2.1. Introduction

This chapter deals with the discussion on the important concepts related to the research problem and reviews the relevant literature on the topic. Resources as well as researches in the field of NGO management are in its initial stage in India. Mostly, the management concepts and their application in NGO’s personnel are borrowed from the business and public sectors. The little studies done about the NGO competencies are mostly based on the studies conducted in the western countries and they mostly deal with the NGOs in donor countries. However there are also significant studies undertaken in developing countries on the management aspects of NGOs. An attempt is made in this chapter to survey the available specific resources and researches on NGO, professionalism, management, different types of competencies, individual learning and organisational learning and training for development of competencies.

2.2. Defining NGOs

In a broader sense, NGO refers to every organization in society which is not part of government, and which operates in civil society. Thus, NGO includes organizations such as political groups, labour and trade unions, religious bodies and institutions, guilds, sports clubs, arts and cultural societies, trade associations, chambers of commerce, professional associations, as well as small and large businesses. However, in actuality, NGO refers to a specific
type of organizations working in the field of development. NGOs work with people to help them improve their social and economic situation and prospects.

World Bank\(^1\) describes about NGOs as:

"The diversity of NGOs strains any simple definition. They include many groups and institutions that are entirely or largely independent of government and that have primarily humanitarian or cooperative rather than commercial objectives. They are private agencies in industrial countries that support international development; indigenous groups organized regionally or nationally; and member-groups in villages. NGOs include charitable and religious associations that mobilize private funds for development, distribute food and family planning services and promote community organization. They also include independent cooperatives, community associations, water-user societies, women’s groups and pastoral associations. Citizen Groups that raise awareness and influence policy are also NGOs."

Different ways of defining and describing NGO only points to the diversity in the type, nature and functions of NGOs. However, most of the definitions have the following four basic characteristics.\(^2\)

---


2.2.1. Voluntary

NGOs are formed voluntarily for giving institutional shape to people’s concern for the society and environment. No law of any country requires people to form such organisations. Similarly, there is no law in any democratic country banning the formation of NGOs. Moreover, there is voluntary participation and contribution from a wide range of people such as the board members, volunteers and members. The word "voluntary" also distinguishes NGOs from government statutory agencies, meaning non-compulsory, or non statutory.

2.2.2. Independent

NGOs are governed and managed by the Board of Trusts that gives strategic direction and vision to the organisation. The relevant national law only requires such bodies to manage the affairs of the organisation and there is no controlling mechanism from any of the state agencies. However, there is no denying of the fact that they operate within the legal framework of their respective countries.

2.2.3. Not-for-profit

The foundational principle of NGOs is taking up the cause of the vulnerable sections of the society and the founding members or the board members can not earn profit. An NGO cannot undertake any business activity with the purpose of distributing the profit among the board members. The board members can only reimburse their expenses and not claim remuneration or sitting fees for their time and resources. NGOs can have paid employees and
can involve in income generation activities and profit making business to fulfil the objectives of the NGOs for which they were established.

2.2.4. Not Self-serving in Aims and Values

The aims and objectives of NGOs are service to the weaker sections, building leadership among the people, mobilising and educating them on their rights and entitlements. They work:

a. “To improve the circumstances and prospects of disadvantaged people who are unable to realize their potential or achieve their full rights in society, through direct or indirect forms of action; and/or
b. To act on concerns and issues which are detrimental to the well-being, circumstances or prospects of people or society as a whole. These aims give NGOs clear values and purposes which distinguish them from other organizations existing primarily to serve the interests of members or individuals”.3

2.3. Role of NGOs

NGOs exist to promote the welfare of and establish the rights of the excluded and disadvantaged communities. This means they have to operate at different levels and involve in different and multiple functions. Mostly, an NGO involves in one or more of the following activities.4

3 Ibid, p.11
2.3.1. Development and Operation of Infrastructure

NGOs construct houses, provide infrastructure and operate and maintain infrastructure such as wells or public toilets and solid waste collection services. They build rural hospitals, provide temporary shelters, de-silt ponds and lakes and provide safe drinking water.

2.3.2. Supporting Innovation, Demonstration and Pilot Projects

NGOs take up innovative and sustainable pilot projects such as organic farm, projects for promotions of environment, fair trade initiative, and model cooperatives. The model created by NGOs are often replicated and spread in other areas and countries. The creative visionary spirit and commitment of NGOs lay foundations to such initiatives.

2.3.3. Facilitating Communication

NGOs are closer to the grassroots communities and engage the communities in direct communication. In the course of time they enjoy good rapport and win the confidence of the people. As they are closer to the communities and participate in their struggles, they are able to articulate their concerns, relate to the macro socio-economic and cultural processes, and inform the general public about their problems and struggles. NGOs are able to communicate their experience with the communities and their priorities to the media and the government agencies so that they can be reflected in the policy making process. NGOs involve in two way communication; upward and downward-upward from people to the government and downward from the government to the people. Communication upward involves informing government about what local people are thinking, doing, and feeling while communication downward means informing local people about what the
government is planning and doing. NGOs are also in a unique position to share information horizontally, networking between other organizations doing similar work.

2.3.4. Technical Assistance and Training

NGOs involve in increasing the technical capabilities of the marginalised communities who are enabled to them to get gainful employment and participate in the development process of the nation. They support in supplying new and alternate farm technologies; they promote lot of income generation programmes for promotion of individual as well as community livelihoods.

2.3.5. Protection and Promotion of Environment

While the state and the market give scant respect to the environment and the impacts of the modern development on environment, NGOs work in large numbers in protecting and promoting environment that is put to risk by the development process and the consumerist way of life today.

2.3.6. Research, Monitoring and Evaluation

NGOs document and monitor their activities and evaluate their programmes as well as that of the Governments to share with the community and the staff so that the learning could be taken forward to strengthen future programming. Many NGOs have developed expertise in taking up action research on the vital issues of the people to unearth the reality and thus draw public attention to the issues of the people.
2.3.7. Advocacy for and with the Poor

Many of the NGOs form networks based on specific issues and influence both public opinion and policy makers. Previously, they were working mostly at micro levels with communities. “NGOs become spokespersons or ombudsmen for the poor and attempt to influence government policies and programmes on their behalf. This may be done through a variety of means ranging from demonstration and pilot projects to participation in public forums and the formulation of government policy and plans, to publicizing research results and case studies of the poor. Thus NGOs play roles from advocates for the poor to implementers of government programmes; from agitators and critics to partners and advisors; from sponsors of pilot projects to mediators”.

2.4. Typologies of NGOs

NGOs are categorised based on different criteria. NGOs are distinguished according to the focus of their work: welfare-oriented, development-oriented and empowerment-oriented. NGOs are also classified according to the level at which they operate such as self help groups, and other community based organisations. They can also be classified according to the strategies they adopt if they directly implement development projects or focus on tasks such as advocacy and networking. Clark proposed that NGOs can be divided into six categories based on tasks:

---

5 Ibid, p.12
6 Cited in: Ibid, p.8
1. **Relief and Welfare Agencies:** NGOs that work for relief and rehabilitation and administering welfare measures

2. **Technical innovation organizations:** organizations that operate their own projects to pioneer new or improved approaches to problems, generally within a specific field.

3. **Public Service contractors:** NGOs mostly funded by northern governments that work closely with Southern governments and official aid agencies. These are contracted to implement components of official programmes because of advantages of size and flexibility.

4. **Popular development agencies:** both northern and southern NGOs that concentrate on self-help, social development and grassroots democracy.

5. **Grassroots development organizations:** Community based NGOs whose members are poor or oppressed themselves, and who attempt to shape a popular development process and receive funding from development agencies.

6. **Advocacy groups and networks:** organizations without field projects that exist primarily for education and lobbying.

Cousins\(^7\) distinguishes NGOs according to the orientation of their work and according to the level at which they operate;

*Charitable Orientation* often involves a top-down paternalistic effort with little participation by the beneficiaries. It includes NGOs with activities directed toward meeting the needs of the poor distribution of food, clothing or

---

medicine; provision of housing, transport, schools etc. Such NGOs may also undertake relief activities during a natural or man-made disaster. *Service Orientation* includes NGOs with activities such as the provision of health, family planning or education services in which the programme is designed by the NGO and people are expected to participate in its implementation and in receiving the service. *Participatory Orientation* is characterized by self-help projects where local people are involved particularly in the implementation of a project by contributing cash, tools, land, materials, labour etc. Cooperatives often have a participatory orientation. *Empowering Orientation* is where the aim is to help poor people develop a clearer understanding of the social, political and economic factors affecting their lives, and to strengthen their awareness of their own potential power to control their lives. In this case an NGO will raise awareness, mobilise communities, build their social capital and enable them to assert their rights through various forms of public action.

NGOs also can be categorised on the basis of their level of operation:

- *Community-based Organizations* (CBOs) are the initiatives of people themselves and often they are formed by the affected people themselves. These can include sports clubs, women’s organizations, and neighbourhood organizations, religious or educational organizations. Some of them are supported by national and international NGOs while others operate without outside support.
- *Citywide Organizations* are those organisations and networks that operate to focus on a particular issue over large areas such as a region or city.
• *National NGOs* include organizations such as the Red Cross, professional organizations, or those NGOs that have national reach. Some of these have state and city branches and assist local NGOs.

• *International NGOs* operate mostly from northern countries mainly funding local NGOs, institutions and projects, to implementing the projects themselves. Save the Children, Ford Foundations, Action Aid are some of the examples of International NGOs.

### 2.5. Strengths and Limitations of NGOs

According to Olena P. Maslyukivska⁸, the main strengths many NGOs can bring to a project are their ability to:

- experiment freely with innovative approaches and, if necessary, to take risks;
- be flexible in adapting to local situations and responding to local needs and therefore able to develop integrated projects, as well as sectoral projects;
- enjoy good rapport with the people and can render micro-assistance to very poor people as they can identify those who are most in need and tailor assistance to their needs;
- to communicate at all levels, from the neighbourhood to the top levels of government;
- recruit both experts and highly motivated staff with fewer restrictions than the government;

---

• reach poor communities and remote areas with few basic resources or little infrastructure, and where government services are limited or ineffective;
• promote local participation in designing and implementing public programmes by building self-confidence and strengthening organizational capability among low-income people;
• operate at low cost by using appropriate technologies, streamlined services, and minimal overheads; and
• identify local needs, build upon existing resource, and transfer technologies developed elsewhere. Some approaches and ideas now prevalent among official development agencies began as NGO innovations.

On the other hand, some NGOs’ ability to contribute to projects is constrained by a number of factors.

