

**ORGANIZATIONAL CAPACITY ASSESMENT IN EDUCATION  
BUREAUS OF ADDIS ABABA, OROMIA AND SOUTH NATIONS  
NATIONALITIES PEOPLE**

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## Acronyms

AACAEB	Addis Ababa City Administration Education Bureau
EPRDF	Ethiopian Peoples Revolutionary Democratic Front
FCSA	Federal Civil Service Agency
FDRE	Federal Democratic Republic of Ethiopia
HR	Human Resource
HRM	Human Resource Management
HRM	Human Resource Development
IDB	International Development Bank
IDRC	International Development Research Center
OCA	Organizational Capacity Assessment
OREB	Oromia Education Bureau
SNNPREB	South Nations Nationalities People Education Bureau
TGE	Transitional Government of Ethiopia
UNESCO	United Nations Education, Science and Cultural Organization
WB	World Bank

## Abstract

*Education has been suffering from traditional and bureaucratic chains which hamper the expansion, enrichment and improvement of the relevance, quality, accessibility and equity of training. In order to alleviate these problems, the Government of the FDRE establishes Education Bureaus with a substantial authority of managing Education with in regions under education and training policy of 1993. This study was conducted with the objective to assess the strengths and weaknesses of Regional Education Bureaus in light of strategic leadership, human resources, program and process management, and Inter-institutional linkages. Methodologically descriptive survey method was used. Data were gathered from 6 process owners and 3 organizational leaders, 120 performers, and 41 other employees selected using random, purposive and availability sampling techniques as appropriate. Data gathered by questionnaires, interviews and focus group discussions were analyzed qualitatively and quantitatively. Frequency counts and the  $\chi^2$  test together with Fisher's exact test for significance of differences were used in the analysis. The results of the study indicated that the organizations strategy does not undertake environmental scanning and the organizations failure to define their unique place inside the sector as well as the failures of the organizational structure to indicate formal coordinating mechanisms. The finding also indicated the absence of human resources forecasts, job descriptions, staff orientation, individual to do training needs assessments fair and motivational assessment and reward systems, satisfying compensation (monetary or non-monetary). Problem solving and decision-making mechanisms, and records of evaluation results on strategy, program, policy and budgetary documents were not sufficiently available in the organizations. Organizational linkages have unsatisfactory contribution for organizational goals and mission. The strengths in the organizations were staffs support for formal and informal leadership, staffs willingness to undertake leadership roles and try new suggestion from their leaders and adequacy of decision making at managerial and department levels. On the other hand, some weaknesses were observed in areas like environmental scanning, human resource forecast, assessing and rewarding, job description, evaluation and organizational linkage. On top of this, undertaking SWOT analysis to have realistic understanding of itself in relation to its environment; undertaking human resource Forecasts, job analysis, staff orientation, human resource development programs, and fair and motivational assessment reward systems ensure that an organization have the right people to do the required work in achieving its full potential; Assigning an individual or group to plan and address ongoing infrastructure concerns; establishing adequate maintenance systems with ongoing maintenance budgets; solving problems related to library & information management systems; designing problem solving mechanisms to make timely, acceptable and achievable decisions; expending an effort to make strategy, program, policy and budgetary documents to mention procedure, results, findings and suggestions of evaluations; developing fruit full, ongoing partnerships with external organizations were suggested as indispensable ways to effect the intended performance.*

# CHAPTER 1

## THE PROBLEM AND ITS APPROACH

This chapter deals with the background of the study, statement of the problem, basic research questions, the significance of the study, objectives of the study, its delimitations and limitations as well as definition of key terms and the organization of the study.

### 1.1 Background to the Study

Developing countries need economic and social changes. To attain these, it is mandatory to change organizational behavior. Healthy and vibrant organizations are an essential ingredient for a nation's development. All nations have a dizzying range of large, small, powerful, difficult, disciplined, flexible and competitive political and economic organizations. Some perform well, others less well, and some fail altogether (Lusthaus, Adrien, Anderson, Carden and Montalván, 2002).

As it is further explained by Lusthaus others (2002) organizations which are trying to succeed, needs to have increased specializations of functions, people and infrastructure, different ways of working, different formal training, and even different personality types, appropriate technology required to meet its goals and appropriate ways to transform its resources into results through work process. In simple terms, organizations trying to adapt, survive, perform and influence, have to possess those underlined capacities.

The Ethiopian Government establish organizations that are aimed to providing some unique economic, political and social services satisfying and ensuring the needs and wellbeing of the society as well as enforcing laws, regulations and their directives (FCSA, 2007). Educations being one of the most important services, people under any social system require it to be provided equitably, efficiently, effectively and in an orderly manner. The responsibility to do so lies on the institutions established for this purpose. Following the establishment of these public organizations, Centralization and bureaucratic chain has been found to be the factor that weakens and causes a failure

for the education system of the country. The strategy which aims to establish boards and committees composed of parents, teachers, community and administrative representatives to direct and participate in the training and employment of teachers, budget allocation and implementation and the like was found to be necessary as education was not the sole responsibility of few education professionals. This is why the approach that causes the decentralization of the organization to regional and local administrations has been found (TGE, 1994).

The recent decentralization of the educational management, which is adopted through the 1994 Education and Training Policy of Ethiopia in Article 3.8.2, is to create necessary conditions to expand, enrich and improve the relevance, quality, accessibility and equity of education and training (TGE, 1994a). Earlier to this, Education Bureaus were established with substantial authority in managing education with in regions (TGE, 1993).

As it is outlined in the Education and Training policy of Ethiopia (1994), Regional Education Bureaus, are established for administering and directing education in accordance with the countries education policy, expanding and strengthening education in the region, offering basic education for all, designing primary education curriculum based on the regions specific needs and culture, building, maintaining, and repairing educational institutions, train, employ, manage and fire teachers and educational professionals, providing educational materials and equipments, preparing and administering regional exams, licensing the establishment of private schools and encouraging and increasing the participation of the people.

## **1.2 Statement of the Problem**

Organizations ranging from small families and gatherings of people, to large government entities (communities, states, nations, the United Nations) and private enterprises (small and medium-sized businesses, national and global enterprises) are important social units of many shapes and sizes that play an integral role in our day-to-day lives. A wide range of organizations are required to carry out increasingly complex and adaptive tasks that, in turn, respond to an increasingly complex environment (Lusthaus & others, 2002).

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Among all types of organizations, public and nonprofits are needed to be admired for their passionate commitment to mission and their inventive approaches to addressing urgent social problems. Across the country and around the world, these organizations are implementing programs that could improve the quality of life for tens of millions of people, and for the advancement of the country and they are often doing so against heavy odds and with very limited resources. The success that public organizations have reached in addressing social issues has resulted in increased demand for their services. Government is increasingly turning to these institutions as potential service providers and partners in tackling our most pressing social issues. Governmental and public organizations have an obligation to seek new and ever more effective ways of making tangible progress toward their missions, and this requires building organizational capacity (Venture Philanthropy Partners, 2001). For Venture Philanthropy Partners, Great programs need great organizations behind them and the only way to build a great organization is through building capacity.

As it is described by Lusthaus, Anderson, and Murphy (1995), leading researchers and development theorists agreed on the creation of effectively performing institutions for development of a country. These authors also gave an emphasis for investment choices to focus on building the capacity of public organizations and institutions to solve their development problems.

A number of development agencies have stressed investment choices to focus on building the capacity of governmental organizations serving the public to solve their development problems. The United Nations Development Programme (as cited in Lusthaus & others, 2002) identifies capacity development as "a key strategy for its work". The International Development Research Centre (as cited in Lusthaus, & others, 2002) describes efforts to ensure sustainable organizational development through a focused and holistic effort to build the capacity of its funded partners. Other international agencies like Inter-American Development Bank, the World Bank and UNICEF have a stake in and are committed to ensuring that the organizations they support in developing countries build the capacity necessary to stand on their own feet to meet their repayment commitments (Lusthaus & others, 2000).

Eisinger defined organizational capacity (as cited in White, Fisher, Hadfield, Saunders, and Williams, 2005) as "a set of attributes that help or enable an organization to fulfill its missions," emerges as a critically important issue in this context. For Eisinger, organizations can do the "most with less" if they can identify specific areas of organizational capacity where resources should be targeted (i.e., area where limited resources should be).

For Lusthaus, Adrien, Anderson, and Carden (1999), the capacity of an organization is considered in terms of seven main, interrelated areas that are believed to be the foundation of the organization's performance: strategic leadership, human resources, financial management, infrastructure, program management, process management, and inter-institutional linkages.

Education has a vital role to play in Ethiopia's development as a literate labor force is the first requirement in order to ensure the success of any designed development policy or strategy. Accordingly, the country has adopted Education and Training Policy and strategy to restructure the education system and expand its accessibility in a form that is directly relevant to the present and future requirements of the economy (FDRE, 1999). For the policy document, change in the Education Sector is vital as there are problems in the areas of enrollment ratio, equity, quality, efficiency, funding, and capacity for planning and management. The reform gave emphasis on restructuring the education system, expanding equitable access, increasing relevance through improved curriculum and improving the quality. Simplifying the decision making process and cutting the administrative burdens were considered as crucially important to successfully implement the development programs.

Concerning administration and management of the education sector, the government sets a decentralized, efficient and professionally coordinated participatory system (TGE, 1994). In relation to this, Jeilu (2001) describe decentralization of education as a recent phenomenon which has replaced the previous deep rooted centralized system. The federal structure was in placed as the result of this power shift. As Jeilu (2001) further stated, the decentralization of educational management enhances the expansion, enrichment, and improvement in the relevance, quality, accessibility and equity of

education and training. The presence of a trained manpower, an appropriate administrative structure and communication machinery were among the key elements for the effectiveness of a decentralized education system.

On top of this, the Ethiopian Government has given the responsibility of administering and directing education in accordance with the countries education policy, expanding and strengthening education in the region, offering basic education for all, designing primary education curriculum based on the regions specific needs and culture, building, maintaining, and repairing educational institutions, train, employ, manage and fire teachers and educational professionals, providing educational materials and equipments, preparing and administering regional exams, licensing the establishment of private schools and encouraging and increasing the participation of the people for Regional Education Bureaus (TGE, 1994).

In order to successfully undertake such changes, Regional Education Bureaus needs to have the appropriate capacities (strategic leadership, organizational structure, human resources, financial management, infrastructure, program and services management, process management, and inter-organizational linkages).

In many policy environments, the quality and extent of a law's implementation are of primary concern. Beyond the passage of legislation, outcomes depend on the implementing agency's training and allocation of personnel, its research and development of technology, handling of the rule-making process and its collection of data. These activities, among others, are components of an agency's organizational capacity. Capacity determines whether regulations are enforced, revenues are collected, benefits are distributed, and programs are completed. It therefore plays a key role in the success or failure of policies and the bureaucracies that implement them (Ting, 2008).

Problems identified in education systems are on areas related to human capacity, lack of expertise and experience on both academic and administrative staff, shortage of resources and as well sound systems to ensure efficient resource management (Tesfaye Teshome & Kassahun Kebede, 2009).

Irrespective of the Ethiopian Regional Education Bureaus, scarcity of educational materials, lack of qualified man power, implementation of training policies for teacher's improvement, inability to arrange compensation programs for school personnel's, insufficient and crowded infrastructures and in ability to minimize turnover, and the like are still unsolved problems.

As a study by Girishanker, Abebaw, and Yusuf (2001) identified, two important factors to impact education as poor incentives due to inadequate pay and unpredictable resource flows resulting in part from weak transfer mechanisms at higher levels. According to this study low civil service wages was widely acknowledged as a problem at public sector at large as it makes difficult to attract and retain qualified personnel. The second system wide constraint involve resource uncertainties caused primarily by inefficient cash management and financial transfer mechanisms at higher levels of regional government and inappropriate utilization of resources at hand.

Therefore, an examination of the extent to which these organizations have the capacity to effectively undertake these activities is of critical importance. Hence, the purpose of this study is to assess the organizational capacity of the selected Regional Education Bureaus, with particular emphasis on resources (staff members and infrastructure, technology and financial resources) and management (strategic leadership, program and process management and networking and linkage). Thus, the study was conducted with intention of finding solution to the following basic questions.

### **1.3 Basic Research Questions**

1. What are the strengths and weaknesses of strategic leadership in the organizations?
2. What are the strengths and weaknesses of the systems, processes or dimensions of the Human resources?
3. What are the strengths and weaknesses of organizational core resources (infrastructures, technology and finance)?

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3. What are the strengths and weaknesses of organizational core resources (infrastructures, technology and finance)?

4. What are the strengths and weaknesses of program and process management in the institution (planning, problem solving, communication and monitoring and evaluation)?
5. What are the strengths and weaknesses of inter-institutional linkages in the organizations?

## **1.4 Objectives of the Study**

### **1.4.1 General Objective**

The study was designed to assess the overall strengths and weaknesses of the organizations. It identifies those particular areas of capacity that are strongest and those that need improvements.

