Promoting an image of independence: An institutional perspective on nonprofit organizational strategies

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Abstract

This article focuses on how the alleged value of independence in nonprofit organizations should be conceptualized, researched, and advanced. Through the conceptualization of independence as an institutional norm, the article makes several contributions to research on strategies for independence in nonprofit organizations. Rather than focusing on independence as a tangible organizational quality, the article studies and analyzes overarching strategies with which nonprofit organizations promote an image of independence. Recategorizations of results from previous research and illustrations from case studies of Swedish nonprofit ecolabeling serve as the main empirical material. By conceptualizing how nonprofit organizations employ multiple, and sometimes even contradictory, organizational strategies for being perceived as independent, the scope of research is broadened and the roles of institutional contexts and processes are highlighted.

Keywords

Nonprofit organizations, independence, organizational strategies, eco-labeling

Cover Page Footnote

1. Introduction

In the context of nonprofit organizations, independence is emphasized as a core quality and a fundamental value and is moreover said to provide nonprofits with comparative advantages and perceptions of uncompromised moral and professional authority (Keohane, 2002; Marschall, 2002). Consequently, scholars have focused on various organizational strategies for promoting independence in these types of organizations (for example Laidler-Kylander, Quelch & Simonin, 2007; Ostrander, 2007; Khieng & Dahles, 2015; Egdell & Dutton, 2016). However, by approaching the concept of independence from an institutional organization theory perspective (for example Berger & Luckmann, 1966; Meyer & Scott, 1983; Meyer & Jepperson, 2000; Bromley & Meyer, 2015), we can identify a number of limitations in conventional research, including that the concept of independence is taken for granted and that many researchers approach independence as a tangible organizational quality.

To remedy these limitations, we argue, firstly, for a different conceptualization of independence. Inspired by institutional organization theory and accounting research, independence is in this article conceptualized in terms of dependency relationships and defined as public, communal, and stakeholder perceptions of a high degree of self-governance and nonreliance on other individuals or organizations for legal, social or economic support (cf. Humphrey & Moizer, 1990; Hudaib & Haniffa, 2009; Kouakou et al., 2013). By public, communal, and stakeholder we here refer to how perceptions of independence matter to organizations and individuals outside and inside nonprofit organizations, including policymakers, funders, competitors, and nonprofit organization constituencies. This conceptualization and definition can be compared to more conventional notions of independence, in which independence is regarded as an inherent quality (e.g. Keohane, 2002; Marschall, 2002). However, based in the proposed conceptualization of independence, we argue that the most important question is not whether an organization is independent, but whether it is perceived as independent by significant stakeholders to the organization. Moreover, as emphasized within institutional organization theory, organizations are increasingly dependent on other individuals and organizations, not only clients, customers and members for income, but also standard setters, consulting firms and ranking and rating agencies for advice and ideas on how to construct themselves as legitimate (Bromley & Meyer, 2015). Hence, for an organization seeking to create an image of its independence, the increasing interconnectedness creates a need to carefully manage dependencies and relationships with other organizations for resources and legitimacy (cf. Moser & Skripchenko, 2018).

In this article, we focus on the dependency relationship of nonprofit organizations and discuss three strategies used to create an image of independence, of which two strategies are about amplifying and emphasizing the

dependency to others while the third strategy is about demonstrating a distance. In short, the research topic addressed here is how the alleged value of independence in nonprofit organizations should be conceptualized, researched, and advanced.

Our aim is to make a threefold contribution to nonprofit research on organizational strategies for independence. Firstly, we provide an overview of the state of the art in the research field on nonprofit organizations and organizational strategies for independence; secondly, we present a definition of independence as an institutional norm; and, thirdly, we identify a set of overarching strategies with which nonprofit organizations promote an image of independence. By conceptualizing how specific nonprofit organizations employ multiple organizational strategies for being perceived as, rather than becoming, independent, the role of institutional contexts and processes will be highlighted and, we hope, the scope of research broadened.

2. An overview of previous research

As described in the methodological section, the focus of the overview of previous research on nonprofit organizations and independence emanates from our interest in strategies for promoting an image of independence. It was guided by a set of search terms related to independence, strategies, and nonprofit organizations; and was delimited to published, peer-reviewed articles in English. The results of the overview initially show that a number of publications apply the term independence in different ways as well as having various foci (for example, Handy, Ranade, & Kassam, 2007; Epperly & Lee, 2015). Independence has furthermore been studied in different types of nonprofit organizations, including transnational, advocacy, and development nonprofit organizations (Biberson & Jean,1999; Onyx et al., 2010; Piewitt et al., 2010).

