

STAND BY ME:  
Organization Founding in the  
Aftermath of Disaster

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*Executive Summary*

Few challenges reflect the complex nature of contemporary governance better than disaster response. Federal, state and local government all play roles in managing disaster as do nonprofit organizations. Sorting out those roles and establishing effective disaster management standards has been a central public administration concern in recent years, particularly following 9/11 and Hurricane Katrina in the United States. Improving disaster response has been a central focus of those efforts, but there has been little focus on nonprofit organizations in general or new organizations created following disasters in particular. This paper addresses three questions:

1. What motivated the founding of new nonprofit organizations in response to 9/11?
2. What were the characteristics of those organizations?
3. What role did they play following the disaster?

These questions are important in clarifying the distribution of public and nonprofit sector responsibilities following 9/11 and provide

helpful guidance for how to plan for and coordinate the role of new organizations following future disasters.

The Disaster Resource Center (DRC) four-element typology of organized responses to disaster provides a framework for understanding organization creation in response to disaster. New organizations fall most closely under the category emergent groups, which are described as new groups engaged in new tasks, and often informal and ephemeral. The relative formality of new 9/11 organizations suggests significant differences between them and the DRC's emergent groups.

The new nonprofit organizations created in response to 9/11 received expedited approval for tax exempt status from the Internal Revenue Service. Each organization's application for exempt status along with annual IRS 990 information returns, annual reports, news articles and other secondary materials about the organizations were analyzed. The analysis generated a list of 258 new organizations.

There are three principal findings. First, new organizations fell into two categories, derivative organizations, defined as those created from existing organizations and unaffiliated entities, those created independent of existing organizations. Second, most of the new organizations created in response to 9/11 provided direct relief to the families of those who died on 9/11. They defined the problem resulting from 9/11 as the set of challenges created for victims' families by the death of loved ones. As a result, the primary activities in which organizations engaged, financial assistance (general and targeted) and emotional support, addressed that problem. Third, most of the new 9/11 organizations were temporary and defined long-term recovery as one to two years; those that endured five years had close institutional or experiential ties to victims' families.

The results of this study have several implications for theory and practice. First, describing the organized response to recovery efforts following 9/11 requires a broader typology than the DRC provides; derivative and unaffiliated organizations are two elements in a revised typology. New organizations created in response to

disaster have shorter lifespans than other populations of new organizations. The setting of a disaster (such as a workplace or a residential community) and how its victims are defined affect the kinds of organizations people create, their role and endurance.

*Stand By Me: Organization Founding in the Aftermath of Tragedy*

Few challenges reflect the complex nature of contemporary governance better than disaster response. Federal, state and local government all play roles in managing disaster as do nonprofit organizations. Sorting out those roles and establishing effective disaster management standards has been a central public administration concern in recent years, particularly following 9/11 and Hurricane Katrina in the United States. From that perspective, the question these debates have raised is a fundamental one: How can public administrators prepare for and manage disaster effectively? There has been very helpful recent work that addresses that question (Donohue & Joyce, 2001; Kapucu & Van Wart, 2006; McEntire, Fuller, Johnston & Weber, 2002; Waugh, 2003; Waugh & Streib, 2006; Wise, 2006); however, recent research on the role of nonprofit organizations in disaster response has been limited (Eikenberry, Arroyave & Cooper, 2007; Simo & Bies, 2007; Stevenson & Schnitzer, 2006) and there has been no discussion about the establishment and role of new nonprofit organizations following a disaster. This paper addresses that issue, using 9/11 as its focus.

The response to 9/11 included nonprofit organizations in existence prior to that day, new nonprofit organizations formalized in the months following 9/11 by receipt of federal tax exempt status, and temporary, emergent groups that provided immediate assistance. Many well-known local and national nonprofit organizations, such as the Salvation Army, the New York Community Trust and the United Way, were instrumental in addressing community needs following 9/11 (Jones & Campbell, 2002; Kapucu & Van Wart, 2006; Salamon, 2002, Waugh & Streib, 2006). The reliance on these and other established organizations was not surprising; they had capacity, strong reputations and missions directly related or adaptable to the challenges communities faced following that disaster.

In contrast, some journalists have noted with surprise that new organizations played a central role after 9/11. The *Nonprofit Times* has reported that the Internal Revenue Service provided expedited approval of federal tax exempt status to 303 organizations with missions to address needs that resulted from the September 11<sup>th</sup> attacks (McNamara & Hrywna, 2006).<sup>1</sup> As this paper will show, in the first two years following 9/11 those organizations received nearly \$700 million dollars to support their goals. Less formal emergent groups also played an important role, responding to the immediate, post-attack on the ground realities, through activities such as the distribution of donated items to first responders, the preparation of meals and assistance with search and rescue efforts (Voorhees, 2008).

Disaster researchers have analyzed organized responses to disaster focusing on the adaptive responses of existing organizations (public and private) and the emergence of new groups following crisis events (Bardo, 1978;

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<sup>1</sup> A similar phenomenon occurred following Hurricane Katrina, when over 400 new nonprofit organizations received expedited approval for charitable activities (Strom, 2006).

