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*NURTURING INTER-ORGANIZATIONAL RELATIONSHIPS
TO INCREASE ECONOMIC AND SOCIAL PERFORMANCE*

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ABSTRACT

The study adopts a network perspective to develop a conceptual model that proposes several hypotheses to examine the role of inter-organizational relationships with different stakeholders (funders/donors, other social organizations, government institutions) in the process of resources' mobilization for social organizations and the impacts on the social and economic performance.

The research uses primary data collected from the managers of social organisations and applies structural equation modelling, to test the hypotheses of the base model. The results indicate that the governance of inter-organizational relationships determines the process of resources' mobilization and, consequently, enhances the social and economic performance of the social organizations.

The findings suggest that our understanding of the process of resources acquisition by social organizations could be enriched by integrating the network perspective into the specific context of social management.

KEYWORDS: network perspective; inter-organizational relationships; resources; economic and social performance; social organizations.

JEL Code: M10, L31

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I INTRODUCTION

A social organization is an actor in the social economy ecosystem whose main objective is to generate social impact in the society as a whole rather than make a profit for their owners or stakeholders (Gupta et al., 2020). The social organization aims to solve or at least reduce a given social problem by providing goods and services for the market in an entrepreneurial and innovative way (Madill & Ziegler, 2012). Social organizations are managed in an open and responsible manner, involving employees, consumers and stakeholders affected by its business activities (European Commission, 2018). In the management of social organizations most of the problems are related to the access to resources, such as loans, grants, donations, government support and supply contracts (Hines, 2005). An additional problem is that few social organizations generate significant incomes by selling goods and services (Bacq et al., 2013). Consequently, to achieve their business sustainability, social organisations must maintain relationships with several other organizations in order to attract and acquire resources (Hakansson & Snehota, 1995). These relationships as a whole form the structure of a network that consists of single nodes, such as persons or organizations, linked by a set of relationships, such as friendship, transfer of funds or overlapping membership (Hoang & Antoncic, 2003). An inter-organizational network is seen as an independent form of coordination of interactions between autonomous but interdependent actors that, for a limited period of time, cooperate and take into account the interests of the respective partners (Kofler & Marcher, 2018).

The network perspective has been widely recognized as essential to studying the social entrepreneurship phenomena (Leadbeater, 1997; Mair & Martí, 2006; Sharir & Lerner, 2006; Chell, 2007; Sakurai, 2008; Austin et al., 2006; Bauer et al., 2012; Bjarsholm, 2019). In addition, the principles related to social organisations include the dimension of inter-cooperation, since these entities are characterised by a language of cooperation with the various interest groups. However, and in spite

of this, there has been little quantitative empirical evidence of the role of inter-organizational relationships in the acquisition of resources and the impacts on the economic and social performance of social organizations (Busch, 2014). Dacin et al. (2011, p. 1207) analysing social entrepreneurship as an area of academic inquiry suggest a ‘call for a greater focus on networks and social entrepreneurship. Indeed, a network perspective seems appropriate to examine the role of inter-organizational relationships in dealing with its suppliers, donors, beneficiaries or governmental institutions (Hakansson & Snehota, 1995).

To fill this research gap, the study develops a conceptual model to examine the role of inter-organizational relationships on acquiring resources for the social organizations and evaluate its impacts on the economic and social performance, which is applied and studied in the Portuguese case. The objective of the paper is to help managers in social organizations to exploit inter-organizational relationships with different stakeholders to their own advantage in order to enlarge the amount of resource available and, subsequently, increase the economic and social performance of social organizations. Specifically, it attempts to i) examine the impacts of different types of inter-organizational relationships that intervene in the process of resource acquisition; ii) analyse the consequences of resources available on the economic and social performance of the social organization.

To achieve these purposes, the article is organized as follows. Firstly, section 1 focuses on a review of pertinent literature on inter-organizational relationships in the context of the network perspective. Section 2 focuses on the role of inter-organizational relationships in the process of resources acquisition, examining the contribution of different types of stakeholders. Section 3, describes the main dimensions of performance in social organisations and investigates the links between resource acquisition and performance. The next section explains the methodology used in the study. Section 5 presents and discusses the results. The final section provides the conclusions, practical implications, limitations, and future research directions.

2 INTER-ORGANIZATIONAL RELATIONSHIPS

The network perspective applied to social entrepreneurship argues that organizations do not act in isolation but rather through various types of business relationships with different organizations (e.g. donors, suppliers, government agencies and other social organizations). Over the time, these relationships are created and developed, not only by the parties involved but also in the context of the more extensive network of interdependent relationships of which they are a part (Anderson et al., 1994). In addition, the network perspective emphasizes the importance of close, cooperative and often long-term relationships between organizations and their effect on their performance. Such relationships involve considerable invest-

ment over time and result in activity links, resource ties, and personal bonds that represent valuable assets for a firm (Häkansson & Snehota, 1995).

Several propositions emerge from the network perspective. First, the ability to develop relationships seems to explain the role, development and performance of organizations. Second, the development of resources occurs to a large extent between organizations. Third, the organization's internal efficiency is largely dependent on its relationships with different stakeholders. Finally, the more successful the counterparts are, the better it is for the organization (Häkansson & Snehota, 1995). The organisation's performance seems to be affected by the network of relationships that facilitates the access and combination of resources and knowledge that otherwise would be impossible by acting independently (Axelsson & Easton, 1992).

Networking and networks may take several forms. Personal connections, or personal relationships, provide individuals access to a wide range of communities. Interconnected groups of organizations are also networks, usually referred as interorganizational networks that can be regarded as conduits through which various types of flows may occur, such as information, technology and services (Axelsson & Easton, 1992; Häkansson & Snehota, 1995). These different types of relationships come into play in a social organization. Individual connections, as part of group activities, may be activated for personal as well organizational purposes. Members of organizations may be given access to one another's networks, which may open up various external connections. The different organizations participating in a given network have some interests, such as goals or motivations. The gains they can make from this interaction depend mainly on the alignment between the actors' interests within the network (Corbett & Montgomery, 2017). The motivation to collaborate within a given network depends on the perceived potential benefits that could be derived from their participation (Fu & Cooper, 2022). Also, a wider range of relationships may be developed through various government agencies (Axelsson & Easton, 1992; Häkansson & Snehota, 1995).

3 INTER-ORGANIZATIONAL RELATIONSHIPS WITH STAKEHOLDERS AND RESOURCE ACQUISITION

Overall, organizations are embedded in a set of different entities with which, directly or indirectly, they are related. Stakeholders' theory focuses on the relationships between an organization and the individuals who can affect or are affected by the achievement of the organization's objectives (Freeman, 1984). This theory has been widely applied in various fields, such as law, health care, public administration, environmental policy, and ethics (Parmar et al., 2010). More recently has also been applied to strategic management, entrepreneurship and more lately to social entrepreneurship. Indeed, as mentioned by Burga and Reznia (2016), social entrepreneurship and the management of social organizations are often studied through

the lens of stakeholder theory, as the practices used are based on a language of cooperation, in which the inclusion and participation of the organisation's various stakeholders are very often applied (Sabeti, 2009; Toledano, 2011).

