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an integrative framework and empirical evidence
for Austria and the Czech Republic**

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**Nonprofits' functions in old and new democracies:
an integrative framework and empirical evidence
for Austria and the Czech Republic**

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Abstract

By analysing the multifarious concepts of NPOs' functions in literature and the definitions of the particular functions, the paper frames an overarching theoretical concept to structure the functions of NPOs. The framework delivered displays a triangle with the three main functions of NPOs, service delivery, public advocacy, and community building in its corners, which is empirically grounded in findings from a qualitative study in Austria and the Czech Republic. Although data show that NPOs in both countries fulfil identical functions, the relative importance of them varies: Austrian NPOs tend to specialize on one or two functions – mainly service and advocacy, while NPOs in the Czech Republic are multi-function oriented with a strong focus on community building. Against the background of the democratic development in both countries, the paper discusses possible explanations for these differences and raises ideas for the measurement of NPOs' functions on the organisational level.

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1. Introduction

Nonprofit organisations (NPOs) fulfil a large variety of functions in democratic societies. Following Boris/Mosher-Williams (1998:490), social, civic, and economic functions can be detected. A closer look at the categorizations of NPOs' functions offered in literature, however, shows that they are manifold and differ a lot (see, for example Kramer 1981, Salamon et al. 2000, Land 2001). The existence of numerous varying categorizations, which do not use a unitary definition of the term 'function', challenges empirical studies on NPOs' functions, as it is not sure what to measure and how to survey the occurrence of a function.

Up to now, only few studies focused on the measurement and comparison of NPOs' role between different countries. The most prominent – the Johns Hopkins Comparative Nonprofit Sector Project (CNP) – used a conceptual framework when investigating the functions of NPOs. Salamon et al. (2004:23f) identified four major functions of NPOs – the service, the expressive, the advocacy, and the community building function¹. However, for convenience they grouped all NPOs into just two broad categories of functions according to the International Classification of Nonprofit Organizations (ICNPO). Thus, all organisations active in the fields of social services, health, education, and development were assumed to fulfil predominantly '*service functions*' and those active in the fields of environment, civic/advocacy, professional/unions, and culture and recreation were assumed to fulfil predominantly '*expressive*' functions (Salamon et al. 2004:23f). Even though this assignment might be appropriate in most cases, it does not allow an in-depth analysis of NPOs' multiple functions and the ways in which these functions intertwine, and it is too rough to compare thoroughly between different organisations and countries. Therefore, more qualitative approaches (Ragin 1998, 262) as well as in-depth quantitative studies on the organizational level are necessary.

Thus, for answering the question, which functions NPOs² empirically fulfil and how their performance in doing so differs between countries, we have to clarify two issues beforehand. Firstly, the functions NPOs fulfil have to be categorised and defined theoretically, and secondly, a tool to measure the existence of a certain function on the organisational level – and the degree to which it is being fulfilled – has to be developed.

As the aim of the project that provides the background of this paper is to investigate which factors – on the societal and the organisational level – determine the functional profile of NPOs in different countries, the paper focuses on the conceptual underpinning for this study. The main questions addressed in the following regard (i) the categorisation and definition of NPOs' functions and (ii) the investigation of indicators for the measurement of these functions, based on case study like interviews. In addition, the paper presents hypotheses to explain differences in the occurrence of NPOs' functions between Austria and the Czech Republic.

¹ In earlier publications they identified even five functions (see Salamon/Hems et al. 2000:5ff, Chinnock/Salamon 2002:3f).

² For the definition of NPOs we refer to the structural-operational definition of NPOs (see Salamon et al. 2004:9).

2. Concepts of NPOs' Functions in Literature

The most prominent role assigned to NPOs in all concepts of NPOs' functions presented in literature is service delivery. According to failure-performance models (cf. Hansmann 1987) this function contributes to explaining the existence of the Third Sector in general, since NPOs provide services either exclusively or primarily or else complementary to services offered by the government (Kramer 1981:234). However, the question which functions accompany service delivery has not been answered unanimously in literature:

- James/Rose-Ackerman (1986:9) draw “*a distinction between service-providing organizations (such as schools and hospitals) and representational organizations (such as political parties, labour unions, trade associations, and interest groups)*”. Thereby they follow an approach similar to Salomon et al. (2000), who assign NPOs to the field they are active in and restrict NPOs either to be service providing or representational. In contrast, all other scholars consider NPOs to fulfil more than just one function.

- Wolpert, for example, classifies NPOs activities “*within a triangle whose three corners present the alternative goals of philanthropy, charity, and service*” (Wolpert 2001:130). According to the location of NPOs within the triangle, they might accomplish one, two, or even all three functions at the same time. Land (2001:66) modified the triangle of Wolpert to a rectangle by adding a fourth function called *fellowship*.

- The categorization of functions presented by Frumkin (2002:25) is the most systematic one found in literature. He developed a matrix of four fields with one axis describing the demand/supply side and the other one the expressive/instrumental rationale. The four resulting functions read as follows: service delivery, civic and political engagement, values and faith, and the so-called social entrepreneurship function.

- Kramer (1981:173ff) offers another approach distinguishing four roles. In addition to the *service provider role*, he quotes the *improver and advocacy role*, the *vanguard role or service pioneer* and the *value guardian role and volunteerism*.

- The same functions Kramer mentioned were identified by Kendall (2003), although he uses different designations and splits the four into five functions. Thus, Kendall lists the *service-provision, the innovation, the advocacy, the expressive, and the community building function* (Kendall 2003:104ff). The community building function therefore refers to a similar concept as used by Land (2001) for *fellowship*, and innovation is just another term for the vanguard role.

