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Nonprofits as socially responsible actors: Neoliberalism, institutional structures, and empowerment in the United Nations Global Compact

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Abstract:

Nonprofit and nongovernmental organizations have become prominent participants in a global organizational responsibility movement. This trend of nonprofit responsibility is puzzling because nonprofits are presumably already dedicated to the pursuit of collective well-being objectives. This article examines the nonprofit responsibility movement from a cultural perspective, whereby broader cultural changes at the level of international organizations have constructed nonprofit entities as empowered and socially responsible actors. Using the case of the United Nations Global Compact, a global framework for corporate social responsibility, the author shows how (1) the construction of cultural meanings of autonomy and decentralization in the neoliberal context, (2) existing institutional structures, and (3) the delegation of responsibility to nonprofit organizations have enabled nonprofit organizations to become active participants in the global organizational responsibility movement. This article utilizes documentary data from the United Nations as well as previously-existing interviews with United Nations officials.

In recent years, nonprofit and nongovernmental organizations (NGOs) have increasingly adopted formalized social responsibility principles (Hielscher et al., 2017; Hoque and Parker, 2015). This emergence of nonprofit responsibility as a worldwide movement, however, has been a surprising development. Unlike business corporations, where seeking profits and serving shareholder interests may trump social and environmental activities, nonprofits' core motivation is already to serve public welfare goals (Egholm et al., 2020). Furthermore, nonprofits are now portrayed as 'socially responsible actors' (Pope et al., 2018), on par with larger and more powerful entities such as states or businesses, despite nonprofits often struggling with the lack of resources, expertise, and voice needed to drive global agendas (Gould et al., 2008).

In the 1970s, questions of organizational responsibility were raised in the United Nations (UN) on whether to regulate the activities of transnational corporations, although these regulatory efforts were mired in conflict and were ultimately abandoned (Sagafi-Nejad, 2008). Since the 1990s, however, international organizations revisited the issue by establishing social responsibility frameworks that were

more consonant with the neoliberal context (Segerlund, 2010), among which the UN's Global Compact is the most prominent and widely adopted (United Nations Global Compact, 2019). Although the role of business corporations has received more public attention, nonprofit and nongovernmental organizations were key participants in the inception of organizational social responsibility. Why are nonprofit entities increasingly adopting social responsibility principles and how did nonprofits become socially responsible actors?

This article argues that nonprofits came under pressure to be socially responsible when they became perceived as organizational actors, especially in the neoliberal period that emphasized notions of organizational autonomy and flexibility. The neoliberal period of the 1990s generated an organizational responsibility movement and nonprofits came under the jurisdiction of this movement. This argument draws on the cultural perspective in institutional sociology that identifies global institutions as important domains in which organizational responsibility has been formulated (Meyer, 2010), answering calls from recent scholarship to examine the wider social contexts of nonprofit responsibility (Ahmed et al., 2015; Hoque and Parker, 2015; Kim and Kim, 2018; McMullin and Skelcher, 2018; Salamon and Anheier, 1998).

I illustrate this article's argument with an analysis of the UN Global Compact framework. The Global Compact commits its participants (which include private, public, and nonprofit organizations) to human rights, labor, environmental, and anti-corruption principles. The Global Compact is significant because it is the largest global framework in which nonprofit responsibility is articulated and diffused. Empirically, the Global Compact has a comprehensive cross-national and temporal range, featuring nonprofits and NGOs from a variety of sectors. Thus, the main contribution of this article is to explain the emergence of nonprofit responsibility, with a focus on the global scale where previous studies were either confined to specific world regions (Anheier and Salamon, 1998; Reinman, 2011) or social responsibility among business corporations (Berliner and Prakash, 2012).

To specify the domains of change in the emergence of nonprofit responsibility, this article employs the institutional framework outlined by Hironaka's (2014) study of the global environmental movement, which shares many similarities with nonprofit responsibility. As part of the larger world society perspective, Hironaka specifies three factors in international organizations that lead to institutional emergence: (1) the formation of cultural meanings, (2) existing institutional structures, and (3) the empowerment of actors. This framework is particularly applicable to the case of nonprofit responsibility because of its attention to how wider cultural changes in organizational actorhood take effective shape in global institutions like the UN. This article references documentary data from UN and Global Compact sources and also from existing interviews and reflections from former UN Secretariat officials.

