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Entrepreneurial Orientation in Non-Governmental Organizations: A Comparative Case Study Approach

Abstract

Research background and purpose: Entrepreneurial Orientation (EO) has been extensively studied in the context of for-profit enterprises but remains underexplored in the non-profit sector. Non-governmental organizations (NGOs), operating under increasing financial and institutional constraints, require innovative strategies to ensure sustainability and impact. This study aims to examine how EO is implemented in NGOs, particularly in relation to sustainability, financial independence, and strategic scalability. It explores the specific dimensions of EO—innovativeness, proactiveness, risk-taking, autonomy, and competitive aggressiveness—and their role in shaping NGO strategies and outcomes.

Design/methodology/approach: A qualitative comparative case study method was used, analyzing five Polish NGOs with varying levels of entrepreneurial engagement. Data were collected through semi-structured interviews, organizational reports, and field observations. The analysis focused on identifying how EO dimensions manifest in different organizational contexts and how mechanisms such as social franchising and cross-sector collaboration contribute to organizational resilience and growth.

Findings: The results indicate that NGOs with higher levels of EO – particularly those actively engaging in innovation, partnerships, and diversified funding – demonstrate stronger adaptability and long-term sustainability. Organization A, in particular, stands out for its use of social franchising, extensive collaboration, and financial innovation. Conversely, NGOs with limited EO tend to rely on traditional funding and operate with lower strategic autonomy, making them more vulnerable to external pressures.

Value added and limitations: This study contributes to EO theory by extending its application to the NGO sector and identifying social franchising as a distinct EO mechanism tailored to mission-driven contexts. It offers practical insights for NGO leaders and policymakers on integrating entrepreneurial strategies without compromising social objectives. The main limitations lie in the qualitative scope, regional focus (Poland), and pre-pandemic data collection period. These findings provide a foundation for future research using quantitative and cross-country methods to further investigate EO in non-profit environments.

Keywords: *strategic management, non-governmental organizations, entrepreneurial orientation, social innovation*

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1. Introduction

Entrepreneurial Orientation (EO) has gained recognition as a key determinant of organizational success across various sectors. While extensively studied in for-profit enterprises, its application to non-governmental organizations (NGOs) remains underexplored. NGOs operate at the intersection of the public, private, and civic sectors, often facing resource constraints and institutional pressures. Consequently, adopting an entrepreneurial orientation allows them to enhance their sustainability, effectiveness, and social impact (Bacq & Janssen, 2011). However, despite increasing recognition of EO in non-profits, limited research has examined how NGOs develop and sustain entrepreneurial strategies, particularly in post-transition economies such as Poland. Given the growing need for entrepreneurial strategies in the non-profit sector, this study provides insights directly applicable to NGO management and policy. The growing need for entrepreneurial strategies in the non-profit sector aligns with broader academic interest in social entrepreneurial orientation (SEO). A recent bibliometric analysis shows a sharp rise in publications and collaborative networks exploring EO's role in addressing societal challenges through innovation and strategic alignment (Kurniawan & Iskandar, 2024). This underscores the timeliness of examining EO in NGOs, particularly in under-researched post-transition economies like Poland.

This study examines the role of EO in NGOs through a comparative case analysis of five Polish non-profits with varying degrees of entrepreneurial engagement. Specifically, it addresses the following research questions:

1. Which dimensions of entrepreneurial orientation are most prevalent, and how do they contribute to its sustainability?
2. How do entrepreneurial mechanisms differentiate organizations that are leaders of network from other Polish NGOs in terms of innovation, financial independence, and strategic expansion?
3. What role do collaboration and social franchising play in strengthening entrepreneurial orientation in NGOs?
4. How do NGO management strategies translate for long-term sustainability?

By answering these questions, the study provides valuable insights into how NGOs can adopt EO to enhance financial resilience, scale their impact, and navigate competitive pressures. The findings have both theoretical significance - extending EO research to the non-profit sector - and practical relevance for NGO leaders and policymakers seeking sustainable management strategies.