Drabek, 1987; Dynes, 1970; Dynes & Quarantelli, 1968; Quarantelli, 1996; Stallings & Quarantelli, 1985; Sutton, 2003; Scanlon, 1998; Tierney, Dynes & Fritz, 1994). Existing organizations adapt their behavior through increases in the volume of existing tasks or the creation of new tasks and structures in response to a disaster. Emergent groups establish new structures and perform tasks created as a result of the disaster event, such as search and rescue and the provision of emergency supplies (Drabek, 1986, 1987; Dynes & Quarantelli, 1968; Horton Smith, 1997; Stallings & Quarantelli, 1985); such groups are spontaneous, informal and temporary. New nonprofit organizations fall in between these two categories. They are not existing organizations, because they did not exist prior to the disaster event, and they are not emergent groups, because they quickly acquire formal features, such as federal tax exempt status.

The establishment of so many new organizations following 9/11 raises new questions regarding organized behavior in disaster. This study considers three of the most fundamental:

1. What motivated the founding of new nonprofit organizations in response to 9/11?
2. What were the characteristics of those organizations?
3. What role did they play following the disaster?

Answers to these questions would clarify the distribution of public and nonprofit sector responsibilities following 9/11 and provide helpful guidance for how to plan for and coordinate the role of new organizations following future disasters.

#### *Organized Behavior in Response to Disaster*

Over the past forty years, there has been considerable empirical research and theory development about organized responses to disaster. Leaders in this effort have used concepts from organization theory and collective behavior to understand disaster response. Initial efforts focused on the tasks or functions that people in groups perform following disaster and the structures they use to carry them out. Several researchers developed the Disaster Research Center (DRC) typology of behavioral responses using task and structure as key variables (Brouillette & Quarantelli, 1971; Dynes, 1970; Dynes & Quarantelli, 1968); the typology has been used in public administration research to study the role of emergent groups in disaster (Stallings & Quarantelli, 1985). This framework has evolved over time. The initial typology distinguishes between regular and non-regular tasks and new and old structures. Regular tasks are those that an organization performed prior to a disaster; new tasks are those conducted in response to the disaster. Old structures are pre-disaster forms; new structures are those created following a disaster.

The original DRC typology (figure 1) is a 2 x 2 matrix with four cells; each cell represents a particular organizational response to disaster: established, expanding, extending and emergent. Type I are established organizations that use their existing structure to carry out the same tasks they carried out prior to a disaster, such as a fire department involved in putting out

fires. Type II, expanding organizations, use new structures, such as opening new offices or units and increasing staff, to carry out the same kinds of tasks the organization did prior to the disaster. The Red Cross, as a disaster relief organization, fits this profile. The Red Cross responds to disasters by expanding its operation in settings where disaster occurs. The organization's staff performs the regular tasks in which they have expertise to meet needs that emerge following a disaster event. Extending organizations, Type III, use existing structures to perform new tasks. This category includes existing public or nonprofit organizations that adapt their activities to perform new, non-regular tasks in response to the disaster. Using 9/11 as an example, extending organizations include the many established New York social service organizations, such as Children's Aid or the Community Service Society that prior to 9/11 provided non-disaster related services (child welfare, eviction prevention, advocacy, etc.) and post 9/11 redeployed existing staff to provide disaster assistance (Jones & Campbell, 2002). Types II and III describe how existing organizations adapt following a disaster. Emergent groups, Type IV, are those that did not exist prior to the disaster; they emerge to respond to new needs created by the disaster and create new structures to perform non-regular tasks. Typical emergent groups are those that come together to perform search and rescue activities or provide meals for first responders. Dynes (1970, p. 140) contrasts type IV groups with established organizations, describing the former as "having no clear-cut boundaries; they are "small, ephemeral, bear[ing] no name" which, soon after the disaster event, "tend to dissolve."

*Figure 1: DRC Typology<sup>2</sup>  
Tasks*

		<i>Regular</i>	<i>Non-Regular</i>
<i>Structure</i>	<i>Old</i>	I Established	I III Extending
	<i>New</i>	II Expanding	IV Emergent

The phenomenon of new organization creation following 9/11 falls most under Type IV, emergent groups; however there are important differences between emergent groups and new organizations that are central to this study. These differences suggest a limitation in the typology's capacity to describe organized behavior following a disaster. Both are defined as not existing prior to a disaster event, but what happens following their emergence is different. As noted, emergent groups are spontaneous, ephemeral and informal. They reflect individual's interest in forming groups to respond to needs that emerge out of crises. After groups address those needs (such as the

<sup>2</sup> Adapted from Dynes & Quarantelli (1968).

provision of food, shelter, clean-up, search and rescue or other activities) they dissolve. In contrast, “new organizations” suggests the formal establishment of an entity following the completion of a founding process which consists of several core elements (Aldrich & Ruef, 2006; Katz, 1993; Katz & Garner, 1988; Ruef, 2005). Entrepreneurship researchers define an organization as having emerged when it exhibits, intention, resources, boundaries and exchanges (Katz & Garner, 1988; Katz, 1993). Organizational evolution scholars identify similar elements, defining organizations as “goal-directed, boundary-maintaining, socially constructed” (Aldrich & Ruef, 2005, p. 4). Distinguishing between emergent groups and new organizations created in response to disaster is important because organizations have the potential to play a longer-term role in communities than emergent groups. The creation of new organizations may represent the introduction of a new population of organizations into an environment, bringing with it both increased capacity of some kind and competition for resources. The lack of a place for new organizations in the DRC typology may ignore an important dimension of organized response to disaster.