In the stakeholder theory, the main actors are seen as 'all individuals who are socially impacted or who have a social impact on the firm through social drivers and barriers' (Burga & Rezania, 2016, p. 2). As the same authors argue, stakeholders' theory implies 'the consideration of stakeholders and their relationships with the firm as a set of activities leading to end results that are implicitly value and moral-laden' (Burga & Rezania, 2016, p. 2). For Parmar et al. (2010, p.5), in the stakeholder theory 'business can be understood as a set of relationships among groups that have a stake in the activities that make up the business'. In this context, the objective of managing the various types of stakeholders will be to obtain their long-term support by developing a methodology that can articulate a myriad of groups and relationships to achieve the organisation's objectives (Freeman & McVea, 2001). Through relationship development, social organizations are able to establish contact, and a more effective connection with a higher number of stakeholders. Therefore, effective management of stakeholder's relationships is critical for organizations' success, and implies understanding and managing the interaction with different stakeholders over time (Parmar et al., 2010).

In the context of social entrepreneurship, Granovetter (1985) argues that social networks are likely to influence the access to resources and organizational effectiveness. Bernardino and Freitas Santos (2019) stress that social entrepreneurs need to maintain different types of relationships (personal, entrepreneurial and institutional) for the acquisition of resources in order to manage effectively and efficiently the assets of the social organization and achieve their social mission. Similarly, Fu and Cooper (2020) highlight the relevance of networking for accessing resources, attaining information and developing programs to produce social value that, otherwise and in an individual manner, social organizations would not be able for. Other benefits include risk sharing, reducing operating costs, and improving community visibility (Fu & Cooper, 2022).

As several definitions of social entrepreneur refer, there is a need to attract and manage a range of assets/resources if the social organization wants to attain its mission (Austin et al., 2006; Bauer et al., 2012; Bojica et al., 2018; Mair & Noboa, 2006; Moriggi, 2020; Sakurai, 2008). The social organization's resource base comprises (Grant, 2010): i) physical resources, including assets such as buildings (office, warehouses) or equipment (computers, vehicles, machinery) that are crucial to the development of daily activities; ii) financial resources, generated and attracted by the social organization from donors and institutions (private and public) that determine its investment capacity and its cyclical financial resilience; iii) human resources, including the expertise and skills of employees and volunteers, their adaptability to perform various tasks, and their commitment to the organi-

sation's mission; iv) technological resources, including stock of technology and technical employees; v) reputation of the social organization in the public space that is important when dealing with donors, financial institutions, beneficiaries, suppliers, and other stakeholders.

As networks are composed of different kinds of actors, social organizations have to manage relationships with a myriad of organisations that could be grouped into categories within or across the public and private sectors. The work of Fu and Cooper (2020, p. 439), use the concept of 'non-profit network portfolios', to refer to 'the patterns (number, integration, intensity, and duration) of a set of interorganizational relations that organizations maintain as a whole', that should be organized in order to social organizations could pursue organizational and collective goals.

Even considering the benefits that networking can offer in terms of resource acquisition and the development of business and social activities, it is a very time-consuming task that could result in the necessity of managing relationships according to stakeholder relevance (Burga & Rezanía, 2016; Mitchell et al., 1997). Moreover, as mentioned by Fu and Cooper (2020, p.438) 'beyond external pressures and network factors, non-profit leaders must make strategic choices regarding with whom and how they collaborate due to constraints in resources and capacity, as well as the complexity inherent in multiplex interorganizational relationships'.

3.1 Funders and donors

To acquire different type of resources (e.g. physical or human), social organizations need financial resources. According to the resource dependence theory, developed by Pfeffer and Salancik (1978), an organization's survival depends on its ability to acquire resources. Accordingly, the availability of financial resources for social organizations will determine their ability to acquire the necessary resources and productive factors and their capacity to carry out investment projects. Although the challenge that obtaining money represents for social organizations, the funds are critical for performing successfully its daily activities (Donaldson et al., 2021).

Funding could be attained through different sources, such as the revenues from the sale price of products or services provided by the organization, membership fees, contributions from the State and other public entities, and donations, among other fundraising sources (Barney & Clark, 2007; Smith et al., 2012; Weerawardena et al., 2010). Empirical studies have shown that most of the social organizations are not able to operate exclusively on their own revenues (Bernardino & Freitas Santos, 2021; Dionisio, 2019; Donaldson et al., 2021; Zhang & Swanson, 2013). Nevertheless, social organizations are increasingly aware of the importance of diversifying and increasing the organization's own income (Bernardino & Freitas Santos, 2021; Bloom & Smith, 2010; Boschee & McClurg, 2003; Chikoto-Schultz & Sakolvittayanon, 2020; Garcia-Rodriguez & Romero-Merino, 2020).

In Portugal, Parente (2014) refers that most social organizations rely on external funding for performing their normal activities. The main sources of funding is provided by the government and other private stakeholders that are particularly relevant as internal funding represents only a small fraction of the total funds mobilized for the activity of the social organization.

Historically, donations have been a critical source of financial resources for social organisations. Donations could be provided by different entities, such as corporations, foundations, individuals, or other types of stakeholders (Donaldson et al., 2021). Even so, some significant changes have been observed over the last few years. As argued by Donaldson et al. (2021), there has been a paradigm shift in the donors' mindset, suggesting that potential donors act with a marketplace mentality, making their donations decisions based on the information available about the organization and the quality of the programs developed. Currently, the relationships with donors and investors as a whole have changed, as they are more demanding in terms of the type of information required to decide on whether or not to fund a given social organization (Donaldson et al., 2021; Lyons & Kickul, 2013). Also, the pattern of the donations received is becoming progressively 'large donations from higher-income donors and less from lower and mid-level donors' (Donaldson et al., 2021, p. 516).

Given the importance of fundraising strategies for social organizations' success, some researchers have exploited the topic, studying, for example, investors' and donors' behaviour and the corresponding decision making process. Zheng et al. (2016), based on the situational theory of information, argue that the activity related to fundraising decisions could be divided into two main dimensions: (i) information seeking, that is a proactive process of searching for information by individuals; and (ii) information processing, where individuals, are exposed to information that was not planned by them, but they discover and process it (Zheng et al., 2016). In their study on non-profit communication and fundraising, the same authors, reveal that before making their decisions, investors seek information related to their level of awareness, recognition of the main constraints, and personal involvement with the issue. Thus, to be able to be funded successfully, social organisations have to be effective in communicating with a multitude of investors, and making available relevant, timely and quality information, provided through suitable communication channels. In such context, and given the importance of digitisation, recent studies have analysed the relationship that social organizations establish with donors, focusing on elements such as social media and the use of the internet (Donaldson et al., 2021).

