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The Many Indicators of Nonprofit Success as Seen by Nonprofit Leaders

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ABSTRACT

Nonprofit organizations are increasingly compelled to demonstrate their success to stakeholders, drawing scholarly interest toward systematizing indicators of their success. But what best indicates success is in the eye of the beholder, as success is socially constructed. This paper examines the multifaceted success indicators used by nonprofit leaders in practice and explores how they align with scholarly conceptions of nonprofit success. We develop a framework of nonprofit success from the perspective of nonprofit leaders that is more comprehensive and generalizable than previous ones by analyzing responses from leaders of 861 randomly sampled nonprofit organizations in three metropolitan regions representing different institutional contexts—Vienna (Austria), Shenzhen (China), and San Francisco (USA). Despite contextual differences, leaders' understandings have much in common across settings. The indicators overlap with existing scholarly understandings of nonprofit performance and effectiveness, focusing on internal actions and external stakeholder relationships. However, our findings also uncover two practically relevant groups of indicators that are under-appreciated in scholarly discourse: relationships within the organization (cohesiveness and social inclusion), and the uptake behavior of external stakeholders (engagement with the organization's offerings). Our findings categorize these indicators in terms of whether they manifest inside or outside the organization and whether they emphasize actions or relationships. The two-dimensional framework thereby maps common ground among nonprofit leaders across diverse national and organizational contexts, noting how the priority of success aspects varies. Our comparative data underscore the wide-ranging applicability of the proposed framework, illuminating new directions for research on nonprofit success.

1 | Introduction

Demands on nonprofit organizations (NPOs) to demonstrate their success have risen. Today, donors, grant makers, government funders, and impact investors expect NPOs to provide evidence of their effectiveness, performance, efficiency, impact, reputation, and so forth, to prove their worthiness of support. Foundations, consultants, and think tanks have popularized thinking about nonprofit success in terms of impact (Ebrahim and Rangan 2014). Nonprofit managers themselves also promote more sophisticated performance management techniques (Hwang and Powell 2009). Despite the extensive efforts to

develop success indicators, the methods by which NPOs assess whether they are doing well have remained diverse (Eckerd and Moulton 2011; Lee 2021).

Research agrees that NPOs' success is multifaceted, and may be perceived differently by different stakeholders (Herman and Renz 2008). Success indicators for securing inputs, optimizing processes, and producing outputs, outcomes, and impacts have received extensive research attention (e.g., Ebrahim and Rangan 2014; Mitchell 2013; Sowa, Selden, and Sandfort 2004). Research has also examined relationally oriented aspects such as legitimacy, networks (Lee 2021), and reputation (Willems,

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Jegers, and Faulk 2016). Moreover, progress has been made in systematizing facets of nonprofit success (e.g., Bryan 2019; Helmig, Ingerfurth, and Pinz 2014; Lee and Nowell 2015; Forbes 1998), and clarifying relationships between various success indicators (Lecy, Schmitz, and Swedlund 2012; Willems, Boenigk, and Jegers 2014).

Despite this progress, relatively little research has focused on nonprofit leaders' perspectives on organization's success, which has entailed at least two considerable oversights. First, the rise of performance indicators has been part of a trend toward businesslike management methods in the nonprofit sector, with many frameworks for measuring success reflecting a concern about instrumental rationality (Hwang and Powell 2009; Maier, Meyer, and Steinbereithner 2016). Instrumentally rational views focus on inputs, processes, outputs, outcomes, and impacts. However, for nonprofit leaders, success often encompasses more than these aspects. Second, many frameworks of nonprofit success have been created to be universally applicable—that is, for organizations of any size, operating in any country and field of activity. But these frameworks mostly come from research on medium or large nonprofits in Western countries, especially the United States. They may not fully reflect the concerns of leaders of smaller organizations, or organizations operating outside of Western contexts.

With this study, we aim to broaden understandings of nonprofit success to make them more relevant to nonprofit leaders in diverse contexts. We therefore pose a straightforward empirical question about how these practitioners understand the nature of nonprofit success: *How do nonprofit leaders understand whether their organizations are doing well?* To ensure the generalizability of our findings, we examine the perspectives of nonprofit leaders from organizations of different sizes and in diverse fields of activity in three politically and culturally varied regions: the San Francisco Bay Area in the United States, the Vienna metropolitan region in Austria, Central Europe, and Shenzhen in the People's Republic of China.

Aiming for a broad understanding, our first challenge concerns the choice of key concepts and terminology. Various terms, such as performance, effectiveness, impact, or simply success, have been used to capture organizational success. Empirical studies have not converged on operationalizations of these terms. To maintain openness without adding further conceptual confusion, we refer to previous work (Baruch and Ramalho 2006; Hirsch and Levin 1999; Shenhav, Alon, and Shrum 1994) about problems of conceptual clarity in research on organizational effectiveness and performance. Although these are older works, their diagnoses remain valid even for recent articles published in leading nonprofit journals: Various success-related concepts are often used synonymously within and across studies. Moreover, even in studies that consider these concepts to be distinct, the indicators used to operationalize them often overlap. Shenhav, Alon, and Shrum (1994) therefore propose “organizational goodness” as an umbrella concept, referring to all aspects of an organization's positive assessment. A more conventional term for organizational goodness, in the vernacular of nonprofit leaders, is success. We examine how nonprofit leaders understand success in the most basic and broadest sense of organizational goodness, that is, as an umbrella term encapsulating

more specific concepts such as effectiveness, performance, and impact.

To achieve this, we use qualitative content analysis to identify what leaders consider the most important signs of their organizations' success. We analyze 2222 responses from leaders of 861 randomly sampled NPOs in the three regions. Using inductive and abductive reasoning, we develop a two-dimensional framework of organizational success from nonprofit leaders' perspectives.

By reintroducing diversity from nonprofit practice into the scholarly debate, our study makes three contributions to the literature on nonprofit success indicators (e.g., Helmig, Ingerfurth, and Pinz 2014; Lee and Nowell 2015; Mitchell 2013; Willems, Boenigk, and Jegers 2014). First, we present a more extensive framework for conceptualizing the numerous success indicators nonprofit leaders find relevant. This abductive framework contextualizes views that privilege certain aspects of organizational success, such as those in impact philanthropy debates, as well as fragmented perspectives that enumerate many success indicators without an integrative bracket. Second, our focus on nonprofit leaders' understandings counterbalances the dominant views of large funders and support organizations. We identify blind spots in scholarly discourse regarding demand for nonprofits' offerings and internal organizational relationships. Finally, by using data from three different geographical regions, we provide a framework that can claim greater generalizability than existing ones. The frequency with which certain indicators are perceived as important varies somewhat across regions, but the full range of indicators covered by our framework is found in each region.