There has been a long debate about the sufficiency of the original DRC typology in describing post-disaster social reality. Critics have contended that the model is incomplete and suggested modifications. Some have recommended broadening the model to reflect different stages of disaster and incorporating latent organizational subcultures activated in response to disaster (Bardo, 1978); others have advocated a systems level model of organized responses to disaster emphasizing “new populations of systems being born” (Drabek, 1987, p. 267). This latter framework provides greater potential for understanding the creation of new organizations because it recognizes a wider universe of organized responses; however, it has not been applied to specific disasters. For the most part, critiques of the DRC typology have discussed post-disaster adaptations within existing organizations (Quarantelli, 1996; Scanlon, 1998; Sutton, 2003) rather than the typology’s sufficiency in describing the emergence of new organizations such as those created following 9/11.

Researchers who have analyzed group emergence following disaster emphasize the spontaneous and ephemeral nature of such groups and their focus on immediate problems created by the disaster (Drabek, 1986; Forrest, 1978; Horton Smith, 1997; Stallings & Quarantelli, 1985; Voorhees, 2008); most studies have not emphasized organization creation. Stallings & Quarantelli (1985, pp. 94-95), however, suggest certain conditions under which group emergence may lead to the creation of formal organizations. They discuss group emergence at two points in time, “emergency times” and “non-emergency times.” The former refers to the time immediately following a disaster event, the latter to all other times, including the recovery period after the initial response. Different types of groups emerge at different points in time. They argue that groups that emerge in disaster times do not tend to become formal organizations; however, groups that emerge in non-disaster times may evolve into formal organizations, because of the durability and

complexity of the challenges they face. There has been little additional research on organization creation or the evolution of emergent groups into formal organizations. Drabek (1987, p. 288) acknowledged that concern in noting the absence of research about “disaster relief programs” as elements in social systems that emerge in response to disaster. Most important, there is a clear gap in our knowledge of new organizations created in response to disaster, including why they are created and what role they play.

#### *Research Design*

This study analyzes new organizations established in response to the 9/11 attacks on the United States, defined as those created in the year following September 11<sup>th</sup>, 2001, with an explicit purpose related to that event. Federal tax exempt status distinguishes new organizations from emergent groups. Receipt of tax exempt status suggests several of the characteristics researchers have used to define new organizations; tax exempt status confers boundaries and establishes creators’ intentions. Because tax exempt status allows donors to make tax deductible contributions, it implies organizational preparation for receiving resources and engaging in exchanges. The application process also requires documentation of formal elements of organization including by-laws and a board of trustees.

In the year following 9/11, the Internal Revenue Service offered expedited review of tax exemption applications for nonprofit organizations created in response to that disaster. For this study, the Internal Revenue Service supplied copies of the applications of all 303 organizations that received that expedited approval. Three additional organizations were identified through searches using the National Center for Charitable Statistics 2001 and 2002 Core Data files for public charities and private foundations. The initial list of organizations was reduced to 258 because 48 of those receiving expedited approval existed prior to 9/11 or were not established to respond to 9/11<sup>3</sup>.

Several other sources were used to gather information about new organizations. Information returns for all available years through 2006, organization websites, newspaper articles and other web-based sources were reviewed to learn about the mission and activities of individual organizations. There was no financial information available for 53 of the 258 new 9/11 organizations. Most likely, those organizations did not meet the \$25,000 revenue threshold required to file an information return or they ceased operation. Applications for tax exemption and web searches provided information on the nature and activities of many of those organizations. Notably, many organization that did not meet the \$25,000 threshold filed returns anyway, 29 in 2001 and 60 in 2002. In sum, 205 organizations provided information returns for one or both 2001 and 2002, the baseline years for defining organizations created in response to 9/11. The number of

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<sup>3</sup> Several organizations that received expedited approval performed 9/11 response activities, such as new foundations that made grants to 9/11 charities; however, the evidence provided suggested that 9/11 was neither the impetus for organization creation nor the organization’s primary focus.

organizations filing information returns decreased in subsequent years to a low of 56 for 2006, the most recent year for which complete data are available.