• Paternalistic attitudes restrict the degree of participation in programme/project design.
• Restricted/constrained ways of approach to a problem or area.
• “Territorial possessiveness” of an area or project reduces cooperation between agencies, seen as threatening or competitive.
• Limited replicability of many NGO-sponsored activities that are too small and localized to have important regional or national impact. In attempting to scale up their operations with public sector support, some NGOs may lose their innovative quality, and become top-down, non-participatory, and dependent on external and governmental support;
- Limited self-sustainability: like many government programmes, many NGO-sponsored projects are not designed with sufficient concern for how activities will be sustained;
- Limited managerial and technical capacity: even some professionally staffed NGOs are poorly managed, have only rudimentary accounting systems, and sometimes initiate infrastructure projects with inadequate technical analysis;
- Lack of broad programming context: although experience varies by region and sector, NGO development projects often are implemented individually, outside the framework of a broader programming strategy for a region or sector, and with little regard even to other NGOs' activities;
- Politicization: some NGOs combine development concerns with political or religious objectives that limit the extent to which donors can work with them while safeguarding their primary relationship with its member governments.
- Sometimes NGOs function as vehicles for extending the influence of national political leaders.
- As they grow in scale and complexity, they are vulnerable to all the limitations that afflict other bureaucratic institutions – unresponsiveness, cumbersomeness and routinization. NGOs may be less prone to these disabilities than government agencies, but they are hardly immune to the inevitable tensions that arise between flexibility and effectiveness, grass-root control and administrative accountability.
- The NGO sector is subject to inefficiencies and poor incentives. Without the profit-maximizing objective, managers lack the incentives to
minimize the costs. On the contrary, they may have an incentive to make themselves rich at the donor expense.

2.6. Professionalism and NGOs

As stated earlier, development work is becoming more and more highly skilled work involving specific training, specific body of knowledge with premier institutions offering training in specialisations and institutions evolving code of ethics and practices.

2.6.1. Definition of a Profession

A profession has been defined in several ways. A profession is defined as the profession of an intellectual technique acquired by special training, which can be applied to some spheres of every day life.

"Professionalism is a very loosely defined term. Originally, of course, it referred to the classic honourific occupations of medicine, the bar, and the clergy. These occupations certainly enjoy high status. When asked to rank the most desirable jobs, Americans have consistently placed medical doctors just below Supreme Court justices, the top ranked job. Lawyers, clergy, dentists, college professors, and architects always appear among the top twenty ranks. Professions are typically described as occupations characterized by three features: specialized training in a field of codified knowledge usually acquired by formal education and apprenticeship, public recognition of a certain autonomy on the part of the community of practitioners to regulate their own standards of practice, and a commitment to
provide service to the public which goes beyond the economic welfare of the practitioners".\(^9\)

A profession is an occupation, vocation or career where specialized knowledge of a subject, field, or science is applied. It is usually applied to occupations that involve prolonged academic training and a formal qualification. "Professional activity involves systematic knowledge and proficiency. Professions are usually regulated by professional bodies that may set examinations of competence, act as an licensing authority for practitioners, and enforce adherence to an ethical code of practice".\(^{10}\)

2.6.2 Criteria of a Profession

Every profession should have the following criteria\(^{11}\)

- Training; a professional must undergo an extensive period of training which involves formal and vocational training often in a higher education environment. Therefore, becoming a professional involves unique training, formal education, achieving credentials, and joining and actively involving oneself in professional associations.

- Intellectualism; the intellectual component is dominant.

- Autonomy; Professionals usually have autonomy in their work.


\(^{10}\) http://en.wikipedia.org/wiki/Professionalism#_note-1

• Judgement; Professionals are in a position, given their training and education, to use their own judgement in determining the appropriate approach to their clients or customers.
• Independence; they can work independently and charge fees or they can be part of an organization.
• Service; their abilities can provide a valuable service to society and operate with little or no self-interest.
• Dedication; professionals are dedicated to services and institutions.
• Pride; they take pride in the quality of their work.

2.6.3. Competencies of a Professional

A professional must necessarily have the following competencies:

• Mastery of theoretical knowledge.
• Capacity to solve problems.
• Application of theoretical knowledge to practice.
• Ability to create knowledge as well as possess it.
• Enthusiasm and commitment to clients.
• Commitment to continuous learning about the profession.

2.6.4. Characteristics of a Profession

A profession is generally characterised by the following marks;

i. A profession is expected to be responsive to public interest and contribute through its services to the advancement of social well-being and to be accountable to the public for the manner and standards with which it conducts its activities.

ii. It should posses a relatively coherent, systematic and transmissible body of knowledge rooted in scientific theories which enables the
practitioners of the profession to utilize concept and principles and to apply them to specified situations.

iii. The professional practitioner must adhere to an identifiable body of values and display attitudes which step from those values and which determine the relationship of the professional person with his colleagues, the recipient of his advice and the community.

iv. A profession must have a body of skills which reflects the application of general concepts and principles to attain the goals of the profession.

v. The members of the profession must be organized and considered themselves as members of a group where knowledge, skills, attitude and norms of conduct they share and to whose achievement they are dedicated. According to Green wood, distinguishing attributes of a profession are systematic theory (body of knowledge), authority (building confidence in the clients).

vi. Community sanction and approval and respect by the society; ethical codes and professional culture with focus on certain values and norms, dedication and interest in mankind and society.

Professionalism\(^\text{12}\) is attribute or trait approach which struggles with a problem of “whether or not a given occupation is a ‘true’ profession”, and therefore, poses a question, “what are the common features which separate professions from non-professions?” Since 1915 when Abraham Flexner – a prominent scholar and consultant to the medical profession – has developed a

list of attributes that distinguished an ideal type of the profession. The attempts were made to provide the attributes of professionalism which would then make it possible to assess how closely a given occupation approached this ideal type. Then professionalization can be understood as a process whereby an occupation succeeds in claiming the status, and therefore the rewards and privileges, of a profession. In such a way an occupation would be defined by different authors either as a profession, semi-profession or non-profession depending on what list of traits was chosen as a standard. Flexner considered following features as the most important traits of the profession: engagement in intellectual operations involving individual responsibility, the use of science and learning for a practical goal, applying knowledge through techniques that are educationally communicable, self-organizing, altruistic motivation, possession of a professional self-consciousness. As Greenwood argues, systematic theory, community sanction, an ethic code and a professional culture, are the attributes of the profession, besides, all these are to be grounded in an altruistic, vocational desire to serve the interests of the community. Another example of the listing of professional attributes is Millerson’s list which includes the use of skills based on theoretical knowledge; education and training in these skills; the competence of professionals proved by examinations; a code of conduct to ensure professional integrity; performance of a service that is for the public good; a professional association that organizes members. Every profession tries to clearly define a circle of issues which relate

to professional’s competence, making thus limited the professional’s world view and claiming unique and legally supported competence.

2.6.5. Social Work as Profession

Social work as a profession has come to acquire a systematic body of knowledge to serve as its foundation. A social worker is respected by the society as is evident from their employment in large numbers both by the public and private agencies. There are institutions of repute for professional training in social work. codes of ethics have been adopted and professional organizations to reflect professional culture as exhibited in the values and norms of social work have also come up. Social work as career bases on the necessity of dedication and interest in mankind and society as personal requisites for the individual who plans to go into this field.

2.6.5.1. Codes and Quality Standards for NGOs

Like any other profession, a series of codes and standards have been established both nationally and internationally in NGOs for quality assurance and compliance of international standards. British Association of Social Workers\(^{15}\) in its code of ethics says that social work is committed to five basic values: human dignity and worth, social justice, service to humanity, integrity, and competence. Social work practice should both promote respect for human dignity and pursue social justice through service to humanity. International Federation of Social Workers has adopted ‘The Ethics of Social Work: Principles and Standards which has two documents; “The International Declaration of Ethical Principles of Social Work” and “International Ethical

Standards for Social Workers”¹⁶. This again stresses that development work spearheaded by an NGO involves professional competencies. Approaches to the management of NGO quality, an important aspect of a profession are categorised as follows by BOND¹⁷:

1. Statutory regulation is legal requirements that NGOs must adhere to in the country and the region in which they operate: these include laws and conventions enacted by government and multi-lateral bodies such as the UN. The overriding regulation that guides NGOs is the range of human rights Law.

2. Voluntary principles and codes are performance standards that organisations are meant to adhere to and are not directly enshrined in law- in essence self regulation. Examples include the Red Cross Code of conduct and ‘Humanitarian Accountability Partnership International’s Current Initiative’ to develop accountability and quality management standard that focuses on intended beneficiaries.

3. Organisational management and measurement tools assist NGOs in implementing and adhering to statutory regulation and normative principles as well as being used for general organisational development.

4. Evaluation and verification processes refer to external evaluation, social audit, gender audit, social equity audit etc.

¹⁶ Ibid,p.12
The following table 1 shows the evolution of various standards that form the bottom-line for the professional practice of NGOs.

Table 1
Development of Regulations, Codes, Standards Affecting NGO Quality

<table>
<thead>
<tr>
<th>Year</th>
<th>Events</th>
</tr>
</thead>
<tbody>
<tr>
<td>1948</td>
<td>Human Rights Centre</td>
</tr>
<tr>
<td>1970</td>
<td>Participatory Monitoring and Evaluation</td>
</tr>
<tr>
<td>1992</td>
<td>Interaction PVO Standards</td>
</tr>
<tr>
<td>1994</td>
<td>The Code of Conduct for the International Red Cross and Crescent Movement</td>
</tr>
<tr>
<td>1990s</td>
<td>Host Country Codes of Conduct for NGOs</td>
</tr>
<tr>
<td>1996</td>
<td>National and Sector Certification</td>
</tr>
<tr>
<td>1997</td>
<td>People in Aid Code of Good Practice in the Management and Support of Aid Personnel</td>
</tr>
<tr>
<td>1998</td>
<td>Practical Quality Assurance System for Small Organisations</td>
</tr>
<tr>
<td>1999</td>
<td>Projet Qualite</td>
</tr>
<tr>
<td>2001</td>
<td>Humanitarian Accountability Partnership International</td>
</tr>
<tr>
<td>2005</td>
<td>Project Synerge</td>
</tr>
<tr>
<td>2005</td>
<td>UK Donor Accreditation and Partnership Programme Agreements</td>
</tr>
<tr>
<td>2005</td>
<td>EC Code of Conduct for Non-profit Organisations</td>
</tr>
<tr>
<td>2006</td>
<td>International Advocacy NGO Accountability Charter</td>
</tr>
</tbody>
</table>

18 Ibid, p.5
2.6.7. Professionalizing of NGOs

Mostly NGOs have started their work because an individual or a group of individuals wanted to do something good for the people. Initially they may not be professional in their approach but as they grow they have to demonstrate that they are professional to get recognition and credibility. There is also pressure from different quarters to professionalize the NGO work and improve the accountability system:

**Philanthropists:** International funding agencies and charitable foundations, which used to donate without conditions, are now increasingly setting requirements on how funds may be used. NGOs are under pressure to professionalize and follow transparency and governance standards in order to demonstrate that they can efficiently manage the organisation and programmes.

**Academia:** Academic institutions call for improvement in NGO accountability and governance. Prominent institutions among them are Yale School of Management, the Hauser Centre for Non-Profit Organizations at Harvard, the Centre for the Study of Global Governance at the London School of Economics, the Centre for the Study of Globalization and Regionalization at the University of Warwick, and the One World Trust.

**United Nations:** UN has been actively promoting NGOs and it accredits credible NGOs that have “democratically adopted constitution”, “representative structure” and an “appropriate mechanism of accountability”. The professional

---

NGOs who can demonstrate good governing and management system as well as expertise in select field are recognised by UN.

