Getting down to business

An exploratory study of Swedish nonprofits’ commercial responses to revenue loss

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Abstract

This paper examines whether commercial activity within Swedish nonprofits engaged in international humanitarian assistance stems from previous losses in private and government revenue. Resource dependence theory suggests that nonprofits, as rational actors, will shift their resource-earning strategies in response to competition or a lack of resources. Swedish research has not focused heavily on nonprofit finances and commercial activity. Through constructing a unique dataset with organizational data and sources of revenue for members of the Swedish Fundraising Control (Svensk Insamlingskontroll) from 2011 to 2015, this study tests panel data for patterns in commercial revenue use. Trend analysis, as well as fixed-effect and OLS estimations do not support previous research claiming that increased commercial revenue results from decreases in public and private revenue. Instead, preliminary results suggest that revenue growth and organizational age are positively associated with commercial revenue. Isomorphism is explored as a mechanism and calls for more Swedish research and databases are made.

Key words

nonprofits, NGOs, Sweden, commercialization, commercial revenue, private revenue, public funding, resource dependence, institutionalism
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Introduction

In the past half century, the world has seen a sharp rise in presence of nonprofit and non-governmental organizations (NGOs). In fact, 90% of nonprofits in existence were started in the past 50 years and most NGOs within the past 30 years, largely due to an increased level of public and private investment to address social issues, with government welfare and investment programs injecting large amounts of funding and resources into the sector (Hall, 2010; Lundström & Wijkström, 1997). Groups such as the Red Cross/Crescent Movement, World Vision, and Save the Children are but several of the thousands of organizations that engage with humanitarian issues and compete for financial resources on both the domestic and international stage. These organizations are labeled as nonprofits in that there are no shareholders or individuals within the organization that financially gain from any surplus.

Nonetheless, many of these organizations while benefiting from a nonprofit status can increasingly be compared to for-profit firms in terms of how they generate revenue and seek to maximize efficiency to achieve their goals (Schiff & Weisbrod, 1991). Indeed, there is a growing concern that nonprofits, and in the case of this paper, specifically NGOs, are becoming increasingly rational, bureaucratic, and business-like regarding their practices and policies (Bush, 1992; Kramer, 1985). In the pursuit of attaining more resources and autonomy within their respective fields, researchers have drawn attention to how nonprofits seem to be drifting away from the traditional nonprofit model (e.g. Hansmann, 1989; Hodgkinson, 1989; Salamon, 1989).

These new practices can be manifested in variety of ways including the pursuit of commercial activities, filling boardrooms with professional entrepreneurs as opposed to community volunteers, as well as drastically altering organizational mission statements in order to receive grants and funding (Eikenberry & Kluver, 2004; Hwang & Powell, 2009). Engaging in commercial venture is not uncommon to nonprofit organizations with examples dating back to the early 1900s (Salamon, 1989; Froelich 1999). One recent example of commercial activity is found in the American Red Cross, which receives two billion dollars of revenue annually from selling blood to hospitals. The revenue does not come from the actual sale of the blood, but from fees relating to collecting, screening, and storage. The surplus revenue from the fees are then
reinvested into the organization and its programs (American Red Cross, 2015). These marketized developments have generated confusion regarding how to approach and react to activity that seems at odds with traditional characteristics of nonprofit organizations.

There is also frustration from for-profit organizations as they may wonder why nonprofits receive tax breaks, special privileges, and social prestige when they act so similarly (Schiff & Weisbrod, 1991; Witesman, & Fernandez, 2013). In Sweden, these tax breaks are particularly relevant in that any sales of products or services are essentially untaxed if they are related to the organization’s mission or go towards financing projects (Skatteverket, 2015, p. 8). Due to this ‘blurring of lines’, many experts wonder whether to tax commercial activity from marketized organizations or simply remove their nonprofit status altogether (Colombo, 2002). This process of marketization represents a growing concern within the sector and is discussed further in the literature review.

Research has shown that different subsections of the nonprofit sector have utilized commercial revenue more than others. In their well-regarded book, The Swedish Nonprofit Sector (1997), researchers Lundström & Wijkström take one of the first in-depth looks at the nation’s nonprofit community. According to the authors’ broad definition of commercial revenue – which include service contracts, membership fees, and second-hand sales - about 60% of nonprofits’ income were commercially sourced (compared to USA’s 52% earned income). Half of the commercial revenue came from membership fees, which is significantly higher than other comparable countries. When broken down into nonprofit subsections, however, the percentages change drastically. For nonprofits engaged in philanthropy, 81.5% of the total revenue came from commercial revenue. For nonprofits engaged with international activities, however, it was only 14.1% (ibid. p. 147). Aside from what they may say regarding public support for different nonprofit subsections, the variations in sources of revenue may also speak to differences in preferences for commercial revenue. Indeed, US-based research has argued that NGOs generally prefer public and private sources of revenue over commercial, and generally resort to commercial activity when other sources decline (Segal & Weisbrod, 2008).

The Swedish literature has suggested that research on Swedish nonprofits’ economic activity and
their commercial activity in particular, has been lacking (Wijkström, 1997 p. 627; Wijkström & Lundström, 1997, p. 11; SCB, 2016, p. 7). This study hopes to contribute to this topic by examining how Swedish NGOs support themselves through commercial revenue in relation to their economic, organizational, and social contexts. The research questions posed in this study are:

1) Do Swedish NGOs resort to using commercial revenue when other sources of revenue have declined?
2) Which frameworks help us understand how Swedish nonprofits interact with commercial activity?

Trend and regression analyses will examine financial and organizational factors that may affect the use of commercial revenue; and discusses the findings in light of resource dependence theory and institutionalism. Furthermore, the interactions between religion, age, size and commercial revenue are explored. In this paper, the term “NGO” is defined as a non-governmental, nonprofit organization that engages in humanitarian assistance.

**Literature review**

**Resource dependence theory and sources of funding**

One of the key theories applied to the study of organizations such as firms and nonprofits is resource dependence theory (Pfeffer & Salancik, 1978; Froelich, 1999; Guo & Acar, 2005). Resource dependence theory blends the sociological concepts of institutionalism and agency with economic constraints. Essentially, organizations depend upon the accumulation of resources from their surroundings and the entities in control of said resources, and are able to more effectively manage their dependencies and uncertainties through adapting and restructuring themselves (Mikolaj & Tiziana, 2005). Under this framework, heavy emphasis is placed upon the rationality of organizations and the power dynamic between those in control of the resources and those seeking resources. Every actor is seeking to maximize their utility (be it output, financial
resources, legitimacy, social capital, etc.) under environmental constraints. As mentioned earlier, this pursuit of resources can compel organizations to behave in new ways and drastically alter their internal structures and strategies.