This study contributes to EO research by demonstrating how NGOs adapt EO dimensions to mission-driven objectives. Unlike previous research, which primarily examines EO in for-profit settings (e.g., Lumpkin & Dess, 1996; Covin & Slevin, 1989), this study explores EO's application in resource-constrained, socially focused organizations, highlighting unique strategic adaptations such as social franchising

and cross-sector collaboration. What is more, this study extends EO research by identifying social franchising as a novel EO mechanism in NGOs, distinct from traditional commercial applications

The remainder of the article is structured as follows: Section 2 presents the theoretical framework of EO in NGOs. Section 3 details the research methodology, including case selection and data collection. Section 4 discusses the findings, followed by Section 5, which outlines theoretical and managerial implications, limitations, and future research directions.

2. Theoretical Background: Entrepreneurial Orientation in NGOs

2.1. Non-profit sector (NGO) and social enterprises

The non-governmental sector encompasses organizations that operate independently of government control, focusing on social, cultural, or environmental objectives rather than profit maximization. Within this sector, social entrepreneurship represents an approach that integrates business strategies with social objectives, allowing NGOs to sustain their activities while maximizing societal impact (Austin et al., 2006). Unlike traditional NGOs that rely on donations and grants, social enterprises generate revenue through business activities that support their missions (Borzaga & Defourny, 2001) and reinvesting profits into social initiatives (Mair & Martí, 2006). They represent a hybrid model that blends entrepreneurial strategies with mission-driven goals (Defourny & Nyssens, 2010). These organizations apply business principles to address societal challenges, emphasizing innovation, self-sufficiency, and sustainable impact. There are various organizational models within social entrepreneurship, including social cooperatives, hybrid organizations, and social franchises. Social cooperatives blend democratic governance with business operations, providing employment and services while reinvesting profits into community development. Hybrid organizations operate at the intersection of the for-profit and non-profit sectors, balancing financial viability with social responsibility. Social franchising allows NGOs to scale successful models by replicating tested solutions in different geographic locations (Tracey & Jarvis, 2007).

The social economy encompasses a broader spectrum of organizations that prioritize social objectives while engaging in economic activities. Social economy institutions, such as mutual societies, foundations, and cooperative, play a critical role in fostering innovation and financial sustainability within the NGO sector (Yunus, 2008). By integrating entrepreneurial principles, these organizations enhance their resilience and adaptability in dynamic socio-economic environments. Their role has expanded in recent years, particularly in addressing gaps left by public sector limitations and market failures (Nicholls, 2010).

2.2. The Concept of Entrepreneurial Orientation (EO) and its specificity in social enterprises

Entrepreneurial orientation (EO) has been extensively studied in the context of private enterprises and strategic management. Miller (1983) was among the first to conceptualize EO as a firm's tendency to engage in innovation, take risks, and act proactively. Later, Lumpkin and Dess (1996) expanded this framework, introducing five dimensions: innovativeness, proactiveness, risk-taking, autonomy, and competitive aggressiveness.

Innovativeness refers to an organization's willingness to support creativity and introduce new ideas, processes, or products (Covin & Slevin, 1989). It reflects the degree to which firms pursue novelty and technological advancements. Proactiveness captures an organization's forward-looking approach, anticipating future market demands and acting ahead of competitors (Lumpkin & Dess, 2001). Proactive firms initiate change rather than respond to it. Risk-taking involves the extent to which organizations engage in high-risk projects and commit significant resources to uncertain ventures (Miller & Friesen, 1982). This can include financial, strategic, or operational risks. Autonomy represents the ability of teams or individuals to independently pursue entrepreneurial initiatives without external constraints (Lumpkin et al., 2009). It supports decentralized decision-making and flexibility. Competitive aggressiveness describes how firms respond to competitors, often through direct challenges, market positioning, or aggressive strategies to outperform rivals (Knight, 1997).

Non-profit organizations operate in resource-constrained environments where adaptability and strategic agility determine long-term sustainability. A recent systematic review confirms that the field remains fragmented and in need of more empirical and context-sensitive studies—particularly longitudinal and qualitative research in regions like Central and Eastern Europe (Castillo-Villar et al., 2025). EO in NGOs manifests through social innovation, alternative financing strategies, and proactive engagement in policy advocacy. Importantly, NGOs must balance their entrepreneurial activities with their social missions. This tension has been shown to significantly affect how organizations allocate attention and scale operations. De Beule (2023) found that EO can mediate the often conflicting demands of economic performance and social mission, which is especially relevant for scaling impact in NGOs.