Narrative information about organizations was analyzed using the qualitative data analysis software QSR NVivo (version 7). Data were sorted into text blocks to identify organizations' defining characteristics, target groups, activities and scope. One goal of the study was to clarify what types of organizations were created and why. The secondary data do not address these issues directly; however narrative aspects of most exemption applications and information returns provide useful information about circumstances leading to the creation of the organization. These data were analyzed to establish key characteristics that address who created them and why. Organizational information was analyzed first to identify the connection between the creators of new organizations and the events of September 11<sup>th</sup>. Organizations with a direct connection to 9/11 were assigned a classification based on the nature of that connection. If there was no direct connection, then other key features of the creators and their motivation were identified and used as the basis for classification. The goal of the analysis was to categorize new organizations in terms of these characteristics. Categories evolved through the analysis to reflect commonalities across organizations.

Financial analysis of organizations by fiscal year presented a methodological challenge, given the variability of fiscal years and the relative lateness in the year of the event that led to the creation of new organizations. To address that concern, 2001 data were defined as all organizational data with fiscal years that began in 2001; similarly, 2002 data were defined as fiscal years that began on any date in 2002.

### *Findings*

#### *The Characteristics of New Organizations*

The organizational analysis revealed that new organizations fell into two categories, derivative organizations, defined as those created from existing organizations and unaffiliated entities, those created independent of existing organizations. This finding is in contrast to the study's initial assumption that new organizations were variations of the DRC typology's type IV emergent groups. Over sixty percent of the new 9/11 organizations (159 of 258) were created by existing organizations and resemble Type II expanding organizations in the DRC typology.<sup>4</sup> They created new structures in response to the disaster. The activities of some new organizations involved regular tasks, those that the entities from which they evolved were already doing, or latent tasks, activities such as grantmaking or the distribution of financial assistance they had the capacity to do but were not doing prior to the disaster. Many of these organizations directed their activities to individuals and groups with which they had not previously worked, those affected by 9/11. These organizations accounted for 91 percent of the revenues generated by the new organizations

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<sup>4</sup> Criteria for establishing a link between an existing organization and a new one include at least one of the following: founding documents that directly establish the connection, a common address with at least two unrelated trustees listed at that address or two or more officers shared between the predecessor organization and the newly created one.

in the first two years of operation. In contrast, 99, or thirty eight percent, of the new 9/11 organizations were unaffiliated with existing organizations. These organizations accounted for nine percent of revenue in 2001-2002. They most resemble type IV emergent groups, using new structures to carry out new tasks. The formal status of these organizations, however, distinguishes them from emergent groups. Table 1 summarizes these findings.

The table presents total revenue raised by new organizations in terms of defining characteristic and type of organization. Defining characteristic refers to the features of the organization that address most clearly who created it and why. The analysis revealed sixteen distinct defining characteristics within the population of new 9/11 organizations. The defining characteristics include “geography” which refers to organizations defined by their location, either in terms of the populations served (victim families from a particular town) or a community’s effort to respond to 9/11 (such as San Diego residents who organized to raise money for victim families). “Public organizations” are nonprofits created by state or local elected officials. “Individual entrepreneurs” describes organizations created by a single entrepreneur without a direct connection to 9/11 but

Table 1: Characteristics of New 9/11 Organizations and Revenue 2001-2002

Defining Characteristic	Type of Organization		
	Derivative	Unaffiliated	Total
911 Employer	139,974,069 (18)	712,000 (1)	140,686,069
911 Family	(0)	1,545,756 (5)	1,545,756
Coordinating Group	50,637 (1)	2,988,688 (1)	3,039,325
Corporation	48,343,335 (68)	(0)	48,343,335
Entrepreneurial Individual	1,878,879 (1)	25,625 (20)	1,904,504
Entrepreneurial Group	3,581,782 (13)	(0)	3,581,782
Ethnic Identity	(1)	(1)	
Fire Company	21,300,248 (25)	58,532 (1)	21,358,780
Fraternal Organization	1,481,029 (3)	3,597,580 (2)	5,078,609
Geography	1,631,107	13,431,564	15,062,671

	(4)	(25)	
Memorial Organization		6,868,875	6,868,875
	(0)	(12)	
Public Organization	169,109,560		169,109,560
	(2)	(0)	
Spontaneous Organization		349,724	349,724
	(0)	(4)	
Trade Association	201,167,830	25,613,166	226,780,996
	(18)	(4)	
Unknown	578,966	1,002,348	4,927,211
	(1)	(10)	
Workers' Organizations	33,807,536		33,807,536
	(17)		
Total	615,069,266	64,031,003	679,100,269
	(159)	(99)	

motivated by a vision for disaster assistance; "group entrepreneurs" describe similar efforts created by several partners; "spontaneous organizations" refer to the several formal organizations created from emergent groups of unrelated volunteers who came together in the days immediately following 9/11 to provide assistance to victims and rescue personnel. "Workers' organizations" are primarily labor unions but also include support organizations, such as benevolent associations for uniformed personnel. Numbers in parentheses represent the total number of organizations with that defining characteristic.

Type of organization distinguishes derivative and unaffiliated organizations. Revenue amounts represent total revenue for fiscal years 2001 and 2002, calculated based on data provided on 990 information returns. Revenue for 2001 and 2002 are aggregated because in many cases 2001 data include only a few months of activity and some new organizations reported their first financial information in 2002. In that way, combined information for 2001 and 2002 provides the most complete picture of the initial response of new organizations to 9/11. Cells without dollar amounts reflect organizations for which no organizations in that category provided financial information.