Rational actorhood and organizational responsibility

Up until recent history, public social efforts such as religious worship, caring for the sick and poor, protecting workers' trades, and government bureaucracies were distinct endeavors across disparate social realms. It was only in the modern era that such public efforts became rationalized as 'nonprofit organizations', which have grown to adopt similar policies and structures (Bromley and Meyer, 2017; Bromley and Orchard, 2016; Meyer and Bromley, 2013). This was, however, not a phenomenon unique to nonprofits as many aspects of collective action came to be rationalized as formal organizations. Sociological research has noted the dramatic expansion of formal organizations in the twentieth century (Bromley and Meyer, 2015), replacing traditional social structures in many arenas of social life. This organizational expansion took place not only across private and public sectors, blurring the boundaries between for-profit and nonprofit entities (Bromley and Meyer, 2017), but also across functional or political contexts (cf. Will et al., 2018).

One prominent but surprising development in this expansion of organizations is that modern organizations were also expected to be morally culpable agents, with responsibilities not only for their stakeholders but also to the wider society and environment (Hielscher et al., 2017). An example of this moral regulation is the rise of corporate social responsibility (CSR) efforts surrounding businesses (Waddock, 2008). CSR policies are ubiquitous among the world's major transnational corporations and increasingly many small businesses (Bromley and Sharkey, 2017; Manetti et al., 2019), such that 'doing good is good business' is a banal point of business strategy (Vogel, 2005). Nonprofit organizations have also come within the ambit of this movement (Ahmed et al., 2015; Khaldoun and Bies, 2018; Misener et al., 2020; Salamon and Anheier, 1998), with increasing calls for nonprofits to be accountable and responsible (Corbett, 2018; Fremont-Smith, 2004; Hoque and Parker, 2015; Jordan and Van Tuijl, 2007) as, before the late 1980s, 'many NGOs lacked rigorous, formal and systematic record keeping and accountability' (Ahmed et al., 2015: 29).

What explains this emergence of this nonprofit responsibility movement in the modern era? Existing theory largely attributes the growth of nonprofit responsibility as a function of nonprofits' increasing interface with other organizations (Mironska and Zaborek, 2019) and therefore requiring similar structures, rules, and procedures (Choudry and Kapoor, 2013; Knapp and Sheep, 2019). For instance, nonprofits are collaborators with corporations in various global forums (Evans and Kay, 2008; Wynhoven and Stausberg, 2010). As third parties, NGOs help to independently audit business facilities (O'Rourke, 2005), including roles such as information-gathering, problem-solving, and information-sharing (Locke et al., 2007) and it would be functionally important for both NGOs and businesses to have similar responsibility standards. One recent variant of the functional explanation is the neoliberal movement of the late twentieth century where collective efforts are increasingly privatized as states retreat from public provisions and nonprofits are thus compelled to adopt market-driven forms to perform those public functions (Marwell, 2004; Van Puyvelde and Raeymaeckers, 2020; Walker, 2014). As such, nonprofit service providers may come under pressure to commercialize their services (Sandberg et al., 2020), adopt 'business model' strategies (Evans et al., 2005; Feldman et al., 2017), and be professionally conversant in global policy domains (Mannan, 2015).

Nevertheless, such functional explanations are not sufficient to explain why the diffusion of organizational responsibility has been so widespread and standardized in the twentieth century. To take this article's point of focus, nonprofit organizations vary widely between civil society organizations, charities, religious groups, schools and universities, and labor unions. Their diverse functions would have more likely resulted in different types of social responsibility obligations rather than the standardized form of nonprofit responsibility that is evident today (Bromley and Meyer, 2015; Bromley and Orchard, 2016). Furthermore, NGOs vary greatly in achieving their goals and are in any case limited in their overall influence (Gould et al., 2008), making it difficult to ascertain if their social responsibility functions are the most salient reason for the rise of a worldwide nonprofit responsibility movement. Finally, a functional type of nonprofit responsibility would assume the existence of a global structure that tightly enforces responsibility principles across nonprofits worldwide in order to facilitate coordination between nonprofits and other organizations. However, global nonprofit responsibility appears to be a diffuse movement with voluntary principles that are not legally binding (Crack, 2018) and with a global framework that emphasizes learning and collaboration rather than rules and enforcement (Kell and Levin, 2003).