We begin by reviewing previous research on the conceptualization of nonprofit success. We then describe our sampling strategy, data, and methods of analysis. Our analysis conceptualizes nonprofit success based on whether the locus of indicators is internal or external to the organization, and whether they focus on actions or relationships. We conclude with limitations, opportunities for future research and practical implications.

2 | Theoretical Background: Understandings of Nonprofit Success

Despite increasing efforts by NPOs to document and improve their success, the literature on conceptualizing and measuring it remains fragmented across terms (Bryan 2019; Helmig, Ingerfurth, and Pinz 2014; Hertel, Bacq, and Lumpkin 2022). This fragmentation has hindered the development of a common body of knowledge and the sharing of findings across fields of study (Lecy, Schmitz, and Swedlund 2012). However, there are syntheses of previous research that can be built upon (e.g., Baruch and Ramalho 2006; Forbes 1998; Helmig, Ingerfurth, and Pinz 2014; Lee and Nowell 2015; Willems, Boenigk, and Jegers 2014; Sowa, Selden, and Sandfort 2004).

These syntheses have shown that defining organizational success (and its opposites, like failure) is a daunting challenge, as

any definition is dialectically related to theory (Suddaby 2010). Clear concepts are a prerequisite for building strong theory, but different conceptualizations are embedded in different organizational theories. Depending on theoretical assumptions, organizational success may mean fulfilling the organization's mission (goal attainment approach), securing resources (resource dependence theory), operating efficiently (internal congruence model, resource-based view), satisfying stakeholder demands (strategic constituency model), and so on (Helmig, Ingerfurth, and Pinz 2014).

Despite the continuing lack of integration, the academic debate on nonprofit success remains vibrant due to its high relevance for practitioners, including nonprofit managers, philanthropists, and governments. They agree on the need for a general picture of whether a nonprofit performs well. Nonprofit managers need a normative reference point to sustain and develop their organizations, and the ongoing debate about impact orientation of government funding and philanthropy also attests to this point. Because practitioners lack the counter-pressure for clear definitions and precise measurement methods that academia demands (Hirsch and Levin 1999), broad umbrella concepts of organizational success persist, and the messiness from the world of practice continues to find its way into research.

Despite this messiness, it is possible to outline regularities in previous research on nonprofit success. Numerous articles have focused on this (e.g., Baruch and Ramalho 2006; Bryan 2019; Bagnoli and Megali 2011; Forbes 1998; Helmig, Ingerfurth, and Pinz 2014; Herman and Renz 2008; Lecy, Schmitz, and Swedlund 2012; Lee and Nowell 2015; Sowa, Selden, and Sandfort 2004; Willems, Boenigk, and Jegers 2014). Since surpassing these literature reviews is beyond the scope of this article, we will provide an overview of the main recurring lines in these reviews: The main perspectives for understanding nonprofit success have been the goal attainment approach, the system resources approach, the reputation approach, the efficiency approach, and, most commonly in recent decades, the multidimensional approach.

The goal attainment approach was one of the earliest takes on the issue. Originating in a rational model of organizations as instruments for achieving goals (Hirsch and Levin 1999), it initially used "effectiveness" to describe success, understood as the extent to which an organization achieves its goals. A core assumption of this approach is that an NPO's goals are clear and explicit (Forbes 1998). It focuses on objective and often quantitative indicators of goal achievement. Despite criticisms that NPO goals are often amorphous, difficult to measure, or contradictory, this approach remains a central reference point for evaluating NPOs (Helmig, Ingerfurth, and Pinz 2014). Recently, there has been a resurgence of the goal attainment approach under the guise of impact orientation (Ebrahim and Rangan 2014). However, measuring impact can be complicated and beyond the capacity of many organizations. It may even be unnecessary for activities where certain inputs or outputs can confidently be expected to produce the desired results (e.g., food banks providing hunger relief). Therefore, from a nonprofit manager's perspective, focusing on impact may not always be the best way to ensure that an NPO does well (Ebrahim and Rangan 2010). Alternative approaches are also needed.

The system resource approach (Forbes 1998) is an influential alternative in nonprofit research. It focuses on how well NPOs are able to secure resources from their environment by "using political, institutional, and economic means to sustain their functioning" (Forbes 1998, 186). Financial data are a key source of information about organizational well-being in this approach. One advantage of relying on financial data, besides the importance of money, is that it allows for comparisons between organizations, and has low conceptual complexity (Tinkelman and Donabedian 2007). However, a one-sided focus on financial indicators has been widely criticized (Liket and Maas 2015; Tinkelman and Donabedian 2007), and financial indicators are often used inappropriately (Coupet and Berrett 2019; Mitchell and Calabrese 2019). In any case, financial performance is only one dimension of nonprofit success and, as such, a means rather than an end (Ebrahim and Rangan 2010).

The reputation approach (Forbes 1998), similar to what Lecy, Schmitz, and Swedlund (2012) refer to as the legitimacy approach, is typically more qualitative than the goal attainment and system resource approaches. However, it can also be applied in quantitative studies (e.g., Mitchell 2015; Mitchell and Stroup 2017). This approach focuses on internal and external stakeholders' opinions about the organization (Forbes 1998). Research shows that a positive reputation has many benefits for organizations, while negative reputation shocks can threaten their survival (Willems, Faulk, and Boenigk 2021). Therefore, a reputational approach is relevant for nonprofit leaders. However, since reputation largely derives from other aspects of organizational success (Willems, Jegers, and Faulk 2016), relying solely on it is insufficient. Approaches focusing on stakeholder satisfaction (Helmig, Ingerfurth, and Pinz 2014) and network effectiveness (Lecy, Schmitz, and Swedlund 2012) share similarities with the reputation approach. They also concern perceptions of and relationships with external stakeholders but place additional emphasis on leveraging resources and achieving goals through networks.

Another important perspective on nonprofit success is the efficiency approach (Baruch and Ramalho 2006; Helmig, Ingerfurth, and Pinz 2014) or managerial effectiveness approach (Berrett and Sudweeks 2023; Lecy, Schmitz, and Swedlund 2012). This approach focuses on the organization's internal structures and processes for transforming inputs into outputs. It is central to much of the nonprofit capacity-building literature and emphasizes appropriate administrative, operational, and governance practices (Bryan 2019). Berrett and Sudweeks' (2023) findings underscore the importance of aligning leaders' perception of efficiency with objective measures. Their work suggests that capacity-building efforts should also focus on improving leaders' understanding of efficiency, thus helping them to make better decisions for their organizations.