Derivative organizations were markedly different from unaffiliated organizations both in terms of defining characteristics and the resources they generated. Five types of derivative organizations were dominant: employers that housed employees who died at the World Trade Center on 9/11, fire companies that housed firefighters killed on 9/11, workers' organizations (primarily unions), trade associations and corporations without a direct relationship to 9/11. Many derivative organizations had a direct connection to those who died, notably, employers, unions, fire companies and trade associations. The corporations that created new organizations are less homogeneous, though three distinct categories are evident: law firms, financial services organizations and fashion industry firms, the first two of which had clear business connections to World Trade Center employers. The significantly greater revenue generating capacity of these organizations suggests that their

basis in existing entities provided access to existing resource networks and legitimated them to donors.

Analyzed using the DRC typology, derivative organizations are closer to type II, expanding organizations than they are to type IV emergent organizations, but the fit is inexact. Expanding organizations use new structures to carry out regular tasks. The connection of these new organizations to existing entities defines them as expanding; however, they are different from expanding organizations in two important ways. First, it is unclear whether the tasks these new organizations carried out were uniformly regular or even latent. Second, all of these organizations created new legal structures to respond to the disaster. The DRC typology defines new structures in expanding organizations as part of, not legally separate from, existing organizations. Some of the organizations from which the new 9/11 entities derived, developed new structures despite having existing mechanisms for charitable activities. The reasons they chose new legal structures are not clear from the available data. One possible explanation is that in certain industries a corporate response to 9/11 became an institutional norm demonstrated through the establishment of a new corporate structure, which may account for the emergence of new organizations in the legal, financial and fashion industries.

Among new, unaffiliated organizations, several types were most dominant: those created by the families of people who died on 9/11, organizations defined by the community in which the founders resided, memorial organizations and entrepreneurial ventures developed by individuals or small groups. These organizations have the features of the DRC typology's type IV emergent groups; however, they are different from emergent groups because they have formalized, indicated by their receipt of federal tax exempt status. Another important difference is that emergent groups, as defined by the typology, come into existence to respond to immediate needs following disaster. New 9/11 organizations also emerged immediately following the disaster; however, their focus was medium to longer-term recovery.

Unaffiliated organizations were defined by a connection created by 9/11-the disaster provided the impetus for group formation. The establishment of five new organizations by the family members of 9/11 victims most clearly fits this profile. Geographically defined organizations, based in a community's general concern for the victims of 9/11 (organizations established outside of places most directly affected by the disaster ) or concern for the families of local 9/11 victims (predominant in New York suburbs and Massachusetts) fall into this category. This group also includes organizations created by individuals or groups without a direct 9/11 connection but who were motivated by the event to organize and take action. It is notable that unaffiliated organizations generated considerably less revenue than derivative organizations. The absence of an established infrastructure or corporate network to draw upon for support may account for the lower revenue amounts.

#### *The Role of New Organizations*

Most of the new organizations created in response to 9/11 provided direct relief to the families of those who died on 9/11. They defined the problem resulting from 9/11 as the set of challenges created for victims' families by the death of loved ones. As a result, the primary activities in which organizations engaged, financial assistance (general and targeted) and emotional support, addressed that problem. Several new organizations addressed other challenges, such as economic development, community revitalization and displaced worker assistance, but that activity was limited and based in lower Manhattan, one of the sites where the disaster occurred. The nature of 9/11, with its localized damage and discrete set of victims with specific needs, may have contributed to a shared, precise definition of post-disaster problems and a narrow role for new organizations.

The 258 new organizations primarily raised money to give directly to the families of victims of 9/11 or to other organizations providing direct financial assistance to those families. Fewer than twenty percent of the new organizations provided services; fifteen percent pursued multiple activities (such as support to individuals and organizations). Inexact reporting makes it difficult to assess how much of the new organizations' resources were used for different activities; instead it is possible only to identify key activities and the number of organizations engaged in them. Analyzing their activities in terms of the type of organizations and their defining characteristics, provides further clarification regarding the role the new organizations played and why their founders created them. Table two summarizes the activities of new 9/11 organization, divided again into derivative and unaffiliated entities. Three types of activities are presented: assistance to individuals, assistance to organizations and services. The numbers listed indicate the number of organizations that reported engaging in the specified activity.

Most of the derivative organizations provided financial assistance to victims' families, though how they distributed it varied based on their relationship to those families. Derivative organizations fell into two categories those with established connections to victims' families and those without those connections. The former, such as 9/11 employers and workers organizations, gave assistance directly, most likely because of their knowledge of the families of those who died. Organizations without established relationships, which include those created by trade associations and corporations and geographically defined groups formed outside the New York metropolitan area, provided financial assistance through other organizations with stronger ties to victims' families. Unaffiliated organizations played a somewhat different role. They were much more likely to provide services, particularly organizations created by families of the victims and by entrepreneurial individuals and groups.

