

A Work Project presented as part of the requirements for the Award of a  
Masters Degree in Management from the Faculdade de Economia da  
Universidade Nova de Lisboa

# **Identity Dynamics in Non-Profit Organizations**

## **Ideological and Methodological Identity Orientations**

Maria Inês Pereira Coutinho Falcão Mena 314

A Project carried out on the Organizational Studies Area with the supervision of:

**Stefan Meisiek**

6<sup>th</sup> of January, 2010

## **Abstract**

Organizational identity, a social and relational process that is continuously happening, plays a key role in organizations' performance and communication. Achieving a clear and shared organizational identity enables employees' alignment and the projection of consistent images to external stakeholders.

Non-profit organizations are an interesting group to study organizational identity dynamics. These organizations pay little or no money to their workers achieving often high levels of performance. Organizational identity processes can be a possible explanation for this.

The present study analyzes four non-profit organizations that operate in the social field. Findings suggest that, besides several common traits, there are two kinds of identity orientations among non-profit organizations: ideological identity orientation and methodological identity orientation. These two orientations constrain the organizational identity and are reflected in the relationships established between organizational members and the stakeholders. In both cases, organizations might develop identity dysfunctions, i.e. organizational narcissism and hyper-adaptation.

**Key words:** Organizational Identity ♦ Non-Profit Organizations ♦ Identity Orientations

## **Table of Contents**

1. Introduction .....	4
2. Literature Review .....	6
2.1 Organizational Identity .....	6
2.2 Dynamic Perspective of Organizational Identity .....	7
3. Methodology.....	8
4. Findings .....	11
4.1 Ideological Identity Orientation.....	13
4.2 Methodological Identity Orientation .....	17
5. Discussion.....	21
6. Conclusions .....	24
References .....	26
Appendix I – “Organizational Identity Dynamics Model” and “Dysfunctions of Organizational Identity Dynamics” .....	27

## **Tables**

Table 1: Organizational Identity Orientations .....	13
---	----

## 1. Introduction

The purpose of the present Work Project is to study how non-profit organizations (NPOs) build their organizational identity around their culture, mission and vision. As different scholars mention, the ability to develop a shared understanding of organizational identity is valuable for an organization since it promotes the legitimacy to attract resources (Brown, 2001 in, Oliver and Roos, 2003), the confidence to be proactive and better avoid crises (Gioia and Thomas, 1996 in, Oliver and Roos, 2003) and the self-management of the teams (Oliver and Roos, 2003). NPOs are said to rely essentially on a culture of voluntarism and societal goodwill which emphasizes the importance of identity dynamics in these organizations.

NPOs are disparate in terms of activity, size, and scope, although they have in common a non-distribution constrain and reliance in public support (Herman and Renz, 2008). As Selby (1978: 92) refers, the Non-profit Sector is “(...) between business and government and between people and their communities”, representing the pluralism, decentralization and voluntarism of the society. Therefore, the outcome of NPOs’ activities is *the real profit achieved* (Selby, 1978), which means, the improvement in the quality of life – in terms of health, education, environment, art or music - for the person receiving the service and the satisfaction for those delivering it.

The workers and volunteers of the Non-Profit Sector receive little or no money for their work achieving, in several cases, high levels of performance. Moreover, besides being NPOs, they can also be highly professional and efficient in the work they carry out. *How can all this be accomplished?* According to Beyer (2001), humans are *meaning-seeking* and social animals and they do not work just because of financial rewards, they look as well as for meaning and belonging in accordance with what they believe and value. Selby (1978) also refers self-satisfaction, emotional and honorific rewards as important incentives for the workers and for the organization. “(...) We must not forget that almost all nonprofits function in the glare of public scrutiny” (Selby,

1978:98) which besides promoting control of the invested funds, gives space for public appreciation of the developed activities, at the organizational and individual levels.

Organizational identity plays “(...) a key role in constraining issue interpretations, emotions and actions” (Dutton and Dukerich, 1991: 550). Therefore, organizational identity is crucial, especially for a NPO, since identity dynamics have the potential to internally unify the employees - keeping its members motivated and aligned with the overall mission – and externally communicate with important stakeholders – projecting images that could enable the society support.

In this sense, this *dual role* of identity is really important for NPOs since their employees have no monetary incentives and the NPOs only survive with the public financial support. Furthermore, the mission, values and goals – identity’s constituents - of a NPO are crucial for its success since they bring together staff and volunteers efforts and enable the organization to project a solid image that facilitates fundraising and justifies its activity.

Therefore, organizational identity research in the NPOs field is valuable since this kind of organizations must “know how they are in order to succeed (...) they need a strong internal guidance capacity to point them in the right direction” (Young, 2000 in, Byrne and McCarthy, 2004: 2). The present explanatory study aims to generate understanding of organizational identity in NPOs, answering the following question: ***How do the purposes of NPOs inform and constrain their organizational identity dynamics?***

To answer this question I studied four NPOs working in the social field. I will start by clarifying the concept of organizational identity by looking at different scholars’ perspectives. This will be followed by a brief explanation of the “Organizational Identity Dynamics Model” (Hatch and Schultz, 2002), an integrative model that links organizational identity with culture and images. I move on to explain my methodology and present my main findings. Finally, the discussion and conclusions are presented.

