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FACULTATEA DE SOCIOLOGIE ȘI ASISTENȚĂ SOCIALĂ
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**INNOVATION AND INSTITUTIONALIZATION IN SOCIAL
DEVELOPMENT. THE ROLE OF DEVELOPMENT
SUPPORT ORGANIZATIONS**

WITH APPLICATIONS TO THE FIELD OF PHILANTHROPY
IN ROMANIA AND CENTRAL AND EASTERN EUROPE

DOCTORAL THESIS SUMMARY

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INTRODUCTION: MOTIVATION AND GOALS OF THE RESEARCH

The research started with a series of questions that came from my professional life, as during my doctoral research I acted as strategic practitioner in a philanthropy development support organization. Before the doctoral research started, I had helped design a new strategy focusing on the long-term change-making role of the organization and this process was an important space to make explicit the key assumptions about change processes from the perspective of a philanthropy development support organization. As the strategic practice was already requiring some degree of theory building around the roles and possible results of a support organization, I decided to advance my own thinking, the practice of support organizations as well as the knowledge about development support organizations through a more thorough focus on these questions and an engagement of more strategic practitioners from this field from Romania, Central and Eastern Europe and globally. At the same time, I wanted to build stronger foundations for the

understanding of support organizations and my role in practice based on sociological theory that would allow me to study the connections between various levels of work: the level of individual practitioners in development, the level of organizations and fields and how practices at this level might influence the broader social system and its institutions. So a first incentive for carrying out the research was obtaining a better understanding of social change processes that would enable a better practice in my organization.

A second area of inquiry was connected to knowledge in social development practice. I already had access to a formalized knowledge pool, but at the same time, as the field of development support was still emerging in Romania, there was not in my view yet enough explicit knowledge or reflection on what constitutes good practice in a Romanian context, but also connected to the learning that already was happening in the development field in Central and Eastern Europe and globally. For this reason, I wanted to explore more connections between practical action in the field of philanthropy development support organizations and various bodies of knowledge that can be helpful to interpret this practice; also to contribute to a theoretical framework for the development organizations field and to understand better how to support learning in practice for the professionals connected to this field.

With these goals in mind, a good research design had to add value at three levels:

- a. On my own professional practice, through better understanding and reflection on my role and specific action I might take to improve the practice;
- b. On the professional practice of other philanthropy development support organizations professionals engaged in local philanthropy development work in Romania, Central and Eastern Europe and globally as well as to the work of the philanthropy development support organizations active at regional, national or international levels.
- c. On several formal knowledge communities from the academic field, with an interest in researching organizations and their influence on social systems as well as following connections between multiple scales.

This combination of research objectives and potential research benefits led to a research design that brought in parallel input from several bodies of knowledge as

well as from the practice of philanthropy development in Romania, Central and Eastern Europe and globally. The doctoral thesis is structured in seven chapters as outlined below.

Table 1: Doctoral thesis chapters with key content

Source: Author's design.

Chapter	Source of knowledge/Key content
Chapter 1. Theoretical Perspectives	Literature review from the field of sociology and social theory. Key concepts: theory of social practices; practice turn in strategic organization; institutional entrepreneurship; organizational learning and action science.
Chapter 2. Conceptual Distinctions	Literature review from development, nonprofit and voluntary sector research, applied behavioural science Key concepts: Social development, capacity development, development nongovernmental organization; philanthropy development support organization; social innovation
Chapter 3. Research Theme, Researcher's Position And Methodological Considerations	Literature review for research quality, action research, action learning, learning in communities of practice. Research methodology presented.
Chapter 4. Context For Philanthropic Work In Romania And Central And Eastern Europe	Action research results in 4 countries (summarizing respondents, action researchers views) on context and giving practices; a research team ideal model of giving; researcher/practitioner perspective on context evolution in Romania and the region.
Chapter 5. Position, Role And Relationships Of The Philanthropy Development Support Organizations In Romania And 4 CEE Countries	Action research results in 4 countries (summarizing respondents, action researchers and organizational leaders view) on philanthropy development support organizations; building theory on the role of philanthropy development support organizations. Case studies of learning in an international community of practice for community foundations (local philanthropy development support organizations)
Chapter 6. A Case Study Comparing The Strategic Intent And The Innovative Philanthropic Practices Emerging In The Institutional Field With The Help Of A Philanthropy Development Support	A case study of a national philanthropy development support organization from Romania (ARC) and its strategic intent, support for new practices and institutionalization in the philanthropic field;

Organization	illustration of approaches and results and analysis of the case in relationship to philanthropy development support organization theory.
Chapter 7. Overall Conclusions	Comparison between the learning in different chapters; conclusions and suggestions for the future.

CHAPTER 1: THEORETICAL PERSPECTIVES

1.1 A theory of social practices and its application in the study of organizations, fields and social change: In my view, the theoretical perspective that allowed me to meet the research goals as well as connect to an interpretation community was the theory of social practices. This was introduced by Reckwitz (2002:243-244) who links the work of several social theorists including Bourdieu, Giddens, late Foucault, Garfinkel, Latour, Taylor and Schatzki under a theory of social practices, leaning on the common aspects of the works of these authors and ignoring some of the particularities of single authors. In his definition, a practice is ‘a routinized type of behavior which consists of several elements, interconnected to one other: forms of bodily activities, forms of mental activities, ‘things’ and their use, a background knowledge in the form of understanding, know-how, states of emotion and motivational knowledge’ (Reckwitz, 2002:249). A social practice depends on the existence and interconnectedness of these elements. The individuals act as carriers ‘many different practices which need not be coordinated with one another’ and of ‘certain routinized ways of understanding, knowing how and desiring’ (Reckwitz, 2002:250). As such, we can view individuals as the crossing point of a multitude of practices.

1.2: Praxis and practitioners: Whittington (2006:615) brings the attention to people in social practices (practitioners), the ‘the actors on whose skills and initiative activity depend [...] these actors are seen not as simple automata, but as artful interpreters of practices.’ He then looks at how the practice theory can be applied to the field of strategic organizations as well as wider social fields, allowing for the link between micro-detail and larger social forces.

1.3 Structuration, fields and the institutionalization process: Several authors including Barley and Tolbert (1997), Schatzki (2000) and Reay and Hinings (2005) discuss the concept of organizational fields as an increasingly useful level of analysis

for institutional theory as it allows to consider organizations as well as the vertical and horizontal relationships between them and understand both ‘normative contextual pressures that maintain stability, as well as dynamics that precipitate change’ (Reay and Hinings, 2005:105). Barley and Tolbert connect the social practice theory with neoinstitutional theory, defining institutions as constraints on the options that the individuals and collectives are likely to exercise, but which are open to modification over time. In their view, institutions are ‘encoded in the actor’s stocks of practical knowledge (in the form of interpretive schemes, resources, and norms adapted to a particular setting which Giddens calls modalities)’ and influencing ‘people communicate, enact power, and determine what behaviors to sanction and reward’ (Barley and Tolbert, 1997:98). In this understanding, they compare institutions and Giddens’ notion of ‘structure’ and explore the process of ‘structuration’ as a process of ‘institutional definition’ as explored by DiMaggio and Power, consisting of four stages: an increase in the extent of interaction among organizations in the field; the emergence of sharply defined inter-organizational structures of domination and patterns of coalition; an increase in the information load with which organizations must contend, and the development of a mutual awareness among participants in a set of organizations that are involved in a common enterprise.’ (DiMaggio and Powell 1983: 148 in Barley and Tolbert, 1997:95)

1.4 Application of practice theory to organizations and social fields:

Whittington (2006) reviews the practice turn in the strategic organization and argues that this can allow for a research framework linking intra-organizational practices and work of strategy practitioners with the extra-organizational effects of their work. He notes that practice theory is also concerned to how social ‘fields’ (using notion proposed by Bourdieu) or social ‘systems’ (notion proposed by Giddens) define the practices. Greenspan (2014) also discusses the application of Bourdieu-inspired organizational analysis to the understanding of the advocacy NGOs. He suggests that a helpful analysis of advocacy NGOs would follow the constructs offered by Bourdieu, including institutionalized cultural capital, embodied cultural capital, linguistic capital, social capital and symbolic capital.

1.5 Innovation and institutional entrepreneurship: A useful body of knowledge that explores further the role of practitioners in changing not just their own practices, but the broader institutional framework is the one of ‘institutional entrepreneur’ as well as the practice of ‘institutional entrepreneurship’. ‘New

institutions arise when organized actors with sufficient resources (institutional entrepreneurs) see in them an opportunity to realize interests that they value highly.' (DiMaggio, 1988 in Garud et. al, 2007:957) Battilana (2006:657) sees institutional entrepreneurship as applicable as a concept to 'individuals, groups of individuals, organizations or groups of organizations'. Phillips and Tracey (2007:315) explore how notions of entrepreneurial capacities of skills developed by the business studies may be relevant for further understanding of the institutional entrepreneurship as 'opportunity recognition in institutional entrepreneurship is liable to require creativity, social networks and relevant prior knowledge and experience.' They look at Maguire et. al (2004) for illustrating that 'institutional entrepreneurs in emerging fields tend to have: 1) identities and roles that allow them to build legitimacy and access resources among diverse stakeholders; 2) the ability to develop lines of argument that appeal to diverse stakeholders; and 3) the ability to make connections between existing organizational practices and the new practices, and align the new practices with the values of key stakeholders.' (Phillips and Tracey 2007:316). Lounsbury and Crumley (2007) also argue that is possible to approach practice (as a pattern in a nexus of activities, and not the activity itself) as an institution, and therefore possible to follow through research how innovation in activities leads to the establishment of a new practices via institutionalization. They introduce the notion of performativity, which assumes that individual performances of a practice play a key role in both reproducing and altering a given practice through variation in its enactment. They also discuss the role of 'theorizing' as a 'key element of institutional entrepreneurship that enables new practice models to diffuse' (Lounsbury and Crumley, 2007:1006). In addition to theorizing, they recommend that researches may focus on performativity and mobilization as key components of practice creation. They see the process of creating new practices as having different phases: 'the emergence of anomalous activity, the problematization of extant practices, social recognition of a novel innovation, and political processes that may involve resistance by incumbents, as well as the theorization and legitimation of a new practice.' This can be also helpful for the study of relationship between organizational and institutional dynamics, for example showing how field-wide processes contribute to organization-level practice variation. Also, if we look at social practices in relationship with field building and structuration processes, these elements can be helpful for creating a better understanding of broader institutional and social change.

1.6 Organizational learning, communities of practice and reflexivity in practice: What is the role of knowledge in practice and how does learning occur? Gheraldi and Nicolini define practice as ‘a system of activities in which knowing is not separate from doing and situations might be said to coproduce knowledge through activity.’ (Gheraldi and Nicolini, 2001:49) They also introduce the concept of reflexivity as the one that distinguishes between knowing in practice (‘participating competently in the knowledge embedded in that practice’, p.51) and knowing a practice (‘disembedding knowledge through an act of reflexive logic’ p.51). Reflexivity ‘betrays the logic of practice because it inserts distance, reflection, and separation of subject and object where there had been no distinction between the subject and the object because both were totally present and caught up by the ‘matter at hand’. (Gheraldi and Nicolini, 2001:51) They conclude that learning in organizing can only occur in relation to reflexivity, for reflexivity enables ‘self-monitoring, the institutionalization of knowledge and hence change as a result of the learning process’. As such, they follow authors like Bauman, Luhmann, Habermas and Beck in interpreting social changes as a learning process. In their view knowledge is communicated and institutionalized through: the community of practice based upon it, the organization’s subsystem where this community interacts with other communities; the organization as a corporate actor, legitimizing certain practices; the interorganizational networks created by a system of practices; various institutionalized forms of knowledge reproduced by knowledge brokering organizations (e.g. universities); the wider institutional environment.