However, when the review is narrowed down from the concept of independence in general to organizational strategies for independence, a pattern emerges in which policymakers and scholars firstly consider independence to be a cherished quality of fundamental importance to nonprofit organizations (Dobkin Hall, 1987; Keohane, 2002; Marschall, 2002; Independent Sector, 2005; Storeng et al., 2018). For example, it is argued that independence from business interests and government influence provides nonprofit organizations with a comparative advantage and a high standing in terms of perceived uncompromised moral and professional authority (Marschall, 2002), and independence is, furthermore, considered nonprofit organizations' "most outstanding virtue" (Keohane, 2002, p. 478).

Despite public proclamations of the value of independence, research also reveals that this value is increasingly being contested (for example Gjems-Onstad, 1990; Fuertes-Fuertes & Maset-Llaudes, 2007; Ljubownikow & Crotty, 2014). For example, recurring conflicts between independence and dependence in

nonprofit organizations are identified and analyzed (Fuertes-Fuertes & Maset-Llaudes, 2007; Onyx et al., 2010), as are developments toward less independence in particular civil societies, such as Norway, Russia, and Spain (Gjems-Onstad, 1990; Fuertes-Fuertes & Maset-Llaudes, 2007; Ljubownikow & Crotty, 2014). Hence, accounts of the significance of independence for nonprofit organizations, as well as how they simultaneously promote and struggle with the institutional norm, proliferate in research and policy (Dobkin Hall, 1987; Independent Sector, 2005).

Our overview of the literature reveals a number of limitations, however. Firstly, even though most publications seem concerned about the norm of independence among nonprofit organizations, only a handful seek to approach independence as an analytical concept, for example, explicitly by defining it as "a condition that allows CSOs to be accountable above all to its societal constituency" (Piewitt et al., 2010, p. 241), indirectly by defining related concepts, such as third sector, nonprofit, or advocacy (Onyx et al., 2008, p. 632; Onyx et al., 2010, p. 43), or even by prescribing nonprofit organizations to be more independent (Ostrander, 2007). Only one article in the reviewed research defined independence in a way that "does not mean independence from the environment, but the ability to discretely weigh and consider various environmental dependencies" (Moser & Skripchenko, 2018, p. 593). Hence, despite the proclaimed value of independence, most publications seem to take the concept of independence for granted, as evidenced by a lack of definitions and more developed conceptualizations of the norm.

Another limitation is the one-sided character of some of the research on independence. By one-sided, we mean that the literature tends to focus only on one or, at most, two strategies for promoting independence. For example, researchers study how generating income promotes independence (Biberson & François, 1999; Laidler-Kylander et al., 2007; Lie & Baines, 2007; Ostrander, 2007; Khieng & Dahles, 2015) or analyze the relationship between the size of the board and the level of independence (de Andrés-Alonso, Azofra-Palenzuela, & Romero-Merino, 2009). However, these different strategies are seldom studied together, or in conjunction with additional organizational strategies.

A third set of limitations concerns the domination of economic strategies for independence at the expense of other strategies (Biberson & François, 1999; Laidler-Kylander et al., 2007). For example, research on strategic responses to dependence has identified economic responses (Taylor, 2006; Ostrander, 2007; Ljubownikow & Crotty, 2014; Khieng & Dahles, 2015), such as subcontracting, diversification, commercialization, specialization, selectivity, donor education, and compromise (Mitchell, 2014), or more investments in fundraising, marketing, and income-generating partnerships (Lie & Baines, 2007). One article about pro-LGBT christian organizations in Hong Kong argues that the religious background

of these organizations has granted them financial independence from the non-LGBT civil society (Chan, 2018). Moreover, underlying the domination of economic strategies seems to be an assumption that these organizations are inherently independent of other potential dependency relations, such as legal, political, and social structures (for example, Marschall, 2002; Fuertes-Fuertes & Maset-Llaudes, 2007).

It should be mentioned that there is also research that identifies noneconomic strategies, such as keeping the state at a distance (Onyx et al., 2010) or cooperating with other nonprofit organizations (Litwak & Hylton, 1962; McCann & Gray, 1986), as well as approaching independence from a more systematic perspective (Batley, 2011; Egdell & Dutton, 2016). Another set of noneconomic strategies analyzed is related to nonprofit organizational characteristics, such as the presence of outsiders in the organization, and the social background of members and supporters (O'Regan & Oster, 2005; Piewitt et al., 2010).

In conclusion, we argue the need for more empirical and analytical studies that focus not only on economic strategies for independence but also on analyzing the conjoint application of economic and other organizational strategies, in turn enabling more comprehensive and multifaceted views of how different types of nonprofit organizations, such as organizations active in fields with an elevated public profile, operate when faced with the institutional norm of being independent (Dobkin Hall, 1987).

