

Sustainability **2014**, *6*(6), 3252-3270; doi:[10.3390/su6063252](https://doi.org/10.3390/su6063252)

Article

Exploring Reasons for the Resistance to Sustainable Management within Non-Profit Organizations

Claus-Heinrich Daub *, **Yvonne M. Scherrer** and **Arie H. Verkuil**

Institute of Management, School of Business, University of Applied Sciences and Arts Northwestern Switzerland, Bahnhofstrasse 6, 5210 Windisch, Switzerland; E-

Mails: yvonne.scherrer@fhnw.ch (Y.M.S.); arie.verkuil@fhnw.ch (A.H.V.)

* Author to whom correspondence should be addressed; E-Mail: clausheinrich.daub@fhnw.ch; Tel.: +41-56-462-42-36.

Received: 1 April 2014; in revised form: 8 May 2014 / Accepted: 13 May 2014 /

Published: 26 May 2014

Abstract: The numerous empirical and conceptual studies that have been conducted over recent years concerning the social responsibility of enterprises and their contributions towards sustainable development have given very little consideration to non-profit organizations (NPOs). This is surprising, because NPOs are confronted with very similar

challenges to profit-orientated enterprises regarding their evolution into sustainable organizations. This paper is a preliminary conceptual study and explores the question of why the corporate social responsibility, or corporate sustainability, of NPOs has to date been both neglected by research establishments and also extensively ignored by the NPOs during their day-to-day practical management. The example of church and pastoral institutions in Germany is used to demonstrate the extent to which they take account of ecological and social aspects in their management systems and processes and, thus, implement sustainable management within their day-to-day practice. The paper concludes with some proposals for further empirical and conceptual research projects, which are designed to analyze developments within NPOs with relation to the integration of sustainability into their management systems and processes.

Keywords: corporate responsibility; corporate sustainability; sustainable management; non-profit organizations; non-profit management

1. Introduction

To date, scientific discourse on the social responsibility of enterprises and their contributions towards sustainable development has produced a significant number of papers relating to economics, business ethics, social studies and cultural studies, which address the subject from a number of different angles [1,2,3]. The term, corporate social responsibility (CSR), is used to describe the voluntary practice of ethical corporate behavior, while the term, corporate sustainability management, is used to refer to the orderly regulation of the economic, ecological and social effects of an enterprise that makes a positive contribution towards sustainable development whilst helping to enhance the success of the business [4] (p. 168).

From an examination of the recent literature, it quickly becomes evident that conceptual and empirical studies in the

fields of both corporate social responsibility and corporate sustainability have largely focused on how these terms and concepts can generate success for profit-orientated organizations. The numerous non-profit-orientated organizations, or more precisely, those private organizations that do not distribute profits to their proprietors or members and which are generally referred to as non-profit organizations (NPOs) [5] (p. 6), are extensively ignored. As an example, in one of the standard introductory books written in German on the subject of CSR by Jan Jonker, Wolfgang Stark and Stefan Tewes, no reference is made to the importance of the CSR debate for the non-profit sector, either in the body of the book itself or when examining likely future developments. Although reference is made in the glossary to non-government organizations and non-profit organizations, only their function as stakeholders in the commercial enterprises is described [1] (pp. 147–150). The more practically-orientated literature on business consultancy also covers this aspect in isolation (see, for example, [6], pp. 66–69).

An examination of the literature in the field of NPO research yields a comparable result. Here, too, there are hardly any conceptual approaches or empirical studies on the sustainability of NPOs through the incorporation of ecological and social aspects within their structures, processes and activities. Even in standard books on research relating to NPOs, the term “corporate social responsibility” is seldom used. Even where it is used, for example in the comprehensive “Handbuch der Nonprofit Organization” (Guide to Non-Profit Organizations), which is widely used in the German-speaking world, such a use is in connection with the barely tenable assertion that enterprises had become involved in the field of social responsibility, i.e., that they had penetrated a field that was in fact already occupied by NPOs [7] (p. 612). However, this assertion is clearly not the case, at least not if the term CSR refers to the responsible behavior of an organization towards its stakeholders. Even “business-orientated” textbooks on business management in NPOs (such as [8]) commonly make only a few references to “corporate governance” when considering the responsibility of NPOs, although this merely represents a fraction of the CSR debate.

However, why has the literature not yet covered the sustainability of NPOs in greater depth? It can hardly be related to the challenges confronted by both profit and non-profit organizations in facing their responsibility to contribute to sustainable development. For these hardly differ fundamentally from those to which commercial enterprises are exposed,

as will be explained in more detail during the course of this paper. This observation represents the starting point for the concepts that follow. This paper is intentionally designed as a preliminary conceptual study. It will examine the question of why the corporate social responsibility, or corporate sustainability of NPOs has to date both been neglected by research establishments and also extensively ignored by the NPOs during their day-to-day practical management, using the example of the manner in which church and pastoral institutions in Germany deal with sustainable management. Proposals for research studies are derived based on the manner in which they take responsibility for this question.

As will be demonstrated below, the reason lies both in the scientific literature itself and in the specific situation of NPOs. Accordingly, this first section will initially discuss what scientific discourse has given rise to the concept of sustainable and responsible behavior by organizations, along with its practical counterpart of the “sustainable management system”. This will be followed by reflections on the extent to which social change, which has incited enterprises to tackle questions related to corporate sustainability at considerable depth, has also affected NPOs. The example of church and pastoral institutions in Germany will then be used to demonstrate the extent to which they take account of ecological and social aspects within their management systems and processes and, thus, implement sustainable management within their day-to-day practice. This example was essentially chosen, because the mission and ideology of this group of NPOs cause them to take sustainability extremely seriously and because they have also made a significant contribution towards the general principle of sustainable development. Extensive reference will also be made to arguments that have already been published in another German texts [9]. The paper concludes with some proposals for further empirical and conceptual research projects, which are designed to analyze developments within NPOs in relation to the integration of sustainability into their management systems and processes.