1.7 Theory building and action science: the importance of theorizing for institutional entrepreneurship has been discussed under point 1.5 above, while the importance of reflexivity as a way of knowing a practice under point 1.6. It may be helpful to explore what theory means and its use for strategy practitioners. Straus and Corbin (1998) define theory as ‘a set of well-developed categories (e.g. themes, concepts) that are systematically inter-related through statements of relationships’ that explain who, when, where, why, how, and with what consequences. (p.22). Not just researchers build theory, but all humans do in order to carry on their actions: ‘agents learn a repertoire of concepts, schemas, and strategies and they learn programs for drawing from their repertoire of design representations and actions for unique situations. We speak of such design programs as theories of action’ (Argyris, Putnam and Smith, 1985 in Cayer 1997:53-54). Argyris and Schon (1974, 1978 in Smith

2001, 2013) also differentiate between ‘single loop learning’ and ‘double loop learning’: in the first, we look for correction of situation inside the governing variables, while in the second, we are open to revise the governing variables (e.g strategies in the case of organizational learning). Organizational theory-in-use is ‘continually constructed through individual inquiry, is encoded in private images and in public maps. These are the media of organizational learning’ (Argyris and Schon in Smith, 2001, 2013). Both action research and action learning and their impact on individual and organizational learning are further explored in chapter 3. The role of theory building and testing as a part of a practice is also highlighted by Stringer (2007:1) who views the community based action-research as operating on the assumption that all stakeholders whose lives are affected by the problem under study should be engaged in a process of rigorous inquiry, acquiring information (collecting data) and reflecting on that information (analyzing) to transform their understanding about the nature of the problem under investigation (theorizing). This new set of understanding is then applied to plans for resolution of the program (action), which, in turn, provides the context for testing hypothesis derived from group theorizing (evaluation).

CHAPTER 2. CONCEPTUAL DISTINCTIONS

2.1 Social development concept is understood by the author of this paper as a dynamic process of change motivated by human aspirations, where humans identify a gap between the social existence and these aspirations and respond creatively by seeking new forms of social organization. It is also linked with the learning and adaptation process, as new practices are tested and adopted. If successful, social development results in improved living conditions, increased freedom and choice, and further activation of human potential. This understanding is linked with the works of Eade and Williams (1995), Clarkson (1997), Jacobs and Cleveland (1999), Kaplan (1999), Potter (2001), Rihani (2002). Eade and Williams (1995:9 in Eade 1997:24) see development in connection to human rights: ‘Development is about women and men becoming empowered to bring about positive changes in their lives; about personal growth together with public action; about both the process and the outcome of challenging poverty, oppression and discrimination; and about the realization of

human potential through social and economic justice. Above all, it is about the process of transforming lives, and transforming societies'. In Rihani (2002), social development as based on complex adaptive systems is also an open ended evolving process, with cyclical activity in the following stages: survival (presence of a discernable stable pattern or structure), learning (build up and application of relevant knowledge), adaptation (change that enhances performance and the probability of survival). In his view, it is important for a system to find a balance between flexibility and stability for a gradual adaptation.

Knowledge and learning in development: McFarlane (2006) contrasts a rational approach to knowledge in the development policy and practice which looks at knowledge as being objective, universal and instrumental with a post-rationalist approach that he supports and which conceives 'development knowledge and learning as partial, social, produced through practices and both spatially and materially relational. In this reading, knowledge-in-travel is conceived as caught in translation, as always open to invention and change, and as multiple in form and effect.' (p287) Quoting authors like Gheraldi and Nicolini, Nonaka and Latour, he sees knowledge for development 'accumulated through participation in a community of practice, continuously reproduced and negotiated, so always dynamic and temporary'. (p.293) If knowledge is a 'justified belief', then certain development discourses are ways of thinking and action that offer this justification, seen in the literature as 'regimes of truth'. Knowledge creation and transfer can be seen as 'chain of translations' (concept by Latour) which does not only affect knowledge, but also the people engaged in the translation process. Learning is a 'change in the alignment between experience and competence, whichever of these two takes the lead to cause this realignment at a certain moment.' (Wenger, 1998:139 in McFarlane 2006:297)

2.2. Innovation and intersectoral innovation transfer: Several authors including Zaltman and Lin (1971), Kline and Rosenberg (1986), Anderson et. al (2004), Westley (2014) discuss the concepts of creativity, innovation and its diffusion and conclude that they related to creation and incorporation of new practices, processes, products, with the potential to create changes in the larger social by affecting its routines, knowledge, beliefs, resources or authority flows. Anderson (2014:2) sees creativity and innovation as the 'process, outcomes, and products of attempts to develop and introduce new and improved ways of doing things.' Creativity refers to idea generation, while innovation more to its application; still

distinctions between these two concepts may be blurry at times since innovation happens through a recursive process of idea generation and implementation. Zaltman and Lin (1971: 652) argue that the potential adoption unit assesses the probable experience from its interaction with the innovation and if it commits itself to the innovation, then ‘adoption of innovation is said to occur.’ This process may often be influenced by deliberate plans and strategies made by change agents (or institutional entrepreneurs in another conceptualization). The result of the adoption and diffusion processes is often ‘a change in the structure or function of the relevant social system.’ (p. 653) Kline and Rosenberg (1986) see innovation as ‘complex, uncertain, somewhat disorderly, and subject to changes of many sorts’ (p.28) and point out that it ‘often generate benefit far from the industries in which they originated’. Westley (2014) defines successful social innovation as having ‘durability and broad impact’ and working ‘across multiple scales’: at the micro scale, idea being initiated by individuals or groups; at the meso scale the innovation is incorporated in a problem domain, while at the macro large institutions are transformed. Interaction between these scales is critical for successful social innovation.

Innovators and their networks: Land and Jarman (1992: 6) focus on the innovators capabilities in dealing with complexity of the innovation process: ‘Innovators can hold a situation in chaos for long periods of time without having to reach a resolution.’ They ‘introduce a maximum of tension into the thinking process, unifying concepts that often appear to be opposed, solving problems which appear impossible.’ Coakes and Smith (2007) define communities of innovation as communities of practice, formed from champions of innovation and their social network. Bunnell and Coe (2001: 577-582) propose a view on actors in networks can support analysis across different spaces and scales of innovation, ‘exploring the linkages and interrelationships between and across these various spatial levels or scales, from the ‘regional/local’ through to the ‘global’’. They also point out to recent research on innovation systems conceptualization of the individual not so much as an ‘innovator’ but more a ‘site for the creation, storage and dissemination of knowledge for broader innovative processes.’ (Howells and Roberts, 2000 in Bunnell and Coe, 2001:581) As physical proximity is important in the transfer of tacit knowledge, mobile ‘learning’ individuals have the potential to forge ‘translocal networks, cross-cutting as well as connecting innovative locales or territories’ (Bunnell and Coe, 2001:582).

Organizational innovation: Bach and Stark (2002) see an organization as innovative when it introduces something new to a system by applying or inventing a new idea, thereby bringing about a discontinuous transformation to its own product or service and/or its organizational form (and potentially society itself). They see a ‘first level of innovation that improves the functioning of an organization’ (p.5), but also an effect of this improved functioning on a second level: ‘a change in organizational form that begins to blur the boundaries of the organization itself. As a result, organizations in flux tend to cross-appropriate practices from other sectors and develop into hybrid organizations. These hybrids are more akin to cultural innovators portrayal of the entrepreneur, who exploits anomalies resulting from inadequate dominant practices to be resolved in new ways, thereby contributing to paradigmatic shifts.’ (Bach and Stark, 2002:5) Choi (2012) defines innovation in the context of nonprofit organizations as ‘adopting new ideas and actions generated or developed inside or outside the organization into services, programs, and processes.’ (p.397) In terms of structures, Anderson (2014:16) concludes based on research of several scholars that structures which are ‘decentralized’, ‘more complex’, ‘with harmonization or commitment to low power differentiation’ and ‘low formalization’ are those that facilitate innovation.

Interorganizational innovation and learning: Greve (2005:1027) explores interorganizational learning and identifies 3 factors that influence a heterogenous diffusion model: 1) *susceptibility* of the destination organization (how much is affected by the information about the innovation); 2) *infectiousness* of the origin organization describes how much information about its actions affects other organizations; 3) *social proximity* of the origin and destination organizations looks at how easily information is transmitted between them. Wilson (2007) also points out to the ‘potential of interacting institutions to produce new knowledge out of their differences’ (p.192) because it challenges institutional routines. However, ‘learning cannot be rushed because of the predominant tacit nature of knowledge.’ (p.193)

2.3. Support organizations: In this research, I look at development support organizations as a subgroup of the third section organizations, operating as value based agencies to strengthen their local or issue based constituencies, placing a central focus on their catalyst role. In practice and in the literature (Brown and Kalegaonkar, 2002, Lewis, 2003, Sanyal, 2006) they can be found under different names, including ‘support’, ‘intermediary’, ‘development’ or ‘infrastructure’ organizations. Lewis

(2003:120) sees them as a 'specialized subgroup of the third sector, which share some structural and motivational elements with the third sector', but has a focus on 'development aims and tasks'. From the perspective of its activities, the work of the development NGO can be extremely varied, but can be summarized in three sets of activities and roles: implementation, partnership, catalyst. Brown and Kalegaonkar (2002) define support organizations as 'value based agencies whose primary task is to provide services and resources that strengthen the capacities of their civil society constituencies to accomplish their missions.' (p239) According to Sanyal (2006:67) 'they are located at the center of several constituencies—local groups, national bodies, and international institutions' and their activities include 'innovative programs like organizational capacity building, training and staff development, research and advocacy, collection and dissemination of information, networking'. These features enable these organizations to create bridging ties between different types of organizations as well as levels of engagement (e.g. national, regional, global) allowing them to have 'sustainable and large-scale impacts.' The catalyst role of the development NGO can be defined as linked to the ability of the development NGO to inspire, facilitate or contribute to change and development of other stakeholders, at individual or organizational level.

Philanthropy: On one hand, philanthropy plays a positive and important role in meeting public needs as well as expressing private beliefs and values. 'Philanthropy translates the private desires of donors into public action at meeting needs. It has both public and private functions, enabling communities to solve problems and allowing individuals to express and enact their values.' (Frumkin, 2006:21). Increasing the quality and effectiveness of philanthropic practices can strengthen this positive role and resolve some of the challenges that emerge in finding a dynamic equilibrium between these interests. On the other hand, philanthropy can play a transformational role by effecting large scale, systemic changes as well as by empowering civil society groups to take action in their local communities or areas of interest. Porter and Kramer (1999) argue that foundations 'create value when their activities generate social benefits that go beyond the mere purchasing power of their grants' (p.123), while Karoff (2004) sees change generated through philanthropy as occurring at a variety of levels: individuals, NGO capacities, communities, public policy, systems and field of interests, people attitudes and behaviors, but also in the transformation of donors through their philanthropic engagement. Knight (2012:15) conceptualizes a

series of characteristics identified by practitioners in the community philanthropy field as being essential for its practice: organized and structured, self-directed, based on open architecture, part of the civil society, using own money and assets, building and inclusive and equitable society.

The philanthropy development support organization (PDSO), which is the focus of this research is a subcategory of support organization, with a special purpose of supporting the philanthropy development through a variety of means including mobilizing philanthropic resources, supporting donor's engagement, linking the interest of donors and NGOs, providing capacity building activities related to philanthropy, supporting professional standards, cooperation, knowledge creation, dissemination and advocacy connected to the philanthropy field. Support organizations can be associations of foundations, think tanks and resources centers, networks of donors or NGOs or philanthropic foundations, which take a role to influence the wider philanthropic field. Quinn et. al (2013:1) conceptualizes 'philanthropic foundations as agents of change known as *institutional entrepreneurs* to illuminate the social mechanisms they employ in pursuit of institutional change.' Using this conceptualization, we would say that to be a PDSO a philanthropic foundation or another type of organization should also aim to be an institutional entrepreneur in the field of philanthropy itself and not just on the issue/domain that it wants to support for social change. According to a WINGS' Report¹, there are four main areas through which PDSOs add value to their constituencies and the philanthropy field (four C theory): a) *Capacity* - building of resources, helping generate money and other forms of resources for the field; b) *Capability* - building skills, knowledge and expertise to use resources more effectively; c) *Connection* - building of relationships for networking, peer learning or sharing or for collective action; and d) *Credit* - building of reputation, recognition and influence, acting on the behalf of the 'philanthropic field' and building its profile in relationship to society as a whole. We can connect the 4C theory with the Bourdieu inspired framework for different type of capital in a field: material, cultural, social and symbolic. Another WINGS Report², defines a community philanthropy organization as 'an independent, non-governmental organization designed to gather, manage, and redistribute financial

¹ WINGS, *Infrastructure in focus: a global picture of organizations serving philanthropy* (2014)

² WINGS, *Infrastructure in focus: a special look at organizations serving community philanthropy* (2014)

and other resources useful for the community's well being, and to do so in ways that engage the community. Community philanthropy organizations include, but are not limited to community foundations' (p.4) As community foundations are mobilizing and distributing resources and have a clear role in developing the local philanthropy, for the purpose of this research conceptualization, we will refer to them as local PDSOs.