### **1.4.2 Specific Objectives**

The Specific objectives of the study were to:

1. assess the strengths and weaknesses of strategic leadership
2. assess the strengths and weaknesses of the systems, processes and dimensions of human resources
3. identify the strengths and weaknesses of other core resources
4. assess the strengths and weaknesses of program and process management in the organizations
5. investigate the strengths and weaknesses of inter-institutional linkages

## **1.5 Significance of the Study**

Organizations are performing well if they achieved its intended goals (effectiveness) and used relatively few resources in doing so (efficiency). Although, organizational capacity is one of the dimensions that influence organizational performance, there could be different shortcomings from both the management's (Strategic Leadership, Process and Program Management and Inter-institutional Linkage) and Resources (Human, Financial and Infrastructure) sides of any organization that can hinder smooth running of the effort. Therefore, it is believed that the findings of this study:

1. May provide valuable information to the institutions themselves about their capacity and enable them to identify capacity issues that needs to be changed and influenced to improve their ability to perform;
2. Could create awareness for the leadership/management and the employees about different techniques applied, strategies in place, and give them an insight how to survive and compete in this globalized world.
3. May give policy makers and higher officials clear understanding of organizational capacities for better performance in the Ethiopian context for future planning;
4. May serve as a lesson for other educational institutions who are in need of identifying their current capacities to achieve the desired goals; and
5. Can serve as a spring board for those people who want to conduct further study in the area

#### **1.6 Delimitations of the Study**

The study was delimited to one city Administration and two Regional Education bureaus; Addis Ababa, Oromia and SNNP. Addis Ababa is selected as it is believed to represent city Administration Education Bureaus, while Oromia Education Bureau was selected on the assumption that it has a large coverage of the country. The SNNP Regional Education bureau was selected for its diversified number of nations and nationalities. The study was also delimited to organizational capacity in strategic leadership, human resource management, other core resources management, program management, process management and inter-institutional linkages.

#### **1.7. Limitations of the Study**

This study has a number of its own limitations. Due to the fact that organizational capacity is a newly introduced concept, people's knowledge of capacity elements and even the related activities taking place in their organizations was limited. This condition- lack of awareness- affects the accuracy and dependability of the

information gathered from the respondents to some extent. The shortage of previously done studies; poor cooperation from concerned people in some organizations; unwillingness to fill and return questionnaires on time; and of course financial constraints were the major limitations of this study. As the result of these limitations, the outcome of the study was not as complete as it was initially expected.

### 1.8. Definition of Key Terms

**Capacity:** Organizational and technical abilities, relationships and values that enable countries, organizations, groups and individuals at any level to carry out functions and achieve their development objectives over time (Lusthaus & others, 2002).

**Capacity development:** The process by which individuals, organizations, institutions and societies develop their individual and collective abilities to perform functions, solve problems and set and achieve objectives (Lusthaus & others, 2002).

**Organizational Capacity Assessment:** is a systematic approach to assess an organization capacity with a view to improving its performance (Shermerhorn, 1996)

### 1.9. Organization of the Study

The study consists of five chapters. Chapter one deals with introducing the problem, whereby, back ground and statement of the problem; objectives, basic questions and significance; delimitations and limitations of the study; definition of key terms; and organization of the study are included. Chapter two is left to the review of the related literature so as to put the theoretical foundations of the study. Chapter three is concerned with the research design and methodology under which the method, data sources, sampling techniques and the type of instruments used are discussed in detail. Chapter four treats the analysis and interpretation of the data gathered. Chapter five presents the summary of major findings, conclusions drawn upon the findings, and possible recommendations. Finally are attached lists of reference materials used in the study, questionnaires and interview guides.

## **CHAPTER 2**

### **REVIEW OF RELATED LITERATURE**

This chapter deals with the review of related literature so as to lay the theoretical framework of the study. Areas the chapter treats includes Strategic leadership; leadership, strategic planning, and niche management, Organizational Structure, Human Resources; recruitment, staffing, developing and staff relations, other core resources; infrastructure, technology and finance, program and process management; planning, implementation, problem solving and decision making. and monitoring and evaluation, and inter-institutional linkages; relationships and electronic linkages.

#### **2.1 Capacity and Dimensions of Capacity**

Lusthaus and others (2002); Lusthaus, Anderson and Murphy (1995); Lusthaus, Adrien, Anderson and Carden (1999) and Horton (2003) has identified the most important factors that affects the performance of an organization to be the external environment (administrative and legal, socio-cultural, technological, stakeholder, economic, political), organizational motivation (history, mission, culture, incentive or rewards) and organizational capacity (strategic leadership, human resources, other core resources, process management, program management and inter-institutional linkages).

The first dimension that influences organizational performance and which is the focus of this thesis is organizational capacity.

For governmental and non profit institutions across the country and around the world, which are implementing programs in improving the quality of life for tens and millions of people in a limited amount of resources, it is mandatory to build organizational capacity rather than creating new programs and keeping administrative costs low (Venture Philanthropy partners, 2001). These partners forward their ideas for these organizations to focus on building their capacity to maximize their social impact as well as for both board and staffs to dedicate themselves in raising capacity building to the same level of importance as program development and management.

As it is described by Lusthaus and others (2002) and Lusthaus and others (1995), a number of development agencies like UNDP, IDRC, IADB, WB and UNICEF have stressed investment choices to focus on building the capacity of local organizations in solving development problems.

Organizational capacity for Horton (2003) and Lusthaus and others (2002), is its potential to perform and successfully supply skills and resources to accomplish its goals and satisfy its stakeholders expectation. The authors further explain the objective of capacity development to be improvement of potential performance in reflection with its resources and management.

Therefore, considering the objective of capacity development to be improving potential performance of an organization in successfully supplying skills and resources, efforts and investment choices should be done on building organizational capacities.

According to Lusthaus and others (1999), capacity of an organization is believed to be the sum total of seven main, interrelated areas which are the foundations of organizational performance: Strategic leadership, Human resources, financial management, infrastructure, program management, process management and inter-institutional linkages, each of which have their own components. By separating one of the sub-component, organizational structure from strategic leadership, Lusthaus and others (2002), classified organizational capacity in to eight interrelated components. The other authors, Lusthaus and others (1995), views organizational capacity as six main interrelated areas by merging financial management and infrastructure as a single component in the groupings of Lusthaus and others (1999); other core resources.

Horton (2003) has classified the different elements of capacity introduced above broadly as Resource and management, operational and adaptive and individual, group and organizational capacities. For Horton, Resources include the things like infrastructure, technology, finances and staffing while the management is concerned with creating the conditions under which appropriate objectives are set and achieved. Managerial activities which could be grouped in to three headings: strategic leadership, program and process management, and networking and linkages are planning, goal setting, determining responsibilities, and leading, allocating resources,

motivating and supervising staff members, and maintaining relationships with stakeholders.

Operational capacities for Horton are capacities an organization needs to carry out its day to day activities and adaptive capacities, which are necessary for organizational learning and organizational change in response to changing circumstances, are characterized by capacity elements ranging from physical infrastructure to strategic leadership.

Horton (2003), further puts another way of classifying capacities; individual, group and organizational. Individual capacities (knowledge, skill and attitude), when shared and imbedded in group activities and processes will produce group capacities. Organizational capacities in this case are the results of individual and group capacities which are widely shared among organizational members and become incorporated in to the organizations culture, strategies, structures, management systems and operating procedures. For the author, the organization is assumed to be strong if it taps the capacities of its individual members, shares them with others, assimilates them and institutionalizes them. These organizations withstand high rates of staff turnover much more effectively than a weaker organization that fails to internalize and institutionalize their member's capacities.

From the above classifications, organizational capacities which are shared among organizational members and are incorporated in to the organizations culture, strategies, structures, management systems and operating procedures could be put under six condensed categories as strategic leadership, human resources, other core resources, program management, process management and inter-institutional linkages.

## **2.2 Organizational Capacity**

An organizations capacity is the potential of an organization to perform, the ability to successfully apply its skills and resources to accomplish its goals and satisfy its stakeholders expectations (Horton, 2003).

Although different authors and development agencies have their own frame-works for viewing organizational capacity, the one which is forwarded by Lusthaus and others

(1995), is used here in this work. It is used because; all the capacity elements are classified in a more precise fashion than the other approaches and are inclusive of the others.

Based on this frame work organizational capacity entails six interrelated areas that affect an organizational performance. These are strategic leadership, Human resources, other core resources, program and service management, process management, and inter organizational linkages all of which are addressed as follows.

### **2.2.1 Strategic Leadership**

As it is noted by Lusthaus and others (1995), strategy is the sum total of all activities that determines course of an organization and keeps it on course, in service of its mission and strategic leadership with its components leadership, strategic planning, niche management and organizational structure is a process of setting clear organizational goals and directing the efforts of staff as well other stakeholders towards organizational objectives.

Strategic leadership which is associated with risk, vision and ideas, is involved in developing tactics for procuring essential resources, inspiring organizational members and stakeholders to perform in ways of attaining organizational goals and adapting to external forces (Lusthaus & others, 1995; and Lusthaus & others, 2002). According to Lusthaus and others (1995), aligned direction and action are the results for strategic leadership. For the authors, a continuous involvement in the process of changing, adapting and following the right truck that makes sense for members and external stakeholders is the characteristics for strategically led organizations.

From the above point, one can understand that, strategic leadership is an important aspect of organizational capacity as it provides aligned direction and actions for procuring essential resources, inspiring organizational members and stakeholders to perform in ways of attaining organizational goals.

Hill and Jones (2007), has identified strategic roles for both general and functional managers to be utilizing all their knowledge, energy, and enthusiasm in order to provide strategic leadership for subordinates and develop high performing organization.

The key characteristics that good strategic leaders possess (Hill and Jones, 2007) are vision, eloquence and consistency (organizations sense of direction with clear and compelling vision which is eloquent enough to be communicated and consistently articulated until it becomes part of the organizational culture), articulation of a business model (managers conception of integrating various strategies in to a congruent whole to attain its vision), Commitment for their vision and business model by action and words, being well informed about what is going on within their organization by developing a network of formal and non formal sources, willingness to delegate and empower (not to be overloaded with responsibilities and motivate subordinates to make decisions at the implementation level), astute use of power (intelligent use of power to create consensus for their ideas rather than using authority to force ideas through) and emotional intelligence (psychological attributes that many strong and effective leaders exhibit like self awareness, self regulation, motivation, empathy and social skills).

Besides, a strategic leader has to possess those characteristics as courage to initiate change and start moving obstacles, political skills to live and succeed in real world, be able to use staff effectively, be open to feedback and able to use it effectively and initiating staffs to have both the knowledge and confidence to characterize the boss (Goodstein, Nolan & Pteffer, 1993).

## **Leadership**

Leadership being the key ingredient of strategic leadership is the process of influencing the attitudes, behaviors, and values of others towards organizational goals (Lusthaus & others, 2002). As to Schermerhorn (1996), leadership is one of the four functions of management process, planning, organizing, leading and controlling.

As it is described by Lusthaus and others (1999), Lusthaus and others (2002), and Lusthaus and others (1995), both formal and informal leadership exists in many places in an organization. For these authors, Formal leadership, which is exercised by those elected is concerned with setting directions, providing symbols of the mission, ensuring that tasks are done, supporting resource development, and modeling the importance of clients while, informal leadership by those individuals who are influential because of

their special skills or resources is used for reorganization of departments, initiating innovations and developing multi-disciplinary approach to problems.

It is necessary for senior managers and all workers at all levels to have the leadership qualities (Collaborators: skilled at facilitating, coaching and fostering dialogue, Innovators: skilled at visioning, championing and bridging, Integrators: skilled at organizing, improving and bridging, and Producers: skilled at targeting, improving and measuring) in order to exercise the formal and informal leadership roles.

As it is further explained by Nanus (as cited in Lusthaus and others, 2002), organizations with effective leadership have individual workers who believes in their contribution for the success of the organization, acts as partners, are largely self directed, and assumes responsibility for his or her actions and contributions and workers as a group feels as they are empowered and have the requisite knowledge, skills, opportunity, guidelines and personal initiative to perform effectively.

Leaders are unlikely to know everything and needs to be able to listen suggestions from others like bosses, peers and subordinates on what should be done and how to do it (Cohen, Fink, Gadon & Willits, 1992).

The two most identifiable styles of leadership which are the core of many studies in the past are autocratic and democratic style, although, a third type is there, the laissez-faire or "do as you please" type of leader, which creates a leaderless group (Rashid & Archer, 1983).

For Rashid and Archer (1983), Democratic leadership encourages and enforces mutual trust, initiative, friendliness, and a sense of responsibility among followers or group members, decisions are made jointly, influence arises from respect of the qualities as a leader not from fear, leader does not have to force compliance or get acceptance by using threats or forces. Rashid and Archer (1983), further explains the democratic style to be more effective as it is participatory and allows communication to be free, aware the members their responsibilities and individual contributions towards the goals.

In autocratic and laissez-faire leaders, aggressive acts are frequent. In an autocratic environment, members are forced to submit, comply and remain detached, fear

becomes the driving force, members become dependent on the leader, and reacts by expressing open hostility to warded the leader, while a laissez-faire style of leadership, a climate of extreme permissiveness, where the freedom of individuals is unlimited, creates confusion, chaos as regard to the goal, roles ad responsibilities and powers of the organization. This condition in turn leads to frustration and futility of exercises arises and members give up even before starting (Rashid & Archer, 1983).

Therefore, in an organization to build effective leadership, the leaders needs to be democrats who are practicing a mutual means to have free participation and communication, to aware members about their responsibilities and contribution towards the goal.