**Effectiveness:** The effectiveness of NGO has been quite contested by voices from different quarters. The volume of aid is immense and it raises the eyebrows of many and therefore it calls for efficiency and effectiveness. There has been a call to use the measurements and enhancement of NGO effectiveness to be in line with the standards in the private sector such as agreement between boards and managers on the overall mission of the organization, definition of the tools needed to carry out that mission and efficient and timely financial and non financial reporting.

**Decision-making Processes** need to be demonstrated to be both disciplined and professional, and which are documented and reasonably transparent to third parties will be important as well. They will come under increasing pressure to focus on stated missions and defined target audiences and be judged against self-set standards vis-à-vis their boards of trustees, donors, governments and the public at large.

In short, “NGOs are faced with the challenge of ensuring demonstrable effectiveness, professionalization of management and transparency of governance. If successful, funding from public and private sources will increase and the ultimate pursuit of their missions will benefit”\(^{20}\)

\(^{20}\)Ibid, p.2.
“Professionalization” implies that NGOs have a growing number of experts or professionals at their disposal. Indeed, in order for knowledge to have an impact it needs to be dispensed by agents or spokespersons. Knowledge partly derives from the characteristics of these agents. The NGO personnel exercise a profession, which means that they are no longer amateurs. They possess credentials that distinguish them from amateurs. According to J. Boli and G.M. Thomas, there are five sources of authority: i) credentials - diplomas and certificates from schools, states, professional organizations, etc., ii) professional standing and expertise-leaders of professional associations iii) academics or renowned scientists, intellectuals who publish internationally, iv) internationally reputed experts, v) organization and organizational position - beyond their diplomas and their carriers. “NGO members bring their organization, the authority of the structures they come from or are part of, moral and spiritual charisma - a less tangible authority based on charisma and moral fervour and spirituality. The NGO personnel are also considered the new clergies as many NGOs benefit from the huge value associated to the causes they defend and therefore NGO personnel are priests of the international order, mediators between the great common projects of humanity and daily actions”.

---

Discussing on why there is needed to professionalize the NGOs, a report describes that, and they need to possess the expertise to contribute to the international law which become more and more technical. NGOs play very important role in codifying the international laws. Because of their fact-finding capacity, and their legal expertise, NGOs are even considered “para-diplomats”.

Professionalism is also a source of authority because their legal and/or scientific know-how play a strategic role in filing law suits and sharing of knowledge and expertise.

The CSDS working paper describes that the latest improvements to the management of NGO includes the increased use of rational management tools, most centrally the logical framework (tool for project planning and monitoring) or project planning matrix and related monitoring and evaluation systems. There are also shifts away from projects to locally-driven sector wide programming, and calls for improved targeting, strategic interventions, and impact analysis like the logical framework.

---

A study undertaken by Yoshinobu Kumata and Hari Srinivas\(^\text{27}\) looks at the issue of building professionalism in NGOs and outlines some of the key issues involved in building their capacities. One of the key issues involved in building professionalism and capacities in NGOs is to scale up their activities and actions, and enhancing their integration with governmental action and public sector activities. The survey responses indicate a number of barriers in this process of scaling up and integration. Scaling up calls for different kinds of managerial capacities, which will be less personal and informal at the top. Selection and maintenance of staff with requisite attitudes, skills and motivation is essential. Training a sufficiently large cadre of field workers and project officers for participatory projects will ensure that, while the project is implemented effectively, lessons learnt are also recorded for replication. Maintenance of accountability to the people at the grass roots by and emphasis on participatory process also calls for greater professionalism.

The survey further explains how professional competencies are needed in NGOs. Professionalism in NGOs is a process that starts from within the organization, geared towards building credibility, transparency and accountability and ultimately trust with the constituency and partners that they work with. The survey responses highlight three key approaches that NGOs need to take to build professionalism within the organization: i) Publicizing their activities and programmes through a variety of activities for example, press campaigns, information dissemination, media products, as well as non-

formal activities such as street dramas, newsletters, bulletins. NGOs inform the broader community and civil society of their activities and programmes; ii) process building awareness of the issues that they advocate and; iii) interacting with other organizations and groups. NGOs interact with a wide variety of groups through campaigns, community group meetings, forums and workshops, site visits, interviews, etc. that enable them to network and leverage their activities and resources.

Among important professional qualities of the social worker there are "professional competence (wide knowledge in the fields of pedagogy, psychology, law, sociology); kind attitude towards people, their problems and situations; managerial and communicative abilities; moral-ethical level; psychological endurance"[^28] The message is that social work is a mixture of several different professions plus certain features of personality and skills of rational behaviour.

A survey[^29] was conducted to understand BOND (British Overseas NGOs for Development) members' current practice, views, experience, and needs in the area of quality standards. The study did this both by learning about members' current practice as well as considering the wealth of experiences and the various voices. Total respondents to the survey were 69 members, approximately 30% of BOND membership. Salient findings are;

[^28]: Elena, Iarskaia-Smirnova. op.cit, p.6
1. Some kind of quality system (e.g. standards, codes of conduct, organizational or project assessment tools, etc.) exists in 64% of the organisations surveyed to analyze, measure, and improve the quality of their work. The following standards have been used by the surveyed organisations:

a) In the area of financial management the responses pointed both to cases where formal standards are used – mostly the ‘Charities Commission Statement of Recommended Practice (SORP)’ and guidance from such bodies as the ‘Charity Finance Directors Group (CFDG)’. In this area, respondents mentioned quality practices as being “external audits”, “use of comprehensive regular financial reports and auditing”; “quarterly cash-flow monitoring (all staff) and reporting to Board; and internal audit”.

b) The area of projects/service delivery/humanitarian assistance, which scores the highest area where organizations are using methods to address the quality of their work, also shows a balanced combination of formal standards and approaches such as “Sphere”, the “International Red Cross Code of Conduct”, “Synergie Qualite”, “OPAL standards”, “HAP International”, “WHO standards” and collaborative learning efforts such as the inter-agency “Emergency Capacity Building (ECB) Project”, and a wide variety of other approaches that deal with quality of programmes from an ‘impact assessment’ point of view: “Annual impact studies”; “most significant change methodology”; “a standard organisational assessment for proposed project partners; project proposal assessment procedure with input from
independent advisors”, “Participatory Monitoring and Evaluation (PM&E)”; “Action Aid’s Accountability, Learning and Planning System (ALPS)”; “beneficiary surveys and stakeholder consultations” and “Social exclusion analysis”.

c) In human resources management, the systems used are ‘People in Aid Code’, ‘Investors in People’ and less formal approaches such as internal standards and Performance appraisals.

d) In the governance area, the systems used also vary across a spectrum of formal and informal standards and guidance: “PQASSO derivative”; “Charity Commission governance policy guidance”; “self-assessment by Trustees”; “NCVO best practice”; “Synergie Qualite”; “annual board self-evaluation questionnaire” “involving members in the Annual General Meeting”.

2. The present standards and related practices seem to disregard small and medium organizations in their limited capacity to comply with formal standards. These organizations are important for learning from the field experiences.

3. The survey shows that a number of practices to enhance quality aim to do so by promoting the participation of stakeholders\(^{30}\) (especially beneficiaries) in the assessment of the organization’s activities and performance. Stakeholder-led approaches to quality point towards a key aspect of organizational quality.

\(^{30}\) Stakeholder refers to those persons and groups who are directly or indirectly are connected to the development work concerned.
To conclude the discussion on professionalism in NGOs, development workers are by no doubt professionals having professional competencies and abilities to comply with the codes and standards established for NGOs.

2.7. Complexity of NGO Management

There have been quite a number of studies and discussions as to whether NGOs can adopt the same type of management models and styles as their counterparts in the corporate sector. While some argue that, though NGOs operate for non-profit purposes, they have to adapt the advances in management front for efficiency and effectiveness. Some others argue that NGOs operate in an unpredictable environment with multiple organisational types and with often uncertain activities and tasks and therefore need to evolve different management styles and structures.

Anheier\textsuperscript{31} argues that the management of NGOs is often ill understood because many proceed from the wrong assumptions about how these organisations operate. NGO is a conglomerate of multiple organisations with multiple bottom lines that demand a variety of different management approaches and styles. Anheier also highlights the following points as pertinent to the issue of NGO management and stresses that the following aspects make fundamental difference from for-profit organisations.

2.7.1. Bottom line for NGOs

It is assumed that NGOs do not have bottom line based on which to evaluate its efficiency and effectiveness. Peter Drucker suggested that because of a missing bottom line, NGOs would be in greater need for management than for-profit organisations, where performance is often easier to measure and monitor. However in reality NGOs have several bottom-lines such as:

a) The dual management structure of many non-profit organisations, where operating procedures are the province of executive officers, and the overall governance vested in the hands of boards; often the board emphasises the mission of the organisation – and not the financial bottom line alone;

b) The complex motivational structure of staff, volunteers, stakeholders, and beneficiaries and the interplay between service and egotistical goals. Often different expectations and motivations, values and interests held by core constituencies also make NGO management different.

2.7.2. The Law of Non-profit Complexity

NGOs tend to be more complex than business firms of comparable size in terms of its external environment, managing diverse constituencies, stakeholders and multiple revenue sources including donations, fees and charges and its internal structure; board, staff, volunteers, clients and users.

---

33 Helmut, K. Anheier.op, cit, pp.10-11.
2.7.3. Comprehensive Management Approach

A *holistic conception* of organisation emphasises the relationship between the organisation and its environment, the diversity of orientations within and outside the organisation, and the complexity of demands put on it. A *normative dimension* of management includes not only economic aspects, but also the importance of values and the impact of politics. NGOs involve different perceptions and projections of reality as well as different assessments and implications for different constituencies. A *strategic-developmental dimension* sees organisations as an evolving system encountering problems and opportunities that frequently involves fundamental dilemmas for management. An *operative dimension* deals with the everyday functioning of the organisation, such as administration and accounting, personnel and service-delivery.

2.7.4. A Model of Non-profit Organisations

NGOs have multiple orientations and several bottom lines and face external and internal constraints, which calls for different models and styles of NGO management. There are basically two types of organisations: tent and palace.

"A *palace organisation* values predictability over improvisation, dwells on constraints rather than opportunities, borrows solutions rather than inventing them, defends past action rather than devising new ones, favours accounting over goal flexibility, searches for "final" solutions, and discourages contradictions and experiments. For example, many of the larger non-profit service-providers, think-tanks and foundations have
become more palace-like in their organisation. By contrast, a tent organisation places emphasis on creativity, immediacy and initiative, rather than authority, clarity and decisiveness; the organisation emphasises neither harmony nor durability of solutions, and asks, “Why be more consistent than the world around us?” Civic action groups and citizen initiatives, self-help groups among people with disabilities and local non-profit theatres are frequently tent-like organisations.34

The palace type of organisations emphasises on efficiency and permanence; they are output oriented, stress cost minimisation, routinisation and a clear division of labour. By contrast tent type of organisations stress on effectiveness and temporality: they are mission oriented, flexible and case specific command oriented.

2.7.5. Technocratic Culture or Social Culture

Some organisations emphasise functional performance criteria, task achievement, set procedures and operate under the assumption that organisations are problem-solving machines. This is the technocratic view, best illustrated by Taylor’s scientific management. NGOs with people orientation are more like families. The Human Relations School in Management emphasises such approach. For example, NGOs that emphasise normative elements, such as religious or political convictions, are more like families, whereas others, such as hospitals or schools, can become more machine-like. Techno-cultures are frequently characterised by management models like operations research and log frame whereas socio-culture comes close to the

human relation approach in organisational theory, emphasising the importance of informal relations and holistic approach to employee motivation.