2.4 Capacity building: Morgan (1999:14) defines the term capacity as referring to the 'abilities, skills, understandings, attitudes, values, relationships, knowledge, conditions and behaviors - the 'what' - that enable organizations, groups and individuals in a society to generate development benefits and achieve their objectives over time. Capacity also reflects the abilities of these actors to meet the needs and demands of the stakeholders for whom they were established or to whom they are accountable. These attributes cover both formal, technical, organizational abilities and structures and also the more human, personal characteristics that allow people to make progress.' Bolger (2000:1) sees the capacity development as 'approaches, strategies and methodologies used by developing country, and/or external stakeholders, to improve performance at the individual, organizational, network/sector or broader system level.' He also identifies key principles: 'broad based participation and locally driven agenda; building on local capacities; ongoing learning and adaptation; long term investments; integration of activities at various levels to address complex problems.' (p.2) Eade (1997) summarizes two levels at which capacity building can be applied (in the NGO or in the civil society) and three understandings of it as means, process or ends. As 'means', it strengthens the organization or primary stakeholders to perform specific activities; as a 'process', it refers to 'reflection, leadership, inspiration, adaptation and search for greater coherence between NGO mission, structure and activities' (p.35), while at the level of the civil society it may be concerned with 'fostering communication: processes of debate, relationship building, conflict resolution and improved ability of society to deal with its differences' (p.35).

2.5 Support relationships: We have explored previously different roles that development/support organizations take, with a particular emphasis on the 'catalytic' role of both these type of organizations as well as of philanthropic foundations and donor agencies. Supporting development is more than providing resources to carry on development interventions, but also to build long-term capacities, capabilities and

relationships that allow the stakeholders involved in development interventions to carry on ‘self-directed work’ towards ‘more equitable societies’ (see Knight, 2012:4). They include activities that provide resources, support the building of skills, support the collaboration and peer learning and advocate on the behalf of certain idea/stakeholders groups. Some of the support relationships may be financial grants or partnerships with a financial component, while others playing a facilitative role of the development of knowledge or new relationships.

CHAPTER 3. RESEARCH THEME, RESEARCHER’S POSITION AND METHODOLOGICAL CONSIDERATIONS

3.1 Research theme and researcher’s position: the interest for the theme started with my strategic practice in a philanthropy development support organization. The researcher/practitioner wanted to better understand her own theories in action and better articulate the organizational theories as well as connect them to a body of practice related and scholarly knowledge.

3.2 The social influence of the research theme and its contribution to a body of knowledge: The relationship between knowledge, learning and development is more and more important in the context of social change and development processes. Still, in spite of increasing interest after mid 1990s for this topic, it is little explored (McFarlane, 2006). He suggests further explorations of the way that knowledge and learning take place in development and how they are produced through organizations. The knowledge produced can both play a role in determining improved development interventions as well as a framework for their analysis. Lewis (2003) considers that the roles of the development NGOs are well covered by the specialized literature, but the organizational processes and management of these organizations are not covered well. He also points out the need for continuous learning and adaptation, as an improvisational performance in which different development NGOs build a repertoire of ideas, tools and technologies from various sources. Knowledge and transfer of knowledge in the organizations is the topic of many studies looking at how knowledge is produced through research and interaction (McKinley, 2007, Pedler, 2006, Coghlan, 2003) and how it is distributed through local and extra-local networks (Bunnell and Coe, 2001).

3.3 Double position as researcher and practitioner: Bourner and Simpson (2005) discuss the similarities and differences between the standard doctoral studies

and the professional doctoral study, the later having as a purpose to make a significant contribution to my practice. If in the case of the standard doctoral studies, the research problem starts from the literature in the researched field, in the second case it starts from a problem from the practice. If we define the research as the ‘intentional creation of explicit new knowledge’, then we can differentiate between research and personal knowledge. However, as we have already explored in the theoretical framework, knowledge is always embedded in the larger institutional field of professional practice, organizational and interorganizational relations, discourse and interaction patterns, so it always produces, reproduces or changes institutions; therefore in the context of the strategic practice we can say that knowledge is not purely and strictly in the mind of the practitioner or in the personal domain, but it is already part of the social field. Using the theoretical approach that has been presented above, we can see the researcher as a ‘carrier’ of multiple social practices: a strategy/institutional entrepreneurship practice and a research practice. Both come with their own patterned ways of knowing and doing as well as specialized motivational content. There are both similarities as well as differences in these type of practices that the researcher/practitioner must learn to work with. The good news is that any tensions between these practices may be good impetus for stimulating curiosity, reflexivity and creativity. This double positioning may incur certain risks, for using certain motivations or tools from one social practice in carrying the other one in an unaware and non-explicit (tacit) way.

3.4 Validity, subjectivity and objectivity: Validity in interpretivist approaches requires a methodology that takes into account both the subjectivity of the researcher as well as of the research participants, but which purposefully aims to achieve objectivity at two levels: in the experience of the social phenomena and by achieving inter-subjectivity, an understanding through dialogue and communication at all levels where this is relevant, e.g. in the relationship with research participants or in relationship with the scientific community, in a relevant epistemological community. This can happen in two phases: a) understanding well the perspective of the research participants, as well as stimulating a process of reflection through interaction; b) analyzing and interpreting the data through the lenses of theoretical perspectives and through making explicit own values and larger meanings that the researchers brings to the process. This is based on questions that Sandberg (2005), Jensen and Lauritsen (2005) and Ladkin (2005) explore when looking at justifying results in an

interpretivist research and finding a solution in the phenomenological principle that links the subject and object of knowledge through intentionality, which creates a link between the researcher understanding and the researched object. Sandberg (2005) explores a series of qualitative criteria linked with the with the phenomenological intentionality concept, including communicative validity (establishing a community of interpretation between the researchers and the research subjects), analyzing of the empirical material on the bases of coherent interpretation (looking at the relationship between the parts and the whole) and discussing conclusions with other researchers. A pragmatic validity is linked to the coherence of the interpretation and looks for discrepancy between what people say or do. According to Sandberg (2005), subjectivity as a perspective is linked to an awareness of the researchers interpretations by situating them in theoretical, methodological and research field perspectives. A way that the action research approaches the impact of subjectivity (Heron and Reason, 2001 in Ladkin, 2005:109) is to encourage practitioners to engage in a ‘critical subjectivity’, observing their own reference framework that comes from the political, racial, culture or gender. Strauss and Corbin (1998) suggest that is important to maintain a good balance between objectivity and sensitivity: first is needed for an impartial interpretation of the events, second in order to perceive the nuances and specific meanings and to recognize the connections between the concepts. Both are needed for discovery. The sensitivity asks the researcher to go beyond the obvious towards the new.

3.5 Research methods

Collaborative action-research methodology: Stringer (2007:56) identifies ‘a common approach to action research envisages processes of inquiry that are based on a practitioner’s reflection on his or her professional practices.’ Heron and Reason (2001) explicate the worldview of a cooperative inquiry as informed by a clear hierarchy of values, which subordinate knowing to doing, theory to practice and define the primary focus of co-operative inquiry as being the transformation it produces through practical knowing, transformative skills and experiential encounters produced through the research, as well as the effects on the world that the inquires interact with.

Collaborative action research in the field of philanthropy: I facilitated a team consisting of 12 representatives of four philanthropy development support organizations (including her own) engaged in the action research in four countries:

Romania, Bulgaria, Czech Republic and Slovakia. Themes for exploration and respondents characteristics were defined together with the action researchers involved. The purpose of the action research was to make sense of how key stakeholders in the philanthropic field view their own practices and interactions with other stakeholders as well as contribute to the reflection and explicit knowledge creation on the particular roles and position of support organizations in the region. Centering the work on the metaphor of '*intelligent resources*', the action research team focused on the questions related quality, effectiveness and role of philanthropy development practice. This action research aimed to deepen and improve understanding: a) of existing private giving practices in the context of the four countries in CEE/region and broader trends in philanthropy and development practice; b) of the role and practice of Philanthropy Development Support Organizations (PDSO) in relationship to giving/resource raising practices in their own country context; c) of partner PDSO on the emerging philanthropic context in their own countries and their response to it. The research was based on semi-structured interviews with 48 interviews were carried in the four countries with by the 12 PDSO practitioners engaged in the action research framework (11 in Bulgaria, 13 in Czech Republic, 10 in Romania and 14 in Slovakia). In total, 13 PDSO (national or local), 17 NGOs, 12 corporate donors and six individual donors were interviewed. Research themes were customized to fit each category of respondents, with the PDSO having the most complete set of themes and questions. Research themes explored: description of trends in the context of individual and corporate giving in their country; understanding of key characteristics of effective giving practices and comparing existing giving practices with these characteristics; analyzing these practices and considering different expectations, successes, challenges and risks as well as opportunities for development. A key area of the action research was focus on the PDSO roles and added value, key relationships with donors and NGOs, successes, challenges and risks connected to PDSO practice.

Each organization created a country research report (which also included secondary data sources and results from interviews grouped on research themes). The data from country reports was analyzed together with the action at the regional level. Main conclusions were summarized in a regional analysis co-produced by the research facilitator (doctoral student) and a leader of a Slovak PDSO. This was

discussed with policy makers from the four organizations to look for similarities, differences as well as implications for organizational practice.

Each of the participating four organizations prepared case studies highlighting relevant practices and exchanged them to support the organizational learning processes. The created a framework for understanding the role and position of the support organizations as well as key relations in the philanthropic field. This was then completed with a literature review that I have done on the fields of civil society, philanthropy and support organizations.

Literature review: Another method I used was the literature review, with a focus on understanding perspectives from sociology, organization and strategic organization studies, development studies, nonprofit and voluntary sector studies, studies of knowledge production. The review was helpful to map key concepts as well as explore different methods suggested to explore organizations and institutional building/revision processes. The results of the literature review are presented in chapters 1 and 2 of the doctoral thesis.

Action learning and communities of practice: Kemmis and McTaggart (2008) position action learning as rooted in the work of advocate Reg Revans, who saw traditional approaches to management inquiry as unhelpful in solving the problems of organizations. In their view, ‘the fundamental idea of action learning is to bring people together to learn from each other’s experiences. There is emphasis on studying one’s own situation, clarifying what the organization is trying to achieve, and working to remove obstacles. Key aspirations are organizational efficacy and efficiency, although advocates of action learning affirm the moral purpose and content of their own work and of the managers they seek to engage in the process.’ (Kemmis and McTaggart, 2008:274). Wenger (1998) defines communities of practice as ‘groups of people who have a common interest and are engaged in a shared enterprise, through which they both have, and further develop, a repertoire of knowledge, skills and practices.’ (Wenger 1998 in Johnson, 2007:277) The notion of ‘community’ in communities of practice is metaphorical, not determined by locality or specific form of association. Communities of practice can thus be of many types and forms, within and across organizations and space.

Participation in action learning and communities of practice as a research strategy: I have participated in a community of action learning and practice together with community foundations and philanthropy development support organizations in

Central and Eastern Europe. This has offered the opportunity to observe community foundations key stakeholders and engage in dialogue with them as a part of specific site visits to community foundation in Bulgaria, Czech Republic, Poland, Romania and Slovakia. These local dialogue meetings then followed by a reflection dialogue between members of the learning community, starting from the field observations. Between 2010-2014, I participated in 14 site visits to community foundations, writing notes and engaging in dialogue with the visited foundations and the regional community of practice. In addition to the regional work, she was part of a community of practice for supporting community foundations in Romania, inside the national support organization that she works for and in relationship with community foundations and national support partners. A separate community of practice engages the strategic practitioners of the support organization, in the process of building and reviewing the philanthropy development support organization strategy and supporting the learning in practice for several programs. This was complemented with other professional exchanges with community foundations and philanthropy development support organizations practitioners from different continents through conferences, dialogue meetings and through the community philanthropy senior fellowship program. The learning in these settings is shared using a case study approach.