3. Independence and dependence as institutional norms

In early work of organization scholars, we find notions of independence that focus specifically on economic dependencies. Within resource dependence theory, for example, organizations are seen mainly as rational, goal-oriented instruments for generating collective action dependent on funding relationships (Thompson, 1967; Pfeffer & Salancik, 1978). Moreover, population ecology focuses on the natural selection of groups of organizations as a result of tangible structures and resources in the environment (Hannan & Freeman, 1977).

However, as we wish to expand the notion of independence to include more than just economic aspects, we use the institutional organization theory perspective that highlights that the survival of individual organizations is also to a great extent dependent on the legitimacy they are ascribed by stakeholders in their environment, and thus dependent on the organizations' capacity to construct themselves according to ideals and norms in the institutional environment of organizations (Brunsson, 1989/2002/2006; Bromley & Meyer, 2015). In other words: independence of nonprofit organizations is not only about managing economic relationships and resources but also about constructing and promoting an image of independence which reflects modern norms that are socially

constructed in relation to various stakeholders (Berger & Luckmann, 1966; Meyer & Rowan, 1977; DiMaggio & Powell, 1991; Brunsson & Sahlin-Andersson, 2000; Meyer & Jepperson, 2000; Bromley & Meyer, 2015). An inherent dimension of this perspective is the notion that all organizational dimensions, including qualities such as independence, autonomy and rationality, to varying degrees, need to be constructed in accordance with norms permeating society, continuously being socially constructed. Moreover, in the environment of formal organizations there are typically a number of 'Others' such as consultants and professionals providing normative advice on how to become "proper" organizations (Meyer & Jepperson, 2000; Meyer, 2010; Bromley & Meyer, 2015), although what is considered "proper" may vary according to context.

According to this perspective, organizations are fundamentally dependent on other organizations, but not exclusively in terms of economic dependencies. Hence, in order to survive, generate collective action, or assert influence, no organization can be completely independent of institutional norms, values, processes, or other organizations, be it for governance, decision-making, external funding, or political and social support. Examples of norms and directives that organizations need to adhere to might include phenomena in society such as ideologies and values as well as phenomena in organizations such as organizational missions and policies. Organizations also actively make themselves dependent on other organizations – such as consultants, standard setters, certifiers, accreditors, ranking agencies and other authoritative organizations – to become acknowledged and perceived as legitimate and independent (Bromley & Meyer, 2015; Gustafsson & Tamm Hallström, 2018; Gustafsson & Tamm Hallström, 2019).

For certain organizations, who are particularly reliant on being perceived as independent, the result is an enigma: in order to demonstrate an image of independence, they need to adhere to legal frameworks and institutional norms, seek external funding, and obtain support from their constituencies, among other things; and in the process, these organizations simultaneously become even more dependent on other phenomena, individuals, and organizations. In other words, these organizations face a fundamental challenge in balancing and choosing between internal and external dependency and independency relations. The main question, then, given this perspective, is not how to *become* independent – as absolute independence in this perspective is considered impossible at the same time as dependence on other organizations providing recognition and legitimacy is desired – but rather how organizations can be *perceived* as independent by organizations and individuals both outside and inside nonprofit organizations, including policymakers, funders, competitors, and nonprofit organization constituencies.

As noted, we define independence in this article as public, communal, and stakeholder perceptions of a high degree of self-governance and nonreliance on other individuals or organizations for legal, social or economic support (cf. Humphrey & Moizer, 1990; Hudaib & Haniffa, 2009; Kouakou et al., 2013). As absolute independence is considered impossible, the definition stresses, firstly, symbolic qualities in terms of perceptions, images, and opinions about the degree of independence. Secondly, implicit in the definition is the notion that what is perceived as independent is the result of adjustments to institutional norms, values, and processes. Hence, the public, communities, and involved stakeholders may have different ideas not only about what should be regarded as independence, but also that these ideas may change over time (cf. Ahrne & Brunsson, 2011).

4. Empirical material and methods

The empirical material studied and then used to identify, illustrate, and recategorize the strategies with which nonprofit organizations promote an image of independence emanates from a literature review of previous research in nonprofit studies and from two case studies.

