Study on Organisation Design and Capability Development in the Social Sector with Specific Focus on HR Practices

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Comments by the Faculty

Company: For a Corporate Group supported Non-Profit Foundation having countrywide operation.

Target group: Internal decision-makers and management professionals interested in not-for profit organisations

Other interesting aspects: In addition to understanding the organisation, an endeavour has been made to understand the processes in organisations with similar focus and make a comparison.

ABC Foundation is large corporate group sponsored Foundation that works currently in the social sector. Though the organisation is free to operate in all areas of social development the current focus is on education as the organisation has the strategy of bringing about systemic change and wants to have a deep impact by working with all stakeholders and government setups.

The study as above is unique as it is in a way extremely relevant to design of such organisations in future. While there are micro-level voluntary organisations in the social sector, large organisations are only a handful and require cautious design of processes and practices. Thus the study is extremely relevant in the current scenario. ABC Foundation has a large area of operation and has evolved a complex organisational structure. Thus the study would help in bringing about changes in the setup.

Broadly ABC Foundation operates in the three different streams of activities: it operates as a doer with strong links between the activities and the overall change it seeks to bring about, as a catalyst in forging relationships with the shareholders and as a creator of talent for the education sector in which it focuses.

Toward this end the ABC Foundation has established various institutions which collectively constitute the organisational environment.

Each of these setups have their own organisational structure and are federated with the main Foundation by a variety of structural mechanisms. Hence understanding the activities of ABC Foundation itself was paramount.

The study objectives were as follows:

- The study included shortlisting of organisations that are comparable to ABC Foundation.

- Understanding the following parameters in the benchmarked organizations or

- Organisation culture and approaches adopted as part of the socialisation processes of the organisation for its employees.

- Non-monetary rewards and recognition mechanisms adopted to motivate employees.

- Internal capability development initiatives, methodology for training needs identification.

- Understanding contours of the organisation design to understand the ideology and principles behind the organisation structure, the changes in the structure over the years.

The methodology for the study was exploratory in nature. This was so because understanding organisational culture of the foundation and those of the benchmarked organisations required examination of internal information of several years and access to such information was not possible. The scope of the study given the context was also limited.

Qualitative research was adopted to meet the objectives of research. This was a requirement of the sponsor of the study. In addition, given the diversity of the organisations that were contacted qualitative approach was appropriate. The methodology was broadly as follows:

- Understanding the vision, mission and operations of ABC Foundation.

- Designing an Information Requirement Plan in consultation with the executives of the Foundation.

- Shortlisting of organisations that operate in the education sector, are large in size, having their own field operations network and have activities that revolve around government schools.

- Designing a questionnaire and collecting information through a structured indepth interview process.

The analysis was undertaken by comparing the benchmark organisation on different parameters. The findings are broadly as follows:

- All the organisations have a well-defined code of conduct.

- Most organisations examined have flexibility in terms of area of work, roles and locations though one or two organisations have preconditions such as minimum years of experience in the organisation to avail the benefit of flexibility.

- Decision-making is decentralised but there are variations as to how the same is operationalised. These variations are in the nature of extent of empowerment, degree of collective nature in decision-making.

- Most organisations were found to be process oriented.

- Accountability was monitored through formal and informal mechanisms.

- All organisations examined have robust induction programmes to socialise the employees in the sector.

- There are variations in leadership development approaches and capability building strategies.

- The organisations studied have evolved a structure in alignment with their goals and strategy and deploy a combination of centralised and decentralised structure. The extent of autonomy to operating units the degree of centralisation varies across the surveyed organisations.

Based on the findings recommendations were made to ABC Foundation in terms of strategic, tactical and operational dimensions. It would have been better if the study had included examination of large, complex, more evolved organisations such as NDDB, TERI that focus on other development sectors. The student was advised to restrict the study to organisations in the education sector. On the whole the study is a relevant one and unique. The study would provide a base for future research by the organisation concerned.