The data indicate that the relationship of those who created organizations to the families of 9/11 victims provides a way to understand motivations for organization creation. People created organizations based on three types of direct relationships to victims' families: institutional, communal and experiential. Those with the closest institutional ties to victims

(employers, unions and fire houses) created charitable organizations to provide financial support to victims' families, reflecting institutional commitments by employers, co-workers and workers' groups. Communal ties were reflected in twenty organizations defined by localities directly affected by 9/11, in metropolitan New York, Boston (two of the hijacked planes left from there), and Washington DC. Nearly all of them provided direct assistance to families. The twenty

*Table 2: Activities of New Organizations Created in Response to 9/11*  
**Organizational Activities**

Organization Type	Derivative	Defining Characteristic	Financial Support to Families	Financial Support to Organizations	Services	No Information
		911 Employer	18	1	1	
		Coordinating Group			1	
		Corporation	36	34	6	2
		Entrepreneurial Individual	1			
		Ethnic Identity	1			
		Fire Company	25	2	2	
		Fraternal Organization	2			1
		Geography	1	2	1	
		Public Organization	1		1	
		Trade Assn.	11	6	2	1
		Unknown		1		
		Workers' Organizations	14	2	3	
		<b>Total</b>	<b>110</b>	<b>48</b>	<b>17</b>	<b>4</b>
<b>Affiliate</b>		911 Employer	1			
		911 Family			5	
		Coordinating Group			1	
		Entrepreneurial Group	8	2	4	1
		Entrepreneurial Individual	7	7	7	

Ethnic Identify	1			
Fire Company	1		1	
Fraternal Organization	2			
Geography	18	5	3	
Memorial Organization	8	1	3	1
Spontaneous Organization	1		3	
Trade Association	3	2		
Unknown	2		5	3
<b>Total</b>	<b>52</b>	<b>17</b>	<b>32</b>	<b>5</b>

organizations reflect communities' perceived obligations to assist community members affected by the disaster. Finally, victims' families created new organizations for mutual support and advocacy, based on their shared experience as family members of those who died. What drew them together was a newly established (tragic) common interest. The institutional, communal and experiential ties that define these three types of organization reflect the rationale for their establishment. 9/11 created new problems within existing social structures (institutional and communal) which group members organized to address. The disaster also generated new social structures, defined by a shared experience of loss. No existing organization could address the institutional obligations faced by employers or respond to the common experience of victim families; however these data do not address why employers were unable to use existing corporate forms to address those needs or why existing organizations within communities were not adapted to meet emergent needs.

*Organizational Endurance and Implications for Role and Founding Motivations*

An analysis of the lifespan of members of this population of organizations, based on the number of organizations filing information returns and the financial information those returns include, provides further evidence regarding why these organizations were created and the role they played following 9/11. Between 2001 and 2002, 258 new organizations filed information returns; that number decreased markedly in subsequent years, to 103 in 2004 and to 56 in 2006. Total revenues went from a combined total of \$679 million in 2001-2002 to \$29 million in 2006. While net assets remained stable from 2002-2004, at approximately \$105 million, they had decreased to \$59 million, by 2006. These data suggest that the population of 9/11 organizations included a large number of temporary organizations, some of which received and expended considerable resources quickly, and that a small proportion of that population endured.

There are distinct differences between the organizations that endured and those that did not. Organizations with the closest relationship to victims and their families continued to raise money and retain assets after 2002. In contrast, most organizations that did not have a close relationship with victims' families did not endure. Table three summarizes these findings; it presents the defining characteristics of the new 9/11 organizations with 2006 total revenue and net assets greater than \$500,000. The number of organizations in each category is listed in parentheses.

*Table 3: 2006 Revenues and Net Assets for New Organizations by Organization Type*

<i>Defining Characteristic</i>	<i>2006 Total Revenues</i>	<i>2006 Net Assets</i>
911 Employer	\$11,813,591 (7)	\$27,613,087

911 Family Corporation	10,225,734 (5)	7,713,426
Spontaneous Organization	1,018,755 (2)	984,838
Entrepreneurial Individual	903,782 (2)	2,878,107
Geography	913,372 (4)	3,570,188
Workers Organizations	812,999 (7)	6,267,157
Trade Association	688,724 (5)	7,491,528

The four types of organizations with the highest level of net assets in 2006 were organizations created by employers of those who died on 9/11, organizations created by victims' families, workers' organizations and trade associations. The longevity of organizations with institutional relationships to victims' families, particularly employers and workers organizations, indicates that their leaders felt an ongoing responsibility to the families of employees, union members or co-workers who died on 9/11. The inclusion of trade associations in this group may seem incongruous; however that group is dominated by one organization, the Windows of Hope Family Relief Fund, founded by local hospitality industry professionals closely connected to the families of workers from that industry killed in the 9/11 attack. That organization has many of the institutional connections of the others types of organizations that endured.

