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Driven by values or results: can nonprofits do both?

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Results-based management is shown to have helped for-profit companies to overcome challenges in people management when the team members have overlapping or unclear perimeters of their roles. There are often very clear organisational goals, such as profit, which can be translated into individual or team-level goals. Instead, in the case of non-profits, organisational goals are famously complex. Rather than seeing values as a means to an end (e.g. customer orientation to boost revenue), staff in nonprofits often are highly dedicated to values such as justice, human dignity and service as an end in itself.

How can nonprofits be enabled to reach their goals and live up to their values given these characteristics?

The author identifies that, in settings of high dedication of values, there are two major risks associated with implementing traditional results-based management: role ambiguity and role conflict. The proposed solution is to define and measure task results as a learning process on what counts and how to best achieve the mission, rather than a plan-do-check-act approach.

[#Results-Based Management](#) [#ObjectivesKeyResults](#) [#OrganisationalDevelopment](#)

Background

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Context



- There are three dimensions of **goal ambiguity** that can create tensions:
 - A lack of measurability, leads to a focus on easy-to-measure results, while more complex dimensions are neglected;
 - Unclear priorities due to conflicting stakeholder expectations;
 - The pressure to define a simplistic programme logic that is easy to communicate to external stakeholders.

Example: measuring potty training by the number of children are dry may miss how many times a certain child cries or screams, as well as overall child's well-being.

- Organisations with **high dedication to values** must first consider how they use values in their organization:
 - Guide:** when values guide staff behavior, results-based measures must be in line with held values.
 - Change:** when organisations aim to change others' values, they need to clarify in a cause-effect logic how they want to do this.
 - Express:** Some organizations are there to connect like-minded people and help them to express their values. This is hardly measurable by results.

Example: staff supporting people with severe mental illness believe that the values of client autonomy and self-integrity can be more important than declared programme goals. Volunteer workers may be motivated by expressing their values of humanity and dignity in their daily work.

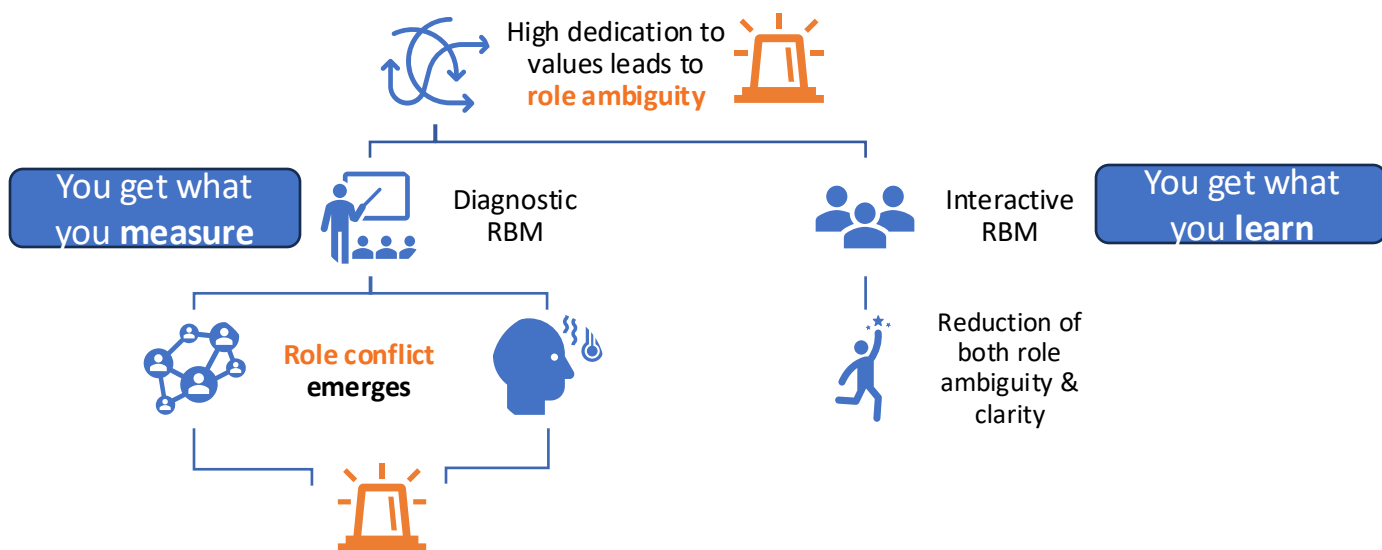
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Take aways & Learnings



- Nonprofit organisations often have higher goal ambiguity, particularly a high dedication to values, which can generate a situation where staff lack clear goals, are uncertain about the expectations of colleagues, and have uncertainty about how to assess own performance (**role ambiguity**).
- Results-based management (RBM) is a well-evidenced approach to overcome role ambiguity, by identifying measurable task results for individuals or teams, and to specify a cause-effect logic clarifying how tasks relate to overall organisational results.
- However, given the high organisational goal ambiguity typical in nonprofits, there is a risk that RBM would rely on “quantifiable” results following an easy-to-communicate and simple cause-effect logic to please external stakeholders.
- This diagnostic use of RBM, cascading down goals into lower-level targets, in this setting is demonstrated to increase staff perception of multiple, incompatible job-related demands (**role conflict**).
- Role conflict and role ambiguity are two widely discussed **role stressors**, associated with emotional exhaustion, job dissatisfaction and burnout.
- The paper proposes an alternative approach, interactive results-based management, which uses results not as targets but for learning about the meaning of goals and interconnectedness between goals. It requires a continuous review to challenge and debate assumptions and success factors.



ERNOP Research Notes provide easy-to-read, practice-oriented summaries of academic articles on philanthropy and are written by practitioner experts. This ERNOP Research Note 2024/24 is published in September 2024 and has been written by Kate Sullivan from The Human Safety Net. More information can be found at www.ernop.eu.