2. Reasons Why the Scientific Literature Has Ignored Sustainability in Relation to NPOs

There are two broad trends within the scientific debate on corporate responsibility, which has been conducted with ever-increasing intensity over the past few years. The first, based primarily on business ethics, examines issues related to the responsibility for their own actions that enterprises take on a primarily voluntary basis, along with all the attendant

consequences, under the blanket term, corporate social responsibility. This concept of CSR is in no sense homogeneous, but is a “cluster concept” [10] (p. 335), which covers a number of considerations. It is also dealt with in both the scientific literature and in numerous papers dealing with practical aspects. A few years ago, the EU Commission even produced a Green Paper on the subject [11]. Within the debate on corporate social responsibility, a distinction is made between a number of different types of responsibility [1] (p. 3). The active exercise of CSR may be considered a triple challenge for enterprises, which are required to weigh up all three elements, namely the economic, ecological and social challenges, and tackle them all simultaneously [12] (p. 6). The company makes its contribution towards sustainable development by successfully tackling these three challenges [13] (p. 1004).

The second debate on corporate sustainability refers to the vision of sustainable development, which is understood as a “development that meets the needs of the present without compromising the ability of future generations to meet their own needs” [14] (p. 43). Taking as a basis this undoubtedly best-known and most frequently cited definition of sustainable development by the World Commission on Environment and Development (WCED) led by the former Norwegian Prime Minister, Gro Harlem Brundland, Thomas Dyllick and Kai Hockets have proposed an extension to the definition of corporate sustainability in relation to enterprises as “meeting the needs of a firm’s direct and indirect stakeholders (such as shareholders, employees, clients, pressure groups, communities, *etc.*), without comprising its ability to meet the needs of future stakeholders, as well” [15] (p. 131). According to this definition, enterprises can in the future only do business successfully and make their own contribution towards the realization of sustainable global development, provided that they are able to fulfill the legitimate needs of their stakeholders, who are, according to Harrison and St. John, for example [16] (p. 8), by no means restricted to those groups who profit directly from the enterprise. Stakeholders also include groups who are no longer prepared for enterprises to conduct “business as usual” and seek solely to increase their turnover and profits, against the background of ecological problems, such as climate change, loss of biodiversity and increasing water shortage, and also global social problems, such as increasing disparity between rich and poor and food shortages in many regions of the world. Some economists, such as Stuart L. Hart, even go one stage further and maintain that enterprises should take a leading role in solving global problems [17] (p. 228). Sustainability thus serves as a general principle, which enterprises

could and should apply when defining and accepting their social responsibility [1] (p. 8).

The concepts of both corporate social responsibility and corporate sustainability can thus be used to answer the question of why and how enterprises can and must face their responsibility towards society and its problems and the specific concerns of their stakeholders. Both concepts can also be used as a basis for more practical considerations, which conceptualize how enterprises can overcome the new challenges of increasing demands for ethical behavior in competition with new market opportunities. Such concepts of “sustainability-based business management” [18], “sustainable management” [13] and “corporate sustainability management” [19,20] seek to harmonize economic, ecological and social aspects within the management of an enterprise, with the aim of enabling it to meet its ethical demands within the context of the sustainable development process and of making it successful through the exploitation of the market potentials offered by the social and environmental challenges. As Renato J. Orsato has methodically demonstrated, such potential may involve such schemes as “green business” or may come from altered customer requirements associated with the existing products and services offered by the enterprise [21] (p. 30). Internationally, there is already a great deal of literature on this subject, including extremely practical management guides, which may be used by business managers to develop and successfully implement a corporate sustainability strategy (e.g., [22,23,24,25]). These include a number of presentations, which are designed to highlight the challenges to be overcome when converting an organization to sustainable business management and the tasks to be undertaken. However, this model has also been designed exclusively for profit-orientated enterprises and fails to take account of the specific situation of NPOs.

The antithesis of this model, albeit not a particularly powerful one, exists in the form of international standards, such as the reporting standard of the Global Reporting Initiative (GRI) [26,27], which includes, among other things, an NGO Sector Supplement (NGOSS), and the recently developed and published ISO 26000, which is dedicated to all types of organizations and is not exclusively directed at large enterprises. Moratis and Cochius suspect that this is precisely the reason why this standard does not refer to “corporate social responsibility”, but to “corporate responsibility” [28] (p. 21). However correct their assumptions may be, in making them, they highlight the fact that sustainable management has thus far been debated and conceptually implemented primarily, but not exclusively, within the context of multinational

enterprises.

There are a number of reasons for this. One of the principal reasons was undoubtedly the fact that the concept of sustainability within the corporate context was initially adapted by multinational enterprises, which were the first to be confronted by growing public pressure to act responsibly and which developed strategies to meet this responsibility and to derive the potential for success from it (see [29]). This is evident, for example, in the formation of the Business Council for Sustainable Development (BCSD) by the Swiss entrepreneur, Stephan Schmidheiny, in 1991, in preparation for the 1992 United Nations Earth Summit, which subsequently spawned the World Business Council for Sustainable Development (WBCSD). The multinational enterprises were also the first to make changes to their annual reporting to include sustainability reporting, in order to satisfy the interests of their stakeholders in relation to transparency and information [30] (p. 5), [31]. They were also encouraged by the European Union, which recommended the above GRI Directives more or less as a standard for the reporting practice of enterprises with more than 500 employees [11] (p. 20).

The dominance of multinational enterprises in this area was reinforced by the advent of socially responsible investments (SRIs). In order to be in a position to endow funds with shares in the most ethical and sustainably operating enterprises, banks and investment companies developed analytical tools to monitor the sustainable business operation of the enterprises in question. Such tools, for example the “Corporate Responsibility Rating” developed by oekom research in Munich and the “Corporate Rating” from Bank Sarasin in Basel, which specializes in sustainable investments [32], have evolved into complex and sophisticated assessments, which put the enterprises thoroughly to the test. The sustainability concept only trickled down to small and medium-sized enterprises at a later date and did so more or less in slow motion. As a result, it was not until 2005 that the research community discovered that there were still significant gaps in the research on sustainable management, and that the term and its practical implementation remained virtually unknown among small and medium enterprises (SME) [33].

3. NPOs Are Also Confronted by Economic, Ecological and Social Challenges

Against the background of the developments described, the fact that conceptual thoughts on the development of

sustainable management models or systems were in the past primarily developed for the profit sector may well appear self-evident. Nevertheless, they are still astonishing. An examination of the key responsibilities of an organization, within the context of its contribution towards sustainable development and the challenges it faces in relation to sustainable management see [13] (p. 1004); [12] (p. 6), soon makes it clear that although the challenges facing NPOs may not be the same as those facing profit-orientated enterprises, they are certainly very similar.

