

HUMAN RESOURCE MANAGEMENT AND STRATEGIC PLANNING FOR NON-PROFIT ORGANISATIONS

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1. Background

Non-profit organizations are set up with different purpose and mission that are usually altruistic in nature, despite the fact that often such organization have to operate in a highly competitive market. In Bangladesh there are a large number of Non-profit organizations which provide various types of services to different groups of people. Some provide education and training some conduct research for policy implications, some work for poverty alleviation, some cater to the needs of me poor and destitute and there are yet some who work for raising the consciousness for the targeted community in respect of halt and hygiene. Such diversity in activity spectrum is ended great hindrance in developing a common from work of analysis for the Non-profit organization.

The main distinction between profit making and Non-profit organization is the approach to deal with surplus generated through a structured intervention of the organization itself. Where for a commercial organization, generally surplus or profit is supposed to be the primary objective of the company, it is usually relegated to subordinate position by a Non-profit organization which tend to plough back the surplus either for use of organization personal or for the target group for which the organization was originally sate up. The voluntary organization and the NGO constitute a significant component of the Non-profit organizations in Bangladesh. After the war of liberation the number of such organizations rapidly grew as the war torn economy of Bangladesh badly needed relief and succor.

Such organizations are gradually shifting their emphasis from relief to rehabilitation are gradually shifting their emphasis from relief to rehabilitation and development. In fact they have already changed their strategy of intervention. In their bid to receive social attention and to work for dissemination of the ideas preached by them, as well as to reach their services to the target group; they have to resort to social marketing strategy.

However, one of the most visible management problem faced by the Non-profit organizations is the lack of strategic planning for policy and programs development³. Observation, as rash as stated above, is perhaps more appropriate in respect of NGOs which are funded by donor agencies as the funding are usually made available on a short term basis.

NGOs are largely dependent on the donor agencies and have not yet been able to develop alternate source of financing to be self reliant. The present aid system is stifling the initiative of the NGOs to be financially viable.

Strategic planning is forward looking process through which the basic mission of the organization is identified, its objectives are set and the allocation of resources to attain those objectives are specified⁴. To be effective an organization has to formulate its strategic plan and link it up with detailed operational plan. Whether it is in respect of social marketing or Human resources⁵. In the absence of the strategic plan the operational plans become income incoherent, directionless and fragmented manifestation of managerial wills, often conflicting each other or even attempts to identify the strategic issues as derived from strategic marketing for the Non-profit organizations with emphasis on human resource management.

2 . Study Approach

A listing of Non-profit organizations belonging to different categories was done for conducting primary investigation through a structured questionnaire. The author took resort to purposive sampling in order to obtain a wider mix of the categories mentioned above.

A total number of 45 organizations were surveyed out of which 39 completed questionnaire were returned and the following findings are based on the response of these thirty nine Non-profit organizations

3 . Findings

Data on human resources provide a sound basis for strategic planning. In fact an organization having a reasonable system of information on human resources would be able to determine strategic staffing pattern for itself. Proper manpower planning is strategically significant for any organization, whatsoever. Naturally the sample organizations were asked whether they have manpower planning program, to which 61% respond in affirmative and the 39% responded in negative. It may be worthwhile to mention here that most of the Non-profit organizations are funded on a project basis, which run on year funding. Thus formulating a long term manpower planning program for these organizations presents quite a difficult problem.

Evidently, the result shows that a large number of Non-profit organizations do not have any manpower planning program, and those who have it, mostly have covered a time frame of maximum 5 to 6 years. Strategically speaking it is very critical that an organization should think of its succession plan and work for smooth transition of leadership at all levels of the organization. Quite surprisingly 62% of the organizations surveyed have management succession plan while 38% do not have it. Now the point is whether such succession plan works smoothly or not. An organization having the benefit of assured and continuous leadership for quite some time is more risk-free as compared to another organization which always face a crisis to find replacement for its key officials. It has been observed that some experienced and trusted officials have the organization if the replacement is not suitable or if the concerned officials themselves were aspirant and did not get the selection. Sometimes succession becomes really difficult if the organization is build up with the personality cult of its founder father.