NGOs must navigate the tension between financial viability and maintaining their social impact focus (Mair & Martí, 2009). Effective governance and ethical leadership are crucial in ensuring that commercialization does not compromise organizational values, as governance structures can help mediate tensions between financial imperatives and social commitments (Ebrahim et al., 2014). This tension influences their entrepreneurial activities by shaping how NGOs approach innovation, resource mobilization, and strategic partnerships.

While EO has been well established in for-profit enterprises, its application in the NGO sector is increasingly relevant. Non-profit organizations operate in resource-constrained environments where adaptability and strategic agility determine long-term sustainability. EO in NGOs manifests through social innovation (developing new models of service delivery and impact measurement), alternative financing strategies (such as impact investing, hybrid revenue models, and social enterprises), and proactive engagement in policy advocacy (shaping regulatory environments to support mission-driven activities) (Morris et al., 2011; Pache & Santos, 2013). Unlike businesses driven by profit, NGOs must balance entrepreneurial strategies with mission-driven objectives, requiring unique adaptations of EO principles (Dees, 1998).

2.3. The Role of Collaboration, Social Franchising, and Network-Based Governance in EO

Collaboration is an essential factor in enhancing EO within NGOs. Unlike traditional businesses, NGOs often rely on inter-organizational partnerships to share resources, co-develop innovative solutions, and scale their impact. Network-based governance allows NGOs to function within ecosystems that promote knowledge exchange and financial sustainability (Provan & Kenis, 2008). Strategic alliances with governmental institutions, private sector actors, and peer organizations enable NGOs to reduce dependency on volatile funding sources and enhance their ability to act proactively. Managing collaboration involves different models of partnerships, including local coalitions, international alliances, and cross-sectoral cooperation with private enterprises (Sagawa & Segal, 2000). These networks facilitate knowledge exchange, create economies of scale, and enhance advocacy efforts.

Social franchising, as a form of collaboration, is particularly relevant in the context of EO, providing NGOs with a structured approach to scaling impact while maintaining operational integrity and mission fidelity. Unlike conventional partnerships, social franchising allows NGOs to replicate successful models while maintaining mission alignment (Tracey & Jarvis, 2007). The benefits of social franchising include the ability to replicate proven solutions, accelerate expansion, and strengthen collaborative networks. However, challenges exist, including conflicts between franchisees, quality control issues, and maintaining alignment with the original mission (Spinelli & Birley, 1996).

Social franchising is a innovation and innovation is a fundamental dimension of EO, particularly in NGOs seeking sustainable impact. Social innovation in non-profits includes the development of novel service delivery models, hybrid funding approaches, and the integration of technology into advocacy work (Mulgan, 2006). NGOs demonstrating strong EO proactively develop diversified revenue streams, including

social enterprises, impact-driven partnerships, and outcome-based funding models to ensure financial sustainability.

3. Methodology

This study employs a qualitative comparative case study approach (Livne-Tarandach, et al., 2015) to analyze entrepreneurial orientation in NGOs. The research is based on five non-profit organizations operating in Poland, with Organization A serving as the primary case study. The analysis is complemented by four additional NGOs (Organizations B, C, D, and E), which provide a comparative perspective on different models of entrepreneurial orientation.

The study employs a multiple-case study approach to examine how entrepreneurial orientation manifests in NGOs and whether it enhances their sustainability and impact. Five Polish NGOs were selected based on varying degrees of entrepreneurial engagement to allow for comparative analysis. The selected NGOs represent diverse organizational models, varying in size, financial structure, and degrees of EO implementation. This variation allows for comparative insights into different EO strategies and sustainability challenges in the non-profit sector. Data were collected through semi-structured interviews with key stakeholders, organizational reports, and field observations to identify key drivers and barriers to implementing entrepreneurial strategies in non-profits. The study also applies thematic coding and comparative case analysis to assess patterns across organizations. Additionally, to explore the influence of social franchising, the research analyzes the network structure, governance mechanisms, and operational outcomes of Organization A's affiliated entities using qualitative content analysis.