## 2. A Literature Review

### 2.1 Organizational Identity

The parallel with the individual identity is constant in studies about organizational identity. As Brickson (2005:576) mentions, “we know that individuals’ identity is constituted largely of how they see themselves with respect to others”. In other words, identity can be defined as a relational construction formed in interaction with others and derives from the questions *who am I?* and *who are they?* An organizational analysis in terms of identity is useful to understand how organizations define themselves in interaction with the general environment.

Albert and Whetten (1985: 264) propose a “three criteria definition of identity” claiming that organizational identity satisfies the criteria of *central character*, *distinctiveness* and *temporal continuity*. Therefore, the identity of an organization is related with its essence, with elements that distinguish it from other organizations and with its endurance.

Nowadays, the third criterion of Albert and Whetten (1985) proposal, the organizational identity’s *temporal continuity*, has been called into question since identity is understood as a social and relational construction. In other words, organizational identity is a dynamic process that is constantly happening. Therefore, organizational identity can be seen as a “mirror of the social, psychological and cultural attributes of the organizational publics” - internal and external - which is more than the internal interpretation of its members (Ruño, 2001: 5). As Dutton and Durkerich (1991: 542-543) point out, organizations’ images - the way organizational members think others see it - are an “(...) important mirror for interpretations that triggered and judged issue action because of a close link between insiders views of the organization and outsiders inferences about the characteristics of organizational members.”

Following Ruão (2001), organizational identity informs the internal and external stakeholders about the symbols, values and intentions of an organization, projecting images in the most favorable way. Norms, action's patterns, fundamental values, ethical assumptions and character, reflect the "philosophy of the overall organizational activity" (Ruão, 2001: 4). Therefore, organizational identity should also be founded in a principle of coherence that links these different elements and enables the internal and external publics to easily identify and distinguish the organization (Marziliano, 2001).

Thus, the organization identity definition is both a *pre-condition* to communicate and project images to the outside and it is also the result of an internal sense making process (Marziliano, 2001). So, it is possible to understand that an organization's identity is closely tied with its culture and images and can be summarized in the interrogation *what does the organization stand for?*

## **2.2 Dynamic Perspective of Organizational Identity**

Hatch and Schultz (2002) created an organizational identity model based on the Mead's theory of social identity, linking organizational identity to culture and images (Appendix I). According to the "Organizational Identity Dynamics Model", organizational identity is considered to be "(...) a dynamic set of processes by which an organization's self is continuously socially constructed from the interchange between internal and external definitions of the organization offered by all organizational stakeholders who join in the dance" (Hatch and Schultz, 2002: 1004).

This model connects organizational culture with identity and projected images, through simultaneous relationships between internal and external perceptions. In accordance to "The Organizational Identity Dynamics Model", organizational identity is formed in relation with both internal (culture) and external (images) definitions of self. When comparing organizational culture and identity, it can be said that identity is textual, explicit and instrumental whereas culture is contextual, tacit and emergent. As Hatch and Schultz (2002: 997) claim, these two concepts – culture and identity – are

“inextricably interrelated”, defining one another. Hatch and Schultz (2002: 996) define organizational culture “(...) as the tacit organizational understandings that contextualize efforts to make meaning, including the self-definition” which contains beliefs, values and routines.

So far we are able to understand that “(...) organizational identity is dynamic – the process of identity (...) keep moving in a dance between various constructions of the organizational self and the uses to which they are put” (Hatch and Schultz, 2002: 1004). This perspective introduces complexity in questions related with organizational identity and enables an analysis in terms of organizational dysfunctions (Appendix I).

As Hatch and Schultz (2002) mention, organizational narcissism and hyper-adaptation occur when culture and images become disassociated. These dysfunctions originate incongruence in terms of identity in two ways: when culture informs identity but not projected image (narcissism); when identity informs image without regard to culture (hyper-adaptation). When organizational narcissism occurs environment’s feedbacks are almost ignored and the organization is self-centered on its basic assumptions and culture. In case of hyper-adaptation, stakeholders’ images gain so much power that organizational culture is nearly ignored.

These assumptions make images and culture integral components of the organizational identity, which “occurs as the result of a set of processes that continuously cycle within and between cultural self-understandings and images formed by organizational others” (Hatch and Schultz, 2002: 1000). These are the main assumptions of the model which are central to my concern to the present Work Project.

### **3. Methodology**

This Work Project consists on the analysis of four NPOs working in the social field, through the case study approach (Eisenhardt, 1989). This research strategy is based on



the comparison of cases as a way of looking for repetitions or patterns among the empirical data and consequently allows inferring conclusions.