(The organisation that sponsored the study, the organisations surveyed have been disguised. Only broad findings have been highlighted keeping in view the interest of the organisations)

Suresh M R

Study on Organisation Design and Capability Development in the Social Sector with Specific Focus on HR Practices

Context of Study

Organisation Design and Capability Development: Study on Organisation Design and Capability Development in the Social Sector with specific focus on HR practices. (Both Indian Organisations and International Organisations).

Background of the Organisation: ABC Foundation

ABC Foundation is a not-for-profit organisation was established in 2001, with a vision to contribute to a just, equitable, humane and sustainable society in India. The foundation strives to facilitate deep, large scale and long-term impact on the quality and equity of education in India, along with related development areas such as child health, nutrition, governance and ecology. ABC Foundation seeks to address these inter-related domains while keeping Education as a core area of focus. The Foundation does this through an integrated approach that synergistically contributes to a dynamic response.

Works of the Foundation

The works of the foundation reflects that they are operating as Doer (Strong clarity between the activities and outputs and bigger picture of change), Catalyst (Bringing together the stake holders) and Talent Creator (Appropriate selection and orientation of incoming people so they become the change agents in long run).

The four key strands of works include –

Talent Creation: This includes developing fresh talent and building capacity in the existing talent of teachers, teacher educators, education functionaries and leaders and development professionals.

Knowledge Creation: Creating knowledge and evidence to provide deeper insights into the solutions to challenges in education and development in the Indian context and culture.

Network of Institutions: Developing a network of institutions spread across the country that actively develop talent, build knowledge, and work for reform in education and allied developmental areas on a sustained basis.

Social Pressure: Through strong institutional networks, continuing education, field impact and awareness building, changing in the way that communities and functionaries think about issues in education and development.

Key Institutions

The foundation has established the various institutions in order to execute their vision.

Individually they each have a clear social purpose and their own specific goals, while together they form a well-knit, inter-independent eco-system of institutions.

Objectives of the Study –

- The study comprises of shortlisting organisations that are comparable to ABC Foundation.

- Understanding the following parameters in the benchmarked organisations –

- Organisation culture and methods adopted to socialize the culture to the employees.

- Non-monetary reward & recognition mechanism adopted to motivate employees.

- Internal capability development models, methodology for training needs identification

- Organisation Design to understand the ideology and principles behind the organisation structure, the changes in the structure over the years.

- Recommending benchmarked practices that can be adopted in the foundation.

Methodology

The study was treated as a qualitative research, the following approach is selected because the study has to un-earth best practices followed and the ideology behind the same, sample size is small and detailed information regarding each Organisation is required.

The methodology adopted-

- Understanding the vision, mission and works of ABC Foundation, the roles of key functions (i.e Horizontals, University, Field Institutes, Enablers) of the foundation and the Development Sector.

- Understanding the objectives of study in context of the foundations requirement.

- Prepare an Information Requirement Planning and select a sample size.

- Sample size was between 5 to 7 organisations, the sample had to consist of both Indian and international organisations the criteria for benchmarking organisations were, area of work in development sector with focus on Primary education, larger scale of operations and the organisations must have their own field implementation and also work closely with the government schools.

- Depending on the above criteria the organisations were shortlisted.

- Designing a questionnaire that will help in capturing the required/relevant information.

- Collection of data from the selected NGOs through face to face interviews and questionnaire method followed by tele-conference.

- Presenting the data collected as usable information, drawing inference from the information.

- Identifying the gaps and requirements of ABC foundation, accordingly recommending practices that can be adopted.

Benchmarked Organisations

- The names of the participated organisations are disguised in order to protect the identity of the Organisation.

- All the participating organisations through their various programs and initiatives want to achieve a common goal of imparting quality education to children, and education helps an individual shine in all arenas of life.

Background of Benchmarked Organisations

Organisation A

The Trust was largely known for making individual grants for education and medical relief, they also make institutional grants. Education, health and support for allied trusts were the mainstay of institutional grant making, with a few grants also being made for the promotion of arts and heritage, women's development, rural development, etc. Compared to the grants made currently, these were at best modest in comparison. They operate in 10 states and 15 districts across the country.