Short organizational profiles are presented as follows:

1. Organization A: A well-established foundation, operating since 1989, focusing on social and economic reintegration. It employs a social franchising model, allowing it to replicate successful programs nationally and internationally. As the leader of a broader network, it collaborates with affiliated NGOs and governmental institutions to implement systemic solutions for marginalized communities. During foundation's activity new, autonomous organization were established, as a result of different projects and ventures. In 2004 they formed a formal network. The network has two aspects of activity related to their goals. The first one concentrate on strengthening organizations: building effective, independent, motivated organizations, The other one focus on relationships: the network is a possibility create a platform for exchanging experiences, to gather organizations active in the field of inclusion with different know-how and needs and to help each other.

2. Organization B: Primarily engaged in providing support services for disabled individuals and senior citizens. It operates under a traditional non-profit funding model, relying largely on public subsidies and private donations.
3. Organization C: Specializes in social intervention and emergency aid, particularly in homelessness and poverty alleviation. It partners with public institutions and engages in crisis management activities.
4. Organization D: Implements workforce activation programs, focusing on professional reintegration and vocational training. It incorporates some entrepreneurial elements, such as partnerships with private employers.
5. Organization E: Engages in youth empowerment and education, combining traditional non-profit activities with elements of social entrepreneurship, such as developing self-sustaining projects for young people.

All five organizations are non-profit entities that seek to maximize social impact rather than financial returns. However, they differ in their approaches to funding, innovation, and collaboration.

The methodological approach aligns with theoretical perspectives on collaboration and social franchising in NGOs. Organization A's leadership role within a larger network exemplifies how social franchising enables the replication of successful models while maintaining a cohesive organizational mission (Tracey & Jarvis, 2007). The study also considers how networked collaboration influences resource-sharing, knowledge exchange, and long-term sustainability (Provan & Kenis, 2008).

Understanding the relationship between entrepreneurial orientation and collaboration is crucial, as NGOs often rely on partnerships to expand their reach and strengthen financial stability. The study examines how Organization A's franchising model facilitates expansion while ensuring strategic alignment across multiple partners.

Data were collected from multiple sources between October 2019 and February 2020 to ensure triangulation and enhance the validity of findings. The main sources of data include:

- organizational reports and strategic documents: annual reports, financial statements, and internal strategy documents from the studied organizations.
- interviews: semi-structured interviews with key organizational leaders, including directors, program managers, and stakeholders involved in strategic decision-making.
- observations: field observations of the activities conducted by the organizations, including program implementation, stakeholder engagement, and decision-making processes.
- secondary sources: publications, policy briefs, and external evaluations of the organizations under study.

The study acknowledges that data collection took place between October 2019 and February 2020, preceding the COVID-19 pandemic. While some operational aspects of the studied NGOs may have evolved since then, the structural characteristics of entrepreneurial orientation – such as governance models, strategic priorities, and financial mechanisms – are likely to remain relevant. Additionally, the social franchising model analyzed in this study is designed for long-term sustainability, making the findings applicable to broader discussions on NGO management.

To mitigate potential concerns about outdated information, findings are interpreted in the context of long-term strategic trends rather than short-term fluctuations. The study focuses on structural dimensions of entrepreneurial orientation – such as governance models, strategic decision-making, and financial sustainability – that exhibit long-term stability. While operational aspects may have evolved due to external shocks (e.g., digital transformation in NGOs), the core mechanisms of EO remain applicable. Future research could build upon these insights by assessing post-pandemic developments in NGO entrepreneurial orientation.

The collected data were analyzed using qualitative content analysis. A thematic coding framework was developed based on the five dimensions of entrepreneurial orientation (innovative practices, proactiveness, risk-taking, autonomy, and competitive aggressiveness).

Each NGO was assessed based on its strategic behaviors, funding mechanisms, governance structures, and collaborative initiatives. Differences and similarities between the organizations were systematically categorized to draw meaningful conclusions about the role of entrepreneurial orientation in NGO effectiveness.

4. Results

The findings of this study provide a comparative analysis of the entrepreneurial orientation (EO) dimensions across the five examined NGOs. The results highlight key similarities and differences in how these organizations implement EO, with Organization A standing out as a leader in entrepreneurial strategies. The results are presented according to the five dimensions of EO: innovativeness, proactiveness, risk-taking, autonomy, and competitive aggressiveness.

