# ERNOP Research Note

Academic articles on philanthropy through a practitioner lens



#### Re-framing nonprofit's societal roles to better reflect complexities of modern societies

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The role that NPOs should play in society is a widely debated topic in both research and practice. However, a literature review shows that previous research has inadvertently been following an overly simplistic, outdated notion of societal roles of nonprofit organizations.

The article addresses this research gap by examining how the literature previously understood nonprofits' societal roles and suggests how this understanding can be better aligned with contemporary social theory and reality through an updated concept of the societal roles of NPOs using Luhmann's social systems theory.

#socialsystemstheory #literaturereview #boundaryspanning #nonprofit #theorydevelopment

What does the literature say about nonprofits' roles in society?

**Background** 

Context



- A review of 119 publications from 1959 to 2021 shows that most research has followed the structural functionalist understanding of society established by Talcott Parsons (1902-1979).
- Parsons says that society is a system with a common purpose. Different organizations work together to make society work, much like the organs of the human body function together.
- Nonprofit organisations serve four main functions in society: providing services, advocating for change, integrating communities and developing cultural patterns.
- However, this understanding is too simple for today's non-profit research and practice, because reality is more complex. Society is made up of heterogeneous actors, including nonprofits, who have different values and goals and lack a clear and shared common purpose. As such, to think that somehow all non-profit organisations will work together to keep society running would be a naive oversimplification.









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What might be an understanding of nonprofits' societal roles that is better aligned with today's reality?

The authors suggest that Luhmann's social systems theory is a better way to understand modern society than Parsons'.

### Take aways & Learnings



- This theory sees society as made up of different function systems, such as the economy, politics and healthcare. Each system communicates through its own forms of meanings, such as money in the economy or power in politics. Society is the totality of these communicated perspectives.
- Organisations connect these different perspectives. They have to understand what is going on in the different function systems of society, formulate a meaningful purpose for themselves in this complex context, and make decisions that meet expectations of rationality. Non-profit organisations in particular are known for connecting many different function systems, which is why they are also called hybrid organisations.
- The main roles of non-profit organisations (providing services, advocating for change, integrating communities and developing cultural patterns) are still a useful categorization, but we should not assume that all non-profits will work together for the common good of society. Even determining who is part of society and the meaning of the common good is controversial.
- Understanding this need for complexity helps researchers design better empirical research projects, and nonprofit managers or civil society organisers understand the contested terrain in which they operate.
- The traditional understanding of nonprofits working together for a common societal purpose is overly simplistic. Practitioners must acknowledge the diversity in values, goals, and missions within the sector and recognize that not all nonprofits will have aligned interests. This awareness is essential for managing expectations, forming strategic partnerships, and navigating potential conflicts effectively.



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 2024/30 is published in December 2024 and has been written by Katy Adams from the University of Heidelberg. More information can be found at <a href="https://www.ernop.eu">www.ernop.eu</a>.