Program Grants

Under the Trusts' institutional grants, their programme grants comprise five broad areas of grant-making, which are encapsulated thus:

Program Grants

- Rural Livelihoods and Communities.

- Education.

- Health.

- Enhancing Civil Society and Governance.

- Arts and Culture.

Organisation B

The Foundation was founded in 2000; the vision of the foundation is "To help underprivileged children and young people of our country realize their potential". It conducts free programs in both primary and higher education for the underprivileged children with a special focus on girls.

The Foundation envisions 500 primary and 50 senior secondary schools, reaching out to over 200,000 underprivileged children through free quality education.

The program aims to transform education-delivery through three key pillars of intervention:

- Age and class-appropriate learning levels and holistic development of children.

- Teachers' motivation.

- Parent and community engagement.

Organisation C

It is a part of the largest group of institutions of a north Indian city, which started with the founding of a basic school in 1931. The founder had a vision of providing quality education to non-elite sections of society with the aim of making socially responsible citizens.

It was established in 1994. The centre is a "resource unit to facilitate cross fertilization of ideas on pedagogy". The resource centre was perceived as an institution that would make quality interventions in the group institutions. However the scope of the center has evolved over time to encompass consultancy activities, research and training in educational affairs in India. XYZ has been funding this project since October 2001. Gradually it become a resources centre and started working on the issues of school - education, especially primary education, in collaboration with institutions like DIETs, DPEP, EETRN, IGNO Plan International and other NGOs

Organisation D

Organisation D search for alternatives in education began on a very small scale with a small school in 1978.The vision of Organisation D is "To believe that the purpose of education is to make the child a self-motivated and independent learner with the ability to think critically". Organisation D contributes towards providing such educational opportunities for all children based on this idea.

The first ten years of that small school were a good grounding in understanding elementary education in general and classroom practices in particular. Organisation D felt that it is the rural children who continued to be deprived of good education, therefore began to focus on rural children. Organisation D began work in the villages on the outskirts of a north Indian city. Currently, Organisation D's rural education programme runs in three villages and over 600 children study in these three schools. They also run a programme for out-of-school adolescent girls. The programme also works towards improving the quality of education and school environment in government schools.

Organisation E

Organisation E is an award-winning non-profit organisation founded for improving literacy and gender equality in education in the developing world. Headquartered in USA and founded on the belief that "World Change Starts with Educated Children," the organisation focuses on working in collaboration with local communities, partner organisations and governments. It develops literacy skills and the habit of reading among primary school children, and supports girls in completing secondary school with the relevant life skills to succeed in school and beyond.

To achieve this goal, focuses on two areas which they believe will have the greatest impact: literacy and gender equality in education. They work in collaboration with communities and local governments across Asia and Africa to develop literacy skills and a habit of reading among primary school children, and support girls to complete secondary school with the life skills they'll need to succeed in school and beyond.

It is serving communities in ten countries in Asia and Africa: **South Africa, Zambia, Tanzania, Sri Lanka, India, Nepal, Bangladesh, Laos, Cambodia, and Vietnam.**

Findings of the Study

Organisation	Organisation A	Organisation B	Organisation C	Organisation D	Organisation E
Number of Employees	500- 600 approx	1621	282	60 – 70	400
Age Profile	30 to 45 Years	25 - 50 Years	26 - 40 Years	25 - 55 Years	25 - 55 Years
Gender Ratio (Male:Female)	55%:45%	65% : 35%	70% : 30%	50%:50%	40%:60%
Organisation Culture					
General Rules and Regulation	Presence of a well-defined code of conduct, formal dressing, no flexibility in terms of training.	Organisation has a corporate culture and is highly formal.	Organisation has a well-defined policies on code of conduct, dress code etc. However, all the policies are employee friendly.	Not well-defined code of conduct, the general (human) code applies.There is no flexibility in timings.	No formal rules but when working with Partner Organisation then rules and regulation like timings, dress code of theorganisation is followed
Flexibility	Highly flexible in terms of change of area of work and even location.	There is flexibility in terms of change of programs though the scope of work remains the same there will be change in terms of location.	An employee has to work minimum for one year in the role for which he/she has been selected, if interested to change the area of work, he/she	There is flexibility in terms of change of programs and roles within the program.	Organisation is flexible in terms of change of programs and location.