- The classification suggested by Salamon et al. (2000:5ff), which was already mentioned in the introduction, comprises an identical set of five functions. They, however, labelled them slightly different and gave broader definitions of the *expressive and leadership development role* and the *community building and democratisation role*. The three remaining roles (*service, innovation, and advocacy*) were defined quite similarly (Salamon et al. 2000: 5ff).

This literature review, while not even exhaustive, displays a broad range of functions with some of them overlapping across various concepts. Table 1 summarizes the concepts given and collates those roles that seem to be identical by denomination.

Table 1: Concepts of NPOs’ Functions identified in Literature, by Author

Function/Author	Salamon/ Sokolowski	Estelle/Rose- Ackerman	Land	Frumkin	Kramer	Kendall	Salamon/ Hems
Service /Service providing							
Expressive role (and leadership development role)/Value guardian role and volunteerism/ Representational function							
Philanthropy							
Charity							
Improver/Advocacy role							
Vanguard role and service pioneer/Innovation function							
Community building (and democratisation role)/Fellowship/ Social capital							
Social entrepreneurship							

Source: own table.

Nevertheless, it is not clear if the authors mentioned above operate with the same definitions by using idem or similar terms, nor if they use identical definitions but different headings. Beside this confusion with regard to underlying definitions, it might as well occur that some of the functions mentioned form sub-functions of a broader category. In order to develop an overarching concept of NPOs’ functions we look at the definitions used in the NPOs-literature in more detail in the following.

2.1 Service function

According to Kendall (2003:92), the service function “gears toward production in spheres of economic activity where markets and governments ‘fail’”, partly because of public good properties and partly because of trust dependency, but also because of “the inability to pay of some individuals in need“. Salamon et al. argue as well that the services provided by NPOs involve some public or collective features and therefore often are

“available to everyone regardless of whether they have been paid for or because those in need of them lack resources; or because the services require some special element of trust” (Salamon et al. 2000:5).

However, not all services provided by NPOs are only jointly consumable, non-rival, or non-excludible (Kendall/Knapp 2000:108). Following Jenkins (1987:297), service delivery “creates divisible or indi-

vidual benefits”, which would include individual tangible services (soup, clean syringes) and individual intangible services (counselling interview, language course for migrants) as well. An important feature of service delivery is that it “*may be provided without actual change in politics*”, and thus it is “*analytically different from advocacy*” (Jenkins 1987:297).

2.2 Advocacy function

Many definitions of the advocacy function inhere normative aspects or restrict advocacy to certain fields, like being a “*progressive force for an enlightened and humane social policy*” (Kramer 1981:212) or to “*protect the rights and promote the interest of specific groups of people – e.g., the physically handicapped, the elderly, children, and women*” (Salamon/Anheier 1996:16). Since it is not necessarily true that NPOs aim at making social policy more humane or advocate only for the interest of deprived groups, we look for a generic definition. Thus, we refer to Jenkins and define that

“[e]very activity that focuses on changing policies or securing collective goods can be called an advocacy function (Jenkins 1987:297).

So advocacy comprises all activities that

“push for changes in government policy or in societal conditions”, “serve a link between individuals and the broader political process, ... bring group concerns to broader public attention and ... push for policy or broader social change, not only on behalf of those belonging to a group but also on behalf of the general public” (Salamon et al. 2000:6).

These definitions comprise as well activities of NPOs like pressure groups and professional associations, which principally seek to attain private tangible benefits for their members. However, as non-members profit from the efforts of lobbying as well, it comprises a collective good, too, although the group of non-members for some of these NPOs might be very small.

Furthermore, we split advocacy into two sub-functions called ‘policy advocacy’ and ‘citizens’ advocacy’ (Knapp et al., 1998:15) or, alternatively, ‘public voice’ and ‘public education’ (Boris/Mosher-Williams 1998:491). While the first concept embraces direct policy-oriented activities, the second stands for a broader civic involvement or indirect advocacy.

Public advocacy refers to all activities that focus on changing policies or securing collective goods, which are directly addressed to “*any institutional elite*” (Jenkins 1987:279).

Citizens’ advocacy refers to all activities that focus on changing policies or securing collective goods, which are addressed to the general public and aim to increase public awareness or mobilise individual citizens’ advocacy about certain issues.

Citizens’ advocacy resembles the concept of ‘*indirect advocacy*’ introduced by McCharty/Castelli, which implies the encouragement of individual citizens’ advocacy by NPOs, labelled as well as “*grass-roots lobbying*” (McCharty/Castelli 2001:106f). We relate to this description, but do not insist that a certain extent of mobilisation of citizens must be reached. Thus, awareness raising also represents a kind of indirect advocacy, even though the impact on citizens’ mobilisation is still to emerge.

Following Hopkins (Hopkins 1992, cited in McCharty/Castelli 2001:106), who identified different behaviours of NPOs to pursue advocacy, “*Legislative Activity*” and “*Political Campaign Activity and Litigation*” would represent public advocacy. “*Boycotts*” – “*convincing a critical mass of public not getting involved in business with a particular institution*” – and “*Demonstrations*” could be assigned to both sub-functions. “*Programmatic Advocacy*” – “*the advocacy implicitly included in carrying out the primary function*” of the organisation cannot be attributed definitely.

2.3 Expressive function / Value guardian role / Representational function

According to Salamon et al., the expressive function can be considered as an even broader concept than advocacy, since they argue that

„[b]eyond political and policy concerns, the civil society sector also performs a broader expressive function, providing the vehicles through which an enormous variety of other sentiments and impulses – artistic, spiritual, cultural, ethnic, occupational, social, and recreational – also find expression“ (Salamon et al. 2004:23).