2.7.6. Hierarchy or Network

Organisations as hierarchies involve centralised decision-making, top-down approaches to management, low span of control for middle management, and an emphasis on vertical relations among staff. Henry Fayol and Taylor proposed this model for mass industrial production. In contrast, organisations as network emphasise decentralisation and bottom-up approaches in decision-making, and encourage work groups as well as horizontal relations among staff and management. Types of organisations such as cluster organisation, circular organisation are prominent models that treat organisations as networks rather than hierarchies. Hierarchical organisations find their presentation in the model of the classical bureaucracy, whereas networks are akin to management models fostering team organisations and coalition-building.

2.7.7. Outer-directed or Inner-directed

Outer-directed organisations look primarily at other organisations and constituencies; they react to environmental stimuli and take their models and solutions from it. Such organisations adapt to environment changes and seek to control outside influences. By contrast, inner-directed organisations emphasise a more selective view of the environment, focus on their own objectives and world-view. The internal organisation rather than the larger environment become the primary source for solutions and strategies for inner directed
organisations. Business organisations are outer directed organisations whereas NGOs by and large are inner directed organisations.  

2.7.8. Combining Key Elements

The challenge of NGO management is to balance the different, often contradictory elements that are the component parts of NGOs. Management has to locate and position the organisations in the complex divergent models. After the position analysis, NGOs must ask if they are a palace, hierarchical, too technocratic and too outer-directed, tent-like, more organised as networks, with a socio-culture emphasises. In this sense, one can easily see that NGO management becomes more than just cost-cutting and more than just the exercise of financial control. Management becomes concerned with more than just one or two of the numerous bottom lines NGOs have. In other words, management becomes not the controlling but the creative, enabling arm of NGOs.

Edwards Michael et al highlight the following points to describe the difference of NGO management.

1. The processes of external engagement and constituency ‘ownership’ of development are often more important in NGO than tangible outputs or direct ‘products’ of organisational action.

---

2. Organisational boundaries are essentially indeterminate. While control may stop at the organisation’s formal limits, a manager’s span of influence must reach beyond.

3. Performance is a dynamic, organisation-specific, complex and ‘socially constructed’ parameter that embraces contending interpretations depending on who is passing judgement and what power they posses.

4. Values are important. Managers must create and sustain conditions that allow adequate values-achievement among staff and volunteers, both day today and especially when organisational change is required.

5. NGOs are ‘political’, irrespective of what they might say or do, demanding political awareness and sensitivity in decision-making.

6. Civic legitimacy and public trust must be continually invested in and worked for.

7. Resources have a steering effect that must be factored into issues of organisational identity, civic position and rootednes.

2.7. 9. Concrete Challenges of NGO Management

In consideration of the above points that make NGO management different and relatively more complex, the following concrete challenges are outlined by Michael.37

1. Management structures and decision making processes in NGO must reflect the values and mission for which the organisation exists in the society.

37 Ibid, pp.6-9.
2. NGOs have to achieve efficiency, effectiveness, and public support and use them to transform the worlds of economics, politics and social values through the prism of different values.

3. Personal commitment and satisfaction, a shared ideology and a feeling that staffs have a meaningful stake in the mission and direction of the organisation are more important than the material incentives and the conventional command-and-control management hierarchies.

4. Concept of participation and empowerment lie at the heart of the paradigm NGOs promote for social change. Therefore NGOs must pay more explicit attention to diversity, gender equity and other issues of difference, the empowerment of staff so that they can live and work to their full potential, and participatory processes that allow everyone a say in matters that affect them.

5. NGOs have to demonstrate accountability to a wide range of stakeholder groups who may have different information needs, priorities, for the organisation, visions of success and definitions of legitimacy, including their boards of trustees, their donors, partners, staff and external critics.

6. Building alliances, coalitions, across nations and at the grassroots has become a new strategy for NGOs and this has lot of managerial implications.

7. More openness to new ideas and willingness to learn have become essential in the context of new problems, unpredictable change and information technology.

8. Financial sustainability and shifting funding priorities and volatile nature of funding adds pressure on the NGO managers and getting
funds without compromising the mission and values is a great challenge for NGO managers.

The challenges of an NGO manager require “managerial skills of the highest order, tailored specifically to the context and value base of the NGDO world, to the borrowing of second-hand advice from business schools or bureaucracies. The development of an NGO management framework that can sit confidently alongside management and organisational development theories from other sectors remains an important task for the future”.

2.7.10. Measuring Impact and Effectiveness in NGOs

The study undertaken by Herman and Renz focussed on the non profit effectiveness when good management practices are adhered to. The study relied on multiple research methods using a combination of paper surveys and interviews. The study disproves the notion that organisational effectiveness has to be measured in terms of attainment of the goals. The findings are given in a set of propositions or theses. The data collected examined the use of correct management practices, use of widely recommended board practices, judgements of the effectiveness of the boards, judgements of the effectiveness of organisations and organisational characteristics such as age, revenues, strategies to cope with change and others. The following are the major propositions of the study:

1. Non-profit organisational effectiveness is always a matter of comparison, meaning that one always compares an NGO with another to weigh the effectiveness of its programmes.

2. Non-profit organisational effectiveness is multidimensional.

3. Boards of Directors make a difference in the effectiveness of non-profit organisations, but how they do so is not clear.

4. Non-profit organisational effectiveness is a social construction.

5. The more-effective NGOs are more likely to use correct management practices.

6. Claims about better practices for non-profit boards and for the management of NGOs warrant critical evaluation.

7. A measure of NGO effectiveness that emphasises responsiveness may offer a solution to the problem of differing judgements of effectiveness by different stakeholder groups.

The above mentioned study clearly poses up the question that there cannot be one bottom line to assess the effectiveness of the NGOs. Certainly there are multiple variables that determine the effectiveness of the NGOs. Shoichet\(^40\) suggests that NGOs must consider three dimensions of organisational design: planning, productivity and politics as opposed to the standard two dimensions that are normally proposed for business organisations: effectiveness and efficiency. The added political dimension is important because of the added importance of stakeholder relationships to NGOs.

\(^{40}\) Andy, Friedman. *Professionalism and Professional Associations, Management Research Centre*, University of Bristol, For Sociology of the Professions Conference, Oslo, Norway, June 2004.
Another great challenge in NGO management is measuring the impact and effectiveness of the NGOs. It is particularly difficult in relation to 'empowerment process' and qualitative changes. As Drucker[^41] points out, the ultimate objective of 'non-profit' agencies is 'changed human beings'. Apart from certain type of activities such as service provision and economic development, other functions of NGOs do not have agreed performance standards except some quantifiable indicators. It is very difficult to set bottom line and indicators for success based on which the impact can be measured.[^42] Zadek and Gatward[^43] opine that indicators of the quality of organisational performance are very rare with the exception of the 'social audit' and the general lack of satisfactory evaluative mechanisms is a serious drawback when it comes to NGO accountability. Guba and Lincoln[^44] say that as only a few fixed, absolute standards exist, NGO evaluation is inevitably a matter of judgement and interpretation. All these suggest that NGOs work in open systems[^45] and mostly in unpredictable environment without absolute standards and indicators of development, especially in the type of work that involves qualitative impact. Macro socio-economic policies and other forces exert greater influence on the impact of NGO work. Handy[^46] lists at least 60


[^45]: Open systems means that an organization depends on outer environment for both input and output and has dynamic relationship with them.

variables that influence the effectiveness of any organisation. When positive
long-term results are achieved, this is not because of one organisation or
project acting in isolation, but because a whole series of forces and actors come
together to produce. This makes measuring ‘strategic’ accountability in its most
fundamental sense almost impossible – no organisation can be held accountable
for the impact of forces which are beyond its control, although, NGOs can and
should be able to account. Edwards et al further say that insistence on
bureaucratic reporting with heavy reliance on ‘logical frame work’ with short
term quantitative targets and indicators and hierarchical management structures
will distort accountability and learning besides overlooking long term impact.

The study by Riddell and Robinson hypotheses, that NGO
performance is the outcome of a dynamic interaction between external
influences and internal influences. There is likely to be an optimal response to
the opportunities and constraints provided by the external environment.
However, an NGO requires a certain set of organisational characteristics and a
supportive relationship with resource providers for effective interaction and
result. Another research by Fowler et al, argues that the internal
characteristics are equally important in determining outputs and outcomes.
NGOs which lack the capacity to learn are dependent for their survival on

48 Ibid, p.197
49 Logical frame work is a project planning and evaluation tool stressing input-output and outcome factors
50 Riddell, R. and Robinson, M. NGOs and Rural Poverty Alleviation, Clarendon
51 Fowler, A. et al. Participatory Self – Assessment of NGO Capacity, INTRAC,
Oxford, 1996,
donors who demand short-term measurable results, are unlikely to be effective in supporting the longer-term social and institutional changes that sustainable development demands.\textsuperscript{52} Regarding measuring effectiveness of NGOs, Edwards\textsuperscript{53} presents the following points in his study:

1. The measurement of effectiveness must be related to a particular context and life stage of the organization.
2. Rather than seeking universal measures, the needs are to identify appropriate questions reflecting multiple criteria for performance evaluation.
3. The concept of assessment of organisational goals should be replaced with the notion of organisational users – in other words, to recognize the fact that ‘different constituencies use organisations for different purpose’.

Drucker\textsuperscript{54} also comes out with the similar conclusions that:

1. Performance must be determined and interpreted contextually.
2. Questions should form the base of the assessment approach.
3. Standards must derive from the various constituencies that the organisation serves.
4. The process of organizational assessment should be participatory.

Therefore, the review of literature on measuring the performance of the NGOs and their effectiveness both in terms of the organisations and the programmes suggest that there are no absolute standards to evaluate them and more over too many factors both internal and external play important roles in shaping the impact of their programmes.

2.7.11. Organisational Structures

The question of organisational structure for NGO is very much debated and many raise questions about the adaptation of the business type of organisational structure for NGOs. Edwards\textsuperscript{55} says:

\begin{quote}
Hierarchical, centralized, control-oriented structures are inimical to learning; the ‘tunnel vision of the project system’ compresses timescales and discourages experimentation; departmental barriers reinforce a tendency to guard information jealously rather than exchange it freely. Hierarchy and centralization distance decision – makers from the sharp end, so compromising the link between learning and action, and the ability to adapt quickly to a dynamic and uncertain world. They encourage distrust and stagnation because ‘rationality’ in such systems requires that staff compete with each other and disguise their mistakes. In contrast, in flatter and more democratic structures it becomes rational to cooperate”.
\end{quote}

\textsuperscript{55}Michael, Edwards. “Organizational Learning in Non-Governmental Organisations: What have we learned?”, in The Earthscan Reader on NGO Management, op, cit, p.335.
Buchanan-Smith et al\textsuperscript{56} show how the highly decentralized early - warning system in Turkanan (Kenya) enabled decisions to be taken quickly in 1990-1991 because information and lessons learned could be transmitted very quickly into the right response. Therefore, strong feedback system between learning, action and decisions over resources are essential for development projects. NGOs have to be decentralized, organically structured and task-oriented, with flexible units and teams built around pieces of work for which they are jointly accountable. The boundaries between teams need to be pragmatic with flexibility and designed to facilitate cooperation through mutual interdependence.

