CHAPTER VI

MANAGEMENT

ANALYSIS AND DISCUSSION

INTRODUCTION

In the third world countries, especially Asia, Africa and South America, a strong third force has been growing in the past three decades with a strong objective to enable development of human beings - to wage a silent war against human misery - the first two being government and business and the third is the NGO force. As Levitt puts it, their purpose is to do things "which business and government are either not doing, not doing well, or not doing often enough".¹

There is also a generally accepted view among the NGOs that if Rs.100/- worth of service has to be provided to people by the government, Rs. 90/- goes for overhead costs and Rs. 10/- reaches the target; on the other hand, if a Non Governmental Organization performs the same function, Rs. 10/-

would be used for overheads and the remaining Rs. 90/- would go to the
target. It is however, a matter to be debated for ensuring its correctness.
Obviously, millions of Rupees go into the hands of NGOs for meeting the
long and the short term needs of the people. When such huge sums are being
pumped into the economy of villages and cities, it is right on the pail of both
donors and target people to expect that the amount is put to the right use by
not merely wasting or spending but by utilizing them.

When such huge amounts have to be utilized with optimum
efficiency to produce optimum results, it requires certain method of
management. In this study, this vital element of resources directed towards
results occupies the central theme.

The NGOs span an array of institutions in terms of activities,
ideologies, styles of functioning and contextual characteristics. One way of
understanding the management development requirements of NGOs becomes
easier if clusters of characteristics could be identified. Contingency
organization theory suggests that for organizations to be effective, they need
to have a configuration of characteristics congruent with their context”. If
the approach of characteristics has to be pursued, to study the NGOs it would
lead to several studies and one common medium would become impossible.
The question would always remain hanging: will this type of management be
applicable to this type of NGO?

2 Mintsberg, H. "The Structuring of organizations: A Synthesis of
A casual look at the plethora of NGOs indicates that they differ quite widely in their strategic variables "Some adopt a growth strategy which focuses on increasing outputs; others follow a welfare strategy of improving social well being through better facilities; still others take the course of a responsive strategy aimed at generating and facilitating self-help and autonomous action by communities.".

The above, give an international picture of NGOs and their approach towards management. In India, three basic categories of NGOs have been identified: "the techno-managerial which adopt an approach based on improved technology and resource management; the reformist which aims for new structures and institutional forms; and the radical which believes that social justice cannot be achieved without fundamental changes in Social Structures".

The Science of Management has spun its web all along on profit Oriented organisations and labour union vs., administration struggles. The management of NGOs are conspicuous by the absence of these elements. Only in recent times, stalwarts like Peter F. Drucker have contributed towards management of Non-Governmental Organisations in their own context of vision and its accomplishment.


Hence the present study is focussed towards management of Non-Governmental Organisations in the light of Income Generation Programs and Rural Industries. To apply the theories and principles of management to the study on NGOs the views of many management experts have been taken into account right from F.W. Taylor who is considered to be the father of Scientific Management up to present day J.K. Galbraith.

2. **Description and analysis of the Universe**

Applying management principles to NGO in this study was no easy idea by any standard for the reason that there is lack of attention to and appreciation for managerial and organisational matters in the running of NGOs. For many people in NGOs the term management added a note of prestige but when it had to be deepened, it evoked a sense of disdain. The present day NGO managers, consciously or unconsciously, except a few, have fallen into the trap of running their NGOs as semi-proprietary concerns since only a minimum number of legislations govern their functions as may be found in an industry or a business house. The result is that NGOs often suffer from the absence or inadequacy of basic managerial functions such as the planning, organising, controlling and monitoring of material and human resources.

For many NGOs and the leaders present therein, the term management and the titles/designations like Directors, General Managers, Regional Managers, Coordinators, officers and so on seemed to be very attractive and many had titled themselves in such fashions. Such titles did
bring them the connected privileges also. When an in-depth inquiry had to be made to find out their educational background and previous experience, it was a revelation that many never attended any formal educational institution which taught management and did not acquire experience congruent to the positions held by them. Their modus operandi was trial and error. Quite a few were strong enough to ask the researcher, "so far we have been encountering success in almost every attempt in managing our NGO.... Why separate management?"

There were a few who had the management education in the universe in the fields like Personnel, business administration, Marketing, etc. But most of them were at the junior level and their employment in the NGOs were by and large as a "transit employment". Those who had just come out of the Universities were in need of a job and they entered into NGO usually not by choice but by chance. Hardly anyone had stayed in NGOs for more than one year. During interviews with them it was discovered that the reasons for their seeking other employment were like:

+ The boss never understood that systematic planning would yield more cost-efficient results.
+ There was an interference of family members of the chief functionary into the day to day administration either directly or indirectly.
+ The chief Executive of the Organisation was more concerned in pleasing the funding agency rather than meeting the needs of the staff.
There were hardly any set of rules and regulations; even those made occasionally were over ruled by the chief functionary of the organisation according to his convenience.

