



UNIVERSITA' DEGLI STUDI DI PADOVA
DIPARTIMENTO DI SCIENZE ECONOMICHE ED AZIENDALI
"M.FANNO"

CORSO DI LAUREA MAGISTRALE IN
BUSINESS ADMINISTRATION

TESI DI LAUREA

Entrepreneurial Behaviour in Nonprofit Organizations

RELATORE:

CH.MO PROF. GIACOMO BOESSO

LAUREANDO/A: ANTONIA SERFOZO

MATRICOLA N. 1153500

ANNO ACCADEMICO 2019 – 2020

Il candidato dichiara che il presente lavoro è originale e non è già stato sottoposto, in tutto o in parte, per il conseguimento di un titolo accademico in altre Università italiane o straniere. Il candidato dichiara altresì che tutti i materiali utilizzati durante la preparazione dell'elaborato sono stati indicati nel testo e nella sezione "Riferimenti bibliografici" e che le eventuali citazioni testuali sono individuabili attraverso l'esplicito richiamo alla pubblicazione originale.

The candidate declares that the present work is original and has not already been submitted, totally or in part, for the purposes of attaining an academic degree in other Italian or foreign universities. The candidate also declares that all the materials used during the preparation of the thesis have been explicitly indicated in the text and in the section "Bibliographical references" and that any textual citations can be identified through an explicit reference to the original publication.

Firma dello studente

INDEX

Introduction	7
1 Theoretical background.....	9
1.1 Nonprofit sector	11
1.2 Nonprofit organizations operation	13
1.3 Entrepreneurial approach	19
1.3.1 EO in for-profit context.....	21
1.3.2 EO in nonprofit context.....	23
2 Research settings	26
2.1 Research aim	26
2.2 Research background.....	26
2.3 Research framework	31
3 Method	36
3.1 Research design	36
3.2 Content analysis	37
3.3 Sampling	39
3.4 Data collection	44
3.5 Data analysis	46
4 Results	53
4.1 Innovativeness.....	55
4.2 Proactiveness	61
4.3 Risk taking	66
4.4 Collaboration	69
5 Discussion	72
6 Conclusion.....	81
References	85
Analysed nonprofit organizations websites.....	87

INTRODUCTION

Nowadays complex social problems are becoming more visible in many parts of our life. Perceiving poverty, inequality and essential human needs, increasingly pursue civil society actors to do more for people in need, advocate human rights and improve life conditions around the globe. Accordingly, nonprofit organizations presence is gaining interest and relevance in most community. In line, the third sector has dynamically evolved in the last decades and besides traditional caritative organizations, many new ideas and approaches have emerged from thoughtful individuals who would bring change in their surrounding environment. These actions are often described with the concept of social entrepreneurship, that represent a relatively young but continuously developing field, attracting practitioners and scholars as well. This research area intends to examine those practices, which can emerge from nonprofit, for-profit or public organizations side and aim to create social and economic value simultaneously. While pioneer solutions for social problems are often realized by nonprofit organizations, the most effective response to reach wide scale improvements relies on collaboration among sectors.

Although, social entrepreneurialial phenomenon can be approached from various aspects, this study would focus on nonprofit's viewpoint, as its relevance is growing in this sector in social and economic terms as well. Because nonprofits landscape has changed in the last decades, and organizations are facing with new challenges, demanding needs and reducing traditional funding sources.

One of the key concerns of nonprofit organizations, is to enlarge their social service provision in a manner which also preserve financial stability. In order to overcome these obstacles, there are promising and well-known examples (like Gramen bank) that are grounded in socially entrepreneurial practices. Therefore, foundations increasingly encourage the elaboration of socially and financially viable solutions, which also drives nonprofits to find more effective ways of social mission fulfilment, in balance with organizational sustainability.

Thus, the research aim was to investigate socially entrepreneurial behaviour in nonprofit organizations, relying on the examination of new and creative approaches that were recently developed and implemented in nonprofit context.

While it presents an interesting research area, it is still evolving and although scholars have growing interest toward the topic, various approaches exist to describe the concept. Regarding, that there is no common definition to the phenomenon, I would build on the framework of entrepreneurial orientation (EO) in my empirical analysis.

The research purpose was to gather wider knowledge about entrepreneurial behaviour in nonprofit organizations. In order to get insight about the phenomenon, the study is relied on the construct of EO, that is considered as an appropriate framework to describe the features of entrepreneurship. The concept is originated in business studies, by analysing organizational behaviour throughout the dimensions of innovativeness, proactiveness and risk taking (Miller, 1983).

However, few studies have indicated, that EO manifestation in nonprofit context is varied from for-profit. Therefore, the analysis other underlying aim was to examine different features of EO elements in nonprofit settings.

In order to observe entrepreneurial phenomenon among nonprofit organizations in an empirical ground, I have elaborated a framework that is based on scholar papers (Morris et al., 2011; Lurtz and Kreutzer, 2017), which have presented refined EO dimensions.

Therefore, to better understand possible differences among sectors' entrepreneurial practices, in the first chapter I will give a brief overview about nonprofit organizations general operation, by highlighting particularities and challenging aspects of their activities. The second chapter will describe the concept of entrepreneur behaviour, focusing on EO construct from for-profit and nonprofit viewpoints. The third chapter will introduce the theoretical background of the created research framework, with the detailed description of EO dimensions in nonprofit settings, relying on those few studies that have examined the concept in this unique context. After, chapter four will present the method of content analysis and the conducted research steps. While the fifth chapter concludes results that have emerged from website analysis of the selected American and Hungarian nonprofit organizations, comparing similar and different patterns of the two countries third sector. Finally, the last chapter will consider empirical findings in relation to existing theoretical concepts, focusing on EO elements in nonprofit context.

1 THEORETICAL BACKGROUND

Today's news often draws our attention on those social, environmental and economic problems which adversely affect different social groups all around the world. These ongoing changes have caused significant inequalities and disadvantages by influencing life circumstances globally. On the other hand, increasing number of people have realized that with their contribution could do for change and could support public good in their own community or in a wider context.

The presence of various problems and needs in each society, coherently with more conscious civil actions have founded and enhanced the role of many nonprofit and voluntary organizations, nongovernmental organizations, philanthropic foundations and civil society institutions. These entities can operate with very different objectives and scope by perceiving civil concerns and organizing common actions for a public goal.

Nonprofit organizations (NPOs) have relevant role in every society to advocate and react for emerging social, political, environmental and economic challenges, as pressing issues of today's global world are increasing. According to Salamon (1994) these institutions have aimed to find more effective responses for human needs in developing and developed countries as well, regardless of democratic or autocratic governance.

In the last decades, the nonprofit sector has globally developed. Besides the presence of traditional charitable, educational or religious organizations, many new solutions and institutions have emerged from the civil sector side, to reflect different challenges. Meanwhile, expanding philanthropy, volunteering and civil activism have supported the evolvement of the sector (Salamon, 2010). The development of the voluntary sector was characterized by global and country specific changes, since nonprofit organizations had to face with new challenges and opportunities coming from different human needs, political decisions, technological and environmental factors (Salamon, 2010).

The dynamism of nonprofit organizations can be experienced as their activities and influence have increased in policy making, promoting civic actions and providing new quasi-public services (Casey, 2016). Although, the sector is affected by different cultural frames in each country, since nonprofits operate under diverse political, economic, and social conditions (Casey, 2016).

In line with the sector expansion, professionals and academics turned with greater attention into the nonprofit field, which exists as a third sector next to governmental and business sphere, with blurred borders (Anheier, 2005). The presence and evolvement of self-governing private

organizations, that are operating for public good, outside the formal structure of the state, and without profit distribution (Salamon, 1994); represent an interesting and complex field of studies.

Nonprofit research can cover various topics, like focus on NPOs, NGOs activities or describe philanthropy, civil society and voluntary actions. From the nineties, more scholars have started to analyse what particularities, motivations, operational features and contributions can coming from the nonprofit status. Simultaneously, more research centres (e.g. Johns Hopkins Center for Civil Society Studies), associations (e.g. International Society for Third-Sector Research) have engaged to encourage academic communities to develop knowledge and theory in the nonprofit field.

The research area often relies on interdisciplinary view, because nonprofit organizations can be analysed from diverse aspects (like evaluate their political importance, economic relevance or social contribution), which can interact in various ways. Therefore, investigating phenomena that are related to nonprofit organizations, can be relied on different disciplines, because of nonprofits complex nature.

Besides, the nonprofit sector cannot be considered as a homogeneous unit, since it includes institutions and activities that can widely differ in form, objectives, structure, governance and resource endowment (Casey, 2016). Therefore, to develop generalizable knowledge in the voluntary field is often difficult.

All these forces have resulted that nowadays we can find many projects and studies that analysing nonprofit related issues from different viewpoints, cultural backgrounds and conclusions. The relevance and diversity of the third sector is growing, and in accordance also practitioners and academics turn with greater attention toward the field.

In this thesis I would like to capture a facet of nonprofit organizations evolvement, and analyse NPOs' particular features, primarily from operational point of view. The main interest was to observe how nonprofits organize their activities in today's ever-changing environment. NPOs can face with various challenges regarding their service provision or funding sources, while we can see new solutions and operational models, that intends to reflect for social problems in a more innovative and self-sustaining way.

In the last years, an expanding research stream has started to focus on the emerging concept of social entrepreneurship. It can be considered as a recently formulated operational practice, which can be approached from for-profit and nonprofit viewpoint as well. Connecting to this new research area, my objective was to investigate entrepreneurial behaviour in nonprofit organizations, that could have emerged as an impact of changing environmental dynamics.

In order to get a better overview about the nonprofit field, I would start with a brief introduction and highlight particularities and concerns related to NPOs operation, what multiple aspects they have to consider in decision making, what factors and changes can affect their activities. After I would focus on entrepreneurial behaviour and investigate how it can be manifested in the nonprofit context, comparing with for-profit practices.

1.1 Nonprofit sector

As the nonprofit sector economic and political relevance has risen, there is a growing interest to analyse and understand NPOs complex role and operational structure. In nonprofit literature researchers often describe the sector as a third dimension, which encompasses various set of not profit oriented organizations and activities, that exist beyond governmental and business agencies, combining public and private characteristics in a unique way (Anheier, 2005).

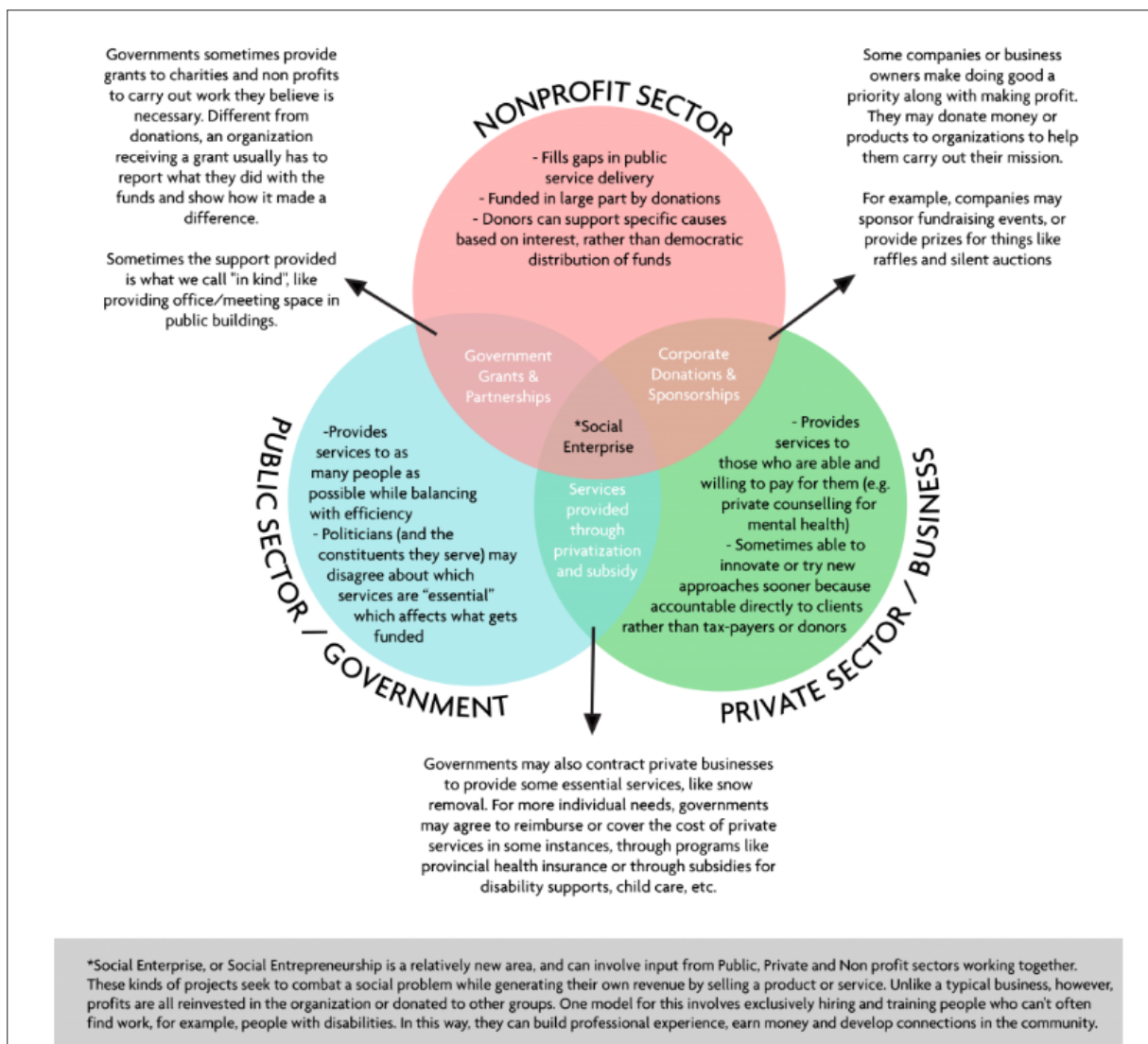


Figure 1. Private, public and nonprofit sector. Source: Youth and Philanthropy Initiative Canada (2020)

The figure above, gives a comprehensive summary about the three sectors and describes those characteristics, by highlighting possible intersections among them. Besides it is also opening an interesting question about the nature of social enterprises.

As it is illustrated above there is a large variety of potential institutions, that are working in the social field next to the market and the state (Salamon, 1994). The characteristics of these organizations are widely diverse: their activities can focus on social services, education, healthcare, human rights, economic development, environmental protection, arts, culture and other public fields; involving just few members or working with thousands of volunteers; serving locally, nationally or internationally.

Besides the most well-known welfare, international humanitarian relief and human rights nonprofit organizations or NGOs (e.g. UNICEF, Oxfam, Save the Children, Doctors Without Borders, American Red Cross, Amnesty International, WWF, Greenpeace), many of the world largest educational (Oxford university, Max Planck Institutes) and cultural (Metropolitan Museum of Art, Tate Modern, Scala Opera) institutions are operating in a nonprofit structure; further we can also mention big foundations (Ford, Rockefeller, Bill and Melinda Gates, Open Society Foundation) and small community-based associations (local grassroot entities), as few examples that highlight the diversity of organizational forms and activities of the third sector (Anheier, 2005).

The most prominent charity-based organizations are traditionally settled in the developed countries of America, Europe and Asia-Pacific, although the number of civil society and voluntary organizations is also increasing in developing countries and in Central-East Europe as well.

Nonprofit organizations attributes are determined by their political, social and legal environment, cultural framework, governing and funding practices, which can result very different operational features (Anheier, 2005). Since, NPOs can be very diverse in nature, it is also challenging to give a unified description about the sector. Although, scholars (Salamon, 2010; Anheier, 2005) have concluded some general characteristics that can represent these institutions basic structure and operation.

- *Organized*: existence of some institutional reality, which can be presented by formal incorporation or legal registration, but also with structural operation and regulatory framework (like regular meetings, rules of procedures, decision making processes, organizational permanence, membership and responsibilities);
- *Private*: institutionally separate from the apparatus of the state, structurally not belonging to the government (but it allows to get government support and funding);

- *Not profit-distributing*: as a distinguishing criterion from business entities, nonprofits primary aim is not to operate commercially, generate profit and distribute it to their owners, members or stockholders (although NPOs may have surpluses, but it has to be reinvested in organizational objectives, public benefits);
- *Self-governing*: keeping a degree of autonomy by governing and controlling their own activities, as internal mechanisms, that is overseen by own authority;
- *Voluntary*: participation and contribution are working in a non-compulsory basis (the nonprofit operation relies on the work of volunteer members and their time, as well as supporters in-kind or money donations).

Based on these properties we can get a broad definition about nonprofit organizations, that are operating between market, government and households, combining some features of private and public institutions (Salamon, 2010).

Usually assumed that nonprofit organizations are fundamentally flexible and trustworthy institutions, that are built on human help, participation and mutual aid in order to achieve their goals (Salamon 1994). On the other side, we have to consider that NPOs also function as institutional entities with several duties, requirements that ensure their continuous operation (Salamon, 1994). Working in a flexible structure and mediate successfully between institutional tasks and social objectives are not always easily manageable, which can be derived from NPOs special characteristics. While, the manner as nonprofits organize their activities in these dimensions can enhance the diversity of the sector, in legal, economic and social terms.

1.2 Nonprofit organizations operation

Nonprofit organizations unique characteristics have influence on their operation and behaviour, since their distinctive role primarily determines activities and the way as they execute those. Generally, nonprofit activities are organized around core values, which importance is expressed behind every operational function (Anheier, 2005).

Social mission

Nonprofit organizations central aim is to respond for perceived social needs. The articulated public issue principally leads their operation and decision making, although achieving the desired outcomes do not automatically ensure organizational prosperity (Moore, 2000).

Usually, nonprofits are described as value-driven organizations with the principal purpose to accomplish their social mission. There is special emphasises on mission statement in the nonprofit context, since it determines the organization existence and summarizes its main

objectives (Anheier, 2005). Organizational mission can refer to those public problems and social conditions that the nonprofit intends to solve or improve, while it can also serve as an indicator of nonprofits value creation by evaluating past and planning future performance (Moore, 2000). Nonprofits mission can vary in form and content as their public purposes are very different, although its role is significant for every institution to communicate their values and attempts toward their supporters and volunteers. The defined core principals represent those shared values and concerns that motivate and guide the organization and its community to reply for emerging issues, to address and solve social problems (Akingbola et al., 2019).

Mission statement in accordance with organizational values work as an internal guide and gives a basic point in decision making, leads and motivates participants and emphasises the organization distinctive competences (Brown, 2015). Besides, it has an important marketing role for maintaining existing and attracting new flows of resources (Moore, 2000).

Nonprofit mission and values formulate organizational activities and delineates the creation of diverse services for social good provision that would respond for societal needs (Akingbola et al., 2019). These services can often cover areas (social services, education, health, justice, environment, economic development) where the government and business entities are unable or unwilling to have presence (Anheier, 2005; Akingbola et al., 2019). Therefore, NPOs are often engaged in activities of complicated fields, where there is no governmental or business interest to take actions. It can be explained by the fact that different sectors pursue different objectives, like governments overall purpose is to provide welfare services in a general manner and business entities primarily would maximize profit distribution to their owners by selling goods and services in the market (Anheier, 2005). While, nonprofits aim to reflect to those social issues that are not perceived and served by the government and business parties; or react to problems that were generated by these agencies malfunctions.

Therefore, the role of nonprofits is often challenging to operate in areas which are socially sensitive and complex, while their activities are primary not organized around profitable actions. Accordingly, the provision of resources that are required for the maintenance of the nonprofit, mainly relies on contributions and volunteer support. While NPOs are intended to provide public benefits, they have to consider diverse aspects in operational structure and processes, which can ensure organizational continuity.

Brown (2015) explains that nonprofit organizations operate in multiple domains, because at one side they have a public benefit purpose, which requires from leaders to identify what social issue and how the organization intends to serve.

On the other side leaders need to obtain resources that will provide operational capacity for realizing their public aims. These two working areas often include different target activities: the public approach focuses on change or improvement of social conditions, while the resource domain aim is to attract and manage sources and capabilities (Brown, 2015). Therefore, to create a viable organizational structure that guides the entity toward public purposes and also ensures appropriate resources can be a challenging task. It can be derived from the distinctive nature of nonprofits value creation that in general not automatically provide financial sustainability (Moore, 2000).

Hence, in nonprofit decision making processes, organizations have to consider multiple dimensions in order to coordinate social and economic aims. NPOs need to develop financial and human capacity and maintain it over time to ensure their continuous activity.

Financial viability

Nonprofit organizations pursue to find solutions for unfilled needs and create value for the society, but their success also depends on their ability to involve enough resources from their supporters (McDonald et al., 2015). While nonprofits serve the interest of a wide public in many fields, sustaining themselves can be challenging in an increasingly complex environment.