Innovativeness

As presented in Table 1, organization A demonstrates a high level of innovativeness, particularly through its social franchising model, which allows for the replication of successful programs in multiple locations. It has introduced novel approaches to social reintegration, combining employment programs with housing and psychological support. The organization actively develops new funding models, reducing dependency on public grants.

Table 1. Innovativeness and its attributes in analyzed organizations

Organization	New Operational Models	Support Tools	Scope of Innovation Implementation
Organization A	Social cooperatives, social franchising	Mentoring programs for community leaders	Local and international
Organization B	Rehabilitation camps	Educational workshops	Local
Organization C	Training apartments program	Streetworking	Local
Organization D	Social cooperatives	Occupational therapy workshops	Local
Organization E	Daycare medical center	Mobile rehabilitation	Local with regional elements

Source: own research

As also shown in the Table 1, in contrast, Organizations B and C exhibit moderate levels of innovativeness, mainly in service delivery rather than structural operations. Organization B has adapted assistive technologies for disabled individuals, while Organization C has implemented mobile intervention teams for emergency social assistance. However, both organizations rely heavily on traditional funding mechanisms and state support.

Organizations D and E display limited innovativeness, operating within established frameworks without significant modifications to their service models. While Organization D offers vocational training, its approach remains largely conventional. Organization E, despite engaging in youth education initiatives, has not introduced major innovations in its methodology or funding structure.

Proactiveness

Organization A (see: Table 2) is highly proactive, frequently expanding its network and engaging in international partnerships to scale its initiatives. It actively seeks policy influence, lobbying for legal frameworks that support social entrepreneurship. Its engagement in multiple sectors allows it to anticipate challenges and address social issues before they escalate.

Organization B also displays a degree of proactiveness, particularly in advocating for the rights of disabled individuals. However, its efforts are primarily confined to local and national levels, lacking the broader international reach seen in Organization A.

Organizations C, D, and E exhibit lower levels of proactiveness. Organization C responds reactively to social crises rather than actively shaping policy or introducing preventive measures. Organizations D and E follow established program structures, showing limited initiative in expanding beyond their current operational scope.

Table 2. **Proactiveness and its attributes in analyzed organizations**

Organization	Initiating Legislative Changes	International Expansion	Implementation of New Projects
Organization A	Yes (e.g., social employment act)	Yes (UK, Netherlands)	Regularly (cooperatives, partnership programs)
Organization B	No	No	Occasionally
Organization C	No	No	Regularly (protected housing)
Organization D	No	No	Regularly (Social Integration Centers, cooperatives)
Organization E	No	No	Regularly (activation projects)

Source: own research

Risk-Taking

Risk-taking is another distinguishing feature of Organization A. It has invested in experimental projects, such as social enterprises that employ marginalized groups, despite financial uncertainties. It also engages in unconventional funding mechanisms, including public-private partnerships.

Organizations B and C exhibit moderate risk-taking behaviors. Organization B has attempted some entrepreneurial activities, such as launching a small-scale business initiative to support its beneficiaries. Organization C has piloted outreach programs that operate outside traditional social assistance frameworks, though these remain limited in scale.

Table 3. **Risk-Taking and its attributes in analyzed organizations**

Organization	Work with High-Risk Groups	Projects with High Uncertainty Potential
Organization A	Yes (homeless, people with addictions)	Yes (social franchising)
Organization B	No	No
Organization C	Yes (formerly incarcerated individuals)	Yes (training apartments)
Organization D	Yes (people with disabilities)	No
Organization E	Yes (terminally ill patients)	Yes (cooperative initiatives)

Source: own research

Organizations D and E are risk-averse, avoiding financial uncertainty by relying on stable government funding and donor support. Their strategies focus on maintaining

existing operations rather than experimenting with new approaches. Organizations' characteristics concerning described feature is presented in Table 3 above.

Autonomy

Organization A exhibits strong autonomy, particularly in decision-making and strategic direction. Although it collaborates with governmental agencies, it maintains operational independence, ensuring that its mission drives its initiatives rather than external funding requirements.

Organizations B and C have moderate autonomy, balancing government support with independent initiatives. While they retain some control over program implementation, their reliance on public funding limits their flexibility.

