

## IMPLEMENTATION OF MANAGEMENT FUNCTIONS: BASED ON THE EXAMPLE OF NON-GOVERNMENT ORGANISATIONS IN KAUNAS DISTRICT

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### Abstract

This article deals with conception and particularity of management process and functions of non-governmental organisations (hereinafter referred to as NGO), as well as peculiarities of management functions of NGO.

Empirical research results of implementation of NGO management functions in Kaunas District have been presented, the major advantages and disadvantages of implementation of NGO management functions in Kaunas District have been pointed out. With reference to the data of theoretical analysis and empirical research, the directions towards development of problematic areas of NGO management functions have been indicated and justified, highlighting the elimination of drawbacks to the implementation of management functions.

**Key words:** management functions, non-governmental organisations, directions towards activity development.

### Introduction

For the purposeful performance of the system of every organisation, its members and elements, there is a need for a specific activity that can be treated as the entirety of specific actions: management. The content of management as a specific activity depends on various features of an organisation: large or small, informal or regulated, local or international, etc.

In the scientific literature, there is a wide range of classifications of management functions. The authors of the article hold the opinion that the functions of goal formation and motivation have not been distinguished in the classical classification of management functions. These functions are highly significant to the process of management. Goal formation is the initial and final point of the process of management, while the function of motivation is important for the staff of the organisation to carry out productive work, having impact on their material well-being and psychology.

Non-governmental organisations are a part of Lithuanian civil society. They can provide great benefit with little finances as NGO is based on the principle of voluntarism and attracts financing from various funds. More and more social-cultural associations occur in the rural areas (community centres, youth centres, unions of the disabled, gyms, etc.), which are concerned about the support for the people, who experience social exclusion, families at social risk, individuals who are not able to fend for themselves, etc. That is why this article aims at analysing the most common type of NGO in the rural areas: an association (in this case, associations in Kaunas District), focusing on community centres, youth centres, unions of the disabled, Kaunas District Local Action Group, etc.

**The object of the research:** implementation of management functions in the NGO

**The aim of the research:** to identify and justify the directions towards the development of NGO management functions in Kaunas District

### The objectives of the research:

1. To theoretically analyse the implementation of management functions in the NGO activity.
2. To determine advantages and disadvantages of implementation of NGO management functions in Kaunas District.

**The methods of the research:** analysis and synthesis of scientific literature, analysis and synthesis of documents, survey of NGO managers and members.

### Materials and Methods

*Theoretical analysis of the implementation of NGO management functions*

Management functions in various organisations are implemented in different ways. These functions should be properly adapted for NGO as their nature of activity is specific, based on voluntary principle. In the scientific literature (C. Rees (2008), L. Sheal (2004)), it is manifested that NGO is characterised by its particularity of management and distinctive means of management.

*Goal formation* can be indicated as the first management function in any organisation. L. Marcinkevičiūtė and J. Žukovskis (2007) state that a goal is a guide of organisational activity, the achievement of which all present activities of the organisation depend on. In order to achieve goals of the organisation, there is a need for purposeful activity, concentration on the actions. *The main assumption of the goal formation is that people will work better and more if they know clear and understandable goals to be achieved.*

Involvement of employees into the process of goal setting should be emphasised. Especially NGO, where the activity of members is based on voluntarism. The managers of the organisation should be aware of the conditions for the involvement of members in the goal setting that would ensure the involvement of members when forming goals. Personal goals of members

should be integrated into general organisational activity with the support of collective efforts of members and managers.

*The Code of Ethics and Conduct for NGOs* was initiated by the World Association of Non-Governmental Organisations (WANGO) in 2008. It focuses on setting NGO goals higher than personal goals. The interests of the organisation should be put ahead of individual desires. This is especially accentuated for the members of the Board, working in the body of NGO management. For volunteers working for an organisation, personal goals should not be more important than organisational goals. Carrying out duties as volunteers, they should strive for the benefit for the society but not themselves. On the other hand, every member joining the organisation tries to achieve personal goals as well: to actualise professional capabilities, find friends and peers, etc. As a result, integration of personal goals into organisational activity is particularly important. Having integrated personal goals of members into organisational activity, the pursuit of organisational goals will evoke the pursuit of personal goals.