There is no job security since the existence of work depends upon the funding agency support.

Salary and perquisites are below industry and business establishments; no growth policy in the organisation.

In the name of zeal, sacrifice and dedication, the staff are exploited with minimum benefits; but the chief functionary and a levv of his associates enjoy the most by taking a lion’s share of benefits.

All the above drive home the point that there is absence of any system to manage the organisation in many cases. It is not possible to conduct the business of an NGO with rules and regulations alone. The cases in business, industry and Government where there are plenty of rules cannot be applied directly to NGO management; the rules prevalent in such organisations also have not, at least, in some instances produced belter results. But total power vested in an individual or a few individuals, especially in NGO environment may not lead to accomplishment of its own goals and objectives. Therefore an acceptable system has to be present for managing the NGOs - acceptable to the Governing Board, Management, staff and the target community, focussing on the vision of the Non-Governmental Organisation.
5.3.4: Organisational strategy:

At this point of time, the organisational norm in VALAMAI grew to become more complex as a result of several subsidiary units functioning together. Yet the imprint of the strong personalities who governed the NGO were indelible even on VALAMAI, who wanted age-old systems to continue.

a) Organisational Climate:

The micro environment of VALAMAI had been largely influenced by the parent organisation of NGO, the NGÜ and a bit of power struggle which was cropping up just then. The parent organisation of the NGO, Sisters of St. Joseph of Tarbes was wanting to perpetuate supremacy in the organisation. Through their tacit move of transfers, they wanted to bring in more religious persons into the organisation. This resulted in a bit of resentment in the minds of some senior members of the staff who had worked hard to bring up the organisation. As a culmination of this resentment, a few strong persons resigned their jobs since they concluded that the parent organisation was stunting their growth. This top level change did have effect on the credit union also.

A few symptoms proved that ambivalence was setting into the organisation. The expectation of the pioneers who created VALAMAI and desired that it should be loosely structured was deliberately or unknowingly mistaken. A few staff members were not reporting to duty on time; some of
3.4: Kiimsley Connmiity Ceiitre:

In response to the question, "what are the types and techniques of management practices followed," the NGO responded, "NO". By assuming that they would not have understood the questionnaire an interview was held with the Project Manager who is a master's degree holder. He agreed that they were planning, implementing, monitoring and evaluating their work, hardly knowing that while carrying out these functions they were managing. Their impression is that by adhering to the stipulations of funding agencies their NGO could be rated as a well managed NGO. They were not having a foresight as to what would happen to the NGO when funding from external resources cease to come. Even to fail back on the IGPs they have started, it is reported that they do not function as successfully as expected.

The NGO is yet to come out with a definite management practice of its own, though their day-to-day work is going on in flying colours with huge local and foreign funding support.

3.5: Decpa Oli Community Development Center:

This NGO was unable to respond to the questionnaire clearly. However, personal visit of the Researcher, observation and discussions revealed that there was a lot of paternalistic tendency.\(^5\) Most of the programs are functioning from within the compound of the NGO. The top management of the organisation being run by a community of nuns, they wanted to provide many kinds of support to constituents. This trend has led to self-defeating results. Quite a few IGPs have not been successful such as poultry,

carpet weaving, tapestry, rugs and floor mats weaving, candle making and coir products, which could have been prevented by applying management techniques.

3.6 : Balaji Bala Vikas:

The response from this NGO to the questionnaire also was not revealing anything. The personal visit could reveal that this is a very large NGO with a number of subsidiary programs. Their documentation of program impact was quite good.

One of the perceptions that the Researcher could get is that the organisation is going wider; it needs to go deeper as well in the implementation of programs. The management done by consultation with many outsiders gives room for continuous learning and openness to adopt to changing environments.

3.7: Grama Seva Samithi

The NGO responded, "the beneficiaries are organised according to the enterprises undertaken. They interact with experienced entrepreneurs in order to gain specific management practices. The social worker provides follow-up support in conducting review sessions and help them to adopt simple management practice". Probably, the influence of International Institute of Rural Reconstruction is manifested in their approach which is people oriented. In terms of evaluations, many things were oral and not
supported much with documentation. Management of future is much dependent upon the data of the past, for taking good decisions.

