

## Video Transcript

### ENTREPRENEURSHIP IN NONPROFITS

**Academic insight: Prof. Dr. Michael Meyer**

[Georg von Schnurbein] What are the major discourses of organizational theories today?

[Michael Meyer] I guess that organizational theory and organizational thinking has been dominated by institutional theory, at least since the early 1970s. So with the institutional theory, the notion that there are kind of institutions what can be regarded as bundles of expectations of norms about good organizing that these institutions dominate the way how organizing takes place and how organizations work. So meanwhile there have been many, many, many differentiations within the theory and the couple of concepts has turned up that's dominated discourse, which is for instance about institutional logics, institutional work and so on and so forth. But still the mainstream of organization theory is mainly inspired by institutional theory.

[Georg von Schnurbein] What are future concepts of organizations for nonprofits?

[Michael Meyer] I guess there is still some room for creative solutions, how to organize nonprofits. Nonprofits per se are always captured between different logics. For instance, the market, various fields of nonprofit activities, for instance social work, health care, sports, arts and culture, and so on and so forth, and public organizations. But there is also civil society playing a role in a way that logics and the way how nonprofit organizations work have to react upon participation and integration of citizens. So there's still some room for improvement.

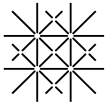
Depending on the legal framework in various countries, we find different legal forms of nonprofits. For instance, in the German speaking countries 'Vereine' – associations, foundations for those limited liability companies, and all of them are not completely feasible for achieving all these partly conflicting goals that nonprofit organizations have to deal with. So, I guess we are still waiting maybe for future organizational forms in nonprofits and we are also still waiting for new theoretical approaches or developments of theory to explain how nonprofits work and to recommend how nonprofits can be organized in a better way.

[Georg von Schnurbein] Which organizational theory should be more used in the context of nonprofits?

[Michael Meyer] I guess there are various theories. What I always complain about the mainstream of institutional theory is that institutional concepts do have very not really a fine grained framework for analyzing the inside of organizations. So how structures and culture interact, how different components of structure work together, what is the role of people of individuals within organizations?

So, I guess this needs new theoretical approaches and there have been theories in past times which have been kind of pushed to the outside by the mainstream which give definitely better answers to that. For instance, system theory which deals with organizations as self-organizing systems, consisting of specific types of structure, implementing cultural thoughts as well.

Another one which goes more to the population of organizations is population ecology. Still, there is only little research based on population ecology which could give us some answers of why specific organizational forms and types survive and others have to die. And another issue that is especially in nonprofit organizations always of great importance is resource dependency. So focusing upon the



resource dependencies of nonprofit organizations and how different resources kind of determine organization, organizational structure, and organizational culture. And this is resource dependency theory. So, I guess there is a bunch of interesting thoughts which has been developed by other theories than the meanwhile dominating institutional theory, and which waits to be reinvented, rediscovered, and made fruitful for our thinking on organizations.

[Georg von Schnurbein] Thank you for your time. It was great talking to you.