In rural areas, there are rural communities, youth centres, as well as other NGOs, the activity of which is oriented towards the satisfaction of needs for a specific target group of residents and representation of their interests. As it has been already mentioned, the establishment is based on the principle of voluntarism. The goals are formulated with regard to the problems of the area and needs of residents. However, the goals are not always achieved successfully. Certain obstacles come across that raise difficulties to achieve organisational goals successfully. According to the data of the scientific literature, (Park et al., 2009) the goals are not often achieved due to the lack of financial resources, scarce competences of members or manager, and lack of knowledge. One more important aspect is lack of specialists. Non-governmental organisations, especially rural communities, are lacking qualified specialists that would advise community members on topical issues. It is also challenging to attract new members: volunteers involved into community activity as there is no pay for the participation.

The second function of management is *planning*. J. Pakhare (2011) points out that planning is an endless course of actions. For the managers it is necessary to evaluate the activity stage that an organisation takes place and where it will be next year. For this reason, an action plan is formed and implemented to make an organisation achieve its goals. In order to analyse how the function of planning is implemented in the organisation, it is necessary to find out how the goals are set and means are chosen to achieve these goals. If the goals are achieved by implementing the means, determined in the plan, the system of planning can be

evaluated as affective, if not, the system of planning should be changed or improved.

NGO action plan helps managers focus on the main ideas, indicate the most effective methods to achieve organisational goals and plan resources. In *the Management Quality Standard of NGO and Social Non-profit Partners* (2003) it is stated that all individuals involved in the organisational activity should participate in the planning process. It is really important to involve members of the organisation in the planning process because this will ensure successful performance of tasks and working towards goals. When planning organisational activity, it is essential to foresee whether there is a connection between the goal, set tasks and determined activities, whether members support the implementation of the plan or not. *Another important step is advertising the plans of NGO activity in public places such as websites, information board of the organisation, etc. The more people know about NGO activity, the more chances that it will attract more volunteers. The members of the organisation should know about the prospects for organisational activity as well.* E. James (2011) suggests that members of the society would easier become financial supporters and volunteers and would be involved in the significant NGO activity if the organisation was more visible and known.

Taking into account planning process of the activity, it should be pointed out that it is impossible to foresee all unexpectancies of the planned activity. Certain obstacles occur that consistently interfere the planning of the organisational activity. In non-governmental organisations, planning obstacles often occur due to external factors of organisation environment (political, economic, etc.), unexpected events, time, costs, etc. Insufficient communication between managers and members of the organisation is also an important aspect. In *the Management Quality Standard of NGO and Social Non-profit Partners* (2003), it is stated that consistently described and well-known procedure of information spread for all people conditions the exchange of necessary and general information among the members of the organisation on what is going on in the organisation and its planned activities.

Taking into account *organising*, Y. Olum (2010) observes that the purpose of organising, as a management function, is to describe the role of every element in the organisation, to determine their relationships so that there would be favourable conditions to achieve goals. According to D. Valentine (2011), organising covers the delegation of powers, allocation of rights for employees, formation of duty descriptions, rules and procedures to regulate the work, etc.

*The Code of Ethics and Conduct for NGOs* (2008) suggests that NGO should have organisational documents, executive board, and managers, regularly arrange meetings and perform its activity. There is clear distribution of work, described responsibility areas, tasks and a responsible person. The organisational documents, i.e. statutes or establishment agreement, should clearly describe the mission, goals, management structure, membership rights and liabilities (if any) and rules of internal procedure of the organisation. The documents should fully describe the structure of management in the organisation and be available to all interested groups.

Considering distribution of work for NGO members, it should be pointed out that job specialisation is important as it enhances efficiency of the organisational activity because the performed tasks are not duplicated. *The Management Quality Standard of NGO and Social Non-profit Partners* (2003) highlights that proper distribution of work in the organisation prevents from leaving tasks that do not belong to any of its members and tasks performed by several employees of the organisation. Distribution of work in the organisation optimises the load for the organisation members and enhances the efficiency of the performed work. Therefore, it is essential to clearly describe the distribution of tasks and responsibility areas for an individual member. *It should be noted that job descriptions, describing functions of certain positions and responsibility areas, contribute to this.*

L. Marcinkevičiūtė (2010), T. Mullern, A. Styhre et al. (2011) describe *motivation* as an activity stimulation process between one and others, when achieving personal or organisational goals. The results of work will be better when employees are not only explained what they are expected to do, but they are given what they desire. As L. Antic, V. Sekulic (2009) state, a motivated employee is proud of his/her work, he/she does not show negative attitude towards organisation, he/she is dedicated to his/her job and satisfied with it. According to U. Eriksson-Zetterquist, T. Mullern and A. Styhre (2011), employees' motivation and satisfaction with the job influences the culture of organisation, identifies the quality of its results and effectiveness of management.