### **Strategic Planning**

Strategic planning as a component of strategic leadership is the process of envisioning the future and developing the necessary procedures and operations to achieve that future by guiding members of an organization (Goodstein & others, 1993).

Strategic planning as a calculated response for an environment comprises ways an organization thinks a head to achieve its goals. It involves the development and implementation of activities for the long term success of the organization (Lusthaus & others, 1999).

For Goodstein and others (1993), strategic planning answers three basic questions for an organization. The first of which, about the direction, mission statement, clarify of scope of operation and set of specific goals and objectives is "where are you going?" The second question, what is the environment?, forces the organization to take a hard, objective look at itself, its external environment, its competitors and the threats and opportunities, measure the gaps between its goals and objectives and its capacity to attain those goals. The final question the strategic plan to answer "How do you get there?" is about the business model that enables the organization to achieve their goals, the way the organizational resources are allocated for the models to work.

Strategic planning provides a frame work for action and increases the capacity of the organization to implement the strategic plan in a timely basis, helps the organization

develop, organize and utilize a better understanding of the environment and it operates, of its customers and of its capabilities and limitations (Goodstein, 1993).

Strategic planning therefore is a process of developing a road map for action in advance. It answers questions about the goals of the organization (where to go?), the environment (threats and opportunities), and the business model (about the ways how to get there?) providing a frame work for action.

The strategic plan as a written document, according to Kaplan and Norton (as cited in Lusthaus and others, 2002) has to set up the specific goals, priorities and tactics, the organization intends to employ to ensure good performance.

Although, there are different approaches for planning (inside out planning, outside in planning, top-down planning and bottom up planning), the best planning probably begins at the top but allowing serious inputs from all levels (Lusthaus and others, 1995). It is to mean that managers needs to be open enough to take inputs and suggestions on planning related issues from all levels to get commitments from people throughout the organization in implementing the eventual plan of action (Schermerhorn, 1996).

According to Hills and Jones (2007), successful strategic planning encompasses managers at all levels of the corporation, specifically the business level and functional level managers who are closest to the facts; in other words, planning should be decentralized.

For Schermerhorn (1996), participative planning, which included all the people who are affected by the plan and who will be asked to implement the plan, increases the creativity and information availability for planning and increases understanding, acceptance and commitment of people to final plans.

Hence, strategic planning to be a source of good performance needs to follow the decentralized system which allows participation of all the people who are affected by the plan and are asked to implement the plan in order to ensure the creativity and availability of information for planning and get acceptance and commitment of people to final plans.

In formulating a strategy, it is mandatory to understand organizational mission and objective. The analysis of organizational strengths and weaknesses as well as opportunities and threats (SWOT analysis) is a useful technique in formulating strategies which are consistent with organizational mission and objective (Shermerhorn, 1996 and Hill & Jones, 2007).

A SWOT analysis provides a realistic understanding of the organization in relation to its environment and also assists in the creation of strategies that take maximum advantage of strengths and opportunities while minimizing weaknesses and threats (Shermerhorn, 1996). Classifying the SWOT analysis in to two broad categories, this author confirms that the internal appraisal of strengths, the first of which and the realistic base for strategy formulation at all levels, is used to identify distinctive competencies (special strengths) around technology, human resources, management talent, and financial strengths among others which can give the organization a competitive advantage in its operating domain which the weaknesses are found in the same related areas. The second category in the SWOT, the identification of opportunities and threats (influence of the environment), the general environment (Economic socio cultural and technological) and the specific environment (customers, competitors, resources suppliers, and regulators among others) helps the organization take advantage of potential opportunities to mitigate the negative influence of the threats (Lusthaus & others, 2002; and Shermerhorn, 1996).

Based on the above points, in formulating a strategy, a SWOT analysis following a critical understanding of mission and objective helps the organization to know the weakness inside and the threats in the environment to be mitigated by the strengths and opportunities identified through the process.

In addition to matching resources and activities to objectives and scaling activities to fit resource constraints (human, financial, technological and infrastructure), the strategy to become operational needs to be communicated, explained, processed, and revised according to feedback, both internal and external (Lusthaus & others, 1995).

According to peters (as cited in Goodstein & others, 1993) Strategic management, execution of an explicit strategic plan, which have captured the commitment of the

people and is consistent with the values, beliefs and culture of the organization should attain the required competence and the feeling that there is an activity in all levels of the organization that will bring about the successful completion of the mission.

In addition to creating a feeling of ownership among the people, the final implementation of the strategic plan should involve the initiation of several action plans designed at the unit and functional level (Like new construction, initiation of management development or technical training, increase research and development, or marketing of new products and services) and their integration at the top of the organization (Goodstein & others, 1993).

The final organizational plan will be acted and initiates several action plans at the unit and functional levels when it is communicated, explained and revised according to feedback and is able to capture the commitment of the people as well as it becomes consistent with values, beliefs and culture of the organization.

Because of uncertainty, complexity and ambiguity of the world, strategies could not clearly formulated at a time, they take shape, change and develop over time, a process called logical incrementalism, incremental changes in strategy when managers learn from experience (Schermerhorn, 1996; & Hill & Jones, 2007). For Hill and Jones (2007), too effective managers use the capacity for strategic opportunism, ability to stay focused on long term objectives while still remaining flexible to master short run problems and opportunities as they occur and develop emergent strategies that develop progressively over time .

Therefore, the strategic plan should pass through a pattern of incremental changes depending on experiences obtained through time.

## **Niche Management**

In this competitive global society, success of an organization is in part affected by the ability of the organization to establish a unique role by offering a unique service or product. Niche management, a process of identifying and then concentrating on a competitively valuable capability (or set of capabilities) that an organization possesses more of, than its rivals has an objective of gaining a

competitive edge at the market place and entails carving out a particular area of the organization in the market place that matches its particular expertise and distinctive competencies (Lusthaus & others, 2002).

A niche within an organization is a platform for interaction and is emerged out of a process of interaction among many actors both internally and externally (Beaton, 1994).

In public sector and some non governmental organizations, niche management may be limited to developing capabilities to deliver a product or service in such a distinctive way as to guarantee continued future funding from government and other agencies. Building relationships and keeping abreast of the vicissitudes of the external environment are integral parts of this management process, means that the external communication are important, as these may be needed to stimulate funding or to stimulate awareness (Lusthaus & others, 1995). For these authors, niche management forced managers to look beyond internal matters and if neglected, the organizational ability to adapt to the changing global situation is severely eroded.

Based on the above points, defining a niche in a sector, helps an organization to concentrate on set of capabilities and initiates managers to look beyond internal matters.

### **Organizational Structure**

Organizational structure, a systematic arrangement of organizational parts in a working whole prescribes the relationships that exist among parts and people in the firm. As a framework, it defines and demarcates responsibilities and authorities among employees, facilitates the performance of a variety of tasks directed towards the attainment of the objective, indicates the chain of command and lines of communication (Rashid & Archer, 1983). For these authors, the organizational manual is expected to specify the roles and role relationships of people at various levels in particular attention to line and staff personnel.

As to Jones (1994), organizational structure which is defined as a formal system of rules and task and authority relationships that control how people cooperate and use resources to achieve the organizational goals has a principal purpose of control: control the coordination of people's actions in pursuit of organizational goals and the means used to motivate people to achieve these goals.

For any organization, an appropriate structure, one that facilitates effective responses to problems of coordination and motivation, which can arise on any number of environmental, technological and human resources. In growth and differentiation of an organization, the structure likewise evolves and should be managed and changed through the process of organizational design (Jones, 1994).

Lusthaus and others (2002), defined organizational structure as the ability of an organization to divide labor and assign roles and responsibilities to individuals and groups in the organization, as well as the process by which the organization attempts to coordinate its labor and groups and is concerned with the relative relationships between the divisions of labor.

Other structural consideration is the way authority is shared ranging from decentralized to centralized, from highly participatory to dictatorial, although to days organizations, particularly government organizational are interested to decentralize authority and increase the participation of organizational members.

Therefore, in looking at organizational structure, one has to focus on the extent to which individuals, departments or other groupings understand their roles and responsibilities, whether they have the authority to carry out their roles, whether they are accountable for their work and also coordination issues. Besides, issues of decentralization and centralization are important structural components.

For the author, vertical differentiation, hierarchical authority of an organization creates reporting relationships and establishes the distribution of authority between levels to give the organization more control over its activities and increases its ability to increase values while, horizontal differentiation, which is based on main task responsibility groups organizational tasks in to holes and roles in to functions and divisions (Jones, 1994).

Hence, horizontal differentiation establishes the division of labor and enables people in the organization to become more specialized and productive and increase the organization ability to create value.

As it is described by Jones (1994) and Rashid and Archer (1983), specialization develops a subunit orientation by which different functions see things differently, which in turn causes communication failure and coordination difficulties. For these authors, organizations have to develop new and better ways to integrate functions and to promote cooperation, coordination and communication among separate subunits.

For Sadler (2001), Abolishing the boundaries, Moving people freely across the boundaries, undertaking training programs from inductions to top management seminars, developing a strong corporate culture to link people in the organization through emotional and psychological bonds could be used as mechanisms for integrating the different sub-units in an organization.

Defining an organization as Formal (a power structure) and informal (a social structure which develops spontaneously in response to the need for self-esteem and recognition), the informal organization aids the important task of communication cohesiveness and willingness to cooperative among employees, and enhancement of their feeling of personal involvement, self respect and integrity (Rashid & Archer, 1983).

In an organization, to avoid sub unit orientation and promote cooperation, coordination and communication, measures like abolishing boundaries and moving people across the boundaries, undertaking training programs, developing a strong corporate culture and facilitating informal or social structures have to be taken.

### **2.2.2 Human Resource**

Assuming the HR to be the valuable assets, the firms HR management function which is charged with planning and controlling of this resource has to work to meet the needs of the people's (Lusthaus & others, 1995). For these authors, managing HR requires forecasting the demand and supply of staff needed to carry out the activities of the organization, keeping records of human resources so as to permit the creation of a more equitable employment system, recruiting and hiring the best people possible,

creating an assessment system that rewards people and helps keep them in the organization, and providing for the on going learning and career development of employees.

As it is described by Down, Mardis, Connolly and Johnson (as cited in Lusthaus and others, 2002), the critical importance for effective human resource management is to develop and instill core values through out the organization. These core values are integrity and honesty, commitment to the organizational mission, accountability for and pride in one's work, commitment to excellence, and building trust.

The human resource management function with a role of planning and controlling human resources have to work to ensure the people's needs met and they can work to achieve organizational goals as staff who are comfortable with working conditions, and stimulated by the environment, will be productive (Lusthaus & others, 2002).

In managing the HR aspect of an organization, working to meet the needs of the people's, arranging equitable employment system, recruiting and hiring the best people possible, rewarding, and providing on going learning and career development of employees instills the core values identified and also makes employees to be more productive.

Defining HRM as an effective utilization of employees in order to achieve the goals and strategies of an organization, Harris and Desimone (1994), has identified primary HRM functions to be recruiting and selection, compensation and benefits, employ (labor) relations, human resource planning, equal employment opportunity and HR development.

Lusthaus and others (2002), Lusthaus and others (1999), Schermerhorn (1996), and foot and Hook (2005), has reached on the same approach for the major elements of human resource management: Planning, staffing, developing, assessing and rewarding and maintaining effective relations.

From the above points, one can derive the primary HRM functions as Planning, staffing, developing, assessing and rewarding and maintaining effective relations.

## **Human Resource Planning**

According to Schermerhorn (1996), any organization must have the right people to do the required work in achieving its full potential. It is to mean that, every manager in the organization has to be sure of the staffs available are capable of performing best all the jobs in their responsibility areas.

Giving emphasis on the increased rate of change to be unavoidable in to day's work place; Foot and Hook (2005), and Harris and Desimone (1994) assures the importance of human resource planning to alleviate problems related to changing employment patterns, changing work methods which in turn leads to the need for different and new skills and for flexibility from existing employees to acquire new skills or adapt to new methods of working.

Human resource planning, the process of analyzing staffing needs and identifying actions to satisfy these needs begins with a review of organizational strategies and objectives which then is followed by forecasts of personnel needs and labor supplies both with in and out side the organization (Schermerhorn, 1976). For this author, the information obtained form the forecast will be used to identify the human resource surplus or shortage and develop a formal human resource audit or systematic inventory of the strengths and weakness of the existing labor force which in turn is used for managers to plan and deal with specific staffing needs like promotion, transfer, training and development programs, other types of career enhancement activities, and even personnel replacement where weaknesses exist.

As it is identified by Walker (1992), forecasting, the process of making assumptions about what will happen in the future is one of the important foundations for human resource planning. For smith (as cited in Taylor, 2003), forecasting or process of assessing demand is analyzing, reviewing and attempting, to predict the number and kind of the manpower needed by the organization to achieve its objectives.

To fight challenges from increased rate of change in HR patterns of today's work place and to have the right people to do the required work, organizations need to undertake forecasts and uses the information's obtained to plan and deal with specific staffing

needs like promotion, transfer, training and development programs, and other types of career enhancement activities.