**Summary:** It could be summarised that by and large the NGOs did not have any definite approach of their own, customised to suit their local needs. They did plan, implement, monitor and evaluate -- mostly inclined towards the recommendations of the funding agencies. External funding is not permanent and the NGO has to continue even after funding stops. Unless there is a specific management practice of its own, the NGOs' future would be in peni, once outside funding ceases to come.

**In-depth case Study of the Karnataka based NGO**

While reviewing the available literature on management of NGOs, it could be discovered that D'Souza has conducted a study and come out with a paper titled, "Identification of management training needs of NGO." He has done this work with the variables such as environmental characteristics, management style, organisational structures, Organisational climates and motivational patterns. He has classified the NGOs under two dimensions:

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1. Altruism  
   It means that the organisation follows a principle of 
   dimension: 
   living and acting for the interest of others

2. Change-orientation  
   It means that the organisation is engaged in work 
   dimension: 
   largely related to educating, conscientising and 
   arousing people to fight against unjust systems.

<table>
<thead>
<tr>
<th>Variables</th>
<th>Effects of Altruism</th>
<th>Effects of Change Orientation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Environment</td>
<td>Tend to operate in varied, diverse and resource-restrictive environments</td>
<td>Tend to operate in volatile social and political environments</td>
</tr>
<tr>
<td>Management Style</td>
<td>Tend to have management which are risk-taking, professional, flexible and participative</td>
<td>Tend to have management with a capacity for risk-taking and flexibility</td>
</tr>
<tr>
<td>Organizational Structure</td>
<td>Tend to have organic, flexible structures with low bureaucratic orientation and a great amount of delegation</td>
<td>Tend to have differentiated and informal structures with little emphasis on hierarchy and internal control.</td>
</tr>
<tr>
<td>Organizational Climate and Motivation</td>
<td>Tend to have members with affiliation, low dependence on authority, and who are motivated by some extrinsic rewards</td>
<td>Tend to have strong affiliation but also independence from authority among members</td>
</tr>
</tbody>
</table>
As far as the NGO taken up for in-depth case study, St.Joseph's Family Helper Project is concerned, it was having the characteristics of both the above dimensions of management. It was started with an altruistic dimension and gradually stepped into change orientation. The idea of forming industrial cooperatives and credit union were aimed at enlightening the people through education and training. Thereafter they were meant to produce results in a changed environment leading to self-reliance and not dependent on external resources forever. In the following pages, it is examined how and what type of management was functional and the gaps found in its system.

4. Planning and Decision Making

Planning emphasises the fact that if one knows where to go he/she is more likely to go there; otherwise the person would go somewhere else that was not desired. In managing the NGOs this is quite applicable in every stage. Certain questions like what should be done, how should it be done, who will be responsible for doing it, Where action is to be taken and Why it is to be done have to be clear in the beginning.

A system of planning at top and implementation at lower level was visible in this NGO. The frequent reason as given everywhere, this NGO also was reasoning it out that the people at the target community level were ignorant and planning has to be done by the people who could collect data, analysis it, set priorities, allocate resources and be able to evaluate. The fact that with the onset of techniques like PRA (Participatory Research Analysis)
has disproved this myth, was something remote to the respondents. More than 47% of the respondents believed in Top-Down approach of planning.

4.1 Current approaches and findings:

The NGO conducts some studies on various subjects as per emerging needs. With the results obtained, they make a set of goals and objectives and present it to the funding agency. Usually, the funding agency gives its approval within a certain time limit. However, there were occasions when even after 5 months, the NGO did not hear from the funding agency. Still the NGO goes ahead with its implementation from the beginning of the fiscal year.

This approach does not indicate all necessary details to ensure that the plan would be implemented and results produced at the optimum level. If this were to be an appropriate method, the Income Generation Program and the Rural Industry would have become a great success. There was an annual plan for the NGO but when it came to the stage of accountability it was not clear or no provision available at all to determine who was accountable to whom.

4.2 Ideal System:

The NGO has to think strategically and come out with a comprehensive plan for the entire organisation. "Strategic Management is the process of formulating strategies and strategic plans and managing the organisation to achieve those. Organisations and managers who think and act strategically are looking ahead and defining the direction in which they want
to go in the middle and longer term”. Strategic management takes place within the context of the mission of the organisation. A fundamental task of strategic management will be to ensure that the mission is defined and relevant to the basic purpose of the organisation within its changing environment. It takes care of both the ends and means — as an end it describes a vision of what the organisation will look like in a few years' time; as a means, it shows how it is expected that the vision will be realised. The vision should be clear and (free from ambiguity like ultimately eradicating poverty, ignorance or disease.

