative report) of every registered charity since 1996.

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NORWAY **Regulation:** Act on tax on income and assets (Taxation Act), 1999 with amendments

**Registration body:** None. Each tax office makes the decision on whether an organisation fulfils the criteria (i.e. to be non-profit). Parties qualify.

**Benefits:** Parties are tax exempt on income and assets. Economic activities up to a threshold of 70.000 NOK are also tax-exempt.

**Reporting requirements:** Organisations and parties that have income and assets that are not tax exempt (i.e. economic activity), have to report this in a specific tax-reporting scheme.

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**Regulation:** Act on tax on income and assets (Taxation Act), 1999 with amendments, By-laws on VAT

compensation for voluntary organisations, 2013 (VAT compensation was first introduced in 2010), Bylaws to the Act on Register for Voluntary activity, 2008 with amendments

**Registration body:** The local tax office approves which organisations qualify for the general tax exemption and the central tax authorities approve who can get tax-deductible gifts, membership in The Voluntary Register is a precondition for applying for VAT compensation.

**Benefits:**  
-Tax exemption on income and assets. Economic activities up to a threshold of 140.000 NOK are also tax-exempt (for charitable organisations, for other organisations, the threshold is 70.000 NOK).

-Receive tax-deductible gifts  
-Can apply for VAT compensation.

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**Reporting requirements:**

-Organisations that have income and assets that are not tax exempt (i.e. economic activity), have to report this in a specific tax-reporting scheme.

-To have donations be tax-deductible for the organisation, the organisation must report it electronically to the tax authorities.

-VAT compensation requires an application, where the organisation for example must prove that voluntary activity is an important part of the organisation's work. No reporting, but if prompted by the authorities, the organisation must provide information.

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## TABLES

**Table 1:** Case selection

	Norway <sup>1</sup>		UK (England and Wales)	
	<i>Party</i>	<i>Advocacy group and service provider</i>	<i>Party</i>	<i>Advocacy group and service provider</i>
<i>Environment</i>	<u>The Green Party</u> 1. 1988 2. 1995*, 1989** 3. 1988 4. Ca 7500 (2017)	<u>The Green Warriors of Norway</u> 1.1993 2.1995 (Legal Entity Register) 3. 1993 4. 1771 (2016)	<u>Green Party of England and Wales</u> 1.(1973/1990) 2.1999 3. NA. 4. 53,000 (2016)	<u>Surfers Against Sewage</u> 1. 1990 2. 1994 3. 2012 4. 10 000 (2017)
<i>Social/ Health Policy</i>	<u>The Pensioner's Party</u> 1.1985 2.2002*, 1989** 3.1985 4.Ca 2450 (2017)	<u>The Senior Net</u> 1.1997 2.1997 3.1997 4. Ca 8000 (2017)	<u>Independent Community and Health Concern Party</u> 1.1999 2.2000 3. NA 4. 600 (2017)	<u>National Activity Providers Association (NAPA)</u> 1.1997 2:1997 3.1998 4. 3000 (2017)

1= Year of foundation. 2= Year of registration. 3= Year of accessing tax benefits. 4= Membership (year in parenthesis).

\*Registration in the Legal Entity Register.

\*\*Registration with Notarius Publicus.

**Table 2:** Introduction of mandatory reporting requirements per organisational type

	<b>Reporting requirements for parties</b>		<b>Reporting requirements for service organisations and advocacy groups</b>	
	<i>Registration</i>	<i>Tax benefits</i>	<i>Registration</i>	<i>Tax benefits</i>
<b>UK</b>	Yes (since 2000)	NA	Yes (since 1985)	Yes (since 1992)
<b>Norway</b>	Yes (since 1998)	No	No	No

## Endnotes

- <sup>1</sup> The direct involvement of these organisations' in the policy process is what sets them apart from other voluntary membership organisations, such as sports and leisure organisations. The latter are usually in-ward oriented and less involved in policymaking processes, which is why they are excluded from the study.
- <sup>2</sup> The third sector literature has welcomed cross-organisational comparisons between voluntary organisations and for-profit organisations and public organisations, which operate under different regulatory pressures and institutional logics, while cross-organisational comparisons with political parties being an important segment of civil society is missing (Bolleyer, 2018).
- <sup>3</sup> This conceptualisation of legal regulation has been used by Bolleyer (2018) to classify the regulatory environments for parties, interest groups and service providers in 19-developed democracies.
- <sup>4</sup> Advocacy groups and service providing organisations might have to comply with separate regulation in order to be able to perform their core functions (political activities and service provision), but we do not focus on this regulation here even though it might affect the type of human resources involved in the organisation.
- <sup>5</sup> Charity represents a status which is given to organisations with public benefit purpose which grants extensive tax benefits. These organisations are central in the British third sector and are subject to extensive and complex regulation.
- <sup>6</sup> In Norway health organisations make up 4,6 percent of the associations on the list used by the Regulating Civil Society Project at the University of Exeter, and environmental organisations 3,2 percent. The percentages in the UK are 7,6 for health organisations and 3,4 for environmental organisations.
- <sup>7</sup> In this way, we also compensate for the fact that our sample does not comprise organisations that have not accessed any state benefits. Such organisations are either difficult to identify or are much smaller membership organisations operating locally.
- <sup>8</sup> For additional information on the project, see <https://socialsciences.exeter.ac.uk/regulatingcivilsociety/>.
- <sup>9</sup> Due to the challenge of finding advocacy groups in the field of health and service-providers in the field of environment matching the age criteria in each of the countries, we have more parties in the sample than advocacy groups and service-providing organisations.
- <sup>10</sup> We investigated whether the selected organisations had undergone organisational mergers or splits, which in turn could have affected their budgets. None of the organisations did during the period of interest, hence we do not discuss these factors in the analysis.
- <sup>11</sup> All primary sources used in this paper are included in Appendix A.
- <sup>12</sup> All parties and accounting units with income over £25,000 have to report the annual statements of accounts to the Electoral Commission. Parties with high spending should have their accounts audited by an independent auditor.
- <sup>13</sup> For which a precondition is to register in the Legal Entity Register. Before the Party Register was introduced in 2001, parties registered with Notarius Publicus to 'own' their party name.
- <sup>14</sup> Currently, parties that are registered and in the last parliamentary election received either 500 votes in a region or 5000 votes in the whole country, only need to sign the electoral list. Unregistered parties, or registered parties that did not achieve the aforementioned thresholds, have to collect 500 signatures in the region where the electoral list is to be presented.
- <sup>15</sup> Whilst the intensity of regulatory requirements is similar across organisational types within the same regulatory regime, similar to other countries, the specific legal provisions for maintenance of registration and tax benefits are targeting separately parties on the one hand and service providers and advocacy groups on the other (i.e. there are distinct legal rules). For clarity, this legal distinction is reflected in the organisational analysis.
- <sup>16</sup> Money given to support the party in Parliament.
- <sup>17</sup> The authors had access to the full party archives of the Green Party (28.07.2017) and the Pensioner Party (20.06.2017 and 09.11.2017), and no documents suggesting such reporting was identified.