A study\textsuperscript{57} on the functions of a Resource Based Human Resource Management within NGOs outlines the following observations on NGO management. First, there are differences across sectors, but HRM in NGOs are estimated as less professional. Second, there is a question whether the transmission of best practices from the business area to NGOs can be successful. There are questions about the universal application of the business HRM practices. The real question if these HRM practices can be customised in NGOs. In recent times influenced by more strategic thinking, descriptions of NGOs emerge where HRM is linked strongly with organisational goals. As a result, there is a shift in responsibility from HRM department to the board of executives with regard to the goals of a so called strategic HRM.


The Resource Based View (RBV) consists of two important assumptions. First, employees are seen as valuable resources that are responsible for the survival of an organization. Employees as resources are an investment and not a cost category. Under specific circumstances these resources enable an organisation to gain sustained competitive advantages. Organizations tend to focus on human resource-identification, human resource-evaluation and the transfer of these resources into strategic options. Organizational processes are necessary to combine resources with "capabilities" in order to have future directions of the organisation. Capabilities are seen as intermediate goods generated by the organisation to provide enhanced productivity, as well as strategic flexibility, for its final product or service. The resources and capabilities mutually influence each other for effectiveness.

The combination of human resources on the one hand and organisational capabilities on the other hand are the base for constituting HRM-practices in NGOs. In essence, three concepts seem to be most influential. First, the main focus concentrates on human resource identification and human resource development. Due to different circumstances NGOs have to invest into modes of procurement and training with respect to the betterment of the human resource base. Second, HRM-practices are sometimes misunderstood as an array of well defined tools. Third, some concepts distinguish into a short-term and into a long-term perspective which is interwoven. Mostly there are short-term challenges that have to be served but have to be combined with the long-term enhancement of capabilities.

2.8. Competencies

For the purpose of this study, the following definition was chosen for the word competency: “An underlying characteristic of an employee (i.e., a motive, trait, skill, and aspects of one’s self image, social role, or a body of knowledge which results in effective and/or superior performance”). Competencies may be grouped as follows:

Skills: the demonstration of expertise (e.g., the ability to make effective presentations, or to negotiate successfully);
Knowledge: information accumulated in a particular area of expertise, for example, accounting, human resources management, and project management;
Self-concepts: attitudes, values and self-image;
Traits: a general disposition to behave in certain ways like flexibility; and
Motives: recurrent thoughts driving behaviours (e.g., drive for achievement, affiliation).

While what have been stated above are of general categories, each organisation will tend to define these competencies in their own terms, tailored to their own unique situations. In essence, competencies are a combination of knowledge, skills, and abilities in a particular career field which when acquired, allows a person to perform a task or function at a specifically defined level of proficiency. Competencies can be further broken down into different categories that distinguish different purposes and uses:

---

61 Cited in: Ibid, p.2
62 Ibid, p.7
Essential Competencies serve as the foundation of knowledge and skills needed by everyone. These can be developed through training and are relatively easy to identify.

Differentiating Competencies distinguish superior performance from average performance. These include self-concepts, traits and motives and although hard to develop, can determine long-term success on the job. With a valid competency-development methodology, one can define measure and reward these competencies.

Strategic Competencies include those that are “core” competencies of the organization. These tend to focus on organizational capability and include competencies that create a competitive advantage such as technology, networking, organisational linkages etc.

2.8.1. Need for Competencies

To facilitate change. Competencies based approach shifts focus from rules and role to results. To help facilitate this paradigm shift, a variety of organizations are identifying new competencies. Competencies are being used as a way to refocus the organization on what is really important and what it takes for the workforce to be successful. In addition, competencies provide the mechanism to zero in on the technical aspects of a particular job and devise a critical path through regulations and laws to the results desired by management.

---

To define benchmarks: According to a 1996 American Compensation Association (ACA) study focusing on competency applications in HR, organizations are using competencies to integrate selection, training, appraisal, and compensation. In staffing, competencies are used to select and promote employees. In human resources development, competencies are used to identify and close the gaps in individuals’ capabilities. In performance management, competencies and results are appraised to connect how a job was done to the results achieved. In compensation, pay can be based on the certified skills and competencies used on the job. Competencies will also help their organizations communicate desired behaviours and improve efficiency and control costs.

To support the new role of Human Resources: Competencies as a strategy help to strengthen the link with organizational culture, results, and individual performance; as a tool to help describe work and what is required from employees in jobs in a broader, more comprehensive way; as a method to align individual and team performance with organization, vision, strategies, and the external environment.

2.8.2. Competency Based Approach

Though there have been several attempts to discover the core aspect of leadership, today more and more interest is generated among the researchers to identify the key characteristics and core competencies of successful leaders. “Such competencies are seen as distinct from general skills in that they are considered to be the underlying characteristics found in any individual that lead

---

64 Ibid, p.10.
to, or are causally related to, effective or superior performance.\textsuperscript{65} The competency based approach is the result of the growing interest among organisations as to how to attract talent and how best to identify and recruit a new generation of leaders. It is also helps to run leadership training programmes to identify skills, competencies and capabilities. This also helps organisations to measure, monitor and appraise core competencies.

2.8.3. Competencies and KSAs

Knowledge, Skills and Abilities (KSAs) and competencies are not mutually exclusive, but can complement and build upon each other to reinforce desired behaviours. Such KSAs serve as the foundation for competency models. Competencies can be used to assess and train employees for future needs, while KSAs focus typically on what is needed to do the job today. Additionally, key knowledge, skills and abilities can be clustered to form a set of competencies that determine superior, not just basic, performance. Competencies can then be linked to a set of behaviours that enable one to see good performance. And they can serve as the foundation to hire, train and develop employees and ultimately to set their pay\textsuperscript{66}.

2.8.4. Competency Models

Ulrich\textsuperscript{67} speaks of a new vision for HR, “that it be defined not by what it does, but by what it delivers -- results that enrich the organization’s value to customers, investors (taxpayers), and employees”. HR needs to adopt competencies and redefine roles focused on results in order to evolve into a

\textsuperscript{65} Ibid, p.5
\textsuperscript{66} Ibid, p.12
true profession. The International Personnel Management Association (IPMA) has developed its competency model. The IPMA model includes 22 competencies divided into four major HR roles: HR expert, business partner, change agent and leader. While recognizing the continued importance of the HR expert role, the IPMA model envisions a new HR professional who partners with managers to proactively devise effective solutions to organizational problems, leads and manages change, and serves as a role model to promote leadership, ethics and integrity. The IPMA Competency Model shows the interrelationship among the four roles. The roles are carried out in the context of the work that needs to be accomplished and the organizational environment. Each role is performed separately but is closely related and often requires the same competencies. The HR expert role serves as a foundation for all other roles and competencies. The combination of technical expertise and other competencies results in superior performance. The Emotional Competence Framework is based on the idea that emotional intelligence may be more important than cognitive intelligence as a determinate of outstanding performance at work. The five elements (Self awareness, Motivation, Self-regulation, Empathy, and Social Skills) reflect the way workers handle interpersonal relationships on the job. The framework also provides the corresponding skills that must be learned to achieve emotional competence.\textsuperscript{68}

\textsuperscript{68} Ibid, p.282
Scott Cooper et al\textsuperscript{69} reviewed competency literature which shed some additional light on and addresses some of the issues associated with the validity and quality of Competency Based Human Resource Management (CBHRM) implementation. It outlines the pros and cons of competency use through a discussion of the efficacy of competency models and the advantages and disadvantages of CBHRM. The findings of the paper suggest that CBHRM is most effective when competencies are linked closely to proven strategic planning processes and measurable organisation performance standards.

"Valid and reliable competency-based HRM models can produce a number of positive outcomes. For example, CBHRM models can:

- Directly link individual competencies to organisational strategies and goals.
- Develop competencies profiles for specific positions or roles, matching the correct individuals to task sets and responsibilities.
- Enable continual monitoring and refinement of competency profiles
- Facilitate employee selection, evaluation, training and development
- Assist employers in hiring individuals with rare or unique competencies that are difficult and costly to develop
- Assist organisation in ranking competencies for compensation and performance management."\textsuperscript{70}


\textsuperscript{70} Ibid. p.7
A study was conducted to examine perceptions of Ohio State University Extension county chairs regarding their human resource management competencies and performance of human resource management activities and the relationship between them. The highest human resource management competencies perceived by county chairs were written comprehension, oral comprehension, written expression, information gathering, inductive reasoning, and problem sensitivity. The human resource management activities for which county chairs indicated the highest means were: developing and maintaining positive work environment, administering wages and benefits, ensuring safety and health at worksites, and selecting and hiring employees.

Competencies need to be expressed in performance and more specifically behaviour anchors or behaviour indicators. Such anchors typically include scales which measure the varying degrees of a given competency that an employee is required to display. Behavioural anchors need to describe observable and specific behaviours that leave no room for interpretation or assumptions. These behaviours can be measured to determine whether or not an employee meets a defined competency. A performance management system can be developed to link these behaviours to results so that it is easy to identify if these behaviours are exhibited.

---

71 James, R. Linder. “Competency Assessment and Human Resource Management Performance of County Extension Chairs, A&M University, Texas, p.1 from pubs.aged.tamil.edu/jae/toc42.html

72 Looking To The Future: Human Resources Competencies, A comprehensive study of the Federal Human Resources Community, op.cit,p.12
Research indicates that competencies are more likely to be determinants of success in complex jobs than knowledge and skills.\textsuperscript{73} Almost 300 competency models developed over 20 years show that in higher-level technical, professional and managerial occupations, the competencies that most often determined success were motivation, interpersonal influence and political skills. Another study showed that highly developed competencies in customer service, influencing others, and leveraging technical information led to high performance among computer specialists, not ability in logic, math and programming as might be expected.\textsuperscript{74} The competencies appear to help capture and recognize the successful attributes of a job, making invisible success factors visible, and building consensus on what is really important to get the job done.\textsuperscript{75}

2.8.6. Competencies for NGO Personnel

Competency framework will certainly help NGOs in strategic and long term management with more focus on personnel and investment in human resource development. Though much more specific studies need to be taken up in the field of NGO competencies, an overview of available research and resources on the topic is given here. British Association of Social Workers\textsuperscript{76} in its code of ethics outlines proficiency in social work practice as an essential value and details the values of proficiency of a social worker as follows;

\begin{itemize}
\item \textsuperscript{74} Cofsky, Kathryn, M. “Critical Keys to Competency-Based Pay”, \textit{Compensation & Benefits Review}, 1993, pp. 46-52.
\item \textsuperscript{75} Looking To The Future: Human Resources Competencies, \textit{A comprehensive study of the Federal Human Resources Community}, op, cit, p.14.
\item \textsuperscript{76} Code of Ethics for Social Work, British Association of Social Workers, in www.basw.co.uk/printpage.php?articleId=2 p.5
\end{itemize}
Social Workers have a duty to

a. Identify, develop, use and disseminate knowledge, theory and skill for social work practices;

b. Maintain and expand their competence in order to provide quality service and accountable practice, appraising new approaches and methodologies in order to extend their expertise;

c. Use available supervision or consultation and engage in continuous professional development, taking active steps where necessary to secure appropriate supervision;

d. Reflect on the nature and source of social problems and on ways of addressing them;

e. Facilitate and contribute to evaluation and research;

f. Contribute to the education and training of colleagues and students, sharing knowledge and practise wisdom;

g. Contribute to the development and implementation of human welfare policies and programmes;

h. Contribute to promoting culturally appropriate practice and culturally sensitive services;

i. Recognise the limits of their competence and advise employers and service users when referral to a more appropriate professional is indicated;

j. Provide service users with information about the benefits and implications of multi-professional working and about their rights in relation to the sharing of information, and subject to their consent, work to promote their wellbeing by sharing responsibility with other relevant professionals;
k. Take appropriate action if ill-health or any other factor is likely to interfere with their professional judgement or performance of duty.