Regardless of their origin and legal form, in ecological terms, organizations are called upon to reduce all their direct and indirect negative impacts on the natural world to an absolute minimum. This eco-effectiveness criterion would initially appear to be primarily of relevance to organizations that (can) cause relatively serious ecological harm, either directly or indirectly through the use of the products they manufacture (such as cars). However, a closer examination quickly shows that organizations in the non-profit sector are also confronted by this challenge. An impressive example presented by Gifford, Paykoc and Romero [34] (p. 83) is the Boulder Community Hospital, a public hospital in the U.S. State of Colorado, which is an absolutely typical case of an NPO. Initial steps towards environmental management began to be taken at the hospital as early as 1990, thanks to the personal commitment of two of its nurses. As work progressed, all sources of potential environmental hazards, such as pharmaceuticals, thermometers contaminated with heavy metals and products made of PVC, were identified, and their risks minimized; investments were also made in the energy efficiency of the buildings; a healthy food plan was drawn up and implemented, among others. At the same time, a link was established to the second challenge faced by organizations in the context of sustainable development, namely the social challenge. At the Boulder Community Hospital, attention also focused on on-going improvements to the health and safety of the workforce. The program was a huge success in financial terms: the hospital generates annual savings of around USD 500,000 [34] (p. 83). Furthermore, this figure only represents the directly quantifiable economic benefit. It does not take into account qualitative factors, such as an improvement in workforce motivation and reputational gain.

This observation brings us to the third challenge that faces NPOs in much the same way as enterprises: they need to secure their survival and compete in different markets. Nowadays, they can increasingly only achieve this, provided they exploit the potential for success that comes from systematically tackling all the ecological and social challenges we have

mentioned. In other words, they must act “eco-efficiently” and “socio-efficiently”, just like business enterprises see [12] (p. 9). The individual “markets” involved can, of course, be of greater or lesser importance to the survival of an organization. The place of exchange of products and services, which is what is most frequently associated with the term “market”, is of course most likely to be of importance to profit-orientated enterprises, although it must not be forgotten that the non-profit sector includes numerous institutions that use this very market, for example for second-hand clothing or care services. Although the profit-making goal is clearly not dominant in this case, such businesses do act as suppliers on a market and operate according to the prevailing rules. Other markets confront both profit-orientated enterprises and NPOs with comparable challenges, although their precise forms may, in some cases, differ significantly. As an example, both groups work in the market of public opinion, where they seek to improve their reputation and thereby generate cash flows (in the first case, from customers; in the second, from donors). Even more pronounced similarities are evident in the employment market, in which both groups must focus intensively on the recruitment of specialists and in which they frequently compete.

On examining this situation, one might be tempted to deduce that NPOs would themselves also take on board the sustainability of management and projects, if not for ethical reasons alone, then at least in their own best organizational interests. There may of course be differences according to the type of NPO involved. However, there is one group, namely church organizations, whose mission and ideology lead us to the more or less logical assumption that they do and should take sustainability extremely seriously and who have made a major contribution towards the general principle of sustainable development. Just like any other organization, they are employers, purchase products and services and also heat buildings. As an illustration, the fact that they are well aware of these effects is evident from a brochure published by the Evangelical Church of Westfalia on environmental management in the church, which refers to a few “unpleasant truths” that have come to light in the Evangelische Kirche in Deutschland (EKD) (Evangelical Church in Germany). For example, heating of the church and pastoral buildings in Germany alone accounts for around 0.5% of the country’s CO₂ emissions [35] (p. 2).

An analysis in the church and pastoral field is urgently needed, in order to determine in detail why NPOs have so far

given researchers only relatively little cause to examine the sustainability of their structures, processes and activities and to produce credible empirical findings.

4. Sustainability in NPOs: Church and Pastoral Institutions in Germany

As very few credible figures or meaningful studies have yet been produced in relation to activities associated with the sustainable management of NPOs in general and of church and pastoral institutions in particular, it would appear appropriate to conduct an explorative approach in this field. Although this does not produce scientifically proven statements, it is able to offer some pointers in relation to the question of how intensively church and pastoral institutions are currently focusing on the sustainability of their structures, processes and projects. Church and pastoral institutions in Germany were selected for investigation. The analysis primarily covered publicly accessible sources, namely the websites of the organizations and, specifically, those reports published there. Where the data published led the researchers to believe that the institutions in question were producing reports, they were telephoned to request the relevant reports. It was deemed acceptable to support the brief analysis with the publicly available reports, because virtually all the environmental and sustainability standards, such as the EU Eco-Management and Audit Scheme (EMAS) standard, decisively impose the requirement that such public reporting must be considered an integral constituent of an environmental or sustainability management system and must be made accessible. Accordingly, it may be assumed that, *de facto*, an organization will only maintain a long-term sustainable management system if it also regularly reports on this to the public.

An initial productive source for consultation in this field is the “EMAS Compilation of Environmental Statements”, which is accessible on the EMAS website. EMAS was developed by the European Communities in 1993 and helps organizations measure and improve their environmental performance. Around 1200 enterprises and organizations are currently registered with EMAS in Germany, 650 of which have filed one or more environmental statements drafted since entry into the EMAS archive (as of March, 2013). As an integral constituent of EMAS, the environmental statement requires the participants to document their activities for the public. Apart from describing their organization (its activities, products/services, *etc.*), they provide information about their environmental policy, detail the principal environmental

effects and explain their environmental program, which must contain precise goals for improving the environmental conservation practiced by their enterprise and also data relating to their environmental performance. Out of the organizations currently listed in the EMAS archive, some 40 are related to church or pastoral institutions, including some regional Caritas associations, a number of Evangelical and Catholic church parishes and other institutions, such as the Evangelische Akademie Bad Boll and the Kontaktstelle für Umwelt und Entwicklung (KATE), the latter being the contact point for the environment and development. KATE administers a database of institutions and church parishes with environmental and/or sustainability management systems.

