Is There A Common Value Base For Third Sector Organizations?

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The short history of Third Sector research clearly shows a dynamic development in the conceptualizations and theories of this new "entity". When the idea that voluntary/non-profit organizations belong to a "sector" was first introduced, it was conceptualized as a residual sector, which includes a wide variety of organizations not fitting into the other two sectors, and therefore without any unique roles and features of its own (Wagner, 2000). Next, it was conceptualized as a sector whose major role is the delivery of services not provided by the other sectors (Salamon et. al. 1998). Currently it is conceptualized as a sector that in addition to its role in service delivery, is also engaged in promoting civil society, through building social capital and engaging in monitoring economic, political and social processes (Anheier, 2009).

The gradual evolution and clarification of the idea of a unique sector with unique societal roles was amplified and accentuated in the past two decades by the development, in many countries, of roof- and infrastructure organizations for Third Sector organizations, by the fact that many countries developed specific legislation and policies for this sector of organizations as well as by the fact that a myriad of academic programs, both in research and training around this concept have been developed. Furthermore, the fact that this heterogeneous group of organizations has a common legal framework, creates a situation by which, in addition to its unique societal roles, they also possess unique organizational features, which distinguish them from both business and public organizations (Anheier, 2005; Frumkin, 2002; Perrow, 2001; Gidron, 2010).

The paper argues that the development of the Third Sector over the years, which entailed a clarification of its societal roles and the legitimation of its activities within specific legal and policy frameworks, leading to the creation of unique organizational features, is also leading towards the development of a unique value base, similarly to the other sectors. Thus, in the public sector, organizations are guided by the value of promoting the public interest and their activities are legitimized by that idea. In the case of the business sector, organizations are guided by the value of competitiveness and maximization of profits, which steers their activities.

In the process of institutionalizing the Third Sector alongside the other two sectors on the basis of its unique roles in society and its unique legal structure, it is important to probe into its overarching value-base. The value base should encompass the entire category of nonprofit/third sector organizations and go beyond a specific group or content area (e.g. women’s issues, environmental protection). Such a probe will lead us first to the principle on which these organizations are founded, namely freedom of association. Also to their unique organizational features based on their legal structure as non-profit organizations, namely their governance system, which creates a board consisting of diverse stake-holders, the funding structure, which includes philanthropic funds and finally, the personnel structure, which includes volunteers.

The paper translates those into a set of concrete values, all of which are, directly or indirectly related to the concept of participative democracy and/or the processes to attain it. Finally, it discusses the implications of an adoption of a universal value-base for the Third Sector, as well as the difficulties, conceptual and practical, in reaching that goal.

References
Gidron, B, 2010, Promoting civil society in third sector organizations through participatory management patterns, European Management Journal 28, 6, 403–12