Traditionally, nonprofits existence has mainly relied on government grants and charitable contributions, although in the last period these sources were declining and varied according to political and economic changes (Laurett and Ferreira, 2018). Organizations have to face with shrinking fiscal incentives, with intensified competition for resources and with growing demand from public and funding partners, regarding accountability and performance (Laurett and Ferreira, 2018). The tighter funding environment put increasing pressure on NPOs to obtain resources, which are essential to realize social objectives (Salamon, 2010).

Most nonprofits main concern is delineated around financial sources, since without appropriate funding they can't make development efforts, and resource constraints can limit organizations autonomy, flexibility and long-term planning (Weerawardena et al., 2010).

Government funds and individual, corporate giving are still important part of nonprofit revenues, although organizations have started to adapt different capital raising techniques, in order to decrease their resource dependency and to support financial viability (Froelich, 1999).

Nonprofit organizations have started to engage multiple revenue generating activities (e.g. commercial strategies, social enterprises, corporate collaboration and social investments), besides traditional donor funding and grants. However, new capital raising practices could lead

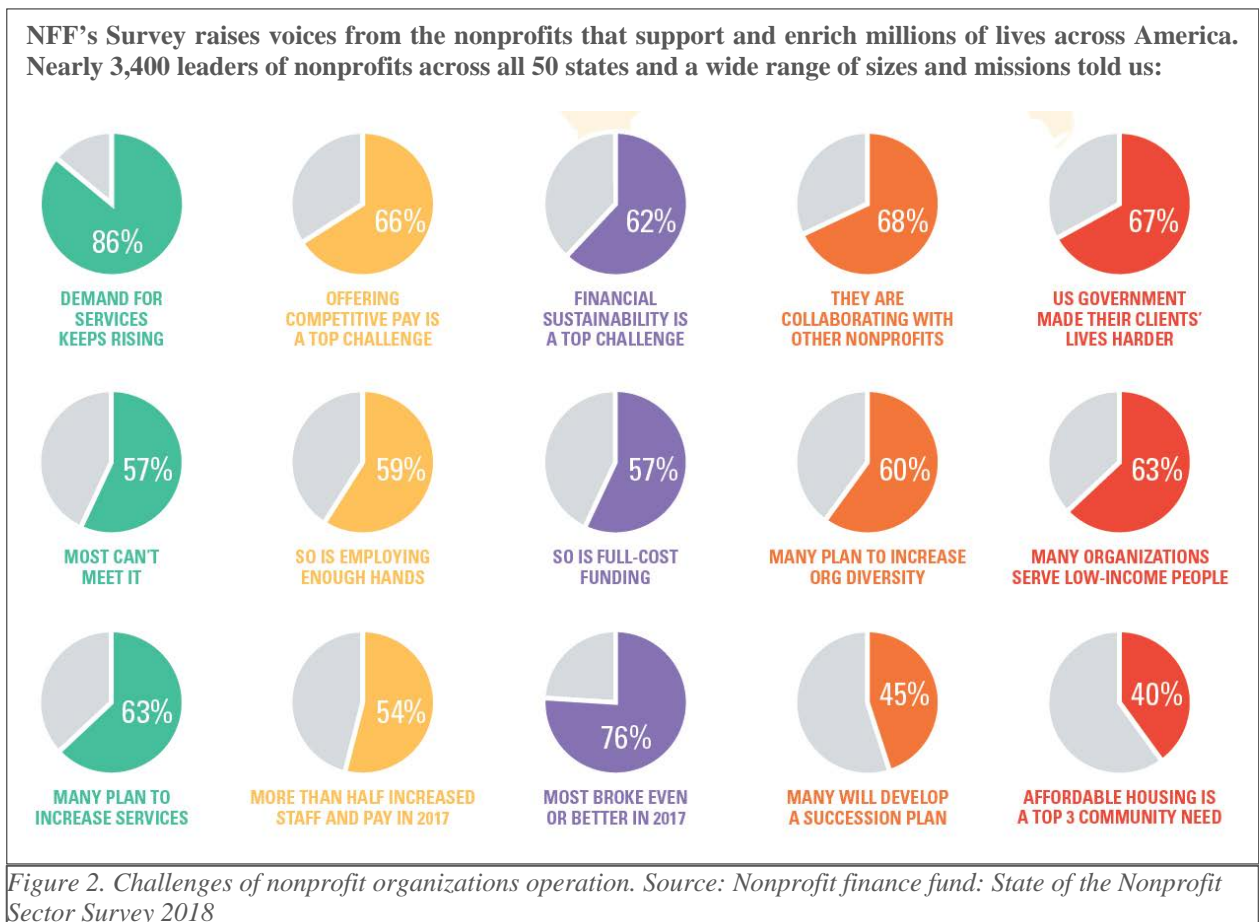
higher costs, administration and could require professional skills, organizational ability to apply business techniques in alignment with mission goals (Froelich, 1999).

Changes of funding sources and volunteer supporters can result volatile conditions which have influence on the accomplishment of social goals (Sontag-Padilla et al., 2012). Organizations long-term viability relies on how leaders can balance mission goals and fiscal survival in today's dynamic environment (McDonald et al., 2015).

Organizational sustainability

Sustainability in nonprofit context can focus on the organization ability to continuously satisfy constituents needs in a fiscally viable manner (McDonald et al., 2015). In order to realize social impact and also ensure financial viability, nonprofits need to respond for multiple stakeholders' requirements and react for diverse environmental factors. Nonprofit leaders aim to manage interactions between in- and outsider environment and expectations of diverse interest groups (like government, donors, volunteers, members and beneficiaries), to handle short-term financial challenges and also carry on long-term mission goals (Sontag-Padilla et al., 2012). Although, remaining consistent and developing resilience at the same time can be difficult, because of nonprofits complex motivational and interconnected characteristic (Sontag-Padilla et al., 2012).

A recently published (2018) survey among American nonprofit managers have indicated the following main concerns of leaders:



Over the years nonprofits elaborated more sophisticated strategic approaches that better reflect for their unique character and respond to surrounding challenges (Brown, 2015). At the same time, there is growing need to improve ongoing operational practices, develop new strategies, adopt business techniques and find innovative solutions to attract resources and achieve social objectives (Laurett, Ferreira, 2018). Since, the demand toward social services is increasing, but obtaining government support or private donations seems to be more complicated (Laurett et al., 2019).

The landscape of the third sector is becoming more complex with transitional solutions between profit and nonprofit oriented strategies (Laurett, Ferreira, 2018). In the nonprofit literature new approaches and improvements of organizational practices have been discussed that intend to reinforce organizational sustainability, support financial viability and enhance service provision.

From this perspective the emerging concept of entrepreneurship in the social field is gaining growing interest among practitioners and academics as well. Pioneer solutions that combine

social and economic objectives in a sustainable manner, have emerged to respond nowadays social, political, environmental and economic challenges (Weerawardena et al., 2010). Nonprofit organizations entrepreneurial behaviour could present a unique combination of revenue generation and social value creation (Zahra et al., 2009).

In this first section I was intended to give a brief overview about nonprofit organizations general characteristics and operational features, by highlighting issues which are under growing concern of the sector. In the next sector I would focus on entrepreneurial concepts in nonprofit context.

1.3 Entrepreneurial approach

Although entrepreneurial theories are usually originated in business research, and it may seem as an ambiguous idea in the nonprofit field, in the last thirty years it is gaining relevance by the emerging concept of social entrepreneurship (Andersson and Self, 2015).

Social entrepreneurship is often associated with new ways of social value creation, that pursue innovative combination and utilization of resources, by involving business and nonprofit practices, in order to efficiently respond to social needs and find opportunities for social change (Mair and Marti, 2006).

Since, nonprofits environment have changed in the last decades, and increasing number of NPOs are facing with complex social problems, with scarcer donations and funding sources, entrepreneurial behaviour is considered as a viable solution to improve organizations social impact and ensure their sustainability (Weerawardena et al., 2010). In line with the third sector development and with the emergence of new challenges, nonprofit entities started to look for possibilities to reply increasing social needs and obtain appropriate resources. Changing conditions have enhanced the implication of entrepreneurial strategies. Innovative ideas were realized by conscious individuals, by the establishment of social purpose ventures and with the integration of for-profit practices (Zahra et al., 2009). These efforts could pursue multiple goals, in order to create and maintain viable operational structures which are aligned with organizational characteristics and can respond to the dynamics of their environment.

Recently, the adaptation of entrepreneurial attitude to operate for social purposes, has attracting the interest of wider public and scholar community. These intentions are generally described with the term of social entrepreneurship, while there is no common agreement among academics about a unique definition of the concept (Short et al., 2009). Because, it is a nascent research field, that is continuously evolving, while approaches have developed from nonprofit, for-profit, public and combinations of these domains, multiple explanations exist (Short et al., 2009). Therefore, it presents a complex and challenging research area.

This thesis is not intended to conceptualize the nature of social entrepreneurship and would only examine the theme from nonprofit perspective. Although, in the nonprofit literature we can also find various aspects referring to the theme.

Directions of social entrepreneurship

One stream of studies concentrates on earned income strategies (called as “Social Enterprise School”), while the other emphasize the invention of new and better processes for addressing

social problems and reply to social needs (“Social Innovation School”) (Dees and Anderson, 2006). Accordingly, some approaches focus on revenue generating, commercial activities, or the implementation of business and management practices, while the other highlights the importance of creative ideas, proactive behaviour and new solutions to accomplish mission goals and improve organizational sustainability (Andersson and Self, 2015). While, these directions differ in some extent and priorities; the former highlights nonprofits new funding structure (earned income, social venture creation) for more independent operation, and the latter centralizes innovation for social change and enhanced impact; the two schools converge and should be consider their elements more in combination, than separately (Dees and Anderson, 2006). Thus, researchers have started to investigate various concepts and practices to explore this relatively new field, which elaborates solutions for social problems, between the boundaries of business and social sector (Dees and Anderson, 2006).

According to Dees and Anderson (2006) analysing innovative and market-oriented approaches that have emerged in the social sector to enhance improvements and sustainable solutions, represents valuable inquiry in the field of social entrepreneurship. Since, it can provide important insight about the effective combination of business and social elements, while can present limitations and risks of these actions (Dees and Anderson, 2006).

In nonprofit research, social entrepreneurship is becoming a more commonly supported behavioural direction, that can form strategic decisions and operational activities. Besides of nonprofit practitioners and scholars, also philanthropists and governments have started to support the field development and novel solutions have arisen for social problems, as complements of traditional charity approaches.

Entrepreneurial behaviour in nonprofits

Nonprofit organizations entrepreneur behaviour could be considered as organizational attitude to look for new solutions and actively exploit opportunities in order to serve better social purposes and ensure organizational viability (Dees, 1998). These actions and processes can be settled in existing organizations or can involve the creation of new ventures, with the ultimate aim to provide enhanced social wealth in combination of economic considerations (Zahra et al., 2009). New attempts can vary in form and extent, since NPOs operation is influenced by multiple actors and complex factors.

Although entrepreneurship may represent an ambiguous concept in social context, to observe how nonprofits exploit opportunities by combining social and economic goals, represents an interesting, but at the same time challenging research area, rely on nonprofits diverse

motivations and actions. Besides, to analyse how entrepreneurship is approached by nonprofit organizations, could enhance our understanding on the phenomenon.

Research in the field of social entrepreneurship is often relies on concepts that were developed in traditional business settings, one stream is interested to investigate entrepreneurial orientation (EO) in nonprofit settings.

1.3.1 EO in for-profit context

Although traditional entrepreneurship research has a longer path, we can find many different approaches to describe and explain the concept (Austin et al., 2006). One of the most influential idea was formed by Schumpeter (1934), who stated: “the essence of entrepreneurship lies in the perception and exploitation of new opportunities” and introduced the term of “creative destruction” by emphasizing the role of innovation and the creation of “new combinations” (Lumpkin and Dess, 1996). In line with the field evolvement, new approaches were introduced to describe entrepreneurship and besides opportunity recognition and innovation, different elements have supplemented the concept, like value creation, resource coordination, risk taking, visionary thinking (Schmitz and Scheuerle, 2012). Among others, research streams can focus on results and impacts of entrepreneurship, on ways as influence firm level processes and practices, or characteristics of the entrepreneur (Austin et al., 2006).

In for-profit context an early work of Miller (1983) described entrepreneurial firms like the “one that engages in product-market innovation, undertakes somewhat risky ventures, and is first to come up with "proactive" innovations, beating competitors to the punch” (p 771).

These attributes have considered important in competitive business environment to adapt market changes and strengthen the organization position by serving customers in new and more efficient ways (Morris et al., 2011). Therefore, continuous organizational renewal by exploiting opportunities, the development of new products, services and the implementation of those before competitors are core characteristics of entrepreneurial firms (Lumpkin and Dess, 1996).

In this view, researchers have developed the framework of entrepreneurial orientation (EO), that intends to model firm-level entrepreneurship by distinguishing entrepreneurial processes and behaviour (Lumpkin and Dess, 1996). According to Miller’s (1983) conceptualization, the primary dimensions of EO are defined as innovativeness, risk taking and proactiveness (Rauch et al., 2009). These elements can characterize entrepreneurship as following:

- *Innovativeness*: as an often associated important factor of entrepreneurship, “reflects a firm's tendency to engage in and support new ideas, novelty, experimentation, and creative processes that may result in new products, services, or technological processes” (Lumpkin and Dess, 1996, p 142). Firms can have different level of willingness and ability to change existing methods and adapt new ones in value creation (Lurtz and Kreutzer, 2017). Therefore, innovativeness can refer to the characteristic or culture of the organization to adapt creative ideas by introducing new products and services (Lumpkin and Dess, 1996).
- *Risk-taking*: risk can occur in different means depending on the given context, while it can consider actions and decisions that involve uncertainty, unknown outcomes or potential losses (Lumpkin and Dess, 1996). Analysing organizational attitude toward risk, can refer to financials, as the probability of expected returns, although it can also influence non monetary outcomes (Lurtz and Kreutzer, 2017).
- *Proactiveness*: acting ahead of competitors by anticipating future needs and pursuing changes, implementing innovation before other market actors, that delineates the important aspect of first mover advantage in competitive environment (Lumpkin and Dess, 1996).

While Miller’s (1983) original assumption relies on the high level of all three dimensions in an entrepreneurial firm, Lumpkin and Dess (1996) have argued that this approach is too narrow and “EO can be best characterized by several dimensions in various combinations” (p 150). The researchers have also introduced two new dimensions (competitive aggressiveness and autonomy), while emphasized the possibility of independent variation of these dimensions, as giving better explanation diverse types of entrepreneurship in given context (Lumpkin and Dess, 1996).

The EO construct has examined extensively from empirical and theoretical perspectives and it has become a key concept in entrepreneurship research (Rauch et al., 2009). Although it is mostly investigated in business environment, with the focus to analyse the relationship between firm performance and EO, by developing measurement scales and analysing interactions with other variables (Lurtz and Kreutzer, 2017; Rauch et al., 2009). The concept was rarely adopted in different research contexts, although we can assume that it has the potential to describe entrepreneurial behaviour of individuals, communities, public entities and nonprofit organizations (Morris et al., 2011). However, researchers have argued that the same EO construct in different contexts cannot adequately illustrate the specificities of entrepreneurship,

therefore the reconceptualization of EO construct in nonprofit context is suggested (Morris et al., 2011; Lurtz and Kreutzer, 2017).

As the field of social entrepreneurship is evolving, researchers have investigated the concept of EO among nonprofits (e.g.: Coombes et al., 2009; Pearce et al., 2010; Davis et al., 2011), although few attempts were made to adjust dimensionality according to the characteristics of nonprofit organizations. The work of Morris et al (2011), and Lurtz and Kreutzer (2017), relies on the assumption, that nonprofit organizations' social mission driven motivation influences the way as entrepreneurship is undertaken by these entities. Besides, they have emphasized that entrepreneurship in nonprofits is more complex and multifaceted, since organizations often work in ambiguous environment, while have to consider various expectations from different stakeholders (Lurtz and Kreutzer, 2017). Therefore, they have elaborated a modified EO framework, which intends to describe nonprofit related features.

1.3.2 EO in nonprofit context

Morris et al. (2011) referred to differences among nonprofit and for-profit context by explaining diverse motivations, processes and outcomes of these entities. Nonprofits distinctive attributes are relying on their social purpose, to serve needs that are unfilled by government and market actors, and on the fact that do not distribute profits (Morris et al., 2011).

Motivations

Nonprofits organizational characteristics are influencing social entrepreneurial activities, since profit generation is not presented as primary driver. According to Austin et al. (2006), commercial entrepreneurs concentrate on financial returns, while social entrepreneurs are expecting social returns for resource investments. As private firms looking for possibilities in order to produce value to shareholders, by increasing market shares, effectiveness or inventing new customer needs; nonprofits opportunity recognition is driven by social needs and a sort of financial stability preservation (Austin et al., 2006). While NPOs are pursuing social purposes or obtaining resources, can engage in commercial activities, although their predominant motivational factor remains the accomplishment of their social mission (Moss et al., 2011). Furthermore, nonprofits have to consider the interest of different stakeholders, who principally support social objectives, although can express conflicting opinion about entrepreneurial attitude, the way as serving beneficiaries or raising revenues (Morris et al., 2011).

Processes

Nonprofits unique social-mission related motivations are central in organizational activities, that are focusing on multiple objectives (Morris et al., 2011). Moore (2000) has identified two main processes within nonprofit organizations: service provision and resource acquisition. While the prior defines how the organization intends to provide social benefits, the later concludes different actions for obtaining financial sources, like fundraising, revenue-generating operation and adoption of other income producing models (Morris et al., 2011). The implementation of diverse revenue sources by nonprofits can present new possibilities to the organization sustainability, but also can create tension between various stakeholders, if donors or volunteers would not support some operational decisions of the management (Morris et al., 2011). Besides balancing stakeholder interests in key processes, nonprofits often have to reply to outstanding demand of their services, which are usually free or only charged in lower fees; therefore market forces of supply and demand, that are influencing prices are not prevailed, as well as competition for market share (Morris et al., 2011). All these characteristics led diverse institutional logic in nonprofit organizations to apply entrepreneurial behaviour.

Outcomes

In line to measure performance of nonprofit organizations is also ambiguous, since it cannot be expressed by only financial outcomes, while the quantification of social aims is often difficult or impossible, in addition social and financial performance usually are not interrelated (Morris et al., 2011).

All of these distinguishing attributes reinforce the complexity and multiplicity of entrepreneurship in nonprofit context and require further investigation of entrepreneurial processes that are undertaken by nonprofit organizations (Morris et al., 2011). In order to better analyse the concept, some academics have recommended the modification of EO dimensions by considering the above mentioned aspects.

Lurtz and Kreutzer (2017) have concluded diverse characteristics of nonprofit and for-profit entrepreneurship, as following:

ENTREPRENEURSHIP		
	CLASSICAL	NONPROFIT
Type of organization	For profit corporation	Private, voluntary, self-governed organization
Ultimate goal	Profit, focused on consumer “wants” such as cell phones, cosmetics, and fashion, beyond the basic necessities	Fulfilling a social mission and creating social value; collective-focused aspirations such as wealth giving or sharing, or community development. Focused on fundamental societal or environmental problems such as poverty, hunger, health, unemployment, education, human rights
Measurement of success or performance	Financial performance; profit, sales, sales growth, survival	Outcomes (social value creation, satisfying multiple stakeholders, and sustainability of solutions) are difficult to measure
Motivations for entrepreneurship	Long-term survival in a hostile environment	New sources of income and/or new ways of social mission fulfillment
Outcomes of entrepreneurial behaviour	New products, services, or processes, for example, creation of a new demand	New ways of financing or social mission fulfillment; faced by a demand that outstrips supply
Main focus of research	Entrepreneurship as a process of opportunity recognition and exploitation in start-ups and established organizations	Social entrepreneurship with focus on individual entrepreneurs and start-ups
Current stage of EO research	Large body of research with a proven influence on financial performance	Few studies with mixed findings on the influence of financial performance

Table 1. Classical and Nonprofit Entrepreneurship. Source: personal elaboration, adapted from Lurtz and Kreutzer (2017), p 96

Considering, the distinguishing characteristics of for-profit and nonprofit sector and perceiving the growing interest toward entrepreneurial solutions among nonprofits, the following research questions were formed to further analyse these continuously developing concept:

1. *How is entrepreneurial behaviour pursued by nonprofit organizations?*
2. *Are EO dimensions manifested differently in nonprofit context?*

In order to examine the research questions in detail the next chapter will present literature background and the created framework of the analysis.