The fact that a relatively large number of church and pastoral institutions have published an environmental statement may well have resulted from a project entitled “Der Grüne Hahn” (the Green Hen) or “Der Grüne Gockel” (the Green Cock), which was launched ten years ago and which promoted environmental management in churches [35]. The “Grüne Hahn” project meets the requirements of both the international standard, DIN EN ISO 14001 ff., and EMAS, and acted as something of a driving force for environmental management in church and pastoral institutions. By 2005, over 100 church parishes and church institutions in Germany had been validated by “EMAS” or the “Grüne Hahn/Gockel” [36] (p. 4). The “Sustainable Churches” project represents a more far-reaching attempt to encourage church and pastoral institutions not only to implement environmental management, but also to establish effective sustainable management. Under this project, the sustainability management scheme “EMASplus” was developed, and was introduced in eleven German institutions, two in Austria and one each in France and Spain. EMASplus is an ethically orientated and integrated management system, which serves to “operationalize” the CSR concept [37] (p. 1). The system is certified under ISO 14001 and ISO 9001 and is validated by EMAS; it is also compatible with ISO 26000. An updated version has recently been made available [38]. In addition to these programs (and in some cases, integral to them), a number of individual projects have been implemented over recent years in the church and pastoral field, each of which covers an aspect of sustainable behavior by organizations. An example is the project “Zukunft einkaufen” (Buy the Future), which is promoted by the Deutsche Bundesstiftung Umwelt (DBU) (German Federal Environmental Foundation) and encourages the establishment of sustainable procurement management as a complement to existing management systems (namely, quality management and environmental

management) [39] (p. 7).

In reading the list of these programs and projects, it could appear that the efforts of church and pastoral institutions throughout Germany to permanently implement a sustainable management system in their organizations are already well advanced. However, an examination of the available documents will very likely temper this impression.

An analysis of the environmental statements of the church and pastoral institutions published by EMAS shows them to be of highly variable quality and also of widely differing scope. The majority of the reports are called “environmental statements”, and only a few (such as Evangelische Akademie Bad Boll, Ev. Kirchengemeinde Markdorf and Regens Wagner Zell) use the term “sustainability report”. By definition, a “sustainability report” is a report that systematically describes the economic, ecological and social performance of an organization and is therefore more than a simple environmental report, in the manner of those that were still being published at different times up to the turn of the century [30] (pp. 4–5).

Two analyses were conducted to define in greater detail how many church and pastoral institutions currently conduct more than “merely” environmental management, *i.e.*, sustainable management that does not include social aspects. The first was driven by the assumption that most of the 11 institutions in Germany that had participated in the “Sustainable Churches” program referred to above were so far only submitting such a report. However, only a few reports were available and freely accessible on the corresponding websites. Accordingly, a survey was sent to the remaining organizations, asking them how they stood on the subject of sustainable management and requesting their latest report. The result is presented below (see [Table 1](#)). This shows that around half of the organizations have suspended their activities (at least insofar as such activities are organized on the basis of a specific standard), so that no up-to-date report is available.

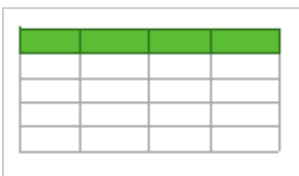


Table 1. Current activities of the eleven German participants in the “Sustainable Churches” project.

[Click here to display table](#)

During a second research project, those institutions were identified for which the column “EMASplus” was ticked in the above-mentioned database of “institutions and church parishes with environmental and/or sustainability management systems” administered by KATE (as of 30 March, 2012). A tick was interpreted to mean that the organization in question had a relevant sustainability management system. Those organizations for which the column “EMASplus” was ticked, but which were described as having “combined EM/QM system without certification”, were not included in the project. In this case, too, a current sustainability report was requested, where none could be found.

The result shows that at present, alongside the institutions involved in the “Sustainable Churches” project, other organizations (shaded in light grey in the table) are required to provide the details of a sustainable management system, including a church parish (Markdorf), the Evangelische Kreditgenossenschaft, which is the first church and co-operative bank with EMASplus sustainability certification [40] (p. 4), and also Dienste für Menschen (Services for People), which had all its 17 institutions certified under EMASplus alongside its parent company (see [Table 2](#)).

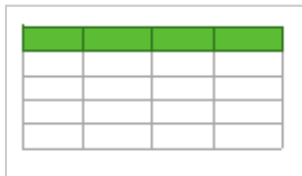


Table 2. Institutions with EMASplus sustainability certification.

[Click here to display table](#)

In light of the analysis of the literature, the examination of databases and the two research projects described, it has been established that sustainable management remains widespread within church and pastoral institutions, although it is clearly no longer progressing as quickly as those involved in the “Sustainable Churches” project had hoped a few years ago. In the case of the institutions that are still pursuing it, it is clear that the expansion of the activities from simple environmental management to sustainable management has not yet progressed very far.

Against this background, it is also not surprising that the “Zukunft einkaufen” initiative mentioned above is still in its very early stages and that sustainable procurement management has so far scarcely gained a foothold in the church and pastoral field. This coincides with results from a study of the potentials, obstacles and courses of action in connection with

“ecologically fair procurement practice” in the church and pastoral field, in which it was found, on the basis of extremely extensive analyses, that evangelical institutions still have a great deal of ground to make up when it comes to procurement [41] (p. 43). That being the case, these initial attempts at sustainable procurement management may instead be seen as evidence that church and pastoral institutions are currently on the long road towards more sustainable business practices, which is likely to bring numerous challenges. Overall, therefore, the targeted and systematic orientation of all the activities of church and pastoral institutions towards the vision of sustainable practices and the transparent and credible presentation to the public of actions and achievements in a proper report do not yet appear to have become widely established.

However, as we have seen and as shown in the tables above, there are examples of church and/or pastoral organizations that can provide evidence of a well-established sustainable management system. These “beacons” offer other organizations the opportunity to study an example of best practices. One such example is the Evangelischer Entwicklungsdienst e.V. (EED), a development agency within the Evangelical churches and the Old Catholic church in Germany. Although the organization “only” offers an environmental statement and does not provide a sustainability report, its statement is extremely comprehensive, and in most fields, it describes in considerable depth the effects of the organization’s activities on the natural environment. The report devotes over six pages to “mobility” alone (business trips, commuter traffic and travel associated with programs), which is undoubtedly the most significant factor affecting the natural environment [42] (pp. 17–23). The report not only provides an exhaustive response to all the relevant questions, but also makes systematic reference to the targets set by the organization itself (a reduction of 17% in CO₂ emissions during business trips since 2009, as against the planned target of 5%) and explains changes in great detail. Clear “Guidelines for environmentally friendly travel by EED employees” also clarify the principle of “carbon avoidance before carbon offset” that is pursued by the EED [42] (pp. 21–23). The organization’s commitment during the launch of the church carbon offset fund “Klima-Kollekte” in May, 2011, through which the EED has been offsetting all travel by its employees since October, 2011, emphasizes the fact that the organization appears to be genuinely committed to alleviating climate change. If nothing else, in company valuations, such commitments are also seen as important evidence of the seriousness of the efforts made by enterprises to achieve greater sustainability, and they are expected to be included and explained in company reports [26]

(p. 23). The commitment of the EED to “ecologically fair procurement” provides further proof of the “sustainably inclusive” attitude of the managers of the organization, as evidenced by the fact that it co-edited the 2011 Gojowczyk study referred to above.