Thus, unlike advocacy, the expressive function does not only pool activities aiming for political change but involve “*activities that provide avenues for the expression of cultural, spiritual, professional or policy values, interests and beliefs*” (Salamon et al. 2004:24). For Donoghue (2004) the expression function goes along with expressing a groups’ identity. She emphasises that NPOs, which work *for* rather than *with* the concerned people tend to militate against expressionism because of paternalism (Donoghue 2004:4ff). Kramer refers to the expressive function as the ‘value guardian role’ and expects NPOs “*to protect individual and social values, to promote citizen participation and to develop leadership*” (Kramer 1981:9 and 193f). The development of leadership thereby is a result of the possibility of individual self-expression (Salamon et al. 2000:7). Hence, it has to be considered that Kramer (1981) does not define such a function as community building, but integrates aspects of this function – like the leadership development role – to his perception of the value guardian role (see Kramer 1981:194). From there, we exclude impacts on the individual (e.g. “*acquiring organisational skills*” (ibid.)) from our definition here and include them when defining community building.

Thus, the expressive function involves any activities targeted on giving “*expression to certain believes, heritages, cultures and subcultures*” (Donoghue 2004:4) by concerned individuals who participate in a group (or form groups) to do so. Here we will refer to the expressive function as value guardian role as it seems to make clearer what the function comprises.

2.4 Charity function

Referring to Wolpert, who introduces the charity role, charitable organisations “*transfer resources from the more fortunate to the needy and can be assessed by metrics such as income differences between donors and recipients*” (Wolpert 2001:131). Thus, the charity function implies all activities that aim at redistributing resources, mainly financial resources, from groups who are better off to others.

2.5 Philanthropy function

Philanthropic activities target the “*establishment and enhancement of institutions such like hospitals, universities, museums, and community social capital*” (Wolpert 2001:131) and are primarily carried out by foundations. More generally speaking, all activities that aim at setting up and sustain non-profit organisations contribute to philanthropy.

2.6 Innovation function

While Kramer’s definition of the vanguard role restricts ‘innovation’ to the development of new services and emphasises that NPOs “*pave the way*” for the adoption of the innovative product either by the government or by other voluntary organisations (Kramer 1981:173ff), all other definitions found in literature have a more general perception of the innovation function. Referring to the definition of Salamon et al. (2000:6), NPOs

“are pioneers in particular fields, identify unaddressed issues and focusing attention to them, formulating new approaches to problems, and generally serving as a source of innovation in the solution of societal problems” (Salamon et al. 2000:6).

Kendall/Knapp (2000:113) present three different types of innovation:

- Product innovation: production of new goods and services, differentiated from existing outputs or in terms of users;
- Process innovation: production by using a new technology for a given set of outputs and
- Organisational innovation: production by using a new internal structure or the adoption of new external relationships.

Innovation thereby is defined as a change in production. In order to “*distinguish it from ‘mere’ service development*”, this change should involve “*the adoption of observable discontinuities in service design*” (see Osborne 1998, cited in Kendall 2003:110). By contrast, the three types of innovation Salamon et al. (2000:6) mention are the evolutionary innovation (new process or product), the expansionary innovation (new market), and the total innovation (new process or product in a new market). From this it follows that innovation involves all activities connected with a change in production, no matter if concerning new services or new users, new processes or new organisational structures.

2.7 Community building function / Fellowship / Social capital

While the core of the community building function seems to be the unifying role, also discussed as ‘integrative role’ by Smith (see Salamon et al. 2000:7), numerous further functions NPOs are supposed to fulfil are summarized under this heading. Thereby the notions of community building are very complex and have been used ambiguously and for different interests to justify different politics (see Mayo 1994:48, cited in Kendall 2003:112).

Many approaches share the opinion that participation by local citizens in NPOs encourages social interaction and help to create trust and reciprocity, which leads to the generation of a sense of community (Donoghue 2004:8, Salamon et al. 2000:7). Community building thereby means as well the mobilisation of a community on a certain issue (community of interest) or on the base of locale (geographical community) (Donoghue 2004:8).³ Kramer, under the heading of the value guardian function, describes that volunteers who participate in NPOs

“acquire organizational skills, political competence, personal satisfaction, integration into a larger milieu and opportunities to learn norms, acquire information, and avoid loneliness”
(Kramer 1981:194).

Besides the impact of volunteer participation on the individual level, separate functions for the larger society are served as well, as Kramer states. Among these he mentions the mediation *“between groups of individuals and the larger society”*, the integration of *“groups into that society”*, the provision of *“opportunities for value communication”*, for *“development of community services”*, for the *“initiation of change, and the distribution of power”* (see Kramer 1981:194).

Other authors, when referring to the community building function, mention positive impacts on both, the individual as well as the societal level. For instance, Kendall quotes that participation in NPOs *“could foster ‘personal development’, improve social relationships, give people ‘control over their lives’ and thus make society operate more ‘healthily’”*. However, the precise meaning of *“a more healthily society”* remains unclear (Kendall 2003:113).

In recent years, when the community building function got also known under the designation ‘social capital’, following the popular concept of Putnam (1993), the perception of the function got even more diffuse since the democracy building function was added (see, for example Salamon et al. 2000:7, Donoghue 2004:7f, Kendall/Knapp 2000:110). The argument therefore is that volunteers’ participation in NPOs produce social networks based on mutual trust and shared values whereof the net result is expected to be *“citizens who are more trustworthy, community-aware and other regarding”* (Kendall/Knapp 2000:110). Such habits are believed to ‘support democratic values’ and thus to contribute to democratisation. However, this conclusion is questionable, firstly because the impact from the individual (micro) level to the societal (macro) level is not entirely clear and cannot be fully confirmed by empirical studies (see Kendall 2003:17). Secondly, community building does not only go along with unifying, but also with particularism and the exclusion of those who do not form part of the community (Salamon et al. 2000:8). Thus, social capital does not only mean encouraging social interaction, but also forms a mechanism of exclusion (see the application of social capital of Bourdieu 1983:184ff). Putnam took the exclusive character of unifying into account and differentiated between bonding capital (relations within similar people) and bridging capital (relations between different communities and people who are different), each having different political and social impacts (see, for example Putnam 2000:22f). Feasible definitions of these two sub-functions of community building would be:

³ But, in contrast to citizens’ advocacy, the mobilisation of individuals here does not necessary include that they advocate for a certain issue, nor does the mobilisation of individuals in the meaning of citizens’ advocacy postulate that the group of individuals build a community.