2 RESEARCH SETTINGS

2.1 Research aim

The research purpose is to gain a better understanding of entrepreneurial behaviour in nonprofit organizations, as it becomes a more often mentioned concept in the sector. Social entrepreneurship is evaluated as a vivid, and continuously developing area in practice and theory as well. While entrepreneurship in nonprofit settings is not considered a fully explored concept yet. Therefore, to investigate a phenomenon in detail can provide valuable insight about processes that are currently could influence nonprofit organizations activities.

In order to analyse and capture the meaning of entrepreneurship, researchers often applicate the construct of entrepreneurial orientation (EO), that is well-established in business context (Miller, 1983; Covin and Slevin, 1989, 1991; Lumpkin and Dess, 1996). As a widely used construct in entrepreneurship and strategy research, it could provide an appropriate framework to investigate entrepreneurial attitude and activities among nonprofit organizations. Although, scholars have indicated that due to nonprofits different motivational and operational structure, the manifestation of entrepreneurship among these entities can also appear differently (Morris et al., 2011; Lurtz and Kreutzer, 2017). Therefore, some researchers have suggested the adoption of a refined EO concept in nonprofit context, in order to more adequately examine entrepreneurial behaviour in third sector organizations.

Based on the research line, that has recommended the adaptation of EO dimensions according to nonprofits special characteristics, I have aimed to examine how innovativeness, proactiveness and risk taking are appearing among NPOs, in order to get a broader view about the entrepreneurial concept in the social sector.

2.2 Research background

In order to define EO categories in nonprofit context, I have relied on three studies from social entrepreneurship research. Both authors aspects are unique in term, that have started to examine different manifestation of entrepreneurial behaviour in nonprofit context. Therefore, they have relied on the original dimensions of EO, while taking into consideration nonprofit organizations different motivational and operational structure, which can result diverse approaches toward entrepreneurial activities.

Accordingly, I would briefly present the ideas from the three research papers and conclude the main statements in *Table 2*.

Helm and Andersson (2010) have emphasized the relevance of empirical studies in the field of social entrepreneurship, in order to better define the concept. Their study aim was to determine the underlying features of nonprofits entrepreneurial behaviour by collecting and examining empirical data from numerous nonprofit organizations in the USA.

Accordingly, the researchers have investigated EO dimensions, while they have pointed out the change agent role of social entrepreneurs. They have implemented a partially modified EO framework, as presented it in *Table 2*, to evaluate the behavioural conception of nonprofit entrepreneurship. Their approach is based on a developed scale, which was intended to measure the magnitude of innovativeness, proactiveness and risk taking at organizational level.

Relying on findings from the distributed surveys and principal component factor analysis, the researchers have stated, that entrepreneurship in nonprofit context is a “catalytic behavior of nonprofit organizations that engenders value and change in the sector, community, or industry through the combination of innovation, risk taking, and proactiveness” (Helm and Andersson, 2010, p 263). Thus, entrepreneurial behaviour in nonprofits is going beyond commercial activities.

The researchers have concluded, that the defined sample of entrepreneurial nonprofits showed more innovative, proactive and risk-taking behaviour in the presented scale, than the group of non-entrepreneurial NPOs, while the presence of all three components was required.

Besides, they have summarized the limitations of their research and have recommended further examination of entrepreneurial behaviour that occur in nonprofits, in different cultural contexts, in order to get a more complete view in this complex area.

Morris, Webb and Franklin (2011) have presented a new approach to analyse entrepreneurship in nonprofit context, by introducing a reformed EO framework that describes more accurately different motivations, processes, and outcomes of nonprofit entities.

The scholars have examined previous research papers in nonprofit entrepreneurship literature and have concluded the need of an alternative reconceptualization of EO construct in nonprofit settings, since entrepreneurship can be more complex and can occur in multiple forms among NPOs. Thus, their theoretical consideration relies on the unique form and challenges of the nonprofit sector.

Accordingly, they emphasized diverse ways as a nonprofit can support entrepreneurial activities. Thus, they have formed subcategories of each EO dimensions, as it is presented in *Table 2*, which are intended to capture entrepreneur actions with various focuses.

In line, innovativeness can be directed toward social mission accomplishment, or financial performance improvement, or serve both purposes (Morris et al., 2011). Besides, nonprofits can proactively support anticipatory development of social- or financial-oriented goals and innovation, meanwhile key stakeholders are representing an important reference point by implementing substantive changes (Morris et al., 2011). The dimension of risk taking also can be approached from social and financial perspective, while to determine equation between potential risks and returns is more difficult, than in business context (Morris et al., 2011). Furthermore, next to the possibility to lose social impact or financial stability, nonprofits can engage in risky actions that could result the end of collaboration with key stakeholders (Morris et al., 2011).

The researchers have stated that the presented subdimensions can occur independently, although they assume that relation among subdimensions can exist, as it is observable among the core dimensions of the original EO frame.

According to Morris et al. (2011), the developed EO model is intended to describe what considerations can determine nonprofits decision making in relation with various mission, financial and stakeholder objectives. Furthermore, they have suggested that it can represent a good starting point to examine entrepreneurship in nonprofit context, since it gives a more detailed explanation of factors that influence nonprofits operation.

Lurtz and Kreutzer (2017) have conducted an empirical case study analysis with the aim to clarify understanding of EO construct in the nonprofit context. Their intentions were similar to Morris et al. (2011), and have emphasized nonprofit organizations diverse nature, which requires the adaption of EO framework to better capture entrepreneurship in NPOs. As different motivations lead diverse processes and outcomes, they have analysed the manifestation of EO dimensions in “upstream” (resource provision) and “downstream” (service delivery) processes. They have investigated the role of innovativeness, proactiveness and risk taking, in relation to nonprofit organization downstream and upstream activities, and described emerging themes as elements of the main dimensions (see in *Table 2*).

Their empirical observation has resulted the refinement of all three dimensions by the consideration of social and financial means, and the recommendation of new supplement elements: “outsourcing risk” and “collaboration”. Therefore, they have highlighted multiple forms of innovativeness and particular features of risk taking in nonprofit context due to social mission orientation and financial responsibility toward donors. While, they have presented collaborative behaviour as an important factor to realize entrepreneurial goals and activities in social and financial terms as well.

Their findings are summarizing the complexity of EO dimensions in nonprofit context, which would require further empirical analysis to test their exploratory assumptions. Therefore, the researchers have suggested to investigate specific characteristics of EO dimensions in other NPOs, or different social contexts, which can enhance our understanding of the expanding concept of social entrepreneurship.

The following table contains the above mentioned EO theories in nonprofit context by presenting the defined dimensionality of innovativeness, proactiveness and risk taking.

Helm and Andersson (2010)	Morris et al. (2011)	Lurtz and Kreutzer (2017)
<p>“The internal creation and use of new programs, services, processes, policies, or any other organizational output—from the original combination of existing inputs or the application of an existing activity to a new area.”</p>	<p><i>Innovativeness1:</i> Emphasis on innovation directed at core mission achievement, either by increasing efficiencies, serving more individuals, or enhancing what is done for these individuals</p> <p><i>Innovativeness2:</i> Emphasis on innovation directed at generating new sources of revenue, such as from selling products or launching ventures, that are supplementary to or independent of the social mission</p> <p><i>Innovativeness3:</i> Emphasis on innovation directed at both revenue generation and mission accomplishment in concert with one another</p>	<p><i>Downstream:</i></p> <ul style="list-style-type: none"> - Innovativeness towards new ways of social mission fulfillment <p><i>Up- and Downstream:</i></p> <ul style="list-style-type: none"> - Innovativeness regarding business-like strategies - Positioning one selves as an innovative organization <p><i>Upstream:</i></p> <ul style="list-style-type: none"> - Innovativeness regarding new fundraising and marketing activities
<p>“The implementation of a program, service, policy, or process before other organizations in the industry, sector, or community, in response to opportunities that cannot be proved in the present but are expected to influence change in the future.”</p>	<p><i>Proactiveness1:</i> Enactment of change in how social purpose is achieved relative to organizations with similar missions</p> <p><i>Proactiveness2:</i> Enactment of change in how financial requirements are met relative to organizations with similar missions</p> <p><i>Proactiveness3:</i> Enactment of change relative to stakeholder expectations</p>	<p><i>Up- and Downstream:</i></p> <ul style="list-style-type: none"> - Emphasis on growth <p><i>Upstream:</i></p> <ul style="list-style-type: none"> - Anticipating future needs and challenges
<p>“The willingness to engage in behavior that disrupts internal or external operating norms. The behavior can, but need not be, financial; in fact, financial risk is often borne by a third-party financier such as a foundation.”</p>	<p><i>Risk taking1:</i> Willingness to take actions that incur meaningful probability and magnitude of loss in the amount of social impact achieved by the organization</p> <p><i>Risk taking2:</i> Willingness to take actions that incur meaningful probability and magnitude of financial loss</p> <p><i>Risk taking3:</i> Willingness to take actions that incur meaningful probability and magnitude of loss of nonfinancial stakeholder support</p>	<p>OUTSOURCING RISK:</p> <p>“Tried to balance financial risk limitations with the need to take risk by seeking funding alternatives - labelled this displacement activity: stemming from the propensity to minimize financial risk”</p> <p><i>Up- and Downstream:</i></p> <ul style="list-style-type: none"> - Searching for funding alternatives - Balancing no culture of failure with the need to take risk <p><i>Upstream:</i></p> <ul style="list-style-type: none"> - Incapable of financial risk taking <p>COLLABORATION:</p> <p><i>Up- and Downstream:</i></p> <ul style="list-style-type: none"> - Collaborative culture with nonprofit organizations - Collaboration with companies for resources (Human Resources, Know-How) <p><i>Upstream:</i></p> <ul style="list-style-type: none"> - Collaborative culture with corporations for funding
Innovativeness	Proactiveness	Risk taking
Collaboration		

Table 2. Theories in nonprofit EO. Source: personal elaboration, adapted from Helm and Andersson, 2010, p 264; Morris et al., 2011, p 957; Lurtz and Kreutzer, 2017, p 102

All authors have emphasized, that the entrepreneurial phenomena in nonprofit context is gaining greater relevance. Thus, to enhance our understanding how entrepreneurship is manifested in these social purpose entities, researchers have started to look for new approaches, which can be more align with nonprofit organizations special characteristics. The common point of these papers is that scholars have suggested the refinement of EO dimensionality, in order to appropriately describe entrepreneurial behaviour in nonprofit organizations. Both authors have investigated the EO construct at organizational level.

Besides, Helm and Andersson (2010) have slightly modified the original elements of innovativeness, proactiveness and risk taking; while Morris et al. (2011) and Lurtz and Kreutzer (2017) have elaborated a more significant reconceptualization of the dimensions.

While the work of Morris et al. (2011) represents a theoretical approach, the other two papers are relied on empirical data. Helm and Andersson (2010) have conducted a quantitative analysis among a larger number of nonprofits, which was aimed to measure entrepreneurial behaviour through a developed scale, that has justified the stronger presence of innovativeness, proactiveness and risk taking in entrepreneurial nonprofits. Lurtz and Kreutzer (2017) followed a qualitative research design and have analysed the EO dimensions in more detailed in a selected nonprofit.

All of these research works have based on the original three dimensions of EO, but they have emphasized the differences of the nonprofit context and have suggested the modification of the underlying elements.

Since these research papers are presenting relatively new ideas, further examination and empirical investigation of the introduced concepts is recommended by all researchers. Although, the published findings were not widely tested yet.

Therefore, as my research aim is to investigate entrepreneurial behaviour in nonprofit organizations, I would rely on the contribution of these research papers and create a framework that will allow to test the occurrence of these recently formed concepts among more NPOs from two different socioeconomic contexts.

2.3 Research framework

In order to analyse EO dimensions in a wider context, I have created a framework, relying on the assumptions of academics, who have suggested some modifications of the elements, according to nonprofits characteristics. I was intended to collect information about the diverse attributes of innovativeness, proactiveness and risk taking. Accordingly, core dimensions were defined by subdimensions, that can capture those manifestation in more detail.

The figure below illustrates the identified themes:

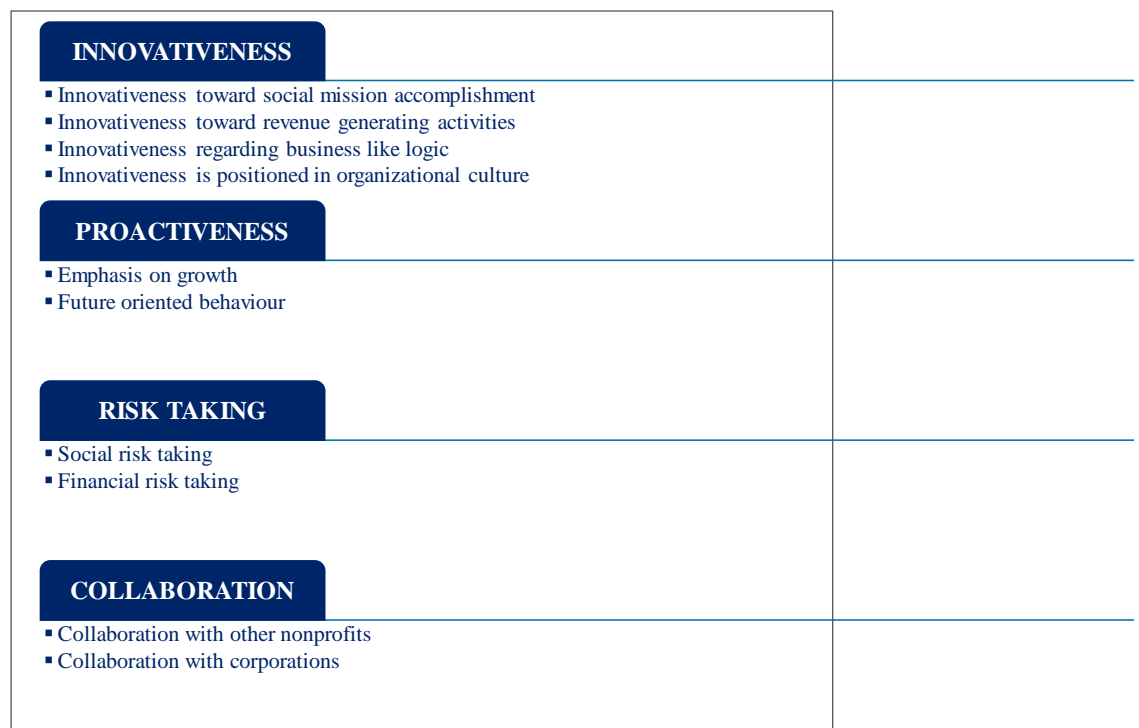


Figure 3. Identified EO themes in nonprofit context. Source: own elaboration

The research framework was created with the attempt to highlight differences of EO concept in nonprofit settings, by relying on the recommendations of Morris et al. (2011) and Lurtz and Kreutzer (2017). In line, the following themes were further investigated:

Innovativeness

Innovativeness in nonprofit context can refer to endeavours to explore new methods of value creation and funding activities, while the organization can engage in practices that differs from traditional charity-based approaches (Lurtz and Kreutzer, 2017; Morris et al., 2011). It can be presented through the combination of available resources into new programs, services, processes and policies (Helm and Andersson, 2010). This dimension has a complex nature in nonprofit settings, since considering nonprofits multiple purposes, can be directed toward

mission related, financial or both objectives (Morris et al., 2011). Innovative activities can pursue in both up- and down-stream process separately or integrated through the whole organization mindset (Lurtz and Kreutzer, 2017). The following subcategories conclude various approaches as innovativeness can be expressed in nonprofit organizations.

- *Innovativeness toward social mission accomplishment*

Nonprofit organizations can pursue innovative ideas and activities related to their social mission fulfilment, as they are motivated to improve service provision, enhance service scope, reach more individuals, or increase efficiency (Morris et al., 2011). Lurtz and Kreutzer (2017) have also identified these activities in downstream processes, as innovative ideas were realized in programs. Therefore, new approaches, methods, programs can be introduced in relation to social mission achievement.

- *Innovativeness toward revenue generating activities*

Nonprofit organizations can also adopt innovative ideas in relation to their revenue generating and fundraising activities, as they are motivated to improve their financial status or would collect more funds in order to fulfil better or in a wider scope of their mission related activities (Morris et al., 2011). Therefore, nonprofits often diversify their revenue sources and implement creative fundraising solutions, above traditional donations and grants, as part of their upstream processes (Lurtz and Kreutzer, 2017). It can include fees for services, commercial activities, like selling products, sponsorships, advertising revenues or cost reduction (Morris et al., 2011).

- *Innovativeness regarding business-like logic*

While the concept was defined by Lurtz and Kreutzer (2017) as a more radical innovation that often integrates social and financial objectives, also Morris et al. (2011) gave examples that are related to market-based approaches, like launching a social venture or increasing operational efficiency.

- *Innovativeness is positioned in organizational culture*

This theme was identified by Lurtz and Kreutzer, as nonprofits can position themselves, like innovative organizations. In the sense, that they systematically innovate, since a modern and creative culture within the nonprofit entity, like a distinguishing feature is established (Lurtz and Kreutzer, 2017). Therefore, the organization can pursue innovative ideas and activities toward both mission and financial goals in concern with one another, as was also described by Morris et al. (2011).

Proactiveness

Proactiveness in nonprofit context can refer to endeavours as organizations support development and implementation of innovation regarding other organizations, in order to enhance growth (Morris et al., 2011). NPOs can behave proactively to pursue social or financial innovation, comparing with other organizations in the sector (Morris et al., 2011). Proactiveness can represent aims for acting ahead and anticipating future needs (Lurtz and Kreutzer, 2017). The following subdimensions were defined to describe this organizational attitude.

- *Emphasis on growth*

This subcategory was determined by Lurtz and Kreutzer (2017), for summarizing goals that were settled toward growth, in terms of financial resources and social impact as well. Since nonprofits aim to increase their revenues is often motivated by the objectives to improve or expand social services, the researchers have considered these actions as integrated part of up and downstream processes. Since, collecting more funds, involving more volunteers, the nonprofit can perform better its social related services. While Morris et al. (2011) categorize proactiveness toward social and commercial innovation, as separated parts, handling together, as a subcategory of Lurtz and Kreutzer (2017), was considered more comprehensive to further investigate.

- *Future oriented behaviour*

Another newly emerged subcategory from the empirical study of Lurtz and Kreutzer (2017), that intends to describe nonprofits efforts to look for future opportunities, to consider trends that can influence their operation and expect changes, challenges, from donors or beneficiaries side, which can overlap with the subdimension of proactiveness that reflect to stakeholders expectations of Morris et al. (2011).

Risk taking

The risk definition in nonprofit organizations can be manifested very differently, than in business context and it is more difficult to quantify in a way as in for-profits, where riskier actions often required to bring higher returns (Morris et al., 2011). Nonprofit organizations can express their concerns and make riskier actions regarding to social or financial outcomes, since their operational structure is based on a different logic (Morris et al., 2011). Thus, we should consider risks from multiple aspects, that are associated to social results and risks of financial outcomes (Morris et al., 2011).

- *Social risk taking*

Nonprofit organizations can face with circumstances, when they have potential loss in social impact, that can result inability or reduced ability in realizing their overall social purpose, which can be interrelated with scarce financial resources or with the loss of some important supporters (Morris et al., 2011). Although, Lurtz and Kreutzer (2017) have emphasized, that providing social services in areas, which are concerned with higher uncertainty can be a general fact in a nonprofit daily life, therefore the organization tolerance toward social risks can represent higher level.

- *Financial risk taking*

Meanwhile, taking actions that are influenced with risky financial outcomes can show quite low tolerance in organizational level (Lurtz and Kreutzer, 2017). Generally, nonprofits are intended to minimize their potential financial loss, because they are responsible for their donors and to represent transparent operation for them is a prior aspect (Morris et al., 2011). Therefore, nonprofit organizations usually have risk averse culture toward financial outcomes (Lurtz and Kreutzer, 2017).

The original dimension of risk-taking have been reconceptualized by Lurtz and Kreutzer (2017), as the researchers highlighted, that organizations can make attempts to balance their risk averse culture with the need to take risk by seeking funding alternatives. This displacement activity has been labelled as “outsourcing risk”, that would outline the balancing attempts of nonprofits financial risk taking limitations and the exploitation of new funding options (Lurtz and Kreutzer, 2017).

A similar approach was defined by Helm and Andersson (2010), who have stated that financial risk is often taken by a third-party supporter.

Besides, Morris et al. (2011) have also mentioned, that risky actions from nonprofit point of view can result the potential loss of non-financial stakeholders, like experts, volunteers, or other supporters, who can see stronger financial oriented efforts as a misleading activity from the original social mission.

Since, nonprofit orientation toward financial risk taking can have various means, I would consider this second subcategory in this wider context to include in the analysis these aspects.