A second example worth singling out is Regens Wagner Zell. Its sustainability report and integrated environmental statement of 2010 provides detailed evidence of the activities of the organization, which introduced sustainability management as early as 2004. In its report, which has clearly evolved out of an environmental statement, it details the social responsibility of the institution, including both its employees and also the disabled people who use Regens Wagner Zell services. Brief details are also provided in relation to the economic aspects of its sustainable management. The sustainability program, in which Regens Wagner Zell specifies precise targets and actions for all three sustainability aspects, may be described as exemplary. The credibility of the presentations in the organization’s report is especially interesting. For example, it frankly admits that it only produced a “contemporaneous view of the social, economic and ecological aspects” for the first time in its 2010 report [43] (p. 5). This is reinforced by the impression that we have already mentioned repeatedly, namely that the church and pastoral bodies have a long way to go in relation to the establishment of sustainable management in as many institutions as possible.

In its position paper “Umkehr zum Leben: Nachhaltige Entwicklung im Zeichen des Klimawandels” (Turning back to life: Sustainable development in a world of climate change), the Evangelische Kirche in Deutschland (EKD) emphatically argues in favor of making more financial and human resources available for environmental protection actions [44] (p. 149). Returning to the arguments made above, it must be said that church and pastoral institutions in Germany have already made some progress and achievements, especially in the field of environmental management, towards helping to reduce their own negative environmental effects. However, the growth curve of this process, which began some ten years ago and clearly triggered a certain degree of euphoria at the time, appears to have leveled off somewhat since then. A summary of propositions published by KATE in May, 2006, includes the forecast that at least 1000 church parishes and church institutions would have introduced environmental or sustainability management by the year 2010 [37] (p. 4). In hindsight, this forecast appears somewhat overly ambitious: according to the research, no more than ten institutions currently have a

sustainable management system, if we count the 17 institutions in “Dienste für Menschen” together as a single organization. The number of entries in the “institutions and church parishes with environmental and/or sustainability management systems” database referred to above (as of 30 March 2012) shows that the target of persuading at least 1000 church parishes and church institutions to move to environmental or sustainability management by 2010 was not achieved; the total number of such institutions stands at less than 700. However, it would be wrong to assume that the church and pastoral institutions have failed to implement the vision of sustainability within their own establishments. The facts simply point to the conclusion that not many organizations have yet made the transition from the phase of the introduction of environmental management to the phase of the establishment of sustainable management in church and pastoral institutions.

5. Conclusions: Thoughts on a Research Agenda on the Sustainable Management of Organizations in the Non-Profit Sector

This paper has attempted to demonstrate why sustainable management in the non-profit sector has not been adequately confronted by either the scientific literature in theoretical terms or by NPOs in practical terms. It has been both argued and also illustrated using the example of church and pastoral institutions in Germany that the NPOs clearly do not lack the will to meet the challenges of corporate sustainability, but there appear to be obstacles preventing them from tackling the topic on a long-term basis.

There is clearly a significant need for action as regards empirical research. One initial field of research could seek to systematically determine the reasons why organizations in the non-profit sector, once they have decided to establish environmental management, clearly fail to take this forward by developing a sustainable management system. One hypothesis could be that the organizations in question are aware of a disconnect between the expenses that are unquestionably incurred once the scheme has been introduced and the rewards likely to be realized by continuing to develop it, which may potentially not increase to the same degree. It is also conceivable that they have failed to properly appreciate the link between the tasks of the organization and the associated objectives of church and pastoral work, on the

one hand, and the economic, ecological and social aspects of its effectiveness as an organization, on the other.

In this context, the way such organizations perceive themselves may perhaps play a part, in that they accept that the activities of such institutions are, *per se*, positive and that potential negative effects are thus of no consequence. They could conceivably also adopt a defensive attitude towards “managerialism”, which assumes that business enterprises have a special status among organizations, in that they serve as a reference point or “model” for all other organizations when it comes to successful and efficient practice (see [45]). In other words, the possibility of adapting a system that was originally primarily developed for business enterprises, as most environmental and social management systems unquestionably were, could be met with criticism and resistance.

It would also be interesting to clarify whether the establishment and implementation of sustainable management is driven predominantly by individuals rather than by the organization as a whole or by the management of an institution. As preliminary analyses have shown, it sometimes appears that the activities are no longer pursued after certain individuals have left the organization or withdrawn from a project.

Finally, any analysis must also include factors, such as potential competition by similar activities to the endeavors that are made. For example, climate change has gained in importance on the agenda of churches over the past few years and has led to endeavors to reduce CO₂ emissions. An example is the “Climate protection areas” campaign, which the Evangelische Landeskirche in Baden instigated in February, 2011, and which rapidly achieved the result that conversion to hydroelectric power in two thirds of its parishes brought a reduction in CO₂ emissions of 15% in 2011. Although such activities represent a real incentive for many environmental activities, they require significant financial resources and also risk, eclipsing sustainability management.

However, not only empirical research is needed in the field of the sustainability of NPOs in general, and of church and pastoral institutions in particular; conceptual work would also be both advisable and desirable. At this point, and by way of conclusion, the example of management models is singled out.