4.2.1: Macro and Micro planning:

St. Joseph's Family Helper Project which does not have a clear vision and no vision statement made anywhere, it must concentrate on this subject. Secondly, three kinds of planning should be made:

a) Long term plan

b) Short term plan and

c) Annual plan

+ The long term plan as the very word connotes, should be for at least ten to fifteen years time.

+ The short term plan may stretch for five years time and

+ The annual plan should help the NGO to make adjustments to the plan in terms of existing realities.

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The format provided hereunder (table VI-2) suggests clarity on different elements of planning.

Table VI-2: A Tool for Planning.

<table>
<thead>
<tr>
<th>Goals</th>
<th>Objectives</th>
<th>Sub Objectives</th>
<th>Remarks</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Human Resource</td>
<td>Time</td>
</tr>
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</table>

Goal has to mention the purpose, which is closely associated with the mission. 

Objectives Spell out the components of the goal and activities to be performed. They may be more than one.

Human Resource fix responsibility on individuals and make them accountable to the organisation.

Time defines the duration within which the objective has to be accomplished.

Budget is a guide-line to retain the cost of operation within pre-determined limits. It should also indicate the sources of income.

Remarks are made in order to accommodate information that may not fit into any of the columns given in the figure.
4.2.2: MBÖ (Management by Objectives):

The above type of planning is very close to MBO, since the objectives are framed and they have to be accomplished. However, it is not sufficient if the plan is made in a very solemn manner and not shared with all the members. It has to be made known to all concerned like the management, staff and target community; preceding the preparation of the plan, consultation and participation of people at all levels is of immense value. This would facilitate decision making smoother in the course of implementation.

5. Organising

The Non-Governmental Organisations do require good organising networks. By properly organising the tasks the output is synergy, that is, the production of a total effect far greater than the sum of the individual contributions. Establishment of proper work relationships ensures that every individual knows what is his responsibility and what is expected of him. He knows how he fits into the organisational pattern.

While defining "Organising", the words of Koontz and O'Donnell are enlightening: it is "the establishment of authority relationships with provisions for co-ordination between them, both vertically and horizontally in the enterprise structure".\(^8\) Thus organising involves four basic elements viz.,

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a) Identification and grouping of the work
b) Defining of responsibility
c) Delegation of appropriate authority and
d) Establishment of structural relationships.

5.1 Current approach and findings:

There is a good understanding in the NGO as regards the organisation structure. The structure is listed as indicated here.

However, it could be observed in the chart that there is a top-down approach of structuring. Enormous amount of power is vested with the Superintendent. She happens to control not only the NGO but also the subsidiary units. With
crores of rupees passing through the hands of the Superintendent, this position becomes more centralised. There were instances that when the Superintendent was out of station nothing was moving.

There was attendance in the meetings conducted for the target communities but it could not be termed as participation. The test of participation is the continuation of membership after foreign funds stopped. Many members withdrew even their primary membership from the subsidiary units after disaffiliation of the NGO. A few staff members also resigned their jobs. Their remarks were that there was only delegation but without any authority.

5.2: Ideal System:

The extent to which the structures were drawn, the roles and responsibilities also should be shared. Every member of the staff should feel the importance of the role played by him/her.

5.2.1: Reporting:

The head of the organisation should have an ideal number of people reporting to her. According to Sir Iaai Hamilton, "the average human brain finds its effective scope in handling from three to six other brains. If a man divides the whole of his work into two branches and delegates his responsibility, freely and properly, to experienced heads of branches he will not have enough to do. The occasions when they would refer to him would be too few to keep him fully
occupied. If he delegates to three heads, he will be kept fairly busy whilst six heads of branches will give most bosses a ten hours' day. Thus the head of the organisation should not overload herself with too many people reporting to her which dilutes concentration and reduces effectiveness.

5.2.2 Delegation of Authority:

Through decentralisation of powers, the authority should be delegated down the line. How far this can be done will depend on the top management's philosophy and appreciation of the benefits of delegation. Management must be clear regarding what is being delegated, to whom it is delegated and what happens after delegation. However, delegation should not be misunderstood for abdication. This decentralisation implies that the chief executive is willing to function in a democratic manner and to allow various levels of management to make their own decisions.

6. Staffing

In an environment where no specially trained people are generally available for working in NGOs, except those trained in Social Work and a few development oriented disciplines introduced of late in some institutions, this function deserves the right importance. If no proper people are available, the rest in an organisation are inanimate objects, which by themselves cannot produce any result.

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Staffing is concerned with ensuring that the right type of human resource is available to run varied activities required to attain the planned objectives of the organisation. It therefore includes activities such as anticipating human resource or manpower needs, adoption of appropriate selection process, providing manpower appraisals and development.