In addition to these four narrow approaches, many proposals suggest moving toward an integrated, multidimensional conceptualization (e.g., Bagnoli and Megali 2011; Baruch and Ramalho 2006; Helmig, Ingerfurth, and Pinz 2014; Lecy, Schmitz, and Swedlund 2012; Lee and Nowell 2015; Sowa, Selden, and Sandfort 2004). These efforts have advanced the understanding of nonprofit success by synthesizing the focused approaches discussed above. However, as they mostly take a

deductive approach based on reviewing prior research, their strength lies more in consolidating existing knowledge than introducing new ideas from management practice and generating new frameworks for conceptual integration.

A notable exception that provides an empirically grounded synthesis of nonprofit effectiveness is the study by Mitchell (2013). He asked managers of 122 nonprofits how their organization defines effectiveness and coded the responses using inductive qualitative analysis. He finds nine facets of effectiveness, which can be reduced to two distinct understandings of nonprofit effectiveness through quantitative latent class analysis: accountability for outcomes, and minimizing overhead costs. Mitchell (2013) focuses on large international nonprofits based in the United States that do not receive most of their funding from government grants or fees for services. He also excludes organizations in certain fields, such as hospitals and universities. Our approach, rooted in empirical research and inspired by Mitchell's work, uses purely qualitative methods and a diverse sample of NPOs. We include organizations of varying sizes operating in diverse fields with different funding sources and geographic scopes. Our multi-country study covers diverse institutional contexts, enabling us to develop a more generalizable framework that embraces a broader understanding of nonprofit success.

3 | Data and Methods

To develop a more comprehensive and generalizable framework of nonprofit success, we analyze survey data from 2018 to 2020 gathered across three metropolitan regions: the Vienna Metropolitan Region, Shenzhen, and the San Francisco Bay Area. Using data from three nonprofit sectors that are so different in age and political-institutional conditions has the potential to yield results relevant to a wide range of contexts. The survey asked nonprofit leaders to report up to three key success indicators in an open-ended format. Below, we provide further details regarding our data and analytical methods.

3.1 | Sampling and Data Collection

The data for this analysis come from the 2018 to 2020 data collection efforts of the Civic Life of Cities project (civiclifefc.org). This project collected data from cities in different countries using a questionnaire designed to combine comparability across cities and adaptation to local contexts. It included identical core questions (e.g., on the number of employees and volunteers), questions intended to capture overlapping phenomena but adapted in form to the local context (e.g., the questions on success indicators that are in the focus of this analysis, where the wording varied to accommodate local cultural differences), and some modules administered only in certain cities (e.g., questions on the societal roles of NPOs, which were asked only in Vienna and are not relevant to this study).

In all sites, the project included only organizations that meet the definition of the Johns Hopkins Comparative Nonprofit Sector Project (Salamon and Sokolowski 2016): independent private

and voluntary organizations with a binding commitment to reinvest any profits back into the organization for mission-driven purposes. Moreover, as the focus was on operating nonprofits, purely grant-making foundations were excluded. While the underlying definition of NPOs was thus consistent across sites, sampling options varied. The aim of Civic Life of Cities was not to produce data for exact comparability at the sectoral level (which would have meant going to the lowest common denominator in data availability), but to collect the best possible fine-grained data at the organizational level, making the most of local data availability.

In Shenzhen, the universe of organizations was defined using a list of NPOs registered with the Shenzhen Municipal Bureau of Civil Affairs as of 2017.¹ A random sample was drawn from that list. This sample therefore excluded unregistered organizations, as surveying them would not have been feasible. The starting sample size was 510. Out of these, 203 organizations completed the survey, accounting for a response rate of 40%. In the San Francisco Bay Area, the survey built on a long-standing panel formerly known as the Stanford Project on the Evolution of the Nonprofit Sector (SPEN), based on NPOs that have submitted 501(c)(3) files to the US Internal Revenue Service from the 2001 NCCS core files.² This panel was complemented by a random sample of IRS-filing nonprofits founded after 2001 from the 2014 to 2015 NCCS core files. This sample excludes unincorporated organizations and incorporated organizations that have not filed with the IRS (for a critical assessment, see Grønbjerg, Liu, and Pollak 2010). Three-hundred organizations completed the survey (starting sample size 412, response rate 73%). For Vienna, the population of nonprofits was derived from the register of associations and the register of companies, both provided by Compass-Verlag GmbH. A random sample was drawn from these registers.³ The Vienna sample hence excludes unregistered nonprofits, which play a minimal role in the region because registration is simple and advantageous. Three-hundred and fifty-eight organizations completed the survey (starting sample size 712, response rate 50%).

In all three regions, the survey targeted leaders of the organizations, such as the CEO, director, president, or another member of the top management team. In Vienna and the San Francisco Bay Area, the surveys were primarily completed online by participants, or with the assistance of an interviewer over the phone or in person if the respondent wished. In the latter cases, the interviewers filled in the survey form for the respondent. In Shenzhen, the full survey was conducted by means of audio-recorded face-to-face interviews, with interviewers entering the responses into the survey form. This approach was used in response to the challenges of recruiting respondents in an authoritarian state, as face-to-face interviews allowed for building rapport and trust. Surveys were conducted in the local language (English, Chinese, German), and in Vienna and Shenzhen with the option to use English if preferred.

Table 1 provides descriptive statistics for the sampled organizations, detailing their age, and size in terms of number of paid staff and volunteers. Table 2 shows their areas of activity.

For the purposes of this study, we use the survey module on evaluating the organization. In this module, respondents were asked

TABLE 1 | Age and size of the sampled organizations.

Variable	San Francisco			Vienna			Shenzhen		
	Mean	Std. dev.	Range	Mean	Std. dev.	Range	Mean	Std. dev.	Range
Age	34.09	22.18	[4, 172]	36.57	25.78	[2, 100]	7.42	6.26	[2, 31]
Paid staff	38.49	115.67	[0, 1000]	61.55	341.37	[0, 5500]	20.12	41.27	[0, 386]
Volunteers	70.37	177.94	[0, 1700]	115.71	1107.59	[0, 20,000]	60.21	441.07	[0, 5500]
Number of organizations		313			357			203	

TABLE 2 | Fields of activity of the sampled organizations.