Management models essentially represent regulatory frameworks, which incorporate and correlate relevant target

attainment factors and criteria within an organization. They thus serve as managerial and constitutive instruments of organizational change. Such models exist both in the profit sector, an example being the St. Galler Management Model [46], and in the non-profit sector, where the widely used “Freiburg Management Model for Non-Profit Organizations (FMM)” [47] represents the state-of-the-art among NPO management models. The FMM is essentially based on the philosophy of total quality management, which means that it does not seek to be seen as a self-contained management doctrine, but offers a good deal of scope as regards the precise way in which it is configured by an organization. In 2003, an “NPO Label for Management Excellence” was developed, based on the Freiburg Model, which enables all the levels and areas within an entire organization to be assessed [48] and [49] (p. 328). Regardless of the usefulness of such a model, and of the label that attaches to it, in ensuring the “excellence” of the management processes in NPOs, it largely ignores all topics that cannot be directly attributed to optimizing the operational processes within the organization. Thus, the aspects of eco-effectiveness and eco-efficiency and also socio-effectiveness and socio-efficiency are not addressed at all. It therefore achieves no more than a comparable, comprehensive management model in the profit sector, which is designed for profit-orientated enterprises. However, “traditional” management models were designed specifically for enterprises and, realistically, are only applicable to them. The same applies to advancements in the context of corporate sustainability work. As an example, in the model designed by Marc Epstein [23] (p. 46), “outcomes” are designated “long-term corporate financial performance”, and the description of the model is written purely from the perspective of enterprises.

A model that takes into account these weaknesses of existing models and that seeks to conceptually overcome them is described below (see [Figure 1](#)). The model demonstrates schematically how the individual areas of management are linked and what management tasks an organization must tackle in order to ensure that it attains its organizational objectives in the long term, whilst using its economic resources to optimum effect and ensuring an optimum relationship between its value added and its (ecological and social) impact.

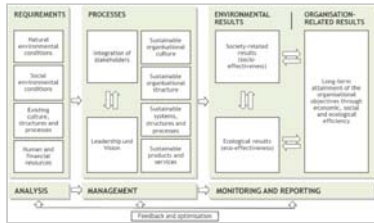


Figure 1. Sustainable management model.

[Click here to enlarge figure](#)

While its fundamental concept is based on “traditional” management models, it also integrates additional aspects of sustainable management models (such as that of [18], p. 177; and [23], p. 46). It also emphasizes the importance of the systematic integration of the stakeholders into all management processes and also the concept of “sustainable leadership”. This term is understood as the mindset of the management, which should generate a positive attitude among all employees towards the idea of integrating sustainability topics into all processes and structures, thus laying the way towards a sustainable organization (see [22], p. 292; [50], p. 141). It presupposes certain skills, which must be systematically developed within organizations [51].

The two principles of stakeholder integration and sustainable leadership must essentially form the foundation before sustainable management can even begin to succeed. In the “normative orientation processes” [46] (p. 56), they guarantee that the stakeholders effectively have their say and are listened to and that an account is taken of the legitimate claims of society in the form of commitments and policies. Within the context of strategic development and planning, stakeholder thinking provides direction, whereas sustainable leadership helps to avoid excessive or even exclusive emphasis on the need to achieve profits, or in the case of NPOs, on the “success” of the organization. In operational management processes, stakeholder orientation and sustainable leadership help to ensure that key performance indicators are also defined for relevant ecological and social aspects and that a system is established for measuring them. For example, life cycle assessment (LCA) is frequently used in enterprises. However, there are now guidelines for non-profit organizations and for the management of the ecological and social side-effects of projects and campaigns [52,53].

The illustrated model of the “management philosophy” of NPOs takes results into account to a greater extent. In doing so, it mirrors the distinction between intermediate results (output) and financial outcome that is made by Epstein [23] (p. 47). The output of an organization includes all society-related and ecological results, the balance of which produces the degree of socio-effectiveness and eco-effectiveness of an organization [12] (pp. 7–8). The outcomes in this case (and here, we consciously differ from Epstein) are not only the financial results, but all results, which are produced by successfully accomplishing the tasks of an organization, which must manage to achieve its organizational objectives in the long term, through economic, social and ecological efficiency. In the case of non-profit organizations, the concept of economic efficiency relates to the use of the funds received as public donations or through fundraising on the charity market. A considerable number of studies have been published over recent years on the subject of the measurement of efficiency by determining the ratio between the resources put into effect and the relevant effects of NPO services on the service users, an example being a far-reaching study in Switzerland by the Swiss certification agency for charitable fundraising organizations (ZEWOF Foundation) [54]. However, the study took no account of the aspects of the ecological and social side-effects. In summary, it must clearly be concluded that NPOs must also expect negative effects on the outcomes of their activities in the near future if they fail to pay greater attention to these incidental consequences.

Author Contributions

All three authors contributed equally to the conceptualization and writing of the paper. The desktop research has been carried out by the first author.

Conflicts of Interest

The authors declare no conflict of interest.

References

- Jonker, J.; Stark, W.; Tewes, S. *Corporate Social Responsibility und nachhaltige Entwicklung: Einführung, Strategie und Glossar*; Springer: Heidelberg, Germany, 2011. [[Google Scholar](#)]
- Melé, D. Corporate Social Responsibility Theories. In *The Oxford Handbook of Corporate Social Responsibility*; Crane, A., McWilliams, A., Matten, D., Moon, J., Siegel, D.S., Eds.; Oxford University Press: Oxford, UK, 2008; pp. 47–82. [[Google Scholar](#)]
- Schneider, A.; Schmidpeter, R. *Corporate Social Responsibility: Verantwortungsvolle Unternehmensführung in Theorie und Praxis*; Schneider, A., Schumpeter, R., Eds.; Springer: Berlin/Heidelberg, Germany, 2012; pp. 1–13. [[Google Scholar](#)]
- Schaltegger, S. Die Beziehung zwischen CSR und Corporate Sustainability. In *Corporate Social Responsibility: Verantwortungsvolle Unternehmensführung in Theorie und Praxis*; Schneider, A., Schmidpeter, R., Eds.; Springer: Berlin/Heidelberg, Germany, 2012; pp. 165–175. [[Google Scholar](#)]
- Badelt, C.; Meyer, M.; Simsa, R. Die Wiener Schule der NPO-Forschung. In *Handbuch der Nonprofit Organisation: Strukturen und Management*; Badelt, C., Meyer, M., Simsa, R., Eds.; Schäffer-Poeschel: Stuttgart, Germany, 2007; pp. 3–16. [[Google Scholar](#)]
- Hardtke, A.; Kleinfeld, A. *Gesellschaftliche Verantwortung von Unternehmen: Von der Idee der Corporate Social Responsibility zur erfolgreichen Umsetzung*; Gabler: Wiesbaden, Germany, 2012. [[Google Scholar](#)]
- Mautner, G. Märkte, “Mission”, Management: Spannungsfelder und Perspektiven in der NPO-Kommunikation. In *Handbuch der Nonprofit Organisation: Strukturen und Management*, 4th ed.; Badelt, C., Meyer, M., Simsa, R., Eds.; Schäffer-Poeschel: Stuttgart, Germany, 2007; pp. 596–619. [[Google Scholar](#)]
- Schneider, J.; Minnig, C.; Freiburghaus, M. *Strategische Führung in Nonprofit-Organisationen*; Paul Haupt: Bern/Stuttgart, Germany; Vienna, Austria, 2007. [[Google Scholar](#)]