Personnel policies provide a framework for guiding the work force to better working condition and ensuring a better organization climate devoid of confusion, ambiguity and uncertainty. Presence of written personnel policy would mean quite an advancement in respect of giving due emphasis on human resources of the organization concerned. The survey brought to light that 81% organizations have written personnel policies, 8% partly and only 9% do not have personnel policies. One of the reasons could be the donors insistence to provide the necessary information about the rules and regulations of the organizations prior to funding and the other factor could be the choice of national level organizations in our-study.

Not to have properly written job description may affect the organizational efficiency to a great extent. The survey revealed that 92% organizations have job description for managerial personnel, 95% for technical personnel, 82% for clerical personnel, 87% for general and 64% for field workers. The findings are rather encouraging in the context of Bangladesh.

Recruitment strategy of an organization is pivotal to its subsequent success. Use of selection test for recruitment usually indicates the extent of importance given to this function by management. An overwhelming majority of the Non-profit organizations (95%) use selection test for hiring purposes. However, they hardly use test battery or are concerned with the reliability and validity of the tests. Only 5% mentioned that they do not use any test for hiring purposes.

About 85% of the organizations reported use of such test for technical people, 72% for managerial people, 82% for general personnel and 72% for field workers.

Among the various types of selection tests used by these organizations three main types are: tests on intelligence (49%) aptitude (56%) and general knowledge (46%). No doubt, use of sophisticated tests for selection purpose are not yet widespread in this country. Use of interview for selection purpose was mentioned by 97% respondents and the rest 3% also use interview occasionally. The frequently used type of interview is depth interview (50%), followed by general structured (39%) and stress interview (11%).

Selection of women is strategically important specially for the organization which are working for woman development and community development as well as literacy. The survey shows that 59% of the organization, do have special provision for recruiting women whereas 41% do not have such provision at all. In view of the clear directive from the government to reserve 30% jobs for women the findings seem to be rather manage specially from the point of view of Non-profit organizations.

Issuing of appointment letters had been the bone of contention for the workers of garments industry and the transport sector recently. It is encouraging to note that 97% Non-profit organizations covered by this survey issue appointment letters to their newly recruited personnel.

As the employees join the organization on the very first day he/she develops an impression about the organization which tends to be a lasting one. In view of that, having an orientation program for the new recruits is of immense value for developing a congenial employer-employee relationship. About 67% organizations have such orientation program 13% do not have it, while 21% report that they organize such program at times.

A well designed and well organized compensation system is of high strategic value to develop employee loyalty and reduce employee turnover. Use of job evaluation method for deciding employee remuneration is a globally accepted practice. The survey shows that 67% organization follow such practice 26% do not follow it and 8% use it

Occasionally, the principal method of job evaluation used by these organizations is ranking. But ranking is a simplistic device and non-qualitative in character. Use of such mentioned only, may deny the organizational from the benefits of finer distinction in pay packages and its corresponding impact on staff performance

Training and development is the real investment on human resources and is strategically quite significant. However, such training need to be based on proper need assessment. About 64% Non-profit organizations surveyed say that they conduct training need assessment, 10% don't and the rest 26% do it at times.

Such training are set for all the different categories of personnel including, managerial, technical/professional, clerical as well as field workers. Only 67% Non-profit organization have their own training unit, and 33% don't have it, Training methods used include lecture, group work, role playing and audio-visual. So far the number of training Organized by these organizations is concerned. it is revealed that about 465 training were organized by them last year. Overseas training is practiced, though in a smaller scale in the Non-profit organizations

Training are provided to the employees and staff in various fields which include computer language, human resource management, general marketing, marketing and research, finance and accounting, development management, skills training and general management, A good number of Non-profit organizations have developed training units which not only train up their own personnel but also

undertake training program for others. To name a few such NGOs, one can mention about BRAC, ADAB, CWFP, VISS etc. Some such organizations are also providing training for government personnel as well. Major action in the training front of the NGOs, are directed towards the target group or the beneficiaries. In this respect CARE, BRAC, CWFP, BACE, PROSHIKA, and many others play prominent role.