By contrast, a cultural explanation as advanced by institutional sociology sees the widespread diffusion of organizational responsibility to be a product of wider changes in the cultural meaning of collective action. This cultural movement reflected the broader advance of Western and now global modernity, especially ideas of progress and rationality, that considered all forms of human collective behavior to be perfectible through formal, rational structures (Meyer et al., 1987). According to Bromley and Meyer (2017: 940), this worldwide shift in cultural conceptions of the organization had two key characteristics:

(1) organizations were now conceived as bounded, purposive actors with rights, capabilities, and responsibilities rather than just neutral platforms for collective action, and (2) organizations were conceived as constituted by rational, science-like principles that clearly linked processes to objectives, rather than traditional, subjective, or parochial motivations. Organizations of all sorts thereby came to conform to models of 'rational actorhood' (Bromley and Meyer, 2015) as opposed to traditional bureaucracies or providers of public goods, including business corporations, charities, schools, churches, and government agencies, and resulting in the 'blurring of traditional boundaries between business, government, and charity' (Bromley and Meyer, 2017: 942).

How have these wider cultural changes in organizational actorhood been effected in actual practice? Recent research in institutional sociology, especially from the world society perspective on globalization (Hironaka, 2014; Lim, 2020; Meyer, 2010) has highlighted how organizational actorhood and responsibility were constructed through the interactions of prominent individuals, agencies, and institutions in global forums. In practice, influential individuals and agencies effect broad cultural changes by creating new meanings around issues, empowering actors to act on those issues, and utilizing existing global structures such as international organizations to promote wider cultural change. Hironaka's (2014) study of the global environmental movement, for example, shows how influential actors interacted in the UN Environmental Program to promote new understandings of environmental change, creating new norms on how states relate to matters of the environment, and leading to action on international environmental treaties. The wider cultural changes surrounding organizational actorhood and responsibility, of which nonprofit responsibility is a crucial subset, are part of these broader global changes stemming from such collective action within international organizations, particularly in global frameworks such as the UN Global Compact (Sagafi-Nejad, 2008).

The following section provides a general overview of the UN Global Compact and its membership characteristics. The subsequent sections then discuss (1) the formation of cultural meanings of nonprofit responsibility in the UN, (2) the institutional structures that allowed nonprofit responsibility to emerge as a salient issue, and (3) the empowerment of nonprofits to deal with social responsibility issues.

The UN Global Compact: Data and characteristics

The UN Global Compact is a global social responsibility framework established in 1999 to commit organizations to human rights, labor, environmental, and anti-corruption principles, and it is the largest organizational responsibility framework today, with considerable participation from nonprofit organizations across multiple countries. The Global Compact was first conceived by the UN Secretariat to address concerns that economic globalization was not being sufficiently regulated and that organizations worldwide had a duty to address the social and environmental consequences of their activities (Kell and Levin, 2003). Membership in the Global Compact is open to organizations of any size or type and participants are required to commit to 10 social and environmental principles and to regularly communicate their activities in service of those principles (Wynhoven and Stausberg, 2010). The Global Compact also functions as a platform on which different participants interact to learn best practices through forums, conferences, and research (Kell and Levin, 2003). These activities also take place in Local Networks, which are offices in each country that promote Global Compact principles among local organizations.

Although cast as a framework for business corporations (Ruggie, 2003), the Global Compact also has a smaller but substantial nonprofit and nongovernmental membership, beginning with four nonprofit participants in 2002 and increasing to 3275 participants in 2017 (see Figure 1).[1] Nonprofit participation also rivals business members of the Global Compact in its cross-national diffusion. Global Compact participant data show nonprofit members present across 139 countries, which suggests that the institutionalization of social responsibility principles among nonprofits has a remarkably wide cross-national reach. These data also show higher numbers of nonprofit members in countries in the Southern

hemisphere and also in the Anglo-American sphere. This reflects the overall higher numbers of nonprofits and NGO activities (Appe, 2016; Arenas et al., 2009; Stroup, 2012) as well as higher levels of business participation in the Global Compact in those countries (Lim and Tsutsui, 2012).