Fowler \textsuperscript{77} illustrates the following types of NGO staff and details the descriptions about their role which gives an idea about their competencies:

- \textit{Change agent}: Community development worker, community organizer, extension officer.
- \textit{Technical Specialist}: Sector specialist, technical officer, communications/information officer, fund-raiser; HRM, HRD staff.
- \textit{Administrative/support staff}: accounting, purchasing, transport, audit, documentation.
- \textit{First-line manager}: field supervisor, field coordinator.
- \textit{Middle manager}: Branch manager, zone manager, area manager.
- \textit{Senior managers}: Chief executive, executive director, programme, finance, research, marketing directors. The task of senior manager is to work directly with the primary stakeholders as catalyst, facilitator, information source and adviser. They provide technical support to change agents, learning from field operations; problem-solver, trouble shooter; technical liaison to similar people in other agencies; lobby and advocacy work in area of expertise. They also provide non-programme/project services to change agents, specialist staff and all management levels: provide direct functional support and guidance to the work of change agents, dealing with daily problems: carry direct responsibility and authority for staff and costs in all programme.

operations and performance: carry authority and responsibility for strategy, performance and learning in programmes and across the organisation as a whole, with accountability to the governing body.

The report\(^78\) of a discussion among NGOs in New York on professionalism throws some ideas on NGO professionalism. The meeting underscored the gains in recent years in professionalism of NGOs. It identifies topical, contextual, and managerial expertise as major components of professionalism. Professionalism has five basic aspects for NGOs: Increased attention to the issues of agency structure and management, enhanced technical expertise, greater attentiveness to the local context, stricter adherence to emerging standards of conduct and greater clarity and coherence of missions. In short, the following aspects are important for ‘professionalising’ the NGOs; rationalisation of internal organisational structure and mechanisms, managerial procedures, human resource planning, information systems, working out career pathways, accountability structures, managerial training, technical expertise in areas such as micro-credit, conflict management, skills of broad relevance such as poverty analysis, core competencies through academic training and possession of soft skills, knowledge about socio-cultural, economic, political and demographic factors, context specific planning, programming and implementation, universally applicable knowledge such as international human rights law, and promoting diversity.

The meeting also made the following observations: agencies engage in responding to humanitarian crises are organisations similar to those in the

corporate world. NGOs are concerned with minimising overhead costs, be entrepreneurial and delivery the best product; NGO professionalism does not place a premium on studies detachment. NGO professionals are involved in protecting the vulnerable and empowering the powerless. They are passionate professionals who are prepared to harness their technical expertise to a zeal for justice.

A study conducted by SEARCH\textsuperscript{79} sought to analyse the internal management systems and competencies in the NGO sector in the Asian development context and trends in the sector. The study was based on 50 organisations selected from India and Bangladesh by using multi-stage stratified random sampling consisting of all the organisations which underwent training in SEARCH. The study highlights the problems at the management level:

a) Emergence of clean organisational structure, with sectoral division of labour and geographical decentralization in decision making,

b) Evolution of bottom up planning system combined with a process of consolidation at the higher levels,

c) Formalisation of management-labour relations and working conditions of staff,

d) The gradual development of an intervention cycle that permits the programmed shift of staff from one region to another, promoting the autonomy of beneficiaries and enabling the NGO to increase its outreach over time without having to continue growing,

e) The elaboration of Programming, Monitoring and Evaluation System (PMES) to balance a high level of decentralization with the maintenance of a sufficient degree of centralized control.

While discussing about the NGO management competencies Stephen enlists the following list of capabilities.80

a) **Building up of resources and their management. (financial management and human resource management)**

b) Managing the implementing structures within the organisation. (Management Information System)

c) Managing the activities of the organisation. (Micro planning)

d) Monitoring the activities and planning for the future. (Planning, Monitoring and Evaluation systems)

e) Strategic Management dealing with civil society actors and the state including the assessing of the opportunities in the environment and the strength and weaknesses of the organisations in using the opportunities.

He further states that different types of strategic competencies are required for an NGO.81

a) A marketing strategy that integrates the constituents and the mission.

b) Strategies to improve all the time and to innovate.

c) Strategy to build its own donor base and develop a donor constituency.

d) Strategy to train the people not on attitude but on behaviour. (it includes staff, volunteers and constituent groups)

---

80 Ibid, p.8
81 Ibid, pp. 34-35
e) Strategy to abandon what no longer works, what no longer contributes and what no longer serves.

2.8.7. Managerial Competency Needs

According to Stephen\textsuperscript{82}, the organisational development and sectoral strengthening, bank on two broader categories of needs viz., generic needs and thematic specific needs.

Generic needs include;

- Perspective, vision, mission and goals
- Strategies
- Leadership, human resource development and structures
- Operational management
- Boundary management with government, aid agencies, etc.
- Organisational learning, values and culture etc.,

Thematic specific needs includes

- Livelihood and micro enterprises
- Environment
- Others

2.8.8. NGO Leadership Competencies

CIVICUS, an international alliance of civil society organisations sees the lack of NGO leadership talent as a matter of concern. The reason for this has been the rapid turnover of senior staff and the difficulty in replacing them.

\textsuperscript{82} Ibid, p.37
NGOs need to do more to recruit and retain effective leaders. Stephen\textsuperscript{83} stresses the following aspects of NGO leadership competencies;

a) Organisational mission and strategy  

b) Structure and systems  

c) Relationship between members  

d) Impact of the organisation on the larger environment.

The praxis paper of the international NGO training and research centre (INTRAC)\textsuperscript{85} reviews the literature on NGO leadership development and concludes that the managerial challenges of NGOs are demanding, challenging and distinct from those faced by governments or the business sector. NGO leaders often face extraordinary challenges — both at a personal and organisational level. They work long hours with limited resources in uncertain and volatile political and economic circumstances to help the most marginalised and disadvantaged members of their communities. It draws on the analysis of recent research into the characteristics of NGO leaders, and explores the challenges of designing leadership development programmes appropriate to the needs of NGOs. It identifies the elements of successful leadership development, and assesses the skills or competencies that need to be developed. The complex managerial challenges they face have been documented in a small, but growing, body of research.\textsuperscript{86}

\textsuperscript{83} Connecting Civil Society Worldwide, Newsletter No.275, CIVICUS, Johannesburg, August, 2002 from www.civicus.org/new/media/03Feb2002.doc  
\textsuperscript{84} Stephen, F. and Rajasekaran, N. op, cit, p.33.  
2.8.8.1. Perspectives on Leadership

Leadership is defined as the capacity to lead. In a recent review of leadership theory Northouse identifies four characteristics of definitions of leadership: 1) leadership is a process; 2) leadership involves influence; 3) leadership occurs in a group context; 4) leadership involves the attainment of goals. Therefore leadership can be defined as ‘a process whereby an individual influences a group or individuals to achieve a common goal’. There are different definitions emphasising a particular aspect with varying meaning and perceptions of leadership.

The praxis paper sited above outlines four different types of NGO leaders:
1) Paternalistic; 2) Activist; 3) Managerialist; and 4) Catalytic.

1. “Paternalistic leaders typically demonstrate a patriarchal or matriarchal style of leadership. Their approach is often built on established personal or kinship relationships. They can inspire great loyalty, and have strong, close, possibly even a familial relationship with staff and volunteers. But to outsiders they can appear autocratic, reliant on hierarchical ways of working or top-down organisational structures, and overly-dependent on traditional relationship which may not be sustainable in the long run.

---

2. Activist leaders are actively engaged in advocacy and lobbying work. They are highly motivated, often charismatic, and typically focused on a single issue. They have the ability to channel the anger or concerns of local communities and solidarity groups to achieve political imperatives. In practice they energise and inspire ‘followers’ with clearly articulated messages – sometimes at the expense of dealing with more mundane managerial or organisational issues.

3. Managerialist leaders are rated for their managerial and administrative abilities. They typically demonstrate an instrumental ability to manage organisations, and can effectively establish reliable systems and appropriate structures, as well as manage a diverse workforce with established roles and responsibilities. While they may not be comfortable with change or coping with diverse partners and external stakeholders, they demonstrate a ‘professional’ approach to development, have a track record in raising funds, meeting deadlines and undertaking commissions as a ‘contractor’.

4. Catalytic leaders typically act as strategic catalysts within the NGO context, and have the ability to promote and implement change. They demonstrate a wider world-view, and the capacity to take a longer-term strategic view while balancing tough decisions about strategic priorities with organisational values and identity. Their success as change agents depends on their ability to delegate work to talented colleagues, so freeing time to engage actively with external stakeholders and partners, build coalitions and strategic alliances, and be involved in a variety of networks. The value of such a typology is
that it goes beyond simple definitions and gives an insight into the variety of different leadership styles around".  

Each type of leadership mentioned above will be successful in a particular context and often a single NGO leader will play all these leadership styles at different times.

2.8.8.2. Leadership and Management

Often leadership and management are used interchangeably in NGOs. Leaders give strategic direction to the organisation and inspire the people, encourage new learning and initiate change while managers are concerned with day to day challenges of an organisation. Leadership and strategic positioning of an organisation is the province of the Board, while managing the organisation with targets and standards is the province of the managerial team. In reality, these two roles are often mixed up especially in small and medium NGOs. These roles are played by the same people in small NGOs. Though strategic leadership is the responsibility of the Board and top management, leadership skills are needed at the departmental and team level. Middle managers are commonly team or project leaders, and, as such, are crucial to the successful implementation of new strategies.

2.8.8.3. Leadership Traits, Styles and Competencies

What makes someone a great leader has been much discussed. Researchers assumed that it would be possible to identify and isolate a

---

88 Hailey, John. op,cit, pp.2-3.
definitive list of leadership traits. A review of the research on leadership traits suggests that leaders score higher in such areas as ability (intelligence, relevant knowledge, verbal facility), sociability (participation, co-cooperativeness, popularity), and motivation (initiative and persistence). But this over emphasis on traits overlooked the influence of external and internal environment. Therefore, in 1970s there was a focus on the styles of leadership rather than traits.

In the 1980s the focus was on transformational leaders who enable ordinary people to achieve extraordinary results. Later this approach was seen as extension of trait based approach and not suitable for a new skill set based around networking, negotiation, delegation and team building. This reaction is reflected in recent research that endorses the value of ‘quieter’, humbler, less charismatic leaders who are keen to be seen to be part of a broader management team and actively encourage others in a tone of thoughtfulness and humility to succeed.

