Organisational Innovation in Mobilizing Resources Within Third Sector Organizations: Uncoiling the Complexities

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One of the current key challenges for Third Sector organizations across the globe is how to mobilize resources within the context of an increasingly complex world and shifting citizenship roles. A contemporary theme in Third Sector literature and forums concerns the need for organizations to renew their way of operating, to become more business-like and innovative in fulfilling their mission. The issue is particularly pertinent for those Third Sector organizations providing welfare services struggling to meet increased service demands whilst negotiating increasingly complex State relations. Within this context social enterprise and community business partnership are heralded as innovative practices that organizations can adopt to create diversified resource streams.

The research presented in this paper synthesizes data from twelve organizational case studies of Third Sector welfare organizations located across Australia. Six of these organizations were selected because they had crossed the Rubicon into this world of enterprising resource mobilization and had been recognised for their achievements in this area. The other six organizations matched these adopters in terms of mission, location, size and stage of organizational development; though had less diversified resource streams and had not attempted or successfully managed to develop a social enterprise or business partnership. Case-orientated research and qualitative comparative analysis was utilised in order to achieve causal complexity and a “configurational” view of the cases (Ragin, 1999).

The paper’s discussion includes identifying why some organizations adopt and assimilate these practices and others do not; and what organizational consequences follow when these practices are adopted. It outlines key variables that enable and/or constrain the development and sustainability of enterprising resource mobilization strategies. This involves unpacking how organisational variables including: organizational capacity; individual and organizational self-efficacy; governance; networks and environment play a roll in the development or inhibition of such practices. The variables are of interest to organizations internationally.

The research highlights a certain organizational fragility in integrating market focused resource mobilization strategies into a socially focused organization. While clearly there is the potential for new capacities to be developed, there are value and ideological challenges to be negotiated. The research suggests a current evolutionary tension being experienced by Third Sector welfare organizations as they are called upon, both internally and from without, to reinvent the means with which they achieving organizational sustainability. This evolutionary tension creates the need for new thinking at the level of policy and practice – across all sectors – in order that these critical organizations that bear responsibility for the common good can successful organize within this new context.