There has to be clear understanding of the manpower needs of an organisation especially when it deals with human beings at the grass roots level. Salmi underlines this aspect of management as,

"1. Stimulating growth
2. Increasing profitability
3. Assuring survival and
4. Achieving greater operational stability."

Especially when an organisation is tied up with not merely providing service to community in altruistic manner but with an added dimension of economic component, the above factors are of utmost significance.

6.1: Current approach and findings:

The NGÜ has taken a major objective of "Creating employment opportunities" and initiated an industrial cooperative. Table 5 in chapter IV indicates the number of people employed through employment generation programs. Opportunities have been created not only through the cooperative called SUM1KCOS but also in several other subsidiary units.

An organisation being so large with a lot of investment for development has not made any planned attempt to define what they mean by creating employment opportunities - how many man days, what kind of occupations, what profitability, where will the human resource come from, what is the present profile of the unemployed in the local situation, etc, have not been delineated. There is no knowledge of man-power planning system.

To quote an instance, the industrial cooperative has started a machine shop with two lathes and other accessories. At a point of time, the turner who was handling it left the job and he could not be replaced for more than one month with a suitable hand. Since the capital was not from a borrowed source, the pain was not felt by the NGO; if it were to be started from a bank loan, huge amount of interest would have been paid for those days when production was not going on. This is one of the signs of how proper man-power planning was not made.

6.2: Ideal System:

When knowledge and skill are put together it gives ability. It is with ability that the productivity of an organization develops. Ability could come from human beings. Therefore the NGO should be highly keen to acquire people with ability and also strive hard to retain them.

The NGOs should not have an attitude that they are rendering a service to the community and it is upto the community to absorb it or not. This may lead to a situation of gradual decay to the NGO. This decay can begin from the staff
which it has recruited without being quality conscious. While providing employment avenues to the people in community, it is not only giving them a livelihood but also taking a human being into the organisation who comes with his own culture, attitude and background. Such staff do become instrumental in shaping the culture of the organisation. The knowledge assets possessed by the staff are the ones that can create a competitive edge for organisational survival and prosperity. ' Theielbre, it is obvious that the human resources play a vital role for the health of an organisation.

6.2.1: **Human Resources Planning:**

What is usually known as man power planning has to be done by the NGO especially which has on its agenda to employ many people and connected to economic development programs. The waiting list that is developed should contain a classification of the people from educational and experience background with a complete bio-data. There should be no break in programs that are incaul to generate income, for want of staff. Secondly, it will ensure that quality of the organisation will be upheld when the quality of the staff recruited is maintained through proper filtering system out of proper man power planning.

6.2.2: **Job description:**

It is possible in an NGO that an individual recruited for certain purpose would be expected to do a multipurpose role, unlike as in a structured industrial housec. Still, there should not be any ambiguity in the mind of the staff as to

the core area of his/her work. Guidelines should be available of the expectations from the staff and at the same time adding that the job-description does not necessarily limit the roles as mentioned therein. The purpose of employment and the mission of the organisation must be made clear to the employee at both entry point and also during employment.

6. 2.3: Performance appraisal:

In order to come to certain mutually agreeable understanding about the strength and weakness of the staff and the NGO a Performance Appraisal has to be conducted once a year. The purpose of this system should not be viewed from a negative sense of fault finding. It should convert the weaknesses into strengths and the existing strengths to be enhanced for attaining the overall objectives of the organisation.

6.2.4 Retention:

An employee, when he enters into the NGO comes with his own skills and knowledge. The organisation also spends its time, efforts and money to improve the human resource. If the environment is not conducive, the employee prefers to quit and when he does so, the organisation loses all that it has done to him along with the employee. Therefore, employee retention should be an important aspect of management.

7. Directing, motivating and communicating

Directing the efforts of the human resources towards implementation of the plans in such a way as to make them want to do what is in the interests of attaining the organisation's objectives or goals is motivation. It is comparable to
the word 'motor', which makes a machine to function from within. The performance of an individual could be represented by the formula:

\[ P = M(A+K) \]

which could be described as (P) performance comes out of (M) motivation, along with (A) Ability and (K) Knowledge. It is clear that an individual merely by having ability and knowledge will not perform better. He has to have motivation also; only then the organisation gets the best from its employees. Especially, in a Non-Governmental Organisation, where the salary, perks and benefits may be relatively lower, motivation plays a dominant role in getting the goals of the organisation fructified. One of the ways in which motivation given is through incentives and curbed as well through disincentives. Therefore the performance of an employee is not only by 'ability' to do but also his 'willingness' to do.