Field of activity	San		
	Francisco (N = 313)	Vienna (N = 357)	Shenzhen (N = 203)
Culture and recreation	22%	36%	25%
Education and research	24%	12%	8%
Health	4%	5%	4%
Social services	18%	14%	22%
Environment	5%	3%	3%
Development and housing	8%	9%	7%
Law, advocacy, and politics	4%	5%	3%
Philanthropic intermediaries	7%	0%	4%
International	1%	3%	0%
Religion	3%	2%	2%
Business and professional associations	4%	10%	22%

to name up to three most important organizational success indicators and enter them into text fields. The question was framed in a general manner, to cater to respondents' diverse cultural and linguistic contexts. Wording that might evoke aversion or social desirability bias was avoided, opting for the most neutral and nondescriptive terms available in each context. In Vienna, the question asked for indicators of the organization's being *erfolgreich* (usually translated into English as "successful"), because alternative terms such as *Effektivität* or *Leistung* would have carried negative connotations of business-like rationalization in the Austrian cultural context. In Shenzhen, indicators of *chengxiao* (成效, usually translated into English as "effectiveness") were sought, because the alternative term *chenggong* (成功, "success") would have carried negative connotations of arrogance in the Chinese context, and other alternatives would have been too suggestive of purely financial performance. In the San Francisco Bay Area, the question was about indicators of "whether your organization is being successful," because

"performance" or "effectiveness" would have carried overtones of business-like rationalization.

Our units of analysis are individually coded response indicators. Except for one Viennese organization, 8 organizations from Shenzhen, and 16 organizations from San Francisco, respondents from all remaining organizations named at least one indicator. Most respondents named up to three indicators, but some wrote more than three indicators into the fields provided. We included those additional answers as well. The effective database consists of 2222 success indicators: 891 from Vienna, 535 from Shenzhen, and 796 from the San Francisco Bay Area.

3.2 | Data Analysis

We adopted a qualitative approach to code these data, aiming to discern and systematize groups of success indicators. This process involved inductive coding for grouping the responses into categories of indicators, and abduction to find dimensions that help ordering these indicators (as suggested by Reichertz 2010, in his expansion of Peirce's work, see, for example, Peirce 1992). Inductive coding involved three main steps: (1) category development, (2) category refinement, and (3) category application, followed by the confirmation of inter-coder reliability. To handle the numerous but short responses, a spreadsheet program was used for coding.

1. *Category development*: Using Viennese data, the first and fourth author inductively developed categories to describe different indicators of nonprofit success. Adopting an interpretive approach, responses with similar meanings were grouped until further grouping would lose important meaning from a nonprofit leader's perspective. The emerging discrepancies were discussed, codes adjusted, and the coding scheme, guidelines, and anchor examples documented in a 21-page coding manual, which can be accessed online (<https://research.wu.ac.at/de/publications/coding-manual-for-nonprofit-success-indicators>). The manual included detailed coding rules and addressed issues like handling responses referring to multiple success indicators. Coding was based strictly on the response wording. In case of doubt, the organization's name and purpose, as reported in the survey, were referred to for clarity. Responses with uncertain meaning were coded as "indiscernible" (<1% in all regions). The fact that a native and a nonnative German speaker coded together helped to clarify implicit assumptions and improve coding guidelines.

2. *Category refinement*: the first author, the second author, and a research assistant independently coded all Shenzhen responses using the initial coding manual. Again, it was useful to have native and nonnative speakers involved. Discrepancies were discussed to reach a consensus, confirming the category scheme and coding system's applicability to the new context, and further clarifying the coding protocol.
3. *Category application and assessment of inter-coder reliability*: The refined coding procedure was applied to the San Francisco Bay Area data, coded independently by the third and fourth authors. A Krippendorff's alpha of 0.79 indicated substantial agreement between the coders. Inconsistently coded responses were discussed and recoded by consensus.

Coded data from all three regions were anonymized and are made available as open data for replication and further analysis (<https://doi.org/10.5281/zenodo.13941434>). We analyzed all data in the original language. Non-English responses cited in this article were translated for reporting purposes. To indicate the source of citations, we use reference codes consisting of a city abbreviation, a number identifying the organization, and a number identifying the response (e.g., SF_001_1 for the first response by organization number one from San Francisco).

The framework by which success indicators can be classified along two dimensions was developed through abduction (Reichertz 2010). Like the indicator categories, the initial idea for which dimensions might be appropriate for ordering the many success indicators arose when analyzing the Viennese data. We then challenged it using the Shenzhen and San Francisco Bay Area data and found it to be appropriate for these data as well.

Unlike induction, abductive reasoning involves an educated guess as to what kind of mental constructs would fit surprising facts, in our case, the fact that nonprofit leaders paid attention to some types of success indicators that had received little attention in previous research. Abductive reasoning does not involve developing categories inherent in the data through processes of gradual abstraction. Rather, it involves a mental leap that brings together concepts that were previously unrelated. It is therefore, in contrast to induction (which extends concepts from data) and deduction (which applies concepts to data), the only truly knowledge-extending means of scientific reasoning (Reichertz 2010).

As a quality check for the abductively identified dimensions, we conducted a principal component analysis (see [Supporting Information: Appendix A](#)) to see whether it would align with our analysis or lead to other meaningful results. The grouping of indicators in participants' responses loads on 11 components that contribute between 7% and 11% of the variance, respectively; seven of these components are above the conventional cutoff of an Eigenvalue of 1. This means that principal component analysis of indicators at the level of organizations neither reproduced the abductively identified dimensions nor challenged them by providing a better alternative. It also means that leaders of different NPOs look at unique combinations of success indicators, not frequently recurring combinations of indicators.

4 | Findings

Before proposing a two-dimensional framework for sorting the many different kinds of success indicators that nonprofit leaders find important, we present these indicators one by one. These are the key themes that emerged from our inductive analysis. Table 3 provides an overview of the indicators, including descriptions and sample quotes. Table 4 provides an overview of their frequencies across regions.

The frequency data are intended to show that each success indicator is relevant to leaders of at least some organizations in each region, regardless of the local context and language used to inquire about the phenomenon. Additionally, we conducted χ^2 tests (see [Supporting Information: Appendix B](#)) to assess the magnitude and statistical significance of these differences. These tests show that some differences are indeed statistically significant, but small by standards of organizational research. The statistically significant differences may reflect actual differences between nonprofit sectors in the three regions, or variations in local sampling. Our focus is on the generalizability of the framework; explaining regional differences in indicator frequency is beyond the scope of this analysis.