Besides to forecasting, job analysis, the orderly study of what is done, when, where, how and why and by whom, provides useful information to develop job description (written statement of job duties and responsibilities) and person specification (list of the education, experience, and skill requirements for someone to be given the job) which is important in the field of recruitment and selection (Schermerhorn, 1996).

Besides, Job analysis has a central role to play in the determination of pay differentials, the identification of training needs, the setting of performance targets and the drawing up of new organizational structures (Taylor, 2003).

According to the above points one can understand that job analysis is important in developing job descriptions and person specifications which in turn is used as a base for recruitment and selection as well to determine pay differentials, to set performance targets, and draw new organizational structures.

As it is described by Tayson and York (1996), planning by itself is not a guarantee for every particular level of success in ensuring that the right number of employees of the necessary quality will be provided to meet an organizations requirements, rather, it is an exercise in foresight, in anticipating potential difficulties in human resources in time, and above all, increasing flexibility in order to cope with un for seen crisis. In practice the plan has to be constantly monitored and forecasts must be compared with reality so that adjustment may be made in good time when the need arises and a regular review at various periods of the life span of the plan should be incorporated in to an annual general review of corporate objectives, achievement, budget planning, etc., in accordance with the system for a running, overlapping plan (Tyson & York 1996).

Personnel records which are up-to-date, regularly revised, accurate, comprehensive, as simple as possible, accessible and instantly retrievable are significant basis for decisions affecting major functions of human resource like planning, recruitment and selection, employment of staff, performance appraisal, training, career development, succession planning, transfers, promotion, rewards, health and safety and etc. (Tyson & York 1996). These authors also gave emphasis for the information from personnel records to be used

by a variety of external authorities like department of employment, Health and safety executives, employees association, trade unions etc.

### **Staffing, Selection and Orientation**

In implementing a human resource plan, recruiting and training of people to carry out the work of the organization is an important step. Staffing an organization is searching for, selecting and orienting individuals with appropriate range of knowledge, skills, behavior and values to meet the organization's needs (Lusthaus & others, 2002).

According to McNerney (as cited in Lusthaus and others, 2002), staffing capacity is the ability of an organization to identify the kinds of human resources that it needs to perform well through a variety of techniques involved in job and need assessment, review of core competencies, human resource competency analysis and the like.

For Schermerhorn (1996), recruitment is an activity designed to attract qualified pool of applicants and it will be effective when it brings employment opportunities to the attention of people whose abilities and skills meet job specification.

As an organization is operating in a turbulence environment, it could be affected by factors like competitors of recruitment, framework imposed by legislation and the fact that no organization will want to spend money for unnecessary activities (Foot & Hook, 2005). In light of this, Foot and Hook (2005) have identified aims of recruitment to be obtaining pool of suitable candidates for vacant posts, using fair process, ensuring that activities of recruitment are desirable for organizational goals and organizational images, and conducting the process in an efficient and cost effective manner.

Based on these aims of recruitment, Human resource management issues can be analyzed in terms of legal (complying with antidiscrimination legislation), moral (avoiding unfair discrimination for moral or legal reasons) and business (ensuring all efforts to be directed to wards achieving organizational /corporate and not personal goals) considerations.

A recruitment policy, a statement of intent on the part of an organization outlining the approaches expected to be adopted and the standards to be achieved, enables all employees to direct their efforts towards achieving organizational goals and makes

them to know that they are acting in the spirit intended by the organization (Foot & Hook, 2005). These authors gave emphasis for a basic recruitment policy at least to include statements about overall goal of recruitment and equal opportunity. A good policy enables current employees to know how they are expected with regard to discrimination issues and attracts prospective employees because of the organizational intention to treat employees fairly (Foot & Hook, 2005).

Following recruitment for the vacant position posted is selection, a process of choosing person or persons who offer the greatest performance potential from the selection processes: completion of a formal application form, interviewing, testing, reference checks, physical examination, and final analysis and decision to hire or reject (Schermerhorn, 1996).

It is clearly unlawful to fail to select a well qualified candidate who has performed well in the selection procedures on the ground of sex, race, marital status, or disability. Great care has to be taken in doing job analysis and formulating person specification to omit any item in favoring one group over another as well in the design of application forms, the framing of interview questions and the content of reference request documentations (Tylor, 2003).

Although, personal factors and perceptions are difficult to be eliminated, objective policies and procedures can help to hinder any potentially harmful effects of individual influences and good selection policies and procedures provides guidance and support for line managers and others involved in the selection process.

Following the selection process is orientation of a new staff with an objective of creating excellent first impressions, encouraging better moral and motivations, presenting accurate information to make the individual understand rules, practices and benefits offered, and improve learning to minimize the probable mistakes, and unwanted training efforts and supervisions (Jenks, 1992).

### **Human Resource Development**

Building human resource skills, knowledge and attitudes is becoming an increasingly important part of the work of an organization. It is to make the staff of an organization to adapt for changing conditions (Lusthaus & others, 1999). For these authors

developing HR in an organization means improving employees' performance by increasing or improving their skills, knowledge and attitudes.

According to Cowling and Mailer (1998), developing human resources makes employees more flexible and adaptable and increases staffs commitment to the organization.

Developing human resource can take several forms as job training, training for the role inside the organization or training for a career progression. This also includes career development, succession planning or organizational development activities (Lusthaus & others, 2002).

In the same fashion, Kraiger (1997), by taking the ideas of organizational psychologists, conceptualized employees learning in terms of three core activities; training, development and career progression.

Building human resource skills, knowledge and attitudes to make employees flexible and adaptable and to increase their commitment to the organization may take several forms as training, development and career progression.

According to Horton (2003), the purpose of staff training and development is to enable employees acquire the requisite knowledge and skills that will upgrade their job performance. In developing a human resource of an organization, a training policy which is derived from corporate strategies of an organization are the boundaries within which all training and development activities are to take place (Wills, 1993).

Prior to the process of training and development, an individual or group assigned for training need analysis identifies areas where training should be applied (Jenks, 1992). It is to set training priorities and as well determines not only which problems are most pressing, but which can be most economically solved through training.

### **Assessing and Rewarding Human Resources**

According to Lusthaus and others (2002), an important aspect of the human resource management function is the system and approach the organization uses to collect information and provide feedback to individuals or teams. For these authors, this is assessing the contribution of each staff member to distribute rewards (direct and

indirect, monetary and non-monetary) within the legal regulation of the region and the organization ability to pay.

As to Cowling and Mailer (1998), reward management aims to improve the performance of employees and employees are motivated by offering financial rewards in return for their skill, time, and effort. Cowling and Mailer also indicate the insufficiency of financial rewards to treat sustained levels of motivation and the necessity to adapt measures that satisfy a range of desires which employees bring with them to the work place, including the desire for satisfactory pay, job security, satisfying work, good working conditions, opportunities to maintain and improve skill levels, status and good social relationship in the work place. As to Robbins (2003) and Hunt (1992), clear performance appraisal system, which makes employees know, what is expected of them, how their performance will be measured, the value of satisfactory performance as defined by the criteria by which they are being measured and the reward they are being asked results in individuals to work considerably to their full potential. For Robbins, the assessment and reward system should help the organization retain good employees, motivate staff, administer pay within legal regulations, and facilitate organizational strategic objective and supports individual learning.

According to the above points, clear and objective kind of assessment of contributions of employees followed by appropriate rewards (either monetary or non-monetary) makes employees know their roles inside, the mechanisms by which their performance is measured and the rewards they acquire in achieving the criteria's and it helps the organization to retain good employees, motivate staff, administer pay within legal regulations, and facilitate organizational strategic objective and supports individual learning.

According to Gibb (2008), incentives which may be in a form of material rewards, praise, anticipated success, responsibility and growth provides a clear link between compensation and performance of employees.

In addition to eliminating moral problems caused by unequal pay, giving an organization a good reputation, improving the quality of employees' performance and

raising their productivity level, a sound compensation system attracts, holds and motivates good employees (Gibb, 2008).

In order to hire and retain the best possible workers and highly qualified work force, the organization should offer attractive base compensation in the form of market competitive salaries or hourly wages. When the compensation is uncompetitive, it is more difficult to build and keep a staff of highly competent workers. The less capable the work force, the greater the likelihood of performance problems and the greater the burden on external controls (Shermerhorn, 1996).

Therefore, to ensure that the work force is motivated, attracted and retained as well to eliminate moral problems caused by unequal pay, a sound compensation system in a form of material rewards, praise, anticipated success, and responsibility and growth which is competitive to the market should be delivered.

### **Human Relations**

In this era of global competition, although, retaining content and supportive work force is becoming important, it is difficult in reality. Hence, the human resource function of an organization needs to deal with all the programs and systems in place to ensure that employees are protected and dealt with in accordance with appropriate legislations (Horton, 2003).

The efforts, a human resource function to consider, all the activities the organization implements to address issues of health and safety, human rights, the quality of working conditions, and in a unionized settings, collective bargaining which results in a negotiation of written contract concerning salary and wages and other conditions of employment and the interpretation and administration of this contract over its period of coverage (Myers & Pigors, 1981). In essence, the organization has to design concrete measures to instill in employees feelings of ownership, self control, responsibility and self respect.

A failure for the management to put ways to resolve problems of relationships might seen as a disregard for employees needs and this results in a damage of morale, motivation, performance and organizational loyalty (Hunt, 1992). Besides, the

organization is expected to develop measures in place to deal with harassment in the work place as this may create a hostile working environment and interfere with individuals work performance as well affects an individual's employment opportunity (Lusthaus & others, 1999).

### **2.2.3 Other Core Resources**

According to Horton (2003), an organization, whether government or private, self contained institution or department with in a large institution needs a well managed resources. Having treated Human resources separately, Lusthaus and others (1995), grouped the other essential resources as infrastructure, technology and finance

Organizations need proper resource support if they are to achieve their true potential in task performance and the relative scarcity or abundances of resources (tools, equipments, facilities, work methods, procedures and other related items) in an organization can affect what happens with in and between groups in their move to organizational objective (Schermerhorn, Hunt & Osborn, 1985).

#### **Infrastructure**

Infrastructure refers to the basic environmental conditions which enable work to transpire and includes reasonable space in a building with sufficient lighting, clean water, dependable supply of electricity and transportation to and from work (Lusthaus & others, 1995).

Infrastructure for Venture Philanthropy Partners (2001) is the assets that support the organization, both physical and technological.

The capacity to manage resources is crucial not only for the performance of institutions but also for the organizational survival. It is likely that assessment of the current status of resources management will provide insights in to how future resource or grants will be used. Although, infrastructure is not in itself an issue, it may result in a gap that could exist between infrastructure and the image that an organization aspires if there is no a proper planning of ongoing infrastructure concerns (Horton, 2003).

As it is outlined by Lusthaus and others (1995), deficiencies in one or more elements of infrastructure may not interfere with day to day activities; however, at some point, work

will be impacted and typical crux of infrastructure issue is maintenance, which suffers due to lack of recurrent budgets providing for up keep. As it is further explained by this author, the more sophisticated the technology is the increase in basic infrastructure need of an organization as sensitive scientific equipments are incapable to tolerate intermittent electrical supply, acquiring a generator may be necessary.

The basic environmental conditions, infrastructure together with ongoing maintenance budgets are crucial for an organizational smooth flow of activities not to be impacted at a point and to prevent gaps that could appear between infrastructure and the images an organization needs to achieve.

### **Technology**

Technology is defined as a means through which work gets accomplished and the basic impact behind technology on organizations is the degree to which it facilitates or impedes interaction among members of the organization (Schermerhorn & others, 1985).

Modern production systems and services utilize computers and computer based technologies to better integrate various aspects of activities and to allow modifications in a quick and cost efficient fashion and computers at each work station assist in coordinating the work flow (Schermerhorn, 1996). For Lusthaus & others (1995) the technological resources of an organization are all the equipments, machinery and systems, including library information system hardware and soft wares that are essential in research and training activities and the lack of access to the sophisticated means of accessing information used by colleagues around the world will mean that institutions will have difficulty building the networks required for global competition.

Gagnon and Dragon (as cited in Lusthaus & others, 2002) has tried to indicate the potential impacts of globalization and information and communication technology in creating a new information society, altering the nature of global markets, transforming social and economic interactions and redefining work.

The faster technological change which surpasses the ability of a policy to respond also creates information gaps between the developed and developing countries which in

turn needs the assessment of appropriateness of the technology in relation to the ability of individuals to use (Horton, 2003).

Therefore, in assessing the availability and appropriateness of the technology, it is also necessary to assess the ability of the organization and its units to create realistic plans for technology and to manage against these plans.

## **Finance**

For Lusthaus & others (2002), financial viability is the ability of an organization to raise the funds required to meet its functional requirements in the short, medium and long term.

With in the current rapidity of technological change, governments as well as not-for-profit organizations will need to have clear financial plans and methods for implementation allowing for capital replacement and as well organizations must be able to manage the budgeting process as well as the result of the process that means financial viability depends on good financial management (Henke, 1992).

In general, an organization is financially viable if it generates enough value (both internal and from external sources) to keep stakeholders committed to the organizations continued existence. Indicating the importance of organization's financial resource management for capacity, Berry (as cited in Lusthaus & others, 2002) stressed the critical importance of good management of budgeting, financial record keeping and reporting for the overall functioning of the organization. For Goddard and Powell (1994), good management of financial resource ensures that managers have information for their decisions in allocating organizational resources and inspires confidence in funders interested in financial accountability and sound financial management.