7.1: Current approach and findings:

During the study, the following factors were identified for both motivation and de-motivation of the staff:

Motivating factors: a) Interpersonal relationship

  b) Management supporting the initiatives taken.

  c) Sharing of information with open discussion

  d) Upward growth in the organisation

  e) Team work

  f) Equal treatment for senior & junior level staff.

  g) Providing authority to take decisions.
De-motivating iaclors: a) Absence of cordial relationship among the staff
   b) Discouragement to new ideas
   c) Too much of hierarchical procedures.
   d) Management not feeling for and with employees during emergencies.
   e) Non availability of time to attend to personal and family matters.
   f) Funding resources limitations
   g) Inadequate salary and benefits
   h) Discrimination in treating the staff by the management
   i) Lack of opportunities for personal development training.

7.2: Ideal system:

The motivation aspect of employees should never be over-looked. In the NGO sector there is plenty of field level work and traditional growth is rather limited. There cannot be a time-bound promotion as practiced in industry. Alternate mechanisms of keeping the staff motivation high could be examined such as job rotation and internal transfers. This could beat the most common problem of monotony and drudgery. This could also help the staff to become more versatile in all functions of the NGO.

7.2.1: Capacity building and Human Resource Development

While the staff of NGOs toil very much in the process of human development, their own development is not taken up seriously. As the organisations grow in size, due care should be taken for the growth of their own
staff as well. The growth and capacity building could be done by associating with the academicia, practitioners in other fields and consultants. Approaching personal difficulties of the staff with a team approach and spirit of unity helps them to realise that they are not isolated but an important member of caring team. Additionally, incentives for performance should be built to the system.

7.2.2: Reporting:

Directions and Communications pass through well designed reporting system. The progress of any program can be measured effectively if there is a periodic reporting system both vertically and horizontally. The subsidiary units should make it a point to report to the NGOs at least once a week, topped by a quarterly and annual report.

Similarly, after starting the subsidiary unit only a selected few of the NGO staff have the opportunity to interact and involve with subsidiary units. The rest have completely lost touch with the programs. This leads to an imbalance in participation, creating frustration. The other staff also should be encouraged to take part in the programs and a reporting system be developed.

7.2.3: Training:

Though the staff join the organisation with some qualifications and experience, the environment changes very fast and they are pushed to a situation to conclude that their knowledge and skills have become obsolete. Regular in-service training within NGO should be organised. Wherever specialised inputs are necessary, the staff should be encouraged to attend them and on their return
enable all the other staff in the organisation to have some idea about it. An appropriate amount must be apportioned in the annual budget for training of staff.

The other HRD mechanisms that need to be given attention to are induction program, Organisation Development exercises, personal growth laboratory and worker education programs.

7.2.4: Sense of identity:

Today Japan is quoted as a country with marvelous results in almost every field. Siiani S. Rangnekar mentions the techniques followed by the Japanese from chairman to the last worker: Everyone wears the same kind of uniform, sings together the company anthem and do physical exercise collectively. Everyone feels as a part of the team and all build up a common and close identity with the organisation. In the NGO sphere, some have introduced such techniques like the People’s Trust. It helps to nurture a spirit of belonging to the organisation and the entire staff as a family. It tends to forget the little difference they develop and an emotional bond is produced among themselves — ultimately to achieve the purpose of the organisation.

8. Controlling

Controlling includes monitoring and evaluation, to determine whether the planned objectives or results have been achieved. Plans are made to be carried out. In case they are not, there must be immediate indications as to where

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12 Sharu S. Rangnekar, "Functions of a Manager", Management Development Video Cassette, (Hyderabad: Corporate Communication Systems)
improvements are required. Adequate control can thus lead to innovation, improvements or modifications in previously determined objectives.

According to George R. Terry, "controlling is determining what is being accomplished, that is, evaluating the performance and if necessary, applying corrective measures so that the performance takes place according to plans". Thus control process involves three steps viz.,

1) Establishment of standards for measuring performance;
2) Checking or appraising of performance against such standards; and
3) Taking of corrective action.

Controlling and planning are very closely related to each other. Whatever lessons learnt by controlling exercises do indicate that future actions require a different kind of approach. Such lessons help an organisation to improve their plans and implement better programs. This becomes a cycle in the life of any organisation.