Interpretative case study and its use: The case study is a method to collect and analyze the data, which is focusing on one case. The case can be a social entity (individual, organization or community) for which through integration of different means of collecting the data, the researcher can reach a complete (holistic) image about that entity (Iluț, 1997: 105). Yin argues that a case study is a good research strategy to study how and why a certain program functioned or why a certain event appeared, with data collected from diverse sources: ‘interviews, direct observation and participatory observation’ as well as through the study of tracks ‘documents, archives, physical artefacts.’ (p.110) Data triangulation then allows for the explanation of similar events or facts through use of more evidence sources, while multiple sources can also generate multiple analyses whose conclusions can be compared. The case study can be seen as an experimental design with only one subject – a design which is used particularly in psychology – which allows for the monitoring in the evolution of the subject long term and in depth (Iluț, 1997:107). Yin also points to the parallels between case studies and experimental designs, suggesting that the logic of a cvasi-experimental design can be applied for the design of the case

study, with the advantage that the later can work in complex situations, in which the control of the researcher is almost impossible. In his view, case studies should follow logic of the experimental design, rather than the logic of the opinion polls, when the researcher wants to generalize the conclusions. In this case we are not talking about statistical generalization (to a population or an universe based on the data collected from a sample), but to an analytical generalization, in which the empirical results of the study are compared with a previously developed theory.

Use of case study and cvasi-experimental design as a research strategy: I have been involved as a strategy practitioner in defining and revising strategies of the philanthropy development support organization in the period between 2004-2015. This provides a longitudinal perspective on the processes for building and updating strategies and organizational practices, connecting the organizational strategic and learning processes and acting as an institutional entrepreneur in connection to the emerging field of community foundations in Romania, of philanthropic advisors community in Central and Eastern Europe and to other regional and global actors in the same organizational field. This also provides access to documentation of evolution of strategies and results of these strategies that are presented in a case study of the role and position of a support organization (based on strategic documents, annual reports, evaluation documents and team reflection notes). The case study does not attempt to generalize the knowledge about this support organization to a wider population of organizations from the CEE region (although certain links can be made and there are some strong similarities), but rather to illustrate different theoretical perspectives and interpretations on its work. If we see the strategy of the support organization as an attempt to build theory for its work in the field, the analysis in the case study can be used to test and further develop this theory.

Evolution of practice and research methods in the researcher-practitioner experience: The research is based on several bodies of knowledge and ways of working with them: the literature review appeals to scholarly body of knowledge as well as documented learning produced in the philanthropy development field. Different sources are then brought together so that comparison can be done between various bodies of knowledge. Action research and action learning results, which are meant to support practitioners to further develop their knowledge. It also contributes to theory building for the field. Reflections on own practice at various stages in the design, implementation and evaluations of the programs/strategic work of the support

organization, which are meant to support the me to improve my own strategic practice. We can interpret this as ‘translation’ process between various bodies of knowledge with the result that not just the knowledge changes, but the ‘translator’ too. In this case, the doctoral student translates between different bodies of knowledge – for practitioners and for knowledge communities and this process leaves a trace on both bodies of knowledge as well as in how the researcher-practitioner combines different social practices, particularly around knowledge generation for practice and knowledge generation for academia.

CHAPTER 4. CONTEXT FOR PHILANTHROPIC WORK IN ROMANIA AND CENTRAL AND EASTERN EUROPE

The Evolution of NGO sector and financial support through grants in the first decade of post-communist Romania: After the fall of communism, the needs of society and the support rendered by increasingly active international supporters and partners led to the creation of a new wave of civil society organizations. Porumb et al. (2001), Dakova et al. (2000) show that about ten years after the new concept of NGO work has been adopted in Romania, there was a perception that most of the visible work that organizations do was very much project orientated. Donors interviewed by Porumb and al. (2001) point to key successes and challenges in their opinion: positive results in the quality of life of children, youth, elderly and vulnerable groups, creation of innovative models, a wide pool of skilled people with initiative, activation of community spirit; challenges include lack of links between NGOs and their communities, a short-term orientation and a donor driven culture. They also recognize a demand to support the core costs of the organizations and their development, and not just support for a certain project, had not been fully recognized or addressed.

Changes of the funding patterns in Romania and the emergence of philanthropic practices that localize the source of support: In the next period which is covered by the action research and case studies of the doctoral thesis, previous institutional models were changing and space was created for new approaches, organizations and institutions. This period has seen changes in the resource structure for civil society organizations in Romania that increased the role for private philanthropy. These were due to funding dynamics connected to the European Union accession: withdrawal of foreign funders or financial support from

partners and a focus on larger money for infrastructure projects. While some NGOs responded with increased indigenization - building in country resources and networks of support - and professionalization, others have downsized their activities as resources become scarce. Most of the small and mid-sized NGOs as emerging initiatives were facing a funding gap. This created a space for an increase in the individual and corporate philanthropy in Romania as well as more widely in the CEE region where the dynamics around the growth and funding of the NGO sector have been evolving around similar lines.

Action research responses suggests that practitioners in the Romanian NGOs and PDSOs have noticed the growing potential of individual donors engagement, as well as the fact it was not fully tapped. This evolves together with the change in generations, income and skills: 'In Romania there is a layer of educated people who are getting financial stability, getting towards middle age, settling who will soon consider what to do with their money: donations and social involvement will be on their list.' (PDSO) At the same time, a strong culture of giving had not emerged yet.

Technology has played an important role through access to information, quick communication and on-line social network tools. This provided an opportunity for more people to engage, while it may present a risk for those nonprofit organizations, who did not keep up with the change in their operating environment. Increased number of users of Internet and mobile phone and increase access to banking services (bank accounts, debit and credit cards) provided further opportunities for communication and engagements, as well as potential payment mechanisms for small and middle size (regular) donors.

In Romania, there were no general fiscal incentives for individual giving. However, starting with the fiscal year 2004, individual taxpayers could choose a non-profit organization as a recipient for (1% in the first year then) 2% of the individual income taxes paid for that year and the state directed the relevant amount to the organization of choice. On the NGO side, the Romanian Fiscal Code provided a framework in which a range of income sources were profit tax exempt.

In general, attitudes of people were favorable to NGOs³: 57% of the Romanian adult population considered that NGOs do good things for society. However, the public saw the NGO roles mainly connected to supporting people in need on the short

³ Trends in Philanthropy: individual and corporate giving, Association for Community Relations, 2008.

run (40%) or on a constant basis (25%). Only 12% of respondents see the most useful role of NGOs to raise money and material support for a cause, only 7% the most useful role to mobilize people for a certain cause.

Action research respondents in Romania connected the behavior of individual donors with what the fundraising organizations did to attract and maintain a relationship with them. While several international NGOs already had fundraising experiences abroad, for others reaching out to private donors and especially individuals was a steep learning curve. Working effectively with large number of donors required effective donor recruitment and management systems, many times built and maintained with professional support. It also required visionary NGO governance and management, which identifies this niche of raising resources and decides to invest its resources in this direction. While accessing one time support for causes with visible and non-controversial social benefits – e.g. supporting children, health – has been proved possible and successful, the challenge still remained to ensure repeated donations and long-term continuity of this support.

At the CEE level: similar trends in individual giving were reported in the 4 countries engaged in the action research (Bulgaria, Czech Republic, Slovakia, Romania) in terms increase in the amounts donated and the culture of giving as well as an increase in the interest of NGOs to reach out to donors, ask for support, maintain good communications and build trust. Research participants explained this increase in the donors' interest as being linked with the economic changes and donors' increased interest to be engaged in community life once the pressure to cover their own living needs has been released. Also, there was an expectation that donors will continue to give, increasingly offer larger donations and using more the long term mechanisms of support.

In Romania, corporate social responsibility started to become stronger at the national level as well as in the cities where there was stronger economic development. Still, there was a lot of untapped potential, particularly at the local level. The dynamics in the corporate giving was linked by the action research respondents to the pioneering example of multi-national companies who have developed frameworks for corporate social involvement in their headquarters or already have an international experience in this area. Bigger, national and multinational companies tended to associate with bigger, national or international NGOs. Respondents noted that there was a select pool of organizations receiving the larger gifts from the corporate donors

and that there was a growing competition for organizations to be part of this pool. International NGOs seem to have had a priority start – through relations developed previously in the international arena as well as due to own fundraising management systems. However, this was seen as slowly changing as more NGOs gained confidence through existing examples as well as develop their own experience. While companies with national scope tended to prefer projects based in Bucharest or with a large national scope, there are also examples of local giving both through national corporate giving frameworks as well as from locally based companies. This is also one clear area where there is space for corporate giving to grow in the future.

Key mechanisms that allow for transfer of resources to nonprofit initiatives include sponsorship and donations. For sponsorships, companies benefit from a tax credit (may deduct sponsorship from profit tax), if it is less than 20% of the payable profit and 0.3% of the annual company turnover (recently changed to 0.6). This is an important stimulation for companies with a relatively large turnover and profit margin, which can offer as sponsorship relatively high amounts at a minimum cost for them.

At the CEE level, a similar trend of increased importance of corporate social responsibility has been noted. The giving process and how this relates to a broader strategy of the company has been growing, but ad-hoc giving is also still relatively common. When giving happens regularly, some corporate donors have established corporate foundations to carry on their social program or are engaged in partnerships with PDSO to give money or report on their corporate giving: ‘Now at least big corporations have conceptions, strategies, they give quite a lot. On corporation level we don’t talk about charity any more, now it is about social investments, investments to community.’ (Czech corporate donor) In Slovakia in particular, the corporate giving has been influenced by the legal context that allows companies to use 2% of their tax to donate to selected causes.

Some private giving mechanisms were multi-actor, involving both individuals and corporations. An example of this is the company matched payroll giving. The company allows the access of the NGO or PDSO to campaign to its employees and encourages their giving by offering matching resources.

We can look at the dynamics in the private giving field as an interaction between changes taking place at the giving end (accumulation of wealth, motivation to donate) as well as changes at the fundraising end (accumulation of experience,

motivation to ask). Thus, as there is stronger interest coming from both individuals and corporate donors, NGOs are motivated to invest in their capacity to reach out and related to them.

An analysis of effectiveness of the philanthropic practices in four countries in the CEE region: The action researchers have started the inquiry with surfacing their own assumptions about what constitutes good giving practice, based on their knowledge and experience. These covered two areas: direction of resources and process of giving these resources. In terms role and purpose of the resources, effective giving: addresses root causes of the problems in society and systemic changes; supports organizations with good understanding of their field of work and effective practice; develops capacities of organizations, grantees and partners to better address issues strategically; fosters innovation and adaptation for practice of innovation; empowers emergence of solutions and decision-making within or as close as possible to beneficiaries and stakeholders; promotes values related to participation, cooperation, tolerance, equal chances and social inclusion; encourages dialogue related to context, needs, approaches and solutions. Key words are: root causes, systemic changes, creativity, innovation, learning and cooperation, empowerment.

Effective giving is conditioned by the relationship between donor and grantee has been surprisingly an element mentioned by all type of action research respondents which offered their own interpretation of effective giving practices and how they are enacted in their local or national context.

Intelligent resources and impact/social change/results: respondents in more than one country make reference to the ‘teaching people how to fish instead of giving them fish’ metaphor which could be interpreted that resources invested should go beyond solving immediate needs into creating new resources, learning/adaptation capacity and trying to look at the roots of problems, rather than effects.

In respondents’ views, *a balanced and continuous relationship between donor and recipient organization (NGO/PDSO)* allows for know-how of the issue and financial resources in support of it to connect, transfer and complement each other. Knowledge is critical for transformative impact. A *longer-term frame of commitment/support* gives chance to results to appear, allows feedback/evaluation and learning for both donor and supported organization. *Supporting the organization/institution* develop in areas that are not always directly linked with service/programs and therefore receive less support, e.g. public relations, fundraising,

organizational learning, supporting personnel and administrative costs and endowment contributions (in Czech Republic and Romania) were seen as very effective ways of providing resources that allow for long-term effectiveness and impact.

CHAPTER 5. POSITION, ROLE AND RELATIONSHIPS OF THE PHILANTHROPY DEVELOPMENT SUPPORT ORGANIZATIONS IN ROMANIA AND 4 CEE COUNTRIES

Chapter 5 explores the Philanthropy Development Support Organizations a comparing different perspectives from the action research and complementing it with two case studies from the action learning and practice community in the CEE region. It also includes a theory on local PDSO possible strategy to support change, which I have developed.