Based on the above points, good financial management with clear financial plans and methods for implementation ensures the availability of resources for manager's decisions and inspires confidence in funders interested in financial accountability and sound financial management.

Planning and budgeting resources (operating and capital!), handling cash management, and managing accounting and financial reporting must be the day to

day activity of people responsible for organizations financial management and involvement of senior managers in the process facilitates accountability. The organization also requires skilled man power at both the senior managers and staff levels to carry out financial analysis (Birkin & Woodward, 1997).

Sound internal financial procedures regarding the administration of the organization's operating funds and individual program grants offer assurance that monies are directed properly and overall organizational goals should be supported by the budget by giving priorities (Lusthaus & others, 1995).

Skilled man power at both the managers and staff levels together with sound internal financial procedures assures that monies are directed properly and facilitates accountability.

Financial Management includes financial planning, financial accounting and financial statements and systems. Financial planning, ability of an organization to forecast its future monetary needs and requirements (predicting its anticipated operating expenses, determining the amount of funds required for capital expenditures and predicting when and how much cash is required over a period of time) provides a framework with in which an organization can make decisions about present and future program and capital needs (Lusthaus and others, 2002).

Taking care of and accounting for the finances of the organization are prerequisites for external trust and is based on a highly structured, rule based system that is transparent and verified through various monitoring procedures which could be found out and approved at various levels of an organization. It is by following these rules and procedures that accountability is developed and building a transparent system of finance with competent staff helps many organizations fight corruption (Lusthaus & others, 1995; and Lusthaus & others, 2002).

Financial monitoring, the development and creation of timely reports so that manager can make timely functional decisions, particularly in government agencies have to be done at least once a month (Lusthaus & others, 2002).

Good financial management with its functions financial planning, framework with in which an organization can make decisions about present and future program and capital needs and financial accounting based on highly structured, rule based system together with timely financial monitoring helps an organization to develop accountability and transparency as well to fight corruption.

#### **2.2.4 Program Management**

Constituents of organizations central endeavor, the organizations ongoing programs, services and products according to Lusthaus & others (1999) are the organizations main attempts to make its mission work and the function of program management is to develop and administer these programs in ways that support its mission. The author further indicates the sensitivity of the organizational program qualities for all other areas of organizational capacity: strengths of the strategic leadership, human resources, financial resources, infrastructure, process management, and inter-institutional linkages.

To be effective program management like all other processes needs to have right organizational structure, systems, people skills, and experience and supporting tools as well it requires the integration and support in an organization of all elements of the enterprise program management framework (Williams & Parr, 2006).

As it is described in Schermerhorn (1996), good program management is a result of careful planning, implementation and monitoring and evaluation.

#### **Program Planning**

Program planning ranges from working out what to do on a day-to-day basis to long-term strategic planning and is happening constantly with in a project and program (Lusthaus & others, 2002). In program planning, planners require thinking a head: to know the stakeholders to be served, to estimate the demand to be supplied and its cost, to identify the objectives and the measures to be taken to achieve these objectives, to assign the appropriate man power for the activity and the way of doing, to know the time frame and to put indicators of achievement (Lusthaus & others, 1995).

For Williams and Parr (2006), planning is the development of serious of documents that facilitate shared understanding among program stakeholders and guide the execution

and control of the program. The authors stressed on program resourcing for an effective program planning and control to occur as it is essential in balancing the availability and scheduling of resources across operational needs and different programs.

Prioritization in program planning is used to create the optimal mix of programs and projects, with in a designed time line that will provide the greatest contribution to the strategic goals while minimizing any conflicting demands on resources and maximizing the use of the resources (Williams & Parr, 2006).

Written plans which are well communicated and used as management tools serves as a tool to gain a holistic view of the individual and collective contribution of the program to the strategic objectives as well as to identify and monitor the key interdependencies (Lusthaus & others, 2002).

### **Program Implementation**

The major task of managers and the hardest part is not to have a great plan rather to put the plan in to practice. As it is described by Lusthaus & others (2002) program implementation requires organization and having staff that can put their skills to work and integration of the management skills needed to allocate resources and the technical skills needed to do what has to be done.

Identifying program implementation as a stage at which an organization integrates all its resources to concretely achieve its goals, Williams & Parr (2006) indicates the importance of provision of the appropriate physical and technological infrastructure like office space, access to information and technology, meeting rooms and so on to ensure the program is enabled. These authors added the establishment of program support structures like team building and development and communication infrastructure to be crucial in the implementation phase of planned program.

Team building and development ensures that the program team will possess a shared vision and understanding of program goals and objectives and will have appropriate working pattern i.e. sustainable and effective team culture and this area also focuses on ensuring that the whole team is suitably trained, equipped and supported to be able to fulfill members roles and responsibilities. Communication infrastructure on the

other hand is the establishment of mechanisms for appropriate team communication including defining reporting requirements and frequencies, meeting calendars and attendance requirements, and key program review points (Horton, 2003).

Having staff that can put their skills to work, physical and technological infrastructures to ensure that the program is enabled, team building and development to facilitate shared vision and understanding of program goals and objectives and communication infrastructures to establish mechanisms for appropriate team communication are prerequisites for program implementation.

### **2.2.5 Process Management**

Making a vision reality through smooth-flowing of organizational activities is dependent on ongoing processes: internal management systems, mechanisms that guide interactions among people to ensure that the ongoing work is accomplished rather than hindered (Lusthaus & others, 1995).

A process is defined (Bell, McBride & Wilson, 1997) as an internal operations and sequences of operations used to generate and deliver a product or service. For Bell and others (1997), process management is based on the premise that all work carried out in an organization is interrelated and part of some overall business process.

Defining process management as a task of aligning and integrating the various practices and cultures of different segments of an organization through the introduction of common systems and operations that apply uniformly to all segments of the organization, Lusthaus and others (2002), identified four important processes: problem solving, planning, decision making, communication, and monitoring and evaluation.

In the same fashion, Lusthaus & others (1995); and Lusthaus & others (1999) classified processes as problem solving, planning, decision making, communication, and monitoring and evaluation.

Therefore, process management is a function of problem solving, planning, decision making, communication, and monitoring and evaluation.

As to Lusthaus & others (1995), and Lusthaus & others (2002), process management taken at all levels of an organization, from the board of directors to the line workers and

the involvement of senior managers, in problem solving, planning and decision making makes organizational directions not to be hampered. To carry out appropriate activities to achieve results, those at the operational level including program units, departments and other functional segments of an organization must plan, and set short and medium term goals, solve problems, make decisions and generate strategies for all the activities

### **Planning**

The process of management involves looking a head, making plans, and then helping people take the actions needed to accomplish them (Schermerhorn, 1996). Schermerhorn, then defines planning as a process of setting objectives and making plans to accomplish the objective. Planning for Moorhead and Griffin (1995) is a process of mapping where the destination is and how you will get there.

Planning helps predict how organizational members will behave and the strategic plan sets an organizational over all direction and at the operational level, strategy is translated to specific objectives and methodologies to accomplish goals as well planning involves optimal utilization of resources, time and people by developing time lines and schedules (Lusthaus & others, 2002).

Planning, mapping the destination therefore sets directions and optimizes the utilization of resources, time and people to accomplish proposed goals.

According to Lusthaus & others (2002); and Lusthaus & others (1995) policy and procedure development are types of plans setting up courses of action for organizational members and these policies, procedures and plans are explicitly varies considerably among organizations and even in an organization. For these authors as the organizational members are in need of enough direction to know what to do to support the mission and the goal of an organization, the planning of policies and procedures provides this directions adequately at all levels of the organization.

### **Problem Solving and Decision Making**

Decision is a choice among alternative courses of action for dealing with a problem while a problem is the difference between an actual situation and a desired one (Schermerhorn, 1996). For Lusthaus & others (1999), Problem solving and decision

making interact and reinforce each other and both processes must function at all levels of the organization.

The success of any organization is dependent on ability of managers to make effective decisions which is timely, acceptable to individuals who are affected, and achievable (Nelson & Quick, 1997).

In a process of managerial problem solving, the first step which is concerned with identification of problems, gathering information about the problem, processing the information and deliberation is started with appearance of problem symptoms which indicates the presence of a performance deficiency or opportunity. The best manager's goal here is to assess the situation properly by looking beyond the symptoms to explore what is really wrong or how things could be improved and search and scan the work environment for indicators of actual or potential performance deficiencies or opportunities by being alert for problem solving opportunities (Bell & others, 1997).

Some times diagnosing a critical problem in time is the difference between survival and extinction often, what is perceived as "the problem" may only be a much bigger and deep seated problem. Therefore, fully diagnosing the root problem and clearly defining it becomes the first prerequisite to removing bottlenecks and taking the organization in the right direction (Horton, 2003).

Once the exact problem is identified and defined, the next step is decision making, the process of selecting from among alternative courses of action generated during the problem solving process. Making decisions for problems on timely basis saves the organization from crisis and distortion of programs as well as from extinction.

As it is described by Schermerhorn (1996) a manager can plan a head and even take actions by putting programmed decisions on structured problems which are familiar, straight forward, and clear in respect so the information needed to resolve them. As to this author, non programmed decisions unfamiliar, unanticipated and unexpected situation require novel solutions which is tailored to the situation at hand.

Although, there are three types of decision making methods (individual decisions, consultative decisions and group decisions), today's complex work setting surpasses the

abilities of a single decision maker and therefore, the third method which is more participative and is the foundation for true employee empowerment in the work place has three important potential benefits as availability of more knowledge and information for the decision, better understanding of the final decision by every one evolved and increased acceptance of the final decision which in turn leads to increased responsibility for the final decisions to work by participants (Schermerhorn, 1996; Moorhead & Griffin, 1995; and Nelson & Quick, 1997).

Decision making is often influenced by limits to decision maker's information processing capacity, as well as their background, position in the organization interests, and experiences. In this context, group decisions, although time consuming, may have significant advantages over individual decisions, since they can lead to more diverse and complete information, and can increase the legitimacy and acceptance of the proposed course of action.

### **Communication**

Communication for Lusthaus & others (1999); Lusthaus & others (2002); Lusthaus & others (1995); Moorhead & Griffin (1995); Schermerhorn (1996) and Nelson & Quick (1997), is the exchange of information and the achievement of shared understanding among members of an organization.

Communication among organizational members and groups is believed to have three potential purposes; achieving coordinated action, information sharing and expressing emotions and feelings (Moorhead & Griffin, 1995).

The formal communication channels following the chain of command indicates the proper routing for official messages passing through a hierarchy is typical for written communication in the form of letters, memos, policy statements, and other announcements while, the informal communication channel based on the informal structure of the organization, cutting across lines of authority, transmits information quickly and efficiently and often with greater impact helps people by being "in the know" when important things are going on and provides social satisfaction through interpersonal contacts in the give and take of information (Schermerhorn, 1996).

From the above points, communication, formal or informal, helps in coordinating action, sharing information and expressing emotions and feelings.

According to Lusthaus & others (1999) and Lusthaus & others (2002) because information and misinformation flow constantly within the organization, internal communication serves as a glue holding an organization together or it can break it apart. Accurate information is important to keep personnel informed as well as motivated not only for the information needed to carry out work but also information that makes them feel part of an important effort and a wider purpose and therefore, it is necessary for the organization to create mechanisms that help its members gain both types of information in a sort of vehicles through which effective communication is achieved within an organization like coordinating committees, working groups, debriefing sessions, newsletters, and meetings of various types (Lusthaus & others, 1995).

Accurate information provided through a system of top down flows and feedback is vital to keep employees aware about what needs to be done, and to keep managers informed about what was achieved.

For Nelson & Quick (1997) interpersonal communication has important implications for the quality of working relationships in that a manager who is sensitive and responsive in communicating with employees encourages the development of trust, loyal relationships, creates secured working conditions, and as well creates open communication which intern benefits decision making process by making managers to depend on more complete information and encourages to depend on more complete information and encourages no defensive relationship which minimizes conflict and division among people.

### **Monitoring and Evaluation**

Monitoring is a continuous, systematic observation and check up of activities and their results while the work is in progress with a purpose of ensuring that the activities are proceeding according to the plan, to provide a record of how inputs are used and to identify deviations from initial goals and expected outcomes (Horton, 2003). To the same author, evaluation is an assessment at a point in time, often after the fact that determines worth, value or quality of activity.

As evaluation is a very complex and potentially sensitive process, it is useful to have some basic principles and procedures to guide the work and to assist in resolving difference of opinion that may arise. For monitoring and evaluation to be useful, feasible, fair and accurate, such principles and procedures have to be used for planning and implementing an evaluation and monitoring as well as for assessing the evaluation after it is completed (Horton, 2003)

In monitoring and evaluation, time, skills and motivated individuals, and financial resources should be negotiated before jumping in to the work. In addition to the resources needed, monitoring and evaluation to produce useful results, needs to involve the in intended users through out the process, managers, staff members and other stakeholders. As far as the process of monitoring and evaluation is to learn and improve not to judge and sanction, staff members are often eager to asses their own capacity and performance and that of their organizations (Hunt, 1992).