2.8.8.4. Managing Subordinates and Team Building

The power of individual needs to be accepted and recognised by the colleagues, and subordinates who can play a crucial role in reinforcing the power of individual leaders, influencing their behaviour, and helping construct internal systems and structures that act to enhance the status of those they see

---

90 Hailey, John. op.cit, p.4.
playing a leadership role\textsuperscript{93}. A successful leader depends greatly on the resources, energy, expertise and knowledge of the subordinates whose cooperation is inevitable for the leadership. Therefore, appreciation of such influential role of the followers is important. This also leads to the concept of 'distributed leadership' in which there is a shared sense of purpose and ownership of issues at all levels of the organisation. Therefore leadership is a collective task based on shared decision making and delegated authority.

2.8.8.5. NGO Leaders and the Environment

The praxis paper cited above also focuses on the evolving role of NGO leaders and the environment in which they work impacts on this role. It draws on research from a variety of sources, and sees leadership in the particular cultures and contexts in which NGOs operate. What is clear from this research is that not only do individual leaders play a central role in shaping the destiny of many NGOs, but that their role and effectiveness is in part determined by the environment in which they work.\textsuperscript{94}

Clearly leadership styles are contingent on the context in which they are applied. But they also depend on the ability of the individual's skills and judgement to know what style to adopt and when to adapt their style to suit the circumstances. This influence of culture and context on leadership styles is highlighted in the recent research into NGO leadership in South Asia.\textsuperscript{95} The

\begin{thebibliography}{99}
\bibitem{93} Howel, J. and Shamir, B. “The Role of Followers in the Charismatic Leadership Process”, \textit{Academy of Management Review}, 30 (1), 2005, pp.96-112.
\bibitem{94} Hailey, John. op, cit, p.8.
\end{thebibliography}
conclusions are supported by the findings of researchers analysing the characteristics of leadership styles of African managers generally.

Any understanding of the role and performance of NGO leaders must incorporate the environment in which they work. Recent research into NGO leaders in Kenya, Malawi and Uganda\(^\text{96}\) highlights the way in which they operate simultaneously in three different worlds – the global aid world, the urban context in which they live and work, and the rural village setting where many of their extended family still live. This research reveals how NGO leaders have to adapt to new leadership roles, the stresses arising from pressure of work, and the demands of organisational crises – commonly around financial shortfalls, internal conflicts or tensions between the staff and the Board.

As NGOs are part of the civil society, NGO leadership has to be seen in the wider socio political environment. Often the ruling class and their state system sees NGOs as a threat and NGO leaders also are subjected to the influence of caste, class, religion and culture. The influence of culture on management strategies and styles is seriously debated.\(^\text{97}\) However, the research conducted in Uganda suggests that NGO leaders adapt to the cultural pressures which result in playing a paternalistic role. However it detracts from their ability to make hard decisions or play a more ‘professional’ managerial role.\(^\text{98}\)

While the paternalistic founder-leaders demonstrate drive and commitment, and a remarkable ability to mobilise people and resources, they are criticised

for dominating organisations, being unaccountable, and failing to adapt to changing circumstances.

Chambers\textsuperscript{99} suggests that many NGO leaders achieve things through their ‘guts, vision and commitment’, but the way they use power is a ‘disability’ that jeopardises organisational effectiveness. He argues such charismatic leaders are ‘vulnerable to acquiescence, deference, flattery and placation’. They are not easily contradicted or corrected. As a result, they actively sabotage promising initiatives that may threaten their power base, relationships or position of patronage.

\textbf{2.8.8.6. Leadership and Participation}

Leadership is more about relationship than individuals. It is a dynamic process of mutual influence between leaders and followers. A noteworthy finding of the recent research among NGO leaders in Uganda has been the way in which leaders have embraced a more participatory leadership style. Traditionally dominant leaders are increasingly sharing decision-making with their staff and encouraging a more participatory culture in their organisations.\textsuperscript{100} One of the paradoxical issues that research has uncovered concerns the way in which successful NGO leaders manage the tensions inherent in being strong individual leaders while still appearing to be highly participative and collegial in the way they manage. Many NGOs in the south espouse collective decision-making and participatory management, yet have clear hierarchies and accept strong leadership.

\textsuperscript{100} James, et al. op,cit, pp 5-6.
2.8.9. Leadership Competencies and Characteristics

A research\textsuperscript{101} in the UK sponsored by ACEVO, which represents and supports the leaders of non-profit organisations in Britain, points out that NGO leaders exhibit an unusually broad range of competencies compared to leaders in the public and private sectors. They need a rare balance of management skills and influencing skills, with exceptional communication and networking skills, as well as resilience and emotional attachment. Many international NGOs have created assessment tools that try to capture both hard skills and some of these softer, more intangible, attributes. For example, the International Federation of the Red Cross introduced an ‘Effective Leadership Inventory’ of over seventy questions both to elicit and to reinforce the leadership qualities the Federation believes its leaders will need to demonstrate in order to ensure the continued success of the organisation. Similarly, Save the Children Alliance has established a set of Leadership Standards that apply to all levels of the organisation, independent of function or country.

An exploratory research\textsuperscript{102} was taken up with the main objective of identifying the status of governance and leadership in NGOs operating in the reproductive health sector in sub-Saharan Africa. The study underlined following observations. Various governing bodies, including executive and advisory boards, exist with varied effectiveness. Some function without clear and distinct roles and responsibilities, and do not have complete independence from management processes. Thus, there is need to focus on understanding the

roles of boards; dealing with potential conflicts between founder members and younger professionals; Code of Conduct for boards; leadership development; sustainability; and appropriate management models.

There is an inherent weakness in the formation of the NGOs whose management often centres around one individual. In organisations whose activities are more widespread within the country, there is a lack of decentralisation with most decisions being taken by the chairperson who is also often the founder of the NGO. In terms of leadership, NGOs are run by chief executives who are largely self-made around their respective visions. Again, the genesis of the NGOs determines the leadership. Those that were started by individuals, or a few individuals, have the initiator as the chief executive. NGOs formed by groups of people, normally have their chief executives professionally recruited on merit through advertisements.

Most of the NGOs have put in place planning systems ranging from annual operational plans and budgets to three-to-five year strategic plans that include articulation of the mission, an analysis of the Strengths, Weaknesses, Opportunities and Threats (SWOT), strategic priorities, programme and non-programme strategies and resource requirements.

Most NGOs also lack baseline data on which to base their decisions. NGOs interviewed across regions do not have adequate management structures and processes, although the need for the same has been recognised. The general complaint across the regions was that a significant number of NGOs had management practices that were too bureaucratic and used models from the
public sector, or management was the responsibility of one person, most likely the founder-member, and often lacked transparency.

Most NGOs have internal communication and consultation systems in place such as regular staff meetings and progress reviews. The degree of internal democracy, however, varies from genuine consultations to a fairly dictatorial style of management by a chief executive or the founder member. Although NGOs have invested in staff development, training interventions are haphazard, depending mostly on the availability of donor funding. There is a shortage of management skills, particularly in some countries in Central Africa, West Africa and in Tanzania. A significant number of NGOs cannot afford to employ experienced managers due to shortage and uncertainty of funding.

The relevance of management systems and practices remains a challenge. In their desire to institutionalise, many NGOs have incorporated management systems and practices from public and private sector organisations. Elaborate job descriptions, performance appraisal systems and bulky operational manual are in place with many NGOs. Some organisations had weak management information systems and this meant that managers often did not receive the type of information they needed, or it arrived late or in a format that was not easy to interpret.

A research in South Asia highlighted the distinct character and leadership style common to the leaders of large NGOs in Bangladesh, India and Pakistan.\(^{103}\) This research emphasised the crucial role of individual leaders in the development and growth of these organisations. The leaders studied had a

\(^{103}\) Smillie, I and Hailey, J. op. cit, p.10.
highly personalised and distinctive leadership style. They appeared pragmatic, rational and inspirational. They also demonstrated a striking ability to balance competing demands on their time and energy with their own values and ambitions. They appeared both managerial and value-driven. They had clear and ambitious development aspirations, as well as an ability to understand and work with what resources they had and the volatile environment in which they found themselves.

A recent study of NGO leaders in Sub-Saharan Africa\footnote{James, R. op.cit.p.8} identified similar characteristics, notably the ability to balance the demands of different stakeholders – including donors, local communities, and their extended family – a determination to lead, and a willingness to embrace change. These leaders, the study observes, also demonstrated a natural aptitude for managing people.

Druskat\footnote{Druskat,V.U. "Gender and Leadership Style, Transformational and Transcational Leadership in the Roman Catholic Church", \textit{Leadership Quarterly}, 5(2), pp. 99-119.} found that female subordinates rated female leaders as displaying significantly more transformational behaviour and significantly less transactional behaviour than male leaders who were rated by male subordinates. In a study (sample consisting of 97 % women) Bycio et al\footnote{Bycio, P. Hackett, R.D. & Allen, J.S. “Further Assessments of Bass’s (1985)Conceptualization of Transactional and Transformational Leadership”, \textit{Journal of Applied Psychology}, 80, (4), 1995. pp468-478.} discovered similar patterns and magnitudes of relationships for transformational leaderships and its outcomes vis-à-vis transactional leadership and its outcomes. Bass et al\footnote{Hailey, John. \textit{NGO Leadership Development}, Praxis Paper 10, INTRAC, July, 2006, p.12.} found that female leaders were rated by both
female and male subordinates as displaying transformational leadership behaviour more frequently than male leaders. Yammarino\textsuperscript{108} showed that female leaders form unique one-to-one interpersonal relationships with their male and female subordinates. A key implication for most leadership theories is that female leaders appear to form, operate and maintain relationships with subordinates on a dyadic basic.

Gerald\textsuperscript{109} stated that opportunities for individuals to shape organizational culture are increased by the fact that certain personality types tend to cluster into disciplines and fields of employment. For example, a disproportionate number of extroverts are found in the fields of marketing, public relations and acting; while a disproportionate number of introverts are found in the fields of engineering, library work, and computer programming. Similarly, a disproportionate number of police, detectives are sensing types while disproportionate number of writers, social scientists and research assistants are intuitive types.

Dilip Khankhoje et al\textsuperscript{110} conducted study on the impact of the different styles of Women NGO leaders on the competencies of the subordinates. The objectives of the research were to investigate the leadership style at the top in

\textsuperscript{109} Gerald, L. B., \textit{Individual Personality and Organizational Culture or Let's Change This Place So I Feel More Comfortable}. The Pennsylvania State University, Pennsylvania, 1998.
NGO sector and measure the competency level of the followers and see if a particular style of leadership has profound impact on the followers’ behaviour competencies. It also examined desired or required personality profile for the Indian NGO with the help of Myer Briggs type indicator (MBTI). The study used Bass, Multifactor Leadership Questionnaire (MLQ). MLQ measures two leadership styles i.e. transformational and transactional leadership. This instrument was given to all the employees except the CEO. The employees rated their CEO on both the leadership styles. Managerial competency questionnaire was also given which measures conceptual thinking, customer service orientation, information seeking, strategic orientation, planning & organizing, achievement orientation, developing others, directiveness, impact and influence, interpersonal understanding, organizational awareness, team leadership, managing risk. NGOs are required to perform a variety of functions at different levels. Effective delineation of these functions is directly related to their leadership qualities needed vis-à-vis the competencies possessed by them. Leaders make a difference to organization and its performance. Their style of functioning determines the impact on their own and subordinates’ effectiveness.