5.1 Position, role and relationships of philanthropy development support organizations (PDSOs) in action research respondents perspectives Romania: PDSO are seen as ‘intermediaries’ or ‘relationships brokers’ between donors and NGOs or even ‘referee’. They can be a mobilizer of resources for NGOs and social causes, increasing the access of NGOs that have not fully developed their own fundraising capacity or cannot compete on the ‘big donors’ market. They can offer support to donors for investing their resources through knowledge of issues or local communities, actors as well as expertise with grant-giving. They can create frameworks where interests of donors and NGOs can meet and new relationships are formed, thus increasing resources through leverage for community or social benefit. And last but not least, they can support the learning and capacity development of NGOs in the resource-mobilization, organizational and project management.

Some of the challenges and risks that emerge in practice connect to the way others understand the role of the PDSOs and their readiness to work with organizations that they perceive as being ‘intermediaries’; a pressure on short term results; creating a framework for adding value that is higher than the PDSO costs (easier to compare when distributing resources, but more difficult when looking at non-financial roles); being a competitor for funds in relationship with NGOs; balancing donors and NGO power; finding between responding to needs as they are currently perceived by donors or NGOs and acting as a change agent; attributing results in collaborative frameworks. An area where the Romanian PDSO have not

invested much yet, but which is critical for their future is in developing relationships with individual donors, particularly larger ones.

5.2 Position, role and relationships of philanthropy development support organizations (PDSOs) action research respondents perspectives and research team analysis in 4 countries in CEE: The roles of PDSOs have been analyzed at the level of the action research team, with three major roles of PDSOs being identified and summarized by Porumb and Strecansky (2008) as: *a) resource mobilizers, distributors and partnership builders;* *b) educators and capacity builders;* and *c) philanthropy cultivators,* taking leadership in advancing the philanthropy development agenda, building knowledge on context and practice, facilitating and engaging in a public dialogue on issues related philanthropy and civil society, identifying new trends and uncovered needs and mobilizing NGOs and donors to respond to these needs, thus supporting innovation and cooperation. A ‘key element for differentiation of PDSOs from other NGOs is that they may not take a direct, hands-on approach on solving needs of individuals and communities, rather they support the engagement of other stakeholders, their capacity and cooperation. While PDSOs may have their own direct programs and special initiatives, the core of their work goes towards their intermediary, capacity building and change-making roles.’ (Porumb and Strecansky, 2008:32)

Looking at the balance between donor needs and NGO needs as well as the interest of PDSO of responding to existing issues versus advancing the philanthropy social agenda, I created a framework in which the practice of different PDSO can be situated across these dimensions.

Advancing social agenda

Developing philanthropy/ cultivating new donor practices	Developing civil society/cultivating new NGO practices
Serving current donors needs and interests	Serving current NGO needs and interests



Responding to needs as they are currently perceived

Figure 1 **Philanthropy development support organizations types**

Source: author's design, also published in Porumb and Strecansky, 2008: 29

The above considerations highlight that the practice of PDSO is particularly important and that they have to fine tune their skills in understanding what is next in their area of work, clarifying role and relationships expectations with key constituency and then being able to deliver good programs that take into account all these areas. Continuity in their work is also a critical factor to attract, maintain and cultivate quality staff that is in turn able to stimulate transformation and increased capacity at the level of donors as well as NGOs as well as stimulate a larger dialogue and debate on what constitutes good practice and how to influence the larger environment to understand better this area of work.

5.3. A case study of community foundations (local PDSO) role and practices in Bulgaria, mapping potential for innovation and institutional entrepreneurship through action learning knowledge at the level of the community of practice: Some of the above mentioned roles, challenges and development opportunities for the future are explored in a case study on Bulgarian community foundations (a local philanthropy development support organization), based on my observation and reflection following a study visit and action learning event in Bulgaria.

A major development success of community foundations in Bulgaria that I have observed through the local dialogue lays in the relationships with local constituencies that they have built over time. *A major development challenge* is to continue this process and help create a space for dialogue, definition of priorities, actions and solutions that can take into account, but also help move forward the power dynamics in the community, towards more inclusive, tolerant and supportive communities.

A process of shifting power divisions in a community is both challenging and long term. Community foundations have to rely on the resources of those who can afford to contribute time, money or expertise, and this input always comes with a set of views and perspectives attached to it. Two strategies for this may be: a) to continue

to develop strong professional skills in dealing with donors, to increase their impact in the community, through ‘fund development’, encouraging donors to invest resources in their community, achieving stronger and higher impact. b) to support those who are mainly viewed as beneficiaries or groups with needs to become aware of their own resources and possibilities of contribution. Foundations could this way strengthen their position as a proactive promoter of solutions and encouraging new community development practices. Strengthening a debate around the future of community foundations in Bulgaria and the transformative role of the foundations can be an area where national and international philanthropy development support organizations can also play a role.

Potential routes into new community practices: This section summarizes my views on how change at a community level may be supported by a philanthropy development support organization, which aims to play a catalyst role. As such, I see a strong potential for them to facilitate a gradual change process, addressing community issues from their own position and through their own means. These include: identifying and documenting well the areas of need, being aware of good practices in the fields they are supporting, understanding more about the potential leaders in the community, particularly those who are not already known and building their own grant-giving practices in order to achieve a higher impact with a limited resources.

5.4. A case study of community foundations role and practices - impetus for change in the mature field of community foundations in Slovakia: A second case study is based on a visit and action learning dialogue on the potential for transformative practices in a mature field, 20 years after the first community foundation was set up in Slovakia, in Banska Bystrica. Here, the action learners noted a very strong sense of mission that the Banska Bystrica foundation has in providing a voice to voices which are not equally heard - from children being asked to collect stories and make drawings about the history of their school, to senior citizens sharing their stories, to helping the leaders of roma communities and associations of people with disabilities strengthen their contribution to the public discourse. My subgroup visited this location and Liptov area and then connected to other two groups who were exploring different community foundations locations. Key conclusions in the action learning community after visits to 6 community foundations in Slovakia:

a. *Community foundations hold an important space for cooperation and compassion at the level of the communities, engaging people who share these values*

into community development initiatives. They also managed to provide stability in their efforts and be there long term as an important financial and moral supporter of these active and like-minded people.

b. One of the key themes of reflection was connected to the role *that the community foundations take in relationship to supporting vulnerable and minority groups* in their community. In this, it seems that that the awareness and practice at the level of the whole community foundation movement varies, with very conscious practice in one location, attempts to address this in creative ways.

c. An interesting area of dialogue refers to the *crystallization of subgroup of active people in many communities that are part of or structurally connected to the foundations* (as key supporters or grantees), embrace key values and are in the community transformation project long term. This crystallization provides a more comfortable space within a larger community, which might or might not share some of these values and these are the key allies and people the foundations turn to. These relationships were very important for the development so far, are based on trust and share an ease of working together, depth and strength, so their contribution is positive. However, for the foundations to continue to develop and thrive, it would be important in my view to very consciously and proactive build links to more groups of people, outside and beyond this core, long term, network of allies. This is an important area of dialogue and strategy building at both local and national level, supporting leaders to look at their community anew and map the less visible potential.

d. A fourth important area of discussion in my view is the *role of the national support organization* in continuing to champion the community foundations ideals beyond the current developments.

The spark for new developments can come from existing teams, from new leaders in local communities, from other communities joining the movement or from a national (or regional) support organization providing stimulus for further development through dialogue as well as additional resources. At this stage of the development of the movement, building consciously the space for this spark may crucially important so that community foundations in Slovakia develop sustainably and resiliently in a different context compared to their start up moment and which will continue to change.

CHAPTER 6. A CASE STUDY COMPARING THE STRATEGIC INTENT AND THE INNOVATIVE PHILANTHROPIC PRACTICES EMERGING IN THE INSTITUTIONAL FIELD WITH THE HELP OF A PHILANTHROPY DEVELOPMENT SUPPORT ORGANIZATION

6.1. Strategic intent of ARC - a national philanthropy development support organization from Romania: As a PDSO, ARC aims to advance philanthropy in Romania. In different iterations of its strategies, ARC defined its role to build to capacity of and relations between existing actors involved in private giving and fundraising, to create and develop new specialized institutions and to promote a supportive environment for the philanthropy field.

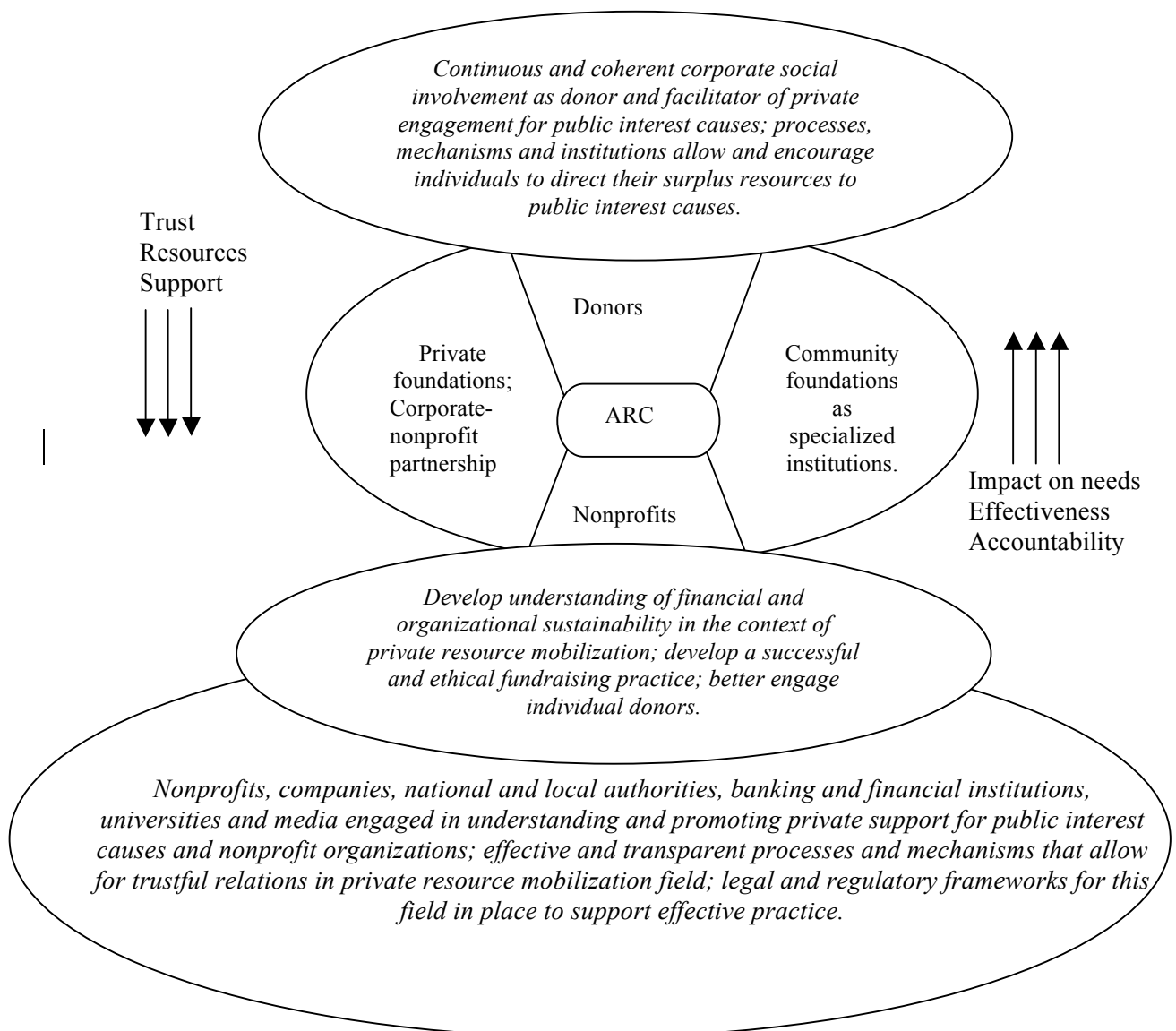
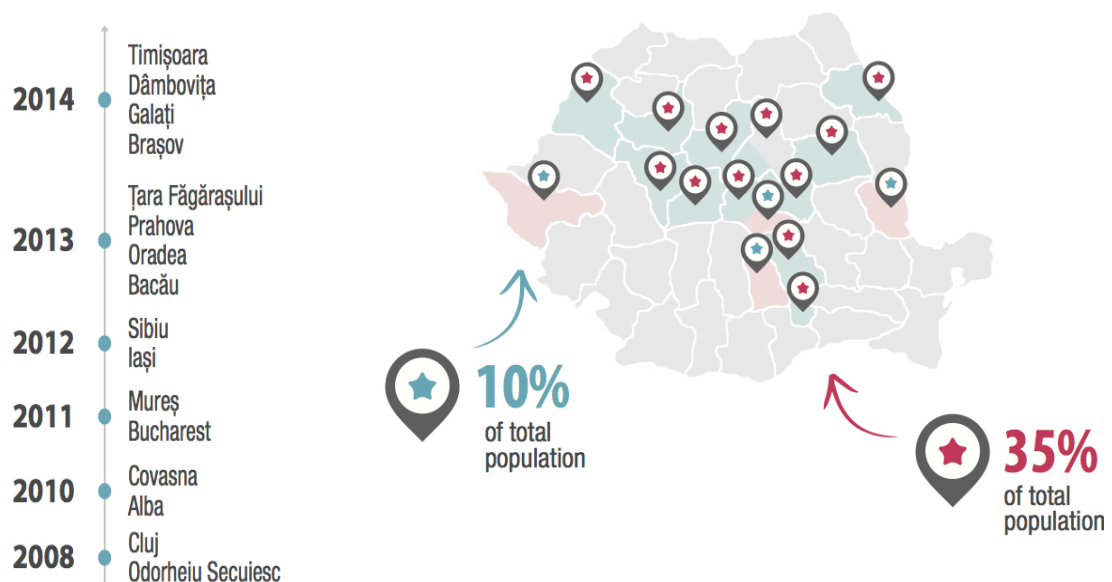