Bonding capital refers to the relations between “*like-minded individuals*” (Land 2001:73). It occurs when individuals participate in NPOs activities and are integrated in a group that provides internal social networks based on mutual trust and shared values. Thereby they “*enjoy participation, inclusion, and member-rights*” (Donoghue 2004:5). NPOs thus contribute to bonding capital when activities are carried out that provide “*affiliation and association*” or when individuals “*gain social support*” (Land 2001:72f) for their personal progress.

Bridging capital refers to “*the weak ties*” (Granovetter 1973, 1982) that link individuals “*to distant acquaintances who move in different circles*” (Putnam 2000:22f). It occurs when activities aim to bring not like-minded individuals together or to integrate marginalized groups into society.

Referring to the definitions of community building and social capital above, a third function, the democracy building function, appears as well. For our concept of NPOs’ functions, we do not incorporate democracy building. This function cannot be identified on the micro-level since it results from a transformation process, which is not sure to happen. Rather than claiming democracy building as being a result of community building it would be more likely to be a result of public or citizens’ advocacy. However, if we can observe democracy building directly when analysing our empirical findings, we will add this function

3. A Theoretical Sketch on NPOs’ Functions

The discussion of NPOs’ functions often lacks theoretical foundation, a deficiency that contributes to long lists of functions consisting of rather fuzzy categories, referring to very different concepts. Therefore, we will suggest a theoretical framework that might integrate most of the functions discussed. From a systems-theoretical point of view, serving a specific function generally implies that an organisation somehow serves another system. Thus, trying to identify NPOs’ functions implies (a) distinguishing between systems and environments and (b) analysing the contributions of the focal system for its environmental systems. These are the basic assumptions of ‘functionalism’ in social theory (e.g. Durkheim, Parsons).

Concepts of functions of NPOs seldom focus on organisations’ achievements for individuals or other organisations, but mostly refer to the social macro-level, i.e. society. As society itself can hardly be described more precise than ‘all communications’, we will try to link NPOs to functionally specified macro levels. In doing so, we follow Zauner (2002) and distinguish three types of NPOs that differ in external coupling, hereby assuming that functional differentiation of society is dominant (e.g. Luhmann 1984, 1998):

1. The **subsystem of economy** consists of all communications operated by money and its binary coding (to pay or not to pay; cf. Luhmann 1988). Close-to-economy NPOs are not only very businesslike, but also dominantly governed by money, thus using logics very similar to business companies. Such NPOs mostly produce private or meritory goods, which are priced and sold, be it directly to clients or indirectly in the welfare state triangle ‘producer-user-payer’.

2. The **political subsystem** is operated by power and characterised by its specific binary coding, distinguishing between those in power and those not (e.g. government and opposition; Luhmann 2000). It embraces all communications shaped by this binary coding. Close-to-politics NPOs are closely linked to the political system.
3. Grass-root NPOs are linked to **communities** which are operated by relationships. They are not dominated by their coupling with neither economy nor politics or any other functions subsystem (e.g. religion, education, science). They heavily rely on people, mostly their members in a broader sense, either as a community, a group, or as individual actors.

Within this concept we have to be aware that neither are individuals exclusive elements of organisations nor are individuals/organisations exclusive elements of societal subsystems. It is always the single communication or decision, which can be assigned to economy, politics, or communities. Thus, the empirical question reads as follows: Is there any coupling dominant, either to economy, to politics, or to communities? Alternatively: Which structural couplings and which binary codes dominate NPOs? Empirically, these couplings can be detected in programs (strategies, objectives), in structures (hierarchy, staff), and in processes (task criteria).⁴

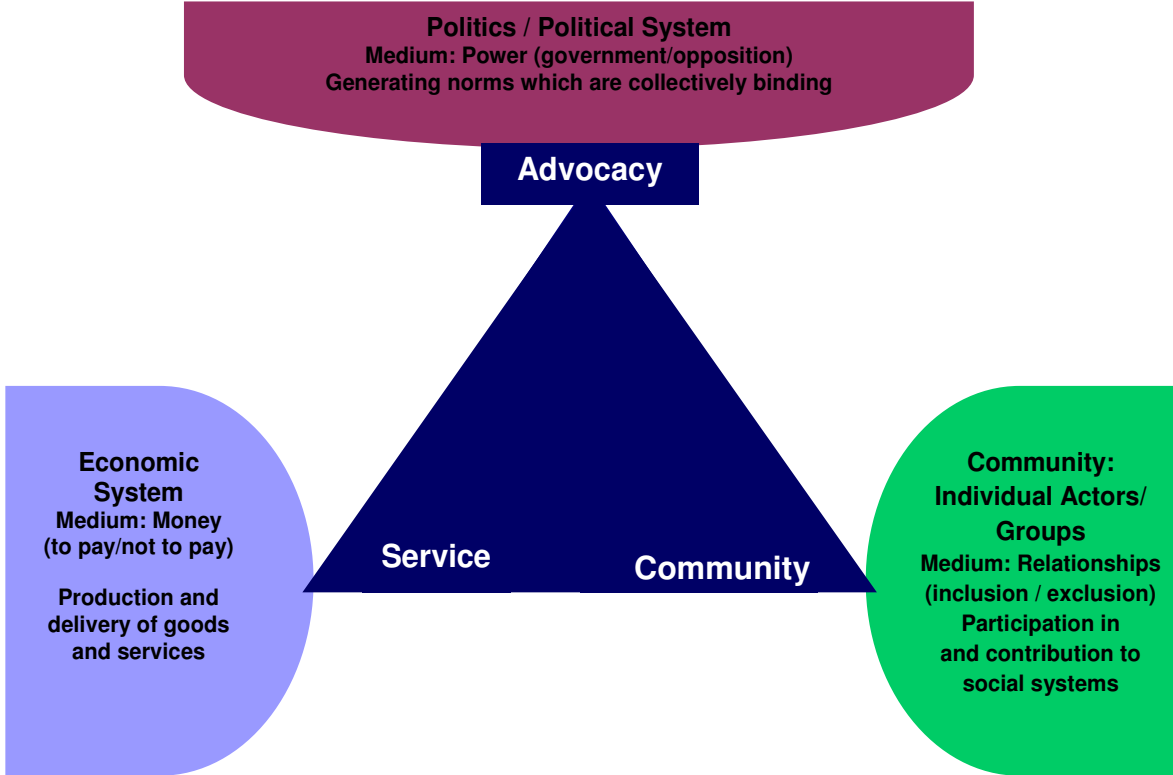
Evidently, NPOs also show couplings with other subsystems: religion, sports, arts and culture, education, law, social work etc. Nevertheless, the main functions of NPOs can be located in the triangle between economy, politics, and grassroots:

1. **Service production** is the function towards the subsystem **economy** as hereby NPOs deliver outputs, which can be priced and are somehow paid – either by the beneficiaries themselves or by some other public or private organisation. These services are, for the most part, marketable, though often positive externalities are even more important than the service itself (meritocratic goods) or some non-marketable benefits are linked with these services (public goods such as social security or democratic participation).
2. The public good property is crucial for the second function, which is consequently tied to the **political system** of society: **advocacy**. Hereby NPOs contribute to political decision-making and governance, thus to the making of collectively binding rules. There are various ways to fulfil this function; they range from formal contributions to legislation and executive processes to informal lobbying and PR-campaigns to raise public awareness on specific problems.
3. **Community building** is the third function, which is directed towards enhancing social capital, i.e. establishing and consolidating relationships between individuals and/or organisations. This generally means either to strengthen groups (in-groups, bonding social capital) or to foster social inclusion and integration (bridging social capital).

⁴ In our own empirical study of Austrian and Czech NPOs we mainly relied on this third way. We asked people not only about their criteria of success, but also about specific tasks and important actions and decisions during the last year.

According to this model, all decisions and actions of NPOs fulfil functions, whereat these can be directed towards either one, two, or all three subsystems. The best way to illustrate this is a triangle with the subsystems in its corners (see figure 1).

Figure 1: NPOs’ Functions as Contributions to Subsystems of Society



Source: own figure.

This theoretically developed framework, embedding NPOs’ activities in between three societal systems, shows similarities with the welfare triangle by Pestoff (1998:42) and the triangle represented by Evers/Laville (2004:15). However, while their triangles draw on organisations, which are situated, between the market, the state, and the community, we here refer to single activities of NPOs, which serve the surrounding systems.

4. Research Approach for Empirical Investigation

To substantiate our framework of NPOs’ functions, case-study interviews with top executives from NPOs in Austria and the Czech Republic were analysed. The sample comprises ten NPOs in each country. In order to get a picture as diverse as possible and to have comparable samples between the countries, we considered the following criteria for sampling: (1) the number of paid employees, (2) the financial situation, and (3) the sphere of action, i.e. local versus national. Following the ICNPO we chose NPOs from the most relevant fields of activity for both countries, namely social services, environment, business associations and civic and advocacy organisations. Among the ten NPOs in each country five correspond to each other by the criteria mentioned above, the other five additionally belong to the same organisation (e.g. Amnesty International Austria – Amnesty International Czech Republic). In both countries, we used the same schedule for the semi-structured interviews and analysed them via qualita-

tive content analysis following a harmonised coding-framework. In a first analysis, we identified all activities, objectives, and achievements of the NPO reported by the interviewee. In a second, more detailed analysis we assigned those activities, objectives and achievements to the functions we identified by literature review or – if not assignable – created new categories for new functions. To measure the extent of the different functions fulfilled by individual NPOs, we added up all passages of an interview devoted to a certain function and conducted word counts. Statements referring to more than one function were assigned to the dominating one, so that we finally could measure the shares of an interview dedicated to the respective functions. This analysis bases on the assumptions that (i) the interviews represent reality and (ii) the quantity of the statements given on a certain topic represents the importance of this topic for the organization.

5. Empirical Findings on NPOs' Functions

Both, the *service delivery* and the *public advocacy function* appear quite obviously in empirical data in both countries and seem to be, according to their frequency of occurrence, the most fundamental functions of NPOs, too. By contrast, most of the other functions identified by literature review are not so easy to distinguish empirically, since many activities and objectives held by NPOs contribute to two or even more functions. Thus, activities contributing to *citizens' advocacy* often comprise some kind of service delivery as well. For example, when NPOs offer seminars on issues they campaign for, the participants simultaneously receive further education.

“Well, it [the seminar] is as a comprehensive thing, indeed not only providing skills on human rights, but as well practical skills, like, I don't know, training on rationales. It was exclusively and, well not exclusively, but primarily invented to qualify our associates, our voluntary associates” (IV 02).

Therefore, the theoretical triangle on NPOs' functions drafted above (see figure 1), which designs three notionally clear-cut functions in each of the three corners can be supplemented by empirical data as some of the functions performed by NPOs can be considered as concepts located on the axes between two functions. Hence, as shown in figure 2, the citizens' advocacy function is located on the axis between service delivery and public advocacy, whereas conceptually it is closer to the advocacy function.