We begin our closer look at nonprofit success from a leader's perspective with *internal cohesion*. This success indicator refers to friendly and harmonious relationships among people within the organization, such as staff and volunteers. Specific ways of monitoring for internal cohesion include looking at whether “[...] friendships are being built” (VIE_123_3), “holding a big event every month, where everyone gets together, like in a fellowship” (SZ_043_1), and the absence of internal conflicts (“Less voices raised”, SF_126_1). Building relations among internal stakeholders often involves the practical side of giving and receiving support, especially in membership associations and self-help groups. For example, a Viennese allotment gardening association considers it an important sign of performance when members help each other with gardening work. When asked how they evaluate their effectiveness, the leaders of a regional chamber of commerce in Shenzhen initially denied that they had any effectiveness indicators. However, upon further questioning, they revealed that they looked at how enthusiastically members attended their annual galas. For them, attendance at these events reflected “belonging” (SZ_085_3) to the organization. In meta-organizations (e.g., umbrella associations), internal cohesion can also refer to bonds between member organizations. For example, meta-organizations identified “member enterprises standing together” (SZ_049_2) and “member organizations being willing to support each other financially” (VIE_270_1) as success indicators.

Another success indicator is *inclusiveness*. This means that people from diverse and disadvantaged groups participate in the organization. For example, “systematically including people with disabilities in our organization's decision-making processes” (VIE_188_1) was identified as a success indicator by an organization working for disabled people. A volunteer organization considered “community members' participation in organizational affairs” (SZ_117_1) as essential.

TABLE 3 | Concept-evidence table of the proposed framework of nonprofit success from a leader's perspective.

Indicator of nonprofit success	Description	Sample quotes
Awareness about the organization/programs	External stakeholders know that the organization and/or its programs exist	“Being known in the international dance scene” (VIE_176_2), “Online traffic, attention (having a large group, posting activities in the group, likes)” (SZ_195_2)
Desired outputs	Quality (from the management's point of view) and/or quantity of products or services	“Number of educational events held” (SF_218_4), “Service quality” (SZ_151_1)
External cooperations	Quality and/or quantity of collaboration with external stakeholders	“Long-term cooperation with partners” (SZ_195_3), “Number of medical institutions we partnered” (SF_304_1)
Inclusiveness	Diverse and/or marginalized groups participate in the organization	“Black, Latinx and working class leadership” (SF_087_2), “The board at least talks to people about all their wishes, even if it cannot fulfill all of them” (VIE_284_2)
Inputs	Sufficient financial, material, and human resources are secured	“Continued staffing” (SF_058_3), “income” (SZ_132_3)
Internal cohesion	Positive relationships between internal stakeholders	“Good (emotional?) meetings with the field users (team managers)” (SF_279_3), “Familial harmony” (SZ_035_3)
Outcomes and impacts	Changes that the organization has brought about in the outside world, or victories it has won	“No suicide attempts [by clients]” (VIE_329_4), “kids make [it] into school team” (SF_303_1)
Reputation of the organization	External stakeholders have a generally positive impression of the organization	“Organization's recognition and stature in the community” (SF_043_1), “recognition by external parties (e.g., awards)” (VIE_216_1)
Satisfaction with the organization/programs	External stakeholders' specific expectations regarding the organization are met	“Client satisfaction” (SF_099_3), “Undertaking the completion of government projects and government feedback” (SZ_108_2)
Smooth operations	Internal structures and processes function in line with management expectations	“Clean financial audit” (SF_017_3), “To complete the work objectives and work plans formulated by the current director” (SZ_038_1)
Support by members	Positive relationship between the organization and its members	“How many members have joined” (SZ_032_2), “Membership growth, retention and satisfaction” (SF_050_1)
Uptake behavior	Target group makes use of the organization's offers	“Full House” (SF_042_3), “number of participants” (SZ_113_1)

Another sign that an organization is doing well is *external collaboration*. This includes working with external stakeholders such as funders, actors targeted by the organization's advocacy efforts, or supervising agencies. Typical indicators in this category include “partnership with all universities” (VIE_032_1), “support by government” (SZ_123_1), and “partnerships with public health and community agencies” (SF_134_2). In all three regions, many nonprofit leaders value collaborative relationships with government because they provide privileged access to resources and policymaking processes.

Awareness about the organization or its programs is another relevant success indicator. It refers to how well external stakeholders, including the general public, are informed about the

organization's existence and activities. Awareness about the organization differs from the organization's reputation, which will be discussed next, because while nonprofit leaders consider reputation to be an indicator of success only when it is positive, they may consider awareness to be a sign of success even when stakeholders have a neutral or, in certain cases, even a negative impression of the organization (e.g., when an advocacy organization's opponents notice that the organization is putting pressure on them). Examples of indicators in this category are “social media growth and press and media attention” (SF_253_3), “people are talking about our activities” (VIE_059_1), and “public awareness about our organization's scope of activities” (VIE_232_2). Compared to other success indicators, awareness of the organization seems to be

TABLE 4 | Proportion (number) of specific success indicators named for each indicator category, broken down by city.

	Shenzhen	Vienna	San Francisco
Internal cohesion	2.43% 13	5.16% 46	1.63% 13
Inclusiveness	0.19% 1	0.56% 5	1.76% 14
Support by members	9.35% 50	15.15% 135	4.02% 32
Awareness about org/ programs	2.80% 15	3.70% 33	1.13% 9
External cooperation	2.06% 11	3.93% 35	2.89% 23
Reputation of the organization	2.99% 16	3.14% 28	1.38% 11
Satisfaction with org/ programs	15.14% 81	14.93% 133	13.07% 104
Inputs	10.84% 58	6.96% 62	13.32% 106
Smooth operations	9.53% 51	5.95% 53	6.41% 51
Desired outputs	16.07% 86	7.30% 65	11.93% 95
Outcomes and impacts	20.00% 107	11.56% 103	22.61% 180
Uptake behavior	8.60% 46	21.66% 193	19.85% 158
Grand total	100.00% 535	100.00% 891	100.00% 796

a low target. NPO leaders may see awareness as the first step in building a positive reputation or motivating their target group to use the organization's services.

The *organization's reputation* is a more ambitious indicator. Reputation refers to the extent to which the organization is accepted and perceived as legitimate by external stakeholders. Concrete signs of reputation are, for example, "public recognition" (SZ_117_2), "we are looked to as a thought leader in correctional arts" (SF_007_2), and "[our organization's] popularity in the municipality" (VIE_323_3).

