1 A Theoretical Perspective to Discern Culture Specifics of NGOs

Abstract

NGOs are many a times referred to as "Poor man's Private sector". The efficiency attributed to private sector; the non profit motive attributed to public sectors seem to have been juxtaposed in this "Third Sector", i.e. NGO sector.

NGOs too have changed their role over a period of time. In its earliest role, the motto was "Helping others"- thereby assuming "Service provider orientation". In their second role, they started addressing the questions of empowerment. The third role was to "Help grass root level NGOs". Later from 1980 onwards there emerged the role of "Networking of NGOs"- as was the trend in other types of business organizations.

A suitable theoretical framework, is suggested in this article, to study the specifics of organizational culture, by categorizing few elements of Mc Kinsey 7S Model viz. I) Skill, Staff and Style and II) Structure and System. It is also argued that for a NGO Skill, Staff and Style are the predominant causes of organizational culture; whereas Structure and System, whenever are created or changed, will create and change organizational culture accordingly.

Key Words: *Organization culture, Person culture, Structure, System, Skill, Staff and Style.*

Emergence of third Sector-A New Cultural Orientation

Non Governmental Organizations(NGOs) have not only gained the attention of general public and governments, but have also created great impacts on the society, through implementation of various socially oriented programmes. Though these types of organizations were less visible a few years ago, are now prominently visible all over. They are rediscovering themselves as well as reinventing themselves through conceptualization as well as realization. With the complex changes occurring all over the world, definitely there is a paradigm shift in the definition of role as well as performance.

NGO as a phrase, though applicable to all sectors other than government, is usually limited to such sectors, which are neither public nor private. However, the principles and practices of management are equally applicable, as in other domains of human activity, to this sector which is sometimes referred to as THIRD SECTOR. "The third sector institutions, in sum, not only practice management, in some cases more seriously than American business, but at the same time are becoming management innovators and pioneers" (Peter F Drucker,1990). Thus risk taking and innovation which go together has entered the domain of NGOs-perhaps a new hall mark Non-Governmental Organizational culture.

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According to Peter F Drucker, the great management thinker, many NGOs have even become so. That is innovators and pioneers of management practices. It is obvious to state that these practices correspond to many principles also, which is for the academicians to identify. All the studies which look at innovations with reference to business organizations, either government or private, can now look at NGO models.

A New Metaphor

The third sector as it is identified now is also referred to as "Poor man's private sector" Implied in this metaphor is the efficiency of the private sector and the non-profit motive of public sector. It must be noted here that, voluntary organizations, non profit organizations are the other words interchangeably used with the word NGO, in general. In the context of Indian organizations, this inter changeability is still more pronounced.

Structure, Process and Design – Do they differ significantly ?

Whatever the process being adopted in an NGO; With whatever the structure for its operation and whatever the design it has made for itself - they in a way have to orient to the function of social marketing. It is either non profit organization or public service organizations, which are involved in Social marketing (Ravishankar, 2004). When an organization, (here a NGO), is involved in production, (here it is a service), it cease to exist tangibly as well as intangibly, unless it markets its product. In the case of NGOs it culminates into social marketing.

In the contemporary times (as well as in past), the role of NGO is developing and promoting of non profit initiatives outside the frame work of business and commercial enterprises and also the government's apparatus.

As evident from the above observation, commercial and business enterprises operate with the profit motive and cease to exist if there is no opportunity for profit. "The difference between commercial marketing and social marketing, being that, commercial marketing talks to people who have money; social marketing talks to needier section; commercial marketing's success and failure hardly affect society; social marketing has major impact on society; commercial marketing rarely needs to involve government; social marketing must work with government to ensure National priorities" (Ravishankar, 2004). Thus commercial and business enterprises look at the "demand", implying the purchase power. Where as NGOs look at the "needs" which could be anything that the society is deprived of.

The reason and the rationale for the existence of the state thereby the government, lies in its accountability and responsibility towards the society, which has created. Whether the economic philosophy is socialism or capitalism, state's responsibility will be there either directly as in the case of socialism setup or indirectly as in the case of capitalism. It is evident that the state discharges its social responsibilities through the machinery of government and its departments. For the reasons known too well the government adopts Beauracratic organization. Hence all the disadvantages and dysfunctions of Beauracratic organization are evident in all public sectors-either in their initiatives or execution.