The five organizations created by the families of those who died on 9/11 showed considerable growth between 2002 and 2006. In 2002, the five generated \$1.5 million dollars in revenue and held over six hundred thousand dollars in net assets; by 2006, those numbers had grown to \$10 million and \$7 million dollars respectively. These organizations provide a variety of support and advocacy activities for victim families. Their growth indicates that the 9/11 disaster established enduring social ties among victims' families and that they created organizations as mechanisms for addressing their common challenges. Similar to the institutional concerns of employers and others, these family groups address specific interests that did not exist prior to 9/11 that established organizations could not address.

Two other types of organizations (three organizations total) continued to be active in 2006. All three filled ongoing needs created by 9/11. One organization, Wall Street Rising, established by an entrepreneurial individual with a vision for economic development in a neighborhood directly affected by 9/11, is responsible for nearly all the 2006 total revenues and net assets listed in that category. Two spontaneous organizations, one focused on disaster

preparedness and the other providing support and advocacy for the families of firefighters who died on 9/11, also endured.

Many of the less enduring organizations had a less direct relationship to the families of victims of 9/11. These organizations raised money to provide financial assistance, distributed it and ceased activity. The most high profile of these was the Twin Towers Fund, which generated over \$168 million dollars and distributed all its assets within two years of its creation. The absence of a direct relationship to the families of victims may have provided little rationale for an ongoing organization. This seems to have been the case with the largest groups of organizations which either ceased to operate or did not generate sufficient revenue to file an information return in 2006, including approximately eighty percent of corporations and seventy percent of trade associations.<sup>5</sup>

As noted, geographically defined organizations founded in communities affected by the 9/11 attack shared a connection to the families of victims; however, that connection did not generate organizations as enduring as those with experiential and institutional ties did. Nearly eighty percent of geographically defined organizations did not file information returns for 2006. In addition, only three fire company charities (of twenty four that were created) generated revenue in 2006 and they held total net assets under \$200,000. Fire company charities resemble geographically defined organizations. They were created so that members of the communities in which fire houses are located could make donations for the families of members of those houses who died on 9/11. This finding suggests that geographic community ties provided a weaker basis for long-term organization creation than institutional or experiential ties to victims' families.

### *Discussion*

The findings of this study contribute to our understanding of the organized response to disaster and the lifecycle of organizations they generate. Three primary points merit discussion. First, the DRC typology does not account for the new organizations that emerged in response to 9/11 and endured to support recovery efforts; this study suggests two elements for a revised typology. Second, the organized response to recovery generated a population of temporary organizations, many of which defined long-term recovery as one to two years. New organizations created in response to disaster have a shorter lifecycle than other populations of new organization. Finally, the study indicates that the setting of the disaster and how its victims are defined affects the kinds of new organizations people create and their

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<sup>5</sup> Many of the enduring corporate and trade association organizations were revived to provide relief in response to Hurricane Katrina in 2005, which suggests they were established to create an 'as needed' vehicle for originating organizations' charitable activities.

endurance. This knowledge is valuable to public administrators responsible for disaster planning and response.

*Organization Creation and Disaster Recovery*

1. *Understanding the organized response to disaster recovery requires a new typology. This study identifies two elements in that typology: derivative and unaffiliated organizations.*

The DRC typology categorizes organized responses immediately following a disaster. It focuses on existing organizations, their adaptations, if any, and emergent groups. This study reveals that in the response and recovery phases following 9/11, many new formal organizations were established which do not fit within the DRC typology. They have some characteristics similar to two elements in the typology but the differences are significant. Expanding organizations, as defined in the DRC typology, reflect the expansion of existing organizations using new structures within the same organization. The majority of new 9/11 organizations were derivative; they grew out of existing organizations but were legally distinct, a critical difference. Similarly, the DRC typology defines emergent groups as spontaneous and ephemeral. This study found emergent entities were formal organizations, not informal groups; while many were spontaneous they endured for a longer time than the typology predicts. These organizations are characterized as unaffiliated, because they had no relationship to previously existing organizations.

One way to account for the differences between the DRC classification and what this study found may be to examine the requirements of the different phases of disaster on which each focuses. The DRC typology describes organized behavior immediately following disaster. Its emphasis is response and not recovery. The new 9/11 organizations were created largely to accomplish recovery tasks, such as relief to individuals and families, and not in disaster response activities such as clean-up and search and rescue. The findings suggest organized behavior in the recovery phase of a disaster would generate a different typology. This study identifies two elements in that typology: unaffiliated and derivative organizations. Both use new legal forms and carry out new functions.

*A Temporary Population of Organizations*

2. *The organized response to recovery generates a population of temporary organizations, many of which define long-term recovery as one to two years.*

This study provides detailed empirical support for Stallings and Quarantelli's (1985) suggestion that emergent groups are likely to evolve into formal organizations in non-disaster times (defined in this case as the months

immediately following 9/11). The creation and endurance of a population of 9/11 response organizations affirms earlier researchers' emphasis on defining organized responses to disaster as phased and longer-term (Bardo, 1978; Drabek, 1987). For many new organizations, longer-term was only one to two years. Recent research which distinguishes between disasters and extreme events may help explain the emergence of so many 9/11 response organizations (Kapucu & Van Wart, 2006). Critiques of the DRC typology have focused on smaller scale disasters that have not generated recovery activities equivalent in scale to 9/11. A more comprehensive analysis of recovery efforts post 9/11 and Katrina—both extreme events—would clarify the types of responses generated by disaster recovery efforts and provide a source of comparison between disasters and extreme events.