Collaboration

This newly introduced dimension was presented by Lurtz and Kreutzer (2017). The researchers have emphasized nonprofit organizations cooperative culture, which can rely on more efficient involvement of supporters and common actions to achieve social and financial related objectives.

- *Collaboration with other nonprofit organizations*

Nonprofit organizations can coordinate actions with other nonprofits in order to better serve their beneficiaries, expand the scope of their activities, organize fundraising campaigns or advocate together for rights. In terms of it, a nonprofit can define itself as a valued and competent partner for other civil organizations (Lurtz and Kreutzer, 2017).

- *Collaboration with corporations*

Nonprofit organizations can collaborate with corporations to obtain resources in the form of funds or gain expertise knowledge (Lurtz and Kreutzer, 2017). Corporate partners financial or know-how contribution can improve a nonprofit organization operation, thereby enhancing its social impact.

The above defined categories were created with the aim to provide a comprehensive framework, that can describe nonprofit organizations entrepreneurial behaviour. Because this approach is part of a recently evolving research field, the research follows exploratory manner.

In order to examine how these themes are manifested among NPOs, content analysis was conducted in a qualitative design, between twenty-four nonprofit organizations, selected from USA and Hungary. Data were collected from organizational websites, with the objectives to analyse entrepreneurial attributes through the communication of mission goals, description of social, fundraising programs and operating features.

3 *METHOD*

3.1 *Research design*

The research design describes a general plan how the process of data collection and analysis will be implemented, while it is derived from the research objectives and delineated by the research philosophy (Saunders et al., 2016).

The thesis focus is around nonprofit organizations reality, that covers a field which rooted in social world and encompasses activities and interactions of various human participants. Besides, NPOs operation involves social and economic aims as well, therefore the observation of concepts in this context needs to consider different viewpoints to better understand underlying meanings. The thesis aims to investigate the EO concept in nonprofit settings, which is not a well-established theory yet in this context. In order to gain a richer insight in nonprofit organizations entrepreneurial behaviour and describe the phenomena in this socially embedded context the research relies on interpretivist epistemological foundation.

Interpretivist research has the purpose to create new and to expand meanings and interpretations of social worlds and contexts (Saunders et al., 2016). This approach in organizational studies can be settled to describe and analyse complex business situations and its unique nature from various viewpoints, while it pursues to find meanings of different backgrounds and perspectives (Saunders et al., 2016). Therefore, interpretivist assumptions can be suitable to underpin the research methodology that intends to examine nonprofit organizations entrepreneurial characteristics, which represent a complex facet in a particular context.

Besides, this philosophy stream intends to make sense of social construct through the view of research participants, by collecting information that they were signed important and meaningful (Saunders et al., 2016). In this sense the research would analyse and understand entrepreneurial behaviour from nonprofit organizations perspective. In order to build a wider interpretation of this concept, data were collected from nonprofits websites, which can be considered as a primary communicational channel of organizations. Therefore, we can assume that entities publicize relevant information about their identity, operation, incentives and future plans, to share with interested parties.

Interpretivism could raise questions about subjectivity, that was intended to eliminate through reflexivity and transparent and detailed description of assumptions, decisions and interpretations that were made.

Because the research is aiming to investigate a phenomenon, that had relatively little previous attention and would test a recently developed concept, it relies on exploratory study nature. It

can be an optimal approach to inquire into an uncertain topic (Saunders et al., 2016). The advantage of exploratory design is flexibility and adaptability to change, as new results, insights emerge (Saunders et al., 2016). Therefore, it can fit to the nature of the research question and to the observed field, as let the examination of undetermined themes.

Considering the philosophical approach, the objectives and the exploratory nature of the research, qualitative methodology was recommended to conduct the analysis. In order to examine a concept which is little developed in a specified context, qualitative approach would support to get a better insight and would contribute to the in-depth understanding of the underlying features.

Besides, qualitative method also can allow the identification of any new emerging insight regarding to EO dimensionality in social settings.

While most studies that investigated EO concept had quantitative nature, the need for qualitative studies to examine the way as EO can be manifested within organizations is also emphasized (Short et al., 2009). Besides, Short et al. (2009) have also recommended to conduct empirical “comparative research using techniques like interviews, surveys, or content analysis of organizational narratives would reveal if EO dimensions are common between both commercial and social entrepreneurs” (p 177).

Therefore, qualitative approach was followed to analyse the manifestation of EO in nonprofit context in more detail manner, by detecting context specific features.

3.2 Content analysis

In the data collection and analysis, the method of content analysis was implemented. Nonprofit organizations entrepreneurial behaviour was investigated in a qualitative manner by finding evidences of EO dimensions occurrence and manifestation.

Content analysis was chosen because the method allows the interpretation of nonprofit organizations communication from their online sources, where entities can express their identity and general operational features. Therefore, this analysis supports the research purpose to observe, in an objective and systematic manner, entrepreneurial attributes among the selected nonprofit organizations, in order to make further assumptions about this phenomenon.

This research technique is suitable for the research objectives, qualitative nature and philosophical approach, while it makes able to conduct analysis among more organizations and investigate the complex nature of entrepreneurial concept.

Content analysis is a research technique that is originated in journalism and communication studies, although in the last decades it become important in social sciences, humanities and business fields, due to methodological improvements (Krippendorff, 2004).

Content analysis aim is “making replicable and valid inferences from texts (or other meaningful matter) to the contexts of their use” (Krippendorff, 2004, p 18). It often refers to the methodology that collect textual or visual data by coding and categorizing qualitative information and analyse further statistically or thematically.

Krippendorff (2019) has argued that nowadays content analysis encompasses a range of research methods that deduce interpretations from verbal, visual and textual data. An important aspect of all approaches is to be systematic, methodologically based and transparently explained, although the applied techniques can differ according to the research question and purposes (Maschi and Drisko, 2015).

Content analysis can be applied as a qualitative research technique that implements various procedures to classify or categorize communication (Weber, 1990). The method allows to observe qualitative attributes and then compare those. It can focus on the occurrence and meaning of unique themes that describe a phenomenon in a particular context. The technique can be used in various contexts to collect and analyse textual and audio-visual data. In organizational settings the methodology is appropriate to examine a wide range of documents (like reports, plans, strategy papers, policy statements) and also other materials from websites, social networks and advertising, communicational sources (Sanders et al., 2016). In line, it can rely on already existing materials, although it has to be considered that these archival data were not created with the aim to be researched (Maschi and Drisko, 2015). Analysing already existing narrative texts has the benefit, that is a less obtrusive technique and can reduce researcher bias in data set (Drisko and Maschi, 2015).

Content analysis can be applied to investigate manifest or latent representation of topics and themes and to draw further inferences from meanings and patterns in textual, audio-visual materials (Maschi and Drisko, 2015).

The proposal of Krippendorff (2013) is that researchers should not limit their approach only to describe manifest representation of messages, but they should interpret the meaning of content. Therefore, the interpretive approach intends to make inferences and provide insight of meanings, rather than solely counting word frequencies.

By applying content analysis in a more interpretative manner can allow to enhance understanding of social reality through a systematic analysis (Drisko, 2015).

Therefore, it would be appropriate to realize the research purpose, and examine describing characteristics of entrepreneurial behaviour among nonprofit organizations from available data of their websites.

The researcher purpose is to enhance understanding on EO themes in nonprofit context, by analysing and interpreting manifest and latent content of textual materials that were derived from organizational communication.

Data collection and analysis was conducted through the technique of content analysis with a more interpretive approach, in order to obtain a further in-depth information on nonprofit organizations entrepreneurial behaviour.

The inherent motives to apply interpretive content analysis were:

- The approach has more common features with qualitative research techniques, which can better support the exploration of the research question. When little is known about a phenomenon, through interpretive content analysis inner meanings and underlying inferences can be discovered, with special attention on the data particular context (Drisko, 2015). Therefore, I believe that the approach gives the possibility to get a wider insight of the entrepreneurial phenomenon in nonprofit settings.
- In line with the abductive theoretical consideration, it supports to investigate a recently developed concept among various nonprofit organizations to find evidences on the occurrence and manifestation of redefined EO dimensions, while allows to identify new themes that can emerge in relation to the observed phenomenon.
- It can gather valuable information from the online communication of NPOs and it can adequately represent different standpoints through the attention on diverse cultural, contextual backgrounds of the research participants.

3.3 Sampling

An important aspect during sample selection is to choose those cases which offer adequate insight into the observed phenomena (Saunders et. al, 2016). In order to get a better understanding of entrepreneurial behaviour in nonprofit settings, I have relied on purposeful sampling and the following consideration were undertaken to define the sample:

- To get a border view about the EO concept, the scope of observations was involved nonprofit organizations from two countries (USA and Hungary), which have different development path in the nonprofit sector. The cross-country comparison makes it

possible to examine entrepreneurial attitude in a more traditional and in a relatively young third sector, while can highlight organizational and context related differences. It is also in line with the recommendation of Lurtz and Kreutzer (2017), who have initiated to test their findings in different cultural environments.

- Besides, since the nonprofit sector is very diverse and vary in size, scope and activities, another decision about the sample was to select entities that are working as human service providers. The selected nonprofits care with people in need and help to children and families to overcome poverty with development programs, humanitarian aid and advocacy. This operational area has an interesting point of view in the research, because social problems are enhancing, the number of vulnerable groups is increasing, although government support and welfare policy is very restricted, especially in Hungary, where many times nonprofit organizations have to work in a hostile environment. While in the USA there are numerous entities who compete for less grants and tries to differentiate themselves. Therefore, it is an interesting question how nonprofits organize their operation to face with difficult circumstances and try to serve a wider group of people (who usually are not able to pay for services), by collecting appropriate amount of funds to realize their programs. Thus, it seems a valuable investigation in this field how entrepreneurial behaviour could support nonprofit organizations to successfully achieve their mission aims.
- While social service provider NPOs are still represent a large group in the nonprofit field with various activities, I have further categorized the organizations and created three subgroups according to the main activities of human service nonprofits. These were: providing basic needs (goods, food, water), providing housing solutions, and providing education. In each subgroup, four-four organizations were selected. At the end the total sample included 24 nonprofit organizations, 12 from the USA and 12 from Hungary.
- The last perspective was to select organizations that can be considered informative cases from entrepreneurial viewpoint. I have chosen half of the organizations (2-2 in each subgroup) that were national and international awardees (Skoll, Schwab, Classy and Fast company award in the USA; and SozialMarie, NIOK civil award in Hungary).

This selecting approach relied on the assumption that awarded organizations are particular in their activities and representatives of leading ideas, trends in the nonprofit sector. Besides, nonprofits performance was evaluated by professionals, independent individuals, according to predefined criteria. Hence, these references can strengthen the research validity and reliability.

The purpose of the followed sampling strategy was to involve various organizations, with different characteristics, but also consider the comparability of data. Nonprofit organizations diverse activities and backgrounds support the analysis aim to represent different perspectives, while grouping align specified criteria can enhance data comparison.

The tables below contain all the selected nonprofit organizations and their main attributes:

HUNGARIAN NONPROFIT ORGANIZATIONS:						
Name	Core activities	Social mission	Year of foundation	Organization presence	Awards	
NPO1 Budapest Bike Mafia	Provide basic needs (foods, goods)	Provide various services (food, in-kind donation, programs) to homeless and people in need.	2011	local (Budapest and in few big cities)	NIOK Civil Award (2015) - SzóialMáré (2017)	
NPO2 Heti Betevő	Provide basic needs (foods)	Cooking and distributing qualitative hot meals to people in need.	2013	local (Budapest and few big cities)	Fair Society Award (2014)	
NPO3 Adománytaxi	Provide basic needs (goods)	Collecting donation by going straight to homes, picking up their unneeded objects and giving it to those in need.	2015	from Budapest to villages	-	
NPO4 TündérPakk Alapítvány	Provide basic needs (goods)	Provide help to families in need who can't afford to have basic needs.	2017	Budapest and villages	-	
NPO5 Utcaórái Lakásba Egyesület	Provide housing services	Providing accommodation possibilities and other services for homeless people.	2013	local (Budapest)	SzóialMáré (2019)	
NPO6 Van esély alapítvány	Provide housing services	Providing help and programs to homeless people with the possibility to change their own situation.	2012	local (Budapest)	NIOK Civil Award (2017)	
NPO7 SZÉRA	Provide housing services	Providing accommodation possibilities and help services for families in need and homeless people.	1997	local (Budapest)	-	
NPO8 Menedék ház Alapítvány (Workshop Club/ Charity Shop)	Provide housing services	Providing accommodation possibilities and programs for families, people in need to help them reintegrate in the society.	2005	local (Budapest)	-	
NPO9 Igazgyöngy Alapítvány	Provide educational services	Working for equal opportunities and social integration for the poor and strive for the abolishment of child poverty and the endless cycle of extreme poverty.	1999	Hungary's Northern Great Plain region	Civil Society Organization of the year (2010) SzóialMáré (2013) Ashoka fellow	
NPO10 Bagázs	Provide educational services	We are working for an inclusive and accepting society in which Roma people have a chance to achieve their goals. We do not give donations, instead we offer the opportunity to change.	2011	Villages: Bag, Dány (roma settlements)	NIOK Civil Society Award - 2016 SzóialMáré - 2017	
NPO11 Uccu Roma Információs Oktatási Közhazsnú Alapítvány	Provide educational services	Creating a platform for meeting and dialogue between Roma and non-Roma youngsters, therefore reducing the stereotypes and prejudices against Roma, primarily for students, through educational activity.	2010	local (Budapest and other 3 cities)	NIOK Civil Society Award - 2019 SzóialMáré - 2019	
NPO12 SZIA InDaHouse	Provide educational services	We use the tools of social work, pedagogy, and social enterprise to provide sustainable help for local residents in order to provide solutions against poverty in a long run.	2013	4 villages in North-Hungary	-	

Table 3. Sample of Hungarian NPOs, own elaboration

AMERICAN NONPROFIT ORGANIZATIONS						
Name	Core activities	Social mission	Year of foundation	Organization presence	Awards	
NFO13	Provide basic needs (goods)	Fighting poverty with innovation (developing, producing and distributing products)	2007	Global	Classy award - 2017	
NFO14	Provide basic needs (water)	Water For People exists to promote the development of high-quality drinking water and sanitation services, accessible to all, and sustained by strong communities, businesses, and governments.	1991	Global	Schwab foundation - 2017 / Skoll awardees - 2011	
NFO15	Provide basic needs (food)	City Harvest exists to end hunger in communities throughout New York City.	1982	New York	-	
NFO16	Provide basic needs (water)	Charity: water is a non-profit organization bringing clean and safe drinking water to people in developing countries.	2006	27 countries around the globe - in Africa, Asia, Central and South America	-	
NFO17	Provide housing services	Habitat for Humanity brings people together to build homes, communities and hope. Habitat homeowners help build their own homes alongside volunteers and pay an affordable mortgage.	1976	Global	Classy award - 2017	
NFO18	Provide housing services	We design breakthroughs for the social housing sector: from a 3D printer for homes	2014	Haiti, Mexico, El Salvador, Bolivia	Fast company award - 2019	
NFO19	Provide housing services	Since the 1870s, The Bowers Mission has served New Yorkers experiencing homelessness, hunger and other crises.	1879	New York	-	
NFO20	Provide housing services	The Coalition for the Homeless is the nation's oldest advocacy and direct service organization helping homeless men, women and children.	1981	New York	-	
NFO21	Provide educational services	By advancing the adoption of digital reading and providing access to e-readers, apps and digital books, we're creating a world where everyone can be a reader.	2010	Global	Schwab foundation - 2016 / Fast company - 2017	
NFO22	Provide educational services	Camfed tackles poverty and inequality by supporting marginalized girls to go to school and succeed, and empowering young women to step up as leaders of change.	1993	Sub-Saharan Africa	Schwab foundation - 2008 / Skoll award - 2005	
NFO23	Provide educational services	Harlem Children's Zone is committed to breaking the cycle of poverty in Central Harlem by working at scale to build community, strengthen families, and ensure our children succeed from birth through college graduation.	1970	New York	-	
NFO24	Provide educational services	ABC's mission is to offer every child a joyful, beloved life by creating compassionate programs in urgent response to the needs of New York City's most vulnerable families.	1980	New York	-	

Table 4. Sample of American NPOs, own elaboration

3.4 Data collection

In order to inquire into the EO concept among the selected nonprofit organizations, the research has applied secondary data analysis. Secondary data were gathered from organizational websites, annual reports and social media platform. In this research settings, secondary data refers to raw data that were found in nonprofit websites and had the possibility to be further analysed.

Electronic sources contain various set of data, that is easily accessible from any part of the world. Therefore, it is a suitable and available approach to collect data from Hungarian and American organizations, which are located far from the research place. Besides, many organizations disclose several information regarding their values, operation, future goals and plans. This trend is even more enhanced by NPOs, since they are intended to highlight their transparent operation. Therefore, nonprofits usually share many details about their operation, programs, future goals, succeeded programs, achieved impacts and fundraising efforts.

The method of data collection should coherently support the research objectives. In order to examine the EO concept at organizational level, main organizational documents, publicized information were analysed from websites, that can give a general overview about the selected nonprofits operation. Secondary data are suitable with the method of content analysis, but collecting relevant, informative and varied data is a key aspect of the methodology (Drisko, 2015). The following materials of each nonprofit organization were examined in detailed in order to collect information, that will allow to make further interpretations about entrepreneurial behaviour:

- Mission, vision, values, self-description: it represents the organization identity, core reason of existence and gives the basis of their operation.
- Programs, donation, partnership: topics that contain detailed information about how organization intends to fulfil its social mission and gain appropriate support for sustain its operation.
- Annual report: a summary document, that introduces nonprofits operation, concludes year related facts about social and financial achievements and represents future goals.
- Facebook site: represent a popular communicational platform to inform about programs, achievements and fundraising events.

The structure of organizational websites has indicated the data collection and the above mentioned materials were the primary sources to gather information. The characteristic of web-content would require defining some restrictions in content analysis, in order to structure better

the available vast information from online sources. Géring (2014) have suggested some limits when the analysis is settled:

- *Timely limits:* the research was conducted in the summer of 2019; therefore the collected data are referred to the status of that period. News and posts in websites can change in a faster track, than general descriptions.
- *Content limits:* as primary information sources the main documents were defined, besides a general overview was taken from all organizational websites.
- *Language limits:* English language websites were preferred, but in general Hungarian organizations don't have it, so in that case the content was translated.
- *Type of texts:* mainly textual materials were considered, that were provided by the organization, but in some cases introductory videos were involved.

Although it has to be considered that these data were not generated with the research purpose and may not present organizations whole reality. The research has assumed that throughout these information sources, could examine EO dimensions and can detect entrepreneurial attitude and actions across nonprofit organizations.

In this research nonprofit organizations were the subject of observations, although information about their realities and operation was gathered from their websites. Assumptions and interpretations about nonprofits characteristics and behaviour were made by collecting and analysing textual and audio-visual data that are available for public interest in their online sources. Every selected nonprofit organization has own website, but in form and function showed diversity.

After the determination of the sample, a preliminary review was done through organization's websites and social media sites, in order to further define the extension of content analysis.

As the research aim is to explore entrepreneurial behaviour that is pursued by nonprofit organizations, text materials and documents were chosen that refer to organizational motivations and processes, that are influential to actual operation and future plans. Therefore, mission statement, core values, program summary and annual report were involved in the research.

By investigating disclosed information through nonprofit organizations websites I could get an overview about how these organizations identify themselves and describe general operation. Therefore, the research derives information from nonprofits organizations perspectives and intends to summarize key concepts that can be related to EO dimensions.

3.5 Data analysis

Content analysis can be defined as a research technique, that aim is to make valid inferences about a phenomenon, by systematically analysing and identifying special characteristics of textual data in a particular context (Krippendorff, 2006).

Therefore, it was applied to collect information about organizations online communication and capture meanings which were considered relevant in relation to the concept of entrepreneurial behaviour. The analysis examined the presence and repetition of specified words and phrases in relation to EO dimensions, in nonprofits published web content. The aim was to find evidences how nonprofits express their orientation toward innovativeness, proactiveness, risk taking and collaboration. Through the analysis, we can make further inferences about entrepreneurial attitude from nonprofits viewpoints and can observe how NPOs evaluate entrepreneurial activities.

The starting point of the analysis process was to review the selected nonprofit organizations websites in order to form a realistic view about their operation and activities, by observing textual and audio-visual materials, documents that are presented in NPOs online platform.

The analysis approach was to observe how nonprofits identify their operation through their online communication and examine how predefined attributes of EO dimensions are expressed by them.

Content analysis involves various steps to systematically organize large amount of qualitative data that can be collected from nonprofits websites, like defining units of analysis, developing categories and coding scheme, pilot test and conduct coding and interpret results (Géring, 2014).