Since the 1980’s, research on the commercialization of nonprofits has garnered considerable academic discussion\(^1\) - largely within the United States (Maier, Meyer, and Steinbereithner, 2014). There has been significant attention given to whether access to specific sources of revenue affects the behavior of nonprofits. Often, the promise of funding is coupled with many stipulations and rules regarding how the funds can be used, which have implications for organizations’ missions, priorities, and policies. (Froelich, 1999). There are three main sources of revenue for nonprofits - private, public, and commercial.

The literature has suggested private and public funding shape nonprofit goals and policies profusely. In regard to private contributions, Tuckman (1998) describes how private foundations steer program activities and dictate the hiring of specific individuals for the job. These influences can drastically alter the course of a program and leaders of nonprofits must often choose between changing company policies and turning down funding. These realities led some researchers to conclude that private sources - foundations in particular - are the largest drivers of nonprofit bureaucratization (Hwang and Powell, 2009). Froelich disagrees, however, and her summary of the literature led her to suggest that public funding has the largest effect, with “overwhelming evidence point[ing] to government-driven professionalization, bureaucratization, and loss of administrative autonomy” (Froelich, 1999, p. 256). Despite their disagreements on which source has the largest effect, research appears to show that both groups have an effect on nonprofit organizations.

The final major source of revenue for nonprofits - and central to this paper - lies in commercial activity. As paradoxical as it seems, nonprofits are becoming increasingly dependent on commercial activity to fund their programs and pay their staff (Segal & Weisbrod, 1998; Kerlin & Pollak, 2011). Income is generated through engaging in activities such as the sale of

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merchandise, lottery tickets, contracting their workers or services to third-parties, and the stock market. Commercial activity has become prevalent to the point where the United Nations has released documents aiming to instruct and encourage NGOs to engage in the sales of products, even describing it as “best-practice” (UNAIDS, 2001, Foreword). A large study examining 1600 US-based nonprofits’ financial sources between 1984-2005 found that commercial revenue accounted for about 6% of all revenue, public grants for 44%, with private contributions accounting for much of the remaining half (McCleary & Barro, 2008).

The effects of commercial activity upon the goals and missions of nonprofits are also disputed. As opposed to public and private funding where support is more likely to be conditional upon a variety of criteria, commercial revenue is largely controlled by the nonprofit itself. In this light, Froelich argues that “commercial revenue enable[s] greater flexibility and autonomy for nonprofit organizations than traditional forms of support” (Froelich, 1999 p. 258). Engagement in diverse markets empowers nonprofits in ways that private and public finances do not. At the same time, it has been contended that commercial activity and marketization have strong negative effects on nonprofit behavior (Eikenberry & Kluver 2004). Nevertheless, pursuing commercial activity has been suggested to not be nonprofits preferred avenue of funding, instead it is primarily utilized to make up for periods where private or public funding are lacking (Segal & Weisbrod, 2008). Through the lens of resource dependence theory, the literature has suggested public and private donations decrease while the supply of nonprofits remains high, nonprofits will adopt strategies that utilize commercial ventures to acquire program funding (e.g. Froelich, 1999; Herzer & Nunnenkamp, 2013).

**Identity crisis and institutionalism**

Despite the benefits of commercial revenue, market-activity is not universally embraced by the nonprofit community. Indeed, while utilizing funding from public or private sources is common practice, commercial activity has often been met with mixed-reactions (Froelich, 1999). The negative responses stem from concerns regarding the very identity of the nonprofit sector. Nonprofits - and many NGOs in particular - have had a history of filling service gaps left by the government and the market. They have also sought to engage with volunteers and make themselves distinct from the public and private sectors (Hansmann, 1987; Hodgkinson, 1989).
As a result, despite the organizational autonomy that is provided, the increase of competitive, commercialized, and result-focused behavior has led to concerns over whether the traditional and distinctive values of the nonprofit sector are being curtailed (DiMaggio, 1986; Bush, 1992). Given that nonprofit models have traditionally stressed values of community activism and protection, moves towards corporate approaches that focus on taking risks and “competitive positioning” are seen as steps in the wrong direction (Alexander and Weiner, 1998; Eikenberry & Kluver, 2004 p. 136). Eikenberry & Kluver also bring up concerns with social capital and community service, contending that the autonomy and increased competition provided by commercial behavior (selling product and competing for contracts in particular) have de-incentivised nonprofits from building strong and authentic relationships with community members and constituents, ultimately reducing civic participation (ibid. p. 137). Other studies have found that the increased use of commercial activity has begun to shift services towards people who can more easily pay for them rather than those that need them the most (Eikenberry and Kluver on Salamon, 1993; Rosenman, Scotchmer, and VanBenschoten, 1999; Alexander, Nank, & Stivers 1999). While changes in the competition for private and public resources play a powerful role in the rationalization and marketization of nonprofits, commercial activity is understood to be a product of the entire process.

In addition to resource dependence theory, new institutional theory has frequently been used to study nonprofit commercial behavior (DiMaggio, 1986; Guo & Acar, 2005; Scott, 2008; Kerlin & Pollak, 2011). The theory posits that aside from economic survival, organizations also pursue legitimacy and acceptance from their organizational peers and other social actors. In light of commercial endeavors, “revenue diversification can be seen as a double-edged sword: it reduces concentrated resource dependence and preserves organizational autonomy, yet blurs the distinctions between the nonprofit and other sectors, eroding legitimacy in the process” (Ferris & Graddy, 1989 cited by Froelich, 1999, p. 262). Indeed, maintaining legitimacy as an individual organization or as a sector is important given that receiving legitimacy and approval from authorities and other social actors has been argued to be central to organizational health, regardless of its performance and structure (Scott, 2008, p.193). The concept of duality or ‘hybridity’ that has resulted from nonprofit shifts has been and remains a pressing concern for the third sector (Brandsen, Van de Donk & Putters, 2005). Swedish research has also found that
these internal and external pressures are present within the Swedish nonprofit sector. One of the preeminent works on Swedish nonprofits draws attention to this duality through pointing out the tendency for organizations to separate their “voice-producing activities (ideology, interest, or member activities) from service production with the help of foundations. In times of shrinking public economic support, this will also be done to facilitate verification of what the organization actually does in the interest of public good, and what is done more in the interest of its own members” (Lundström & Wijkström, 1997, pp. 161-162). These realities within the nonprofit community demonstrate the shifting and posturing that organizations have adopted not only to better carry out their mandates, but also in response to changes in public perception and competition. Another Swedish study has echoed the idea that commercialization and market-oriented behavior are reshaping and challenging age-old conceptions of Swedish study associations. The competition and perceived ‘dirty-work’ involved in engaging with business and efficiency-oriented endeavors led to a “decoupling” or distancing of these processes from traditional work, all in an effort to maintain organizational legitimacy (Åberg 2013, pp. 555-556). An additional concern within the literature is that as the line between nonprofit and businesses continue to blur, there may soon be little rationale to assign organizations with nonprofit statuses and all the privileges that follow it (Cordes & Weisbrod 1998; Colombo, 2002). Therefore, studying the developments in nonprofit resource diversification and its impact on commercial activity are very relevant today.