Table 4. **Autonomy and its attributes in analyzed organizations**

Organization	Financial Independence	Decision-Making Decentralization
Organization A	High (diversified revenue sources)	High (cooperative autonomy)
Organization B	Low (public grants)	Low
Organization C	Medium (partial self-financing)	Medium
Organization D	Low	Low
Organization E	Medium (cooperatives, services)	Low

Source: own research

Organizations D and E have low autonomy, as their financial dependence on government contracts and institutional donors restricts their ability to make independent strategic decisions. Their activities are largely dictated by external funding conditions. Attributes of organizations are shown in Table 4.

Competitive Aggressiveness

Organization A (see: Table 5). displays competitive aggressiveness, actively seeking funding opportunities, advocating for regulatory changes, and expanding its operations. It positions itself as a leader in the NGO sector, shaping industry standards and best practices.

Organizations B and C exhibit limited competitive aggressiveness. They focus on collaboration rather than competition, preferring to align with government initiatives rather than challenge existing systems.

Organizations D and E show little to no competitive aggressiveness. Their approach remains largely cooperative, with minimal engagement in efforts to expand market presence or differentiate their services.

Table 5. **Competitive Aggressiveness and its attributes in analyzed organizations**

Organization	Number of Simultaneously Conducted Projects	Market Competitiveness
Organization A	High (multidirectional activities)	Yes (franchising, competition for grants)
Organization B	Low	No
Organization C	Medium	No
Organization D	Medium	No
Organization E	High	Yes (e.g., laser printing, rehabilitation services)

Source: own research

The comparative analysis reveals that Organization A has the strongest entrepreneurial orientation, effectively utilizing innovativeness, proactiveness, and risk-taking to expand its impact. Organizations B and C demonstrate moderate EO, integrating some entrepreneurial practices but remaining constrained by traditional funding models. Organizations D and E have the lowest levels of EO, operating within conventional frameworks with limited innovation, proactiveness, and autonomy.

The findings underscore the importance of strategic adaptability, diversified funding mechanisms, and proactive engagement in enhancing the sustainability of NGOs. The next section discusses these results in a broader theoretical and practical context, drawing implications for NGO management and policy development.

5. Discussion and Implications

This study highlights the significance of Entrepreneurial Orientation (EO) in shaping the sustainability and impact of NGOs. While prior research has acknowledged the benefits of EO in private enterprises, its implications for mission-driven organizations remain underexamined, this study extends EO theory by demonstrating that NGOs must integrate collaboration, adaptive governance, and hybrid funding models to sustain entrepreneurial activities without compromising social objectives.

The findings confirm that organizations integrating strong EO dimensions, particularly innovativeness, proactiveness, and risk-taking, exhibit enhanced adaptability and long-term viability. Organization A, demonstrates how EO can be strategically leveraged through social franchising, diversified funding mechanisms, and extensive collaboration networks. In contrast, NGOs with lower levels of EO – those that rely predominantly on traditional funding models – struggle with financial sustainability and strategic autonomy.

The study aligns with prior research indicating that NGOs adopting entrepreneurial behaviors achieve greater resilience against financial instability and external pressures (Mair & Martí, 2006; Morris et al., 2011). Innovativeness was identified as a critical driver of sustainability, as seen in Organization A's ability to create scalable service models and introduce new financing structures. This supports arguments in the literature that social innovation is essential for non-profits seeking to maximize long-term impact (Mulgan, 2006). As result showed, organizations B and C, while displaying some degree of innovation, remain limited by institutional constraints and funding dependencies. The findings suggest that NGOs should actively foster a culture of innovation, investing in research and development, pilot projects, and cross-sector collaborations to enhance their ability to adapt to changing societal needs. The study also reveals the limitations of entrepreneurial strategies when organizations lack strategic autonomy. Organizations D and E exhibit risk aversion, focusing on short-term financial stability over long-term strategic innovation. This finding reinforces concerns that excessive reliance on external funding can hinder an NGO's ability to innovate (Eikenberry & Kluver, 2004).