Another success indicator, often closely linked to reputation, is *external stakeholder satisfaction*. However, there is a difference in focus. While reputation is about the attitudes of external

stakeholders toward the organization in general, satisfaction is about how stakeholders experienced specific interactions with the organization in which they had specific expectations, often related to specific programs. Indicators of external stakeholder satisfaction include "beneficiary feedback on services" (SF_082_1), "exchange with/feedback from funders" (VIE_238_3), "evaluation by collaborators" (SZ_196_3), and "third party evaluation" (SZ_159_3). Indicators of external stakeholder satisfaction can range from informal thank-you letters from beneficiaries to successfully undergoing official reviews.

Support by members is another success indicator. Members cannot be clearly positioned as either external or internal stakeholders of the organization, so the organization's positive relationships with them is considered as a distinct category. It may be monitored through indicators such as whether "members are asking when the next meeting will take place" (VIE_022_3), "increasing membership" (SZ_070_1), or "retention of members" (SF_281_3).

Acquiring *inputs*, especially in the form of sufficient funding (e.g., "maintain/increase income," SF_128_2) and sufficient quantity and quality of work from paid staff or volunteers, is for many nonprofit leaders a sign that their organization is doing well. Similarly, employee retention (e.g., "low employee turnover," VIE_166_3) is an indicator of securing vital inputs.

Another sign of nonprofits doing well concerns the organization's operations that transform inputs into outputs. In a program logic model, this success indicator might be called throughput, but the variety of responses from nonprofit leaders was broader than what that label would cover. To summarize the responses, we suggest calling this indicator *smooth operations*. It reflects whether everything is going according to the organization's plan with respect to organizational operations. It can refer to tangible things that are necessary for the organization to function, but also organizational and administrative processes. "Everything works in and around the building" (VIE_321_3) and "measurements against core objectives" (SF_225_2) are typical examples of such indicators. Healthy finances (e.g., "balanced finances", SZ_185_2) are another aspect of smooth operations. Such a view of financial issues goes beyond the solicitation of financial inputs, because a balanced or positive financial result is also achieved by controlling costs through appropriate management practices, not just by soliciting financial inputs. For some organizations, leaders cited just surviving as a sign of sufficiently smooth operations (e.g., "still operational/functioning," SF_210_3).

Furthermore, we find a success indicator about *outputs*. It includes the classical notion of quantitative output measurement (e.g., "number of patients served," SF_067_3), but also qualitative output-oriented indicators (e.g., "having good programs [...]" SZ_128_1). For quantitative measures, the output dimension refers to the actual products or services produced by the organization's activities. Outputs are defined from an organization-centered perspective and relate to the organization's own definition of good work. For example, if a nonprofit leader claims to be looking at "the quality of activities and performances" (SZ_003_2), that is looking at an output. A producer leading a nonprofit theater made this particularly clear by

stating: “Only the producer himself is the yardstick [for judging what is an artistic success]” (VIE_091).

We also find that the *uptake behavior* of the organization's target group may indicate success. This includes actual uptake behavior of beneficiaries or audiences (e.g., intensity of “library use by our customers” VIE_035_1) as well as precursors or intentions of actual uptake (e.g., “web site inquiries,” SF_125_1). These uptake behaviors, which are usually countable, such as the number of attendances, provide NPO leaders with a measure of how popular their services are, or in other words, the extent to which the target group is responding to the organization's offer by using its products or services. Such uptake behavior typically requires a deliberate choice by the target audience. For some organizations, such as social service providers working in the field of poverty alleviation or substance abuse, increased uptake (e.g., more requests for their services) could be seen as an indicator of failure, as it could suggest that growing poverty or addiction problems are causing more demand. However, it could also indicate that organizations have overcome barriers to reaching their target populations. In leaders' interpretive frames, increased uptake is usually something positive.

Finally, we find *outcomes and impacts* as an important success indicator. From the responses of nonprofit leaders, what distinguishes outcomes and impacts from mere outputs is that while the production of outputs is primarily within the control of the organization, outcomes and impacts occur at the interface between the organization and its environment. Only when external stakeholders respond to the organization's output as the organization desires can outcomes or impacts occur. In other words, there must be some kind of coalescence, a particular effect or transformation. Nonprofit leaders' responses regarding this indicator include not only the abstract term “social impact” (e.g., SZ_178_1), but also specific social impacts such as an advocacy organization pointing to “changed laws” (VIE_332_2) or an environmental organization successfully preserving a natural habitat. Many specific outcomes were mentioned, describing how the organization's activities positively affect and even transform people (e.g., “transformed lives: getting a job, housing, family reunification, grades, extracurricular activities, service, attending church, etc.,” SF_275_3, witnessing participants “live the scouting idea in their personal lives,” VIE_225_2). For

many responses, it was not clear whether they were referring to outcomes or impacts as typically defined in the impact measurement literature (White 2009). In some cases, such a distinction did not readily apply. For example, successes in terms of gains or victories of ultimate importance to the organization, achieved against external odds, also fall into this category (e.g., a football club achieving “victories on the field,” VIE_063_2), a research institution achieving scientific impact (“publications and citations of publications [...],” SF_195_1).

Having presented the individual indicators, we now propose a conceptual framework for looking at these indicators in an integrated way. We propose to understand them in terms of two dimensions of nonprofit success: the first dimension, referred to as “locus of occurrence,” distinguishes between internal and external indicators; the second dimension, referred to as “focus in social interactions,” distinguishes between action-oriented and relation-oriented indicators. Figure 1 provides a visual overview of this framework. This figure should not be understood as an exemplary performance management framework for one NPO, but rather as a consolidated mental map of nonprofit leaders that can provide guidance in a variety of organizational and institutional contexts.

The external/internal dimension differentiates between signs of organizational success that manifest within the organization and those that manifest in the organization's environment. Indicators of success that manifest within the organization include relationships with and among the organization's workforce (including paid staff and volunteers), resources controlled by the organization, internal operations, and tangible outputs. Indicators that can be observed in the organization's environment include relationships with external stakeholders and the uptake of the organization's offers by external audiences.

In addition to clearly internal and external indicators of organizational success, two indicators lie in the grey zone between internal and external: First, relations with members can be internal or external, depending on the role of members in the organization. Second, outcomes and impacts occur at the interface of the organization and its environment, when the organization's actions coalesce with the actions of external stakeholders.

		Locus of occurrence		
		Internal	Mixed	External
Focus in social interactions	Relation-oriented	<ul style="list-style-type: none"> Internal cohesion Inclusiveness 	<ul style="list-style-type: none"> Support by members 	<ul style="list-style-type: none"> External cooperations Satisfaction Reputation Awareness
	Action-oriented	<ul style="list-style-type: none"> Securing inputs Smooth operations Producing desired outputs 	<ul style="list-style-type: none"> Achieving outcomes and impacts 	<ul style="list-style-type: none"> Uptake behavior

FIGURE 1 | Indicators of nonprofit success from a nonprofit leader's perspective.