The choice of the organizations was made according to four criteria: be a non-profit organization; be a non-governmental organization; have the possibility of interviewing someone related with the organization's foundation; be an organization that operates on the social field. Taking into consideration these four criteria, the chosen NPOs were: "Ajuda de Berço", "Arisco", "Passo a Passo" and "Ponto de Apoio à Vida".

"Ajuda de Berço" (AB) exists since 1998. AB *dignifies and promotes the human life* (official site) supporting pregnant women in need and receiving children up to three years old on risky or abandon situations, in two houses. AB aims to establish, jointly with the court, a life project to each child as briefly as possible (return to the biological family or adoption). AB offers a familiar and secure environment to the children trying to minimize the consequences of the institutionalization. The two houses are located in Lisbon, receiving 20 children each one. AB has 67 employees and 77 volunteers.

"Arisco" was created in 1993 with the mission of promoting mental health through the development of individual and social skills, working on a community logic end. Its main goals are: to promote healthy life styles in the scholar environment, working especially with professors but also with children and teenagers; to involve the community (parents, services and local agents) in the promotion of health; and adapt its practices to the population considered in risky situation. "Arisco" conceives and develops projects based on the action-reflection methodology, the use of play and group dynamics. Nowadays, "Arisco" is promoting eight projects and have 24 employees, with different labor ties.

"Passo a Passo" (PP) was founded in May of 2002. PP's mission is to prevent children institutionalization through a multidisciplinary support of families and their children considered to be in a risky situation. The children's rights are the background of intervention and PP aims to prevent the absence of parental figures, the psycho-social

fragility and juvenile delinquency. The organization's activity is developed on the families' own residence and focuses on the potential, capabilities and autonomy of the individuals. PP has 22 employees, supports 395 families and develops its intervention in Lisbon, Loures and Sintra.

Finally, "Ponto de Apoio à Vida" (PAV) is working as a nonprofit since 1998. PAV has the mission of supporting pregnant women through the promotion of their children's lives. PAV believes that it is possible to transform an *undesired pregnancy in a desired life* (official site) offering alternative answers to the abortion. PAV has two different services: *Gabinete de Apoio Externo* (GAE), which attends pregnant women on difficult conditions and their families, offering them social and psychological support; *Casa de Santa Isabel* (CSI) that receives pregnant women and their children (if existing) in risky and exclusion situation during a transition period, ensuring housing, food, social, psychological and clinical support during and after the pregnancy. PAV develops its activity in Lisbon having 13 employees and 20 volunteers.

To collect data about these four NPOs, an analysis of internal documents was used, as well as interviews and field notes that resulted from the observation made before, during and after the interviews. Twelve interviews were made, in two different moments. Firstly, two members of each organization were interviewed with the objective of collecting information about the NPOs. Secondly, another interview per organization was made, in order to provide them feedback of my analysis and to deeply explore any subject that was not enough clear.

An outline for semi-structured interviews was developed, drawing on organizational identity literature (Appendix II). The interviews were recorded and transcribed. Specific material was used during the interviews to stimulate the interviewees' answers. On the first moment of interviews a "stakeholders' map" (Appendix III) was shown to the interviewee with the purpose of encouraging him to talk about the relationship with different stakeholders. This "map" was constructed based on a previous research about

the organization with the objective of synthesizing information and identifying the main stakeholders of the organization. It was presented only after the interviewees have spoken freely about the stakeholders, in order not to influence their answers. On the second moment of interviews a “figure” with the collected data was shown – the data was organized through elements of culture, identity and images (Appendix IV). The “figure” was analyzed with the interviewee to explore some subjects which were not clear enough or which the interviewee was not in accordance with.

The “maps” and “figures” were used in order to stimulate the thoughts and the answers of the interviewees about organizational culture and identity. Identity and culture are mostly unconscious and ephemeral processes. Therefore, the materials presented help the interviewees to speak and reflect about it, giving them a visual object to talk about.

Finally, it is important to mention that a qualitative analysis of the data was used through a constant comparison technique that firstly analyzes individually the cases and then compares them with the support of theoretical framework.

#### **4. Findings**

Through the analysis of the interviews, internal documents and official sites, is possible to say that the four organizations seem to have a congruent identity, considering cultural elements, identity claims and possible projected images. Their organizational identity is rooted on culture and is reflected on practices. The treatment given to the employees and the values that guide the activities and practices (communication, dress code, schedules, environment) reflect the organizational identity.

In what concerns to cultural elements, the four NPOs have similar attributes regarding routines, communication and organizational structure. The organizations are characterized by schedule flexibility - employees are available to work beyond the pre-established schedules and on weekends, when it is necessary. Moreover, the

interviewees claimed that no typical day of work exists. They try to plan each day/week but it is often different from what they had planned since unexpected events are constant in the organizational or customers' lives.