The third main function of the theoretical framework, *community building*, obviously appeared in empirical data. However, data show that a more precise breakdown of the concept of community building is appropriate. Therefore, we identify the following two different kinds of community building:

(1) **Bonding capital**, referring to the relation and interaction between like-minded individuals, e.g.:

„Well parents anyway, parents give their children to there [to the Scouts], because they are convinced, because they experience day-to-day, finally day-to-day or weekly, that the kid brings along something, learns something, has a good circle of friends, gets personally ahead somehow” (IV 05).

(2) **Bridging capital**, referring to the weak ties and relations between individuals who are not like-minded, and aiming for the integration of marginalized groups, e.g.:

“And the target is to foster these people [with physical handicaps] insofar as they are able to live on their own, alone or twosome in a council flat. By establishing social networks in the neighbourhood, as many functions as possible should be taken over by the community, yes” (IV 09).

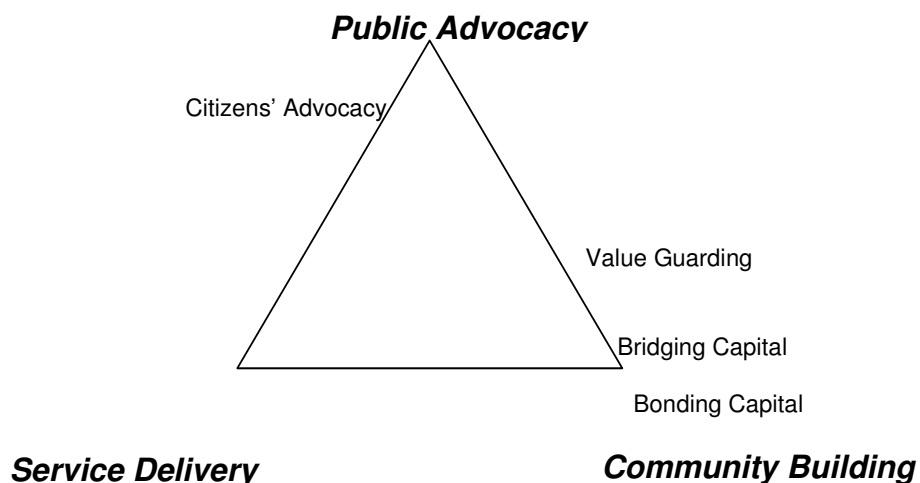
Concerning the position of these two functions within the conceptual framework, bonding capital is located in the very corner, while bridging capital is placed on the axis between community building and public advocacy, as it inheres some kind of political demand as well.

Furthermore, from empirical data it gets clear that – according to the definition of the value guardian function above in this paper – activities and objectives assigned to the value guardian function rather contribute to community building than to advocacy, e.g.:

“You have to imagine, really every, as I told before, every group ... together with the leading person really assembles and contemplates what they are able to manage, yes. Which project that brings us closer to peace, which maybe creates a piece of peace. Though an intellectual examination, a playful examination, it should become a project finally” (IV 05).

Thus, the **value guardian function** conceptually is placed on the axis between community building and advocacy as well (see figure 2). From a theoretical point of view this assignment seems to be traceable, since literature defines the value guardian function as an even broader function than advocacy – and thus it could be divided into the – political not demanding – community building function and the – political demanding – advocacy function. Hence, the triangle can be seen as an advancement of the basic function concept given by Estelle/Rose-Ackerman and Salamon/Sokolowski et al. (see table 1), who identify the service delivery and expressive function only, but here the expressive function is split up.

Figure 2: Framework on NPOs’ Functions, substantiated by Findings from the Empirical Study



Source: own figure.

With regard to the functions identified by literature review, *charity* and *philanthropy* are not incorporated to the triangle as own functions, as they eventually result in service delivery – and thus being subsumed under this category. Even if charity additionally brings about redistribution of wealth, not this effect, but specific services are intended primarily.

Another function not added to the framework is the *innovation* function, because innovation either refers to service, public advocacy, or community building, but does not serve an own function. Thus, innovative actions are assigned to those of the three functions the innovation contributes to.

Summarizing, the conceptual triangle defines three basic contributions of NPOs to the society. However, due to the overarching framework it offers the possibility to integrate further functions, which for the most part can be considered as a combination of these three functions.