The action/relationship dimension distinguishes between success indicators that characterize relations between and among specific stakeholder groups, and indicators that reflect resource flows, organizational processes, or decisions. Action-oriented success indicators are directly related to the organization's production process. They include inputs, smooth operations, outputs, outcomes or impacts, and uptake by the target group. Relationship-oriented success indicators are concerned with the qualities and quantities of relationships, which may indirectly support the production process or may be considered as an independent aspect. We understand relationships in a Granovetterian (Granovetter 1985) sense as the ties between stakeholders within the organization and between the organization and its stakeholders. They can range from very loose, such as simply being aware that the organization exists, to close cooperation and friendships. Indicators of success in the relational sense include cohesion within the organization, the inclusiveness of the organization, support by members, external cooperations, external stakeholders' awareness about the organization or its programs, the general reputation of the organization, and external stakeholders' specific satisfaction with the organization or its programs.

5 | Discussion and Conclusion

We have explored how nonprofit leaders understand whether their organizations are doing well. Our aim was to broaden and structure dispersed academic analyses of nonprofit performance, effectiveness, success, and other concepts of organizational success to align them with practitioners' understandings. By examining how nonprofit leaders understand their organizations' success, we offer an empirical perspective to the scholarly division between the generality of umbrella concepts and the validity of specific measures and indicators (Hirsch and Levin 1999).

We find that nonprofit leaders from contexts as varied as the San Francisco Bay Area, Shenzhen, and Vienna point to success indicators that encompass a wide range of aspects located within their organizations and their environments. Although there is regional variation in the perceived importance of certain success indicators, the full range of indicators can be found in every region. If a framework is meant to be highly generalizable, sampling needs to cover a wide range of contexts to ascertain this (see Aldrich 2009). With our analysis of success indicators across three diverse regions, we have made a step in this direction. Nonprofit leaders in all three regions refer to relationships with stakeholders as well as various actions, decisions, and resource flows. Specifically, their success indicators fall into the following categories: as internal relational indicators, leaders consider the degree of cohesion within their organization and how well their organization includes diverse or marginalized groups. They may also consider support by members as a relational indicator, which can be internal or external depending on the role of members. As external relational indicators, leaders may monitor awareness about the organization's existence and offerings among external stakeholders, the organization's overall reputation, and the specific satisfaction of external stakeholders with the organization and its programs. The quality and quantity of collaborations is another relational external success

indicator. For action-oriented indicators, nonprofit leaders may monitor internal processes such as the inflow of inputs, smooth operations, and the production of desired outputs. In the organization's environment, the uptake of the organization's offers is an important action-oriented indicator. Finally, when the production of outputs and their acceptance by the target groups coincide, desired outcomes and impacts are achieved. They are another action-oriented indicator, located at the interface between the organization and its environment.

This framework contributes to research on nonprofit performance, effectiveness, success, and other related concepts by offering a grounded understanding derived from the views of many nonprofit leaders in diverse contexts. Our empirical approach highlights aspects of organizational success that have been overlooked in integrative approaches synthesizing previous research (e.g., Sowa, Selden, and Sandfort 2004) and have not been found in empirical analyses using data from more specific subsets of nonprofits (Mitchell 2013).

Before elaborating on the advances of our framework over previous research, we note that there are overlaps with that research. In particular, the internal actions and external relations quadrants of our framework parallel previous research. Internal actions overlap with success indicators addressed in system resource, goal attainment, and efficiency approaches (Baruch and Ramalho 2006; Forbes 1998; Helmiq, Ingerfurth, and Pinz 2014; Sowa, Selden, and Sandfort 2004). They also align with the debate on impact orientation (Ebrahim and Rangan 2014). Success indicators in the external relations quadrant partially overlap with the reputation approach (Forbes 1998; Willems, Jegers, and Faulk 2016). Furthermore, in line with the multidimensional model proposed by Sowa, Selden, and Sandfort (2004), we find that nonprofit leaders point to indicators referring to the organization as a whole and to specific programs as signs of success. Additionally, our framework highlights success indicators neglected in previous research: internal relationships, and external actions.

5.1 | Contributions

Previous research has largely overlooked the fact that fostering positive internal relationships is a valuable accomplishment in and of itself for some nonprofits. This concerns the inclusion of people from diverse and disadvantaged backgrounds, and cohesion among paid staff, members, and volunteers who are integral parts of the organization. Success indicators about internal relationships are relevant to capturing the community-building role (Moulton and Eckerd 2012) that nonprofits often play as a by-product of service delivery or advocacy. Despite many attempts to move beyond a purely purposive-rational approach, previous conceptualizations of nonprofit success seem to struggle to recognize that organizational success can be prefigurative, with NPOs being places where people experience a sense of belonging, independent of action-oriented success indicators.

Previous research on nonprofit success has also neglected the relevance of target groups' uptake behavior. Academic debates often assume that NPOs address pressing problems, offer useful services, and face demand that exceeds supply, and that

therefore they need not worry about their services being taken up. However, practical concerns of nonprofit leaders reveal this is not always the case. In social services and health, many NPOs offer merit goods that beneficiaries under-consume (e.g., drug counseling, preventative healthcare). In culture, recreation, and education, many NPOs offer luxury goods rather than necessities, competing with many substitutes (e.g., people watching Netflix instead of going to the theater). These organizations must work hard to find their target groups, attract their attention, and motivate them to take advantage of their offerings. This has been a key issue in marketing research (Barry and Howard 1990), but rarely in research on the performance or effectiveness of NPOs (for a notable exception, see Baruch and Ramalho 2006, which highlights market share as a performance criterion).

Besides shedding light on these blind spots of previous research, we also offer some incremental improvements. First, we highlight that reputation and stakeholder satisfaction are not the only relevant indicators of positive external relations. Many nonprofit leaders also consider the quality or quantity of collaborations as a relevant indicator. Second, the mere fact that external stakeholders are aware of the organization's existence and activities may also be a relevant success indicator. This aligns with our earlier point about the relevance of a marketing perspective on nonprofit performance, because in marketing, awareness is understood to precede uptake intentions and uptake (Barry and Howard 1990). A third incremental improvement involves the realization that traditional logic models, aimed at explaining an NPO's social impact, tend to have a blind spot on the demand side. Visualizations of logic models typically include inputs, activities, outputs, outcomes, and impacts, but lack an explicit category for the target group's uptake behavior. However, outcomes and impacts result from the interaction between the organization and its target group. Logic models could be improved by explicitly including the target group's uptake behaviors as the demand side factor for creating impact. This could encourage reflection on how marketing methods could contribute to creating impact.