Informality is another common trait of these NPOs, expressed on the dress code, environment and communication. The dress code is informal since it enables the proximity to the clients. The organizations' environment is informal and familiar, there are paintings and pictures on the walls, the offices have personal objects of the workers and pictures of the supported people. The internal communication is also informal and horizontal, verbal communication among the employees is privileged.

Through the interviews, it was possible to understand that there is a strong admiration for the founders' vision, courage and persistence to create the organization and overcome the challenges.

Finally, it is interesting to notice that the four NPOs' structure is characterized by functional flexibility. Each employee is able to perform functions that are not predicted in his job description (for instance, it is usual for a psychologist of AB to take a child to the doctor). This functional flexibility exists as a mean of adaptation since there are few resources so they need to optimize them whenever possible. Therefore, it is not felt by the worker as a loss of professional identity, since he understands and agrees with the need of this flexibility as a way of adaptation to resources constraints.

However, besides these common traits among the four NPOs, it is possible to identify two groups of organizations corresponding to two different identity orientations: the ideological and the methodological. These two orientations are present since the organizations were created, corresponding to distinct expressions of culture on identity and image making.

The following table presents the main traits of each identity orientation in terms of cultural elements, identity claims (based on interviewees and internal documents) and possible projected images. The present study does not include data about images held

on stakeholders' minds. Thus, the analysis of values' expression on possible projected images is based on: practices that communicate values/methodologies; the way the interviewees talk about impressions they have about others' images (how they think stakeholders see the NPO) and about how they want to be seen by others.

	<b>Ideological Identity Orientation</b>	<b>Methodological Identity Orientation</b>
<b>Cultural elements</b>	<p><b>Emphasis</b> on Catholic values</p> <p><b>Foundation</b> purpose related with a reaction to a society ideological discussion</p> <p><b>Practices</b> organized around the values defended by the organization</p> <ul style="list-style-type: none"> <li>- Human dignity and life defense</li> <li>- Affectivity with the clients and employees (reproduction of a familiar environment)</li> <li>- Employees training and technical skills are being increasingly valued</li> </ul> <p><b>Organizational members</b> assemble the values promoted</p>	<p><b>Emphasis</b> on methodologies of working/intervention models</p> <p><b>Foundation</b> purpose related with a perceived need by field's professionals</p> <p><b>Practices</b> in accordance with the promoted methodologies</p> <ul style="list-style-type: none"> <li>- Team work and networks</li> <li>- Relationship as in instrument of work</li> <li>- Recognition of employees potential (employees training and technical skills are valued)</li> <li>- Autonomy , flexibility and availability of employees are valued</li> </ul> <p><b>Organizational members</b> are familiarized with the methodological assumptions and the intervention model</p>
<b>Identity Claims</b>	<p><b>Based on</b> values' expressions</p> <p><b>Exists to</b> <i>serve</i> the customers in order to promote and defend values/beliefs</p> <p><b>Use of</b> justifications based on values and ideological beliefs</p>	<p><b>Based on</b> technical language</p> <p><b>Exists to</b> <i>support</i> the customers and empower them through theoretical assumptions</p> <p><b>Use of</b> methodological justifications</p>
<b>Possible Projected Images</b>	<p><b>Practices</b> reflect the values defended (e.g.: acceptance of all kind of cases)</p> <p><b>Stakeholders</b> recognition of values promoted by the organization</p>	<p><b>Practices</b> reflect the methodological options (e.g.: interventions and projects conception are structured by the model, which leads to a selective choice of cases)</p> <p><b>Stakeholders</b> recognition of methodology used by the organization</p>

**Table 1:** Organizational Identity Orientations

#### 4.1 Ideological Identity Orientation

##### Organizational Purposes: Emphasis on Catholic Values

AB and PAV can be considered NPOs ideologically oriented since the background of their activity are the Catholic beliefs and values defended by the organization. These NPOs develop a professional work with children (AB) and pregnant

women (PAV) but their backbone is the promotion of the values defended by their ideology, such as human dignity and life defense.

Their values and mission are closely linked to beliefs that are present in the organizational activity since its foundation. Both AB and PAV were created in order to generate alternative answers to the abortion. These organizations were born at the time of the Portuguese abortion referendum (1997/98) and were founded by groups of Catholics which wanted to be active in their positions about the abortion, creating new answers to the society in order to support pregnant women.

The purpose of avoid abortions by providing alternative and effective answers for it, is still a strong trait of both AB and PAV's identities, which value the individuality of each child and woman.

### **Values and Practices**

The values promoted by these organizations are reflected in their practices. The main values and traits expressed on PAV's identity can be synthesized in six words: faith, confidence, hope, family, network and attachment. In the same way, AB core identity traits are related with the values of faith/confidence, gift (to serve), family and relationship of attachment and affectivity. As NPOs guided by Catholic values, it is possible to understand that these two organizations consider family as the basic unit of society, in which an individual can learn and grow to live in the community. Moreover, both AB and PAV's activity express a core value of Catholicism, "loving our neighbor" which make them assume and value an attitude of service and delivery.