8-1: Current approaches and findings:

There are three kinds of controlling systems at the NGO:

a) Quarterly monitoring through PET (project Evaluation Team)
b) Annual evaluation by the funding agency
c) Annual audit by a chartered accountant.

a) **PET:** The Project Evaluation Team consists of the NGO staff and the representatives of each subsidiary unit. They meet once in three months and look into the progress made with regard to the goals and objectives they made for that year. If there are weak points they try to strengthen them in the next quarter. In order to make it more spontaneous, the NGO has encouraged the participants to contribute a part of the expenditure which they have done and it is not only internal monitoring session but also a get-together to promote friendship. In course of time this has become more a ritualistic exercise rather than being purposeful. Because, such exercises should have yielded some results to provide alternative support, in place of foreign funds which hardly materialised.

b) **Annual evaluation by the funding agency:** This exercise has been going on for several years periodically. A staff member of the funding agency visits the NGO with an interview schedule and fills it up, after meeting with the staff and target community. Since the annual goals and objectives are made by the NGO Staff and also monitored within themselves on a quarterly basis through PET exercise, this external evaluation was not considered by the NGO to be very useful.

c) **Annual audit:** This is done more on accounts side by an external chartered accountant and it does not cover the program side. The funding agency expects a copy of the certified statement of accounts within prescribed time limit.
8.2: **Ideal System:**

Conducting a reasonably objective evaluation of how a program worked is a complex but achievable goal. In the very plan, there should be a significant factor mentioned as evaluation. It is not merely taking stock of the amount received, amount spent, the balance and the number of people benefited. It is much more than that. An evaluation is something that should be seen with the third eye; an evaluation should read between the lines and understand the impact made.

8-2.1: **Kinds of evaluation:**

According to Barbara Schram, "evaluation techniques, regardless of who performs them, can be divided into approximately two categories, although in actual practice they are on a continuum and often overlap"

a) **The process of formative evaluation** focuses on soliciting feedback on the program itself so as to improve the functioning of the ongoing program development process when repeated.

b) **The product or summative evaluation** attempts to measure how successful the program was in achieving its initial goals in both short term and long term.

8.2.2: **Product or summative evaluation:**

In the case of St.Joseph's Family Helper Project the process evaluation was going on in a routine manner either on a quarterly or annual basis. But the product evaluation, which is an important one, never took place. A vital reason for this is that the product evaluation is conducted on the basis of

the initial goals; it was hard to find in this case what was the initial goal at all, especially when the project was started. It was probably never recorded; neither the project could move towards it in the absence of one. In the course of operation of the project, they assumed that poverty and unemployment eradication could be their goal. As they proceeded in achieving their goal, the foreign funding stopped and the program came to an abrupt close. Yet, even at that stage the NüO did not attempt to make any product or summative evaluation.

This has left the NGO at a very precarious condition. They want another funding agency to support them. But they are unable to consolidate the effect of work they did and quantify the results obtained as against their goal when they were funded by the previous funding agency. Even if another funding agency comes forward to assist them, they may want to know what was their goal and achievement in a systematic manner. There is neither a vision statement made in 1969 nor a summative evaluation in 1997 with the NGO.

A product evaluation as at the end of the project with foreign funding assistance would be highly beneficial to the NGO for its own understanding of the successes, failures and the gaps between the two. It will also help them to systematically make an intervention in the days to come with measurable goals and also convince possible funding agencies about the quantum of need and interventions to be made.
While doing the product or summative evaluation there are most likely chances of generalizations being made. In order to avoid such generalizations which normally do not indicate strengths and weakness in clear terms, the evaluator may break up the program into its component parts. Then, each part should be put under a microscope - each component should be evaluated separately and arrive at a general picture ultimately.

8.2.3: Documentation:

For effective controlling of an NGO documentation plays a vital role. The past, present and future could be coordinated by having a proper documentation system. It need not have a collection of data which may not be useful to anyone - this is a law many organisations make. It data should be collected at frequent intervals on selected factors that are essential to provide direction to the organisation and convert that data into information. This information should be good enough to compare between the past and the present, guiding future course of action. In spite of being an experienced NGO for more than two decades, St.Joseph’s Family Helper Project did not pay much attention to this area. Their experience, if documented could be of use to other similar organisations also.

9. Functional Management

The study has tried to cover the management of NGOs under the broad headings of planning, implementation, monitoring and evaluation with related headings like organizing, staffing, motivating and controlling.
However, there are many more aspects of management which could fit into the above; at the same time, they may not fit in appropriately too. Such aspects have been covered hereunder separately as functional management.