Members-volunteers work in rural communities and other NGOs. People assume certain duties and perform beneficial work for community without receiving any pay for it. M. Binder and A. Freytag (2013) (according to Wilson, 2000) assume that volunteering is any activity, which is performed in one's free time pursuing benefit for other person, group or organisation. L. Marcinkevičiūtė (2010) believes that volunteering motivates to continue such activity if the activity is likeable, clear structured and a volunteer feels a part of it. It should be pointed out that

motivation of volunteers should not be left "on their own", voluntary work should be constantly motivated.

In order to keep motivation for NGO members, mutual relationships of members and a manager are extremely significant. If the interaction between members and a manager is not satisfactory, there is a huge possibility that members will avoid interaction and become passive. Constant communication and open relationship are particularly important to maintain motivation of volunteers.

Taking into account a *management function*, R. Tijūnaitienė and B. Neverauskas (2009) suggest that governance is one of the most important functions of a manager, which is related to interpersonal aspects of management, allowing employees to understand the goal of organisation and stimulating to achieve them effectively. A manager transforms the totality of individuals into a group working purposefully and effectively. Management is especially important as it helps the group keep together and focus on the achievement of goals.

NGO management should be democratic, although, in exceptional cases, management can have non-democratic features as well if it is related to the activity which requires strict hierarchical structure. It is important to ensure that the management structure of NGO and indication of member's rights and duties would not prevent him/her from voluntary exit from organisation.

In the scientific literature Y. Stukalina (2010) a *control function* is treated as a systematic process, which ensures the achievement of goals in the organisation. The goal of control is to evaluate the carried out work and correct work process (if needed), trying to ensure effective achievement of organisational goals and implemented plans. Control allows managers to monitor the effectiveness of planning, organising and management functions, as well as take actions to correct something during their implementation.

Certain features help to determine whether the control in the organisation is effective or not. As A. Stoner, R. Freeman (2006) state, they are: strategic purposefulness, orientation towards results, correspondence, suitable control time, flexibility, and simplicity. Non-governmental and other organisations both should control their employees in moderation; otherwise, there is a possibility that employees will suffer from high tension and dissatisfaction about work.

According to the data of the researches, there is a tendency that management of non-governmental organisations notably shows resemblance to the management of small or medium business companies. NGO follows the same principles of planning, management and accountability, applied in the

business sector. NGOs that provide services compete against service providers of business and budgetary sector. Within the employment relationship, more professionalism is noticeable, work processes become more formalised and standardised, the activity of NGO is oriented towards measurable results.

## Results and Discussion

### *Empirical research results of implementation of NGO management functions in Kaunas District*

In order to determine how management functions are implemented in NGO activity in Kaunas District, 24 managers and 34 members of associations have been questioned.

When analysing participation of NGO members in goal formation, it has been found out that the Chairman and the Board (70%) are those who usually participate in goal formation. The crucial obstacles interfering goal formation in the organisation such as lack of financial resources, lack of different specialists, lack of competence and knowledge, as well as insufficient number of new members, have been identified.

Note that rural communities and other NGOs run projects and receive funding, however, the data of the research have proved that it is simply not enough. It is necessary to look for opportunities to attract additional funding. One of the possibilities is promotion of social entrepreneurship. A part of received financing could be intended for NGO goal implementation. When implementing projects or preparing organisational strategy, there is a lack of knowledge and competence regarding certain issues. As respondents point out, *the courses organised by the specialists are very general, they do not focus on specific problems. Classical examples provided by the specialists are hardly adapted in particular situations of organisational activity.* Therefore, rural community centres are often advised by other organisations, for instance, a local action group, administration of the municipality, etc. Insufficient number of new members is also a very significant obstacle, which interferes the implementation of desirable goals. It is difficult to attract volunteers as there is no pay for voluntary activity.

When analysing problems related to activity planning, it has been indicated that 50% of organisations participating in the survey plan their activity according to the existing situation. *The assumption can be made that managers of the organisations do not prepare strategic plans.* As they state, the main planning obstacles remain lack of time and high costs for social services.

Analysing the organising of NGO activity, it has been found out that most of organisations (80%) have organisational management structure, which is officially drawn in the organisational documents.

Work cooperation and acquisition of qualification as well as its development, schedule of work and leisure and good working conditions are in respondents' favour.