The method used to identify strategies for promoting independence in nonprofit organizations in previous research was a literature review conducted first in 2015 and then complemented in 2018 (Gough et al., 2012). The review was guided by a set of search terms related to independence (independence, impartial, neutral, autonomous), strategies (strategies, mechanisms, plans, devices, tools), and nonprofit organizations (nonprofit organizations, nonprofit sector, nongovernmental organizations, social enterprises and civil society). The terms were then combined into a search string and used to search academic databases. With the support of selection criteria, including that the articles should be published, peer-reviewed, written in English, and related to strategies for promoting independence in nonprofit organizations, as well as reading through titles, key words, and abstracts, a first set of articles was identified. References in the identified articles were subsequently reviewed, to ensure that relevant previous research had been included in the empirical material. In total, 24 articles were deemed relevant for this article.

Moreover, two case studies were conducted in 2012–2017 of ecolabeling organizations identified as examples of ecolabeling organizations that are recognized for their trustworthiness and highly regarded in the Swedish nonprofit organization context: 1) the Swedish Society for Nature Conservation (SSNC) and its label Good Environmental Choice, and 2) KRAV, whose label has the same name as the organization. Both organizations communicate their role as independent labeling organizations working for sustainability and both started their labeling activity in the 1980s organized in quite similar way. While the SSNC, more or less, has kept the way of working with its label, KRAV has

changed its organization quite radically – decisions partly justified as a means to assure the independence of the label (Gustafsson & Tamm Hallström, 2018), which makes the two organizations interesting to compare for the purpose of this article. In addition to providing in-depth empirical material, the field of ecolabeling is relevant for the research on independence as it can be characterized by an elevated public and societal profile as well as by activities and results that are to some degree noncommensurable. The two case organizations and the methods used for our studies are described briefly below.

The initial mission of the SSNC, established in 1909, was to protect the Swedish cultural and environmental landscape from the negative consequences of the ongoing industrialization at the time. During the 1960s, the organization evolved from previously having had an advisory role to becoming more of an activist social movement. Today the SSNC has approximately 226,000 individual members and around 90 employees, making it one of the larger nonprofit organizations in Sweden. At the end of the 1980s, the organization started to discuss various solutions to enable environmentally responsible consumption. The first attempt was a shelf-labeling system for retailers. In 1992, this system was abandoned and replaced by the still-used ecolabel Good Environmental Choice (Bra Miljöval). The income from the SSNC's ecolabeling accounted for almost 12 percent of the organization's total income for 2013.

While labeling is just one of several core activities of the SSNC, KRAV works exclusively with ecolabeling. The organization was established in the 1980s by Swedish organic farmers, but has since turned into a multistakeholder association that develops organic standards and promotes the KRAV label. KRAV has 28 member organizations, including other nonprofits as well as for-profit organizations, and around 30 employees. The majority of the organization's income derives from license fees. Unlike the SSNC, today separate certification companies perform the monitoring of compliance with the KRAV standards (a series of organizational decisions taken in 2005–2006).

The two case studies were based mainly on interview material, which was complemented by analysis of internal documents, reports and official presentations of the organization, and the activities found on their websites. Sixteen semi-structured interviews were carried out in the KRAV study with a select set of employees, certifiers from three certification companies, representatives from a consumer association, retailers and a retailers' association, and two international membership organizations (ISEAL Alliance and IFOAM). For the study of the Good Environmental Choice label, ten interviews were conducted: with employees working with the ecolabel but also engaged in the organization's international engagement in the Global Ecolabelling Network (GEN), and with one employee in another ecolabeling organization with GEN membership. Taken together, a total of 26 interviews were held for the two case

studies, focusing on issues related to the organization and changes of the way of working with the eco-labels (including relationships with other organizations), the justifications for such organizational changes, and the challenges related to the ecolabeling activities over time.

The empirical material emanating from the literature review and the two case studies was coded with the support of qualitative analysis software (Ezzy, 2013), using categories related to economic, social, and organizational strategies as well as analytical categories related to definitions, analytical frameworks, and multiple strategies for promoting independence in nonprofit organizations. In doing this, we have been attentive to strategies involving dependency relationships with stakeholders in the environment, in accordance with our theoretical framework based on institutional organization theory. We then compared the findings with previous research on nonprofit organizations in general and ecolabeling organizations in particular. Finally, we regrouped and recategorized identified themes in relation strategies for promoting an image of independence, beyond the individual or mere economic strategies.

5. Strategies for promoting an image of independence

Analyzing our material, we identified three overarching strategies with which nonprofit organizations promote an image of independence: 1) fostering dependency relationships with specific others; 2) fostering dependency relationships with the many; and 3) fostering distance to specific others. It should be noted that the strategies should only be considered as analytical devices and may therefore not be mutually exclusive in real world examples.