Findings from this study contribute to our understanding of organized behavior in response to disaster. 9/11 generated many temporary organizations (n= 252) and a small population of organizations that continued to operate five years later. Many organizations resembled emergent groups. They were not precisely ephemeral, but they were created to address a short-term need and existed only until they accomplished that task. By 2004, 155 of the new organizations did not file a 990 Information Return, an indication that they may have ceased to operate; less than twenty five percent lasted more than five years. The majority of new organizations were a different type of entity, temporary organizations. They fall in between emergent groups created for very short-term purposes and new organizations created in response to new but enduring community problems, such as the well-chronicled emergence of AIDS/HIV organizations (Chambré, 1995, 1997; Chambré & Fatt, 2002). The short-term nature of temporary organizations accounts for features that resemble both emergent and formal organizations.

### *Disaster-Specific Factors Affecting Organization Founding*

- 3. The setting of the disaster and how its victims are defined affects the kinds of new organizations people create and their endurance.*

The 9/11 disaster, defined in terms of the loss of life at a workplace, strengthened existing institutional ties between the families of those who died and the employers and workers' organizations with which they were affiliated. The endurance of new organizations created by unions and employers of victims of 9/11 suggests that the site of the disaster, a workplace, provided a primary identity for victims (as employees of a firm or members of a union). These organizations, like those established by family members of the victims, have their basis in a shared experience of the disaster. Institutional and experiential ties provided the basis for long-term recovery efforts. In contrast, geographically defined organizations, the only other type of organization created based on a direct connection to victims (common geography), did not

endure. The absence of a shared connection to the disaster itself among founders and others associated with these organizations provided a weaker basis for longer-term organization. This analysis suggests that the setting of a disaster and how its victims are defined (in this case as employees, but in others as residents of neighborhoods or particular communities) affects the types of organizations that are created and their potential endurance.

The creation of short-term organizations to provide financial assistance and emotional support, and the endurance of a small number of other organizations with close ties to victims' families indicates that the organized response 9/11 generated was narrow but deep. It may be that context provides the best explanation for the creation and role of these organizations. In this case, the discrete set of victims with a narrow set of immediate challenges may account for the types of organizations that were created and the activities they undertook. For disaster management, this response suggests that other disasters, particularly extreme events, would generate new organizations based on how those affected are defined (as employees, community residents, etc.) and their perceived needs. These findings provide a helpful foundation for understanding organization creation in response to disaster. Further research is needed, such as comparison of these findings with the creation of new organizations following Hurricane Katrina or another extreme event, to elaborate these findings and assess their generalizability.

#### *Conclusion*

This study finds that new nonprofit organizations played a major role in disaster recovery efforts following the September 11<sup>th</sup> attack on the United States. Collectively they generated nearly \$700 million dollars in revenue in their first two years of operation. The vast majority provided financial assistance to individuals and families affected by 9/11. Of 258 new organizations, sixty percent grew out of existing organizations and accounted for more than nine out of every ten dollars; roughly four in ten had no connection to existing organizations and generated much fewer resources. Most organizations (n=155) appear to have ceased operation within two years; those that endured were created by victims' families or had close institutional ties to them. The findings suggest that the Disaster Resource Center's typology for organized responses to disaster does not account for organized behavior in the recovery phase of disaster and identifies two elements of a typology of organized behavior in the recovery phase of disaster. The exclusive focus on new organizations in this study limits its capacity to address all organized responses and provide a complete typology. For example, many existing organizations were also involved in disaster recovery, some of which chose to expand (such as the United Way of New York City and the New York Times) in ways predicted by the DRC typology without creating new legal entities. Future research should consider the range of organized behavior in recovery efforts to develop a complete typology.

New organizations' narrow but deep focus on financial assistance and emotional support suggests the importance of context in determining organized responses to disaster; however our understanding of the role of context would

benefit from comparison with organization creation following another extreme event, such as Hurricane Katrina. Coordination difficulties among organizations involved in recovery efforts were well documented after 9/11 (Jones & Campbell, 2002). The introduction of 258 new organizations as actors in disaster response may have contributed to those difficulties, markedly changing the service delivery network and raising significant network management challenges. New organizations generated nearly \$700 million dollars of activity following 9/11, yet they were not part of the pre-9/11 service delivery system. Many were likely to have been unfamiliar with and disconnected from existing service coordination networks. Further, in coordinating action, existing organizations would have used existing networks (such as Voluntary Organizations Active in Disaster, known as VOAD); no mechanisms were in place on September 12, 2001 to identify and incorporate new organizations into efforts to coordinate disaster response. Future research should examine how public administrators and voluntary sector leaders worked with these new organizations and how they can be integrated effectively into disaster response efforts.

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