Answering to the question whether they are satisfied with the work in the organisation, 82% of respondents responded positively. Having evaluated their work personally, volunteers improve themselves and activities are performed more effectively.

50% of NGO managers indicated non-monetary means of motivation, including evaluation of work, freedom to make decisions, possibilities for self-expression, qualification improvement and other.

The survey enquired about the means of motivation that would motivate members most. The answers have been divided as follows: 38% of members indicated freedom to make decisions as the priority, 37% of members highlighted the relationship with the manager and other members, 36% of respondents that manager's praise for a good performance of activity is also very important. The fourth place belongs to organisation of member leisure. This statement has been indicated by 34.3% of respondents. Certificates of appreciation take the fifth place. Certificates of appreciation express gratitude for cooperation and participation in various events. By receiving certificates of appreciation volunteers feel evaluated. Both managers and members evaluated mutual relationship positively.

The question on whether the members in the organisation are provided with opportunities for personal growth and development has been answered as follows: 50% of managers state that, according to their needs, members are provided with opportunities for personal growth and development, *21% of managers noticed that no opportunities for personal growth and development exist in their organisation. It can be assumed that the members of the latter organisations have no opportunities for development. Disregard of opportunities for personal growth and development may cause members professional degradation.*

When analysing implementation of a management function in the organisation, it has aimed at types of essential management principles. Among underlying principles of management, principles of orientation balance, personal independence and orientation towards the goal have been mentioned.

When evaluating the implementation of control function, it has been determined that the main control functions in the organisations are correction, diagnosis, encouragement, and spread of experience. The main disadvantage is that organisations lack orientation and evaluation control functions. These functions are especially important as the controlled activity of a member has greater meaning.

Table

**Directions towards the implementation development of NGO management functions**

Directions towards the implementation development of NGO management functions		Responsible persons
Development directions towards goal formation	<p><b><i>Clear and motivating formulation of organisational goals</i></b>                      Presentation of organisational goals for existing and new members to make goals comprehensible</p> <p><b><i>Purposefulness of goals and orientation towards plans</i></b>                      Goal formation, taking into account the mission of organisational activity</p> <p><b><i>Search of financial sources for successful implementation of organisational goals</i></b>                      Search of sponsors, fund-raising in the streets, during events, requests to donate in media, on the radio, etc.</p>	Manager, board, members
Development directions towards activity planning	<p><b><i>Preparation of strategic activity plans</i></b>                      Formation of a strategic planning group and acquisition of necessary skills and knowledge.</p> <p><b><i>Formalisation of organisational activity and publication in public places</i></b>                      Preparation and approval of activity plans, publication on the website, on the noticeboard of the organisation, etc.</p> <p><b><i>Reduction of costs by using the time of work intended for planning.</i></b>                      Determination of activity priorities and personal time planning</p>	Manager and board
Development directions towards activity organising	<p><b><i>Clear and concrete distribution of work for members of the organisation</i></b>                      Appropriate selection of work, considering health condition, age, competence of a member</p> <p><b><i>Determination of rational ways when coordinating members' work</i></b>                      Indication of crucial instructions, supervision of executable tasks</p> <p><b><i>Organising regular meetings and taking the minutes of their process</i></b>                      Constant organisation of meetings by writing and approving the minutes</p> <p><b><i>Preparation and formalisation of organisational documents</i></b>                      Archiving of organisational documents</p>	Manager and board
Development directions towards motivation of members	<p><b><i>Constant opportunities for personal growth and development</i></b>                      Participation in various trainings, seminars during a rotary period</p> <p><b><i>Application of various forms of leisure inside and outside the organisation</i></b>                      Organising business trips and travels, commemoration of traditional festivals</p>	Manager
Development directions towards management of members	<p><b><i>Application of principles of control and orientation towards the goal</i></b>                      Implementation of principles of control and orientation towards the goal in the organisation</p>	Manager
Development directions towards control maintenance	<p><b><i>Employment of orientation, assessment and feedback control functions</i></b>                      Implementation of orientation, assessment and feedback control functions in the organisation</p>	Manager

*Directions towards the development of NGO management functions in Kaunas District.*

Based on the theoretical analysis of NGO management functions and empirical results of the research on implementation of NGO management functions in Kaunas District, the directions towards

implementation development of NGO management functions have been mentioned (Table).