Figure 2. ARC’s catalytic role in the philanthropic development field

Source: author’s design.

6.2 A case study of the support for the emergence and development of new actors in the philanthropic field in Romania - community foundations (local PDSOs): this looks at ARC’s role to the building of specialized institutions in the field of philanthropy. A pilot program started in 2005, while the case study follows development over a ten year period, until 2014. The case study illustrates the learning of the program team in different phases of the program and documents specific results in terms of number of organizations, geographic spread, time of emergence of new organizations and related practices.

While two community foundations were established in the pilot phase, a proactive design of encouraging local initiatives led to the creation of ten more community foundations and four community foundations initiative groups in three waves, one starting early in 2010, 2012 respectively 2014.



Source: CF program info-graphic; author design.

In the experimental phase, finding leaders who could combine both strong visioning and a practical approach has been the critical success factor in the view of the program team. At that stage, communities were more focused on projects that could provide immediate, visible results, while the program was looking for people with an interest in building an institution focused on long-term results. ARC has found inspiration in other experiences in CEE region and took together with the pioneers of the first two community foundations an approach of ‘show, don’t tell’, supporting community leaders in experiencing what the foundation might mean in practice, before moving on to building a new institutional framework.

In the second phase, ARC had already accumulated experience and the existing two community foundations could provide some inspiration for practice. At the same time, a strong vision has been built as well as a strong national partnership and support framework. In this phase, the program team notes changes in the attitudes of community leaders, with a higher interest from a cosmopolitan, ambitious, self-reliant and community orientated leaders, allowing for a match in value between these leaders and the program expectations. The stability and dependability of the support framework provide, experience and motivation of the program team and a combination of encouragement and challenge for ambitious goals were also very important.

The next graphic shows how community foundations have built different capacities in different stages of development, based on the program team experience:

<u>-2</u>	<u>-1</u>	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>	<u>6</u>	<u>7</u>	
Phase 0 - Initiative Group Initiative groups are identified and supported to raise 50% of the initial patrimony and to build institutionally the foundation, including branding, internal regulations, and legal registration.		Phase 1 - Start-up Phase Board and staff understand their roles and become more accustomed to the concept of community foundation and related mechanisms. The foundation learns about their community and tests various practices related to philanthropy development and grant-making. It invest in respecting the nationally agreed upon standards, including transparency.			Phase 2 - Building Broad Local Support Building, encouraging and sustaining mutual support relationships with a broad base of stakeholders from the local community: donors, NGOs, initiative groups, active citizen communities, volunteer supporters of the foundation, media partners, public institutions, local & regional governmental bodies.		Phase 3 - Consolidating Key Relationships/Donor Support: As CFs grow in size and experience, they target more systematically individual and corporate donors for philanthropic counseling & development of named funds. The board of the foundation is strong and has good practices in the area of governance, while the staff is proficient in good CF management practices. Quality systems for grantmaking, planning and monitoring results that support donor and public communication/engagement.		

Figure 8. A longitudinal model for the emergence of new practices within community foundations at different stages in their evolution (first 7 years of operation)

Source: author’s design; content based on CF program team experience.

<u>8</u>	<u>9</u>	<u>10</u>	<u>11</u>	<u>12</u>
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<p>Phase 4 - Leadership Proactive investment in understanding the broad range of community needs and engaging local stakeholders for mapping and solving them collaboratively. Seeking to include the needs and voices of vulnerable and marginalized groups. Seeking to go beyond main city to smaller communities and rural areas (through regional funds and rural development funds). Consolidating grant-making on key issues in response to needs. Diversification of type of grants to include start-up, development and unrestricted; revolving funds/(social) enterprise development.</p>	<p>Phase 5 – Improved sustainability prospects The foundation’s community leadership approaches target vulnerable groups. Institutionally the community foundation is well established, internal processes are in place and well functioning. The foundation is able to demonstrate impact for social change. The foundation’s business model ensures its financial stability. An investment in long-term asset building (e.g. endowment) and other financial mechanisms is made.</p>
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Figure 9. A longitudinal model for the emergence of new practices within community foundations at different stages in their evolution (expected starting from 8th year)

Source: author’s design; content based on CF program team experience.

As I have been engaged in action learning frameworks in several countries in the region, she has also hosted in 2013 such an action-learning framework focused on the Romanian community foundations movement. In a reflection paper, Alexandrov (2013) offers a number of potential explanations for the success and optimism of the Romanian CF movement: a) *a favorable environment hypothesis*; b) *a strategy of imitation hypothesis*: that looks at the Romanian practitioners being especially good in introducing and adapting working models from outside, including YouthBank and Swimathon; c) *youthfulness and enthusiasm hypothesis*: ‘It seems that most Romanian community foundations have developed an open and future oriented organizational culture, quite sensitive to the innovative and transformative social and cultural tendencies in the respective community and especially responsive to the ideas and aspirations of young people.’ d) *good leadership hypothesis* that look at the

strategic leadership of ARC at the national level which as ‘an organization it co-evolved with the growing network of foundations it serves by providing them with well geared support, guidance and visionary leadership.’ Scaurszki (2013) also finds that the leaders of community foundations are ‘energetic, result-driven, charismatic, well networked in their cities and have a good understanding of the CF concept. They are eager to build a CF as a tool to develop their communities’ and questions how they could become more sensitive to and work with community groups which are different than them, addressing complex and daunting questions of social inequality and ageing. A challenge also comes from Barta who questions the similarities in the practices of community foundations at the start up.

Exploring factors of success in the building of community foundations, I (and participatory observer in 10 years of practices in the field and as a researcher sensitized to social practices, innovation and institutional change theories) consider that an explanatory analysis should also look at broader institutional changes in society, even beyond the philanthropic field. Such factors include the change in generations, with a stronger engagement in community from the generation, which has become adult and began their professional life in the post-communist Romania; the evolution of technology; a body of professional expertise in related fields (IT, HR), mobility of professionals, the knowledge of English allowing for access to information and networks. It also explores the motivational background of the community foundations leaders, who were part of the local communities as well as of the community foundations initiatives by choice, dedicating their time, skills, knowledge and social networks.

The leadership and strategy of the national support organization was also important. The design of both experimental and dissemination phase was done under the leadership of a motivated team, with formal qualifications in social development practice and access to a relevant community of practice in the CEE region and internationally. The orientation on reflexivity and learning of the program leadership team were also important elements, with key milestones in the program design being focused on better understanding the evolution of the program and later with participation in regional and global horizontal knowledge networks.

Part of the accelerated development can also be explained through the strategy that brought community foundations together from early phases and allowed for mutual learning and dissemination of innovation to happen, at relatively low cost.

This also has allowed for the formation of another national support organization, based on principles of peer collaboration and self-representation of community foundations: the Federation of Community Foundations in Romania, which has become a strategic partner of ARC.

For the next steps, the practitioner/action learner views the following areas as being important to be further developed: higher engagement of community foundations at the level of generating knowledge at the community level about needs, resources and impact; building of flexible grant-making funds through which community foundations can position themselves as an independent funder, improving their capacity to reflect the agenda of marginalized and vulnerable groups in ways that are sustainable from the perspective of funding structure and operation model. Other areas of development include clear articulation on how grant-making contributes to change; strengthen the diversity and inclusiveness of governance boards and their role in building knowledge of and relations with the wider community; strengthen CF self reflection and self representation, supporting them in sharing results and lessons learned; continue to invest in strategic alliances and national collaboration, while being aware of a risk of a too fast pace of development and overstimulation; continued investment in networking at the regional and global level.

6.3 A case study of national PDSO partnership with emergent local philanthropic institutions to stimulate youth engagement in philanthropy: The program started in 2006 as: Cluj local stakeholders were interested in supporting youth development, ARC was interested in exploring a framework for building a community foundations and has learned about a youth engagement model used by Northern Ireland Community Foundation and applied successfully in Slovakia. Youth Bank program illustrated in its first iteration in Cluj the role that a community foundation can play initiating and operating a fund based on a large community support, a model which could be used for the further development of the foundation.

In 2008 ARC had started the design for the dissemination phase of the community foundations and decided in 2009 to support the sharing of the Cluj YouthBank model in other communities too, mobilizing resources for offering a combination of financial and technical support. The development of YouthBank program specifically was not part of ARC's strategy (although the idea of testing and sharing new models for community engagement was), but it has emerged out of local practice and interactions at national and international level (other community

foundations, Northern Ireland community foundation). In 2014, the program was active in 15 communities, with 10 community foundations engaged in running the program. Owing to the growth of the program, ARC has founded a separate Foundation for Youth Engagement. Different roles that different actors take in relationship to the program and the results it hopes to generate in the community are summarized in the diagram below.

Neither ARC, nor Community Foundations, nor youth-led project team cannot take on their own credit of the results, which are based on collaboration and contribution of everybody involved.

ARC	Community Foundation	Youth Bank Core Team	Youth Bank Projects
<p>Initial impulse of the Youth Bank program</p> <p>Supported the creation of Cluj Community Foundation as an independent, locally rooted, funding organization</p> <p>Supported dissemination of YouthBank experience to new communities</p> <p>Built national partnerships and a space for sharing experience</p>	<p>Long term supporter of the Youth Bank program</p> <p>Engages private donors to support the program and match resources for the Fund</p> <p>Offers transparent framework for grant-making activities of the Youth Bank Fund</p> <p>Builds capacity of the YB core team</p>	<p>Raises resources for the Youth Bank Fund</p> <p>Makes grant-making decisions</p> <p>Supports local projects</p> <p>Monitors and presents results into the community</p>	<p>Identify key community needs</p> <p>Propose responses</p> <p>Implement projects</p> <p>Attract further financial and non-financial resources for their project</p>
<p>Different local issues, including and beyond engagement of youth, are identified and solved; community capacities and resources are mobilized.</p>			

Figure 12. Roles and responsibilities of different partners and participants in a participative and cooperation model

Source: author’s design

6.4 Other models of practice sharing at the level of the Romanian community foundations movement: YouthBank is not the only practice that can be found in more than one of the community foundations sites. The practices are:

Swimathon and variations around different sport events (semi-marathons, bike-a-thons), which are based on broadly similar models of engagement with participants and donors; community card; donor circle; 8 hours over time. This shows such practices disseminate in an organizational field, particularly one in which there are certain similarities in terms of organizational role and structure (isomorphism).