Therefore, after sample selection, the following coding tables were created to collect and analyse data according to below described rules, by formulating coding definition, coding question, coding rule, keywords, contextual appearance and coding example. The table was constructed in detail in order to enhance transparency of the research method.

In order to investigate special characteristics of EO dimensions in nonprofit settings, core and subcategories were defined deductively, parallel to the elaborated research framework. These categories will present the basis of further assumptions, while created coding system aims to properly summarize all available information and interpret meanings from the collected data. The following tables summarize coding rules regarding each category that were defined in content analysis.

INNOVATIVENESS	Coding definition/ description	Coding question	Coding rule	Contextual appearance	Coding example
SOCIAL MISSION ACCOMPLISHMENT	Innovative ideas and activities related to social service provision.	Does the organization express innovative approach regarding its social mission accomplishment?	0= no, the theme is not appeared 1= yes, the theme is appeared Expressed by phrases: innovative, unique, personalized, particular, modern, different, alternative, new solution/approach/method, etc.	In service, program description (what we are do) Related to downstream processes	"we created innovative programs and, more important, reinvented the way services are delivered." = INNOVATIVE PROGRAM "our innovative method for collecting and distributing donations" = INNOVATIVE METHOD
REVENUE GENERATION	Innovative ideas and solutions related to fundraising and revenue generating activities.	Does the organization express innovative approach regarding its fundraising, revenue generating activities?	0= no, the theme is not appeared 1= yes, the theme is appeared Expressed by phrases: webshop, membership fees, special charity events, etc.	In supporting options, fundraising description (get involved) Related to upstream processes	"webshop" = SELLING MISSION RELATED PRODUCTS "charity festival" = SPECIAL CHARITY EVENT "supporting club: be a member" = SUPPORTING CLUB
BUSINESS-LIKE LOGIC	Innovative ideas and activities with market-based approach.	Does the organization express innovative approach with business like activities?	0= no, the theme is not appeared 1= yes, the theme is appeared Expressed by phrases: investment, launch a for-profit business, venture, social enterprise, strategic development, etc	In service, program or fundraising description	"we launched our mobile home investment programme" = SOCIAL VENTURE "We have a social enterprise in the field of agriculture" = SOCIAL ENTERPRISE " launched a for-profit business - commercial side" "establish the social entrepreneurship of Uccu Foundation - accomplish the aim offering city walk services on the market" = MARKET BASED APPROACH
ORGANIZATIONAL CULTURE	Culture of innovativeness is established within the organization.	Does the organization express systematic innovation?	0= no, the theme is not appeared 1= yes, the theme is appeared Expressed by phrases: innovative, unique, particular, different, new solution/approach/methods, our developed model, etc.	In mission, core self-definition (who we are, about us)	"new philosophy: inject continuous innovation" = INNOVATION IS CORE IN MISSION "Our mission is to leverage innovation to fight poverty" = INNOVATION IS CORE MISSION "We build and share innovative housing breakthroughs with everyone working to end global homelessness." = INNOVATION IS CORE MISSION

Table 5. Coding table of innovativeness, own elaboration

PROACTIVENESS	Coding definition/ description	Coding question	Coding rule	Contextual appearance	Coding example
EPHESIS ON GROWTH	Goals to grow in funding and fulfill social mission better or in a wider scope.	Does the organization make intentions to emphasize growth?	0= no, the theme is not appeared 1= yes, the theme is appeared Expressed by phrases: growth, expansion, increase, development, etc.	In service, program, funding description, annual report or organizational news	<p>"The number of volunteers, money boxes and donations are increasing, as well as the number of beneficiaries" = ORGANIZATIONAL GROWTH</p> <p>"In this year our foundation started more programs, continuously increase the number of involved partners, volunteers, supporters, as well as our impact." = ORGANIZATIONAL GROWTH</p> <p>"The number of programs and the organization has grown year by year, and in 2017 the time has come to – based on our existing experience – launch our programs at another settlement, Dány." = GEOGRAPHIC EXPANSION</p> <p>"steadily and systematically expanding the depth and breadth of our programming" = PROGRAM EXPANSION</p> <p>"Ignite new action to accelerate change by extending our influence and impact: we are on an incredible trajectory" = GROWING IMPACT</p>
FUTURE ORIENTED BEHAVIOUR	Description of future oriented goals, trends, needs and challenges.	Does the organization make intentions to position itself for the future by anticipating future needs, trends and challenges?	0= no, the theme is not appeared 1= yes, the theme is appeared Expressed by phrases: long-term goal, long-term strategy, future aims, etc.	In service, program, funding description, annual report or organizational news	<p>"The headline goal of our current Strategic Plan 2015-19 in the progress we made towards our five-year goal" = STRATEGIC PLAN</p> <p>"We plan for the long term. We began a long-term (20 year) complex strategy which is based on three pillars" = LONG-TERM GOAL</p>

Table 6. Coding table of proactiveness, own elaboration

RISK TAKING	Coding definition/ description	Coding question	Coding rule	Contextual appearance	Coding example
SOCIAL RISK	In organizational attitude, there is higher tolerance toward social risk taking, since uncertainty can be general in their working area, in terms of programs and beneficiaries.	Does the organization express difficulties in the achievement of social goals?	0= no, the theme is not appeared 1= yes, the theme is appeared Expressed by phrases: challenges, difficult, complex, not able to fulfil services, etc.	In service, program, annual report or organizational news	<p>"In response to the explosion in New York's crisis of homelessness, the Coalition has grown and evolved to meet the complex needs of our homeless and at-risk neighbors while advocating the housing-based solutions that will end this tragic crisis once and for all." = CRISIS</p> <p>"The problem we're solving is bigger than us, and it's growing."</p> <p>"work in the social housing sector, you know the challenge we face is massive" = CHALLENGES</p> <p>"the foundation needs urgent help, because our car is broken and we are not able to fulfill our services, since we cant accept and distribute donations" =URGENT HELP</p>
FINANCIAL RISK	In organizational attitude, there is much lower tolerance toward financial risk taking, since nonprofits have more risk-averse culture, because of their responsibility to donors.	Does the organization express financially risk-averse culture toward donors and supporters?	0= no, the theme is not appeared 1= yes, the theme is appeared Expressed by phrases: trust, transparency, accountability, publicly available information about their operation, only donations, etc.	In funding description, annual report or organizational news	<p>"transparency"</p> <p>"entire work is open and transparent" = TRANSPARENCY</p> <p>"how do we assure investments? The organization will also participate as investor in mobile houses project" = ASSURANCE ON INVESTMENT</p> <p>"gold-standard system of accountability to the young people and communities we serve,</p> <p>"Our financial systems maintain the highest levels of transparency and accountability." = TRANSPARENCY, ACCOUNTABILITY</p>
OUTSOURCING RISK	Attempts to balance financial risk-averse culture with the need to take risk by seeking funding alternatives.				<p>"fully transparent giving experience"</p> <p>"We'll keep you posted on exactly what your donation is doing along the way."</p> <p>"When you give to homebuilding, 100% of your donation goes directly to building a home for a family in need.</p> <p>"we've believed transparency was the only way to operate" = 100% FUNDING MODEL</p>

Table 7. Coding table of risk taking, own elaboration

COLLABORATION	Coding definition/ description	Coding question	Coding rule	Contextual appearance	Coding example
WITH NPOS	Coordinating social related or fundraising actions with other nonprofit organizations.	Does the organization express collaborative culture with other NPOs?	0= no, the theme is not appeared 1= yes, the theme is appeared Expressed by phrases: cooperation with nonprofits, funding collaboration, split earnings with other NPOs, coordinating activities, etc.	In service, program, funding description, annual report or organizational news	<p>"split all the festivals' earnings between three featured civil society organizations"</p> <p>"Cooperation with other NPOs is an important aspect and we are ready for common actions"</p> <p>"in partnership with other civil society organisations"</p> <p>= COLLABORATION WITH OTHER ORGANIZATIONS</p> <p>"We want to influence other actors in the water and sanitation sector to utilize similar principles, so together, we can end the water crisis faster." = STRATEGIC PARTNERSHIP</p>
WITH CORPORATIONS	Collaborating with corporations to obtain financial or expertise resources.	Does the organization express collaborative culture with corporations for funding and knowledge related resources?	0= no, the theme is not appeared 1= yes, the theme is appeared Expressed by phrases: partners, cooperation of business, funding collaboration, coordinating activities, etc.	In service, program, funding description, annual report or organizational news	<p>"Water For People has a fantastic range of partnerships—from the water, wastewater, and sanitation sector; to long-time engineering firms; to consumer-facing brands who are interested in building awareness around the global water crisis." = BRAND PARTNERSHIP</p> <p>"in partnership with ICON, we're bringing the world's first 3D printed community" = COLLABORATION FOR KNOW-HOW</p>

Table 8. Coding table of collaboration, own elaboration

Accordingly, these predefined categories and rules were determined to record text units for further analysis. In relation to each subcategories, keywords and phrases were assigned, relying on previous studies and supplemented with emerged data. Therefore, priori and emerging coding techniques were combined, since there is relative paucity of empirical research describing how EO is manifested in nonprofit settings.

Coding definitions and questions are relying on the presented research framework, that is based on previous scholar works. Keywords and phrases were also defined according to these studies, while an additional database was considered.

Short et al. (2010) for computer-aided content analysis have developed a broad list of potential words of each EO dimensions. They have identified synonyms and also variants for the EO elements, as can be described in business context. Regarding, that the analysis was done by manually and in nonprofit context, the world list was applied partially.

Besides of priori codes, as new insights have emerged during data collection with repetitive manner, the coding list was revised, and meaningful text parts were also labelled. Coding terms were intended to record manifest and latent content as well.

	Short et al. (2010)
INNOVATIVENESS	bright-idea, change, clever, create, creative, discover, dream, envision, expert, genius, imagine, improvise, ingenious, initiator, innovate, innovation, inspiration, invent, mastermind, new, new-wrinkle, innovation, novel, original, patent, restyle, revolutionize, trademark, visionary
PROACTIVENESS	Anticipate, envision, expect, exploration, exploratory, explore, forecast, forward-looking, inquire, investigate, look-into, opportunity-seeking, proactive, probe, prospect, research, scrutiny, search, study, survey
RISK TAKING	adventurous, bet, bold, brave, chance, chancy, courageous, danger, dangerous, dare, enterprising, fearless, incautious, rash, reckless, risk, risky, uncertain, venturesome

Table 9. Content analysis keywords of EO, Source: Short et al. (2010), own elaboration

This content analysis was intended to investigate specified themes, referring to EO dimensions in nonprofit settings. It concentrates on underlying meanings that are presented in texts to discover how entrepreneurial features are manifested in nonprofit organizations. Besides to rely on few studies that have investigated EO dimensions in nonprofit context the analysis was also built on own empirical findings, since the phenomenon is not fully discovered yet, in this context.

In order to observe entrepreneurial behaviour in detail, as NPOs identify themselves, and describe their actions and motivations through their websites, the following steps were followed to analyse each organization:

1. After the first review, reread the most informative organizational materials, like introduction, mission, program, funding descriptions, annual reports and news which were shared in their websites.
2. Search for keywords or phrases that refers to the predefined EO elements.
3. Define the context where the phrase can be found.
4. Considering data that is interesting and recurring from the view of entrepreneurial attitude among nonprofits.
5. Code and sign collected data, with the aim for further analysing.
6. Analyse empirical findings, by comparing countries and traditional-awarded organizations.

This third step was intended to capture nonprofit organizations complex nature, as the dimensions could be related to social or financial goals. Therefore, the identified keywords were also evaluated according those contextual appearance.

The basic assumption was that mission statement defines the organization core identity, while program and funding descriptions can provide insight about general operational processes. While, news contains events, projects, achievements that were considered relevant to share with interested parties, because it can form their point of view or raise awareness for particular issues.

Although, it is important to highlight, that these materials are appropriate to make inferences about nonprofits operation, but only contain information that were published by NPOs, thus may not explain fully organizational realities. While the approach of content analysis, by detecting and describing underlying concepts of existing materials, can give an insight and can make further inferences about entrepreneurial attitude among nonprofits.

4 RESULTS

In this section I would present the results of content analysis. Empirical findings are organized according to countries and along the main working field of nonprofit organizations by focusing on EO dimensions, that were defined in the research framework.

The analysis aim was to get a better insight about nonprofit organizations entrepreneurial behaviour, by observing and evaluating actions, attitudes that could be characterized by EO dimensions. Based on the methodology of content analysis, twelve Hungarian and twelve American nonprofit organizations' websites were reviewed to examine the occurrence of predefined themes and allow the recognition of new topics. In line with the abductive approach of the research, the analysis has relied on previous studies' recommendations and also allowed to explore new perceptions of the research topic.

The selected organizations working field covers various social services that purpose is to help people in need, and to support children and families for alleviating poverty. Three subgroups were defined among nonprofit organizations, in order to present cases from diverse backgrounds and perspectives. Therefore, NPOs that are providing basic needs, housing services and educational services, have been investigated. Although, the selected organizations are working toward different social purposes, their operation involves activities in human services, to assist the most vulnerable social groups in global and local level. Thus, I could examine behavioural patterns of diverse nonprofits from similar area.

In the sample, half of the selected nonprofits are awardees of large international and national foundations, which committees have evaluated these NPOs as outstanding representatives of social entrepreneurship and innovation. Therefore, an original assumption was that in awarded NPOs I can identify stronger manifestation of EO dimensions, while it does not rule out that the other half of the sample can also present entrepreneurial attitude. This sampling decision would increase inner reliability of the analysis, as awardees were evaluated by external professionals of the sector. Besides, it would also increase probability to observe nonprofits with entrepreneurial and non-entrepreneurial behaviour as well.

The analysis aim was to observe EO dimensions manifestation in nonprofit context, by examining organizations' online communicational platform, where they identify themselves and present their activities. While it cannot present the complete reality of organizations, websites have provided a lot of useful information and gave a comprehensive view about NPOs operation.

Content analysis was applied, as an appropriate method to collect information from communicated materials. Thus, data were systematically collected from websites, in order to capture meanings which were considered relevant in relation to the concept of entrepreneurial behaviour.

The research objectives were to find evidences how nonprofits are oriented toward innovativeness, proactiveness, risk taking and collaboration. Based on the analysis of manifest and latent content, I could observe how NPOs present entrepreneurial attitude and activities, while I would make further inferences about entrepreneurial behaviour in nonprofit organizations.

The collected data were coded according to the defined rules for each EO dimension. Thus, results are organized in separated tables by countries and categories.

4.1 Innovativeness

INNOVATIVENESS	NPO1	NPO2	NPO3	NPO4	NPO5	NPO6
SOCIAL MISSION ACCOMPLISHMENT	innovative way	trademark different than others	innovative method	0	innovative ways	unique and personalized program
REVENUE GENERATION	selling mission related products special charity events supporting club	funding boxes network special charity events	selling mission related products	funding boxes network	special charity events earned income	special charity events
BUSINESS-LIKE LOGIC	0	0	0	0	social venture	0
ORGANIZATIONAL CULTURE	innovation is core in mission	0	0	0	0	0

	NPO7	NPO8	NPO9	NPO10	NPO11	NPO12
SOCIAL MISSION ACCOMPLISHMENT	0	0	social innovation	different way	unique and alternative	0
REVENUE GENERATION	special charity events	selling mission related products - charity shop special charity events	selling mission related products special charity events earned income	selling mission related products special charity events earned income	earned income	selling mission related products special charity events earned income
BUSINESS-LIKE LOGIC	0	0	social venture	social venture	social enterprise market-based approach	social venture
ORGANIZATIONAL CULTURE	0	0	0	0	0	0

INNOVATIVENESS	NPO13	NPO14	NPO15	NPO16	NPO17	NPO18
SOCIAL MISSION ACCOMPLISHMENT	innovative way	innovator	innovative solution and brand reinvent charity	innovative solutions	0	innovative breakthroughs reinvent charity
REVENUE GENERATION	selling mission related products special charity events earned income	selling mission related products	selling mission related products special charity events private group of funders	selling mission related products special charity events	selling mission related products	selling mission related products private group of funders
BUSINESS-LIKE LOGIC	social and commercial venture	market-based approach	angel investors	0	impact capital fund	start-up
ORGANIZATIONAL CULTURE	innovation is core in mission	0	0	0	0	innovation is core in mission

	NPO19	NPO20	NPO21	NPO22	NPO23	NPO24
SOCIAL MISSION ACCOMPLISHMENT	0	0	innovative way	innovative programs no other	innovative programs	innovative programs
REVENUE GENERATION	special charity events	0	special charity events	special charity events	0	0
BUSINESS-LIKE LOGIC	0	0	market-based approach	0	0	0
ORGANIZATIONAL CULTURE	0	0	0	0	0	0

Table 10. Coding results of innovativeness, own elaboration

The category of innovativeness was perceived in various forms in nonprofit organizations websites. The content analysis was confirmed that it is an important concept and can appear in multiple ways, as it can refer to activities that are related to social mission accomplishment, to revenue generation, to business-like logic or can be the core point in organizational culture.

Accordingly, I could recognize examples for creative ideas and new solutions by working toward social and financial objectives as well.

During data collection keywords and phrases in relation to innovation have appeared almost in every observed nonprofit organizations websites, although in different forms and magnitudes. The collected empirical data was organized along the subcategories of innovativeness, which were intended to present the diverse ways as it can be manifested in NPOs.

The table above illustrates the identified themes in relation to each subcategory, as innovativeness was expressed by the observed organizations.

Innovativeness toward social mission accomplishment is referred to various activities, projects and programs that are aimed to provide innovative solutions for the perceived social problems. This kind of orientation was observable through expressions, that describe service provision processes and refer to new approaches that characterize programs, methods, projects. These following codes were assigned: “innovative way”, “innovative programs”, “innovative solution”, “innovative method”, “different way”, “unique”, that have occurred in organizational presentation and activities.

Innovative ideas and activities were presented in both countries and in all types of nonprofits. Therefore, NPOs are increasingly engaging in mission-oriented activities that are differ from traditional charity approaches.

In some cases, organizations have clearly sign these kind of attempts of innovativeness, and evidences were realized in manifest content, like *NPO3* has introduced its activity: “*our innovative method for collecting and distributing donations*”, or as *NPO15* has referred to it: “*using innovative solutions to help end the water crisis*”, or *NPO5* has mentioned in the description of their program: “*began working on finding innovative ways to utilize private dwellings in affordable housing provision*”.

While, an other Hungarian nonprofit that is providing educational services in the poorest region of the country, *NPO9* is concluded their concept and success: “*the social innovations of the Real Pearl Foundation have gained international acclaim*”, or as an American organization (*NPO18*) replies to housing problems: “*We build and share innovative housing breakthroughs with everyone working to end global homelessness.*”

Also other nonprofits, that are working with children from poorest families in local and global level, have highlighted their specialized approach to serve people in need, as *NPO23*: “*we created innovative programs and, more important, reinvented the way services are delivered*”

or *NPO22*, who has also emphasized the uniqueness of their model: “*CAMFED’s innovative education programs building a girls education model than no other*”.

Besides, other organizations are also denoted creative ideas in social mission fulfilment, although it was expressed in more latent content, with the related keywords: “unique”, “trademark”, “personalized”, “alternative” or “different than others”. Some nonprofits described their activities, providing food for people in need, with characteristics that emphasize the special value of their services, like *NPO2* is compared itself with other general food donations: “*why are we different than others?: our trademark is restaurant-based, high quality meals*”. While an other example is formed by *NPO11*: “*The personal narratives, sharing own experiences make our walks unique and alternative sightseeing.*”

Innovative thinking that often drives nonprofits to realize creative solutions for pressing social problems, can also lead organizations to find out new revenue generating activities, diversify their funding sources, in order to obtain appropriate resources for realizing their unique programs.

Innovativeness toward revenue generating activities was considered as a wide category, because many creative fundraising options were presented by nonprofits through their websites in the description part of support us, get involved, donate or in organizational news about successfully closed or upcoming events.

Thus, analysing these sections of websites, it was visible that besides traditional government grants, private or corporate money and in-kind donations, nonprofits often organize special fundraising, charity events, while can sell mission related products, gifts with the organization brand or adapt earned income strategies.

In order to provide a more systematic description of pursuits to collect funds, I have grouped revenue generating activities besides traditional money or in-kind donations with the following codes:

- *selling mission related products*: web shop, charity shop, second hand shop
- *special charity events*: auction with artists, sport events with athletes (yoga, running), concerts, fashion show, party event, picnic, charity festival, trips for donating in third countries
- *supporting club*: membership fee
- *funding boxes network*: money boxes, donation boxes in restaurants, bars or cafes
- *private group of funders*: group of donors finance operational costs
- *earned income*: from social or commercial venture

Web shops or other commercialized activities that are related to the organization mission were occurred among many nonprofits, while special fundraising events has also presented a common category in both countries. Therefore, these actions can be considered as a lighter version of financial innovation, while the establishment of social venture or introducing a model, where private group of donors finance all operational costs, thus all other donations are spent on programs, could require more innovative approach from nonprofits. Revenue generating activities could also relied on business-like practices.