- Daub, C.-H. Nachhaltigkeit als Leitgedanke des Managements in Kirche und Diakonie. In *Nachhaltig wirtschaften: Wirtschaftsethische Reflexionen*; Jung, S., Katzenmayer, T., Eds.; Vandenhoeck&Ruprecht unipress: Göttingen, Germany, 2012; pp. 65–85. [[Google Scholar](#)]
- Matten, D.; Moon, J. A Conceptual Framework for Understanding CSR. In *Corporate Social Responsibility across Europe*; Habisch, A., Jonker, J., Wegner, M., Schmidpeter, R., Eds.; Springer: Berlin/Heidelberg, Germany, 2005; pp. 335–356. [[Google Scholar](#)]
- European Commission. *Promoting a European framework for Corporate Social Responsibility*; Green Paper: Luxembourg, Luxembourg, 2001. [[Google Scholar](#)]
- BMU/BDI. *Nachhaltigkeitsmanagement in Unternehmen: Konzepte und Instrumente zur nachhaltigen Unternehmensentwicklung*; Bundesministerium für Umwelt, Naturschutz und Reaktorsicherheit: Bonn, Germany, 2002. [[Google Scholar](#)]
- Daub, C.-H.; Ergenzinger, R. Enabling sustainable management through a new multi-disciplinary concept of customer satisfaction. *Eur. J. Mark.* **2005**, *39*, 998–1012. [[Google Scholar](#)] [[CrossRef](#)]
- World Commission on Environment and Development. *Our Common Future*; Oxford University Press: Oxford, UK, 1987. [[Google Scholar](#)]
- Dyllick, T.; Hockerts, K. Beyond the Business Case for Corporate Sustainability. *Bus. Strategy Environ.* **2002**, *11*, 130–141. [[Google Scholar](#)] [[CrossRef](#)]
- Harrison, J.S.; St. John, C.H. *Strategic Management of Organizations and Stakeholders: Concepts and Cases*; South-Western Publishing: Cincinnati, OH, USA, 1998. [[Google Scholar](#)]
- Hart, S.L. *Capitalism at the Crossroads: Aligning Business, Earth, and Humanity*, 2nd ed.; Wharton School: Philadelphia, PA, USA, 2007. [[Google Scholar](#)]

Baumgartner, R.J. *Nachhaltigkeitsorientierte Unternehmensführung: Modell, Strategien und Managementinstrumente*; Rainer Hampp: München, Germany, 2010. [[Google Scholar](#)]

Kaptein, M.; Wempe, J. Sustainability Management: Balancing Conflicting Economic, Environmental, and Social Corporate Responsibilities. *J. Corp. Citizensh.* **2001**, *2*, 91–106. [[Google Scholar](#)] [[CrossRef](#)]

McElroy, M.W.; van Engelen, J.M.L. *Corporate Sustainability Management: The Art and Science of Managing Non-financial Performance*; Earthscan: Abingdon, UK; New York, NY, USA, 2012. [[Google Scholar](#)]

Orsato, R.J. *Sustainability Strategies: When Does it Pay to be Green?*; Palgrave Macmillan: Basingstoke, UK, 2009. [[Google Scholar](#)]

Dunphy, D.C.; Griffiths, A.; Benn, S. *Organizational Change for Corporate Sustainability: A Guide for Leaders and Change Agents of the Future*, 2nd ed.; Routledge: London, UK, 2007. [[Google Scholar](#)]

Epstein, M.J. *Making Sustainability Work: Best Practices in Managing and Measuring Corporate Social, Environmental and Economic Impacts*; Greenleaf Publishing: Sheffield, UK, 2008. [[Google Scholar](#)]

Laszlo, C. *The Sustainable Company: How to Create Lasting Value through Social and Environmental Performance*; Island Press: Washington, DC, USA; Covelo, CA, USA; London, UK, 2005. [[Google Scholar](#)]

Pufé, I.; Kamiske, G.F. *Nachhaltigkeitsmanagement*; Hanser: München, Germany, 2012. [[Google Scholar](#)]

Global Reporting Initiative GRI. *Sustainability Reporting Guidelines*, 3.1 ed.; GRI: Amsterdam, The Netherlands, 2006. [[Google Scholar](#)]

Global Reporting Initiative GRI. *Sustainability Reporting Guidelines: Reporting Principles and Standard Disclosures*, 4th ed.; GRI: Amsterdam, the Netherlands, 2013. [[Google Scholar](#)]

Moratis, L.; Cochius, T. *ISO 26000: The Business Guide to the new Standard on Social Responsibility*; Greenleaf

Publishing: Sheffield, UK, 2011. [[Google Scholar](#)]

Daub, C.-H. *Globale Wirtschaft—Globale Verantwortung: Die Integration Multinationaler Unternehmen in den Prozess der Nachhaltigen Entwicklung*; Edition Gesowip: Basel, Switzerland, 2005. [[Google Scholar](#)]

Daub, C.-H. Developing a Framework of Integrated Triple Bottom Line Reporting. In *Sustainability Reporting—Concepts and Experiences*; Reddy, S., Ed.; The ICFAI University Press: Hyderabad, India, 2006; pp. 3–26. [[Google Scholar](#)]

Daub, C.-H. Öffentliche Legitimation durch glaubwürdige Berichterstattung. *Ökol. Wirtsch.* **2010**, 30–34. [[Google Scholar](#)]