Following these arguments, it is hypothesized that:

H1a) The ability of the social organization to govern the inter-organizational relationships with funders/donors will positively influence its capacity to acquire resources.

3.2 Other social organizations

In a context of resource scarcity that is characteristic of social organisations, the interaction and cooperation with other organisations is recognised as critical for the mobilisation and management of resources, as well as for the development of the activity of the social organization (Austin & Seitanidi, 2011; Montgomery et al., 2012). The cooperation with other organizations can foster cost reduction, mutually beneficial for the organizations involved in the production process (Martins & Pinheiro, 2010). Austin and Seitanidi (2011) refer that this process of sharing some resources is sustained in the complementarity between the resources held by different organizations. In this sense, the greater the complementarity and the transferability of resources between organizations, the greater will be the potential for value co-creation. The creation of partnerships also allows the mobilisation and leveraging of key assets, as well as the construction of new resources that support the dissemination of social impact and contribute to the success of organisations (Montgomery et al., 2012). As mentioned by Bazani et al. (2020), the use of a network of relationships in social entrepreneurship aims to foster the search for collective solutions that are provided by the actors involved in the network. In this process, the institutions involved are empowered to share resources that are collected and developed through the collective synergies provided by the network.

Indeed, as mentioned by Garrido-Skurkowick and Steglich (2022, p. 1) social organizations to be successful 'are particularly dependent on access to collective resources through interorganizational networks'. For this reason, according to the authors, social organizations are especially dependent on 'collective resources available in their own organizational ecosystem' (Garrido-Skurkowick & Steglich 2022, p. 2). Consequently, the inter-organizational relationships could be used by social organizations to move from closed circles of communities lacking resources to a more cooperative ecosystem (Bazanini et al., 2020).

Furthermore, establishing inter-cooperation with other organisations enables them to make use of some activities and/ or services already provided by other entities within the sector, allowing the organisations to focus on their core activities, which are critical for their social mission and to create higher value in the social impact chain. This interaction also allows the development of activities through collaborative co-creation processes (Bazzanini et al., 2020).

Social organizations, by nature and due to the huge challenges they face, are asked to be collaborative and innovative. Interaction with other social organisations and using inter-organizational relationships are important to foster social impact creation, as it encourages the development of an innovative and collaborative ecosystem that facilitates the emergence of innovative practices and collaborative behaviours (Gerli et al., 2021). Moreover, the interaction between social organizations could lead to leveraging learning processes and improve the capacity

of social organisations to create value (Gerli et al., 2021). Thus, through the use of their inter-organizational relationships, social organizations can access resources that otherwise would be impossible, and to perform activities and provide services that the social organization alone (without cooperation with others) would not be able to satisfy (Garrido-Skurkowick & Steglich, 2022).

Despite the benefits that the interaction with other social organisations can provide, this situation exposes them to the risk of dependence on third parties (Bernardino et al., 2017). Herein, as argued by Bazanini et al. (2020), the involvement and commitment of its members are critical.

Following these arguments, we hypothesize that:

H1b) The ability of the social organization to govern the inter-organizational relationships with other social organizations will positively influence its capacity to acquire resources.

3.3 Government entities

Institutions, defined as the regulative, normative, and cognitive structures that regulate and constrain human activities to provide stability and meaning to social behaviour can have direct and indirect effects on social organizations (North, 1991). As a matter of fact, institutions define the rules of the game that shape the economic behaviour of society (Baumol, 1990). For many years, the relationship between social organizations and government entities has been recognized as critical (Leadbeater, 1997).

In some economies, historically, governments have played a central role in providing social services. Some examples of this include the provision of responses in the areas of health, education, retirement, or support during periods of greater social vulnerability. However, as governments are increasingly unable to answer all the existing social problems, in some countries, they are transferring part of their social function to social organizations, making goods or services available to the population. According to Uster et al. (2022, p.299), currently interorganizational relationships are ‘increasingly viewed as a leading mode of public service delivery (...) that allow the government to create strong partnerships with external agencies and replace competition and contracts with cross-sector collaborations’. Herein, these networks are ‘purpose-oriented’, as they focus on the collective purpose that is embedded and translated into actionable goals established between the different actors comprised in a network.

Typically, in exchange for the products/services delivered, governments offer some financial resources to social organizations through donations, subsidies, or the price defined in the cooperation agreements signed with these social organisations. Indeed, in some countries, the financial resources made available by the government are very relevant for funding social organisations. In Portugal, for

example, public funding represents approximately 40% of the revenues of social organisations (Fernandes et al., 2016). This pattern is also observed in other economies, all over the world (Fernandes et al., 2016).

Although the use of public financing involves some advantages and constitutes an additional fundraising source for some organizations, it also entails some constraints, mainly by exposing social organizations to the dependence of the governments' budget and existing political options (Bacq et al., 2011). Therefore, the interaction and information exchange between social organizations and government agencies could be critical for both parties, but most important for social organizations if they want to attain a deeper knowledge of the way to access funds.

Following these arguments, it is hypothesized that:

H1c) The ability of the social organization to govern the inter-organizational relationships with government agencies will positively influence its capacity to acquire resources.

4 RESOURCES AND PERFORMANCE

4.1 Performance of social organizations

Assessing performance in social organizations has been widely recognized as critical as it fosters a more in-depth knowledge about the contribution of each activity developed by the organization to the final outcome encouraging the adoption of management decisions that are more informed and based on evidence (Crucke & Decramer, 2016).

The implementation of a performance evaluation system also enables the social managers to improve the organization's value creation, as it allows them to identify the actions that can lead to success and the programs that can leverage the achievement of the organization's objectives (Bonini & Emerson, 2005; Bornstein, 2007; Carman, 2011; Rotheroe & Richards, 2007). A performance management culture also encourages a dynamic adjustment between the organization's environment, strategy, structure and resources.

In addition to the internal benefits, performance assessment is also critical to establish the social organization legitimacy, as well as to allow the organization to be accountable towards different stakeholder groups and foster support from the community (Crucke & Decramer, 2016).

Social organizations are hybrid organizations that seek to combine both the social and economic dimension that creates economic and social value that helps to attenuate persistent and sometimes complex social problems (Choi & Majumdar, 2013). The fact that the value creation process takes place under multiple bottom-lines substantially contributes to the complexity of the performance assessment

(Bonini & Emerson, 2005; Mair & Martí, 2006; Miles et al., 2013; Murphy & Coombes, 2008; Wang, 2009). Crucke and Decramer (2016) emphasize the need to use a suitable tool for assessing performance that should include and balance multiple dimensions, such as economic, environmental, community, human and governance. Further, assessing performance in such context allows social organizations to achieve a more sustainable social solution (Crucke & Decramer, 2016). The use of multidimensional criteria helps organizations to balance the social and economic dimensions in the decision-making processes in order to attain financial sustainability (Gali et al., 2020; Lam et al., 2020).