Swimathon has started in Cluj in 2009 where it continued and reached its 6th edition in 2014, while the model of engaging communities in fundraising has distributed gradually to new communities from the CF movement (also with swimming, but also running or biking), reaching in 2014 almost all foundations (11 out of 12) with 3 foundations organizing two iterations of the event, one in connection to swimming and another one in connection with running. These events engaged over 4,500 participants and 15,000 donors through a series of community fundraising and sports events. This shows the growing role of community foundations as a part of the Romanian community philanthropic context, not just in terms of amounts, but more importantly in terms of breath of support that they are successfully mobilizing by engaging their local communities. This practice has been disseminating without any proactive support (as it was in the case of YouthBank).

Community card mechanism that started in Odorheiu Secuiesc and has been adopted by Covasna and Mures. Following this interest, Odorheiu Secuiesc community foundation entered in a phase of proactively sharing this model to other interested foundation and NGO partners.

Two other mechanisms have diffused in the community foundation movement – the donor circle mechanism on the model of the UK Funding Network and piloted by ARC in Bucharest and 8 hours over time, a mechanism for bringing expertise from local community to support nonprofit causes voluntarily to build a product or a plan (this is also based on international experience, first adapted by Bucharest Community Foundation and in the following year present in 7 other community foundations).

6.5 A case study of PDSO support for institutional change in a more mature field of NGOs in Romania – building fundraising capacity through consulting: while the above case studies focused on the emergent field of community foundations, the following case is focused on the field of NGOs with an interest to build a fundraising practice. In the action learning process, ARC practitioners recognized different potential consulting roles, depending on levels of work. Based

on reflecting on practice, ARC team identified three levels of work for its consultants: a) an *operational level*: where ARC supports NGOs plan and implement new fundraising methods or increase their efficiency; b) a *strategic level*: where ARC is working with a NGO who already has a number of fundraising experiences, which can be linked and structured in a strategic fundraising plan; c) an *integration level*: where ARC aims to support integration of fundraising practices in overall organizational systems.

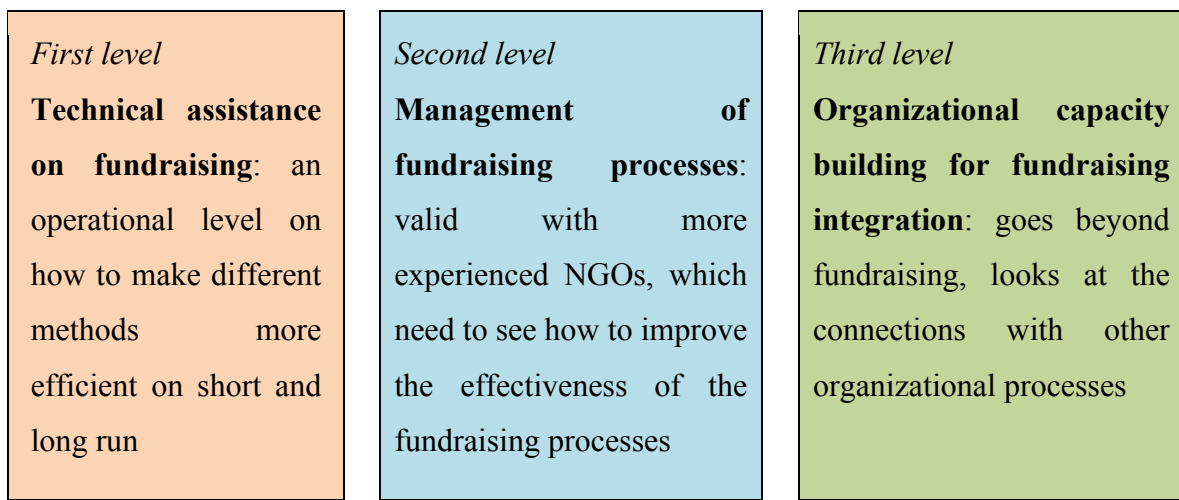


Figure 15. Levels of work for ARC’s consulting approach

Source: author’s design based on NGO program team contribution.

Due to inner context for organizations that just start a fundraising practice – unclear expectations from private resource raising from management and organizational executive teams, relatively new and un-structured fundraising positions, a larger section of the consulting work has focused combination on fundraising strategy development processes. One downside is that without any fundraising experience, planning is an artificial and not highly effective process.

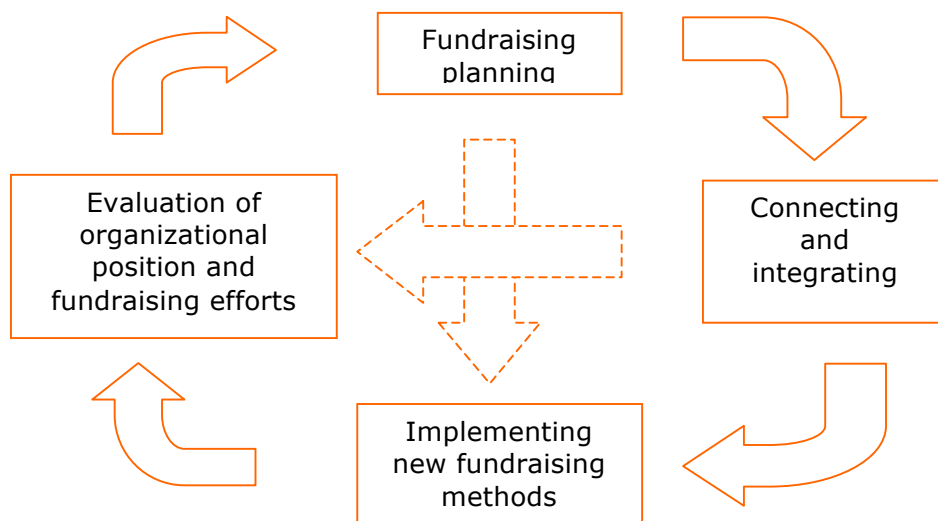


Figure 16: Cycle of fundraising learning and practice in an NGO

Source: author's design.

Different levels of consulting may produce different short-term results and that ARC needed to invest further in clarifying consulting team and client expectations for each of these levels. While the first level is closest to showing the first financial results, increased stability of the organization may happen only if there is sufficient continuity, long-term relationship building, clear expectations and integration with other organizational areas.

Figure 17 shows different results on the three levels of consulting work and how they relate to the long-term impact ARC is working towards. Besides different success indicators on each levels, it is important to also look at the relationships between these and what are alternative sustainable routes to increase the fundraising results.

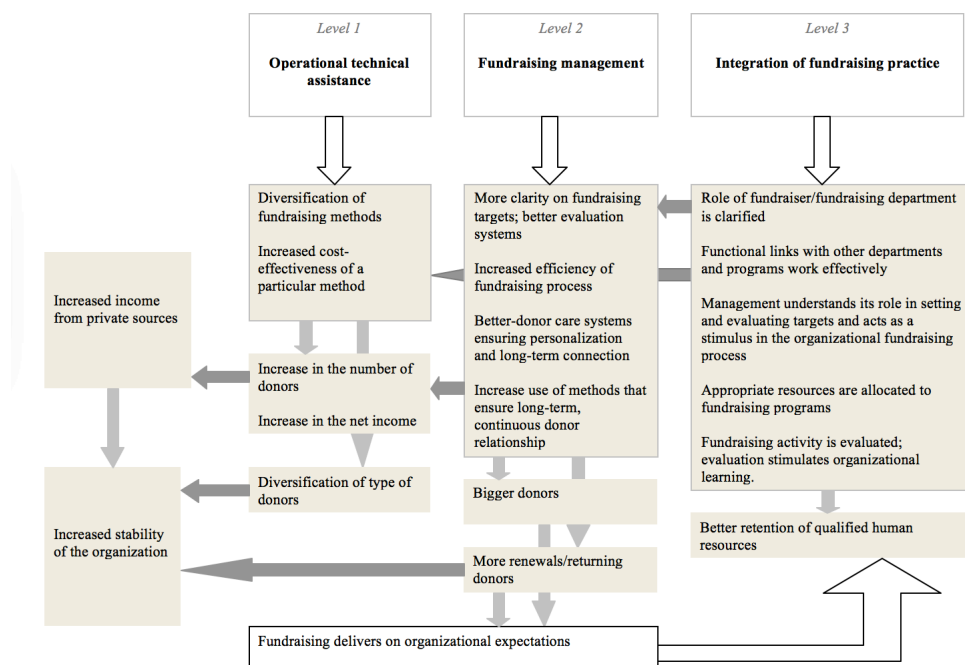


Figure 17. Contribution of different consulting approaches to institutional goals

Source: author's design based on information from action learning set

6.6 Other programs to support innovation and institutionalization in the NGO fundraising field: this section provides information about ARC's initiatives to support a more favorable environment for fundraising. A first layer, relates to public policy in the area of philanthropy and has a particular emphasis on dialogue with NGOs and the Ministry of Finance for implementation of 2% tax assignation and changes in the tax credit for sponsorship base. Another initiative in progress concerns the documentation and recommendations for the introduction of fundraising related positions in the Romanian Occupational Standards List. A second layer of work is connected to ARC's role in creating a transparent framework for SMS fundraising and giving in partnership with major phone companies and one for direct debit fundraising in cooperation with six major banks. A third area is connected to ARC's role to provide a framework where NGO practitioners can share experience and keep up with evolving practices , through the annual organization of the National Fundraising Conference (which reached its 12th edition). Another field building role for ARC was in connection to knowledge. ARC initiated a partnership with Babes-Bolyai University, the Faculty of Political Science, Public Administration and Communication that led to the organizing of two rounds of a post-graduate course in the area of resource mobilization. It also contributes to development of knowledge through research on trends in philanthropy (one in 2003, one in 2008 and an upcoming one in 2016).

6.7 Support organization conclusions: There are several layers of analysis that are relevant in looking at the role of ARC as a philanthropy development support organization. First it involves a comparison *with the ARC intention for change as highlighted in its strategy:* ARC defined its role to build to capacity of and relations between existing actors involved in private giving and fundraising, to create and develop new specialized institutions and to promote a supportive environment for the philanthropy field. A second comparison can be done with the *field based theory:* We can explore ARC's case as an illustration of the 'catalytic' role that the theory of development support organization recommends, not just as a provider of resources, but as a stimulator for increased capacity and collaboration. We can also apply this to the theory of the field, including the one produced through the action research, which sees PDSO as resource mobilizers and distributors; as educators and capacity

builders; and as philanthropy cultivators. Last, but not least, we will look at ARC through the lenses of the 4C theory suggested by WINGS.

Table 10. ARC as an illustration of own strategy/action research PDSO theory

Source: author's design

PDSOs as:	ARC's approach
<i>Resource mobilizers and distributors</i> (action research theory on PDSOs)	Supports further mobilization of resources from individuals through donation mechanisms; mobilized and distributed resources for the set up of new community foundations and their consolidation; for sharing YouthBank practices.
<i>Build capacity of and relations</i> between existing actors involved in private giving and fundraising (ARC's strategy)/ <i>Educators and capacity builders</i> (action research PDSO theory): build the capacity of its nonprofit constituency through education, networking, support for institutional development; good practice standards; frameworks for donors to pool resources and exchange information.	Support NGOs build knowledge on fundraising through training, consulting, National Fundraising Conference. Support for community foundations networking and learning (study visits, dialogue meetings) and set up of commonly agreed standards. Support for donor learning and collaboration through Donors Circles. Support for learning and exchange for donor circles and YouthBank teams.
<i>Create and develop new specialized institutions and donation mechanisms</i> (ARC's strategy)	Community foundations, Federation of Community Foundations in Romania, Youth Engagement Foundation and through them support for YouthBank and donor circles as informal teams/networks; SMS and direct debit systems.
<i>Promote a supportive environment for</i>	Multi-stakeholder dialogue between

<i>the philanthropy field</i> (action research theory; ARC's strategy)	NGOs and government (policy initiatives), academia (post-graduate course); businesses (phone companies and banks for the SMS and direct debit systems); research and creation of a body of knowledge for the philanthropy field.
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Association for Community Relations (ARC)-Philanthropy in Romania

Background

ARC has the mission advance philanthropy in Romania, helping channel people's resources and generosity to build stronger communities.

Capacity

- Created a framework to support the long term development of community foundations, bringing together several donor and partner organizations
- Provided grants for community foundations for the start up and first two years of operation.
- Mobilized and distributed resources for the set up of YouthBank Program.
- Provided resources to NGOs to test out new fundraising practices.

