

# Nonprofit Entrepreneurship as 'Interesting Science'

by Gordon E. Shockley

I could not help but think of Karl Popper's philosophy of science when re-reading Dennis Young's classic *If Not for Profit, for What?* for this 30<sup>th</sup> anniversary edition. In particular, Popper's comments on "interesting" science resonate. "Yet we also stress that truth is not the only aim of science," Popper (1985) writes. "We want more than mere truth; what we look for is interesting truth – truth which is hard to come by" (p. 190). Similarly, he writes elsewhere that "...we are not simply looking for truth, we are after interesting and enlightening truth, after theories which offer solutions to interesting problems" (Popper, 1989, p. 55). Popper seeks not just mundane, common knowledge but *interesting* scientific knowledge: *interesting* truth addressing *interesting* problems. I thought of Popper when reading Young's *If Not for Profit, for What?* because it is an *interesting* work, one that not only has informed and addressed an essential and enduring question of the nonprofit sector: What motivates people to work and, more precisely, to act entrepreneurially, in nonprofit organizations? At the same time, Young's book also adumbrates the global movement of social entrepreneurship that we are in the middle of today, 30 years after its publication.

"This book asks, simply: if it isn't profit, what drives enterprising individuals, women and men, to pursue their ventures in the nonprofit context?" And so Young poses this essential and enduring question of the nonprofit sector on page 2 of *If Not for Profit, for What?* (1983). Pursuing profit is a sufficient, though at times simplistic, motivation for commercial behavior. Vote-getting and re-election serve as a probably more frequently simplistic but still adequate motivation for public-sector behavior. But there is no analog that describes the motivation of behavior in the nonprofit sector. As Young puts it,

We are all familiar with the profit-seeking businessman in the commercial sector. We think of the ambitious vote-gathering politician in government. These stereotypes help us conceptualize what makes the business and government sectors function. In the nonprofit sector, however, there seems to be no counterpart—no obvious leadership agent that captures the essence of that sector's drive and motivation. (p. 1)

Young finds not a single but rather a composite explanation of nonprofit behavior. "A third approach to the investigation of entrepreneurial behavior [and Young's approach] is to recognize the diversity of motivations by postulating alternative stereotypes ..."

The advantage of this approach is that it “incorporates a variety of competing objectives, because it recognizes that given motivations and styles may be distributed differently among individuals in the relevant entrepreneurial population and may be pursued in different ways” (p. 63). These different stereotypes – artist, professional, believer, searcher, independent, conserver, power seeker, and income seeker – correspond to different employment choices (specifically, see Table 5-1: Entrepreneurial Stereotype Models on p. 67 and Figure 7-1: Nominal First Preferences of Entrepreneurs by Sector on p. 100). “For the social scientist,” Young concludes, “the principal lesson here is that the inherent diversity of participation in nonprofit organizations preordains failure in the search for any single, satisfactory, homogeneous model of a generic corporate nonprofit firm” (p. 161). Young’s composite, positive, matrix-like description of nonprofit behavior in the absence of profit and vote-gathering remains “interesting” in the Popperian sense (i.e., *interesting* truth addressing *interesting* problems) to this day.

Possibly Young’s singular, most remarkable achievement in *If Not for Profit, for What?* is presaging the social entrepreneurship movement now at high tide. If not the first, Young was certainly among the first few to link entrepreneurship to nonprofit behavior. Bill Drayton and Ashoka, Muhammad Yunus and Grameen Bank, and Fazle Abed and BRAC had begun their work, but their work and that of many, many others were still decades from crystallizing into what we now recognize as social entrepreneurship. “Nonprofit entrepreneurship” – or entrepreneurial behavior pursued in the non-market, apolitical context of nonprofits and nongovernmental organizations – could be seen as an early or specialized form of social entrepreneurship. Furthermore, Young helps us to understand how social entrepreneurship has evolved into a multi-sector, collaborative effort to address social problems at both the global and local levels. Researchers as diverse as Gregory Dees, Jacques Defournay, Paul Light, Alex Murdock, Alex Nicholls, and Marthe Nyssens all have insisted to various degrees that social entrepreneurship crosses sectors, which is to say, commercial, public, and nonprofit sectors all have important roles to play in addressing social problems. However, Young’s stereotypes that lie at the core of his behavioral theory of nonprofit entrepreneurship remind us that different people choose different organizations, industries, and sectors by the predilections of their stereotypes. Young writes,

In particular, I assert that there is a strong correlation between the motives that the entrepreneur will ultimately exhibit (when he begins to venture) and the character of organizations in which he chooses to become employed and gain experience. [This] reference to the various types of entrepreneurs—believers, power seekers, and so on—will apply to latent motivations that may not yet have become manifest but are presumably part of the individual’s consciousness at the stage of choosing an organization for which to work. (p. 90)

Young demonstrates that social entrepreneurship is always a cross-sectoral effort because entrepreneurs work in all sectors, industries, and organizations. As Young

puts it, "Entrepreneurship is a universal process, pervading all sectors and industries of the economy" (p. 43).

Young's *If Not for Profit, for What?* remains a powerful and trenchant book even 30 years after its publication. It has been an honor for me to contribute to its 30<sup>th</sup> anniversary edition.

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## References

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