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		has to apply as and when a vacant position arises in the organisation and has to prove his/her potential by competing with other external candidates		
Tolerance Level	Zero tolerance towards employees who are low on ethics.	Organisation is tolerant to a certain level any instance of violation of rules is spared by giving a warning, but if the same is repeated again the employee is terminated.	Tolerant towards low performers with strong values, support is given to such individuals in form of training.	Organisation is tolerant to individuals who are high performers with attitudinal issues but zero tolerant to low performing individuals.

No tolerance towards individuals who are low on values and ethics

Meeting Rooms	Combination of closed and open doors meetings.	Closed room meetings.	Meetings are conducted with open doors.	Meetings are participatory involving all the team members	Combination of formal closed room meeting and informal open forums.
Decision Making	Decentralised	Members in action are empowered to take decision within their own capacity.	Individuals empowered to make their own decisions.	Collective decision making	A combination of Centralised and Decentralized decision making.
Ambience of Work space	Combination of Corporate and NGO.	Corporate outlook.	Modern amenities are provided to ensure hassle free environment.	Infrastructure is moderate, economical and eco-friendly.	Minimum facilities provided, needs are addressed as and when required.
Process Orientation	Highly Process based, but processes of programs can be developed by the members involved.	Highly process oriented, there is also presence of a Quality Management department which reviews the process through internal audits.	There exists a quality process in the organisation to manage the excessive standardisation and review of the process once in the year.	Organisation is not process based, the activities are stream lined through fortnightly meetings, sharing of work obtaining feedback and reflecting upon the feedback.	Quality processes guiding the activities of the departments
Outcome Orientation	Accountability monitored through, Monthly Planning Report, Quarterly Review, Impact Assessment and Third party Assessment	Accountability and Timelines monitored by Program Management Team.	Accountability and Timelines monitored by Monitoring and Evaluation Team.	Work sharing meetings (WSM) held every month where reasons and factors of achieving/ not achieving the goals.	Accountability is monitored through an independent internal committee, which is assigned for each project which is responsible for setting and monitoring timelines.

Alignment of Employees towards Culture	Induction program that usually last from 7 days to 1 month, focusing on values, programs etc. Mentor/Buddy is assigned to the new recruit for one to two weeks.	Employee Engagement Forum Induction	Robust induction process which every employee goes through at the time of joining.	Induction program Members assimilate the organisational culture by living the same	Induction process and through different process of interaction
Reward and Recognition					
Recognition Mechanism	Publish work either on common forum, newsletter or even Facebook home page. Individuals, who perform par excellence in any of the training programs conducted, then make them a co-trainer in future trainings. Layers of hierarchical promotions.	Individuals are recognised through various awards which also has small monetary component attached to it which ranges from Rs. 200 toRs. 2000.	Organisation believes in recognising the individuals through non-monetary rewards, there are many awards given to both Individuals and also teams, there also a Service Award given to employees who complete a tenure of 5 years with the organisation. The awards are in the form of certificate and trophy.	No formal mechanism of reward and recognition, Individuals and teams appreciated in meetings.	Organisation does not recognise any individual as it believes this creates competition and bad blood among co-workers which in turn reduces productivity and demoralizes the team

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Models	Internal Capability Development				
	Induction, Organisation/ Site visits, Certificate/ Fellowship Program, Library, Seminars, Internal Workshops, Knowledge Sharing	Induction, Internal Workshops on Soft skills and IT skills, Presentation skills, Time management, Team building, Function specific Predefined Competency like Leadership skills, Business Structure, Customer management, Entrepreneurship. Other Function specific trainings.	Induction Trainings/ Workshops/ Seminars Career Planning and Development Mentoring/ Counselling By giving employees more challenging tasks	Induction Internal Workshops On job training Courses – Employees sent to attend ourses and workshops in TISS. Knowledge sharing mechanism	Induction nternal Workshops & Seminars Mentorship Knowledge sharing Library On job Training External course - The Employees are encouraged to take sabbatical and pursue their education, MA Education from TISS, MA and BSc., Language Group - Workshops on structure of languages.
Development of Leadership Skills	Supporting their initiative, giving space to perform and resource support. By giving additional responsibilities.		Exposure visits to other countries Management Certificate Courses in IIMs and XLRI	Believes it is a pre-requisite in a social sector.	Individuals who show initiatives are given higher responsibility to grow and accordingly provided grade