**Qualities of rational nonprofit organizations**

The nonprofit sector is such a vast and complicated sector that studying rationalization and business-like practices becomes extremely difficult. Due to the plethora of nonprofits in existence, the scholars mentioned in the literature review mainly conducted their research on nonprofits within a city or small region (Guo & Acar, 2005; Hwang & Powell, 2009; Suarez & Hwang 2013). At the same time, their research mainly focused on particular aspects of bureaucratization and commercialization. Since the nonprofit sector appears to be shifting to such an extent, sociologists and economists have been keen to empirically study the process of rationalization and professionalization within organizations to predict and understand how they transform. Using quantitative and qualitative studies, researchers have suggested certain qualities
that are correlated with business-like nonprofits\textsuperscript{2}. Often there is disagreement as to how, or to what extent, different factors impact them.

Nonprofit commercial activity and rationalization have been found to be positively associated with the organization's size and mixed associations with age. Since larger organizations tend to have greater influence and budgets, they will better be able to bear the burden of commercial investments and will be more successful in winning contracts (Hwang & Powell, 2009). Organizations’ ages, however, have been found to be both positively and negatively associated with rationalization: older organizations have developed resources and social capital over time (Guo & Acar, 2005) while organizations founded within the last ten years were more likely to have adopted competitive and professionalized policies from the very beginning (Hwang & Powell, 2009). This phenomenon reflects how entry to and subsequently competition within the nonprofit sector has shifted in the past couple decades. Furthermore, nonprofits led by individuals with professional degrees were more likely to have adopted competitive practices than those without (Suarez & Hwang 2013). In fact, according to their study, these managerial professionals were found to be the main contributors to organizational rationalization.

One especially relevant piece of research for this paper is an article by researchers J. Kerlin and T. Pollak (2011). The pair collected and analyzed financial information on US-based charitable nonprofits - except for hospitals and institutes of higher education - that were registered in the Internal Revenue Service’s Statistics of Income database between 1982 and 2002. After testing for changes in sources of revenue, the authors conclude that declines in private and public revenue did not lead to future increases in commercial revenue. They argue that the explanation for increases in commercial revenue was not best explained by resource dependence theory, but by institutional theory and the increased number of nonprofits having led to greater levels of competition for funding (pp. 700-701). To the best of my knowledge, no similar research has been conducted outside of the United States.

\textsuperscript{2} Other branches of research looked at the relationship between sources of revenue and collaboration with organizations. Research has argued that nonprofit rationalization increases through collaboration with the private sector (Kolk & Lenfant, 2012). One study described how the ‘green movement’ has led the coffee industry to team up with NGOs concerned with the environment and labor conditions. By recognizing that they could both further their goals by cooperating with one another, they decided to create policies and programs that would advance both a humanitarian and market-friendly agenda (Linton, 2005). Others purport that publically funded nonprofits are more likely to collaborate with each other than private funded nonprofits (Jang & Feiock, 2007).
The Swedish nonprofit sector

The large-scale empirical study of the Swedish nonprofit sector has not been active for very long, with the government’s statistic department labelling the research field “under development” (SCB 2016, p. 7). In 1992, one of the largest academic studies of Sweden’s nonprofit sector estimated that the sector was valued at 66.6 billion kronor (Lundström & Wijkström 1997, p. 144). Since 2010, in response to an official mandate from the government for rigorous data on the Swedish nonprofit sector, Statistics Sweden (SCB) began to collect and analyze data on a large scale (SCB 2012, p. 137). As a well-funded government institution, SCB has released a growing number of publications centered on civil society. The data shows that the nonprofit sector in Sweden is growing: the number of registered nonprofits (ideella föreningar) grew from 141,594 in 2011 to 149,001 in 2014 - of which 46,930 were economically active (SCB, 2014, p. 19; 2016, p. 6). In 2014, the sector was valued at 216 billion kronor, 4.3 billion of which related to internationally focused nonprofits (2016, pp. 15-16). In the same year, the Swedish government invested 3.3 billion kronor into relief and development (p. 28). The largest sources of funding for Swedish nonprofits in 2014 were membership fees, public funding (at all levels), and the sale of products or services (MUCF, 2014, p. 16).

Swedish Fundraising Control and other regulatory organizations

Several organizations have taken on monitoring and quality control roles within the nonprofit sector. Currently, the Swedish Fundraising Control (Svensk Insamlingskontroll) (SIK) has taken over the role of verifying cost-effective and reputable Swedish nonprofits - having replaced the pre-existing Näringslivets Granskningsnämnd which was formed in 1943 (SIK, 2017, Om Oss). Much like the US-based organizations Charity Watch or Guide Star, SIK provides a sought-after seal-of-approval that signals trust and accountability to donors and general public in addition to very basic financial information on its approved members, “90-konto” holders. In addition to regulating national activity, SIK also can monitor organizations’ international endeavors through its membership in the International Committee on Fundraising Organizations - an international network system for monitoring agencies. The watchdog is arguably the preeminent monitoring
agency for Swedish nonprofits, and thus highly relevant to this study of organizations.

