Problems in Managing Organisations

Governing and Managing Organisations

Guidelines for AKDN's work with CSOs
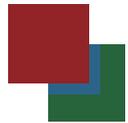### No 1

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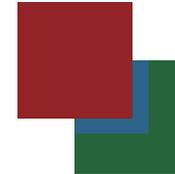AGA KHAN DEVELOPMENT NETWORK

Problems in Managing Organisations

"Civil Society Institutions play an essential role in the provision of social services, the protection of the marginalised, and the delivery of development programmes"

His Highness the Aga Khan,
Toronto 18 June 2004

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Guidelines for AKDN's work with CSOs
No 1

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AGA KHAN DEVELOPMENT NETWORK

Why you may need these guidelines[1]

Some problems appear in organisations of all kinds. Here is a sample:

- Board members are unconfident and/or over-committed.

- Managers face the same difficulties.

- The organisation's ideals do not match its day to day reality.

- Meetings are badly planned, badly run and/or badly recorded.

- Decision-making and management structures are not clear.

- Unpaid staff and volunteers lack clear job descriptions and responsibilities.

- It is not clear how to deal with unsatisfactory work performance or behaviour.

- The organisation's haphazard administrative systems hinder rather than help its effective operation.

- Financial management or control procedures are inadequate.

- You find unwillingness to address any of these problems, or inadequate procedures to tackle them.

- The organisation works on technical issues, but does not take a stand on matters of principle, values and ethics.

*If any of these problems affect your organisation,
these guidelines are for you!*

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[1] Adapted from "Just About Managing", London Voluntary Service Council 2004

Questions for your organisation

1. Do you think it is helpful for your organisation to go through the strategic planning process?

2. Do you think your organisation will be more effective if it develops a strategic plan with a vision and mission for its programmes?

If so, this booklet will give you some pointers to head you in the right direction.

*A*ction points for your organisation

If you follow the guidelines below you will be able to:

1. Agree on the social problem(s) that you want to tackle by discussing the issues among yourselves.

2. Produce a Vision Statement based on the problem(s) that you are trying to overcome – the future situation you would like to see in 15 years time (in 50 words or less).

3. Produce a Mission Statement for your organisation (50 words or less) and ask yourselves: Does it clearly say what the purpose of your organisation is? Does everyone agree? Does it say what you do not do?

4. Choose a Strategy for your organisation that fits your organisation's resources.

*P*roblems in managing organisations

An effective service organisation is made up of people who are basically all pointing in the same direction – that is, they are in agreement about the reason for the organisation to exist, and what they would like to see the organisation achieve. If there are very basic disagreements about such matters, it is likely that the organisation will not be effective, and will spend its time arguing and posturing.

Therefore those involved need to be open and clear about the purpose of the organisation, and about the ways that it intends to work. It is then very important to make sure that all those involved are "on board" – that is, in agreement about these fundamental aspects of the organisation. This may seem very simple (if not over-simple) but these aspects are the foundations of any organisation that wants to achieve something. You ignore them at your peril.

This booklet suggests a way of obtaining consensus on the work of the organisation – agreeing on Issues, Vision, Mission, Strategy, and Programmes.

It is very important to make sure that all those involved are 'on board'

*I*ssues

An organisation usually comes into existence because there is an issue that needs to be tackled or a problem that needs to be overcome. The issue may have been identified by someone else, but is accepted as offering a challenge to those who get involved.

For example, a community may realize that its members do not always agree with each other and it therefore requires a mediation and conciliation facility. Again, perhaps a group wants to reduce maternal mortality, and sets up an organisation to do so. Then again, perhaps a community wants to find a way to obtain essential school equipment.

In all these cases, there is a common problem which all accept as being important and needing to be overcome.

Dwelling too long on the problems rather than solutions leads to depression and despair. It is much healthier to focus on the ways to overcome the problem. This is the reason why organisations try to construct a vision of the society that they would like to see.

*T*he Vision

A Vision is a picture of the world that you would like to see in the future – a dream of what things would look like when your problem has been overcome. It is the "reality to be" as opposed to the "reality that is".

The Vision should be of the ideal world that the organisation would like to see in 10-15 years' time. You may not be able to achieve that vision easily, but it will indicate the direction in which the organisation would like to move. That is, a Vision Statement expresses a desired future state.

Agreeing on a Vision binds the members of the organisation together, clarifies its ideals, invites commitment and provides momentum.

Members of the group should try to visualize the world they dream of. They should put it in writing or draw their vision, share it with their colleagues and, through discussion, slowly come to a consensus about the Vision for the whole organisation.

Having a Vision of what the world will look like in 15 years does not, however, help you to start work on achieving it. For that you need an expression of your Mission – that is, your purpose or reason for existing together with an agreement on the means that you will use to carry out your goals.
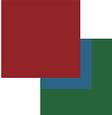
A Vision Statement indicates the future you want to see

_T_he Mission

Your Mission (or purpose) – usually expressed as a Mission Statement – sets down the reason for the organisation's existence, and how it is going to try and achieve its Vision. It is written in language which makes clear what you want to do ("This organisation's mission is to do something…..”). The Mission Statement is the instrument for keeping an organisation focused and effective. It is also a statement that, as with the Vision, you should be prepared to make public.