As to Lusthaus and others (1995), Monitoring and evaluation are processes used by organizations to collect and use feedback and are theoretically linked to planning and decision making. Monitoring helps to clarify program objectives, link activities and inputs to those objectives, set quantitative performance targets, collect data routinely, and feed results directly to those responsible while evaluation looks at why and how results were or were not achieved, links specific activities to overall results, includes broader outcomes that are not readily quantifiable, explores unintended results, and provide clear lessons for adjustments to programs and policies to improve results (Lusthaus & others, 2002).

Monitoring being an ongoing process of gathering, analyzing and reporting data on how an organization, department or project is doing, for the purpose of managing and identifying problems at an early stage, designing small number selected performance indicators and monitoring frameworks often helps to clarify objectives and program priorities and the data is used for corrective actions to improve performance or to realign activities to suit goals (Horton, 2003).

Evaluation of an organization may be done by staff evaluators or outsiders depending on the method used to design and carry out the study and the level of commitment in

the organization to learning from assessment exercise. The availability of regular formal or informal mechanisms for reviewing and using assessment findings is an indication of the extent to which they are valued in the organization (Schermerhorn, 1996).

For Lusthaus & others (1995) the process of evaluation and monitoring becomes important when organizations are more concerned on organizational learning, a process by which individuals and organizations as a whole can improve and grow in Knowledge.

As it is described by Lusthaus and et al, (1995) all documents in the organization (strategy, program, policy and budgetary) needs to mention evaluation results, questions asked and the sources used. This allows reflection on the evaluation process and the results as well to allow findings and suggestions to be more easily substantiated.

### **2.2.6 Organizational Linkage**

In organizations engaged in creating and utilizing knowledge, it is important to develop contacts with other organizations and groups of strategic importance. Formal links with firms like potential collaborators & collegial bodies, potential funders, or key constituents can result in exchange of approaches and resources (including knowledge and expertise) and can serve as an important reality check (Lusthaus & et. al, 1999).

As it is described by Coyne and Dyne (1998), linkages help the organization keep up with advances in pertinent fields, and give access to wide ranging sources of information with in each area of the organizations work. Currently, many types of organizational arrangements like new information technologies to learn about the most recent approaches for programming and managerial issues and new ways to communicate with potential partners and collaborators in key program and funding areas are needed to support organizational performance (Lusthaus & et al, 2002).

Linkages therefore, are sources of information's to learn about the most recent approaches and to communicate with potential partners in supporting performance.

For Lusthaus & others (1999) and Lusthaus & others (2002) institutional linkages are classified as relationships (network, joint ventures, partnerships, and coalitions) and

electronic linkages. On the other hand, Lusthaus and others (1995) has classified methods of linking institutions as Networks, Partnerships and external communications.

For this thesis the classification by Lusthaus & others (1991), relationships and electronic linkages are used as it is short & precise and includes all the elements.

Because of inability to achieve their missions with out the support of similar organizations, many firms are trying to form relationships (formal or informal) to support objectives. Among these relationships are Networks, which are informal linkages, a loose coupling of groups to serve common interest and the formal linkages based on contractual agreement (new joint ventures, partnership and Coalition) (Lusthaus & others, 1999; and Lusthaus & others, 2002). For these authors, electronic linkages which are the results of new technologies like internets, and other electronic mechanisms benefit the organization to increase its capacity & performance, keep people informed about the latest ideas and give an organization an opportunity to search an entire globe for new ideas and information.

Based on the classification done by Lusthaus & others (1995), networks, groups of individuals or organizations that share a common interest and exchange information and resource if computerized are valuable facilitators of communication to share data and experiences on line. Indeed in certain fields, participating in these networks is essential to deep up with fast breading developments; both participation and maintenance require a steady commitment of resources.

Partnership which could be developed between funders and institutions, between similar institutions or between organization and its local stakeholder groups enables the two partners to come together and share resources to achieve common goals and objectives while external communication which can play an important role in linking an organization to the wider community and is achieved by journal articles, newsletters, and other promotional materials keeps the wider environment to be informed, be they the general public, identified constituents, or specialized technical audiences (Lusthaus & others, 1995).

### 3 Organizational Capacity and Performance

Organizational performance is interplay of three important factors: capacity, motivation and environment. Performance and capacity are interrelated concepts. Organizational performance arises from the use of capacity. Assessing performance also leads us to areas where capacity needs building (Shermerhorn, 1996). Organizational capacity is the ability of an organization to use its resources to perform. The organization itself is the unit of analysis, all of the resources, systems and processes that organizations develop to support them in their work can be assessed. An examination of the systems and management practices associated with human, financial and infrastructure resources helps provide insight into the use of organizational resources (Horton, 2003).

According to Lusthaus and others, (1995) organizational motivation represents the underlying personality of the organization. It is what drives the members of the organization to perform. Organizational motivation is assessed by analyzing a number of organizational dimensions like organizational evolution and history—that is, how and when the organization got started, what its milestones are, and so forth; the organization's mission, values and vision in order to understand the driving forces behind it. Besides, the culture operating within an organization, and the incentives it offers, contribute to organizational motivation. Taken together, these factors give the organization its personality and affect its performance and quality of work.

Organizations are open systems, and the external environment in which they operate is very important, they need support from their environment if they are to survive and perform well. The environment is the key factor in determining the level of available resources and the ease with which an organization can carry out its activities. The characteristics and quality of the environment as poor infrastructure in terms of roads, electricity and phone lines can hinder performance. Thus, in assessing an organization, attention must be paid to economic, political, socio-cultural, environmental, geographic and technological conditions (Lusthaus & others, 1999).

## **2.4 Organizational Capacity Assessment**

Because performance is relative to an organization's basic capacity, the analysis of capacity sets the stage for understanding organizational performance. OCA is a systematic approach to assess an organization capacity with a view to improving its performance (Shermerhorn, 1996)

A theoretical framework for assessing an organization's capacity, developed by Universal Management Group and IDRC in Canada, was used in this work.

Based on this framework organizational capacity is considered in terms of six main, interrelated areas that are believe as the foundation of the organization's performance: strategic leadership, human resources, core resources, program management, process management, and interinstitutional linkages. Each of these areas contains various components, which range in importance among organizations (Horton, 2003)

## **CHAPTER 3**

### **RESEARCH METHODOLOGY**

This chapter deals with the method, data sources, sampling techniques, data gathering instruments and data analysis techniques.

#### **3.1. Method**

The purpose of this study was to assess the organizational capacity in selected Education Bureaus. The study attempted to determine the capacities of the selected institutions in terms of strategic planning, organizational structure, human resources, other core resources, program and process management, and inter-institutional linkages in order to achieve their goals. Thus, a descriptive survey method was used to best serve the intended purpose since it helps to describe and compare the current statuses of the organizations capacities. It was also appropriate to answer the basic questions stated and to judge the strengths and weaknesses of the organizations under study.

#### **3.2. Sources of Data**

The primary sources of data for this study were performers (performers with process owners in the arena of BPR), process owners (specifically process owners of human resource and finance core processes) and organizational leaders, and logistic workers. Relevant data have been gathered from different documents of the organizations such as brochure that state the vision, mission and goals; the organizational strategy, human resource department documents, the demographical characteristics of employees and observation of the physical characteristics of the organizations.

#### **3.3. Sampling Techniques and Samples**

The study employed different sampling procedures to select the appropriate samples. The institutions were selected for the study by purposive sampling technique due to their representativeness in terms of administration, large surface area coverage and diversity of nations and nationalities. Organizational leaders and process owners from human resource and finance core processes were also selected by purposive sampling method since they can give adequate and necessary information

due to their positions in the organizations. Employee respondents from each organization (3 processes in AACAEB, 8 process each in OREB and SNNPREB ) were selected by random sampling method since it gives each employee an equal chance of being included in the study and more over each chance is independent of any other choice (Best and Kahn, 2003). Convenience sampling method was employed for logistic workers as the information from such respondents is mostly similar.

Accordingly, 6 Process owners and 3 organizational leaders for the interviews, 41 employees (16 out of 30 from AACAEB, 11 out of 35 from OREB and 14 out of 38) for group discussion and 120 employees (40 from each of the three organizations) out of 208 for questionnaires- a total of 170 (53.13%) out of 320 respondents were considered for the study purpose.

### **3.4. Data Gathering Instruments and Procedures**

The necessary data for the study were gathered through interviews, group discussion and a questionnaire.

Questionnaires were developed from the literature, which includes both open and close ended items with the aim of collecting data from relatively large number of respondents including performers and some of process owners. Questionnaires were preferred since they are economical in time and expense, enable reach large number of respondents at a time, and help explain the purpose of the study briefly.

The interviews were held with organizational leaders or their representatives (Semi structured) to get the overall image of the capacity as there number was relatively small. The numbers of respondents in the human resource and finance department were relatively small and therefore to substantiate the data from these respondents, an interview were held with their process owners.

Group discussions were conducted with those employees of the organizations that were not able to fill the questionnaire properly due to their limited knowledge of organizational capacity and capacity elements.

To reinforce data obtained from primary sources and to provide additional information, document analysis was also done. The document analysis was focused on

organizational strategies, organizational structures, human resource documents, financial documents and reports, monitoring and evaluation results, training manuals, formats and letters which were prepared and used by the sample organizations.

Check list were also used to identify statuses and conditions of some infrastructures inside and out side the organizations.

The instruments prepared were pilot tested in Education Ministry of Ethiopia. Questionnaires were first distributed to different performers in the organization to examine the contents and check the validity. Accordingly, some question items were modified. Double barreled questions were broken down into simple and clear ones. The questionnaires were prepared in English as the respondent to fill the questionnaires were assumed to be diploma holders and above. The already prepared questionnaires were distributed to different employees of the Education Ministry to test reliability. Unfortunately, those employees with 10+1 and 10+2 certificates were unable to respond properly to the items presented. Hence, these respondents were included to those of logistic workers to involve in group discussions in their respective organizations.

The field work was administered after making the necessary corrections and refinements on the questionnaires based on comments from the pilot study. Consequently, questionnaires were distributed to the respondents, interviews were conducted to organizational leaders or their representatives and process owners, and discussions were held with some employees.

### **3.5. Data Analysis**

The raw data obtained from the field work through questionnaires were organized by the computer software: Statistical Procedures for Social Sciences (SPSS). It was made because it makes computation precise, dependable and not time consuming. Depending on the nature of the variables, quantitative as well as qualitative data analysis methods were employed.

Respondents were categorized under different groups in terms of the organizations. From a pre-assessment of personnel in organizations, the differences among individuals in the groupings (process owners and performers) were found only to be positional and therefore, the process owners except from human resource department and finance

department were grouped to fill questionnaires together with the performers. The qualitative data from group discussions of logistic workers and the information from interviews from executives were utilized to validate the responses of the questionnaire (quantitative data) from performers.

Different characteristics of respondents were analyzed using frequency counts and percentages. Frequency counts and percentages were calculated for those items prepared in Likert type scale and for more advanced statistical operations and decisions making as such items are categorized under ordinal measurements which do not allow higher statistics like mean and standard deviation or parametric tests. Hence, one of the non-parametric tests, the Chi-square, was used to check whether there is a significant difference in the distribution of preferences among groups of respondents in terms of given items. It was preferred to the study due to the fact that the dependent variable (organizations in this case) involves classifying individuals in to different categories (scales/opinions). In conducting a chi-square test, for items violating the assumption that each cell has an expected frequency of five or more, Fisher's exact test which can be used regardless of expected frequency and with a perfect p-value has been employed (Biostatistics Consulting, 2007).

## CHAPTER 4

### Presentation and Analysis of the Data

This chapter deals with the presentation and analysis of data gathered on the general characteristics of the respondents and the status of capacity elements in organizations.

#### 4.1 General Characteristics of the Respondents

Groups of respondents were approached from all the three organizations to fill the questionnaires prepared for the study purpose. A total of 120 questionnaire papers were distributed to respondents in the organizations and among this total number only 86.7% (34, 37 & 33 each out of 40 in AACAEB, OREB and SNNPREB respectively) were filled and returned. Based on the data collected the general characteristics of the respondents of the study were analyzed as follows:

**Table 1 Respondents', Sex, Age, Educational level and Work Experience**

Characteristics		Respondents organization						Total	
		Addis Ababa N=34		Oromia N=37		SNNP N=33			
		No	%	No	%	NO	%	NO	%
Sex	male	25	73.5	30	81.1	24	72.7	79	76.0
	female	9	26.5	7	18.9	9	27.3	25	24.0
Age	20-29	8	23.5	6	16.2	6	18.2	20	19.2
	30-39	13	38.2	19	51.4	10	30.3	42	40.4
	40-49	4	11.8	8	21.6	15	45.5	27	26.0
	50-59	9	26.5	4	10.8	2	6.1	15	14.4
Educational level	diploma	3	8.8	8	21.6	3	9.1	14	13.4
	BA / BSc	26	76.5	22	59.5	23	69.7	71	68.3
	MA / MSc	5	14.7	7	18.9	7	21.2	19	18.3
Experience	<9	5	14.7	10	27.0	7	21.2	22	21.2
	10-19	14	41.2	14	37.8	8	24.2	36	34.6
	20-29	10	29.4	12	32.4	14	42.4	36	34.6
	>29	5	14.7	1	2.7	4	12.1	10	9.6
<b>Total</b>		<b>34</b>		<b>37</b>		<b>33</b>		<b>104</b>	<b>100.0</b>

As Table 1 shows more than 76% of the respondents in each organization are males. The females constitute only 24% of the total number. This is a reflection for a concrete reality in the civil service of the country which shows that only a few number of female are present in the line and top management levels as the result of uneven educational opportunity during the previous regimes.