Other relevant organizations include FRII - Frivilligorganisationernas Insamlingsråd - and Charity Ratings. FRII comprises of a network of nonprofits that strive to promote the professional, transparent, and ethical collection of revenue in addition to representing its members. It works with its members to provide a reliable platform for the public to learn about different organizations and opportunities (FRII, 2017). Charity Ratings, a fairly new organization, is in many ways similar to SIK in that it monitors and provides an evaluation of organizations; however, it also seeks to provide a more in-depth and robust organizational profile of the nonprofit’s finances and transparency than SIK does. Through their website, potential donors can (among other variables) view organizations’ total revenue, private revenue, public revenue, and sales revenue from 2012 to 2015, if available (GivarGuiden, 2017). Charity Ratings, like SIK, is especially relevant to this study, as discussed later.

**The case for resource dependence theory in Sweden**

There are many reasons why Sweden provides a valuable context in which to study nonprofit commercial activity through the lens of resource dependence. There is increased competition for resources among Swedish nonprofits. When FRII polled its members on the three most important aspects affecting their accumulation of revenue, the three most mentioned categories were the organization’s brand (61%), financial capacity (46%), and competition with other organizations (38%) (FRII, 2016, p. 38). This, coupled with FRII’s assertion that internal competition has increased due to the growing number of 90-konto holders strongly suggests that concerns regarding financing and public perception in addition to resource competition are prevalent in the Swedish nonprofit sector. In 2014, 76% of Swedish nonprofits felt that they had the financial resources to carry out their main goals. 57% felt that they had the resources to develop or improve their organizations. Organizations with a larger number of members were more likely to answer ‘yes’ to those questions (MUCF, 2014, p. 82). These figures suggest that resource dependence theory may be highly relevant.
There also appears to be a growing tendency for Swedish nonprofits to self-identify as dependent on public funding to carry out their missions. The percent increased from 44 to 51 between 2012 and 2014 (MUCF, 2014, p. 63). This dependence suggests that organizations that experience a decline in public funding may have to look elsewhere to regain those losses presumably through adjusting their behavior to attract future public funding or look to bolster private and commercial revenue streams. According to Lundström and Wijkström (1997), Sweden’s nonprofit sector is one of the sectors least dependent on public revenue, compared to other industrialized countries, and far below the averages of the seven countries included in their investigation. The authors argue that this is not due to Swedish nonprofits being more successful in generating commercial revenue, nor that Swedes are more generous, but rather that the areas that receive the most public funding are those that are the least important in the Swedish nonprofit sector - which is the opposite of the other countries (ibid. p. 145). This may indicate that Sweden’s unique structure favors a model that attracts public funding when private contributions do not adequately fill in the gaps. Finally, it is worth noting that religiously inclined organizations are less likely to self-identify as dependent on public revenue compared to their non-religious counterparts (MUCF, 2014, p. 63). This may be partly due to governments being less willing to support religious or proselytizing organizations, leading religious organizations to be entrepreneurial or rely on their members to meet their financial needs.

At the same time, after examining the Swedish nonprofit literature, it is apparent that there has been no scholarly research that has used resource dependence theory to study the use of commercial activity within nonprofits and NGOs. In addition, my contact with FRII, SCB, and Swedish scholars has indicated that despite recent investments in the topic there has been an unfortunate lack of empirical study and data collection regarding nonprofit commercial behavior. These conditions, coupled with personal encouragement from some of leading experts in the topic, have led me to believe that this paper will help provide much needed insight into the use of nonprofit commercial activity in Sweden.

**Aim and hypotheses**

The purpose of this exploratory paper is to look at Swedish NGOs’ revenue streams and examine
whether shifts in private and public funding are responsible for any changes in the use of and
dependence on commercial revenue. In addition to providing descriptive statistics, this paper will
use statistical regression analysis to examine possible causal relationships that result in the use or
increase of NGO commercial activity - including variables such as age, size, and religion. Through understanding how these organizations receive revenue and how important commercial activity is to fund their programs, we can get a better idea of how commercialism and for-profit ventures are present within Swedish NGOs today.

Resource dependency theory would suggest that NGOs that experience a decline in public or
private revenue would try to fill that financial gap by adopting new strategies such as
commercial activity. To test this theory, this study predicts that 1) declines in private revenue
lead to increased commercial revenue and 2) declines in public revenue lead to increased
commercial revenue.

Research methodology

Data and methodology
Some researchers, such as Büthe et. al. (2012), utilized surveys to collect relevant information
from NGOs. They requested, among other things, that each organization provide the total
monetary value that they received through private sources. This paper, however, will instead rely
on panel data - years 2011 to 2015 - consisting of the most recent online financial statements,
annual reports, and miscellaneous documentation of the NGOs. This practice mirrors methods
used by economists McCleary and Barro (2008 p. 516) and their collection of data on US-based
NGOs. If a specific piece of data or an entire variable cannot be found through a database, then
the organization’s documentation is searched for or personnel contacted.

In terms of using quantitative data analysis to test for resource dependence, this paper relies on
the aforementioned Kerlin and Pollak (2011) article. After contacting and consulting with Dr.
Kerlin, I have decided to emulate a similar Ordinary least squares (OLS) model that was used to
test their hypotheses (see Analytical methodology section).
Variables of interest

The dependent variable is commercial revenue while the main independent variables were public revenue and private revenue. Additional variables of interest are the organization’s expenses, own capital, size, year founded, and whether it was religiously affiliated or not. All monetary values are in thousands of Swedish kronor (tsek) in 2015’s krona. Due to the non-normal distribution across the sample, all the finance-related continuous variables are log transformed for the regression analyses.

For commercial revenue, SCB’s definition was used which defined it as the sale of products or services including sponsorship, income from advertising, and participation fees (SCB Survey 2015, p 5). This definition is relatively narrow compared to some previous research but arguably best encapsulates clear-cut business-like behavior. In my opinion, significantly broader interpretations of commercial revenue - the inclusion of membership fees in particular - do not fairly represent commercial activity. There is no clear or consistent benefit for members: benefits can range from receiving a store discount or annual magazine (possibly commercial activity) to receiving semi-regular email updates (most definitely not commercial activity). Thus, the unreserved inclusion of membership fees greatly inflates the prevalence of nonprofit commercial activity and was not considered as commercial in this paper.