*Development directions towards goal formation.*

Members will work efficiently and try to achieve better results if they perceive organisational

goals. Existing and new volunteers both should be acquainted with organisational goals. Otherwise, a member will be disappointed with volunteering and will perform tasks without any motivation if he/she does not understand the purpose of the organisation and his/her level of responsibility.

Financial resources for NGO should be found through sponsors; fund-raising should be performed during various events; media, radio or television should request people to donate, to sell various handicrafts, postcards, souvenirs, etc. Search of financial resources should be considered strategically. A positive effect would be: successful implementation of organisational goals and achieved desirable results.

*Development directions towards activity planning.*

When preparing strategic plans, it is necessary to form a strategic planning group that would set long-term goals and would choose the ways of how to achieve these goals. Importantly, a strategic planning group should have knowledge and skills in management of communal organisations. A positive effect would be: forecast of future plans, consolidated effort of members to achieve mutual NGO goals, reasonable distribution of resources by determining priorities of activity, indication of crucial issues and their effective solution. It is not enough only to prepare and formalise an action plan. Publication of NGO action plan in public places: on the website (if such exists), organisational noticeboard, billboard, etc. A positive effect would be: more efficient work of NGO members, more opportunities to attract volunteers.

*Development directions towards activity organisation.*

Work specialisation should be purposeful as the effectiveness of works performed in the organisation depends on it. Work of NGO members should be coordinated properly. Purposeful coordination of work allows forming substantial instructions: what, who and when should be done. A positive effect would be: to assure continuous work.

In order to make activity of NGO formal, it is necessary to prepare organisational documents and formalise them appropriately. A volunteer joining the organisation should receive all necessary information about the organisation: its mission, goals, present activity, etc. Moreover, the manager of the organisation should introduce a new member with working place, his/her duties, and rules of internal procedure. A positive effect would be: a positive image of the organisation, more productive activity of the organisation.

*Development directions towards motivation of members.*

Increasing number of members in the organisation can be treated as constant exercising of competences and skills to achieve common organisational goals. It is necessary to arrange various trainings so that members had a possibility to acquire proper competences and skills. These trainings and seminars should be arranged during a rotary period. Consistent personality education of NGO members would provide further basis to improve work results. A positive effect would be: greater motivation to work, better work results.

Organising leisure for NGO members provides opportunities to actualise self-expression and needs for communication, educate cultural consciousness through artistic, intellectual or other activity. Regular leisure organisation reduces the feeling of alienation, fosters discovery of sociality, common interests and concerns. Managers of NGO should practice different forms of leisure organisation: sport activities, art events, extreme activities and other forms. Furthermore, business trips and travels should be organised, traditional festivals should be celebrated to enhance interests and benefit for volunteers. A positive effect would be: increased sociality and reduced feeling of alienation among members, development of common interests and hobbies.

*Development directions towards management of members.*

Principle of control signifies continuous yet not one-time control. Proper behaviour of employees should be ensured in the organisation, property of the organisation should be protected, any activity area should be controlled, etc. Orientation towards goal principle means that the orders of the manager should not be alienated from the main goal. Implementation of these principles would stimulate effective management in the organisation. A positive effect would be: more successful management and decreased number of mistakes.

*Development directions towards control maintenance.*

Orientation and evaluation control function highlight the control of members' work. Usually, the controlled work of members is more effective than less controlled; without any control it becomes less meaningful. Feedback is the drive of the organisation. Members exchange the information and learn whether they carry out their tasks properly. If no feedback is received, a member does not know what a manager thinks about his/her work and what the expectations are. The most effective way to ensure feedback in the organisation is to arrange constant meetings for

members and managers, during which different issues would be considered. A positive effect would be: effective implementation of tasks and set goals, better mutual relationships between members and managers.

### Conclusions

1. NGO management notably shows resemblance to the management of small or medium business companies. NGO follows the same principles of planning, organisation and management, applied in the business sector. NGO that provides services competes against service providers of business and budgetary sector. Within the employment relationship, more professionalism is noticeable, work processes become more formalised and standardised, activity of NGO is oriented towards measured results.

2. NGO management functions in Kaunas District are implemented incompletely as the implementation of each of them has crucial disadvantages. *The following NGO management disadvantages are distinguished:* inappropriate goal formation, absence of organisational activity oriented towards future, unclear specialisation of work, control functions of evaluation and feedback are ignored.

3. Six problematic areas of implementation development of NGO management functions, focusing on the elimination of disadvantages of management functions implementation have been identified and justified (oriented towards goal formation, planning, organising, motivation, management and control).

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