5.1 Emphasizing dependency relationships with specific others

While being dependent on others would seem to pose a significant threat to perceptions of organizational independence, we would instead expect – according to the institutional organization theory perspective used in this article – that organizations are heavily dependent on organizations in their environment. Our empirical material does indeed reveal that nonprofit organizations adopt a range of strategies, some of which simultaneously empower them to safeguard an image of independence in one direction while amplifying levels of dependence in other directions. Thus, it would seem that amplifying dependence, and doing this by engaging in relationships with specific others, can promote an image of independence.

For example, in the literature, it is generally agreed that economic dependence threatens organizational independence (Dobkin Hall, 1987; Taylor, 2006; Fuertes-Fuertes & Maset-Llaudes, 2007; Onyx et al., 2010). However, it would seem that nonprofits attempt to safeguard an image of independence in

practice by becoming more dependent economically on specific others, for example certain financial sources, subcontractors, and commercial relationships as well as specific actors including private foundation and individuals as opposed to state donors (Mitchell, 2014). Nonprofit organizations are also said to invest in specific fund-raising, marketing, and income-generating partnerships in order to maintain an image of independence (Lie & Baines, 2007). Additional illustrations from previous research include ways in which organizations amplify their dependence by establishing funding priorities based on the particular interests of the current staff (Ostrander, 2007), focusing on fundraising from individual or private donors (Lindenberg & Dobel, 1999; Laidler-Kylander, Quelch & Simonin, 2007), cooperating with other nonprofit organizations on mutually selected subjects (York & Zychlinski, 1996), or by using external experts to monitor managerial activity (O'Regan & Oster, 2005).

Findings from the two case studies empirically expand on the strategy of amplifying the dependence on specific others, by among other things highlighting the importance for nonprofits of being members of, and adhering to the rules of, recognized international organizations. Previous research on ecolabeling, and third-party certification organizations specifically, has revealed that such memberships are an established norm for most ecolabeling organizations, as membership of, and being monitored by, another organization (so-called accreditation) is viewed as a way to assure independence (Loconto & Busch, 2010; Tamm Hallström & Gustafsson, 2014). Consequently, the SSNC is a member of, and dependent on, the international environmental organization Global Ecolabelling Network (GEN). GEN was founded in 1994 with the aim to improve, promote and develop the ecolabeling of products and services worldwide. All GEN members are required to comply with the ISO 14024 standard and its requirements on ecolabeling, and compliance with this standard is assured through a peer-review accreditation process.

The SSNC, moreover, amplifies its dependence on specific others by outsourcing activities to recognized third parties. For example, the SSNC requires producers to use chartered financial auditors who are members of the Swedish professional institute for authorized accountants (FAR), and laboratories accredited by the Swedish state accreditation authority Swedac, to validate documentation and results used for the certification auditing process, as a way to ensure impartiality and legitimize the certification assessment made by the SSNC. The choice of such third parties is not fixed, however. For example, the SSNC has considered the possibility of replacing the requirement that producers use FAR auditors with a requirement to use environmental and sustainability auditors who are members of the national association for these auditors (MIS), which implies that the dependencies that the SSNC engages in for its labeling activity is something that needs to be continuously managed.

KRAV, on the other hand, has memberships of two international organizations through which KRAV is acknowledged as an independent ecolabeling organization. First, KRAV is a member of the International Federation of Organic Agriculture Movements (IFOAM), a membership which is promoted as an assurance that products with the KRAV label meet internationally recognized requirements on social values and protection of old-growth and natural forests. Second, KRAV was one of the initiators and first members of the International Organic and Sustainability Accreditation (IOAS), an organization providing support to and performing audits of its members to ensure that the members meet internationally agreed guidelines on organic values when it comes to the certification assessment work. Although accreditation is usually referred to as a trust-assuring mechanism for consumers, the initiative behind this particular accreditation, as explained by one interviewee, did not come from consumers. Rather, behind the creation of the IOAS was a growing mistrust among labeling organizations themselves, worried that competing labeling organizations in other countries were not complying with the strict rules of organic farming, which eventually led IFOAM to launch its own accreditation program organized through a new organization, the IOAS. In 2006, however, after a few years of discussions about how to best make the KRAV label more competitive, KRAV decided to change accreditation from that run by the IOAS, with its background in the organic social movement, to the accreditation supported by the EU Commission and performed by the state authority Swedac, which is based on the ISO 17021 accreditation standard (Gustafsson & Tamm Hallström, 2018).

To conclude, both the ecolabeling organizations studied work actively to promote an image of independence through emphasizing their dependency and relationship with specific others. We also see that such relationships have become more common over time. However, the choice of which specific other is seen as relevant to engage with and become dependent on may change over time. Promoting an image of independence could therefore be considered as an ongoing strategic discussion, or management task, regarding which others should be regarded as specific and significant.