Having scope for promotion and advancement is very crucial for human resource development. About 66% Non-profit organizations covered by the study have set promotion policy but the rest 34% don't have such set policy. Criteria for the promotion include, merit seniority and both.

There is no scope for provident fund in 28% of the organization Surveyed. However 72% of the organizations do have provision for provident fund or pension for their employees. Ninety six percent organizations have 10% contributory provident fund and 4% have 5% contributory provident fund."

About 69% organizations provide insurance coverage to their staff, whereas 31% organizations do not provide such benefit their employees. Limit of insurance benefit range from Tk. 50,000 to Tk. 200,000. Provision of gratuity is reported by 76% organizations, and the rest 24% do not provide gratuity to their staff. Most of the organizations provide gratuity on the basis of number of completed years of service.

On an average Non-profit organization provide 15 days sick leave, 15 days casual leave, 30 days earned leave, 365 days study leave, 90 days maternity leave and 30 days extraordinary leave. The three major recreational incentives provided by the Non-profit organizations are cultural activities, annual fun fair, and sports.

Job rotation plan is practiced by 36% organizations only the rest 64% do not have any job rotation plan. Those who have rotation system they use it for all types of personnel not simply the managerial personnel only.

Only 31% Non-profit organizations allow union to be formed and the rest 69% don't allow formation of union in their organizations. On an average last year disciplinary actions were taken against 10 managerial personnel, 11 electrical personnel, 16 general level personnel 99 field workers.

Providing incentive to employees is instrumental in improving their performance. About 89% organizations provide incentives to their staff while 11% do not. Those who provide incentives, use the following type\ e.g bonuses (70%), increment (67%) and promotion (48%).

Monitoring of absenteeism is done by 66% organizations regularly .and by 22% organizations at times, whereas 11% do not have any monitoring system at all. The number of absence reported by these organizations is negligible for all types of employees.

Having a personnel research unit is of strategic importance but among the Non-profit organizations only 16% have it and the rest 84% do not possess a research unit. Indicating a major gap in this sector.

Integrating the work force with the organization's overall goals and missions is important to forge unity, strength, conformity, cooperation and commitment. About 95% Non-profit organization covered by the study have such plan for integrations, although 5% do not have such plans, those who have such plan use, training, get together and journals and bulletin to help develop the process of integration.

4. Conclusion

Non-profit organizations particularly the NGOs are playing an important role in the developmental sector, particularly, health, hygiene, sanitation, poverty alleviation, literacy, environment, forestry, agriculture and irrigation apart from their usual role in relief and rehabilitation. Recently a workshop concluded with a call for fostering understanding of the NGO program by the political parties to dispel the distrust about NGO program and to accept their role in nation building effort. NGOs have succeeded" by now 10 forge greater collaboration with the government and their agencies. Government functionaries now no longer look at the NGOs as usurper of their power or authority. In fact joint collaboration on many programs have already been undertaken by the government with the NGOs and NGO officials. Donors are eager to see involvement of the NGOs in government program.

Non-profit organizations face a dilemma of financial viability. Most of the NGOs are funded by the donors and are financially dependent on them". It is indeed a pity, that the NGOs who preach self reliance to their target group are themselves far away from that. NGOs for their future must look for alternate financing and develop financial strategies for sustaining their program.

A work of caution may be sounded here for those that those who claim to be not-for-profit organization and are engaged in commercial activities-to what extent are they guided by commercialism? To a consumer, goods and services presented in the market has an important

Tag- its price that draws his attention. The question is. in the name of Non-profit organization to what extent can we skim the consumers.

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