The importance given to the family is central in both PAV and AB's identity expression and is reflected in different relationships (with the children/pregnant women, employees, volunteers and external stakeholders). The houses where the children (AB) and pregnant women (PAV) live try to be organized such as a "family" as possible. The volunteers' and employees' management is in accordance with this goal, trying to promote a secure attachment environment.

In AB's case, as mentioned in the interviews, children establish an attachment and affective relationship with the adults (employees and volunteers). "Through our understanding, as direction's members, we are all mothers and we want to give to these children the same we give to ours." (Appendix V, p 14). This relationship, which represents the familiar bonds, is also established among AB's members and donators. It can be said that all these internal and external stakeholders make part of AB's family. As one of the interviewees mentioned (Appendix V, p 12) "AB only exists thanks to its donators and every single individual who make an approach to the organizations, doing voluntarism or working in the institution".

In the same way, the familiar environment lived in CSI (PAV) tries to reproduce a "home" atmosphere and it can be said that the employees almost assume the role of a "mother" towards the clients. While maintaining a professional distance, they *teach* the basic behaviors (health and toilet care, schedules respect, etc.) to the women, giving them the structure which, in several cases, they had never had – a parental figure who represents authority and enables a secure attachment. This enables the women (who are mostly teenagers) to *learn* how to be a mother and to reproduce the relationship with their own children. "We deliver ourselves to these mothers; they almost become part of our family. We see them as an integrative part of our affects (...) we want for them the same we want for us or for our children" (Appendix VIII, p 64).

The centrality of PAV's mission, sustained by its ideology, is also reflected in a culture of persistency. In accordance to its "cause" – saving lives – PAV believes that is always possible to be a mother and have a child, expressing confidence and faith even in difficult cases.

Finally, it is interesting to mention another value that can be linked with Catholic ideals and is valued by AB. The "mission spirit" is significant for the organization and is expressed on the importance given to volunteers' work and

employees' commitment. Besides professionalism and technical skills, AB appreciates the dedication and commitment of employees and volunteers.

### **Values Expressed in Identity Claims**

The identity claims of these two NPOs are also based on their values and express their ideology. Both in interviews, official sites and internal documents, PAV and AB express their mission through values' statements.

PAV's primordial mission is to avoid abortions, "saving lives". This mission is a strong trait of PAV's organizational identity and guides its action and work with the external stakeholders (pregnant women, their families and other partners). Moreover, the interviewees used several times the word "cause" to describe and justify their way of working.

AB exists to "serve children in risky situation" (Appendix V, p 12), as it was mentioned by one interviewee. The value of service is important in this organization and present on its identity claims. The first sentence of AB's mission statement (official site) claims that the organization promote, defend and dignify the human life.

As it is possible to analyze, these NPOs with ideological identity orientation put a strong emphasis on the values they promote, expressing them on identity statements as a core mission and work orientation.

### **Values Expressed in Possible Projected Images**

Expressed through mission statements and organizational members' words, the values are also projected to the outside images through practices and relationships established with the stakeholders.

In PAV's case, even recognizing the difficulties and challenges lived by the women, the attitude of not giving up is transmitted to the mothers and to the external partners, such as entities that send the cases to PAV. PAV receives all the cases, supporting pregnant women in all kind of situations. There is not a technical criterion to select the supported women since the main goal of PAV's activity is to avoid abortions,



“saving lives”. This is said to be recognized by the organizations that interact with PAV, since they send PAV difficult cases which seem to be almost impossible to work with.

AB is an organization that invests on its image and organizational marketing as a mean of fundraising. The importance given to the value of the service and to the family is also reflected in the relationship with the donators. AB establishes a relationship of proximity with each donator, giving feedback of the funds allocation and communicating important events of the organization. This relationship of proximity that AB establishes with the donators, especially with the companies, passes on the idea that they are the ones who “give cradle” to the children, transmitting the affectivity and familiarity lived inside the houses. Moreover, it is possible to say that donators recognize that AB aims to be the “family” of the children who do not have one. As mentioned by one of AB’s direction member, when companies provide large amounts of capital to the organization, they are invited to visit the houses and they are able to experience the familiar environment of the institution. Motivated by it, donators want to become themselves part of “AB’s family”, not only giving money to the organization, but also often visiting the houses and the children.

#### **4.2 Methodological Identity Orientation**

##### **Organizational Purposes: Emphasis on Methodologies**

PP and “Arisco” can be said to be NPOs methodologically oriented since the internal self-definition and the strongest traits of culture are associated with theoretical and methodological assumptions. These two NPOs were founded in order to generate appropriate answers to social problems identified by professionals.

“Arisco” was founded by a group of professionals of the health and educational fields. The majority of the founders had a long experience in working with drug addicted individuals and perceived the need of work on the preventive side of the

problem. There were some diffuse initiatives on the prevention area but the professionals had the need of a structure to work specifically on this field. Moreover, even before “Arisco”’s foundation there had already been conceived a project that required a structure to be implemented. The founders had previously agreed on a way of working in terms of methodology - the use of group dynamics, action-reflection methodology and the use of play in the intervention. This way of working is still used by “Arisco” and the organizational culture and identity reflect this *know how*.