Concerning the age range, majority of the respondents in each organization are found in the age group 30 – 39. In comparison from the three organizations the SNNP education bureau has a greater proportion of members in the age range 40-49. Although, such distribution of members is helpful in shaping of views through ages, it is usually difficult to introduce new ways of working.

The same Table shows that most of the respondents in each organization are first degree holders, the majority of whom are senior executives and technical specialists. As the Table indicates each organization has well experienced employees. Of the total, 78.8% have an experience of 10 years or more. Though, it is assumed that the organization can perform its task more efficiently and effectively. But for the literature such people are potential resistors to change since they are the ones whose positions are target to be eliminated. Such problems might be eliminated by the efforts started in each organization to attract new bloods.

**Table 2 Respondents post with their experience**

Work experience	post	Respondents organization			Total
		Addis Ababa N=34	Oromia N=37	SNNP N=33	
<9	head	0	2	1	3
	expert	5	8	6	19
	Total	5	10	7	22
10-19	head	3	0	3	6
	expert	11	14	5	30
	Total	14	14	8	36
20-29	head	1	2	2	5
	expert	9	10	12	31
	Total	10	12	14	36
>29	head	0	0	1	1
	expert	5	1	3	9
	Total	5	1	4	10

Most of the heads (process owners) in AACAEb and SNNPREb belong to the experience range of 10-19 and 20-29 which indicates better experience in leading a group and

making better and effective decisions. Comparatively speaking, a significant proportion of process owners (2) in OREB was found in the experience range less than 9 while the other 2 were found in the range 20-29. It may result in difficulties for those younger individuals to make decisions and to lead their subordinates because of insufficient experience.

## **4.2 Analysis of the Main Elements of Organizational Capacity**

Under this part the main elements of organizational capacity, strategic leadership, organizational structure, human resources, other core resources, program management, process management and Inter - institutional linkages will be presented and analyzed.

### **4.2.1 Strategic Leadership**

As to Lusthaus and others, (1995) Strategic leadership, which is associated with risk, vision and ideas is involved in developing tactics for procuring essential resources, inspiring organizational members and stakeholders to perform in ways of attaining organizational goals and adapting to external factors and with its components; leadership, strategic planning, niche management and organizational structure should result in aligned direction and action for achievement.

The accomplishment of organizational goals depends on leadership; the extent to which the attitudes, behaviors and values of people to support and take on positive formal and informal leadership, to recognize the importance of distributive leadership, to try suggestions from the leaders and to suggest changes are influenced. The following Table shows the informants response on items related to leadership.

As illustrated in Table 3 below, respondents were requested to show their opinion preferences on statements related to leadership as agree, agree, undecided, disagree and strongly disagree. Based on this, support for formal leadership was positively supported more by respondents from each of the three organizations.

The chi - square result of item 1 confirms the absence of response differences among employees of organizations,  $\chi^2 (4, n=104) = 15.590, p>0.05$ . This implies the consensus among the respondents in supporting formal leadership.

**Table: 3 Respondents Opinions on Leadership**

No	Item	Respondent organization						Total (%)	$\chi^2$ (P-value) (df)	
		A.A N=34		Oromia N=37		SNNP N=33				
		%	$\chi^2$	%	$\chi^2$	%	$\chi^2$			
1	People in the organization supports formal leadership	SD	2.9	23.176*	36.622*	25.303*	12.1	1.0	15.590 (.112)* (8)	
		D	17.6					2.7		10.6
		UD	17.6					5.4		8.7
		A	44.1					64.9		56.7
		SA	17.6					27.0		24.2
2	People in the organization take on positive informal leadership roles.	SD		12.353*	2.892	21.394*	12.1	3.8	25.802 (.001)* (8)	
		D	38.2					16.2		23.1
		UD	14.7					35.1		22.1
		A	41.2					27.0		39.4
		SA	5.9					21.6		6.1
3	The organization recognizes the importance of distributive leadership.	SD	8.8	23.647*	25.027*	32.818*	9.1	3.8	16.219 (.039)* (8)	
		D	8.8					8.1		8.7
		UD	5.9					10.8		12.5
		A	50.0					45.9		53.8
		SA	26.5					32.4		3.0
4	Staff throughout the organization are willing to take on leadership roles	SD		10.471*	11.243*	14.394*	21.2	1.0	8.882 (.352) (8)	
		D	20.6					13.5		18.3
		UD	23.5					24.3		23.1
		A	47.1					35.1		44.2
		SA	8.8					24.3		6.1
5	Staffs are willing to try new suggestions made by those in leadership positions	SD	8.8	39.176*	9.378*	12.606*	9.1	2.9	17.879 (.022)* (8)	
		D	2.9					8.1		9.6
		UD	70.6					21.6		16.3
		A	17.6					43.2		51.9
		SA						27.0		12.1
6	All staff have an opportunity to suggest changes in the organization	SD		7.176	25.027*	17.758*	3.0	3.8	23.332 (.003)* (8)	
		D	8.8					10.8		14.4
		UD	26.5					8.1		26.0
		A	41.2					51.4		37.5
		SA	23.5					21.6		9.1

N = Number of respondents, df- degree of freedom\*-Significance difference. 0.05  $\alpha$  levels SD-strongly Disagree, D- disagree, UD-undecided, A-agree, SA-strongly Agree; all the data are in percentages. Data in bold shows the absence of significance difference among opinions in each of the organizations. (Other Tables follow the same explanation).

As it could be seen on item 2 of the above Table, a significance difference have been observed among organizational respondents. Consequently, most respondents from AACAEB and SNNPEB indicated that people in the organizations takes on positive informal leadership roles with a proportion of 47.1%, and 57.6% in AACAEB and SNNPREB

respectively while there was confusion among respondents of OREB,  $\chi^2 (8, n=104)=23.802, p<0.05$ .

Concerning the recognition of distributive leadership in organizations most respondents, 76.5% in AACAEB, 78.4% in OREB and 69.7% in SNNPREB have reached on consensus although there is a significant difference among opinions in between organizational respondents,  $\chi^2 (8, n=104)= 16.219, p<0.05$ . More agreement was observed in AACAEB and OREB.

Besides, (item 2 of Table 2), a better agreement is also seen (55.9% in AACAEB 54.4% in OREB and 57.6% in SNNPREB) on the willingness of staff through out the organization to take on leadership roles. A significant difference in responses by respondents of organizations was observed on staff's willingness to try new suggestions made by those in leadership positions. Thus, more respondents, 59.4% in OREB and 54.5 % in SNNPREB shows high level of agreement than their uncertainty and disagreement while most respondents from AACAEB (70.6%) were uncertain.

According to item 6 of Table 3, the opportunity for staffs to suggest changes in the organization was found to be in question for AACAEB and SNNPRE while, it was positively supported in OREB.

The implication for the above elements concerning leadership is therefore positive as most of the items have taken positive opinions by most respondents of each organization.

The precondition an organization to undertake as a component of strategic leadership is strategic planning, the process of envisioning the future and developing the necessary procedures and operations to achieve that future. An attempt to proceed with out having gone through strategic planning is simply a futile exercise. In strategic planning, it is to mean that the organization have a formal strategy, supported and accepted by members and is used to clarify priorities, make decisions, identify constraints for resources and as well it is revised according to the environment. The Table below shows what employees opinion is on their respective organizations in terms of performing the activity mentioned.

**Table: 4 strategic planning**

No	Item		Respondents organization			Total	$\chi^2$ (P-value) (df=4)	
			A. A N=34	Oromia N=37	SNNP			
			N (%)	N (%)	N (%)			
1	The organization has a formal organizational strategy		yes	34(100.0)	35(94.6)	33(100.0)	102(98.1)	2.446(.328)
			no	0(.0)	2(5.4)	0(.0)	2(1.9)	

NO	Item		Respondent organization						Total (%)	$\chi^2$ (P-value) (df)	
			A. A N=34		Oromia N=35		SNNP N=33				
			%	$\chi^2$	%	$\chi^2$	%	$\chi^2$			
2	The strategy is generally accepted and supported in the organization		SD							9.981 (.125) (6)	
			D	8.8	19.882*		13.086*	6.1	14.727*		4.9
			UD	5.9		5.7		3.9			
			A	32.4		40.0		60.6			44.1
			SA	52.9		54.3		33.3			47.1
3	The strategy helps to clarify priorities and set indicators		SD								
D	17.6	18.000*	2.9	14.029*	3.0	22.394*	7.8				
UD	2.9		17.1		6.1		8.8				
A	52.9		40.0		42.4		45.1				
SA	26.5		40.0		48.5		38.2				
4	The strategy is used as a way to help make decisions		SD								14.064 (.029)* (6)
D	23.5	13.765*	2.9	26.143*	3.0	16.576*	9.8				
UD	5.9		5.7		12.1		7.8				
A	50.0		54.3		42.4		49.0				
SA	20.6		37.1		42.4		33.3				
5	There is a process for revising the organization's strategy.		SD								15.298 (.033)*
D	26.5	6.235*	2.9	27.143*	21.2	1.303	1.0				
UD	20.6		8.6		18.6						
A	41.2		5.7		24.2		16.7				
SA	11.8		42.9		33.3		39.2				
5	There is an ongoing process for scanning the environment.		SD								14.674 (.044)*
D	50.0	25.706*	40.0	7.171	9.1	11.970*	4.9				
UD	5.9		31.4		48.5		46.1				
A	29.4		17.1		15.2		17.6				
SA	8.8		11.4		27.3		24.5				
								6.9			

Data in the last column with out degree of freedom is tested with Fisher's exact test (Other Tables follow the same explanation).

According to item 1 of Table 4, all respondents in AACAEB, 35 (94.6%) in OREB and all respondents in SNNPREB have agreed on the presence of formal organizational strategy. The information from interview and document analysis also confirms the availability of strategic plan in all of the three organizations. Respondents were also asked whether the strategy is generally accepted and supported. It has found that

most of the respondents, 85.3% in AACAEB 94.3% in OREB and 93.9% in SNNPREB shows a higher level of agreement with out significance difference in opinions,  $\chi^2 (6, n = 102) = 9.981, p > 0.05$ .

According to item 3 of Table 4, most respondents from each of the institutions have agreed and demonstrated that the strategy helps to clarify priorities and set indicators.

Concerning the utility of the strategy to make decisions, although, most respondents have shown their positive attitudes (80.6% in AACAEB agreements, 91.4% in OREB and 84.8% in SNNPREB), unavailability of the strategy as a guideline in each of the departments and the information from interviews of process owners from AACAEB and SNNPREB confirms that the strategy is not helping decision making in these organizations.

As far as revising organizational strategy is concerned, 53% of respondents in AACAEB and 82.9% of respondents in OREB have shown their positive support, while opinions from SNNPREB respondents were insignificant. The information from interviews was in favor of the issue in each of the organizations.

For most of the respondents from the entire organizations consensus was achieved on the absence of ongoing process of scanning the environment (item 6 of the same Table). Questions were raised for organizational leaders whether there is a process of scanning and they indicated that the process is done rarely.

For Shermerhorn (1996), a failure to scan the environment results in a limitation for understanding the organization in relation to its environment which in turn leads to inability to establish strategies that take maximum advantage of strengths and opportunities while minimizing weaknesses and threats.

**Table: 5 strategic planning (continued)**

No	Item	Response	Respondents organization			Total
			A. A N=34	Oromia N=37	SNNP N=33	
			N (%)	N (%)	N (%)	
1	The organizational strategy identifies constraints regarding core resource areas related to improving performance.	No	34(100.0)	35(100.0)	33(100.0)	102(100.0)
2	The organizational strategy identifies the opportunities regarding core resource areas related to improving performance.	No	34(100.0)	35(100.0)	33(100.0)	102(100.0)

As it is observed on the above Table all of the respondents from all the organizations indicated that the organizational strategy fails to identify constraints and opportunities regarding core resource areas related to improving performance. This might result in inability to capitalize on opportunities in the external environment which yields needed resources while predicting threats for organizational resources to ensure that organizational performance and survival are safe guarded.

Although, a higher degree of support and acceptance for the formal strategy with clear priorities and indicators was found, a weakness to use it as a guide for decision making and a failure to revise it based on environmental scanning in an objective of identifying opportunities and threats regarding core resources shows serious limitation on the strategic plan.

In a competitive global society success of an organization is in part affected by the ability of the organization to establish a unique role by offering a unique service. This is achieved by niche management, process of identifying and concentrating on valuable set of capabilities that an organization possesses more.

The respondents were asked whether their respective organization has defined its unique place within a sector in terms of philosophy, mission and goals. The obtained result for this item 85.3% in AACAE, 97.3% in OREB and 92.3% in SNNPREB reveals that the organizations have defined their unique places.

Although, the result from the questionnaire from all of the three organizations reveals that a niche is defined, the interviewed organizational leaders were not sure whether such practices have been done in their respective organizations. Besides, no documents have been found on competitive strength assessments to identify distinctive

competencies that reveal its strengths and weaknesses, on information's collected in the sectors about their role inside and on the financial support to keep its niche.