Public funding was defined as the funding from all levels of government including “lönebidrag” - which is a government-funded worker program. Private revenue, which excluded commercial revenue, was defined as funding from non-governmental sources such as individual donors, businesses, foundations, membership fees, etc. Miscellaneous funding and “other” funding that were non-governmental were also included in private revenue. Total budget was the sum of commercial, private, and public sources. Own capital was defined as the reported capital that the organization had by the end of the fiscal year. Expenses was defined as the sum of project and administrative costs. Age was 2017 subtracted by the year the organization was founded. For member organizations (such as the Red Cross or Greenpeace), year founded was the year the national chapter was established. Religiously affiliated was defined as explicitly self-identifying as a religious or religiously-motivated organization. Size was determined from total revenue:
small (<15 million kr/year), medium (15-50 million kr/year), and large (over 50 million kr/year). Organizations that had a half or more of their total revenue from commercial revenue (sellers) were also noted.

**Sample and data collection**

The initial sample population stemmed from organizations that have a 90-konto with SIK (as of early 2017) – about 420 organizations. Since the majority of the data was yet to be collected, in the interest of time, the decision was made to narrow the sample size to more manageable figures. Since previous Swedish research mentioned that nonprofits focused on international activity were among the least likely to depend on commercial activity (Lundström & Wijkström, 1997 p. 147), that particular subsection seemed like a good place to start an exploratory study on commercial activity preferences. Therefore, an additional filter for international organizations (having operations outside of Sweden) was added. Of those organizations, SIK had categorized them into ‘nonprofit association’ (ideell förening); ‘foundation/trust’ (stiftelse/insamlingsstiftelse) or ‘religious body’ (trossamfund). After filtering for nonprofit associations, and removing organizations that did not exist in 2011, the sample population consisted of 121 possible nonprofits. It is also worth noting that an internationally-focused NGO is often labelled “INGO”, but for the sake of consistency “NGO” will be used for the rest of the paper. The data was collected in three main phases. Data collection began in February 2016 and ended in April 2016.

*Phase 1: Transfer data from SIK and GivarGuiden databases*

SIK has an online database with profiles for each organization. Within each profile, there are tables showing information on annual total revenue, own capital, and expenses.

GivarGuiden also has an online database with profiles for each of their own organizations. Roughly a fourth of SIK approved organizations were also in GivarGuiden. The database had information on NGOs from 2012-2015 including commercial, private, public, and other revenue. The information from these databases were combined and missing data was identified. Regarding database compatibility, GivarGuiden deliberately utilized SIK standards and definitions for collecting data (GivarGuiden, 2016, Bedömningskriterier). The only differences
were in calculations of total revenue, in which SIK included gains or losses from financial investments - something GivarGuiden did not. These differences were fully accounted for through adding SIK and GivarGuiden value differences into the organization’s private revenue.

Phase 2: Collect data from organizations’ websites or search engine
By the beginning of phase 2, about 20% of the main variable data had already been collected. To fill in the missing data, information was systematically collected from the official websites of the NGOs. The key documents were fiscal annual reports (årsredovisningar) which broke down the organization’s annual budget into various categories and identified their sources. Data was taken from specific lines in the annual reports with “Results” (resultaträkning) and “Notes” (noter) sections being the most relevant. If an organization was missing documents for some or all years between 2011-2015 on their website, online search engines were used to locate them.

Phase 3: Request data from organization’s through email and/or phone
Any NGOs that still had missing information were contacted through email and requested to provide their annual reports. After a two-week period, organizations that had not responded were called by phone and requested to submit their documents. During this time, any NGOs that were not willing or able to provide the full five-years’ worth of documentation were removed from the sample. The final sample consisted of 61 organizations, with a 50% total response or completion rate.

Limitations
While most Swedish nonprofits do not have a SIK 90-konto, the criteria for being a 90-konto organization signals effectiveness and legitimacy while the barriers of entry are not excessive. Criteria for receiving SIK’s 90-konto include having no more than 25% of total revenue going towards fundraising and administrative costs; at least 75% of total revenue going towards their programs; and having authorized financial documentation. There is also a 5000-krona application fee in addition to an annual fee that equals .0061% of the organization’s total revenue for that year (SIK, 2016a, Ansökan; 2016b, Årsavgifter). As a result, there is an oversampling of larger organizations.

3 See Appendix A for email template
and more financially equipped organizations that are better able to take on the costs associated with a 90-konto in addition to having readily available and well-kept financial records, not to mention the *time* to respond to request for documents.

This oversampling is evident from the organizations that were excluded from the final sample. The vast majority of organizations that were removed from the sample were small. There were three organizations, of varying sizes, that explicitly refused to participate in the study: one stated that they did not make their financial records public; another was run by a professor who felt that my time would be better spent studying the problems with SIK; and another felt that the quality of their financial records was not adequate. Other reasons for not being included in the final sample include no response, agreeing to provide documents but not sending them, and having poor quality documents that did not contain the necessary information. Nevertheless, aside from size considerations, I have no reason to believe that sampling bias within the 90-konto base was significant.

It is important to stress that the organizations within the sample are not representative of the entire Swedish nonprofit community. This sample of NGOs, while arguably consisting of some of the elite and most competitive nonprofits in the country, represents just a fraction of the entire population. Therefore, any conclusions regarding nonprofits and NGOs within this study are not necessarily generalizable for the rest of the sector. Instead, competitive and efficient organizations are expected to be drawn to a 90-konto. In a recent SCB survey, Swedish respondents were asked about what factors were important for them in deciding to donate to an organization for the first time. Over half responded that owning a 90-konto was important (cited in FRII 2016, p. 22). This indicates that there are strong incentives for competitive nonprofits to receive and maintain an account. Furthermore, research from FRII has suggested that the growing number of organizations with 90-kontos indicates that general competition for resources has also increased (ibid. p. 28). This further highlights the importance of SIK approval as an indication of legitimacy and fiscal efficiency in Sweden.

Two of the largest limitations the study are the sample size and time period. As is later elaborated upon in the discussion section, the small sample size and short time period ultimately
reduce the power, validity, and reliability of the analyses. A larger study would make the results more compelling by providing a wider perspective of the nonprofit sector. One of the key issues that contributed to the relatively short time period (2011-2015) was largely the availability of information. The initial plan was to create an eight or ten-year dataset from which empirical analyses could take place. However, since SIK was unwilling to share some of their internal statistics and SCB had a six-month waiting list for aggregate data and a considerable amount of restrictions for master’s students, the main sources of Swedish data were not available for the study. As a result, data had to largely be collected independently. Furthermore, as data collection began, it eventually become clear that the dataset would not become as large as I would have liked. Not only was the pacing of the collection rather slow, but the quality and availability of the annual reports for NGOs – particularly the smaller ones – were increasingly inconsistent past 2011. These considerations, along with advice from Dr. Kerlin that nonconsecutive NGO panel data would be problematic, led me to restrict the timeframe to a five-year period (Dr. J. Kerlin, pers. comm., 1 March).