Innovativeness toward business-like logic was an interesting subcategory, which has showed different patterns between Hungarian and American organizations. The countries diverse funding arena and third sector development have resulted various forms and intensity of business-like logic.

While Hungarian organizations are working in smaller dimensions and mainly in local level, business thinking was perceived in relation to the establishment and operation of social venture. Like, NPO5 has defined its social investment: “*Mobile-house **investment program**: it unites **social enterprise** and community work, instead of donation. Supporters will be able to invest in a socially sensitive manner, with a return on investment over time*” or as NPO9 refers to its own brand: “*Szuno started its journey to become a **social enterprise**, in 2018 could **enter to the market** as an independent brand*”, while an other organization (NPO12) operates a guest house as complement of their mission activities. The most intensive presence of market-based approach was observable in NPO11, who provides sightseeing services for fee to enhance financial stability.

In Hungary social enterprise activities were introduced in recent years and usually in smaller scale, with the purpose to involve local communities and provide working opportunities. The idea of social ventures was not so common among NPOs, but it is becoming more popular in forward thinking organizations.

Launching a social venture could relate to social and financial objectives of the nonprofit organization, it can combine mission and funding objectives in a unique manner, organized under a strategic notion. Therefore, it can be considered as innovative manner toward social and financial goals at the same time.

The description of social enterprises was often expressed with the keywords of “investment”, “gain income”, “enter to the market”, and in more cases the related context emphasized, that these activities can provide viable alternatives of donations, while build and develop communities.

In contrary among American NPOs various solutions were found that relate to business approaches. As these nonprofits are working in larger scales and have more developed options for acquiring funds, they can even rely on market-based approaches in a greater extent. Thus, it was observed, that their operation is more professionalized and can implement diverse set of market-based approaches in service delivery and fundraising.

For example, *NPO13* simultaneously operate a social and a commercial enterprise: “*GroFive and Expandals are the **commercial side** of our growing shoes. We have launched a **for-profit business** called Grofive which sells a commercial version of The Shoe That Grows called the “Expandal”.*”

Other business related expressions were detected in relation to nonprofits operation, like *NPO21* have emphasized: “*At the same time, we are firm believers that **market forces** can help achieve a sustained, long-term impact.*” or as *NPO15* explained: “***Angel Investors and entrepreneurs, joined our mission***” or *NPO18* have identified itself: “*accomplish very ambitious things as a young **start-up***”. While, *NPO17* have introduced a microfinance model: “*Habitat’s MicroBuild Fund is the first **impact capital fund** to invest in the innovation and scale of incremental construction and home improvement finance for low-income households in developing countries*”.

An other interesting subcategory was, **innovativeness is positioned in organizational culture**, as the concept of innovation presents one core driver in nonprofit operation, therefore it systematically engages in new and creative activities by capturing various opportunities. It was observed among three organizations by applying a strict definition (identified the keyword “innovation” and synonyms in the organization core self-definition, mission).

One hungarian organization (*NPO1*) was described its activities as: “*The Bike Mafia is a new philosophy according to some people, but it is safe to say that at least they inject continuous innovation into acts of kindness and helping others.*” The theme reflects to systematic innovation, which was observable in programs and fundraising efforts by comparing similar organizations. In this sense their approach to react for social problems was unique and many creative solutions were developed by the organization.

An example from America, *NPO13* states in its mission: “*Our mission is to leverage innovation to fight poverty*”. Accordingly, they continuously develop new ideas that can advance life circumstance in rural Africa. Besides their main product (shoe that grows), they have “*launched the Pursuit Incubator—a free business accelerator designed to help entrepreneurs take their innovative products to the next level*” and provide “*empowerment through trainings, mentoring*

and short-term loans”. Thus, new products, like net tenants against malaria or growing uniforms were developed by the organization, while encourage work with entrepreneurs who develop new solutions for social problems.

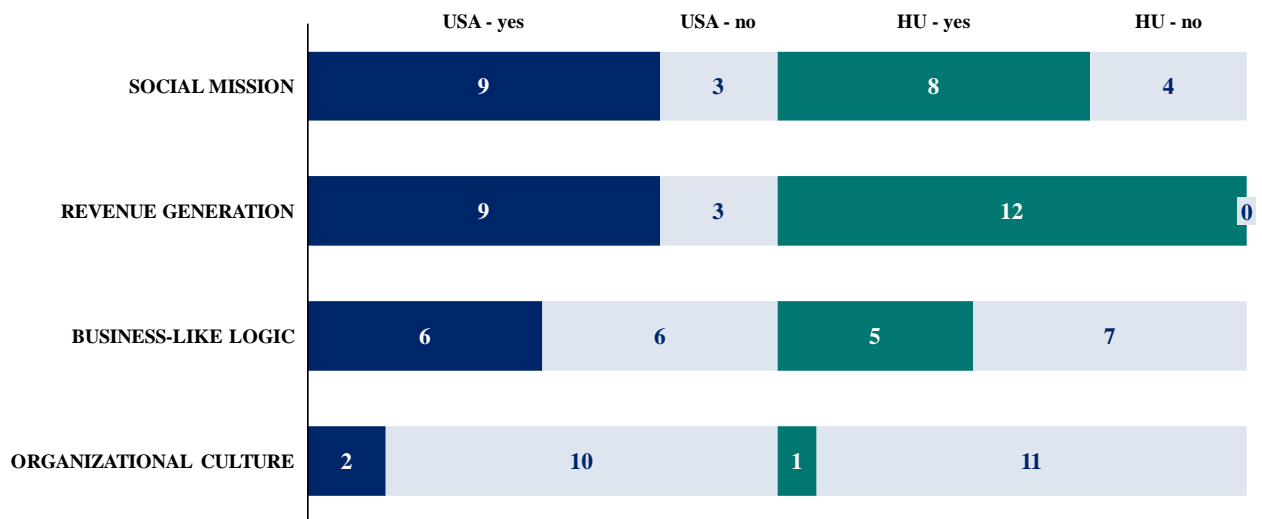
NPO18 has also defined itself as: *“We pioneer solutions to end global homelessness.”* and relying on a technological innovation, build homes with 3D printed techniques. As they describe their viewpoint: *“We invest in researching and designing innovative breakthroughs for the housing sector.”* In this manner they continuously improve their innovation toolkits, in collaboration with other nonprofit and for-profit organizations to develop and implement their new solution in social housing sector. While, they have also relying on 100% funding model, as a group of private investors finance their operational costs. Therefore, as it is concluded by them: *“A nonprofit founded to do things differently”*.

In summary, as the above mentioned examples illustrate, creative initiatives toward social mission fulfilment and revenue generating activities, were observable among many entities in both countries. Innovative solutions in nonprofits can come from downstream or upstream processes as well, while newly founded organizations can build their whole operation around systematic innovation. NPOs can also be evaluated as innovative by engaging with business like strategies, for example with the establishment of a social venture.

Although subcategories have occurred in many kinds of organizations, the themes had stronger presence among awarded nonprofits. They often settled their operation around an innovative idea that relies on a new approach to serve beneficiaries, comparing to traditional donative actions. While, innovative project, program and fundraising ideas were also conducted by more traditionally operating nonprofits as well.

As it has emerged from data analysis, subcategories can appear simultaneously and nonprofits can rely on innovative ideas in mission or financial related activities in relation, that presents integrated operation of service delivery and fundraising, while emphasizes complex and varied nature of innovative actions.

The following graph shows the occurrence of the subcategories, if any evidence was found regarding the occurrence, among the organizations.



Graph 1. Categories of innovativeness, own elaboration

4.2 Proactiveness

PROACTIVENESS	NPO1	NPO2	NPO3	NPO4	NPO5	NPO6
EPHISIS ON GROWTH	program expansion geographic scope expansion	geographic scope expansion	program expansion	program expansion	program expansion	program expansion
FUTUTRE ORIENTED BEHAVIOUR	long-term goal	future plan	long-term goal long-term strategy	0	future plan	0

	NPO7	NPO8	NPO9	NPO10	NPO11	NPO12
EPHISIS ON GROWTH	program expansion	program expansion	program expansion geographic scope expansion	program expansion geographic scope expansion	program expansion	program expansion
FUTUTRE ORIENTED BEHAVIOUR	future plan	0	strategic plan	strategic plan	long-term goal	0

PROACTIVENESS	NPO13	NPO14	NPO15	NPO16	NPO17	NPO18
EPHISIS ON GROWTH	geographic scope expansion	growing impact	growing impact	growing impact	growing impact	growing impact
FUTUTRE ORIENTED BEHAVIOUR	long-term strategy	long-term goal strategic plan	long-term goal	strategic plan	strategic plan	long-term strategy

	NPO19	NPO20	NPO21	NPO22	NPO23	NPO24
EPHISIS ON GROWTH	program expansion	program expansion	geographic scope expansion	growing impact	program expansion	growing impact
FUTUTRE ORIENTED BEHAVIOUR	0	0	long-term strategy	strategic plan	0	0

Table 11. Coding results of proactiveness, own elaboration

To capture the manifestation of proactiveness was more challenging than innovativeness, because it was not as clearly described in organizational texts, than innovative programs or fundraising activities. Although, based on keywords and phrases, codes were defined that can describe attitudes of the two subdimensions.

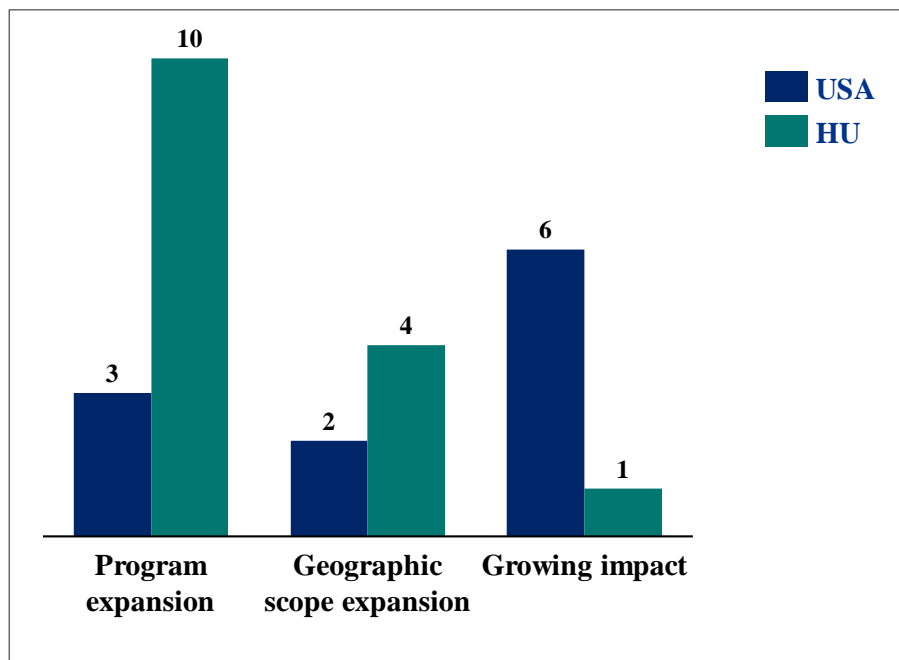
Emphasis on growth can be related to nonprofits attempt to expand their social services or obtain more resources, that ultimately gives the possibility to improve services or enlarge its scope. Usually, a general statement about growing needs and goals for better organizational performance by achieving larger group of beneficiaries or new service areas, was expressed by all organizations, like NPO2 has stated: *"Week by week new restaurants, pubs, volunteers and donors join to support us, while the number of people in need is also increasing"* or similarly NPO3: *"In this year our foundation started more programs, the number of involved partners, volunteers, supporters is continuously increasing, as well as our impact."* – which were labelled by the code of organizational growth.

From the data it has been appeared that organizational intentions toward growth can refer to the introduction of new services or to the expansion of activities in new places. While, NPOs also can pursue actions to serve larger group of beneficiaries, reflect for increasing needs or detect different problems in the same community. Therefore, to distinguish NPOs attempts the following codes were defined from the emerging data:

- Program expansion: it was intended to capture expanding goals and growth opportunities, that were expressed in relation to programs, social mission fulfilment activities, that is related to increasing number of served beneficiaries, like NPO5 described: *"Our intention is to expand this range of our activities "* or NPO7: *"We expanded our capacity and services in the last years."* or NPO19: *"As a result, we are saying "yes" to more people, more often, with better services."*
- Geographic scope expansion: it was referred to the introduction of services in new areas, like in other cities in Hungary or in other countries in the served regions by American nonprofits. As an example, from NPO10: *"based on our existing experience – launch our programs at another settlement, Dány."* or from NPO13: *"Expanding to additional countries will always be a goal."* or NPO21: *"As we expand to schools and libraries throughout Africa"*.
- Growing impact: this term was realized mostly in awarded American nonprofit websites, as they preferred to emphasize of their activities growing impact, like NPO17:

"exponentially expanding our worldwide impact so that we can partner with more families to build or improve places to call home" or NPO18 as well: "See how we're able to exponentially increase impact for communities in need."

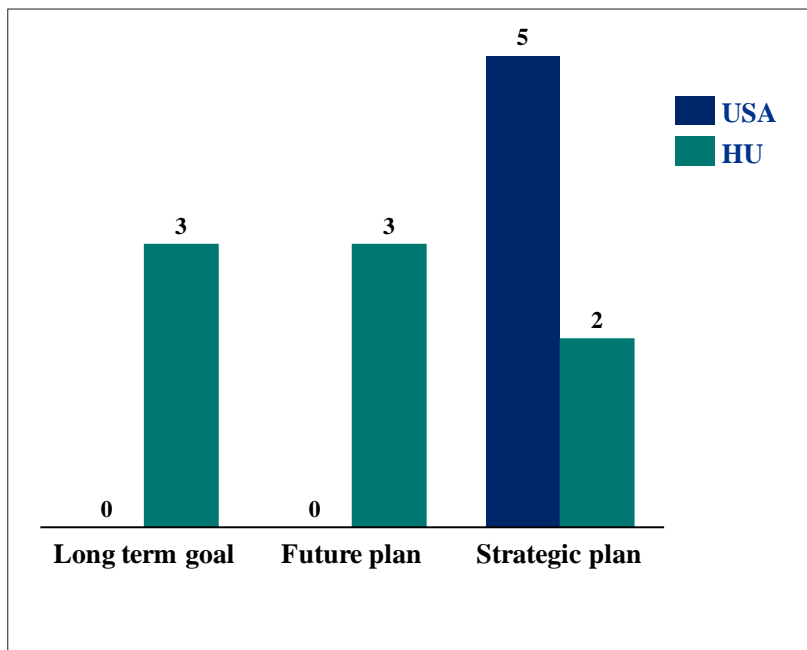
Since proactive behaviour in a general manner could be found in every nonprofits, as they try to enhance their social mission accomplishment, I have grouped according to the end goals of these growing attempts. Although, these aims are often related and one follows the other, like geographic expansions can have influence on impact or also involve program expansion, while diverse effect is also possible.



Graph 2. Growth objectives, own elaboration

The other subcategory that would describe proactiveness, was defined as **future oriented behaviour**, that aimed to observe, if nonprofits are defining long-term goals or strategic attempts toward future achievements, by considering factors that can influence the life of their beneficiaries and donors. The theme was captured through the codes of “long-term goals” or “future plans” or “long-term strategies” or “strategic plan” as occurred in organizational websites. For example, from the Hungarian context, NPO9 have expressed: *"We believe in long-term strategies. We plan for the long term. We began a long-term (20 year) complex strategy which is based on three pillars"* or an other example: *"there is great need for our donations, we started to develop our long-term strategy"*. While among American nonprofits to prepare strategic plan was more common, like NPO14: *"Progress Toward our 2017-2021 Strategic Goal of Proof"* or NPO16: *"We launched the first phase of our new, five-year strategic plan, a*

bold roadmap for the future” or NPO17: “Through our 2020 Strategic Plan, Habitat for Humanity will serve more people than ever before”. Although few more developed Hungarian entities also have settled a strategic plan.



Graph 3. Future oriented behaviour directions, own elaboration

During the observation of proactive behaviour through organizational websites have emerged some questions, although through the coding schemes I have tried to capture the essence of the category that was described by researchers.

Actively pursuing new opportunities in order to achieve organizational growth in terms of social impact or financial resources. Generally, every organizations have attempt for further increase their impact. Probably, because they are working in fields where social problems (like poverty, homelessness, inequality) are not easily solvable and always can do for more, which is also expressed by the trends that they share about their beneficiaries.

Besides, these initiatives were also supported by actions, that have aimed to make beneficiaries able to pay for services in lower base, than market prices. Like a Hungarian organization (NPO5) have introduced a mobile house program, that purpose is to offer mobile houses for homeless people, in the meanwhile they help to find a job, thus homeless people will be able to pay rent, that is much lower than typical market prices. These kinds of projects have double objectives: to fulfil the organization social mission: offer decent living to people in need and

help them to reintegrate to the society, while the organization can rely on a portion of earned income.

These kind of programs and actions, could be evaluated align all the dimensions, as it relies on an innovative idea, that differs from traditional homeless shelters, involves market based approach as the organization looking for social investors and settle a minimum rent fee, while risk is presented in a sense that they need to ensure their investors about the project viability and also need to support their beneficiaries for getting a job and having a stable monthly income. Thus, the NPO proactively looking for new growing opportunities to reach their future aims with the mobile houses program, that was realized in collaboration with corporations, community members and beneficiaries. Their final goal is to operate a system which becomes sustainable after initial investments, therefore it requires further monitoring and support from the organization side.

Similar idea was experienced, just in a larger scale and with the implementation by a new technological solution from NPO18, who also build social housing in poor parts of the world with 3D technique and would operate with a low rent fee. Besides donations, this nonprofit financially is supported by a group of people who covering all operational costs (100% funding model), while the technological execution is realized by in strong partnership with a company. The important role of social ventures was also emphasized by other organizations, as it can provide work opportunities for the served poorest communities and also provides low base revenues to the organization. While, in Hungary these initiatives are conducted with the aim to help disadvantageous group of people reintegration to the society. Since, it would not make dependent people in need to donations, instead would give a chance to change their own situation by the support of the nonprofit. By providing long-run and sustainable solutions, instead of eventual donations the organization can also fulfil its social mission more effectively and can turn attention toward other beneficiaries or other problems of their community.

4.3 Risk taking

RISK TAKING	NPO1	NPO2	NPO3	NPO4	NPO5	NPO6
SOCIAL RISK	growing need crisis	growing need	growing need	urgent help	crisis	growing need
FINANCIAL RISK	transparency	transparency	transparency	transparency trust	transparency assurance on investments	trust
OUTSOURCING RISK	0	0	0	0	0	0

	NPO7	NPO8	NPO9	NPO10	NPO11	NPO12
SOCIAL RISK	growing need complex problems	growing need	growing need complex problems	growing need complex problems	challenges	growing need complex problems
FINANCIAL RISK	transparency	transparency	transparency	transparency	transparency trust	transparency
OUTSOURCING RISK	0	0	0	0	0	0

RISK TAKING	NPO13	NPO14	NPO15	NPO16	NPO17	NPO18
SOCIAL RISK	growing need	complex problems difficult work	crisis	growing need	global need	challenges
FINANCIAL RISK	0	transparency internal and external audit accountability	transparency accountability ranking	accountability	0	transparency accountability
OUTSOURCING RISK	0	0	100% funding model	0	partner microfinance institutions	100% funding model

	NPO19	NPO20	NPO21	NPO22	NPO23	NPO24
SOCIAL RISK	growing need	crisis	global need	crisis	challenges	complex problems difficult goals
FINANCIAL RISK	accountability ranking	accountability ranking	accountability	accountability transparency	0	0
OUTSOURCING RISK	0	0	0	0	0	0

Table 12. Coding results of risk taking, own elaboration

The category of risk taking has quite diverse manifestation in nonprofit context, than in business environment. Therefore, I was intended to observe organizations dual approach toward risks and analyse patterns that were directed toward social or financial outcomes.

In this manner, **social risk taking** was considered by the fact, that NPOs have often shared experiences regarding the difficulties of their programs, or analysed the weak points of their activities and concluded their main observations what can be done differently in the future. Since, the examined nonprofit organizations are working in social fields, where are demanding human needs from the most vulnerable groups of the society, their daily operation is surrounded by challenges. To highlight these issues, they have often mentioned “growing needs”, “complex problems”, “difficult work” or “challenges” in relation to their mission accomplishment. Different statistics (like the growing number of homeless in New York or other data regarding

the increasing needs for services) were also published. These documents often intend to inform stakeholders why their increasing support is essential, while can justify the advocating role of the organization.