In the same way, PP was founded through the association of professionals of the justice, social and health fields that perceived the need of supporting risky children since their birth. This group of professionals was familiarized with the thematic (child abuse) and was linked by theoretical assumptions about the way of working with this kind of families. Then, based on their knowledge and experience (hospital and courts), they built up a model of intervention to achieve their goal - prevent children institutionalization by working with the families before the problems appear or in a premature stage of the problems, since the birth of the child.

Both “Arisco” and PP’s foundation were possible since the professionals knew the reality they were working with and had a theoretical background that allowed them to adopt innovative ways of intervention, using specific methodologies. Therefore, since the very beginning these two NPOs were built and grown upon methodological assumptions.

### **Methodology and practices**

The methodological options of both “Arisco” and PP are strongly valued and reflected in their practices. Besides the methodology, “Arisco” basic assumptions and cultural traits can be synthesized in two main words: relationship and networks. In the same way, the words relationship, autonomy and support can be used to illustrate PP’s central attributes.

Relationship is considered both by “Arisco” and PP as an instrument of work since it allows these NPOs implementing their methodologies and intervention models. This importance given to the establishment of relationships as a way of supporting and empowering workers and stakeholders is reflected in the way NPOs work and organize their activity.

As it was mentioned by the interviewees, “it is impossible to work in Arisco if not enjoying work with people” (Appendix VI, p 39). “Arisco” operates through networks, having local promoters for each project which implies a hard investment in a close and direct relationship with its partners. Internally, “Arisco”’s organizational structure is also based on networks - each project has a coordinator who articulates with the direction having high degrees of autonomy. This organizational structure is informal and characterized by horizontal communication and close relationships among employees.

In PP’s case, the importance given to the relationship of proximity is also present in the work developed with the families and in the internal organization. Team work is effective and crucial for PP’s work, the internal communication is informal and horizontal and the employees share information and difficulties within the team.

“Arisco” and PP are associations that trust in the individuals’ potential (customers and employees) and act in accordance with this belief, valuating the employees’ training and stakeholders’ capabilities/potential skills. As mentioned by a PP’s direction member, “they (the employees) have to permanently study and do research, working with families is really dynamic and demanding” (Appendix VII, p 50). This recognition of each individual’s potential allows the organizations to give autonomy to the employees, valuating their intellectual creativity and flexibility.

### **Methodology Expressed in Identity Claims**

The identity statements of “Arisco” and PP are based on methodological justifications and use of technical language. The mission itself is strictly related with the

methodology. While claiming their mission these NPOs expose methodologies as an important constituent of it.

In “Arisco”’s case, through the interviews, it is possible to say that identity claims are based on the methodologies used, such as action-reflection methodology and group dynamics, expressing the importance of relationship. When questioned about “Arisco”’s mission, the interviewees focused their explanations on the methodologies adopted to achieve their purposes, using a technical language. Moreover, they pointed out that the methodologies are common to all the projects and are the main source of organizational differentiation.

PP defines itself as an alternative to the Public Sector, in terms of working practices, giving immediate support to the families and establishing a relationship of proximity with them. The proximity and immediate answers given to the families have a technical justification, not an affective one. Based on their model, PP knows that families in a risky situation need to have an effective support and immediate answers. This identity statement was presented by the interviewees and expresses methodological assumptions of PP’s intervention model with families. When questioned about the mission, the interviewees used technical language to define organizational purposes and described the methodology of work as an integrative part of it.

Through interviews, identity claims stated on the official site and on internal documents it is possible to understand that both “Arisco” and PP assume methodology as a core concern of their identity.

### **Methodology Expressed in Possible Projected Images**

It is possible to infer that “Arisco” and PP specific methodologies of work enable the projection of images related with the importance given to the proximity with the clients and empowerment of the populations/families that they work with.

In order to promote the potential and autonomy of the families, PP creates a secure and confident relationship with them (giving immediate answers, being flexible

in terms of schedules, setting up a relation of proximity). This way of dealing with families, which is grounded in PP's methodological assumptions, allows them to see PP as a support and transmits a message of trust in families' own potential. Interviewees mentioned that families see PP as a support, which is one of the most important goals of the organization.

In the same way, "Arisco"'s employees develop a relationship of proximity with the partners of each project. Through this relationship "Arisco" expresses confidence in stakeholders' capabilities to develop projects and to promote mental health in the community. As mentioned by the interviewees, local partners value the relationships established with "Arisco"'s members emphasizing the quality of work, creativity, pragmatism and flexibility as strong traits of organizational activity.