Social Performance

The social dimension is central for social organizations, since it is the main reason for their creation and existence (Wilson & Post, 2013). For Schmidt et al. (2015), social performance refers to the ability of an organization to successfully achieve its social purposes that were at the heart of its creation by its founders. Social value creation refers to the ability to derive benefits to the various beneficiaries of an organization, and also as the ability to ‘adjusting its social value proposition to maximize value for its intended targets and as well as the ecosystem’ (Gali et al., 2020, p. 3).

Schmidt et al (2015) developed a conceptual model to measure performance in social organizations. For the authors, the social effectiveness could be evaluated through the extent to which the organization offers products and/or services that are beneficial to its recipients and the degree to which the outputs released are able to significantly impact on general well-being. Focusing on the demand side, the investigation conducted by Miles et al. (2013) measured social performance by means of a multiple-item scale that intended to analyse the satisfaction level of the organization’s donors and beneficiaries, as well as the advocacy for beneficiaries.

Economic performance

The inclusion of an economic dimension in social organizations is carried out to support the construction of a (more) sustainable social response and to strengthen the organization’s ability to pursue its social mission (Leadbeater, 1997; Morris et al., 2007; Rauch et al., 2009; Weerawardena & Mort, 2006, 2012). Without an economic dimension, the social organization would face financial fragilities, which would prevent it from maintaining the programs and activities and, therefore, reduce its capacity to create social value.

According to Crucke and Decramer (2016, p. 10), in the context of social organizations, economic performance refers to the ‘conditions supporting the financial sustainability of the organizations’, that is based on their entrepreneurial orientation. Similarly, for Myers and Nelson (2010, p. 275), ‘economic

value creation serves as the means to that end [of social value creation] rather than the primary end in itself'. Likewise, for Schmidt et al. (2015) economic performance is important for social organizations, as it is essential for the sustainability of social effectiveness. For the author, the economic performance of a social organization is related to its main financial goals, its economic survival, how efficiently the organization works and its potential profitability. An empirical study conducted by Miles et al. (2013), measured the economic dimension of the performance of social organizations based on the efficiency and effectiveness of the services offered to the beneficiaries, as well as the organization's financial sustainability.

4.2 Linking resources and performance

The resource-based theory (RBT), states that a firm is seen as a portfolio of tangible and intangible assets that can be used to achieve competitive advantage and superior organizational performance in the short term (Austin & Seitanidi, 2011; Barney, 1991; McKelvie & Davidsson, 2009; Rumelt et al., 1991). In this theory, an organization owns or has access to different resources that work together to create capabilities in order to attain the success of the organization (Hart & Dowell, 2011; Molloy et al., 2011). In this sense, resources and capabilities are the justifications for persistent differences in performance (Finney et al., 2008; Foss et al., 1995). Based on the RBT, the heterogeneity of firms in terms of resources and capabilities explain the differences in performance between organizations (Killen et al., 2012).

The need for acquiring resources that are obtained in the external environment, makes organizations dependent on their (potential) suppliers (Pfeffer & Salancik, 1978). Consequently, some organizations, due to their specificities and position in the social economy, have more power than others in the purchasing process. In this context, social organizations could be treated unfavourably in their relationships with external suppliers due to power asymmetries in the negotiation, that arise from the lower purchasing power they have by working in the social sector and do not have for-profit motives in most cases (Desa & Basu, 2013).

Meyskens et al. (2010) applied the RBT to social entrepreneurship and found an operational process similar to that existing in economic entrepreneurship. Herein, the authors conclude that the differences between these two types of organizations do not manifest at the level of RBT. Zeyen et al. (2013), in turn, are more sceptical about the ability of the RBT model to adequately explain performance in social organizations and claim for further research on the subject.

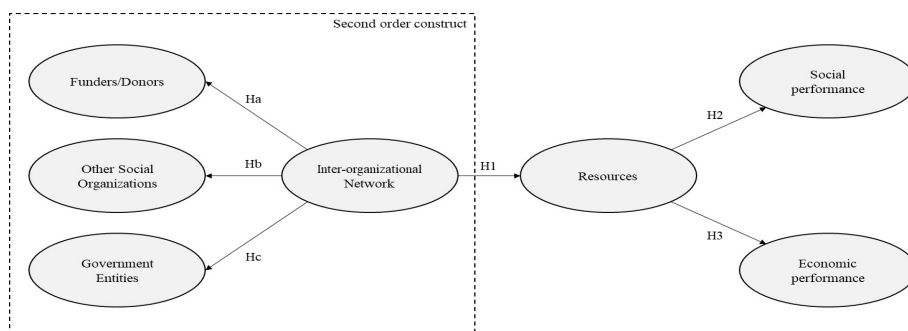
Following these arguments, it is hypothesized that:

H2) The social organization's ability to acquire resources will positively influence their social performance.

H3) The social organization's ability to acquire resources will positively influence their economic performance.

The proposed conceptualization of the role of inter-organizational networks in the mobilization of resources and the subsequent impact on the economic and social performance of the social organization is presented in figure 1. Drawing from network and stakeholder theories, the inter-organizational networks are included as the three most important types of relationships that the social organization maintains with the stakeholders (funders/donors, other social organizations, and government agencies) in order to attract resources for the social organization. Based on resource dependence and resource-based theories, the resources are integrated into the model to assess its impact on the economic and social performance of the social organization. All the interactions between the constructs are examined in the context of the literature reviewed above.

Figure 1. Research model and hypotheses



Source: Authors' own elaboration

5 METHODOLOGY

5.1 Research context

The original database included 3.777 social organizations, whose public interest is recognised by the Portuguese state, including entities covering different type areas e.g. social, cultural, humanitarian and solidarity). The public information displayed for reasons of transparency only contains the name. To complete the information about the identification of the entities included in the database (e.g. email address), the website of the organizations was consulted, as well as, the social media pages, and the website of the Portuguese Social Chart (includes the institutions that are supervised by the Ministry of Solidarity and Social Security).

This operation was performed during the year of 2019 leading to a final list of email contacts of 3.252 entities.

5.2 Data collection

Questionnaire design

Measures of all constructs were developed based on the review of the literature. A preliminary version of the questionnaire was developed and administered to five academics in the field of management and economics. The purpose was to evaluate the content validity of the measures selected. The research instrument was then modified based on the feedback received. Subsequently, the revised questionnaire was pretested and refined for relevance and clarity, and no significant problems were found.

Survey response

Each of the 3.252 entities included in the database were contacted during January and March of 2020 by email. The purification of the database was completed with the removal of 864 email addresses due to absent emails responses and errors messages. The total number of the sampling frame was 2.388 social organizations.

A formal email describing the objectives and importance of the study was sent to all entities. All respondents were guaranteed anonymity, and a summary of the research findings was promised in exchange for their participation. After two rounds of persistent emails asking for respondents to return the questionnaires, some entities failed to accept the email or were not willing to answer. A total of 337 questionnaires were received although 24 were dropped due to excessive missing data. Thus, the final database included 313 responses, yielding an acceptable response rate of 13.1% (313/2.388).