Figure 1. Cumulative number of UN Global Compact nonprofit participants, 2002–2017.
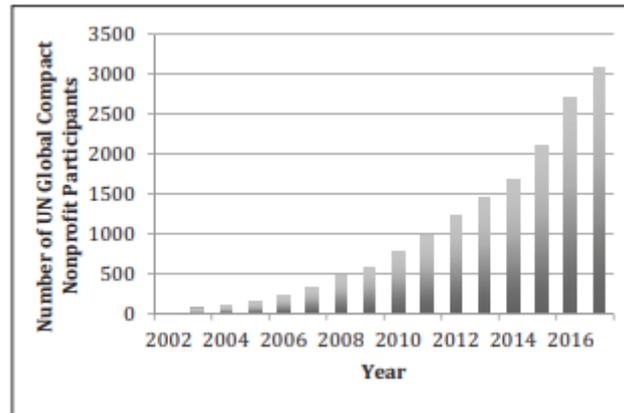
Nonprofit participation in the Global Compact has not only increased rapidly across countries, they also encompass a wide variety of organizational types (see Figure 2). Of these participants, 1621 (nearly 50%) self-identified as nongovernmental organizations, whether locally or globally oriented. Notably, in this time frame, other nonprofit participants also included 20 labor organizations, 516 academic institutions, 519 business associations, 98 cities, 321 foundations, and 180 public sector organizations. Among these nonprofit participants are Transparency International, the Wharton School of Business, the American International Chamber of Commerce, the South Korean capital of Seoul, the Japan Football Association, and Norway's Agency for Public Management and eGovernment. The uptake of social responsibility principles among a wide range of organizations that do not fall within NGOs' conventional ambit, such as schools, cities, and associations, suggests that the social responsibility movement now also implicates organizations of all sorts (Pope et al., 2018), blurring the boundaries between organizational entities that are now imbued with a common moral agency (Bromley and Meyer, 2017).

Figure 2. Categories of UN Global Compact nonprofit participants, 2002–2017.
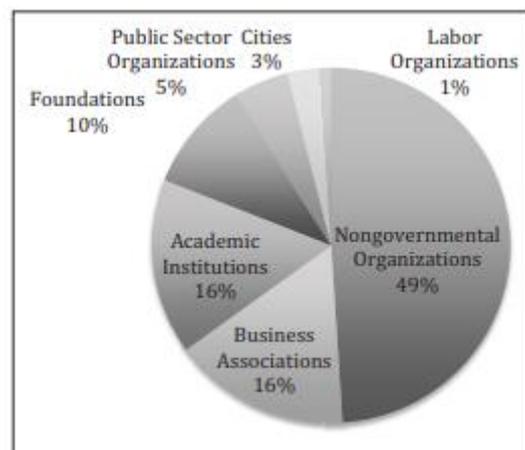
Nonprofit responsibility and the culture of neoliberalism

To determine how nonprofit organizations have come to be 'responsible actors' and participants in the organizational responsibility movement, I highlight the major cultural processes that have shaped its cultural meaning, emergence, and scope of actorhood. First, Hironaka (2014: 115) highlights how cultural meanings that frame perceptions, interests, and actions surrounding an issue are constructed in the global arena (Hironaka, 2014: 115). One such prominent cultural frame during the period of the emergence of the organizational responsibility movement is the neoliberal frame that gained ascendancy in the 1980s. Although usually cast in economic terms, neoliberalism also encompasses a set of structured beliefs on organizational action (Campbell and Peterson, 2001). The neoliberal frame posits a free market environment in which organizational actors are autonomous agents that operate optimally when free of centralized authority. This combination of autonomy and decentralization thus privileges voluntary forms of actorhood, in which organizations are motivated by their interests and responsibilities, rather than external legal compulsion.

Because of its initial focus on transnational corporations, the Global Compact framework emphasizes approaches to organizational responsibility that are consonant with the wider neoliberal context. Studies have noted that businesses lobbied for less state regulation in favor of voluntary efforts to improve their social and environmental practices (Delmas and Terlaak, 2002; Kinderman, 2012). This research suggests a strong relationship between the rise of organizational responsibility and neoliberalism, which observers have pointed out as a critique that the Global Compact shields corporations from criticism (Smith, 2010). At the global level, the UN Global Compact was initially viewed with skepticism since it involved direct engagement with the private sector, rendering the UN open to capture by private sector interests (Utting, 2000). This suggested that, instead of states enacting more stringent regulations, the Global Compact in fact contributed to downplaying states' roles in regulating corporations, further driving the need for nonprofit engagement.