**Analytical methodology**

Fixed-effects (FE) and quasi-lagged OLS estimates were used to evaluate the hypotheses that commercial revenue increases as private and public revenue fall. The FE estimate tests for immediate effects and provides information on relationships between our variables while the lagged estimate will directly test for whether commercial activity is a response to revenue loss. There are several benefits to selecting the FE model with my panel data: it does well with small sample sizes; it controls for omitted variable bias; and does well with large amount of variation within the sample. The Hausman test confirmed that an FE model better fit the data than a random-effects model.

In support of the quasi-lagged OLS estimations, resource dependence theory suggests that significant changes in finances will result in future adaptations. Previous research on resource dependence - specifically Kerlin & Pollak (2011) from which this model is based - has based its regression model from research showing that it generally takes around 5-8 years for businesses to mature and be profitable (p. 691). Thus, if a change in private or public funding were to occur, it would approximately take that long for those business activities to fully develop. Unfortunately,
this new dataset has only been able to capture a five-year period, reducing the business maturity period to three years. As a result, the key years for the OLS models were 2011, 2012, and 2015: two consecutive years of data (2012 being when a decision would presumably have been made) and a period three years into the future. Despite the smaller timeframe, it still may be possible to find changes in nonprofit commercial behavior.

To test for percent changes, the OLS models transformed public and private revenue into four dummy variables: two categories were for NGOs that experienced a 5% or more decline in private or public between 2011 and 2012, and the other two were for organizations that had 5% or more growth. Additional OLS models also look at 15% and 35% changes in revenue while another also tested for immediate effects.

Descriptive panel data analysis examined the results and provide an overview of the data. Since resource dependence theory would suggest that organizations that experienced a decline in funding would exhibit a greater use of commercial revenue than those that experienced a growth, trend analysis was provided to see if this was the case. Given previous research indicated the relevance of religiosity, size, and age, bivariate analyses on these variables were also conducted to look for any interactions with commercial activity.

Results

Descriptive data

Table 1 provides summary statistics of reported commercial activity. Commercial revenue within the sample increased by 40% between 2011 and 2015. While commercial revenue is very heavily skewed, the increase in the median commercial revenue also indicates growth on the other side of the spectrum. Meanwhile, at the organizational level, the mean proportion of revenue from commercial activity slightly increased from 8% to 9% between 2011 and 2015. In regard to engaging in any commercial activity, 66% of the sample reported commercial earnings in 2011. This figure increased slightly to 69% by 2015. These results indicate that while there may possibly be an increasing trend in commercial revenue use and dependence, the vast majority of the growth came from NGOs that were already using commercial revenue in 2011.
While all revenue sources have seen growth between 2011-2015, none have increased as much as private revenue has (Figure 1). At the aggregate level, commercial revenue in 2011 accounted for 3.6% percent of all revenue within the sample. By 2015, it had marginally increased to 3.8% percent of all revenue. Private revenue grew by an enormous 54% (from 52% of all revenue to 58%) and public by 13% (from 45% of total revenue to 37%). This leap is especially noteworthy considering how large the category already was.

**Figure 1: Revenue sources from 2011-2015 (tsek; n=61)**

<table>
<thead>
<tr>
<th>Commercial Revenue</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td>168879</td>
<td>187018</td>
<td>188857</td>
<td>199451</td>
<td>236238</td>
</tr>
<tr>
<td>Mean</td>
<td>2769</td>
<td>3066</td>
<td>3096</td>
<td>3270</td>
<td>3873</td>
</tr>
<tr>
<td>Median</td>
<td>34</td>
<td>46</td>
<td>49</td>
<td>115</td>
<td>85</td>
</tr>
<tr>
<td>Std. Dev.</td>
<td>8642</td>
<td>9624</td>
<td>10093</td>
<td>11049</td>
<td>12914</td>
</tr>
</tbody>
</table>
Trend analysis

Trend analysis of organizations’ responses to revenue declines and growths were conducted. 37% of organizations that had a 5% or more decline in private revenue between 2011 and 2012 had significantly increased (by 5%) their commercial revenue by 2015 compared to 38% of organizations that had grown. Similarly, 56% of NGOs that had lost public revenue had increased their commercial revenue compared to 46% of NGOs that had grown. These preliminary results suggest that commercial revenue does not greatly increase in response to losses in private or public revenue. It may also be the case that nonprofits that report no commercial revenue are actually trying to engage in commercial activity but have had no success. This study has no way of checking this and assumes that a lack of commercial revenue reflects a lack of commercial endeavors.

Following concerns that public funding volatility may be an issue (Kerlin & Pollak, 2011 p. 693), tests were conducted on changes in public revenue over the five-year period. Tests found that majority of organizations had 0-25% differences in public funding each year. As a result, in addition to the 5% change analysis, models including 15%, 25%, and 35% were also conducted and showed no significant differences.

Bivariate analyses of size, age and religion

There were three unique control variables that were collected outside of the data available on the databases and financial document: size, age, and religion. Descriptive and bivariate analyses were conducted to explore the sample and look for interactions. Due to the small sample size and cell counts, both Fisher’s exact test and Pearson’s chi-squared test were used to find associations.

Most the sampled organizations were small (60%), while medium and large organizations each represented about 20% of the sample. When comparing means across organizational size, the percentage growth in commercial revenue between 2011 and 2015 was much higher for small and medium organizations than for large organizations. The mean age within the sample was 49.5 and the median 35. A statistically significant association between age and the usage of
commercial activity was found - arguably a positive relationship. Indeed, all organizations over the age of 75 - about 18% of the sample - used commercial revenue. Age and size were also correlated.

28% of the sample identified themselves as religious or religiously motivated. Chi-squared and exact tests found no relationship between religiosity and the usage of any commercial activity; religiosity and size; or religiosity and age. When comparing means, however, religious organizations’ proportion of total revenue from public sources were ten percentage points less than non-religious organizations. Conversely, their proportion commercial revenue were ten percentage points higher. Since religiosity was not significantly correlated with the dependent variable, and due to the small sample size, it was not included in the regression models.