9.1: People based Management:

In NGOs where both raw material and final product are people, their welfare, their relief and their development are of utmost significance. When quality is the watchword in manufacturing non-living objects, obviously, utmost quality is essential in people based organisations. This is done through enabling people to participate. No NGO could aim at total development by merely providing services to people - the people have to become a part of the entire system. The four guiding principles for total quality management lays sufficient emphasis on people-based management. "If people understand what to do, how to do it and obtain feedback on their performance, they can be encouraged to take responsibility for the quality of their own work"

9.2: Team Work:

Team work and team spirit is the factor which works from behind the screen for the success of NGOs. In business and industry many activities could be carried out in a small group or sometimes even by an individual. But such things are rare in NGOs. It is not merely a team working in an organisation which means team work. It is a situation where a group of people working together with proper understanding of the purpose, with proper

communication, initiative and mutual help. It also requires discussing and solving problems together and taking collective decisions giving adequate respect for each individual.

9.3: Networking:

The days are gone when NGOs were started at a remote corner of the country and it functioned without involvement or interference of outside factors. Now, for achieving different purposes, networking has become of immense value. Many funding agencies have started to think in terms of assisting a group of NGOs rather than working with individual organisations, for reasons of economy of scale and also making a deeper impact. On certain occasions, policies framed by Governments lend to create bottlenecks for the NGOs which when represented in a collective voice, it is heard better. NGOs located in closer proximity end up in providing same services to the people resulting in duplication. This could be avoided through networking. The scarce human resources trained and experienced in the field of development could find alternative employment opportunities by being members of such networks.

10. Summary and Conclusion

Like any other entity in business and industry, NGO also is an entity to be reckoned with in the field of development. As management is necessary to produce results in a predetermined manner, NGOs also should have definite management processes.
10.1: The titles associated with management and the prestige connected thereto are fascinating the managers of the NGOs. Whereas, when deeper study is made, some of their impression is that management is meant for business and industry. Since there are no formal schools of NGO management, people in the NGOs without training are following several trial and error methods of management,

10.2: Due to unfavorable organizational climate prevalent in the NGOs there is a high degree of turnover, especially among those people who have acquired management qualifications in other fields and joined the NGO sector. They consider working in NGOs as transit employment.

10.3: The funding agencies influence the work and culture of NGOs considerably. The management practices in NGOs, whatever small quantity it might be, are geared to fulfill the expectations of the funding agencies. Since fund flow is not permanent, when the funds stop, the NGOs can neither cling on to the management style borrowed from funding agencies nor do they have one of their own.

10.4: The NGOs are classified under two broad dimensions viz., altruism dimension and change-orientation dimension. But there are NGOs who contain the combination of both the dimensions.
10.5: The Chief Executives of NGOs retain a lot of power with themselves. Decentralization of powers and delegation of authority are essential for well-being and development of the NGO. This trend is a major cause for turnover of the staff especially the creamy layer of human resource. Frequent change of staff does affect the health of the organisation.

10.6: There is a tendency in the NGOs to go wider with their programs and not deeper. Equal attention has to be paid to quality of existing programs as much as given to take up new programs.

10.7: NGOs are broadly classified into those with altruism oriented and change oriented. Some are a mixture of both the dimensions also. Income Generation and Rural Industries are some of those kinds of interventions which contain the mixture of both.

10.8: The planning made by the NGOs, by and large, are not long range plans. The proposal made to submit to the funding agencies cannot be termed as long range plans. They are mostly issue-based and once the goal is accomplished which is short ranged, the NGOs either select another issue or make another short range plan. Strategic plans are necessary for the NGOs to reach sustainability and self-reliance.

Planning should be done with the participation of the people. They should not be kept away in the pretext that they are uneducated and ignorant. If they do not involve at that stage, their involvement at the implementation and evaluation stage becomes remote. Accountability has to be clear. Merely getting the accounts audited does not amount to accountability. Both long
range and short range planning is necessary for the organisation to attain sustainability. For NGOs, the type of management should be people based with a lot of teamwork. NGOs cannot manage the organisations in isolation; they should build up networks.

10.9: While organising the work, merely creating structures does not help. It should be accompanied by delegation of authority. In NGOs, this has to be practiced in clear terms in order to maintain the enthusiasm of the staff in the work. Too many people report to the chief executive of the organisations. Clearly, not more than three should report so that the CE could concentrate on the work efficiently.

10.10: The NGOs do not have a plan for their human resources recruitment, known as manpower planning. It leads to a lot of wastage if people are not appointed on time in the Income Generation Programs, where investments have been made.

10.11: Mere ability and knowledge do not make an individual to perform well; there should also be willingness. It could be encouraged by the management through motivation. Incentives and disincentives contribute much for motivation level of the employees. NGO management is not primarily management of materials and machines; it is the management of human beings. As business pays dividends, the outcome in NGOs is human development measurable by development indicators.

10.12: People oriented controlling systems add more accountability dimension to the NGOs. Once a program is over, a summative evaluation is highly helpful to the organisation. The results of evaluations and on-going programs should be appropriately documented.