5.2 | Limitations and Future Research

Although our framework offers a more comprehensive and replicable framework than previous works, several limitations need to be considered, pointing to avenues for further research. First, we do not claim that focus and locus of nonprofit success are the only relevant dimensions for organizing success indicators. We identified these dimensions through abduction. They have withstood a search for better alternatives by means of principal component analysis, but like all propositions developed through abduction, they require further testing through deduction and induction (Bellucci and Pietarinen 2020).

Second, we cannot offer conclusive explanations of differences between cities. Although we used the most general local term for organizational success, asking for signs of the organization being "successful" in the San Francisco Bay Area, "erfolgreich" in Vienna, and "成效" (*chengxiao*) in Shenzhen, the semantic content of each of these terms varies. We did not systematically vary the terms in each location to find out what differences in

understanding of organizational success would be evoked by, for example, asking with a more uncommon or businesslike term. Furthermore, any explanation of institutional or cultural differences would be intuitive but unsubstantiated with only three regions in the sample. Moreover, while local sampling strategies enable a meaningful interpretation of differences in indicators prevalence in Vienna and Shenzhen (see Table 4), they preclude meaningful comparison between the San Francisco Bay Area and the other two cities.

However, future work could use our framework to examine why nonprofit leaders prioritize some indicators of success over others. Previous research has highlighted factors such as mimetic isomorphism (e.g., Eckerd and Moulton 2011), funding sources, and task and environment characteristics (Lee 2021), often building on institutional and resource dependence theory. We suggest exploring how nonprofit leaders may choose indicators not only due to external pressures for legitimacy and resources but also based on autonomous strategic considerations. For instance, leaders may prioritize performance indicators that concern critical bottlenecks for their organizations. If lack of funding is a critical threat, they may focus on funding; if lack of uptake prevents the organization from realizing its full impact potential, they may focus on uptake behaviors. Outputs or outcomes are rarely bottlenecks. For many programs, it is fairly certain that reaching the target group will lead to the intended impacts (e.g., sport improves people's health). Only in the case of high-risk undertakings is this connection questionable (e.g., reducing racism through sport). This may explain why NPOs are often less interested in impact measurement than funders. Exploring this idea from a rational choice, stewardship, or cybernetic systems theory perspective, or by developing more elaborate resource-based explanations, could advance our understanding of managing nonprofit success.

As a third limitation, certain aspects to organizational success may not be covered by the perspective of nonprofit leaders. Our respondents' perspective is rooted in their leadership role, with its inherent authority and responsibility. While we may expect nonprofit leaders to be good stewards of their organizations and consider important stakeholder perspectives, other stakeholders may apply different frames of reference (Herman and Renz 2008; Jun and Shiao 2012). The pursuit of success at the organizational level is also not the same as fulfilling roles at the societal level (Moulton and Eckerd 2012). Our framework conceptualizes success within an organizational frame of reference, such as achieving desired impact and maintaining a positive reputation. How well NPOs perform their societal roles, such as building social capital and addressing government or market failures, can only be analyzed using a macro lens.

For researchers designing further studies on the success (performance, effectiveness, etc., see Shenhav, Alon, and Shrum 1994) of NPOs, our framework may guide the identification of indicators that comprehensively cover different dimensions of success, or encourage reflexivity about what is left out when focusing on particular indicators. Especially the internal relational dimension of success, which encompasses inclusion and internal cohesion, deserves more attention in nonprofit management research.

Our framework describes indicators presently used in the studied regions but does not offer a forward-looking or prescriptive best practice model. The absence of indicators related to environmental sustainability is striking. In the institutional context at the time of our research, nonprofit leaders did not consider the impact of day-to-day operations on planetary boundaries a sign of organizational success. The absence of NPOs' environmental sustainability as a success indicator is all the more glaring as several organizations in the sample work in the field of environmental sustainability. As the issue of planetary boundaries becomes increasingly urgent, more research is needed on NPOs' management of their environmental sustainability performance.

5.3 | Practical Implications

Our framework has implications for nonprofit management practice. The two dimensions of nonprofit success and various categories of success indicators we identified can help develop success management tools tailored to a broad range of NPOs. We do not recommend that every NPO should monitor its success with all indicators suggested in our framework. Instead, nonprofit leaders might find it useful to consider many possible meanings of success. By highlighting the often-overlooked aspects of internal relationships and uptake by target groups, our framework can remind leaders to pay more attention to these aspects and develop a broader understanding of success. In other words, our framework may help nonprofits move beyond common understandings of performance or effectiveness by adopting a more marketing-oriented perspective—focusing on target groups' uptake—or a more prefigurative perspective—focusing on positive relationships and inclusion within the organization. After considering the many possible meanings of success, they may be able to develop a success management dashboard better tailored to their unique values, mission, and real-world problems.

Our analysis reveals that many prevalent frameworks have blind spots, particularly regarding relations within the organization, and beneficiary uptake actions. This insight may be particularly useful for nonprofit leaders in China and Global South countries, where there is a tendency to look to success indicator frameworks from the United States and other Western countries for guidance. These are areas that are important to Western nonprofit leaders as well but have nevertheless been overlooked in prevalent frameworks. Nonprofit leaders should expand their success monitoring methods to align with local contexts, and thereby contribute to the development of global good practices in nonprofit management.

Looking ahead, nonprofit leaders should also expand their mental models of organizational success to include environmental sustainability. Extending our framework, this can be achieved in the internal action quadrant by considering not only the organization's desired outputs but also its waste and emissions as undesired outputs that should be minimized.

Finally, there are practical implications for NPO funders. Funders often focus on output-, outcome-, or impact-related indicators. NPOs should use such indicators not only for legitimacy but also for making improvements (Lall 2017). Considering

other aspects such as the organization's reputation, input flows, or target group demand may provide cost-effective and relevant indicators for improvement. Funders should collaborate with nonprofit managers to determine the most useful forms of success monitoring for their shared goals.

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Conflicts of Interest

The authors declare no conflicts of interest.

Data Availability Statement

The data that support the findings of this study are openly available in zenodo at <https://zenodo.org/records/13941434>.

Endnotes

¹ See Long and Luo (2022) for further details on sampling and sample descriptive.

² For further details, see Laryea, Zhao, and Powell (2022).

³ For further details and sample descriptive for Vienna, see Maier, Meyer, and Terzieva (2022).

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Supporting Information

Additional supporting information can be found online in the Supporting Information section.