Sample

The largest number of the 313 respondents who participated in the survey was from social organizations located in the middle of the country (45.7%), North (35.8%), South (16%) and Islands (2.5%). In the sample, 91.1% of the organizations held more than 10 years of existence, 6.1% held between 5 and 10 years, and the remainder (2.9%) held less than 5 years. The geographical area of intervention of the majority of organizations was local (45%), regional (29.4%), national (19.8%) and international (5.8%).

The size of the social organizations measured by the number of employees was less than 5 (14.4%), between 5 and 10 (13%), between 11 and 30 (31.3%) and more than 30 (41.3%). The size according to the number of volunteers was less

than 10 (59.4%), between 10 and 20 (20.1%), between 21 and 50 (8%) and more than 50 (12.5%). The size regarding the number of beneficiaries was less than 100 (24.3%), between 101 and 200 (24.9%), between 201 and 500 (18.5%) and more than 500 (32.3%). The size related with the annual amount of transactions was less than €50.000 (9.6%), between €50.000 and €100.000 (19.5%), between €100.001 and €500.000 (28.4%), and more than €500.000 (42.5%).

5.3 Measurement

Multi-item scales and five-point response formats were used to operationalize all variables. The measurement approach for each theoretical construct is described briefly below and is measured on a five-item Likert scale: 1 for ‘strongly disagree’ and 5 for ‘strongly agree’. The items of the constructs regarding the different types of inter-organizational networks are all adapted from Abbas et al. (2019) for social organizations and refined in the pre-testing stage of the questionnaire.

Inter-organizational network of donors (IOND) – this five-item construct was operationalized using four statements for measuring the perceptions of the social organization regarding the connections established with the main potential donors/investors for the purposes of: i) obtain financial contributions; ii) hear their opinion about our new activities/projects; iii) invitation to participate in our own activities; iv) information about our own activities.

Inter-organizational network of other social organizations (IONOSO) – this five-item construct was operationalized using four statements for measuring the perceptions of the social organization regarding the connections established with other social organizations for the purposes of: i) help to develop our own activities; ii) hear their opinion about our new activities/projects; iii) invitation to participate in our own activities; iv) information about our own activities.

Inter-organizational network of public institutions (IONPI) – this five-item construct was operationalized using four statements for measuring the perceptions of the social organization regarding the connections established with the main public institutions for the purposes of: i) help to develop our own activities; ii) hear their opinion about our new activities/projects; iii) invitation to participate in our own activities; iv) information about our own activities.

Resources Acquisition (RA) - the variables related to resources were operationalized using a five-item Likert scale for measuring the level of agreement with statements regarding the capacity of the respondent to attract different types of resources (e.g., physical, financial, human). The six items were derived from Ge et al. (2009) and all were adapted for social organizations and refined in the pre-testing stage of the questionnaire.

Social Performance (SP) - this five-item Likert scale construct was operationalized using seven statements for measuring manager's perceptions about the social performance of the organization. The items were derived from Miles et al. (2014), adapted for social organizations and refined in the pretesting of the questionnaire.

Economic Performance (EP) - this five-item Likert scale construct was operationalized using five statements for measuring manager's perceptions about the economic performance of the social organization. The items were derived from Miles et al. (2014), adapted for social organizations and refined in the pretesting of the questionnaire.

6 RESULTS

This study used Structural Equation Modelling (SEM) to analyse data. The SEM provides a quantitative test of a hypothesized theoretical model, which represents a set of observed variables that define constructs and how these constructs are related to each other (Collier, 2020; Whittaker & Schumacker, 2022).

Specifically, to measure and estimate the structural model, the statistical software SPSS version 26 and AMOS version 22 were used. The proposed structural model also includes second order constructs that represent the hypothesis that these apparently distinct constructs (Funders/Donors; Other Social Organizations; Government Entities) are related under the same concept (Inter-organizational Network). In practice, second-order estimation is a statistical method to confirm that the construct theorized (Inter-organizational Network) and used in this study carries a certain number of underlying sub-constructs (Funders/Donors; Other Social Organizations; Government Entities) (Chen et al., 2005; Collier, 2020).

Descriptive Statistics of Latent Constructs

Descriptive statistics show the mean (M), standard deviation (SD), asymmetry and kurtosis of all variables selected (Table 1). The analyses of the normality of the data were given by the kurtosis and asymmetry indicators. According to Brown (2006) the acceptable values of skewness fall between ± 3 and kurtosis between ± 10 when using SEM. Given that the kurtosis and the asymmetry values are within an acceptable range the analysis proceeded to the next stage.

Table 1. Descriptive data analysis

ITEMS	N	MEANS	STD DEV.	SKEWNESS	STD. ERROR SKEWNESS	KURTOSIS	STD. ERROR KURTOSIS
FD1	313	3.45	1.208	-0.423	0.138	-0.706	0.275
FD2	313	3.28	1.167	-0.313	0.138	-0.637	0.275
FD3	313	3.58	1.177	-0.585	0.138	-0.440	0.275
FD4	313	3.66	1.160	-0.646	0.138	-0.343	0.275
OS01	313	3.73	0.970	-0.501	0.138	-0.062	0.275
OS02	313	3.56	0.986	-0.438	0.138	-0.091	0.275
OS03	313	3.79	0.941	-0.474	0.138	-0.206	0.275
OS04	313	3.73	0.953	-0.535	0.138	-0.022	0.275
GE1	313	3.46	1.152	-0.493	0.138	-0.433	0.275
GE2	313	3.16	1.163	-0.118	0.138	-0.768	0.275
GE3	313	3.37	1.170	-0.337	0.138	-0.635	0.275
GE4	313	3.45	1.160	-0.307	0.138	-0.732	0.275
RES1	313	3.01	1.117	-0.130	0.138	-0.744	0.275
RES2	313	3.18	1.109	-0.217	0.138	-0.747	0.275
RES3	313	2.96	1.024	-0.108	0.138	-0.555	0.275
RES4	313	2.89	1.076	0.007	0,138	-0.563	0,275
RES5	313	3.01	1.083	-0.074	0.138	-0.620	0.275
RES6	313	3.42	1.003	-0.350	0,138	-0.358	0.275
SP1	313	3.93	0.874	-0.645	0.138	0.279	0.275
SP2	313	3.70	1.021	-0.651	0.138	-0.016	0.275
SP3	313	3.83	0.953	-0.735	0.138	0.178	0,275
SP4	313	4.32	0.816	-1.425	0.138	2.507	0,275
SP5	313	4.02	0.964	-0.968	0.138	0.642	0,275
SP6	313	4.32	0.750	-1.096	0,138	1.712	0.275
SP7	313	4.29	0.778	-1.099	0.138	1.501	0,275
SP1	313	3.65	0.898	-0.389	0.138	0.147	0.275
SP2	313	4.06	0.871	-0.915	0.138	0.808	0.275
SP3	313	3.43	1.175	-0.341	0.138	-0.716	0.275
SP4	313	3.84	1.109	-0.758	0.138	-0.113	0.275
SP5	313	3.22	1.215	-0.296	0.138	-0.772	0.275

Source: Authors' own elaboration

Measurement model

The AMOS 22.0 software was used for Confirmatory Factor Analysis (CFA), employing Maximum Likelihood Estimation. However, prior to testing the structural model is necessary to test the instrument validity and reliability. Accordingly, the validity of the instrument ensuring that the items used to measure each construct are measuring the intended construct is given by the Kaiser-Meyer-Olkin (KMO) indicator that is superior to 0.6, and the Bartlett's test of sphericity that is inferior to 0.001, meaning that the items are factorial (Watkins, 2021). Moreover, all factor loadings were superior to 0.50 and positive and significant at the 0.01 level under the same construct, as recommended by Hair et al. (2014) and Watkins (2021). Factor loadings are basically the correlation coefficient for the items and constructs (Watkins, 2021) and, in this case, the values obtained are acceptable (see Appendix - Table AI).