Some examples from organizational websites, that illustrate of these statements:

"Today, one in four people do not have a decent place to live. Some people are struggling in unsafe, insanitary and insecure housing." – NPO17

"The problem we're solving is bigger than us, and it's growing, work in the social housing sector, you know the challenge we face is massive" – NPO18

"Today, more New Yorkers are experiencing homelessness than ever before" – NPO19

"In response to the explosion in New York's crisis of homelessness" – NPO20

"facing with growing needs, pursue to involve more supporters" – NPO2

Besides, nonprofits are also expressing their urgent need for help through their online communicational platform, as it would restrict them to serve their mission, like NPO4: *"the foundation needs urgent help, because our car is broken and we are not able to fulfil our services, since we cant accept and distribute donations".*

Nonprofit organizations attitude toward **financial risk taking** can be ambiguous, in terms that they started to engage in activities which entail risks regarding financial performance, although their stakeholders trust relies on the fact if they are satisfied with the distribution and utilization of their donations. Taking into consideration this two-folded nature of monetary outcomes, I have detected, that all NPOs have shared some information that intends to ensure their transparent operation.

Like:

"we will implement this new system in order to make more transparent our operation" – NPO1

"Transparency: Trust is extremely important for us. Our achievements are public, and our public benefit reports and financial reports are available to anyone." – NPO10

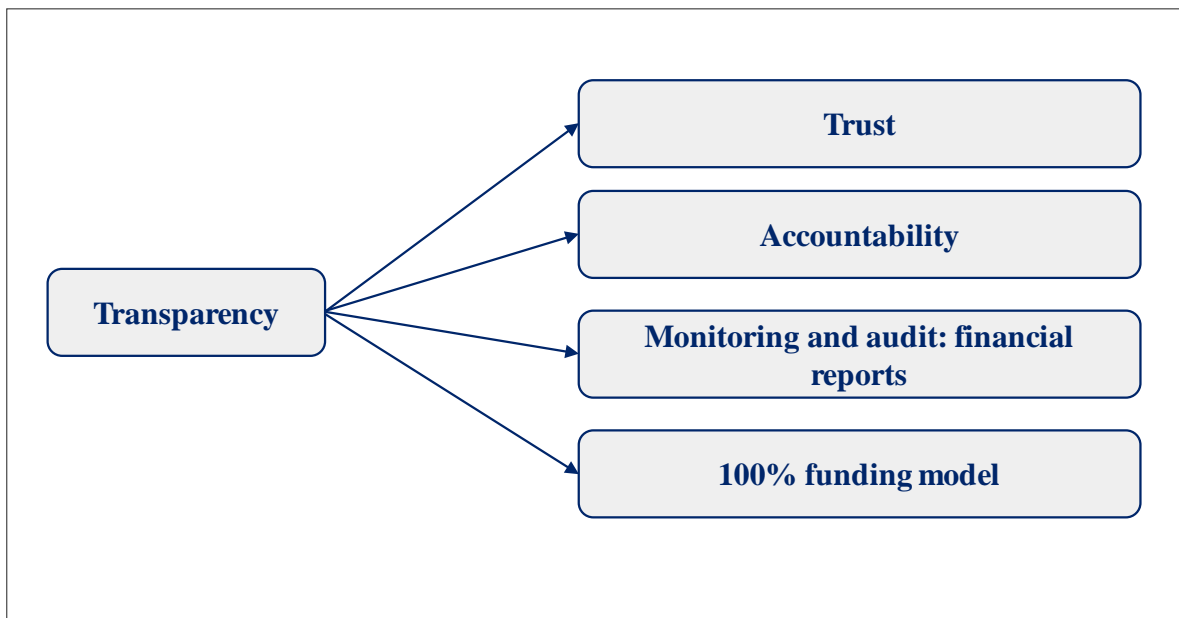
"Our financial systems maintain the highest levels of transparency and accountability. " – NPO22

NPO14 statement concludes almost all aspects as nonprofits approached toward transparency:

"Values: Transparency – in what we do, what it costs and what is working"

"From our guiding principle of keep good company to our efforts to monitor all our work in the field, to our program to internally audit our country programs in addition to external audits, we're serious about accountability."

The core theme that were observable among NPOs:



Graph 4. Expressions of limited capability in financial risk taking, own elaboration

An interesting model of 100% funding was observable among some modern NPOs in the USA. Their structure is based on a group of donors, who finance the organization operational costs, while they can spend all donated dollars to programs and projects. This kind of operation can refer to the new dimensionality “outsourcing risk”, as the organization can rely on a group of private donors, who ensure operational stability, while can guarantee that donated money will spend in relation to social mission. These NPOs (NPO15 and NPO18) evaluate their operational model, as the new generation or reinvention of charity. It is a very interesting operational model that seems to expand among newly founded, pioneer nonprofit organizations.

Besides, the culture of American nonprofits for emphasizing transparency is more settled, since they have a more elaborated ranking system (organizations like Charitynavigator or Guidestar regularly valuate nonprofits according their financial performance and other aspects). It can drive organizations to present their financials in relations to raised funds and spent costs in more detailed analysis, also in their websites. Therefore, most organizations share charts or graphs which intends to summarize their annual raised or earned income, in relation with the spent costs on programs, overhead, or fundraising.

This manner is less common among Hungarian nonprofits, although they do share information regarding financials in annual reports, the graphical presentation of raised funds and spent costs was rarely observable through their websites.

4.4 Collaboration

COLLABORATION	NPO1	NPO2	NPO3	NPO4	NPO5	NPO6
WITH NPOS	collaboration with other organizations cooperation for fundraising partnership	cooperation with other organizations common action cooperation with artists	collaboration with other organizations	collaboration with other organizations	partnership collaboration for fundraising common action consulting	collaboration with other organizations
WITH CORPORATIONS	corporate partnership corporate volunteering teambuilding program	corporate partnership	corporate partnership collaboration for competencies corporate volunteering teambuilding program	corporate partnership	corporate partnership pro bono program corporate volunteering	corporate partnership

	NPO7	NPO8	NPO9	NPO10	NPO11	NPO12
WITH NPOS	collaboration with other organizations	collaboration with other organizations	collaboration with other organizations	collaboration with other organizations	collaboration with other organizations	collaboration with other organizations
WITH CORPORATIONS	corporate partnership collaboration for competencies	corporate partnership	corporate partnership pro bono program	corporate partnership pro bono program corporate volunteering	corporate partnership pro bono program teambuilding	corporate partnership pro bono program corporate volunteering

COLLABORATION	NPO13	NPO14	NPO15	NPO16	NPO17	NPO18
WITH NPOS	strategic partnership	strategic partnership	strategic partnership	collaboration with other organizations	strategic partnership	strategic partnership
WITH CORPORATIONS	corporate partnership	corporate partnership brand partnership program sponsorship cause marketing	corporate partnership brand partnership program sponsorship cause marketing	corporate partnership	corporate partnership	corporate partnership collaboration for know-how

	NPO19	NPO20	NPO21	NPO22	NPO23	NPO24
WITH NPOS	collaboration with other organizations	collaboration with other organizations	strategic partnership	strategic partnership	collaboration with other organizations	collaboration with other organizations
WITH CORPORATIONS	corporate partnership	corporate partnership	corporate partnership program sponsorship	corporate partnership program sponsorship	corporate partnership	corporate partnership

Table 13. Coding results of collaboration, own elaboration

The analysed data have showed that collaborative culture of nonprofit organizations is an important aspect. In contrary of business entities that are competing for customers in the same sector, nonprofits often coordinate their efforts with similar organizations or with other third sector actors, in order to work toward their social mission. While human service nonprofits often face with higher demand for their services, than can fulfil, with cooperative actions can enhance their social impact or involve more supporters to provide the necessary resources for realizing their projects.

Besides, corporations support is also essential for many nonprofits, since business partners contribution can become key to obtain appropriate resources in the form of professional competencies, volunteers, donations or raise wider public attention for a nonprofit cause. Therefore, to build long-standing relationship with other organizations can reinforce NPOs stable operation, while to balance different kind of interests between the sectors would require more efforts.

Accordingly, I have found related data in every NPOs websites, which can mean that nonprofits often organize their service providing or fundraising activities in partnership with other civil organizations or involve corporations voluntary and funding support. Although, there were various forms and ideas how to build on relationships for accomplishing social mission.

Most of the observed nonprofit organizations have an open culture to **collaborate with other nonprofits** in the third sector. Especially, in Hungary, the smaller grassroot organizations often mentioned the phrase of “collaboration with other organizations” or “in cooperation with other nonprofits” or “in partnership with” and concrete nonprofit examples were commonly found in organizational websites, annual reports. While, global American organizations are usually working with a larger group of other third sector organization or foundations and often name their collaboration as “strategic partnership” or refer to common actions in a more general way, like “working toward this ambitious goal by partnering with local community members, businesses, and governments”. Besides, in both countries nonprofits emphasized the relevance of cooperation between similar organizations. As NPO2 have highlighted: *"Cooperation with other NPOs is important for us and we are ready for common actions"* or NPO18 have stated: *"common work with other forward-thinking charitable organizations like our friends"*.

The relevance of **collaboration with corporations** was also visible, as nonprofits often share the name or logo of their supporters in their websites, by dedicating to them separated parts. The importance of corporate partnerships was emphasized in both countries, although it was

observable, that philanthropic culture of business organizations in America is more developed, than in Hungary. Besides cultural differences, US nonprofits often act globally and their activities are more expanded, their operation is governed more structurally, than smaller local civic organizations in Hungary. Therefore, they have greater potentials for cooperating, and various solutions are realized by them. While Hungarian NPOs are organizing collaborative actions to realize different projects or raise funds for realizing some planned investments, American NPOs partnering efforts are often following a more strategic approach.

Examples for corporate collaboration	
USA	HU
<ul style="list-style-type: none"> ▪ Corporate donation ▪ Employee engagement ▪ Corporate sponsorship ▪ Brand partnership ▪ Strategic partnership ▪ Cause marketing ▪ Donor travel 	<ul style="list-style-type: none"> ▪ Corporate donation ▪ Corporate volunteering ▪ Teambuilding programs ▪ Probono programs ▪ Mentoring

Figure 4. Collaborative actions, own elaboration

Besides traditional corporate donations and volunteering, company teambuilding programs, that are organized by a nonprofit is becoming more popular also in Hungary. While, smaller dimension of Hungarian organizations is required external experts through probon or mentoring programs, American nonprofits advertise more often corporate sponsorship or brand partnership possibilities for companies. The slogan of “shop for a cause” is popular in the USA, as companies donate a percentage after your shopping to a selected nonprofit (e.g. Amazon Smile), although few attempts can be realized by shopping partners, this practice is not well-established yet in Hungary.

Besides, also collaboration with artists and athletes is also a common action among nonprofits, in order to raise funds (by auctions or concerts) or turn attention for their cause by famous persons.

5 *DISCUSSION*

Social entrepreneurship is an evolving research field, that is mainly rooted in nonprofit and public policy domains, without presenting a concretely defined theoretical base and clear boundaries of the phenomenon (Short et. al, 2009). Therefore, academics encourage attempts in theory building and testing, to improve our understanding about the construct and determinants of social entrepreneurship (Short et al., 2009).

While the concept can be approached from various viewpoints, most publications are focusing on nonprofit organizations practices and changing behaviour, as they implement solutions by combining social and financial objectives. The main direction is the introduction of new revenue generating activities, as public funding and private donations are becoming scarce and distributed among a growing number of organizations.

In the highly resource constrained nonprofit sector, entrepreneurial practices have attained interest, since can incite organizations to do more with less and use creatively available resources (Short et al., 2009). Besides, large foundations (like Skoll, Schwab and the most committed supporter of social entrepreneurs, Ashoka), are working on to introduce, reinforce and promote innovative ideas for social change, which often emerge from nonprofits side. These forces can drive NPOs to explore new opportunities and implement pioneer solutions in social value creation, while also encourage them to ensure organizational sustainability.

However, the implementation of entrepreneurial mindset and practices can arise interesting questions and doubts inside the organization and from supporters' side as well. To define a way, which is in line with NPOs social oriented operation, values and stakeholders, is not always easy, since the adoption of business related techniques can result various contradictions. Although, at the same time, unique solutions have risen to harmoniously govern financial and mission related objectives.

Thus, empirical investigation of entrepreneurial concepts in nonprofit context, would provide valuable insight about processes, that ultimate aim is to reinforce social impact and change in most disadvantageous fields of our societies.

In my research I have analysed entrepreneurial behaviour through a redesigned framework of EO in nonprofit context. The empirical examination had dual aims:

1. To get a more detailed insight about NPOs entrepreneurial behaviour,
2. To evaluate a recently developed EO construct, that was created to more appropriately capture the features of entrepreneurial behaviour in a nonprofit organization. Thus, I have analysed the modified dimensions of innovativeness, proactiveness and risk taking.

Since, there is no one confirmed direction of this developing research field, the analysis was conducted in an exploratory manner. In this section I would analyse my empirical findings in relation to existing theories.

From the collected empirical data, it was visible that entrepreneurial concepts are becoming more relevant among nonprofit organizations. I have observed various practices that intend to enhance nonprofits social impact and financial stability, above the traditional charity-based approaches. Although, the form and magnitude of these entrepreneurial activities are varied among organizations and countries.

Besides, it was also experienced that nonprofit context results different entrepreneurial solutions. From my analysis it has appeared that mission oriented motivations are underlying drivers of all organizational activities. Probably, it also refers to the inherent risk that behaving inconsistently with the articulated mission objectives will led the loss of key stakeholders, that are often more vital to an organization, especially smaller ones, than some extra financial income (Morris et al., 2011). Moreover, reputation and trust have high priority in nonprofits, which relies on the fulfilment of their social mission, rather than profit generation. Therefore, the introduction of new revenue generating activities are also rooted in social mission objectives (e.g. establish a social venture can mean income for a nonprofit, but it can have a more important goal, like providing work for people who are living in the poorest areas of Hungary, and thus help their reintegration to the society).

All these observed aspects are aligned with the assumptions of Morris et al. (2011) and Lurtz and Kreutzer (2017), that nonprofits social oriented motivations have influence on their core processes and outcomes, thus will also affect the way as entrepreneurship is realized by NPOs. Although entrepreneurial nonprofits can show similar characteristics than commercial ones, like pursuing a new idea for change existing situations, and being determined, persistent and committed for it; their actions are driven by different inner motivations. In general, business entities would explore opportunities and create something new in the market that attracts customers and generate profit to the organization; while nonprofits would reply to social problems in a more effective way. Therefore, different organizational goals and challenges

involve diverse approaches. Nonprofit leaders who are often engaged with complex social problems, need to apply different skills and practices to find viable solutions for human needs and to preserve continuous operation.

Examining how nonprofit leaders are planning and evaluating entrepreneurial activities and challenges, align with social mission, would be an interesting further research direction.

Entrepreneurial orientation in nonprofit organizations

Focusing on EO dimensions, the statement of Morris et al. (2011, p 956) was confirmed by my empirical analysis: “the meaning of innovativeness, proactiveness, and risk taking are more complex and multifaceted in the nonprofit context”.

Therefore, the idea that nonprofits special context would require modified EO elements (Lurtz and Kreutzer, 2017) was also supported. As have emerged, detailed analysis of subcategories in each dimension, have provided valuable insight regarding the comprehensive means of entrepreneurial behaviour in nonprofits. Thus, the elaboration of a more sophisticated EO framework in nonprofit context, which considers the manifestation of underlying differences in motivations and processes (Morris et al., 2011), was assessed valuable. The analysis of introduced subcategories has reinforced a more detailed understanding of nonprofit approaches toward entrepreneurship.

The table below concludes the occurrence of the observed themes among the analysed nonprofit organizations, presenting the results separately by countries and highlighting NPOs that were awarded.

	N1	N2	N3	N4	N5	N6	N7	N8	N9	N10	N11	N12	N13	N14	N15	N16	N17	N18	N19	N20	N21	N22	N23	N24	
Innovativeness																									
Social mission accomplishment	X	X	X		X	X		X	X	X	X		X	X	X	X		X			X	X	X	X	X
Revenue generating activities	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X
Business-like logic					X				X	X	X	X	X	X	X		X	X	X	X	X	X	X	X	X
Organizational culture	X												X	X	X	X	X	X	X	X	X	X	X	X	X
Proactiveness																									
Growth objectives	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X
Future orientation	X	X	X		X		X		X	X	X		X	X		X	X	X	X	X	X	X	X	X	X
Risk taking																									
Social risk	X	X	X	X	X		X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X
Financial risk	X	X	X	X	X		X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X
Outsourcing risk	X																								
Collaboration																									
With NPOs	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X
With corporations	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X

Table 14. Summary of coding categories occurrence

The particular manifestation of EO in nonprofit context can rely on that dimensions can be approached from both, social and financial objectives. Since NPOs have complex motivational structure, which also influences the way as they organize their activities and implement entrepreneurial practices.

Innovativeness

It has appeared from the analysis, that innovative thinking and solutions are gaining greater relevance in human service nonprofits life, and organizations are pursuing to find creative solutions to achieve social and financial objectives as well. Complexity of today's social problems and resource constrained characteristic of the nonprofit sector could require a higher level of innovativeness and proactiveness from organizations (Lumpkin et al., 2013). Thus, NPOs can adopt multiple innovative strategies and entrepreneurial practices to reflect to the dynamism of their environment and enhance organizational sustainability (Weerawardena et al., 2010).

As prior studies have noted, various innovative solutions were observed in the analysis, that has confirmed researchers (Morris et al., 2011; Lurtz and Kreutzer, 2017) perceptions, that innovativeness has complex nature in nonprofits, and can be directed toward social mission accomplishment, financial related objectives, or both aims. The last subcategory (innovation in combination of social and financial aspects) can be further analysed and approached from the viewpoint to adopt business like logic for serving both objectives (like establish a social venture); or to create an organizational culture around the concept of innovativeness and continuously realize new mission and funding opportunities accordingly (Lurtz and Kreutzer, 2017).

Although diverse forms of innovativeness could be detected by the defined subdimensions, the analysis also pointed out that boundaries between these subcategories are not rigid and can relate to each other. Approaching social problems with creative mindset and accomplishing mission by new methods, can also encourage the organization to apply diverse revenue generating practices than traditional donations. While it is common that combined goals pursue innovative actions, like the inner motivation to serve better beneficiaries would require further resources, or the establishment of a social enterprise can present a solution to relieve local problems and also gets an additional income source to the organization.

As Dees (1998) has emphasized, the implementation of thoughtful innovation is important for a nonprofit, since their activities final aim is to reinforce their mission related performance, and income generating purposes should be align with it, to succeed.

Therefore, entrepreneurial opportunities and challenges rely on NPOs behaviour to realize new solutions for social problems and coherently apply revenue generating practices, to reach the most benefits (Dees, 1998).

Proactiveness

The analysis has supported that nonprofits have perceived the need of creative solutions in relation to social and financial objectives as well. In order to realize their aims, they are actively seeking new opportunities to find solution for increasing needs and obtain enough resources from their supporters. It was experienced that many of them conduct research to analyse trends and changes of their beneficiary's situation, while probably also brainstorm on how to reach more effectively donors and collect enough funds to realize their objectives. Besides, they often emphasized their achievements and future goals, that can represent additional information to their stakeholders.

Proactive behaviour in nonprofit context could be viewed from another aspect than in for-profit, since actions were mainly expressed in terms of growth and expansion of social impact, that also lead organizations to conceptualize future aims and strategic actions. While, proactiveness in business context is related to market competition and first mover advantage (Lumpkin and Dess, 1996), these forms of strategic actions were not perceived in the analysis. Although, nonprofits can compete for funds and donor support, their primary motivation is the enhancement of their social impact, therefore cooperation among similar NPOs was a more generally found pattern in the analysis.

Another aspect, that Morris et al. (2011) have stated, the link between proactiveness and innovation was also observed, in a way that organizations that had more clearly defined strategic steps for the future, were more willing to apply innovative actions in mission accomplishment and fundraising as well.

Besides, innovative ideas of NPOs can be drivers of growing aspects, since it often makes able organizations to enlarge their scope and reach more people in need, or involve new supporters for their cause. While the articulation of strategic steps toward social goals, and the presentation of achieved results can convince donors about successful use of their resources.

Another interesting direction of proactive behaviour could be further analysed in relation to marketing activities. The way as nonprofits present their operation, communicate achievements or introduce fundraising efforts is also an important aspect to raise attention and reach success. Nowadays reaching people and gain attention is often easier through social media platforms, that can be an opportunity for nonprofits to use it for their good cause. The analysis showed

that more innovative organizations were active in social media platform, sharing news and introducing campaigns, while traditional organizations were also presented, but with less interactions.