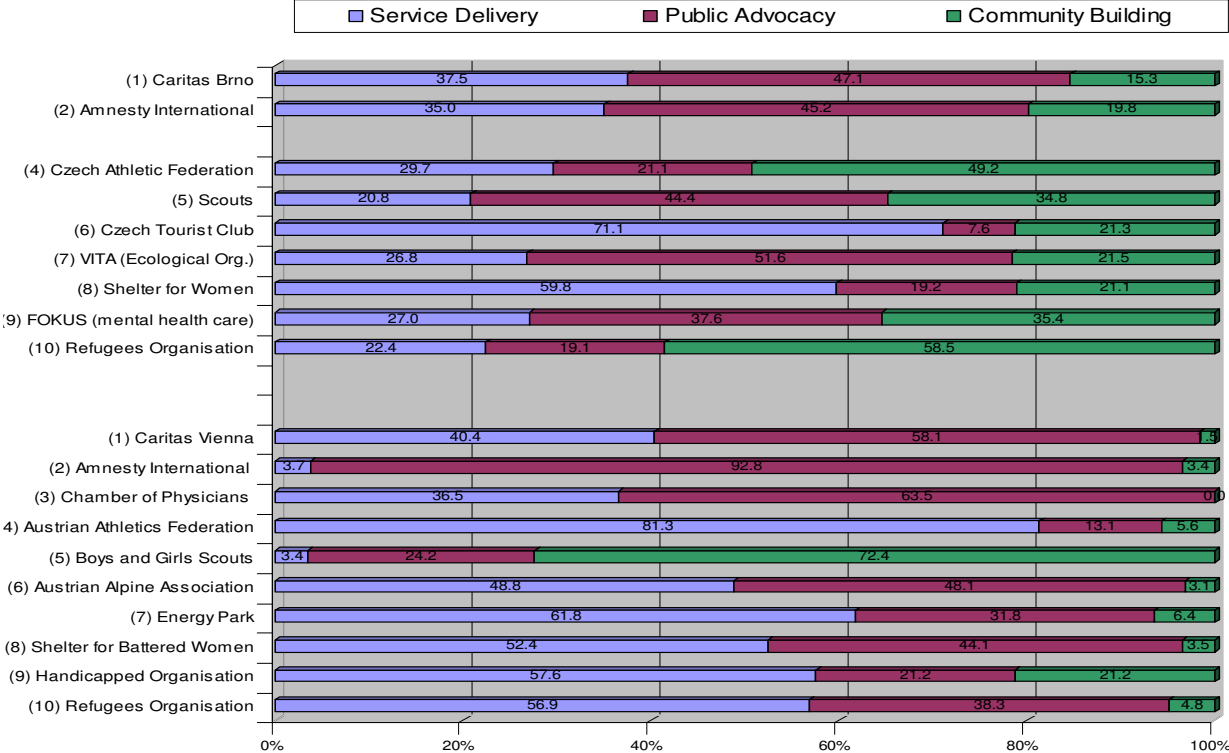
6. Relative Importance of NPOs' Functions in Austria and the Czech Republic

According to our coding, we conducted a count of the shares of the interviews dedicated to the identified functions, displaying the relevance of them for individual NPOs. Therefore, we aggregated the functions depicted in our framework (see figure 2) to the three main functions public advocacy, service delivery, and community building. Figure 3 presents the relative importance of these functions for the ten case study NPOs in Austria and the nine in the Czech Republic.

A first glance at the bar graph shows that the **relative importance of the functions** fulfilled by NPOs systematically differs by country. Thus, for organisations active in the Czech Republic the community building function seems to be much more important than for Austrian organisations. In return, for NPOs active in Austria the public advocacy function appears to be more relevant.

Even organisations that are active in the Czech Republic as well as in Austria display some striking differences with regard to the relative importance of the three functions. The interview with the Austrian representative of Amnesty International, as an example, indicates that public advocacy ranks very highly among the functions fulfilled. More than 90% of the interview material relates to this issue. The Czech interviewee for Amnesty International left a different impression. He was “talking” 45% public advocacy but also 35% service provisions. Given that the emphasis on certain issues or functions in the interviews give a proper reflection of the organisation's functional profiles, this finding would point towards institutional factors as a major force in shaping the specific mix of functions served.

Figure 3: Relative Importance of Service Delivery, Public Advocacy, and Community Building in the Czech Republic⁵ and in Austria, by Organisation⁶



Source: own figure.

When we examine the number of functions individual NPOs perform (at an extent of at least 20%), we discern that NPOs in Austria tend to focus on one or two functions, while Czech NPOs rather fulfil all three functions to a noteworthy extent simultaneously. For instance, in the Czech Republic four organisations accomplish all three functions at an extent of at least 20% (Czech Athletic Federation, Scouts, ecological organisation, organisation for mental health care), while in Austria only one organisation can be labelled as a multi-function-organisation (organisation for handicapped people). On the other hand, none of the NPOs in the Czech Republic concentrates on the provision of one function only (by more than 80%); while in Austria this is true for two organisations – the Austrian Athletics Federation and Amnesty International. However, in both countries the majority of the organisations can be characterised as dual-function-organisations (with more than 20% and less than 80% of the interview assigned to one function). Table 2 gives an overview of the different types of NPOs by country and indicates the number of functions they focus on, following the conceptual framework developed in this paper.

⁵ The Chamber of Physicians (organisation nr. 3) is missing for the Czech Republic.

⁶ The figure presents the percentage of the interviews devoted to objectives, activities, and achievements, which then were assigned to service delivery, public advocacy (including citizens’ advocacy) and community building (including bridging capital, bonding capital and value guarding).

Table 2: Types of NPOs by Number and Kind of Functions, by Country

Country	Single-function NPOs	Dual-function NPOs	Multi-function NPOs
Czech Republic	0	2 (Service & Advocacy) 3 (Service & Community Building)	4
Austria	1 (Advocacy) 1 (Service)	5 (Service & Advocacy) 1 (Advocacy & Community Building)	1

Source: own table.

The table outlines that dual-function NPOs most frequently combine service delivery and public advocacy; in the Czech Republic NPOs combining service delivery with community building occurred as well. It strikes that none of the NPOs under investigation focuses on community building as its main function. This raises the question if this is due to our sample – as it does not include any local sports or folk music associations, which can be considered to contribute to community building primarily – or if NPOs are generally not established in order to contribute to community building in the first place.

7. Discussion of Possible Factors Influencing Country Specific Differences

The analysis of some case-study interviews to find out about differences in the performance of NPOs in Austria and the Czech Republic does not deliver representative answers; however, the findings provide a base to formulate hypotheses, which will be tested in a quantitative survey later. In the following – against the historical background of the Third Sector in Austria and the Czech Republic – we develop some hypotheses to explain the country specific varieties in the relevance of the three functions.