Nevertheless, the culture of neoliberalism highlights the general themes of organizational autonomy and decentralization, especially where governments have receded from social sectors, and where businesses have more freedom from government regulation (Marwell, 2004). Neoliberal processes (Ismail and Kamat, 2018; Medina, 2015) have generated much growth in nonprofit activities. On the one hand, states increasingly rely on nonprofits to perform social tasks (Choudry and Kapoor, 2013). The Global Compact's Local Networks, for example, encourage engagement from local NGOs, academic institutions, labor and environmental groups, all of whom translate Global Compact principles to the local context (Lim, 2017). With weaker state regulation, international arrangements like the Fair Labor Association certify NGOs to be auditors of corporations' overseas suppliers (Locke et al., 2009). On the other hand, NGOs themselves also adopt practices that are more consonant with a 'neoliberal model of civil society' (Kamat, 2004). For example, nonprofit service providers may trade their original advocacy objectives in favor of 'business model' strategies (Evans et al., 2005; Feldman et al., 2017) or where grassroots lobbying becomes increasingly professionalized (Walker, 2014). Along these lines, nonprofits have adapted to become conversant in global policy domains (Mannan, 2015) and to become market facilitators in addition to service providers (Bloom, 2014).

The UN's partnership with the private sector in the Global Compact framework was controversial and received sustained criticism from some civil society sectors (Smith, 2010). There was also early resistance from human rights NGOs that pressured the UN to 'attack companies, not work with them' (Weiss, 2005a: 21). Nevertheless, cultural changes in the neoliberal context also made it more legitimate for collective action and partnerships to cross sectoral boundaries, given that organizations of all types are deemed equally responsible for social and environmental issues. On this type of partnership, John Ruggie, the political scientist who was appointed to the UN Secretariat, remarked in an interview, 'The NGOs that have actual responsibility on the ground almost invariably have decided that they cannot do what they need to do if they haven't worked out some sort of relationship with the

private sector. There are just too many resources there and too much capacity to ignore' (Weiss, 2005a: 23).

In this context, autonomy and empowerment also encompass a broad range of collective action, not only private actors. Nonprofit and NGO actors, now autonomous and empowered to act on social and environmental issues, are also championed as being at the forefront of those global concerns. As then-Secretary General Kofi Annan acknowledged in an interview (Weiss, 2005b: 13), NGOs were often 'ahead of the curve' on global issues: 'They can say and do things that [the UN] cannot say or do. And eventually we will catch up with them.' Former executive head of the Global Compact, Georg Kell, remarked that the Global Compact's 'multicentric' governance system was designed to be both decentralized and flexible and, rather than relying on 'command-and-control' governance, instead was 'voluntary and demand-driven' (Kell, 2013: 43). Kell also defended the voluntary nature of the Global Compact by arguing that organizational responsibility could be driven by 'micro-economic imperatives essential for corporate survival', including voluntary collaboration between UN agencies driven by 'shared incentives', rather than 'hierarchical order' (Kell, 2005: 74–75). On regulatory efficacy, John Ruggie noted that, although NGOs wanted the Global Compact to be legally binding, the UN designed the framework to be a 'learning model', where a business participant's commitment could then be 'the subject of a social dialogue, between the company and other companies, labor, and the NGO partners, to try to shape this into best practices' (Weiss, 2005a: 26). In this context, Global Compact advocates suggest that decentralization aids the organizational responsibility movement from being captured by any one group of interests (for example, transnational corporations), strengthening the contributions of other non-state actors like civil society organizations (Kell, 2005, 2013).

Institutional structures and the emergence of nonprofit responsibility

Second, as Hironaka (2014: 17) emphasizes, the process through which an organization becomes constructed as an actor depends on existing institutional structures that determine the rules of actorhood. These institutional structures constitute 'workspaces' where relevant groups are bought together to tackle social issues and where agendas are codified (Hironaka, 2014: 62). Institutional structures can yield lasting influence over what sorts of collective action are considered legitimate and those structures may persist (Zucker, 1988) to shape what future initiatives are possible.