Plinke, E.; Bank Sarasin & Cie. Sustainable Investment. In *Nachhaltigkeit von Unternehmen im Vergleich: Methodik des Sarasin-Unternehmensratings*; Sarasin: Basel, Switzerland, 2007. [[Google Scholar](#)]

Meyer, J.-A.; Schulz, A. Nachhaltigkeit in kleinen und mittleren Unternehmen—Überblick über das Jahrbuch der KMU-Forschung und -Praxis 2011. In *Nachhaltigkeit in kleinen und mittleren Unternehmen*; Meyer, J.-A., Ed.; Josef Eul Verlag: Lohmar/Cologne, Germany, 2011; pp. 3–11. [[Google Scholar](#)]

Gifford, B.; Paykoc, C.Y.; Romero, A. Boulder Community Hospital. In *A Simple Path to Sustainability: Green Business Strategies for Small and Medium-Sized Businesses*; Andreas, F., Ed.; Praeger: Santa Barbara, CA, USA, 2011; pp. 82–105. [[Google Scholar](#)]

Netzwerk Kirchliches Umweltmanagement. In *Klimaschutz konkret: Grüner Hahn/Grüner Gockel, Informationen zum Kirchlichen Umweltmanagement*; KirUm: Stuttgart, Germany, 2009.

Mack, G. Kirchliches Umweltmanagement: Ein Engagement für Frieden, Gerechtigkeit und Bewahrung der Schöpfung. *Blickpkt. Zuk.* **2007**, 2–4. [[Google Scholar](#)]

KATE. *Sustainable Churches: Nachhaltigkeitsmanagement Emas Plus*; KATE: Stuttgart, Germany, 2006. [[Google Scholar](#)]

KATE. *Richtlinie Nachhaltigkeitsmanagement Emasplus: Elemente und Anforderungen eines Nachhaltigkeitsmanagements auf der Grundlage von EMAS und ISO 26000*; KATE: Stuttgart, Germany, 2012. [[Google Scholar](#)]

Weinbrenner, B. Ökofaire Beschaffung mit System—Kirchen kaufen ökologisch und fair. *Welt-Sichten* **2012**, *4*, 6–7. [[Google Scholar](#)]

Evangelische Kreditgenossenschaft EKK. *Nachhaltigkeitsbericht der EKK*; Evangelische Kreditgenossenschaft EKK: Kassel, Germany, 2011. [[Google Scholar](#)]

Gojowczyk, J. *Ökofaire Beschaffungspraxis in Kirche und Diakonie: Potentiale, Hemmnisse und Handlungsperspektiven*; Diakonisches Werk der EKD e. V.: Stuttgart, Germany, 2011. [[Google Scholar](#)]

Evangelischer Entwicklungsdienst. *Umwelterklärung des Evangelischen Entwicklungsdienstes 2011–2012*; EED: Bonn, Germany, 2011. [[Google Scholar](#)]

Regens Wagner Zell. *Nachhaltigkeitsbericht 2010 mit integrierter Umwelterklärung*; Regens Wagner Zell: Hilpoltstein, Germany, 2010. [[Google Scholar](#)]

Evangelische Kirche in Deutschland. In *Umkehr zum Leben: Nachhaltige Entwicklung im Zeichen des Klimawandels. Eine Denkschrift des Rates der Evangelischen Kirche in Deutschland*; Gütersloher Verlagshaus: Gütersloh, Germany, 2009.

Dey, P.; Scherrer, Y.M.; Daub, C.-H. Performativität contra Verantwortung: Zur Aporia des Stakeholder-Managements von Nonprofit-Organisationen. In *Stakeholder-Management in Nonprofit-Organisationen: Theoretische Grundlagen, empirische Ergebnisse und praktische Ausgestaltungen*; Theuvsen, L., Schauer, R., Gmür, M., Eds.;

- Trauner Verlag: Linz, Austria, 2010; pp. 103–123. [[Google Scholar](#)]
- Rüegg-Stürm, J. *The New St. Gallen Management Model: Basic Categories of an Approach to Integrated Management*; Palgrave: Houndmills, UK, 2005. [[Google Scholar](#)]
- Schwarz, P.; Bumbacher, U. *Das Freiburger Management-Modell für Nonprofit-Organisationen (NPO)*, 5th ed.; Haupt Verlag: Bern, Germany, 2005. [[Google Scholar](#)]
- Purtschert, R.; von Schnurbein, G. Das NPO-Label für Management Excellence als Instrument der Corporate Governance. In *Gutes besser tun: Corporate Governance in Nonprofit-Organisationen*; Voggelsperger, R.C., Ed.; Haupt Verlag: Bern/Stuttgart, Germany; Vienna, Austria, 2004; pp. 323–342. [[Google Scholar](#)]
- SQS/VMI. *Checkliste: NPO-Label für Management-Excellence*; SQS/VMI: Zollikofen, Switzerland; Freiburg, Germany, 2003. [[Google Scholar](#)]
- Fairfiled, K. Employee engagement for a sustainable enterprise. In *The Sustainable Enterprise Fieldbook: When it All Comes Together*; Wirtenberg, J., Ed.; Greenleaf Publishing: Sheffield, UK, 2008; pp. 141–161. [[Google Scholar](#)]
- Hind, P.; Wilson, A.; Lenssen, G. Developing leaders for sustainable business. *Corp. Gov.* **2009**, *9*, 7–20. [[Google Scholar](#)] [[CrossRef](#)]
- Frecè, J.T.; Scherrer, Y.M.; Daub, C.-H. *Projekte nachhaltig managen: Ein Leitfaden für die Praxis in Nonprofit-Organisationen*; Gesowip: Basel, Switzerland, 2012. [[Google Scholar](#)]
- Scherrer, Y.M.; Frecè, J.T.; Daub, C.-H. Evaluating Sustainability in Non-Profit Organizations. An approach for Sustainability Evaluation of Project Implementations. *Asia J. Glob. Stud.* **2012**, *5*, 43–57. [[Google Scholar](#)]
- Stiftung ZEWO. *Wirkungsmessung gemeinnütziger Organisationen*; Stiftung ZEWO: Zürich, Switzerland, 2009; Volume 2. [[Google Scholar](#)]

© 2014 by the authors; licensee MDPI, Basel, Switzerland. This article is an open access article distributed under the terms and conditions of the Creative Commons Attribution license (<http://creativecommons.org/licenses/by/3.0/>).