**Ordinary least squares and fixed-effects estimations**

OLS and FE estimations were run (Table 2). Age and high dependence on commercial sources were positively associated with commercial revenue across all models. Model 1 ran an unlagged OLS estimation for 2015 and found no immediate relationship between the independent variables (public and private revenue) and commercial revenue. Within the model, expenses have a negative relationship with commercial revenue. Models 2-4 are quasi-lagged OLS models with the independent variables testing for the percent changes between 2011 and 2012 with the omitted references being those with revenue growth or declines outside the percent shifts.

Model 2 tested for growth when revenues shifted by 5% and found no significant relationships. Model 3 checked a larger shift (15%) in revenue and found that private revenue growth is positively associated with commercial revenue. Model 4 checked for a drastic 35% shift in revenue and found that commercial revenue was positively associated with both private and public growth. The FE effect estimation, Model 5, used the entire 2011-2015 panel data (without the time-invariant variables) and found no evidence that public or private revenue had a relationship with commercial revenue. It did, however, find that expenses were significant, but in the opposite direction that Model 1 found.
Table 2: Coefficients and standard errors from OLS and FE estimations on logged commercial revenue.

<table>
<thead>
<tr>
<th>Model</th>
<th>OLS</th>
<th>FE</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td></td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td></td>
<td>5</td>
<td></td>
</tr>
<tr>
<td>Public Revenue</td>
<td>.138 (.085)</td>
<td>-</td>
</tr>
<tr>
<td>Private Revenue</td>
<td>.097 (.132)</td>
<td>-</td>
</tr>
<tr>
<td>Percent Changes</td>
<td>N/A</td>
<td>&gt;5%</td>
</tr>
<tr>
<td>Public Growth</td>
<td>-</td>
<td>.883 (.836)</td>
</tr>
<tr>
<td>Public Decline</td>
<td>-</td>
<td>1.20 (.904)</td>
</tr>
<tr>
<td>Private Growth</td>
<td>-</td>
<td>-1.75 (.902)</td>
</tr>
<tr>
<td>Private Decline</td>
<td>-</td>
<td>1.61 (1.01)</td>
</tr>
<tr>
<td>Expenses</td>
<td>-.196** (.078)</td>
<td>-.117 (.139)</td>
</tr>
<tr>
<td>Capital</td>
<td>-.019 (.282)</td>
<td>-.034 (.105)</td>
</tr>
<tr>
<td>Size</td>
<td>.850 (.669)</td>
<td>1.33** (.639)</td>
</tr>
<tr>
<td>Age</td>
<td>.035*** (.011)</td>
<td>.029*** (.009)</td>
</tr>
<tr>
<td>Seller</td>
<td>7.57*** (.779)</td>
<td>4.19*** (.878)</td>
</tr>
<tr>
<td>Constant</td>
<td>.943 (1.33)</td>
<td>.047 (1.03)</td>
</tr>
<tr>
<td>R²</td>
<td>.479</td>
<td>.592</td>
</tr>
</tbody>
</table>

*p<.1, **p<.05, ***p<.01

Additional models were also considered, testing for only for public or private growth and declines (as opposed to both simultaneously). These models found similarly significant results to the models in Table 2.
Discussion

Do Swedish NGOs resort to using commercial revenue when other sources of revenue have declined? The answer seems to be ‘no’. Both the trend analysis and OLS regression results did not support the resource dependence perspective which expected commercial revenue to increase when public and private revenue decreased. Additionally, the FE estimate did not find any association between the different sources of revenue. Conversely, the results of models 3 and 4 suggest that growth is associated with future use of commercial revenue. These results were unexpected, and differ from Kerlin & Pollak’s research that found no association at all (2011, p. 696). It is also noteworthy that it was not until Model 4 that changes in public revenue had a significant effect on commercial revenue. This may be due to the types of revenue included in private contributions such as membership fees and donations being much more flexible than public grants that generally exclusively fund projects. Thus, organizations that experienced growth in private funding were more easily able to subsidize commercial enterprises. The positive relationships between these sources of revenue may mean that it takes substantial periods of growth before organizations to feel comfortable and stable enough to invest in commercial endeavors. Organizational growth may also be a signal to outside parties that the NGO is healthy and relevant which may attract business.

The most consistently significant regression results were those relating to age and high dependence on commercial revenue use. This study supports previous research (Guo & Acar, 2005) that found age and commercial endeavors positively associated. It seems that organizations that have been in existence longer are more willing to or successful at commercial activity. Older NGOs that have lasted longer may have had to engage in commercial activity earlier on in their organizational history and thus may be better equipped than younger organizations at reacting to shifts in revenue. It may also be the case that older organizations are more likely to have the social capital and trust within their communities to successfully attract commercial revenue. Dependence on commercial revenue was also expectedly associated with commercial revenue. Acknowledging different nonprofit revenue portfolios and types of organizations has been explored in previous research (Hansmann, 1987; Teasdale, et. al., 2013). In this sample, organizations that received the majority their revenue from commercial activity
were second-hand stores. If it was the case that commercial revenue generally was non-preferred, then NGOs with such a high dependency on commercial revenue were likely not to have the same types of preferences as those that did not. Unlike previous research, however, the relationship between organizational size and commercial revenue was not widely supported in the model. This seems odd, given that larger organizations would arguably be better equipped to succeed in commercial endeavors. Bivariate analyses did not find a significant relationship between religiosity and commercial revenue. They did however, find that religious NGOs had higher proportions of revenue from commercial sources and support previous research that suggested lower levels of dependence on public funding.

There are a few possible reasons why the hypotheses were not supported. Firstly, resource dependence may not be the best theory for explaining changes in Sweden. This possibility is explored in a later paragraph. Secondly, the newly-constructed dataset may not have been sufficient to fully do justice to the subject. The short three-year timeframe was problematic for the theory. Given that commercial endeavors take time to mature, having data that spanned a longer period would have aided the exploration of that option. Indeed, using full eight-year time periods over a 20 or 30-year time span would have increased the validity of the models. Since the data spanned 2011 to 2015, the model also had to assume that a decision to increase commercial spending was made in 2012 when this may not have been the case. Multiple consecutive years of revenue loss may have initiated decisions to begin commercial endeavors but this was not able to be accounted for in the model. In addition, despite attempts to address distribution concerns, the regrettably small sample size undoubtedly affected the power of the models. This in turn makes it difficult to be sure if statistically significant results are showing true effects. Small samples also impact the accuracy of effect sizes and the reproducibility of results (Button et. al, 2013). A larger sample would have made the analyses more reliable and generalizable. As a result of these concerns, the regression results should only be interpreted more generally in terms of significance and general directions of relationships as opposed to specific numerical changes.