The relationship established with other stakeholders also reflects the methodologies of these NPOs. For instance, PP has to refuse some cases since there are methodological criteria that guide the cases' selection. Therefore, other entities, which contact PP in order to send a case, understand this selective choice of the cases based on theoretical assumptions, perceiving the methodological orientation of this NPO. As referred on interviews, PP's work is recognized as valid and effective by professionals of the social, justice and health fields.

Finally, it is interesting to mentioned that both "Arisco" and PP maintain relationships with universities in order to develop investigations or to contribute with the organizational *know how* to academic research. This relationship is also an indicator of the methodological identity orientation of these two NPOs.

## **5. Discussion**

As it was shown, both organizations with ideological identity orientation and methodological identity orientation seem to be congruent in identity terms. They express internally and externally their basic beliefs – values and ideology or theoretical

assumptions and methodology – through activities, ways of working, organizational structure, communication, besides other elements. Therefore, images seem to be rooted in the culture and identity which make possible to assume that the principle of identity coherence (Marziliano, 2001) seems to be satisfied. This coherence has different expressions according to the organizational identity orientation.

Taking into account “The Identity Dynamics Model” (Hatch and Schultz, 2002), previously explained, to understand identity processes it is important to consider the relationships and feedbacks that link culture, identity and images. These interactions assume different expressions by the two identified groups of NPOs. Besides specific characteristics of each one of the studied organizations, it is possible to infer that the background of identity processes is distinct in those two groups. Thus, it allows us to explore the research question of the present Work Project - *How do the purposes of NPOs inform and constrain their organizational identity?*

Organizations with ideological identity orientation, as it was shown, establish *conversations* with internal and external meanings and feedbacks based on ideological assumptions. These organizations have methodologies of working but they are not testing a model, they exist to “defend a cause” and to promote certain values. Therefore, the interactions between the stakeholders and the feedback provided by external elements are interpreted in light of the ideology. These organizations express themselves in terms of “truth” which enables them to assume a *paternalistic* attitude towards the stakeholders, *servicing* and *teaching* the customers.

Thus, because they base their interpretations on the “truth”, it is possible to raise the proposition that organizations with ideological identity orientation are more likely to develop organizational narcissism than methodological ones. This dysfunction of organizational identity dynamics occurs when identity is constructed nearly exclusively based on organization’s culture, not having in consideration external feedbacks. External feedbacks which call into question organizational central values or ideology

tend to reinforce the ideological basis, fed by the organizational cultural values and beliefs.

Moreover, it can be proposed that ideological organizations are easier to change and develop methodologies, while preserving their central ideology, since they are more sensitive to feedbacks that question their values, not their methods.

On the other hand, organizations methodologically oriented, base their relationships and identity's interpretations on theoretical and methodological assumptions. They defend a model of work and their appreciations of feedback are based on that model. The theoretical assumptions that are behind the methodology let them assume a *supportive* attitude towards the customers, *empowering* them in order to build up autonomy. In these organizations, an environment's feedback that confirms its methods reinforces organizational identity.

Based on the theoretical assumptions of the "Identity Dynamics Model", we can say that organizations with a methodological identity orientation are in danger of hyper-adaptation since they try to adapt their methodology to each specific case. This dysfunction occurs when culture is almost ignored and the organization is constantly adapting its identity to external demands. However, looking for the data, we can say that the studied organizations ("Arisco" and PP) do not express this dysfunction. As it was shown, they even refuse cases that do not match their technical selection criteria which show that their identity is grounded in the culture.

Understanding organizational identity as social and relational dynamic process, allows us to think about processes of changing organizational identity orientation over time. Organizations with ideological identity orientation can become methodological oriented. It is possible to refer some factors which could affect the quickness of this changing process. The methodological background of the workers can contribute to emphasize more questions related with methodology, giving less importance to ideological considerations. In the same way, legal and external pressures can lead to a

methodological identity orientation, defocusing the organization from the initial ideology. Finally, the absence of organizational founders can also lead to a change in identity orientation if the workers are not centered in the ideology.

On the other hand, a methodology can become an ideology. In this case, organizations which were methodological oriented assume the identity processes of ideological oriented ones. Then, methodologies will function as an ideology since the intervention model becomes “the truth” for the organization. This lead to a tendency of ignoring an external feedback that calls into question organizations’ methodology.

Finally, it is important to mention that this Work Project is based on the study of four cases (four NPOs). Therefore, the findings and discussion presented are not universal and generable knowledge; they are cues for further reflection and research. The study would have been enriched if participant observation and interviews to organizations’ external stakeholders had been made. Through the participant observation and by interviewing more organizational members, it would have been possible to collect more data about organizational culture and practices. Interviewing external stakeholders would have allowed the confirmation of the project images and gathering more information about relationships between the NPOs and their stakeholders.

## **6. Conclusions**

As it was explained, having a congruent identity enables high levels of identification and commitment by the organizational members. We can understand that the identity orientation of a NPO will attract and retain different types of individuals according to their ideological or methodological preferences. It is important for an organization to reflect about it and to understand the implications of being ideological or methodological oriented in attracting and retaining volunteers or workers.