In the case of the Global Compact, this institutional structure is the set of actions and rules in the United Nations that has empowered nonprofit and nongovernmental organizations. By the 1990s, the UN routinely involved NGOs in its various forums. In his 1997 report to the UN General Assembly, for example, Kofi Annan emphasized that he was facilitating UN agencies working more closely with civil society organizations (United Nations, 1997: 22). Reflecting on the Global Compact, Georg Kell noted that this meant creating an interagency working group to coordinate UN agencies in order to establish Global Compact principles (Kell, 2013: 41). Nonprofit members of the Global Compact's advisory council have included representatives from Amnesty International, Oxfam, the Carnegie Endowment, and Harvard University (Kell and Levin, 2003: 178). The key individuals involved in the Global Compact's inception were Kofi Annan, Georg Kell, and John Ruggie (Kell, 2005: 69).

Although the Global Compact was established in 1999, debates within the UN on regulating corporations were initiated in the 1970s (Sagafi-Nejad, 2008). In those efforts, developing countries proposed a legally-binding code of conduct for transnational corporations but did not achieve broader support. Developed countries, in particular, stopped the implementation of these efforts, arguing that a legally-binding framework would be antithetical to free markets. This dominance of free market ideas, in turn, resulted in a subsequent movement within the UN in the 1990s to revisit the issue. Specifically, Kofi Annan suggested to the UN Secretariat that economic globalization presented areas that the UN could contribute to without resorting to the acrimonious debates of the 1970s (Kell, 2013). Annan's proposal was to have the UN manage a Global Compact framework in which organizations worldwide

(with an initial focus on transnational corporations) could voluntarily commit to supporting human rights, labor, environmental, and anti-corruption principles.

The Global Compact is a significant institutional structure for the organizational responsibility movement for various reasons. The Global Compact was designed as a voluntary framework, reflecting broader currents in international frameworks that were designed less as legal instruments than voluntary learning platforms (Kell and Levin, 2003). Observers also noted that Kofi Annan was friendly to business concerns because he was a Sloan fellow at the Massachusetts Institute of Technology (Weiss, 2005a: 19–20) and that the Global Compact's voluntary principles reflected a neoliberal approach. Although its voluntary nature met with criticism for fear of corporate abuse (Smith, 2010), the Global Compact was established without opposition in the UN and saw rapid adoption (Prakash and Griffin, 2012). According to Georg Kell, the decentralized nature of the Global Compact was meant to include as many types of participants as possible – its institutional platform was located not only in the UN but in various Local Networks based in individual countries (Kell, 2013: 44).

As an institutional structure, the Global Compact went beyond just functionally coordinating activities between different non-state actors but to redefine the roles that various global stakeholders could play. Reflections from UN Secretariat members reveal that, when Kofi Annan first suggested the idea of the Global Compact, he consulted with UN human rights and environmental agencies to garner support from the respective NGOs (Weiss, 2005a: 21). From its inception, the Global Compact also accepted nonprofits as participants in the framework, equating them with other organizational actors that could champion Global Compact principles. Consistent with the UN Secretariat's focus on organizational 'networking' rather than centralized planning (Kell and Levin, 2003), the Global Compact further functions as a platform on which organizations of all types interact in forums to research corporate responsibility ideas and implement Global Compact principles.

Empowerment and actorhood in nonprofit responsibility

Thirdly, nonprofit entities are constructed as empowered actors capable of contributing meaningfully to the global responsibility movement. A cultural perspective does not take the agency of such organizational actors for granted but rather focuses on how institutional conditions allow such actors to adopt specific postures, actions, and responsibilities (Hironaka, 2014: 81). In this process, institutional research notes that organizations across a wide spectrum of public and private roles come to resemble one another in their structures and policies (Bromley and Meyer, 2017). As organizations become empowered to deal with pressing social issues in procedural, means-end, and accountable ways, they also incorporate responsibilities to the wider society to behave like good actors.