Given the importance of EO in shaping NGO sustainability, collaboration emerges as a key mechanism for overcoming financial and operational constraints. Through extensive partnerships with governmental institutions, private sector entities, and other NGOs, Organization A has successfully expanded its reach and strengthened its financial independence. This aligns with Provan & Kenis (2008), who argue that networked governance enhances organizational resilience in the non-profit sector. However, not all organizations in the study displayed strong collaborative tendencies. Also, it is consistent with findings from Widiastuti et al. (2024), who demonstrated that social entrepreneurship orientation, when combined with social capital and social innovation, significantly enhances the performance of village-owned social enterprises. Organizations D and E, which exhibited low proactiveness and autonomy, also lacked meaningful engagement in strategic partnerships. This highlights the need for NGOs to prioritize networking, both within the non-profit sector and through cross-sectoral alliances with businesses and government institutions (van Tulder et al., 2016).

One of the key contributions of this study is the identification of social franchising as a viable mechanism for scaling EO-driven NGOs. Organization A, in particular, illustrates how network-based governance and structured knowledge transfer enhance both operational efficiency and strategic expansion. Unlike conventional franchise models, social franchising in NGOs prioritizes mission fidelity over profit maximization, making it a distinct entrepreneurial adaptation in the non-profit sector (Tracey & Jarvis, 2007). However, challenges remain in ensuring quality control and mission alignment across franchised units (Spinelli & Birley, 1996).

Moreover, the study underscores the role of autonomy and financial independence in reinforcing EO practices. While many NGOs remain constrained by external funding dependencies, Organization A's diversified revenue streams provide greater flexibility in risk-taking and innovation. This aligns with previous research on resource dependency and organizational adaptability (Eikenberry & Kluver, 2004), reinforcing the need for NGOs to invest in entrepreneurial capabilities beyond grant-based funding. These findings confirm that EO plays a critical role in enhancing both the operational and financial sustainability of NGOs. As shown in the case of Organization A, EO enables effective resource mobilization, strategic adaptability, and expansion through social franchising. Yi et al. (2024) similarly found that SEO significantly contributes to "dual performance" in social enterprises—achieving both social and economic goals—by improving the integration and utilization of resources. This supports the argument that EO can serve as a mechanism for navigating complex environments and maintaining mission alignment.

Differences in EO across the analyzed NGOs may also be partially explained by internal characteristics such as organizational structure, size, and leadership. Shafna et al. (2023) found that in Sri Lankan non-profit organizations, the level of EO varied based on these attributes and was significantly influenced by the gender of leadership and the extent of government support. These factors likely contribute to the weaker EO dimensions observed in Organizations D and E, which are more reliant on traditional funding and operate with limited strategic autonomy.

The findings suggest that NGO leaders must proactively integrate EO principles to enhance long-term sustainability. One critical aspect of this process is stakeholder engagement. NGOs must effectively collaborate with beneficiaries, institutional partners, and external funders to ensure that entrepreneurial strategies align with mission-driven objectives. Strong stakeholder networks not only enhance financial resilience but also facilitate knowledge exchange and collaborative innovation (Ebrahim, Battilana, & Mair, 2014).

Strategic alliances with businesses and government institutions enable NGOs to leverage external expertise, expand their reach, and enhance sustainability. Additionally, involving beneficiaries in decision-making processes ensures that innovative solutions address actual community needs. NGOs that actively engage in cross-sector partnerships tend to exhibit higher levels of strategic adaptability and financial resilience (van Tulder et al., 2016). By prioritizing stakeholder engagement, NGOs can navigate challenges associated with entrepreneurial orientation while maintaining mission integrity.

Specifically, the study's findings offer practical recommendations for NGO leaders and policymakers, including:

- Encouraging diversified funding models - NGOs should reduce reliance on grants by adopting hybrid financing mechanisms such as impact investing and fee-based services (Nicholls, 2010).

- Investing in capacity-building – entrepreneurial skills training should be prioritized to enhance NGOs' ability to manage financial sustainability and strategic growth (Austin et al., 2006).
- Facilitating cross-sector partnerships - government policies should encourage collaborative models that enable NGOs to engage with businesses in mutually beneficial ways (van Tulder et al., 2016).
- Supporting social franchising models - regulatory frameworks should be adjusted to facilitate social franchising as a scaling strategy, ensuring compliance without excessive bureaucratic barriers (Tracey & Jarvis, 2007).