5.2 Emphasizing dependency relations with the many

Another result is that more and replaceable – as opposed to fewer and less interchangeable – dependency relations to others seem to increase public and communal perceptions of independence. Hence, from this perspective of independence, it would seem that nonprofit organizations should foster relations with the many.

Previous research on independence in nonprofit organizations provides several illustrations of strategies related to promoting more and replaceable relations. To begin with, a number of the illustrations from the strategy outlined

above could be mentioned here again, for example investing in diverse economic relationships (Lie & Baines, 2007; Mitchell, 2014); cooperating with other nonprofit organizations (York & Zychlinski, 1996); or including outsiders in the organization (O'Regan & Oster, 2005). There is also research in the literature that directly addresses the strategy of fostering more and replaceable relations. For example, an article about determinants of board size and composition in Spanish nonprofit organizations reveals that a larger board, with more board members, increases public and communal perceptions of independence (de Andrés-Alonso, Azofra-Palenzuela, & Romero-Merino, 2009). Moreover, in an article about the accountability of transnational organizations, it is argued that perceptions of independence of a nonprofit organization are an outcome of its relations to its membership, affected populations, and the wider public (Piewitt et al., 2010).

The two case studies also explored the strategy of fostering more and replaceable relations for an image of independence. The SSNC, for example, focuses considerable resources on member recruitment and retainment and uses its number of members to communicate the organization's significance and wide support. Members also perform certain tasks in some SSNC activities. For example, in the work of ecolabeling grocery stores, the SSNC engages members to carry out random checks of the stores that are certified and licensed to display the SSNC ecolabel. One interviewee referred to these members as "our eyes in the store."

Another way of fostering relationships with the many is found in the work of developing the standards behind the ecolabel. Each time new product category standards are to be established for the SSNC ecolabel, the draft, authored by an SSNC expert, is reviewed by various stakeholders, including producers, government agencies, and other ecolabeling organizations. The procedure of engaging a wide range of stakeholders in the standard-setting work is, in fact, part of the requirements enforced through the GEN membership referred to earlier and also an established way of working within contemporary standard setting (Fransen & Kolk, 2007; (Tamm Hallström & Boström, 2010). As one interviewee points out, however, the SSNC's standard setting is not based on consensus decisions among several stakeholders. Rather, the SSNC "calls the tune" and decides which stakeholder comments to consider.

KRAV has taken the procedures a step further and organizes the standard-setting activities as multistakeholder arrangements through a so-called meta-organization (Ahrne & Brunsson, 2008), whereby stakeholders become members, meet to develop standards, and apply consensus decision making. The KRAV organization has 28 organizations as members, including other nonprofit as well as for-profit organizations. The emphasis on the multistakeholder structure may be seen as a way for KRAV to demonstrate that there is a wide base of interests

behind the labeling business, not only farmers and producers marketing their own products but also others).

5.3 Emphasizing the distance to specific others and specific activities

A third strategy concerns how nonprofit organizations should also seek to distance themselves from specific others and specific types of activities in order to maintain an image of independence. Thus, in addition to fostering relations with both specific others and the many, nonprofit organizations should also distance themselves from the few.

Previous research highlights problematical relationships that, to a high degree, challenge perceptions of independence (Piewitt et al., 2010; Onyx et al., 2010; Moser & Skripchenko, 2018). In particular, it would seem that transnational nonprofits need to distance themselves from state relations and public sources of funding, as it is feared that the state might prioritize its wishes over any societal constituency or the needs of the nonprofit organization (for example Piewitt et al., 2010). One empirical example is how advocacy organizations in Australia seek to resist cooptation of the civil society as a government instrument by implementing radical advocacy in opposition to said government, in order to avoid adjusting their policies and activities to meet donor expectations at the expense of their image of independence (Onyx et al., 2010). Another illustration is how independence from the state came "at the expense of increased dependence on global networks and foreign partners" for Russian nongovernmental organizations (Moser & Skripchenko, 2018, p. 606).

In our own research, we see how the SSNC communicates on its website about its identity as an independent environmental organization founded over 100 years ago by a group of scientists and working since then in the public interest. In doing this, it also clarifies that it is *not* a government agency, and it engages in putting "pressure on politicians of all parties and the government, not just in the four years until the next election but every day" (www.naturskyddsforeningen.se). By making such declarations, the SSNC communicates that it is not the state, nor is the organization dependent on the state although it tries to have an influence on its decisions. It is interesting to note in this context that KRAV, as described earlier, emphasizes that the Swedish state authority for accreditation, Swedac, is behind the control of the certification companies that perform KRAV certification and which replaced the nonprofit accreditation organization IOAS of which KRAV was previously a member. In this way, KRAV emphasizes its dependence on the state although it is of an indirect character.