Your organisation has to make a choice about the ways that it wants to achieve its vision: it has to choose a means which, in its opinion, has the best chance of achieving that vision. And it has to obtain consensus from the whole organisation on the goal and the means.

A clear Mission connects the Vision to a method for achieving that Vision. This has a number of benefits:

- A clear Mission can guide an organisation's leaders in major policy decisions about alternative courses of action.

- If properly understood and shared, the Mission helps channel people in a common direction.

- A shared Mission provides meaning and motivation for the people who work in the organisation.

The Mission Statement tells your staff and the public the purpose of your organisation. It also tells people what is _not_ the purpose of your organisation.

Let us take the example of the Conciliation and Arbitration Board that a community wants to set up. Its vision is probably of a world in which all arguments between community members can be solved amicably. Its Mission is to voluntarily offer disputing parties the opportunity for arbitration within the community.

By definition, therefore, it does not involve outsiders; it does not involve the police; it does not involve sanctions and punishments.

Let us think of an AKHS Board for a country: its Vision may be of a world in which pregnant women give birth safely and cleanly. Its Mission is to provide facilities for education about maternity, opportunities for pre-natal examination, and facilities for nurse-assisted birthing.

By definition, therefore, its mission does not involve abortion or other kinds of medical interventions to end pregnancies.[2]

Let us think of a Parent-Teacher Association: its Vision may be that all children in a particular school have desks, books and pens. But its Mission is to collect donations from parents to buy such equipment and make sure it is looked after.

By definition, therefore, the Mission of this Parent-Teacher Association is not to fund or organize extra teachers, folk dancing or gardening.

In sum, the Mission spells out the reason for the organisation's existence along with the way it is going to achieve its Vision. You may think that the Missions shown above are very rigid and perhaps exclude worthwhile activities. The important point is to have clarity and consensus amongst the stakeholders. The enemy of a good organisation is generality – because it does not lead to action and concrete changes in practice.

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[2] Different Boards may have different missions. This is just an example, not a definition of a Board's tasks.

Strategy

An organisation may be clear about its Vision of the future, and it may be clear about its reason for existing, but not all organisations have thought carefully about the different options that they have available to carry out their Mission, or which one to choose. They need to think about a Strategy. The Strategy is a set of concepts that guides an organisation's use of its resources to pursue its Mission – it suggests how to use your human, physical, financial and knowledge resources to carry out your mission.

A strategy helps you to think about:

- the nature of the problem you are trying to solve
- the opportunities and difficulties that exist in the world in which you are living and working, and
- the strengths and weaknesses of your organisation.

You might decide that the best way to work is to involve all members of the community. But you might prefer to include only a few people with particular skills.

You might decide that you should try to involve the government. Or you might decide it is the last thing you want.

You might decide to seek funds from outside the community. Then again, you might decide to be self-reliant.

These are all different strategies to implement your Mission and achieve your Vision.

A clearly agreed Strategy will also allow your organisation to avoid activities that:

- require more people, time, skills or funds than are available
- will not produce results because of external constraints
- will have few sustainable impacts
- will drain energies from more central concerns
- will not advance the organisation's mission for other reasons.

Finally, you will be then ready to get down to serious planning of your Programme (a long-term set of activities) or a project (a shorter-term set of activities).

A clearly agreed Strategy will avoid several pitfalls

*P*rogramme (or Project)

The Programme is your opportunity not just to talk about doing something, but to do it. It will involve planning, implementation, monitoring (to see if you are really doing what you planned) and evaluation (to reflect whether the plan was a good one in the first place).

At this stage you will need to think about:

- a time frame ("over what period are you going to carry out this activity?")
- the results that you hope to get in that time frame (from both your organisation and others)
- the results that your organisation is committed to achieving on its own
- the activities which will produce those results, and
- the budget necessary for your programme.

Actually planning and implementing a programme is something that all organisations want to do. What is important is to plan carefully, get buy-in from stakeholders to the plan, and then implement what you have planned, not something else.

Successful planning and implementation require effective and efficient governance and management. These topics are also dealt with in the other booklets in this series.

The background to these guidelines

The AKDN Civil Society Programme has produced a series of internal booklets to help those involved with AKDN agencies to acquire the skills they need to build and strengthen effective civil society organisations (CSOs).

There are basically four types of institutions for whom these booklets are intended:

1. *The Jamati Institutions: National Councils, ITREB, GRB, NCAB, and EPB*

2. *The Boards of the Service Companies – AKHS, AKES, AKPBS*

3. *Associations set up by the Service Companies or by other AKDN agencies to support the purposes of their programme – such as PTAs, school management committees, nurses associations, midwives associations, teachers associations, tenants associations*

4. *CSOs outside AKDN agencies which support their purposes*

All such organisations involve people who have committed themselves to improving the society in which they live by what they do and how they behave. Commitment and voluntarism may, however, not be enough for an effective organisation – specific organisational skills are needed as well. And these skills can be learnt.

The following booklets are also available in this series:

1. *Problems in Managing Organisations*
2. *Skills in Managing Organisations*
3. *Improving Management*
4. *The Board and its Functions*
5. *Organisational Structures and Systems*
6. *Managing People and their Work*
7. *Managing Finance*
8. *Building a More Civil Society*

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