Organisation Design

Guiding Principles	Organisation structure has many layers making it a complex structure. The structure is flat but highly departmentalised, there is high horizontal differentiation and low vertical differentiation. The operations of Programme has decentralised decision making with consent of Reporting Manager and the processes are formalised internally and more specific to the activities of each programme. The departments act as Autonomous units, having their own goals, area of work and resources but they are in line with the broad organisational goals.	CEO acts as head of Governing Body, with all the functional heads reporting to him directly. A support team is placed in all Regions and an Admin person is placed at every district to support the infrastructure needs. Ideology behind guiding the organisation value is that Quality Education can act as a tool to bring about change in the society; it focuses mainly on Rural Education. The organisation has different programmes and each programme is an autonomous unit by itself having it is own resources, goals, objectives but they are in line with the objective of providing Quality Education to the rural pockets	Organisation, is highly process driven it combines Standardisation with decentralisation, a department to maintain consistency develops its own process by considering inputs from the members of the team. The organisation does have rules and regulation in place but are employee friendly. Decision making is highly decentralised, there is no long chain of command to be followed Individuals have freedom to take their decisions, are accountable to the same. Each department has its own goals. However, departmental goals arrive from organisation goals and individual goals arrive from departmental goals which are certainly linked with the overall goals and objective of the organisation.	The structure is low on complexities, there are not many layers of hierarchy and the structure is not highly departmentalized, short chain of command and also the number of employees are less. The responsibility of an activity lies with an individual rather than a department. The organisation has low formalisation, decision making is decentralized groups/teams can take a collective decision, flexibility in terms of area of work, the traditional distinctions between supervisor and employee and line and staff is blur.	Organisation is highly process based and standard guidelines given to the project coordinator, project specific guidelines are given by the Partnership organisation. These guidelines form the basis for decision making. Each institute acts as an autonomous body, it has its own purpose, goals, and objectives, scope of work, resources and budget but contributes towards the main purpose of the organisation.

Recommendations

Strategy Level

- Team Orientation - To define the roles and responsibility of individuals in the team, the team lead can share a common template where roles of every member can be clearly defined. A match between qualifications, experience and role has to be attempted.
- Clarity in structure required
- Exposure visits to other countries for the members of field, for competency building.

Tactical Level

- Process Orientation – Standardisation of process, the processes can be formed by taking the feedback and suggestions from the members involved in the Departments.
- A central impact assessment team, which can measure the impact of the programmes through student learning levels, classroom and school processes, stakeholder perceptions and behaviour to be designed.
- There can be a better role clarity and career planning to all individuals which can in turn motivate members to perform, creating HR bands.
- The foundation can have a skill matrix to identify the existing competency and need for training.
- Induction program can include field exposure for better understanding of the works of the foundation.
- Quarterly or Half yearly Planning Report which will be reviewed by the reporting manager to understand the reasons and factors faced for achieving/not achieving the goals/objectives.

Operation Level

- Creating MIS format and communicating same to the team.
- Publish work in a common forum, newsletter or on Facebook home page
- If an individual is performed par excellence in any of the training programs conducted, then make them a co- trainer.
- Individual and Group awards to appreciate outstanding contributions.

Limitations of the Study

Due to constraint of time and due to difficulty in obtaining leads and contacts in organisations the sample size of organisations had to be limited. Larger field based development organisations and more complex global organisations such as TERI (which are both research and field based setups) etc. could have been considered for the study.

References

ABC Foundation. (n.d.). Retrieved from organisation's website