Another example of distance concerns the importance of maintaining a distance to specific organizational activities. Again, the SSNC, communicates its main identity as an "environmental organization", in contrast to something else, in this case an "ecolabeling business" which is dependent on income from the

companies seeking license to have their products ecolabeled. Whereas KRAV, like many other ecolabeling organizations, works only with standard setting and promotion of its label, the SSNC focuses on, and communicates, a variety of environmental issues and activities, of which one is ecolabeling. Moreover, both the SSNC and KRAV claim to act in the public interest which we interpret as a way to maintain a distance to their own ecolabeling business. For example, the SSNC allocates resources to communicating about ecolabels in general, with guides, newsletters and other ecofriendly measures consumers should think of in their day-to-day lives. When such communication is about labels, the SSNC does not specifically promote its own ecolabel, "Good Environmental Choice"; rather, this is just one of several alternatives recommended.

Similarly, although KRAV is not engaged in promoting or ranking other labels, it still issues various publications containing educational material, for example brochures directed towards schools for teaching purposes. Since 2009, KRAV has also published an annual "Market Report" to highlight news, and raise broader issues, about organic production and consumption both in Sweden and abroad. These activities may be seen as a way of creating a distance to, or at least toning down, its own business activity and identity as a "labeling business" dependent on income from selling licenses, and rather emphasizing its overarching role as acting in the public interest.

5.4 Contradictory strategies

An unexpected result in previous research and the two case studies was the finding that two directly contradictory strategies might increase public and communal perceptions of independence under certain circumstances. The most recurrent example is that fostering economic relationships may lead to increased perceptions of both dependence and independence depending on the context in which these strategies are used. In the literature, for example, there are frequent discussions about the fact that many nonprofit organizations need to rely on wealthy individuals, large private foundations, government agencies, and for-profit organizations for funding. However, at the same time as this reliance is said to threaten the perception of the independence of these organizations (for example Dobkin Hall, 1987; Taylor, 2006; Fuertes-Fuertes & Maset-Llaudes, 2007; Onyx et al., 2010), studies also show how nonprofits in some context safeguard an image of independence by increasing the economic dependencies and diffusing them among a larger number, and different types, of financial sources, for example to subcontractors, and commercial relationships (Lindenberg & Dobel, 1999; Laidler-Kylander et al., 2007; Lie & Baines, 2007; Mitchell, 2014).

Furthermore, not only do the opposing strategies of (not) being economically dependent promote an image of independence, but contradictory economic dependency relationships also seem to increase public and communal

perceptions of independence. In one empirical example, from an article on the relationship between dependence and funding diversification, the authors noted that revenues from commercial activities as well as from self-generated sources enabled nonprofit organizations in Cambodia to align their programs close to mission statements and retain an image of organizational independence (Khieng & Dahles, 2014). Hence, although economic dependencies from outside parties generate a fundamental dilemma for nonprofit organizations, not all such dependencies seem to jeopardize the perception of the organization's independence. Depending on the context in which the strategies are used, some money and support are possible to use while others should be avoided. The relationships between money, organizational life, and different contexts have been noted in other research fields (e.g. Zelizer, 2007; Steiner, 2009). For example, organizations and individuals are said to respond to the social value, and not only the economic value, of various kinds of money (Beckert & Aspers, 2011; Zelizer, 1994, 2000, 2005). Future research should therefore study the relationship between the social and contextual value of income and independence.

There are also examples of opposing strategies that emanate from a comparison between the two case studies. One example is that KRAV follows the more established structural solution in ecolabeling of separating standard setting and monitoring and thus making the labeling organization dependent on the work of accredited certification firms, whereas the SSNC carries out both standard setting and monitoring in-house. KRAV representatives justify the act of separation with references to the perceived risk of pursuing self-interests and thus of being accused of not being independent. Yet, within the SSNC, the experts who draft the standards are at the same time responsible for administering the monitoring work and the licensing of the label. Hence, it would seem that two contradictory organizational strategies, both existing within contemporary ecolabeling, might contribute to an image of independence.

6. Analytical findings

The first analytical finding concerns similarities and differences between the two case studies. Although both organizations to some degree belong to the same organizational field (ecolabeling), empirical results indicate that that there is flexibility in how various, and sometimes even contradictory, strategies may be combined to promote an image of independence, as discussed above. Hence, we find support for our argument that the main question for researchers is not to study how organizations *become* independent, but rather how they strive to be *perceived as* independent and the contextual factors that may explain the choice and way of combining sometimes contradictory strategies.