The empirical results have addressed, that proactiveness in nonprofit context relies on different initiatives, since these organizations primary aim is not to beat competitors in the market, but more to expand their social impact in terms of qualitative and quantitative improvements. Growth objectives were often defined by nonprofits as Lurtz and Kreutzer (2017) have emphasized, by highlighting future aims and creating strategies, plans on the next steps.

Besides, proactive behaviour can relate with innovative ideas as Morris et al. (2011) stated, although it was more difficult to detect and differentiate toward social and financial objectives through this research. As well, to identify stakeholders opinion about proactively pursued innovative ideas were not suitable in this research.

Risk taking

The evaluation of risk taking among nonprofit organizations is more complex, since these entities attitude toward risk can be approach from both social and financial objectives, and different extents describe both categories (Morris et al., 2011). While, NPOs often engage in activities that social outcome is uncertain, they follow more risk-averse culture in relation to financial outcomes (Lurtz and Kreutzer, 2017). The observed organizations are working in socially sensitive fields, where their daily activities involve difficulties and can result unexpected reactions from beneficiaries. Thus, expressing complexity of their mission related work and sharing wrong experiences with the intentions to learn from their misunderstood actions and improve services, can show greater acceptance. While, acting boldly in terms of financial outcomes by taking high uncertainties, is usually not supported by nonprofits, since they responsibility toward donors is essential in their operation (Lurtz and Kreutzer, 2017). Although, newly implemented ideas can rise concerns around riskier steps, like a venture creation. According to the content analysis, nonprofits strongly emphasize their transparency and accountability, by communicating all financial related actions toward their stakeholders. Therefore, they intend to disclose all information regarding riskier financial actions, and more developed are preparing audited financial statements and in- and out sider monitoring of their results, in order to avoid any suspicion, which can destroy their reputation. This kind of thinking can support the observation of Morris et al. (2011) who defined one subdimension of risk by the loss of key stakeholders because of damaged trust toward the organization.

Besides, researchers often emphasize the ambiguous presence of risk in socially entrepreneur nonprofits, like Lumpkin et al. (2013) have described as an ongoing dilemma, to take higher risk and efficiently solve social problems in a larger scale, while nonprofits risk averse nature limits their abilities to overcome resource constraints.

Reflecting to this twofold phenomenon Lurtz and Kreutzer (2017) have introduced a new concept in relation to the dimension of risk-taking: outsourcing risk. Their idea relies on the above mention dilemma, that nonprofits have realized to implement innovative activities often involves riskier steps, but at the same time they also know their limits and responsibility toward donors, therefore they seek solutions, which enables improvements, but won't waste money of their supporters.

An interesting finding has emerged from data analysis, the concept of 100% funding model among some modern American NPOs, that have presented the realization of the idea "outsourcing risk". These entities operation and R&D activities are financed by a group of individual investors, who take over nonprofit expenditures, while donor money is fully going on program activities by supporting beneficiaries. Therefore, the nonprofit has the chance to develop and implement riskier creative solutions or expand its model in a wider scale, while donors won't have the illusion that their money is wasted in uncertain activities.

The concept of risk presents an important element of entrepreneurial activities, while the manifestation in nonprofit context would require further analysis in order to understand dilemmas that NPOs are facing as their operation is developing and relying on innovative techniques besides traditional donative approaches.

Collaboration

The concept of collaboration was defined by Lurtz and Kreutzer (2017) as a new view toward the accomplishment of entrepreneurial activities. They have emphasized the important contribution of partnership with other nonprofits and with corporations as well. Nonprofits cooperative attitude for resources, know-how and expert skills was perceived as a relevant factor of their operation. Consistently with their findings, the analysis has confirmed strong presence of collaborative actions and various forms were identified to utilize corporate partnership. While nonprofits have more experience in relation to their mission activities, corporations can provide to them advise in operational practices, IT solutions and present advertising platform to them, besides the provision of financial and volunteer resources.

Lumpkin et al. (2013) also considered collaboration as valuable element of socially entrepreneur processes, while they advised to examine in detail how these actions can enhance organizations mission and financial related outcomes.

Summary

Besides of the observed categories, some other insights were emerged in relation to entrepreneurial behaviour, like organizations often emphasized the need to create sustainable solutions, like after an initial support from the nonprofit, beneficiaries will be able to operate systems by themselves (e.g. water pipes), or won't rely on services anymore (e.g. homeless people can get a job with the help of the organization and after can pay some fees for social houses). These intentions to create long lasting change in operational field and reach sustainability or the other often mentioned phrase "community development" were often emphasized, linked to the relevance of innovative methods and the role of social venture. Entrepreneurial activities may require more business oriented mindset from nonprofit leaders, while effective results can be achieved by deeply relying on mission.

Since, the analysed organizations are providing essential, housing and educational services to the most vulnerable social groups, their operation involves high uncertainty and demand in relation to mission activities, while gaining appropriate resources becoming more challenging in today's dynamic environment. Therefore, modern approaches, technology related creative solutions, incentive fundraising campaigns and active collaboration could assist NPOs to reach their social and financial objectives more effectively.

In relation, pursuing entrepreneurial behaviour can present a forward-thinking strategy in nonprofit sector, but also in wider context to relief pressing social problems of our age.

6 CONCLUSION

Analysing nonprofit organizations operation presents an interesting research field, which can enhance further understanding, how activities can be directed toward social and economic objectives simultaneously, in a globally developing third sector. These aspects have attained greater interest even from scholars, in line to the establishment of viable practical models, that intend to find solutions for serious social problems, while ensure organizational sustainability. Socially entrepreneur activities are becoming more popular among nonprofit entities, as they try to look for new opportunities to overcome resource constraints and respond to increasing needs. Nonprofit organizations special characteristics have led different solutions to react surrounding changes, by considering multiple actors that are involved in their operation.

Accordingly, this study aim was to examine entrepreneurial practices and activities that are adopted by NPOs, for reinforcing their social impact. In order to gather a wider knowledge about entrepreneurial behaviour in nonprofit organizations, the empirical analysis has examined a modified concept of EO, by highlighting differences in relation to business approaches.

The main goal was to investigate the manifestation of innovativeness, proactiveness, risk taking and collaboration in nonprofit context and get a more detailed view about features that can describe entrepreneurship among these entities.

In this view, twelve American and twelve Hungarian human service nonprofits were examined, through content analysis of available data from their websites. This methodology has allowed to identify patterns that characterize entrepreneurial attitude among nonprofit organizations from a prominent and from a continuously developing third sector.

The findings of this research provide insight how innovative and proactive behaviour can pursue the implementation of various creative ideas in social service provision and revenue generating activities. While, it emphasizes the ambiguous nature of risk from nonprofits perspectives and confirms the relevance of collaborative actions to accomplish social and financial objectives.

Overall, this study strengthens the idea, that nonprofits complex motivational structure influences the way as they organize operational activities, thus social mission orientation also determines the implementation of entrepreneurial practices.

The research purpose was to find empirical evidences about diverse aspects that shape entrepreneurship in nonprofit context. In order to explore determinants of the concept in social settings, the first chapter was intended to introduce characteristic of nonprofit organizations,

that relies on the dual aspect of social and financial objectives and distinguish them from business and public entities.

The second part of theoretical introduction was concerned with entrepreneurship concepts in business and nonprofit context, especially focusing on the construct of EO. The framework of EO in for-profit context is often evaluated as elements of organizational behaviour that will lead success to the company in changing, competitive or uncertain environment. That is also expected to result higher monetary benefits to shareholders. As researchers (Rauch et al., 2009) have found positive relationship between EO and firm performance, scholars have growing interest to further investigate the concept. A unique and little studied direction is the nonprofit field. Therefore, my research was motivated with an underlying assumption, that if EO is beneficial to for-profit organizations, it can also accelerate value creation in nonprofit context.

Although, commercial and social entrepreneurial behaviour can manifest in diverse forms, as these entities are motivated by diverse end goals, and form their operation accordingly. Business entities, ultimate aim is to generate profit, while they can also support social initiatives through their CSR strategy. In contrary, nonprofits objectives are defined by their social value creation, although they can also implement tactics which are business-related. While, its often difficult to draw clear borders among these sectors, relying on these motivational differences, organizations approach opportunities and challenges from diverse viewpoints, that influences the way as they conduct their activities.

Therefore, in the third chapter I have summarized those few studies that have investigated and suggested refined EO dimensions in nonprofit context. Relying on the research approach of Morris et al. (2011) and Lurtz and Kreutzer (2017) I have created a framework, which was intended to capture entrepreneurial features among NPOs.

It was an interesting aspect to analyse how entrepreneurial attitude is manifested among nonprofit organizations, since the third sector has evolved worldwide, and many new initiatives were realized by civil actions to reply for pressing problems of our society. Nonprofit organizations operation is based on different values that leads unique solutions by balancing social and financial objectives. As the research have presented, it was also observable in the implementation of entrepreneurial practices.

Since traditional charity-based organizations can be more sensitive for changes of their environment (from funding and service sides as well), NPOs have started to elaborate models to reduce their vulnerability for various factors. While these actions primarily are related to improve accomplishment of their mission, it also requires to ensure necessary resources for social goals.

In this view, twelve American and twelve Hungarian nonprofits were analysed, through their available data in their websites. Content analysis was conducted to capture features, that can describe organizations entrepreneurial attitude. This research technique focuses on the presence of certain words, phrases and concepts in given texts. Therefore, it was considered applicable to examine occurring information in nonprofits online communication regarding their entrepreneurial orientation.

The selected organizations from the two countries have presented a large variety of qualitative data, showing similarities and differences as well. In general, American nonprofit organizations operation was considered more professional, relying on longer existence and global presence of many NPOs, that can be derived from the maturity of the sector or more established philanthropic culture of the country.

While Hungarian nonprofits organize their operation in a smaller dimension, mainly in local community level, and with the ability to involve less resources. Although, their contribution in the field of social services is essential to give support in the capital or in some of the poorest regions of the European Union.

Because the Hungarian government welfare policy is very restricted, and most people in need is deprived from government benefits. Besides, civil organizations often have to face with hostile actions from the government side, while they intend to turn attention toward worsening social conditions and advocate for human rights. Therefore, most of them works without or with very low government grants. Despite of it, we can find many promising civic initiatives in the third sector to reduce adverse effects of housing crisis and poverty.

The comparison of more institutionalized and grassroots nonprofit organizations have resulted interesting insights, how these entities organize activities to accomplish their social mission and ensure resources for continuous operation. The visibility of growing human needs and uncertain environment require from nonprofits to actively exploit opportunities in order to reach their ultimate goal and increase their social impact.

An underlying assumption of the research was that the integration of entrepreneurial mindset in organizational operation can also have positive impact in nonprofit context, although NPOs can also find challenging to realize entrepreneurial goals in balance with social objectives. However, the efforts to optimize multiple goals can result unique solutions in the sector.

The empirical analysis has confirmed that socially entrepreneurial behaviour is gaining greater relevance in nonprofits operation, while has also presented complex nature of EO dimensionality, as it is illustrated and discussed in the last two chapters.

Limitations and possible future directions

Finally, it is important to recognize main limitations of the research that suggest careful interpretation of empirical results. One concern is related to the smaller number of sample and the selection criteria. Nonprofit organizations were chosen from one subsector by comparing only two cultural contexts. The limited number of organizations did not support statistical inferences, therefore to provide generalizable assumptions would require further analysis, that observe different nonprofit subsectors (like environmental, healthcare or economic development) or other countries (from developing African or Asian regions). Besides, purposeful sampling was followed in order to observe informative cases and get more insight about a recently developed theory. In line, the research exploratory nature was involved qualitative research design, although it raises other concerns about subjectivity in the process of data collection and coding decisions. Therefore, results could be affected by biases of personal judgements. Another limit is that the analysis has only examined information that was published in organizational websites, thus it was relied on a restricted basis of organizational reality. In order to more comprehensively evaluate nonprofit organizations decision making processes and strategic consideration, or assessing multiple stakeholders' opinion about entrepreneurial behaviour, would require diverse research method (e.g. interview or surveys). Nevertheless, the research as an initial empirical attempt, could provide valuable insight about how service delivery and revenue generating activities are influenced by entrepreneurial behaviour in nonprofit organizations. Since the concept of social entrepreneurship is becoming more relevant in socio-economic and political terms, even among sectors, to further investigate the phenomenon by adopting a more elaborated EO framework or developing a measurement scale that provides quantitative results would advance theoretical contribution.

References

- Anheier, H. K. (2005). *Nonprofit organizations: Theory, management, policy*. New York, NY: Routledge.
- Akingbola K., Rogers S.E. & Baluch A. (2019). Nature of Change in Nonprofit Organizations. In: *Change Management in Nonprofit Organizations*. Palgrave Macmillan, Cham
- Andersson, F.O. & Self, W. (2015). *VOLUNTAS: International Journal of Voluntary and Nonprofit Organizations*, 26 (6), 2718–2732.
- Austin, J., Stevenson, H., & Wei-Skillern, J. (2006). Social and commercial entrepreneurship: Same, different, or both? *Entrepreneurship Theory and Practice*, 30(1), 1–22.
- Brown, W. A. (2015). *Strategic management in nonprofit organizations*. Burlington: Jones and Bartlett Learning
- Dees, J.G. (1998). What do you do when traditional sources of funding fall short? Enterprising nonprofits. *Harvard Business Review*, 76, 55–67.
- Dees, G. J. & Anderson B. (2006). Framing a Theory of Social Entrepreneurship: Building on Two Schools of Practice and Thought. Paper presented at the Association for Research on Nonprofit Organizations and Voluntary Action (ARNOVA), Indianapolis, IN
- Drisko, W.J. & Maschi, T. (2016). *Content analysis*. Oxford, New York: Oxford University Press
- Froelich, K. A. (1999). Diversification of revenue strategies: Evolving resource dependence in nonprofit organizations. *Nonprofit and voluntary sector quarterly*, 28(3), 246–268.
- Géring Zs. (2014). Tartalomlemezés: A virtuális és a valós világ határán : Egy vállalati honlap-elemzés bemutatása. *Kultúra és közösség, IV. folyam V. évfolyam* (1.). pp. 9-24.
- Helm, S.T. & Andersson, F.O. (2010). Beyond taxonomy: An empirical validation of social entrepreneurship in the nonprofit sector. *Nonprofit Management and Leadership*, 20(3), 259–276.
- Krippendorff K. (2004) *Content Analysis, An introduction to its methodology*, 2nd Edition, Sage Publication
- Laurett, R., do Paço, A.M.F. & do Rosario Leitão Dinis (2019). Entrepreneurship in nonprofit organizations: a systematic review of the literature. *International Review on Public and Nonprofit Marketing*, 16, 1–23.
- Laurett, R. & Ferreira, J. J. (2018). Strategy in Nonprofit Organisations: A Systematic Literature Review and Agenda for Future Research. *Voluntas* 29, 881–897.
- Lumpkin, G. T., Moss, T. W., Gras, D. M., Kato, S., & Amezcua, A. S. (2013). Entrepreneurial processes in social contexts: How are they different, if at all? *Small Business Economics*, 40, 761-783.
- Lumpkin, G. T., & Dess, G. G. (1996). Clarifying the entrepreneurial orientation construct and linking it to performance. *Academy of Management Review*, 21, 135-172.

- Lurtz, K. & Kreutzer, K. (2017). Entrepreneurial Orientation and Social Venture Creation in Nonprofit Organizations: The Pivotal Role of Social Risk Taking and Collaboration. *Nonprofit and Voluntary Sector Quarterly*, 46(1), 92-115.
- Mair, J. & Martí, I. (2006). Social entrepreneurship research: A source of explanation, prediction, and delight. *Journal of World Business*, 41, 36-44
- McDonald, R., Weerawardena, J., Madhavaram, S. & Mort, G. S. (2015). From “virtuous” to “pragmatic” pursuit of social mission: A sustainability-based typology of nonprofit organizations and corresponding strategies", *Management Research Review*, 38 (9), 970-991.
- Miller, D. (1983). The correlates of entrepreneurship in three types of firms. *Management Science*, 29, 770-791.
- Moore, M. H. (2000). Managing for value: Organizational strategy in for-profit, nonprofit, and governmental organizations. *Nonprofit and Voluntary Sector Quarterly*, 29, 183-208.
- Morris, M., Webb, J., & Franklin, R. (2011). Understanding the manifestation of entrepreneurial orientation in the nonprofit context. *Entrepreneurship Theory and Practice*, 35, 947-971.
- Moss, Todd W. and Short, Jeremy and Payne, G. Tyge & Lumpkin, G.T. (2011). Dual Identities in Social Ventures: An Exploratory Study. *Entrepreneurship Theory and Practice*, 35 (4), 805-830.
- Rauch, A., Wiklund, J., Lumpkin, G.T., & Frese, M. (2009). Entrepreneurial orientation and business performance: An assessment of past research and suggestions for the future. *Entrepreneurship Theory and Practice*, 33(3), 761–787.
- Salamon, L. M. (1994). The rise of the Nonprofit Sector. *Foreign Affairs*, Volume 73 No. 4, 109-122.
- Salamon, L. M. (2010). Putting the civil society sector on the economic map of the world. *Annals of Public and Cooperative Economics* 81:2, 167–210.
- Saunders, M., Lewis, P. & Thornhill, A. (2016). Research methods for business students. Essex: Pearson Education Limited
- Schmitz, B. & Scheuerle, T. (2012) Founding or Transforming? Social Intrapreneurship in three German Christian-based NPOs. *Journal of Entrepreneurship Perspectives*, 1 (1), 13-35.
- Schumpeter, J. A. (1934). The Theory of Economic Development. Cambridge, Mass: Harvard University Press
- Short, J.C., Moss, T.W., & Lumpkin, G.T. (2009). Research in social entrepreneurship: Past contributions and future opportunities. *Strategic Entrepreneurship Journal*, 3, 161–194.
- Sontag-Padilla, L. M., Staplefoote, L. & Morganti, K. G. (2012). Financial Sustainability for Nonprofit Organizations. RANDT publication
- Weber, R.P. (1990). *Basic content analysis*. CA: Sage Publication

Weerawardena, J., McDonald, R., S. & Mort, G. S. (2010). Sustainability of nonprofit organizations: An empirical investigation. *Journal of World Business*, 45, 346-356

Zahra, S. A., Gedajlovic, E., Neubaum, D. O., & Shulman, J. M. (2009). A typology of social entrepreneurs: Motives, search processes and ethical challenges. *Journal of Business Venturing*, 24, 519-532.

Websites:

Youth and Philanthropy Initiative Canada (2020):

<https://www.goypi.org/resources/for-students/social-issues/non-profit-sector/>

Nonprofit finance fund: State of the Nonprofit Sector Survey 2018:

<https://nff.org/learn/survey>

Analysed nonprofit organizations websites

HUNGARIAN NONPROFIT ORGANIZATIONS:		
	Name	Website
NPO1	Budapest Bike Maffia	http://bbm.hu/ http://bbm.hu/en/
NPO2	Heti Betevő	http://hetibetevo.hu/
NPO3	Adománytaxi	http://www.adomanytaxi.hu/
NPO4	TündérPakk Alapítvány	http://tunderpakk.hu/
NPO5	Utcáról Lakásba Egyesület	https://utcarollakasba.hu/abou-ut-us/
NPO6	Van esély alapítvány	http://vanesely.hu/contents/index.php
NPO7	SZÉRA	http://www.szera.eu/
NPO8	Menedékház Alapítvány (Workshop Club / Charity Shop)	http://www.menedek haz.hu/
NPO9	Igazgyöngy Alapítvány	https://igazgyongyalapitvany.hu/en/home/
NPO10	Bagázs	https://bagazs.org/?lang=en
NPO11	Uccu Roma Informális Oktatási Közhasznú Alapítvány	https://www.uccusetak.hu/en/uccu/ http://www.uccualapitvany.hu/
NPO12	SZIA InDaHouse	https://indahousehungary.wordpress.com/

AMERICAN NONPROFIT ORGANIZATIONS:		
	Name	Website
NPO13	Because International	https://becauseinternational.org/
NPO14	Water for people	https://www.waterforpeople.org/
NPO15	City harvest	https://www.cityharvest.org/
NPO16	Charity: water	https://my.charitywater.org/
NPO17	Habitat for Humanity	https://www.habitat.org/
NPO18	New Story	https://newstorycharity.org/
NPO19	The Bowery mission	https://www.bowery.org/
NPO20	Coalition for the homeless	https://www.coalitionforthehomeless.org/
NPO21	Worldreader	https://www.worldreader.org/
NPO22	CAMFED	https://camfed.org/
NPO23	Harlem Children's Zone	https://hcz.org/
NPO24	ABC	https://www.a-b-c.org/