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Capability

- Support to community foundations through consulting and technical assistance and links to further expertise.
- Support NGOs through training and consulting.
- Tested out various new practices, including YouthBank, Donor Circles, direct debit mechanisms and shared experience and provided tool to NGO partners.
- Training and consulting for local YouthBank coordinators and organizers of Donor Circles.
- Assisting community foundations and NGO partners to develop quality practices and increase their sustainability outlook.
- Created new transparent systems for giving.
- Helped create new philanthropic institutions.

Connections

- Built connections between community foundations in Romania, in CEE region, UK and globally.
- Built connections between NGOs engaged in new fundraising practice through the National Fundraising Conference.
- Built connections between NGOs, donors and policy makers.

Credit

- Gathered and shared information about the community foundation field and its evolution;
- Promoted the new fundraising practices developed by NGO partner.
- Organized 'People for People' Gala as an annual event recognizing good practices in philanthropy and NGO fundraising.
- Documented the evolution of the philanthropy field.
- Initiated or engaged in partnership initiatives to support policies in the area of philanthropy and civil society.

Key strategies

- *Support small and medium donations as a mass phenomenon* through support for NGO fundraising systems and strengthening of NGO capacity to connect to communities and mobilize private resources.
- *Advancing structures for organized philanthropy*, including supporting community foundations, individual and corporate foundations, networks of engaged philanthropists and other long term, organized donations mechanisms.
- *Inspiring leadership in philanthropy* to promote a long term favorable environment, by stimulating dialogue, connection and reflection on practice between philanthropists and organizations and with knowledge creators and policy makers; increasing the engagement of new generations in philanthropy and civil society, creating and sharing knowledge and contributing to policy development.

Outcomes

- 12 CFs created since 2008 now cover 35% of Romanian population; 4 more initiatives (expected to reach 16 CFs in 2016 and 45% of the Romanian population), which collectively invested over \$1,75 million through grants, scholarship, and urban renovation projects. Grant areas included: education, public and community spaces, health, social inclusion, culture, and environmental protection
- 340 youth-led projects supported in the framework of YouthBank since its start up and over 100 youth grantmakers in 2014.
- Created a transparent system for SMS donations in partnership with telecom companies and introduced new tools, including sign in for regular donation through SMS; higher value SMS; clear criteria for access to the system and reporting mechanism; introduced direct debit for donations in partnership with banks. Over \$1,7 million through both systems and 500,000 donors, out of which 30,000 regular donors.
- Two comprehensive research studies on the philanthropic field (third one in progress); a partnership for a post-graduate course with the Faculty of Political Science, Administration and Communication, Babes-Bolyai University.
- Regular annual events that bring together NGOs interested in raising resources for private sources; donors and policy makers; community foundations; youth engaged in philanthropy.
- Support for development of new policies in the area of philanthropy, including 2% provision (also technical details and public information campaigning); co-leadership in Generosity Coalition; initiated constructive and successful dialogue with NGOs and policy makers on increasing the sponsorship limit; in progress work to introduce fundraising related position in the Occupational Standard List.

Figure 19. ARC as a philanthropy support organization 4 C case

Source: author's input into the 4C framework developed by WINGS

7. OVERALL CONCLUSIONS

As noted above, the theory of social practices allows for interpretations across

multiple levels or scales. In the following paragraphs, I will present the conclusions from a theoretical perspective and then I will discuss research limits, future research opportunities and next steps in practice.

7.1 Individual level: The theory of social practices sees the individual as a carrier of uncoordinated social practices, as a participant in networks and communities of practice; as a carrier of cultural, social and symbolic capital. It looks at its performativity (individual performance of a practice) and its capacity to act as an institutional entrepreneur. These elements allow for an interpretation of the relationships between different identities and roles for the researcher as a carrier of related, but still distinct social practices, with their own embedded knowledge and motivational setting. We can illustrate this through the researcher/practitioner engagement in: 1) a theory building process in the formal knowledge community through the PhD; 2) a theory building process through her work as a strategic practitioner that connects to the practice field of knowledge; 3) a process of facilitating the learning and engagement of other practitioners in collecting data about the field, analyzing and interpreting data and connecting it to use in practice; 4) a process of action learning trying to better understand her field of practice and 5) implementation of the strategic choices that are made by the support organization, bringing out issues of performativity in her social development practice. Looking through the lenses of these theories, I better understood my role as a ‘learning individual with capacity to create translocal knowledge through cross-cutting as well as connecting different locales and territories’ as well as to conceptualize herself as a site for ‘creations, storage and sharing of knowledge for broader innovative processes’. Together with reflections inside the communities of practice, the theoretical interpretations strengthened the awareness of the roles that professional networks play in the evolution of individual professional. The social practices theory provides a good space to conceptualize the role of individuals in strategic practices. As the relationship between the YouthBank program, community foundation program and ARC strategic thinking process shows, the interaction between a strategic practitioner with the actors in a certain organization or field, can influence strategic practices beyond the initial design at the point of entry.

7.2. Organization level: The next level of analysis is the one of the organization. This is an essential level as it connects to the topic of the research, explaining the roles of support organizations as institutional entrepreneurs in their

field and in the larger social system. Active in supporting ‘capacities, capabilities, connections and bring credit’ for their constituencies, development support organizations have the potential to ‘make sustainable and large scale impacts’ through their contributions to the fields they support and constituencies they serve. Also, through their location at the cross-roads of various local, regional, national and international constituencies, they have high potential to bring innovation and create institutional change. Their capacity to learn is essential in the light of the implicit and explicit influence they have on their fields, both through their strategic intention as well as through their practices. As organizations and fields mature, reflexivity on their practices is even more important as ‘routinized’ ways of behaving and responding are formed and become stronger. While strategy design processes are usually part of the body of strategic practices in many organizations in the development field, a process of ‘sensemaking’ as retrospective insight into what happened is more rare, particularly if the strategy was quite well defined and the organization achieved the results it has set to achieve. I argue that even in these cases, seeking and following the practitioner view on what worked in practice or not may provide insight into the organizational theories in use and provide a space for re-alignment when needed.

7.3. Organizational field, networks and communities of practice: This level of analysis is also essential because it is the level that connects micro-interactions with the macro-system dynamics and can show how institutions reproduce or change through combination of social practices at multiple scales. The space of relationships between different organizations in a field and particularly the balance of power are key areas of exploration for the work of development support organizations. This may be perhaps achieved through inter-organizational communities of practice that bridge isomorphism divide (for example communities of practice between practitioners in local and national support organizations; or knowledge workers in NGOs and academia). When power differences exist (due to age, size, material, social, cultural, symbolic capital), creating norms of interaction or decision-making roles that challenge these power differentials are ways for furthering development and empowerment goals as well as strengthening the field as a whole. This requires reflexivity in the practitioners in the organizations that are centrally positioned in that field, in many cases philanthropy support organizations or donors.

7.4 At the level of society/broader social systems: The structural properties of the social system are both a medium and an outcome of social practices (Giddens).

Therefore, it is worth looking at how social practices at individual, organizational, field and network level can bring about social change or in other words can produce social innovation with broad, large-scale impact. In the other direction, it is worth exploring how large-scale change can impact a certain field of work. In the first direction, organizations in themselves can rarely impact a system large scale through direct work, although innovation may reach far beyond the field where the innovation appeared.

The ‘catalytic’ approach of the organizations, their capacity to foster collaboration and alliances and to build capacity beyond their own boundaries or even beyond the first layer of constituents places them in the position to stimulate large scale change. Also, when organizations cultivate complex, but decentralized ways of operating both inside their borders, but also more broadly in their field of work, they will enable the space for innovation to occur as well as create a space for further development of skills, relationships, values, attitudes, knowledge, behaviors to form, thus contributing to ‘capacity development’. The farther the point of desired impact from the actual practice of the organization, the more important is the development and testing of theories of change, allowing organizations to also work with explicit information and document impact of their practices.

In the other direction, we could see how different factors in the dynamic of the social system allowed for new practices to be created and disseminated in the philanthropy field. These are connected to innovations in technology, values of proactivity and collaboration in the generation of leaders, knowledge created in parallel fields (e.g. in IT about how networks and communities work, or coaching methodologies in human resources development), and general mobility and cheap access to information. Also, we can view the donation mechanisms created by ARC as cross-sector innovations, bringing together expertise and capacity developed in the NGO field with the payment mechanisms developed by the banking or telecommunication system.

The space for change may come from reflexive actors changing social practices, institutional entrepreneurs who can provide reasons and methods for the change to happen as well as mobilize multi-scale support for the change. It may emerge out of disruptive social innovations that are relevant beyond their field of work or through a multitude of small innovation that reflexive practitioners bring to their work. Explicit knowledge creation (through safe spaces for reflection and learning as well as values

connected to generosity and care for the wider system) can slowly erode the structural constraints that come from the routines and routine based interactions. Still a long term stability of the system is important for the results of the learning and innovation processes can help the system operate at a higher level of organization.

7.5 Role of time in institutionalization: Reaching conclusions about the innovation dissemination process and the building of new practices requires study at different points in time. Current research took place on a eight year long period, allowing for testing in practice of some of the emerging theories as well as showing the emergent nature of the learning process in connection to formal and informal stimulus for generation of new knowledge. It also showed the results so far of the intentional design, as well as some of the emergent factors that influenced the results. While accelerated developments required constant learning, the system as a whole was stable enough in terms of key organizations and professionals engaged, providing an unique opportunity to look at the influence that time has on accumulating constraints in a more maturing field of work, even in conditions of reflexivity in practice. Newcomers to a certain field may already find a higher set of constraints compared to the early adopters and questions of where the next impetus for change come from or how to create structures that allow for continuous innovation become relevant and important. The cases above show that institutional entrepreneurs may need to work differently in emergent and mature fields, but also that a focus on the wider field and relationships between different scales is essential for the creation and sharing of knowledge and innovation. Positioning the development support organization as a site for knowledge that can stimulate innovation is also an opportunity. We can also say that various practices may be recreated through experience in different locales and that transfer of knowledge can stimulate and accelerate some of the learning processes, but not replace the role of actual experience and testing in practice for the process of learning, that may be an essential ingredient for the motivation for change.

7.6 Contributions for PDSO field theory and recommendations in practice: The example case of the philanthropy development support organizations shows how it seeks to influence change in the philanthropic field long term by stimulating innovation and new practice creation and by supporting new forms of organization. We can look at ARC as a institutional entrepreneur, acting based on an intentional design to affect change in both the philanthropic field and the field of social

development in Romania. Key arguments for this view include: It takes a long-term view of development process and places a strong emphasis on sustainability of the solutions; it is an catalyst between diverse groups, understanding the philanthropic process from multiple perspectives: individual and corporate donors, philanthropic institutions, nonprofit organizations; there is a strong multiplying effect: it does not influence its field only through its own work, but through its support to partners, who are emerging or actual leaders in the philanthropic field; it supports the creation of new philanthropic institutions at the local level as well as national level.

The cases of supporting community foundations development in Romania and the wider Central and Eastern Europe region can be interpreted in different ways. One line of interpretation shows the importance of field building practices at national, regional and global level. Most important field building practices are connected to the creation of hubs of knowledge, space of interaction and sharing knowledge and a discourse about the field. These are illustrated in the strategies that the support organization has employed in Romania to help build the field of community foundations – working with practitioner networks to support their learning from practice of other community foundations, both in Romania as well as internationally.

Also, we can take the angle of distributing innovations: one that starts from the source of innovation and one that starts from the recipient and different arrangements in terms of resourcing the implementation of new practices (with various illustrations on innovation dissemination in the community foundations field related practices – YouthBank, sports based fundraising events, community card, 8 hours over time).

These field building practices are also exemplified by the creation of knowledge and learning networks, ‘communities of practice’ at the level of the Central and Eastern Europe that allow for reflection and understanding of particular strategies, opportunities and challenges as they emerge in action for the practitioners of the field. We can also look at the role that Worldwide Initiative for Grantmaker Support (WINGS) plays in documenting key practices of philanthropy development infrastructure organizations and providing conceptualization and data about the evolution of the field as a whole.

List of abbreviations:

ARC: Association for Community Relations Romania
CEE: Central and Eastern Europe

CF: Community Foundation
CSO: Civil Society Organization
NGO: Non-governmental organization
PDSO: Philanthropy Development Support Organization

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