The second finding concerns the dominance of economic strategies in conventional research, such as generating income from additional sources (for

example Biberson & François, 1999; Laidler-Kylander et al., 2007; Khieng & Dahles, 2015). In comparison, through our analysis of previous research and empirical results from the two case studies we highlight not only the existence of noneconomic strategies, but also conceptualize a set of more overarching strategies, including amplifying dependence, fostering relations with the many, and maintaining distance to the few. Future research should not only study additional noneconomic strategies, but also investigate and further problematize economic strategies in relation to our proposed overarching strategies as well as the relationship between the social value of money and independence.

Another finding concerns the tendency in previous research to focus on only one or two organizational strategies for independence, such as mainly analyzing the relationship between the size of the board and the level of independence (de Andrés-Alonso et al., 2009). As described in the case studies, KRAV and the SSNC employ multiple strategies, designed not only to decrease the economic dependency but also to establish an illusion of economic and political independence.

Finally, as is apparent from the presentation of similarities and differences between the two case studies above, it does not seem necessary for organizations to adhere to all the established norms for independence. For example, the study shows that the SSNC focuses less on creating organizational structures for independence in line with that of KRAV and what many other ecolabeling organizations today display, not least when it comes to the organization of standard setting and certification in one and the same body, or through separate organizations. One hypothesis for this pattern could be that rather than identifying themselves with one relevant environment, or organizational field, and its prevailing norms (DiMaggio & Powell, 1991), organizations may do so with *several* fields and stakeholder groups simultaneously in relation to different organizational identities such as "activist organization", "labeling organization", "environmental organization" etcetera. As a result, a broader range of norms, values, and institutions become available in order to be perceived as independent. Hence, having access to and alternating between several organizational identities opens up for a still broader variation of strategies available for independence.

7. Conclusions

The research topic addressed in this article relates to the scholarly debate on independence in nonprofit organizations and the question posed is how the alleged value of independence should be conceptualized and researched. Given the importance of, and claimed threats to, independence in nonprofit organizations (for example Gjems-Onstad, 1990; Keohane, 2002; Fuertes-Fuertes & Maset-Llaudes, 2007; Ljubownikow & Crotty, 2014), scholars have, unsurprisingly, focused on various organizational strategies for promoting independence (for

example, Biberson & François, 1999; Ostrander, 2007; Khieng & Dahles, 2015). Our review of the research field reveals a number of limitations, however, including a one-sided focus on economic aspects, that the concept of independence is taken for granted, or if discussed at all, treated mainly as a binary concept.

This article has therefore argued that a different conceptualization of independence is required and that scholars in the field need to focus on how nonprofit organizations simultaneously use numerous organizational strategies to promote an image, or even an illusion, of independence. Its main contribution to nonprofit research has therefore been threefold: a summary and analysis of previous research, a conceptualization of independence based on institutional organization theory, and a set of overarching strategies with which nonprofit organizations promote an image of independence.

As the case study method, including the case studies themselves, has empirical and analytical limitations, future research should test the findings of this article firstly through more studies – with both spatial and temporal comparisons – on the promotion of an image of independence in, for example, additional nonprofit organizations, other organizational fields, as well as organizations in other countries. Another method for studying independence could be through critical incidents, that is, identifying and analyzing specific events or incidents where an organization's independence is publicly questioned. Researchers are furthermore encouraged to address and investigate to whom perceptions of nonprofit organizations' independence matter and why they are articulated. In the case of one of the case studies in this article, it was formally argued that accreditation protected the customer. However, as our study shows that the same accreditation partly evolved as a result of mistrust among competing labeling organizations, more studies are needed. Another relevant focus for future studies would be to further analyze the consequences of having multiple relationships and memberships that may simultaneously promote and jeopardize images of independence (cf. Ahrne & Brunsson, 2008). Finally, future research could also study the relationship between the social and contextual value of income in relation to independence, as well as the significance of independence in comparison to other institutional norms and values – such as organizational missions, performance, and effectiveness – for nonprofit organizations as well as significant stakeholders.

The American scholar Peter Dobkin Hall argued that pre-1980 research on nonprofits was premised on unexamined assumptions about the independence of the sector and its organizations (Dobkin Hall, 1987). Since then, the focus of empirical and theoretical research has improved through, among other things, examining independence as a fundamental value and organizational strategies for independence. However, to paraphrase Dobkin Hall, we would argue that in

research the rhetoric of organizations being independent has yet to be replaced by an appreciation of the need for organizations to be perceived as independent.

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