In my opinion, both NPOs with ideological or methodological identity orientation can develop a professional work as long as they are aware of their orientation, and support the processes that link organizational culture, identity and images. In the ideological identity orientation's situation, it is important for the organization to give place to a methodological thought, especially in what concerns to decisions about the intervention. They should include on their reflections and decisions stakeholders and employees' feedbacks about their activity and way of interaction with customers. The methodological oriented organizations, as it was explained, were created and are constituted by professionals with theoretical and empirical *know-how*. Therefore, considering all the dynamics behind these methodological oriented NPOs, they develop a professional work but they have to pay attention to the methodological adaptations they make to each specific case. While adapting their models to environment needs, these organizations should be aware of their theoretical assumptions and cultural ground in order to avoid hyper-adaptation.

Finally, it is important to mention that through this explanatory research I was able to identify two identity orientations of NPOs, build upon the organizational purposes. However, I believe that studying more NPOs would lead to find other identity orientations according to core concerns and purposes of organizations.

## References

- Albert, Stuart and Whetten, David A. 1985. "Organizational Identity". *Research in Organizational Behavior*, vol. 7, 263-295, JAI Press Inc.
- Beyer, Janice M. 2001. "Culture, meaning and belonging at work". *Comportamento Organizacional e Gestão*, vol. 7, no. 1, 89-93, Instituto Superior de Psicologia Aplicada, Lisbon.
- Byrne, Noreen and McCarthy, Olive. 2004. *An exploratory analysis of credit union organizational identity*. Center for Co-operative Studies, University College Cork, Ireland.
- Brickson, Shelley L. 2005. "Organizational Identity Orientation: Forging a Link between Organizational Identity and Organizations' Relations with Stakeholders". *Administrative Science Quarterly*, vol. 50, no. 4, 576-609, Johnson Graduate School of Management, Cornell University.
- Dutton, Jane E. and Durkerich, Janet M. 1991. "Keeping an eye on the mirror: image and identity in organizational adaptation". *Academy of Management Journal*, vol. 34, no. 3, 517-554.
- Eisenhardt, Kathileen M. 1989. "Building theories from case study research". *Academy of Management Review*, vol. 14, no. 4, 532-550.
- Hatch, Mary Jo and Schultz, Majken 2002. "The dynamics of organizational identity". *Human Relations*, vol. 55 (8), 989-1018, The Tavistock Institute SAGE publications, London.
- Herman, Robert D. and Renz, David O. 2008. "Advancing Nonprofit Organizational Effectiveness Research and Theory". *Nonprofit Management and Leadership*, vol. 18, no.4, 399-415, Wiley InterScience.
- Marziliano, Nicola. 2001. "Towards an integrated theory on corporate image". *Comportamento Organizacional e Gestão*, vol. 7, no. 1, 149-172, Instituto Superior de Psicologia Aplicada, Lisbon.
- Oliver, David and Roos, Johan. 2003. *Studying Organization Identity Empirically: A Review*. Imagination Lab Foundation, Switzerland.
- Ruão, Teresa. 2001. *O conceito de identidade organizacional: teorias, gestão e valor*. Centro de Estudos de Comunicação e Sociedade, Universidade do Minho.
- Selby, Cecily Cannan. 1978. "Better performance from nonprofits". *Harvard Business Review*, Sept. - Oct. (1978) 92-98.

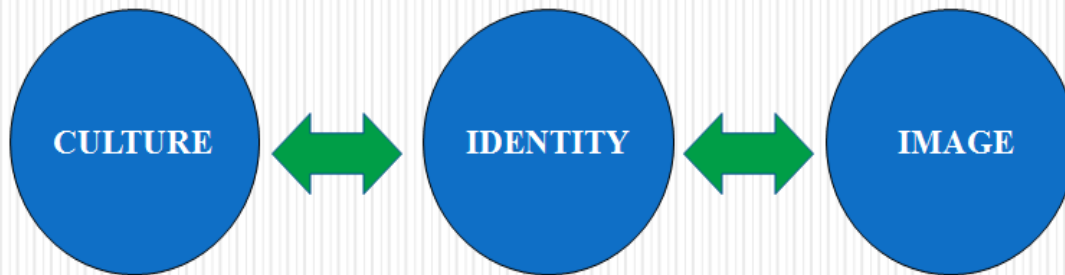
### Other sources:

- [http://www.ajudadeberco.pt/index\\_pt.html](http://www.ajudadeberco.pt/index_pt.html)
- <http://www.arisco-ipss.org/>
- <http://www.pav.org.pt/>
- <http://passoapasso.org/>
- Internal documents of the organizations

**Appendix I – “Organizational Identity Dynamics Model” and “Dysfunctions of Organizational Identity Dynamics”**

**“The Organizational Identity Dynamics Model”**

(adapted from Hatch and Schultz, 2002)



**“Dysfunctions of Organizational Identity Dynamics Model”**

(adapted from Hatch and Schultz, 2002)