The findings suggest that NGO leaders must proactively integrate EO principles to enhance long-term sustainability.

This study contributes to EO theory by emphasizing the interplay between entrepreneurial strategies and long-term sustainability in NGOs. Specifically, it highlights how collaboration and social franchising serve as critical EO mechanisms in non-profits, helping them overcome structural funding constraints and scalability challenges.

This study contributes to EO theory by demonstrating how collaboration and social franchising function as unique EO mechanisms in the NGO sector. While prior research has emphasized EO in for-profit contexts (Lumpkin & Dess, 1996), this study expands the framework to highlight how NGOs balance entrepreneurial strategies with social missions. Future research should explore quantitative assessments of EO impact on NGO performance and examine post-pandemic shifts in entrepreneurial strategies.

6. Conclusion

Entrepreneurial orientation is an essential strategy for NGOs navigating an increasingly volatile and resource-constrained environment. By embracing innovation, fostering collaborations, and developing sustainable funding strategies, non-profits can enhance their long-term viability and maximize societal impact. Policymakers and NGO leaders must recognize the value of EO and implement strategies that facilitate entrepreneurial thinking within the sector.

This study explored the role of entrepreneurial orientation in NGOs, focusing on a comparative analysis of five organizations with varying degrees of EO. This study provides new insights into how EO manifests in NGOs, emphasizing the importance of autonomy, strategic partnerships, and social franchising in ensuring sustainability, adaptability, and impact of non-profits.

Organization A stands out as a model of entrepreneurial orientation, successfully integrating social franchising, financial innovation, and cross-sector partnerships to scale its initiatives. In contrast, organizations with low levels of autonomy, innovation, and risk-taking face greater challenges in sustaining their operations.

While this study provides valuable insights, several limitations must be acknowledged. First, the study focuses on a limited number of cases, which may not fully capture the diversity of NGOs in Poland. Second, qualitative methods, while rich in depth, do not allow for statistical generalization. Third, the time frame of data collection (2019–2020) may raise concerns about the relevance of findings. However, as previously noted, the study focuses on structural and strategic aspects of NGO management, which are less susceptible to rapid change.

The study contributes to the growing body of literature on social entrepreneurship, NGO sustainability, and scaling strategies and also provides concrete strategies for NGO leaders to balance entrepreneurial strategies with mission-driven objectives. These insights are particularly valuable for policymakers and funders supporting the sustainability of socially driven enterprises.

However, given that data collection was conducted prior to 2020, future research should assess how NGOs have adapted to post-pandemic challenges, particularly in the context of financial sustainability and digital transformation. Future research could also benefit from mixed-method approaches that incorporate quantitative measures of entrepreneurial orientation and assess how the studied organizations have adapted to new challenges since 2020. What is more, further exploration of best practices for implementing social franchising in different non-profit contexts would be needed.

Future research should expand on this study by incorporating quantitative analyses across a larger and more diverse set of NGOs to validate the patterns observed here. Comparative studies across countries with different institutional contexts could shed light on how EO manifests under varying policy regimes and funding structures. Castillo-Villar et al. (2025) call for greater use of longitudinal and context-sensitive methods to assess EO's long-term impact in socially driven organizations. Moreover, as EO research continues to grow and diversify thematically (Kurniawan & Iskandar, 2024), future studies should explore how mechanisms like social franchising and leadership characteristics contribute to resilience, performance, and impact across varied institutional contexts. There is also a need to refine and validate context-sensitive EO measurement tools for NGOs, as current scales are largely based on for-profit assumptions. Lastly, future studies could investigate the role of digital transformation and platform strategies in enhancing EO in the non-profit sector, particularly in relation to stakeholder engagement and resource mobilization.

In conclusion, entrepreneurial orientation is not merely an advantage but a necessity for NGOs operating in an increasingly complex and resource-constrained environment. By embracing innovation, fostering collaborations, and developing sustainable funding strategies, non-profits can enhance their long-term viability and maximize their societal impact. EO in NGOs requires adaptive, mission-aligned strategies that balance entrepreneurial ambition with social responsibility. By refining governance

structures and fostering multi-stakeholder collaborations, NGOs can position themselves as resilient, innovative, and impactful organizations in the evolving social sector landscape.

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