Thirdly, there are a wide variety of factors that influence how NGOs engage in commercial activity and while the OLS models seek to include many of the variables included in previous research, there are undoubtedly unobserved organizational characteristics that were not
controlled for. While the high R-squared values indicate that a large amount of the variation within the model was accounted for, incorporating interaction terms would have helped to discover further relationships between the variables. Again, a small sample size made the number of observations in each category uncomfortably small. Finally, focusing on humanitarian organizations engaged in international assistance may have been too narrow. While the 90-konto organizations may certainly be more likely to be recognized and respected within their fields, they are not the only ones that influence and represent Swedish NGOs. This small and selective sampling was problematic but necessitated due to the limited time and resources available for this paper. A broader scope may have yielded different results.

If not resource dependence theory, what framework best help how Swedish nonprofits interact with commercial activity? Seeing as commercial activity has grown by 40% in the past five years and that older (and perhaps more established) organizations seem to be the most likely to engage in commercial activity, it may be that normative pressures - as opposed to declining revenue – are the main driving forces behind Sweden’s increasing use of commercial revenue. Under institutional theory, increased commercial activity among NGOs may indicate that the practice is increasingly perceived as normal and legitimizing as opposed to taboo and stigmatizing. The theory would suggest that organizations in the pursuit of legitimacy and resources will become increasingly similar to each other in terms of their structures and practices through a process called isomorphism - particularly through mimetic and normative pressures (DiMaggio & Powell, 1983 pp. 151-153). NGOs that want to do well and be perceived as legitimate mimic practices of successful and respected organizations. In this way, the data would suggest that older organizations are the organizations that leading the way in terms commercial activity. Aside from norms and pressures within the nonprofit community, it may also be the case that legal limitations and public opinion that discourage commercial activity have lessened over time, prompting increased commercial activity, which has normalizing effects. As a result of the changing social environments, internal and external pressure are exerted on nonprofits that may culminate in the willing embrace or “passive acceptance” (Kerlin & Pollak, 2011, pp. 688) of commercial activity. These norms may then form a positive feedback loop: as public perception and institutions increasingly provide space for and normalize NGO commercial activity, more NGOs will inevitably fill that space and in turn affect society’s and organizations’ perception of
commercial activity.

At the same time, it may not be completely necessary to dismiss the resource dependence perspective when considering how Swedish nonprofits interact with nonprofits. Apart from the theory’s components that stress economic dependency, the approach is particularly compelling in explaining organizations’ desire for autonomy and stability (Froelich, 1999). The earnings can be used to finance projects and activities the organization chooses without following a long list of stipulations. In this way, commercial activity opens a path for nonprofits to exert their independent will and provides a more stable financial position that will be less susceptible to the will of outside parties.

Yet, while the data compiled in this study indicates that aggregate commercial revenue in Sweden has grown in the past five years, it does not support the idea that it has become more widely-used by NGOs at the organizational level. The majority of increases stemmed from organizations that already had commercial revenue. This may indicate that there are specific unobserved differences between organizations that do use (or are successful at) commercial activities and those that do not. It may be the case, that organizations with preexisting commercial revenue may react differently to changes in private and public funding as compared to those that do not.

Assuming that commercial activity will continue to become more common and accepted as a means of funding, what developments might we speculate to find in the future? Selling merchandise and hosting events will likely continue to increase market exposure (Smith, 2006). Perhaps commercial advertising - particularly from large and respected businesses and in conjunction with the rise of corporate social responsibility - will eventually act as a means of legitimizing NGOs and help them be perceived as relevant. These developments will likely continue as long as NGOs can successfully assure the public and the government that their money is being used effectively and ethically. At the same time, their practices and behavior should avoid encroaching too far into the territory of for-profit organizations. The appeal to purchasing services or products from nonprofits as opposed to a business lies in knowing that a significant percentage of the profits will end up in the hands of people that need help.
Furthermore, while businesses traditionally use a wide variety of strategies to create competitive prices, nonprofits benefit from the culture of volunteerism and less competitive wages (Schiff & Weisbrod, 1991). It will be of great academic and public interest to watch as events develop.

This exploratory paper reveals several avenues for future research on Swedish NGOs to pursue. First and foremost, it further highlights the need for high quality and readily available databases as has been confirmed by my contact with Swedish researchers and organizations. Future research would benefit from scaling up the time frame and sample size. Larger and longer panel data would aid future research through allowing for more controls and making any descriptions or regressions more reliable and powerful. Second, future research would benefit from clearly and consistently defining terms. As I read the literature and discussed commercial activity with academic and government authorities, it became clear that the term meant different things for different people. For example, when does a membership fee or a sponsorship become something more - a transaction? Do earnings from the stock market or leasing property count? These distinctions are not abundantly clear at this point in time, yet their differences strongly affect research results. In the same vein, future research would benefit from delineating between different types of funding and revenue. While previous research on resource dependence and commercialization has generally grouped nonprofit budget into three main groups, it may make more sense to divide finances into more categories. That way, research may more accurately identify specific types of resources that impact nonprofit behavior. Finally, this subject would also benefit from utilizing new research designs. Aside from large quantitative projects, surveying or interviewing high-level decision-makers within NGOs would provide valuable information on the sector’s preferences, motivations, and concerns regarding commercial revenue use. These additions would prove beneficial to future Swedish research endeavors.

This study found no evidence that commercial activity increases because of declines in public or private funding. At the same time, it remains difficult to draw any conclusions regarding resource dependence and nonprofits’ commercial preferences until further data and research are available.
Works Cited


Appendix

A: Email to Organizations

Dear [Organization or Accountant/CFO],

Hi! I hope this email finds you well. My name is Sam Breslin, I am a master's student at the University of Stockholm and am hoping you could help me with my research. I am writing my thesis on the revenue diversification of Swedish nonprofits approved by Svensk Insamlingskontroll, and [Organization] is part of the study!

I am looking at what financial factors are associated with the use of commercial revenue (försäljning av varor och tjänster) - regardless of whether the nonprofit uses it or not. I was wondering if you would be able to help me with collecting data by providing some documents - specifically your annual reports (funktionsindelad årsredovisningar) for [Years]. I was not able to find those documents on your website. If those are not available, the SIK/90-konto submission/s would also work well.

Please let me know if you have any questions or concerns. Thank you for your time!

Sincerely,

Sam