One major factor responsible for the differences, in particular for the fact that Czech NPOs do not specialize that much on one function, but are rather multi-issue oriented, might be connected with the ‘age’ of the Third Sector. Thus, although NPOs were thriving in the Czech Republic between 1919 and 1939, the further evolution of NPOs was first blocked by the German occupation and then – from 1948 until the late 1980s – by a Communist regime. Since then the sector started to awake again, and after the revolution in 1989 it experienced a rapid growth (Hyánek/Pospíšil et al. 2006:1). Because of these events, many NPOs in Czech are quite young or have been re-established only some 20 years ago and therefore have not yet functionally specialized that much. On the other hand, many fields of the Third Sector in the Czech Republic have not reached the size and diversity as in Austria. However, growth in the size of the sector supports the process of functional differentiation, too. For example, Amnesty International in Austria focuses nearly exclusively on advocacy, but can refer to a vast number of NPOs active in the field of human rights that provide service, if somebody in need for service would knock on their doors. As in the Czech Republic, the number of NPOs active in the field of human rights is rather small, Amnesty International in Czech cannot pass on (or refuse) people seeking for service and thus offers advocacy *and* service on its own.

The young age of many of the NPOs in the Czech Republic provides an argument for the higher importance of the community building function compared to Austria as well. Young NPOs often have to search for their role and have to evolve their identity within the field and the sector. Therefore, they need to be in close contact with the community and with members to be acknowledged, legitimated, and supported. In the course of the evolution of an organisation and/or with increasing professionalisation of NPOs, however, the importance of the community and of members diminishes and NPOs might lose the contact to the locals (cf. Eikenberry/Kluver 2004:137f) (e.g. Amnesty International Austria bemoans about not having volunteers supporting their work).

The ‘multifunctionality’ and the apparent leaning of Czech CSOs towards the community-building cluster of functions is also likely to be conditioned by the unique historical situation in their country of a transition from the communist totalitarian regime to democracy. Czech CSOs feel a strong responsibility for the renewal of democracy, they see themselves as a key part of the national effort to build a democratic society, especially in their role as grass-roots civic activists that are a decisive force in overcoming the separation of the ‘politically powerful’ and the ‘politically powerless’ (Rose 1996, Potucek 2000). Czech CSOs thus consider it an important part of their mission that they contribute to the building of trust in society, to the building of social capital, and, ultimately, democracy, not only by serving their primary purpose but also by playing an active role in their communities and wider society.

Funding issues deliver further arguments for the advanced functional differentiation in Austria. Particularly recent modifications concerning the funding instruments of the public sector affect NPOs’ funding situation: due to changes in the public procurement, performance related payments increasingly replace lump-sum subsidies and NPOs evermore have to compete with for-profit providers (cf. Dimmel 2005:11). The processing of performance related contracts and the participation in public tenders, however, absorbs quite many resources of NPOs, deflecting them from the fulfilment of other functions. Hence, NPOs concentrate on these tasks the public sector is prepared to pay for – which in most cases is the provision of services (Hörmann/Tauber 2007:6).

Before these hypotheses on factors influencing NPOs’ role can be examined, we need to validate our findings on the relative importance of NPOs’ functions by a representative survey in both countries. Therefore, an instrument to measure the functions on the organisational level has to be developed.

8. Measurement of Functions on the Organisational Level

To identify the functions of NPOs, this study has focused on the activities and objectives NPOs pursue so far. This approach significantly differs from the method used in the Johns Hopkins Comparative Nonprofit Sector Project (CNP). The latter assigned NPOs to certain functions according to their ICNPO-coded field of activity (Salamon/Sokolowski et al. 2004:25f). This practice is much easier to handle than the identification of the functions on an organisational level. However, since our data clearly show that it is important to consider NPOs fulfilling several functions simultaneously, the method used in the CNP is not precise enough. In addition – although both approaches deliver very similar results regarding the functions of our nineteen case-study NPOs – for some NPOs the findings are contradictory.

For instance, the Austrian Athletics Association from our sample is assumed an expressive organisation following the ICNPO, while according to its objectives and activities its main function is the delivery of services (see figure 3). Similarly, the Boys and Girls Scouts, which are supposed to be a service organisation following the ICNPO, here do not deliver service at all but engage in community building and advocacy. This shows that the assignment by field of activity sometimes leads to hasty judgements; thus, a closer look at the organisations' real activities apart from their field of activity is necessary.

However, the approach to identify NPOs' functions on the organisational level in the way we followed in this qualitative study is very time consuming. In order to make it applicable for larger samples and quantitative surveys – and to test the hypotheses generated above – the functions need to be operationalised for measurement. One starting point to this end is the allocation of resources (time, money) within the organisation. The distribution of time – measured by the number of paid employees and volunteers in full time equivalents – between different departments and task fields (e.g. public relations, supervision of members, and provision of services) would deliver information on the relative importance of these tasks for the NPOs. The relation between the amount of funds dedicated to different departments and tasks would do the same. Yet, both options require identifying tasks that related unambiguously to one specific function. In any other case (one task serving several purposes), it is difficult to capture the relative importance of each function properly.

9. Summary and Conclusions

By analysing the multifarious concepts of NPOs' functions in literature and the definitions of the particular functions, the paper frames an overarching theoretical concept to structure the functions of NPOs. The framework delivered displays a triangle with the three main functions of NPOs – service delivery, public advocacy, and community building – in its corners, which is empirically grounded in findings from a qualitative study in Austria and the Czech Republic. Although our data show that the functions NPOs fulfil are identical in both countries, the relative importance of the three functions varies. For example, in the Czech Republic the community building function seems to be very important, while NPOs in Austria hardly accomplish this function. Another distinction refers to the number of functions NPOs focus on. In contrast to NPOs in Austria, those in the Czech Republic tend to be multi-issue organisations. Reasons why NPOs in Austria specialize on the delivery of one or two functions might be the age and the size of the Third Sector, which could cause an advanced functional differentiation. However, from the findings so far we may not conclude that NPOs in Austria are some decades ahead and NPOs in the Czech Republic will catch up in the near future. The difference in the relative importance of NPOs' functions between both countries might be caused by the differing welfare regimes in both countries. These presumptions will be investigated as part of an ongoing research project.

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