The reliability of the constructs and internal consistency of the scales were analysed through Cronbach's Alpha and Composite Reliability (CR), which are a widely used indicators for the purpose (Collier, 2020). Table 2 demonstrates that Cronbach's Alpha are above 0.8 and CR above 0.7, thus exceeding the recommended minimum value. Therefore, the results indicate an appropriate reliability and internal consistency for all constructs (Collier, 2020). The values of the Average Variance Extracted (AVE) are higher than 0.5 and the Maximum Shared Variance (MSV) and Average Shared Variance (ASV) were both below the AVE, in all cases, confirming the convergent validity (Collier, 2020; Fornell & Larcker, 1981). Finally, as recommended, the square root of the AVE measures is bigger than all the correlations among all the constructs, supporting the discriminant validity of the data (Fornell & Larcker, 1981).

Table 2. Mean, SD, Variance, Reliability and Validity of the Constructs

	A	CR	AVE	MSV	ASV	1	2	3	4	5	6
1- SOCIAL PERFORMANCE	0.874	0.812	0.590	0.231	0.197	0.768					
2- FUNDERS/ DONORS	0.922	0.866	0.764	0.375	0.266	0.439	0.874				
3- OTHER SOCIAL ORGANIZATIONS	0.926	0.909	0.834	0.309	0.227	0.459	0.546	0.913			
4- GOVERNMENT ENTITIES	0.936	0.922	0.797	0.254	0.172	0.362	0.504	0.471	0.893		
5- RESOURCES	0.875	0.801	0.503	0.375	0.267	0.481	0.612	0.556	0.475	0.709	
6- ECONOMIC PERFORMANCE	0.803	0.778	0.642	0.217	0.148	0.466	0.457	0.309	0.162	0.439	0.801
α – Cronbach's Alpha CR - Composite Reliability AVE - Average Variance Extracted MSV - Maximum Shared Variance ASV - Average Shared Variance Diagonal elements (bold) show the square root of average variance extracted (AVE)											

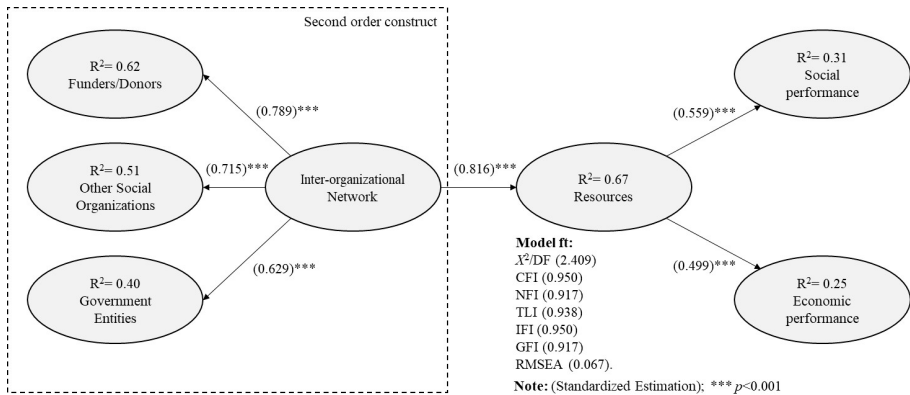
Source: Authors' own elaboration

It should be noted that the second-order constructs (Funders/Donors; Other Social Organizations; Government Entities) are included in the CFA to determine the validity of the indicators for their constructs. On the other hand, the analysis of the relationship of the first-order constructs to the second-order constructs are evaluated in the structural model (Collier, 2020).

Structural model analysis

Figure 2 shows the Structural Equation Modelling, which incorporates the hypothesized relationships. Some indicators were used to assess the model fit, specifically χ^2/df (chi-square divided by the degrees of freedom); CFI – Comparative Fit Index; NFI - Normed-Fit Index; TLI - Tucker Lewis Index; IFI - Incremental Fit Index; GFI - Goodness of Fit Index; RMSEA - Root Mean Square Error of Approximation. The results obtained are $\chi^2/df = 2.409$; GFI=0.917; CFI=0.950; NFI=0.917; TLI=0.938; IFI=0.950; RMSEA=0.067, indicating an adequate fit for the data (Collier, 2020).

Figure 2. Structural model.



Source: Authors' own elaboration

Hypotheses test

The structural equation modelling involves the hypothesized relationships between first and second-order constructs (Collier, 2020), as showed in Fig. 1. The direct effect shows that 'Inter-organizational Network' has positive and significant effects on 'Resources' ($\beta=0.816$; $p < 0.001$), hence H1 is supported. The results also reveal that 'Resources' contribute positively to 'Social performance' ($\beta=0.559$; $p < 0.001$) and to 'Economic performance' ($\beta=0.499$; $p < 0.001$), hence H2 e H3 are also supported, respectively.

Regarding second-order constructs, the 'Funders/Donors' ($\beta=0.789$; $p < 0.001$), 'Other Social Organizations' ($\beta=0.715$; $p < 0.001$) and 'Government Entities' ($\beta=0.629$; $p < 0.001$) are all three sub-constructs positively and significantly related to the superior constructs theoretically identify by 'Inter-organizational Network'. Thus, hypotheses Ha, Hb e Hc are supported.

Moreover, the values of the R2 are all superior to 0.25, indicating how much of the variance in the dependent variable is explained by antecedent relationships of other variables. Although there are no recommended values, the rule of thumb of above 25% indicates significant weights (Collier, 2020; Hair et al., 2014).

7 ANALYSIS AND DISCUSSION

The general purpose of this research was to expand our understanding of the impact of inter-organizational relationships on the acquisition of resources for the social organization and its consequences on the social and economic performance. To achieve this, the relationships of three types of networks (funders/donors, other

social organizations, government entities) were empirically assessed relative to resources acquisition and subsequently social and economic performance.