Transformational leadership among women leaders of NGOs brings under sharp focus their desire to 'build' rather than 'win'; a greater willingness to explore collaboration as also promote participative style of working. Charismatic leadership, individual consideration, intellectual stimulation could be described as the main features of such participative style. They are able to develop high level of self-awareness, motivation, empathy and social skills as competencies among the employees/workers of the NGOs. The research concluded by stating that transformational leaders as compared to transactional
leaders have greater influence on the performance and competencies of their employees and this style of leadership is essential for NGOs. The study recommends promotion of transformational type of leadership in the NGO sector, particularly in the developing nations.

2.9. Need for Professional Training

The study "Enhancing effectiveness of Indian NGOs in the context of the 1990s: organisation development and sectoral strengthening strategies" carried out by Ranjani K. Murthi and Mallika Singh highlights the training, organisation development and sectoral strengthening needs as perceived by the grass-roots NGOs themselves. It builds upon the areas for strengthening in the realm of perspectives and strategies identified as well as focus on internal issues like leadership, human resource development, structures, operational management, organisational learning and values. As part of the study 76 representatives from grass-roots, support, funding and network NGOs, research and academic institutions, bi-lateral and multi-lateral aid agencies, quasi governmental organisations, and consultations/organisations associated with corporate as well as NGO sector were met. The study identified the following generic needs: perspective, vision, mission and goals; strategies; Leadership, HRD and structures; operational development; boundary management with government and aid agencies, organisational learning, values culture etc. and thematic specific needs such as livelihoods and micro enterprises.

A study\textsuperscript{112} was undertaken by Council of Social Service of New South Wales to identify the training needs of both paid managers and board members in relation to their respective roles in managing NGOs. The central research instrument for the project was a customised package of competency standards for the management and governance of NGOs. These standards were integrated into a questionnaire sent to NGOs funded by a particular donor. Both managers and committee member self-assessed their training needs in relation to the competency standards. The competency standards are divided into six unit areas including Human Resource Management, Planning/Evaluation, Policy Development/Systems, Accountability, Leadership/Promotion, and Organisational Development. It details the findings of the research in the primary areas of training needs, training issues and management support. Three key components of capacity building for NGOs are professional development, the strengthening of organisational infrastructure and effective partnerships. The research process for this project was designed to accommodate and acknowledge the specific training needs of both managers and committee members within an organisational context. The training needs that exist for both managers and committee members are multiple and complex and will need to be met in a customised and flexible manner. The area of highest need for managers is Human Resource Management and for committee members, Planning and Evaluation. The degree of need indicated for committee members is consistently much higher than that indicated for managers.

\textsuperscript{112}Council of Social Service of New South Wales, November 2000, from www.ncoss.org.au
Competency levels vary significantly for both groups according to the income base of the NGOs. NGOs with a smaller income base were more likely to indicate that they 'required training' than those NGOs with larger income bases. Consequently smaller NGOs have specific training needs and committee members of these organisations have particularly high needs in the identified competencies. The majority of respondents, both managers and committee members, described their current level of training as inadequate. Multiple and interrelated barriers to training exist for both groups. Many of these relate to inadequate resources. The lack of relevant training and accessibility for NGOs in rural areas are also significant impediments. Lack of adequate funding is the overriding difficulty for NGOs. This factor combined with the increasing complexity of managing NGOs, can adversely affect the recruitment of committee members.

Chambers states that personal learning and development should be high on the agenda for all development professionals, with scope for evolution and change in beliefs, behaviour and attitude. In the development work, several elements have proved to be powerful learning processes and he suggests an agenda for experiential learning and change.

---

113 Chambers lists a few elements like a) living and sleeping in villages; b) taking the role of novice in learning and performing village tasks; c) watching video feedback of personal behaviour; d) facilitating and observing group visual synergy; e) sharing food and f) undertaking personal and group reflection, quoted in: Stephen, F. and Rajasekaran, N. "NGO Management Training - Principles, Management practices among NGOs in India and Bangladesh", A SEARCH Publication, Bangalore, 2002, P.43.
1. New policy and practice in agencies: This refers to providing field learning experiences for themselves and their lowers and setting aside time for these activities.

2. Multiplying, supporting and releasing good trainer-facilitators.

3. Organisations for learning experience: New organizations or changes in existing organizations are needed to provide interactive learning environments and experiences.

4. New approaches and methods, scaling up require innovations, development adoption, sharing and spread of effective approaches and methods for behaviour and attitude change.\(^{114}\)

Competencies could be acquired through action-reflection-learning process.\(^{115}\) A wholesome development of oppressed people necessitates participatory training to develop skills for behaviour, and in turn attitudinal change improves the quality of life of the reference group. The preliminary training of the core group, which constitutes the cadre of local activists, should focus on critical awareness building process starting from a deep analysis of the basic needs of the community. The training would provide them a vision of development, clear ideology and understanding of an effective approach to be adopted in the development of their community. It should also give them the requisite skill of group discussion and working in collaboration with others, who build a strong team spirit.

\(^{114}\) Stephen, F. and Rajasekaran, N. op,cit, p.42.

\(^{115}\) Ibid, p.43
The important specialization programmes are planning, monitoring and evaluation systems, financial management system and strategic management. These trainings tend to have relevance according to the role and position of staff in different sectors in an organization. Thus the training needs and principles differ from organisation to organisation and staff to staff depending on the size of the organisation and role of the staff respectively.\textsuperscript{116}

2.9.1. Organisational Learning

The praxis paper\textsuperscript{117} provides a summary of current thinking on organisational learning and knowledge management of NGOs drawing on examples gathered from interviews and from an extensive review of literature. The paper explores why learning is important for NGO effectiveness and organisational health. The reasons for the importance of learning in NGOs are: 1) the nature of development itself; 2) increasing organisational effectiveness; 3) developing organisational capacity; 4) the need for NGOs to make the best use of their limited resources; 5) strengthening partnerships; 6) the contribution that learning can make to organisational health. The paper further states that, organisational learning is important for effective monitoring and evaluation mechanism, and creating organisational health. Learning has to be seen as an integral part of each individual's work responsibilities. Learning in NGO has to be encouraged and supported; be given adequate resources and learning has to be rewarded. All internal barriers to learning within the organisation must be overcome. The paper also sees the development practitioners as reflective individuals who need to have the following competencies;

\begin{itemize}
  \item \textsuperscript{116} Ibid, p.45
\end{itemize}
Knowledge about how people learn and what they can do to be more open to formal and informal learning opportunities.

Understanding their role and how it fits into the wider organisation.

Good inter-personal communication skills such as active listening, sensitivity to others needs and culture. Using different levels of thinking to move up the knowledge hierarchy.

Ability to work in teams and take different roles in the team as required.

Humility to recognise the need to look others for answers to questions.

Networking and relationship building.

Basic facilitation skills to help colleagues to use their time together effectively.

The SPHERE project has developed a competence framework for NGO personnel. One can use the ‘A to E’ framework for developing individual competence;

A) Aware (I know what this is)
B) Basic (I can do this with support)
C) Competent (I can do this well in my own job)
D) Distinguished (Others look to me for input on this)
E) Expert (I write/speak on this externally)

2.9.2. Learning and Knowledge Management in NGOs

As the works of the NGOs very much depend on the changing socio-economic-policy environment, learning is vital. It is also important to learn from the field experiences, devise strategies accordingly and inform its various

118 www.sphereproject.org
stakeholders and funders. Edwards^119 highlights that NGOs often confuse information (the raw material that enters the learning system), knowledge (systematizing information by filtering, testing, comparing, analysing and generalizing) and wisdom (the ability to utilize knowledge and experience in action). For NGOs especially, wisdom is most important because learning that is not utilized effectively in practice is of little value^120. Edwards aptly highlights the need for learning in NGOs.

“It is, perhaps, a truism that only people learn, not institutions. Organizational systems and structures can help or hinder, but the bottom line concerns individuals. This is particularly important for NGOs to recognize because by and large NGOs are populated by people who have strong beliefs, values and commitments to the work they are doing. They may be driven, therefore, more by what they believe in than what they learn; or they may confuse the two, given that beliefs often stem from knowledge derived many years ago during formal education and training. NGOs need to differentiate between things that they learn (implying some sort of rigorous methodology and analysis), things that they believe they have learned (without such rigour), and things they believe in regardless of learning (their basic values and principles)”.^121


^121 Edwards, M. Organisational Learning in Non-Governmental Organisations: What Have We Learned? The Earthscan Reader on NGO Management, op,cit, p.334.
Organisational memory that is how knowledge is retained for future use is important and is found to be tough in NGOs. Their information systems, particularly those in programme departments are difficult to access and are often fragmented. In 1990s NGOs turned to another evolving professional field in the corporate world—knowledge management—for ideas about how best to organise and manage their information and recover collective memory. Knowledge management is concerned with acquiring, distilling, sharing, storing, retrieving and using information and skills. NGOs need to focus on technology of developing an organisational memory as well as focus on people who are central to the organisation and the processes that help them share and use their collective knowledge.

2.9.3. Kinds of Learning

Michael emphasises the following types of learning for NGO personnel

*Participatory learning in the field:* Direct, experiential learning among field workers is the foundation for other forms of learning linked to good practice, policy and advocacy work. If learning is not taking place at grassroots level, then other layers in the learning system will be defective. Encouraging action—reflection and learning from experience on a continuous basis among field staff, partners and people in projects must, therefore, take top priority.

---


123 Bruce, Britton. op.cit, p.8.

**Project-based learning**

Efficiency, effectiveness, participation and multi stakeholder involvement.

**Policy and advocacy related learning**

Distil learning, identify commonality, patterns and use them for advocacy and lobbying purposes.

**Visionary thinking**

Vision, values and principles

**Formal learning**

Research methods, analytical rigour- transforming information into knowledge that is systemised, synthesised, analysed and interpreted- knowledge of theory.

Alan Fowler\(^{125}\) outlines the following types of learning for different people in NGO

- Functional, participatory, learning about operations in the field – what works for who, what does not any why.
- Intervention/project-based learning about why negotiations do or do not happen and how development approaches can be improved.
- Organisation-oriented learning about how the whole NGDO functions and how it can be made more effective.
- Civic learning about how NGO activities work their way into, and influence, the ability of civil society to interact with government and market.

---

• Policy-linked learning which looks for patterns in experience and generic features which shape the overall development process and the aid system.
• Advocacy-linked learning which searches for examples and ‘peoples stories’ and can underpin pressure for change.

The discussion on the key concepts and the survey on existing researches provide a comprehensive framework within which this research is situated. Development personnel need to be professional with competencies to yield short term and long term results to achieve the organisational goals. The review has also thrown sufficient light on the dilemmas in NGO management and divergent approaches to leadership competencies. The review strengthens the case for developing competency based approach to NGO Management.