The observations by Lewis M Schneider, way back in 1965 are quite relevant when the "marketing" " as an organizational function is either not understood or misunderstood. "Mass transit companies have

not been able to enthuse general public because there is authority and responsibility for its marketing personnel" (Lewis Schneider,1965). Though service was produced rarely it has been consumed by the consumers indicating the missing link of "marketing".

Contrary to such observations, private sector would be more than happy, if there is profit in producing and marketing such services. Marketing in its broadest meaning implies the link between the producer and the consumer. Hence, irrespective of the sector classification - Public, Private and Third sector, it would be as efficient as its marketing than perhaps the production. "Essentially the organization becomes extremely efficient in serving the organizational market purpose. But here comes the weakness. The world and the markets are continuously changing, while the organization stand still" (Philip Kotler,1978). Are there any special features which make an NGO, as an organization, dynamic? Do NGOs need to incorporate the culture of marketing including its selling function? If profit motive is not there, then what else should be its motive? It in this context, this article proposes to examine the three soft S's, viz., Style, Skill and Staff of Mc Kinsey's 7 S Model.

Style, Skill and Staff elements of Mc Kinsey's 7S Model and Non Governmental Organisational Culture

Style: Style is an indication of the process of management adopted to achieve the tasks at hand. Intertwined with style is the culture of an organization. The assumptions, values, beliefs which constitute culture also constitute the style. The very assumption of motive of profit or non profit determines style. The concept of rule which usually goes with governmental organizations, has to be replaced with the concept of service. The 'style' of 'ruling' to achieve the objective is definitely not suitable for the organization members of NGO; but as can be inferred it should be the 'style of service'.

Staff: It denotes the human resource of an organization. It encompasses such aspects of HR management as recruitment, selection, placement, training and development etc. Its importance need not be overemphasized, as an NGO is "for the human being; of the human being and ; by the human being."

Skills: It refers to the key attributes of an organization. Skills are not only developed over a period of time but also essential ingredient for the birth of an organization, including organizations such as NGOs. What else could be the most important skill than the human skills for an NGO ?

Where do the Style, Staff and Skill of an NGO reflects its Culture ?

Various types of organization cultures have been identified by authors. As identified by Handy, there are four general types viz., Club culture, Role culture, Task culture and Person culture (Handy,1988). Club culture will have its charismatic leader at the centre stage of the organization. Role culture will have its organization with clearly demarcated roles for all the constituent members. Organizations with Task culture will have its people used to accomplish the tasks than in mere following the procedures. Organizations with Person culture will have its people considering themselves as the resources.

Without much arguments it can be conveniently conceptualized that Staff i.e. Human resource in its broad meaning, is reflected in the outcomes of the NGO, through the culture of person. Style and Skill are less pronounced in the culture, but definitely gets pronounced through other modes. Following

is the diagrammatic representation. (Fig.1)
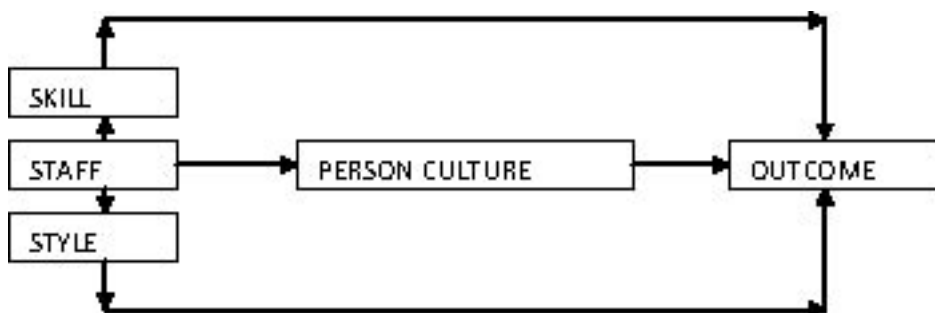
Costs Versus Benefits of NGOs

It is worthwhile here to note the purposes which gave rise to the emergence of NGOs. In its initial years NGOs were inspired by the motto " Helping others". Hence the first role was that of a "Service orientation", In their second role they had "Development orientation". In their third role, it was "Helping grass root level NGO orientation". From 1980 onwards it was "Network of NGOs orientation". Hence it can be stated that super ordinate goals of NGOs have changed keeping in accordance with the changes across the world. In their service provider role, NGOs provide services as needed by the community with greater efficiency and least cost; with extreme commitment and dedication. In this role they are highly responsive to the needs of the community. The highly responsive organizations show a keen interest in learning about the needs, perceptions, preferences, and satisfactions of its constituents and relies on systematic information collection procedures such as formal opinion survey and consumer panels (Philip Kotler.1978). Regarding cost, it should be noted that NGOs are known for cost effectiveness. However, many costs being indirect, are difficult to measure. Hence, all out efforts are made by NGOs to reduce them. It is rather difficult to measure all the costs and therefore effort should be to reduce them (Michael Rothshield, 1979).