The results attained in the investigation demonstrate that inter-organizational relationships provide opportunities for social organizations to cooperate and not act in isolation to obtain resources. In particular, the investigation finds the role of funders/donors, other social organizations and government entities relevant in attracting resources. Our study examines also the consequences of resource acquisition on the social and economic performance of the social organization. Our findings suggest that the linkage between the resources and subsequent performance is positive. More specifically, resources have a direct and positive impact on social performance, whereas economic performance is relatively less important. A possible explanation may lie in the nature of the social organization, as for them the social dimension is especially important and lies at the core of all the activities carried out. Herein, social performance reflects the accomplishments of the main objectives and mission of the organization that is more oriented toward the wellbeing of the community. In contrast, economic performance reflects the search for the organisation's sustainability that has to deal with the shortage of resources (financial, for example), and perceived as being instrumental in the pursuit of the social mission of the organisation. Together, these findings validate the proposed theoretical model based on the network perspective and stakeholders theory (Anderson et al., 1994; Håkansson & Snehota).

According to the researchers' initial expectation, the results attained highlight the positive impact that the relationships established with stakeholders are able to produce in terms of resource acquisition. The second order coefficients of the structural equation model even suggest the relative importance of the relationships established by the social organization with the donors, government agencies and other social organizations. This pattern could be explained by the scarcity of resources that characterizes social organisations, as well as the resource dependency theory that emphasize the need to develop the financial capacity to allow the ability to acquire other production factors available on the market and provided by other stakeholders (Donaldson et al., 2021; Pfeffer & Salancik, 1978).

The investigation also confirms the importance of dealing with funders/donors in the process of resources acquisition, although other types of stakeholders should not be disregarded. In this sense, as argued by Parmar et al. (2010), understanding the process of social value creation pursued by social organizations requires the consideration of different types of stakeholders who have a stake in the activities developed and should be analysed under the concept of the 'network portfolio' of the organization (Fu & Cooper, 2020). Accordingly, the linkages established with governments and other social organizations is considered positive and able to influence the capacity of the social organisation to mobilise resources,

that otherwise would be more difficult or even impossible to attract (Bazanini et al., 2012; Bernardino & Freitas Santos, 2019; Gerli et al., 2021; Garrido-Skurkovic & Steglich, 2022; Granovetter, 1985).

Furthermore, the results attained also reveal the importance of attracting more resources for the social organizations in order to increase its performance. This positive contribution is noticeable both on social and economic performance. Thus, as claimed by the resource-based theory, the study shows that the portfolio of resources that are available to social organisations can influence their performance and the overall value they are capable of producing (Hart & Dowell, 2011; Killen et al., 2012; Meyskens et al., 2010; Molloy et al., 2011).

8 CONCLUSIONS

Social organizations face significant challenges when pursuing their social mission, mainly due to the lack of resources. Herein, inter-organizational relationships involving different types of stakeholders could offer several advantages for accessing supplementary resources.

Based on the network perspective and stakeholder theory, the study confirmed that the use of inter-organizational relationships was able to enhance the acquisition of resources. These findings are observed with respect to different stakeholders, such as funders/donors, other social organizations and government agencies. The empirical evidence reveals that the engagement with stakeholders is able to bring several advantages to social organizations, specifically in terms of resources they are able to acquire or access. Accordingly, inter-organizational relationships could be seen as a tool for overcoming the organizational weaknesses deriving from a scenario of resource scarcity. Moreover, the investigation performed allowed us to confirm the adherence to resource-based theory in social entrepreneurship, since the performance of social organizations seems to be constrained by their ability to acquire resources.

Overall, this research has shown that by expanding our research focus to integrate the network theory, the importance of establishing relationships with stakeholders has been detached. Specifically, the model contributes to better understand the role of organizational relationships with funders/donors, other social organizations, and government entities in the process of resource acquisition. By superimposing these three different types of organizational relationships, the model complements other approaches (personal networks, for example) and provides an understanding of how social organizations acquire resources. This integration is of particular importance given the network theory introduces the relationships between organizations as an element of analyses that emerges from, and are shaped by, an external web of formal and informal relationships.

Practical implications

Portuguese social organizations have continuously demonstrated problems of financial sustainability. Most of them depend on the financial support of government institutions and private donations. Also, competition between social organizations has intensified as some of them have introduced management practices in the way they operate, while others maintain amateur practices based on common sense and past experience. To be more efficient, social organizations must actively seek new ways to improve their social and economic performance. Therefore, our findings provide some important implications for practitioners.

First, the study highlights the necessity to give special attention to multiple stakeholders when establishing relationships with business partners. Consequently, within the scope of the network, social organisations have to deal not only with funders/donors, but also with other social organisations and government agencies to be able to optimise the structure and effectiveness of the network to which they belong, as well as to explore the potential that the network has to offer. Despite the potential that considering a multiplicity of stakeholders involves, it represents an extra organizational activity that social organisations wishing to succeed will have to cope with. It could be very time-consuming and demanding in terms of human resources. Therefore, investment in the constitution of adequate teams and their capacity building is critical, since the investment made in this area yields benefits both in terms of the resources acquisition capacity and in terms of the social and economic performance that social organisations are able to achieve.

Second, as social organizations are by nature isolated, they must recognize the importance of cooperation and manage their relationships in order to obtain or share resources. In particular, the cooperation with other social organizations must be improved and enlarged. To facilitate cooperation, social organizations need that managers view the establishment of relationships with other partners favourably and energize organizational members to implement technical and administrative changes successfully. Also, managers of social organizations should be aware that they must cooperate more closely with their stakeholders, for example by using social media to display information for funders and donors. Through such changing, they might attenuate the history of isolation that is rooted in past practices.

Third, social organizations can adopt a market-oriented culture to benchmark new ideas and undertake changes in the operations and related areas (services, products, technology) replicating best practices from other social organizations.

Fourth, managers of social organizations must be conscious of the efforts and strategic value of establishing relationships with different stakeholders. The relationships with funders/donors and government agencies are well established and are easy to understand and tend to have an immediate benefit for the social or-

ganization. In contrast, the relationships with other social organizations may take longer to be effective and achieved with different levels of success. Therefore, managers should be patient with these partners and be aware of the positive and critical impact on the acquisition of resources.

Limitations

As a preliminary study designed to test a new theoretical model, our research is subject to several limitations.

The analysis made in this study is only valid at the time of collecting the data. Longitudinal studies of qualitative nature are needed to assess the long-term impacts of inter-organizational relationships. Further, although the study validates the model, it examines only a limited set of relationships. Therefore, additional networks should be explored, such as the role of personal networks.

Finally, despite the knowledge produced, the evidence collected is limited to the Portuguese context. In the future, it would be worth collecting evidence in other different contexts through a transnational study involving countries exhibiting different economic development levels and characteristics of the Welfare State.

