

"The Third Sector and Sustainable Social Change: New Frontiers for Research"

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TITLE: TOWARDS A CLASSIFICATION FRAMEWORK FOR NOT-FOR-PROFIT ORGANISATIONS

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ABSTRACT

The objective of the paper is to present the findings of a Research Study completed in April 2007 investigating the classification of not-for-profit organisations in an Irish context. The premise of the research evolved out of a series of research questions, namely: is there a continuum of practice between community, voluntary and social economy organisations in Northern Ireland (NI) and the Republic of Ireland (ROI)?; could not-for-profits and for-profits be classified along a continuum using characteristic indicators?; could the presence of an overly social or overly economic focus within a not-for-profit influence its position along a continuum?; and finally, could such a classification inform government and policy makers and statutory agencies?

In order to address the research questions, the Study established two research objectives, 1) To identify characteristic variables at various positions along the Social Economic Continuum, and 2) To measure the level of social and / or economic focus within organisations along the Social Economic Continuum. On completion of the literature review the Study developed a conceptual Social Economic Continuum Model (SEC) and conceptual Theoretical Measurement Framework (TMF) which provided a theoretical view of the current landscape within the geographic area and also potential measurement indicators that would be tested through the empirical stage of the Study. The measurement indicators were divided into 3 categories: Descriptors, Motivators and Behaviour indicators.

At the empirical stage, the Study employed a sequential mixed method research approach, involving a survey of 386 organisations, resulting in 118 returns and in-depth interviews with 17 of these that yielded both quantitative and qualitative data. The findings of the Study are presented according to the Study's research objectives and discuss the relevance and usefulness of the TMF indicators in identifying differentiation along a social and economic continuum. Indicators such as 'Directors & Committees', 'Volunteers', 'Networking' and 'Sharing of Assets' show distinctive differentiation patterns amongst types of organisations. Likewise indicators that have

distinctive economic or social focus, such as ‘Measurement of Impact’, ‘Business Models’ and ‘Attitudes towards Local Spending’ also show differentiable patterns.

Finally, the contributions of the Study are presented according to their theoretical and practical impact. From a theoretical position, the Study has created a 3 dimensional measurement framework applicable to all organisations within an economy, allowing organisations to identify their own place along a Social Economic Continuum. The Study has also identified the importance of the measurement of behaviour indicators across the continuum in order to achieve accurate classification. The Study has discussed the concepts of “outwardly and inwardly social” as an aid to classification. From a practical contribution perspective, the Study has provided a tool that will allow all organisations within an environment to identify their position along the Continuum. In doing so, this allows for a greater understanding of their proximity and social relationship with other organisations. The Study acts to inform and educate policy makers and agencies on the 3 dimensional characteristics of organisations operating within and having an influencing role on the social economy sector. In addition, the findings and resulting SEC and TMF models allows not-for-profits and for-profit organisations to better understand and measure their social contribution; creating opportunities for collaboration across the traditional sector ‘silos’.

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