The case of the Global Compact reveals how nonprofit and NGO actors were delegated by the UN as important actors for the organizational responsibility movement. One important note is that the Global Compact represents the first time the UN has involved the participation of non-state actors in a key framework (Kell, 2013: 38)2 and this was central to the empowerment of nonprofits to advocate for organizational responsibility (Kell and Levin, 2003). In Kofi Annan's reform of the UN, for example, NGOs and other non-state actors like businesses were emphasized as representatives of global civil society in constructing global norms and in policy implementation (United Nations, 1997: 66–69). In an interview, Annan confirmed that the UN was now 'dealing very effectively with NGOs, with the private sector, with universities, and foundations, and realizing very early that the UN cannot achieve its objectives unless [it reaches out] in partnership and work with others' (Weiss, 2005b: 12).

The construction of organizational responsibility for nonprofits began with their initial consultation for the Global Compact. According to John Ruggie, labor, environmental, and human rights NGOs were responsible for evaluating the Global Compact framework in conjunction with UN agencies (Weiss, 2005a: 12). Among the more prominent NGO participants were Amnesty International and the

Rainforest Alliance (Wynhoven and Senne, 2004) and, although labor and environmental groups were more sanguine about the Global Compact, human rights NGOs were more cautious because of their suspicions of transnational corporations (Weiss, 2005a: 12). On the role of non-business participation, Kofi Annan remarked, 'And let's not forget that when you talk of the Global Compact, the participants are the companies, and the companies include management, and the trade unions, and labor. And they are very much in the room with us, as well as the NGOs' (Weiss, 2005b: 26). On this note, John Ruggie also recalled, 'The Secretary-General has considerable legitimacy, but he cannot claim to represent popular roots. So we brought in organized labor and NGOs' (Weiss, 2005a: 22).

The actorhood of NGOs in organizational responsibility is significant in two aspects. First, it reflected broader changes in the UN in which new issues were deliberated in a horizontal fashion with interorganizational 'networking' between UN agencies and NGOs rather than centrally determined by the Secretariat or member-states (Kell and Levin, 2003). Second, these developments led to the UN Secretariat, agencies, and NGOs (all non-state actors) to become more autonomous in decision-making from UN member-states (United Nations, 1997: 16–17). Georg Kell reflects that early criticisms from civil society organizations also shaped the integrity of the Global Compact, resulting in new procedures such as delisting non-communicating participants and referring dispute resolutions to other international organizations (Kell, 2005: 72–73). This culture of decentralized, horizontal, and non-state decision-making was reflected in the architecture of the Global Compact, as a voluntary learning platform that empowered a wide range of non-state actors (both profit and nonprofit).

In the Global Compact and other global forums, empowerment also meant that nonprofits were delegated more specific functional roles (Wynhoven and Stausberg, 2010). For example, nonprofits have had significant influence in incorporating environmental concerns into trade policy (Evans and Kay, 2008). Nonprofits have also featured centrally as third party observers, helping to independently audit business facilities that have committed themselves to codes of conduct (O'Rourke, 2005), including roles that exceed information-gathering in favor of problem-solving and information-sharing (Locke et al., 2007). The Global Compact routinely publishes reports that detail these models of actorhood among nonprofits (United Nations Global Compact, 2019).

Lastly, the cultural construction of nonprofit responsibility is also evident in the Global Compact's expansive scope of nonprofit actorhood. Nonprofit involvement in responsibility frameworks extends to other entities such as academic institutions, cities, and business associations. The Wharton School of Business at the University of Pennsylvania and the ILR School at Cornell University, for example, have not only incorporated Global Compact principles into their internal operations but have also engaged in various responsibility education, engagement, and dissemination activities.[3] Cities like San Francisco and Berlin, as members of the Global Compact, support businesses and other stakeholders in their CSR efforts.[4] Since these are functionally distinct entities, with wide variation in their organizational genus, their equation with conventional nonprofit entities like NGOs is better explained by broader cultural forces that cast them as responsible actors capable of contributing to the greater social and environmental good.

Discussion

This article has examined how the emergence of nonprofit responsibility depended on cultural factors that have created the institutional structures to empower nonprofit organizations to engage in the global organizational responsibility movement. In light of the UN Global Compact framework, these factors have also framed organizational responsibility in neoliberal terms, where nonprofit organizations are thought to best contribute to social responsibility issues in an autonomous and decentralized fashion.