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APPENDIX

Table A1. Items

CONSTRUCTS/ITEMS	Code	Factor loadings	KMO	REFERENCE
FUNDERS/DONORS				
OUR ORGANIZATION FREQUENTLY ESTABLISHES RELATIONSHIPS WITH MAJOR FUNDERS/DONORS TO HELP US FINANCIALLY SUPPORT OUR ACTIVITIES.	FD1	0.786	0.796	ABBAS, RAZA, NURUNASABI, MINAI & BONO (2019)
OUR ORGANIZATION FREQUENTLY INTERACTS WITH THE MAIN FUNDERS/DONORS TO HEAR FROM THEM ABOUT NEW ACTIVITIES TO BE DEVELOPED.	FD2	0.821		
OUR ORGANIZATION FREQUENTLY INTERACTS WITH MAJOR FUNDERS/DONORS TO INVITE THEM TO PARTICIPATE IN OUR ACTIVITIES.	FD3	0.774		
OUR ORGANIZATION FREQUENTLY INTERACTS WITH MAJOR FUNDERS/DONORS TO INFORM THEM ABOUT OUR ACTIVITIES.	FD4	0.756		
OTHER SOCIAL ORGANIZATIONS				
OUR ORGANIZATION OFTEN ESTABLISHES RELATIONSHIPS WITH OTHER SOCIAL ORGANIZATIONS TO HELP US IN THE DEVELOPMENT OF OUR ACTIVITIES.	OS01	0.819	0.843	ABBAS, RAZA, NURUNASABI, MINAI & BONO (2019)
OUR ORGANIZATION FREQUENTLY INTERACTS WITH OTHER SOCIAL ORGANIZATIONS TO HEAR FROM THEM ABOUT NEW ACTIVITIES TO BE DEVELOPED.	OS02	0.823		
OUR ORGANIZATION FREQUENTLY INTERACTS WITH OTHER SOCIAL ORGANIZATIONS TO INVITE THEM TO PARTICIPATE IN OUR ACTIVITIES.	OS03	0.832		
OUR ORGANIZATION FREQUENTLY INTERACTS WITH OTHER SOCIAL ORGANIZATIONS TO INFORM THEM ABOUT OUR ACTIVITIES.	OS04	0.815		

CONSTRUCTS/ITEMS	Code	Factor loadings	KMO	REFERENCE
GOVERNMENT ENTITIES				
OUR ORGANIZATION FREQUENTLY ESTABLISHES RELATIONSHIPS WITH GOVERNMENT ENTITIES TO HELP US CARRY OUT OUR ACTIVITIES.	GE1	0.878	0.850	ABBAS, RAZA, NURUNASABI, MINAI & BONO (2019)
OUR ORGANIZATION FREQUENTLY INTERACTS WITH GOVERNMENT ENTITIES TO HEAR FROM THEM ABOUT NEW ACTIVITIES TO BE DEVELOPED.	GE2	0.856		
OUR ORGANIZATION FREQUENTLY INTERACTS WITH GOVERNMENT ENTITIES TO INVITE THEM TO PARTICIPATE IN OUR ACTIVITIES.	GE3	0.857		
OUR ORGANIZATION FREQUENTLY INTERACTS WITH GOVERNMENT ENTITIES TO INFORM THEM ABOUT OUR ACTIVITIES.	GE4	0.829		
RESOURCES				
TO WHAT EXTENT DO YOU AGREE THAT, THROUGH THE ORGANIZATION'S NETWORK OF CONTACTS, YOU CAN OBTAIN MATERIAL RESOURCES (MACHINES, VEHICLES, ETC.).	RES1	0.747	0.874	GE, HISRICH, & DONG (2009).
TO WHAT EXTENT DO YOU AGREE THAT, THROUGH THE ORGANIZATION'S NETWORK OF CONTACTS, YOU CAN ATTRACT HUMAN RESOURCES (VOLUNTEERS, EMPLOYEES).	RES2	0.728		
TO WHAT EXTENT DO YOU AGREE THAT, THROUGH THE ORGANIZATION'S NETWORK OF CONTACTS, YOU ARE ABLE TO ATTRACT FINANCIAL RESOURCES.	RES3	0.803		
TO WHAT EXTENT DO YOU AGREE THAT, THROUGH THE ORGANIZATION'S NETWORK OF CONTACTS, YOU CAN OBTAIN FINANCIAL, FISCAL, OR OTHER SUPPORT FROM THE STATE.	RES4	0.675		
TO WHAT EXTENT DO YOU AGREE THAT, THROUGH THE ORGANIZATION'S NETWORK OF CONTACTS, YOU CAN OBTAIN SPECIFIC SUPPORT AND ASSISTANCE FROM OTHER SOCIAL ORGANIZATIONS FOR THE PROVISION OF THE SERVICE.	RES5	0.726		
TO WHAT EXTENT DO YOU AGREE THAT, THROUGH THE ORGANIZATION'S NETWORK OF CONTACTS, YOU CAN FIND BETTER SUPPLIERS.	RES6	0.562		
SOCIAL PERFORMANCE				
OUR DONORS ARE VERY SATISFIED WITH OUR ORGANIZATION.	SP1	0.580	0.864	MILES, VERREYNNE, & LUKE (2013).
OUR ORGANIZATION INFORMS THE COMMUNITY ABOUT THE DIFFICULTIES OF OUR BENEFICIARIES.	SP2	0.493		
OUR ORGANIZATION HELPS TO MOBILIZE INTEREST FOR OTHER SOCIAL WELFARE INITIATIVES.	SP3	0.538		
OUR ORGANIZATION IS OFTEN SEEN AND VALUED BY OUR BENEFICIARIES AS CREDIBLE.	SP4	0.765		
IN RECENT YEARS WE HAVE ACHIEVED OUR GOALS IN TERMS OF SUPPORTED BENEFICIARIES.	SP5	0.677		
THE BENEFICIARIES OF OUR ORGANIZATION ARE SATISFIED WITH OUR SERVICES.	SP6	0.837		
BENEFICIARIES AND OTHER PARTIES INVOLVED IN THE ORGANIZATION RECOMMEND OUR SERVICES TO OTHERS.	SP7	0.824		

CONSTRUCTS/ITEMS	Code	Factor loadings	KMO	REFERENCE
ECONOMIC PERFORMANCE				
OUR ORGANIZATION IS MORE EFFICIENT IN SERVING OUR BENEFICIARIES THAN OTHERS.	SP1	0.558	0.740	MILES, VERREYNNE, & LUKE (2013)
IN THE LAST FEW YEARS, OUR ORGANIZATION HAS IMPROVED ITS EFFICIENCY.	SP2	0.593		
OUR ORGANIZATION'S FINANCIAL SITUATION HAS IMPROVED IN RECENT YEARS.	SP3	0.774		
IN RECENT YEARS, OUR ORGANIZATION HAS SUPPORTED MORE BENEFICIARIES.	SP4	0.521		
OUR ORGANIZATION IS FINANCIALLY SUSTAINABLE.	SP5	0.807		
Kaiser Normalization Varimax rotation method Kaiser-Meyer-Olkin measure of sampling adequacy (KMO)= 0.907 Total variance explained= 70.836%% Bartlett's test sig. 0.000. All factor loadings are significant at $P < 0.001$				

Source: Authors' own elaboration