NGOs and their relationship with the Government

NGOs as third sector are not only reaching the consumers who are either not reached by public and private sector, or who are not cared to be reached; but also are" Empowering" these consumers. Some of the typical issues in which NGOs are involved are unemployment, homelessness, illiteracy, malnutrition, corruption, communal violence, abuse of drugs, rights of women and children, rights of tribal human rights, gender discriminations, rights of physically and mentally challenged etc.

Building people's organizations, strengthening them and empowering them are the focal points of NGOs. As can be seen government in its social manifestations is created to address the same problem. Hence, it is imperative that government takes NGOs into confidence, while policies are made. In fact many governments are doing the same already. But it is in the implementation stage, where the government is averse to involve NGOs. NGOs being voluntary organizations of citizens promoting development in the society, would like to have their own rules of the game than to be governed by the game rules of others. The reasons are too obvious. In the beauracratic set up, i.e. Governmental

setups all avoidable routes to reach the goal are necessarily included, thus goal reaching and objectives achievements are totally lost sight of.

It is the "Rule orientation" of government set ups and "service orientation" which work at cross purpose. Government feels that NGOs shall act as the 'contractor' thereby abiding to the terms and conditions of 'contract'. On the other hand, NGOs feel that it should not be viewed as a contract but to be viewed as 'partnership' endeavour. This view is highly appropriate as both governmental organizations and NGOs are endeavouring to meet societal needs and expectations only. Though this concept is imbibed by NGOs, governmental organizations are yet to imbibe the same. Thus the inefficiency of governmental organizations seen through its aversion to such a concept, causes more disservice than the service to the community.

Organisation Culture Vis-à-vis Structure and System

A discussion on structure and system inter alia organization culture is worthwhile to see if organization culture is a separate creation or not.

Structure: It is the depiction of the organs of an organization and their inter relationship. It indicates the communication channels, procedures, coordinating links, rules, decision making mechanisms, authority/responsibility relationship. As is the case with any effective organization, it is desirable that NGO has a flat and flexible organization. It is seen that many of the NGOs are flat and flexible; lest the efficiency and speed are lost. The relationship between strategy and structure though important rarely provides unique structural solutions (Waterman Jr.,1980).Problems are generally encountered in relation to the execution of the strategy. Thus the structure, a deliberate creation, will in its course of creation and change will be leading culture creation and change.

System: System refers to the rules, procedures, methods-both formal and informal. The typical systems of an NGO are production (of service) system, Marketing system (taking to consumers) and all other systems such as Information, Costing etc. which are subservient to above systems. Here too, system is a deliberate creation and culture i.e. organizational culture is an effect of it. Any change in system will automatically lead to change in organizational culture too.

Organizations do not have cultures that can be identified and isolated from other aspects of organization - instead organization cultures are and are constantly enacted and recreated as part of an organization's ongoing everyday existence (Wright S ,1995). Other aspects have been categorized as; i) Skill, Staff and Style and ii) Structure and System, in providing a theoretical frame work to study the specific organizational cultural elements of NGOs. Skill, Staff and Style are the predominant causes of organizational culture; where as Structure and System, whenever are created or changed, will create and change organizational culture accordingly; leaving no scope for permanency.

Conclusion

Organization culture manifests itself in various ways and modes. Whether an organization is Non governmental or otherwise will be operating in its own culture-created and sustained by themselves. The 7S frame work provided by the US consulting firm McKinsey in 1970s provides a framework for the organizational studies, presumably including the organizational cultural studies. However, in this article

an attempt has been made to categorize several of these elements viz. i) Skill, Staff and Style and ii) Structure and System.

It is argued in this article, by providing a suitable theoretical frame work, that for an NGO Skill, Staff and Style are the predominant causes of organizational culture; whereas Structure and System, whenever are created or changed, will create and change organizational culture accordingly; leaving no scope for permanency.

NGOs popularly called Third sector, seems to be having the advantages of both public sector and private sector; either relating to the efficiency issues or effectiveness issues; which by themselves make them culturally different.

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