What are the implications for future nonprofit engagement in the organizational responsibility movement? Although nonprofit organizations play important functional roles in the civil sphere and in

supporting other organizations, nonprofit responsibility standards will likely diffuse widely even to nonprofit entities that play only an indirect role in responsibility issues. The decentralized nature of the Global Compact's Local Networks means that nonprofit engagement will also be prominent at the domestic level (Rasche and Kell, 2010). Indeed, the cultural processes highlighted now also legitimate other entities such as cities, academic institutions, and public agencies as being meaningful participants, such that social and environmental responsibilities are no longer the sole province of corporations but any rationalized organizational actor. Thus, universities may also become environmental champions or norm entrepreneurs by offering academic courses on corporate social responsibility (Christensen et al., 2007) and nonprofit adoption of social responsibility becomes independent of business considerations (McDonald et al., 2015).

Another implication of the neoliberal cultural frame is that organizational responsibility is likely to be predominantly a voluntary phenomenon. Despite the conviction of the Global Compact's architects that corporate social responsibility would evolve along the multiple regulatory approaches (Weiss, 2005a), the organizational responsibility movement as centered in international organizations like the UN would likely continue to focus on voluntary commitments that emulate free market processes, where organizations pick and choose between several voluntary options, rather than the centralized command structures (Kell, 2013). As corporations, public agencies, and nonprofit organizations are increasingly implicated in these responsibility concerns, there will not only be a blurring of boundaries between different organizational types (Bromley and Meyer, 2017; Suykens et al., 2020) but also an intertwining of their specific functions (Weiss, 2005a: 23). Thus, it may well be that corporations aid nonprofit organizations in addressing social and environmental issues that governments need help in addressing (Evans et al., 2005).

A final implication of these findings on nonprofit responsibility is on the global character of organizational actorhood. As suggested by world society research (Meyer, 2000), current global processes emphasize rationality and progress as key themes across diverse organizational types. In a neoliberal context, the rise in autonomy and empowerment of organizational actors is also accompanied by societal movements to imbue those actors with a moral culpability. The impact of these cultural processes at the global level points to the importance of examining international organizations and global forums (Hironaka, 2014) as sources of nonprofit responsibility. This lends a new dimension to existing research that focuses mainly on regional differences or cross-country comparisons (Anheier and Salamon, 1998; Salamon and Anheier, 1998). While domestic or regional factors may shape nonprofit responsibility in specific ways, given the diversity of social and environmental concerns across countries, frameworks for nonprofit organizations to engage in those issues are likely to have a common global origin, empowering nonprofit actors to intervene in ways that would not have been available to similar collective endeavors in previous centuries.

Conclusion

In conclusion, I offer suggestions for further research that this article's analysis could not cover. This article restricts its focus to the UN Global Compact while there are other frameworks that target nonprofit accountability such as the World Association of Nongovernmental Organizations' Code of Ethics and Conduct for NGOs, which addresses nonprofits more directly. Further research can analyze these frameworks with the institutional approach employed in this study to examine if more focused initiatives are impacted by the same cultural processes as broad-based global frameworks like the Global Compact. Another area of further research could be to examine more specific types of nonprofit entities. New nonprofit participants such as cities or universities can yield insight into how organizational responsibility may have emerged through different pathways for these newly-implicated participants. To delve into these organizational characteristics and issue areas would have been beyond the scope of this article, although the institutional perspective raised here can offer a guide. Lastly, this

study has only examined the first stage of this emerging nonprofit responsibility movement. As this movement takes on different approaches to global issues, further research can examine if trajectories of organizational responsibility continue along these lines of hybrid and decentralized governance and its implications for nonprofit participation in future initiatives.

Funding

Notes

1.These data were collected and coded from the UN Global Compact's online participant database: www.unglobalcompact.org/what-is-gc/participants.

2.Interviews referenced in this article were conducted by Thomas G Weiss and full transcripts are published in the accompanying data disc of the *UN Voices* edited volume (Weiss et al., 2005). Additional documentary data are sourced from the United Nations and the UN Global Compact Office.

3.www.unglobalcompact.org/participation/report/cop/create-and-submit/detail/263841; www.unglobalcompact.org/participation/report/cop/create-and-submit/detail/350571

4.www.unglobalcompact.org/participation/report/cop/create-and-submit/detail/308651; www.unglobalcompact.org/participation/report/cop/create-and-submit/detail/419789

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