From the above contradictions the reality might be observed from the interviewed information and from that of the document analysis as the respondents may be less cognizant regarding the issue raised. Therefore, it is fair to conclude that the organizations did not define their unique place.

As it is described by Lusthaus and others (1995), niche management in public sector and governmental organizations aims in developing capabilities to deliver products and services and therefore, guarantees continued future funding from government and other agencies. Consequently, it forces managers to look beyond internal matters, although neglecting this aspect may severely erode the organizations ability to adapt to changing global situations.

A frame work to define and demarcate responsibilities and authorities among employees, to facilitate a variety of tasks towards the achievement of goals and to indicate the chain of command and communication is also one of the preconditions for an organization. The following response given by employees on items related to organizational structure.

All respondents in AACAEB (100%), 37 (100%) respondents in OREB and 32 (97.0%) respondents in SNNPREB revealed that their organization has an organizational structure. A document analysis done also confirms the availability of organizational chart in each of the organizations.

According to item 1 of Table 6 below, most respondents have indicated that the organizations mission were supported by their structure.

Concerning the role clarity and flexibility in the organizational structure, most respondents in each of the respective organizations have shown higher level of agreement than their disagreements. This implies that the organizations have clearly defined the roles and responsibilities of individuals, departments or other groupings and makes them to understand their specific roles inside.

**Table: 6 Responses on Organizational Structure**

No	Item	Respondent organization						Total (%)	$\chi^2$ (P-value) (df)
		A.A N=34		Oromia N=37		SNNP N=32			
		%	$\chi^2$	%	$\chi^2$	%	$\chi^2$		
1	The organization mission is supported by its structure.	SD							4.951 (.550) (6)
		D		8.1	16.946*	9.4	22.250*	5.9	
		UD	9.1	8.1		3.1		6.9	
		A	51.5	43.2		56.3		50.0	
		SA	39.4	40.5		31.3		37.3	
2	The organization goal is supported by its structure.	SD							5.513 (.480) (6)
		D	3.0	13.5	9.135*	9.4	30.500*	8.8	
		UD	6.1			3.1		2.9	
		A	63.6	54.1		65.6		60.8	
		SA	27.3	32.4		21.9		27.5	
3	Roles within the organization are clearly defined and are flexible enough	SD							8.287 (.218) (6)
		D	9.1	5.4	12.838*	6.3	18.250*	6.9	
		UD	15.2	16.2		6.3		12.7	
		A	60.6	37.8		46.9		48.0	
		SA	15.2	40.5		40.6		32.4	
4	Departmental lines or divisions between groups crossed easily	SD				3.1	19.250*	1.0	14.178 (.045)*
		D	39.4	35.1	8.000*	21.9		32.4	
		UD	18.2			6.3		7.8	
		A	27.3	51.4		46.9		42.2	
		SA	15.2	13.5		21.9		16.7	
5	Staff has linkages with other units in the organization that are important to their work	SD					20.750*		8.521 (.202) (6)
		D	15.2	18.9	13.919*	3.1		12.7	
		UD	15.2	2.7		12.5		9.8	
		A	42.4	40.5		56.3		46.1	
		SA	27.3	37.8		28.1		31.4	
6	Staff can create important coordinating units with ease.	SD					2.250		8.822 (.184) (6)
		D	18.2	24.3	9.595*	28.1		23.5	
		UD	27.3	5.4		18.8		16.7	
		A	42.4	40.5		34.4		39.2	
		SA	12.1	29.7		18.8		20.6	

A significant difference was observed on item 4 of the same Table, on whether department lines or divisions between groups are crossed easily,  $\chi^2$  (4, n=103) = 9.809,  $p < 0.05$ . Hence, Respondents from OREB and SNNPREB (64.9% and 68.8% respectively) have shown better agreements while the opinion from respondents of AACAEB were found to be insignificant.

Staff linkages with other units (item 5) were positively supported by most respondents from OREB and SNNPREB (78.3% and 84.4% respectively) while, respondents from AACAEB were still confused about the issue.

There is no significance difference among responses of employees in all of the three organizations related to item 6 of the above Table. But, it is only in OREB that majority of the respondents (70.2%) agreed on the freedom of staff to create important coordinating units. In the other two organizations, the opinions concerning the issue were not significant.

Although the above data reveals that there is a positive implication for coordination in the organizations, the response from all (100%) of the employees (no Table) indicated the absence of any coordinating mechanism which facilitates access to other units with in the organizations.

The other groups of employees who attended discussions have forwarded their ideas on the absence of clear coordinating mechanism. Besides, the organizational structure in each of the organizations did not define how the different units and staffs are to communicate and coordinated in moving towards the achievement of goals. The organizational leaders interviewed also accept their failures to put formal coordinating mechanisms on their organizational manual.

But, in looking at organizational structure one has to focus on coordination issues, which limits subunit orientation not to result in communication failure and coordination difficulties.

Although, some part of the organizational structure; the fit between mission and goal to the structure, role clarity and flexibility for individuals, groups and departments , open boundaries of departments and divisions, and staff linkages, has been found to be encouraging especially in OREB and SNNPREB, failure to have effective coordinating mechanisms might constrain the move towards a common goal.

#### **4.2.2. Human Resource Management**

The critical importance for effective human resource management (planning, staffing, developing, assessing and maintaining effective relationships) is to develop and instill

core values (integrity and honesty, commitment to the organizational mission, accountability for and pride in one's work, commitment to excellence, and building trust) through out the organization.

In an era of increased rate of change, human resource planning is vital to alleviate problems related to changing employment patterns and changing work methods.

**Table: 7 Responses on Items Related to Human Resource Planning**

No	Item		Freq.	%	$\chi^2$	Df	p-value
1	The organization has a human resource planning document	yes	17	100.0	-	-	-
2	The right people are in the right jobs in the organization	disagree	1	5.9	13.235	1	.000
		agree	16	94.1			
3	The organization can forecast current demands for human resources.	yes	15	88.2	9.941	1	.002
		No	2	11.8			
4	The organization can forecast future demands for human resources	disagree	1	5.9	13.235	1	.000
		agree	16	94.1			
5	The organization knows how and where to identify people with the skills needed to fill its needs.	disagree	1	5.9	14.588	2	.001
		undecided	3	17.6			
		Agree	13	76.5			
Total			17	100			

Freq. – frequency, % - percentage, Df – degree of freedom (Other Tables follow the same explanation)

Although, all respondents from the human resource departments believed in the availability of a human resource planning document, in reality from document analysis, no one document except records of employees was found in no one of the organizations under study.

According to item 2 of Table 7, 16(94.1%) respondents have agreed on the availability of the right peoples at the right jobs in the organizations. This issue was supported by process owners and some participants in the group discussion only in OREB. The interview results from AACAEB and SNNPREB were not supportive and indicated that there are vacant positions in their respective organizations.

As far as a forecast on current and future demands on human resource is concerned (item 3 & 4), 88.2% and 94.1% respondents respectively shows their positive supports. But process owners interviewed and documents analyzed show the absence of documents on forecasts of human resources in each of the organizations.

Although, there are no documents indicating how and where to identify people with the skills needed to fill its needs, the responses on the Table are in a position to support the issue.

As cited in the literature of this thesis, organizations must possess human resource documents with forecasts of current and future demands and the ways how and where to find human resources with the required skill. The failure for these organizations to forecast their human resource needs makes them unable to identify the human resource surplus or shortage and develop a formal human resource audit or systematic inventory of the strengths and weakness of the existing labor force which in turn is used for managers to plan and deal with specific staffing needs like promotion, transfer, training and development programs, other types of career enhancement activities and even personnel replacement where weakness exists. From this, one can derive an implication that all of the organizations have poor human resource planning practice.

A chi-square test was employed to test whether there is significance difference in responses for all of the above items in the Table and all the responses were found to be significantly different at a p-value less than 0.05.

Staffing, a process of searching for selecting and orienting individuals with the appropriate range of knowledge, skills, behavior and values is an important step in implementing a human resource plan to meet the organization's needs. Here below are presented responses gathered about some issues that are important in staffing human resources.

**Table: 8 Responses on Items Related to Staffing**

No	Item		Freq.	%	$\chi^2$	Df	p-value
1	The organization has adequate staffing system.	disagree	1	5.9	13.235	1	.000
		agree	16	94.1			
2	The organization has competent approach for staffing.	disagree	1	5.9	13.235	1	.000
		agree	16	94.1			
3	The organization has appropriate job descriptions, competency reviews or equivalents to determine what staffing is needed.	yes	14	82.4	7.118	1	.008
		No	3	17.6			
4	The organization has an appropriate system for selecting candidates.	yes	16	94.1	13.235	1	.000
		No	1	5.9			

Table 8 above shows that the organizations have adequate staffing systems (item 1). On the other hand, the human resources department of each organization was unable to find a human resource document related to staffing systems.

Failure to have good employee recruitment and selection system compromises the ability of the organization to attract high quality workers needed in the organization.

According to item 2 of the above Table, respondents agreed on the competitiveness of their staffing approaches. Most of the respondents, 14 (82.4%) in the organizations have supported the availability of appropriate job descriptions, competency review or equivalents. Still a discrepancy was found with the information from document analysis and interviews and therefore, the organizations are not in a position to be benefited from the information's in a form of job description to indicate reporting lines, to identify areas of responsibility, performance criteria and person specification, and to know human attributes or personal traits of the individual holding the job.

It is only one individual among the total 17 respondents who were asserting the absence of appropriate system for selecting candidates. But from the analysis of documents in the departments, no one organization has identified systems for selecting candidates.

**Table: 9 systems used in selecting candidates (continued)**

Item		Respondents organization			Total	$\chi^2$ (P-value)
		A.A N=34	Oromia N=37	SNNP N=33		
		N (%)	N (%)	N (%)	N (%)	
Systems used in selecting candidates in your organization	CV	14(41.2)	10(27.0)	7(21.2)	31(29.8)	11.966(.421)
	Interviews	2(5.9)	2(5.4)	1(3.0)	5(4.8)	
	References	5(14.7)	10(27.0)	7(21.2)	22(21.2)	
	CV and Interview	6(17.6)	5(13.5)	5(15.2)	16(15.4)	
	CV and Reference	0(.0)	0(.0)	3(9.1)	3(2.9)	
	CV, Interview & Reference	5(14.7)	3(8.1)	5(15.2)	13(12.5)	
	others	2(5.9)	7(18.9)	5(15.2)	14(13.5)	

All respondents from all departments in the three organizations were asked to select the systems employed in selecting a candidate and to list some other criteria if available. Accordingly, as the above Table entails, reviewing curriculum vitae, checking

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It is only one individual among the total 17 respondents who were asserting the absence of appropriate system for selecting candidates. But from the analysis of documents in the departments, no one organization has identified systems for selecting candidates.

**Table: 9 systems used in selecting candidates (continued)**

Item		Respondents organization			Total	$\chi^2$ (P-value)
		A.A N=34	Oromia N=37	SNNP N=33		
		N (%)	N (%)	N (%)	N (%)	
Systems used in selecting candidates in your organization	CV	14(41.2)	10(27.0)	7(21.2)	31(29.8)	11.966(.421)
	Interviews	2(5.9)	2(5.4)	1(3.0)	5(4.8)	
	References	5(14.7)	10(27.0)	7(21.2)	22(21.2)	
	CV and Interview	6(17.6)	5(13.5)	5(15.2)	16(15.4)	
	CV and Reference	0(.0)	0(.0)	3(9.1)	3(2.9)	
	CV, Interview & Reference	5(14.7)	3(8.1)	5(15.2)	13(12.5)	
	others	2(5.9)	7(18.9)	5(15.2)	14(13.5)	

All respondents from all departments in the three organizations were asked to select the systems employed in selecting a candidate and to list some other criteria if available. Accordingly, as the above Table entails, reviewing curriculum vitae, checking

references, reviewing curriculum vitae and conducting interviews, and others including CGPA & political affiliation were selected the most by 29.8%, 21.2%, 15.4% and 13.5% respectively.

A chi-square test at 12 degree of freedom, and 0.05  $\alpha$  levels does not show significance difference among responses in the three organizations.

**Table: 10 Responses on Items Related to Staffing**

No	Item		Freq	%	$\chi^2$	D f	p- value
1	Individuals in charge of selection are appropriately trained (interviewing and listening skills, politeness, and good judgment).	disagree	5	29.4	.471	2	.790
		undecided	5	29.4			
		agree	7	41.2			
2	Recruitment and selection materials are free of discrimination (gender, religious, disability, race and etc.).	undecided	3	17.6	7.118	1	.008
		agree	14	82.4			
3	Someone familiar with both the day-to day functions of the organization is available to orient new staff members.	yes	17	100.0	-	-	-

As the above Table entails, a significance difference is not observed among opinions of respondents in relation to the training of an individual in charge of selection. Therefore, respondents are not sure whether there is a trained individual. process owners were asked if there is an individual trained to have interviewing and training skills, politeness and good judgments and the response fails to support the issue. The absence of training to develop interviewing and listening skills, politeness and good judgments for an individual charged with selection may result in intervention of personal factors and perception during selection.

According to item 2 of the same Table, most respondents 14(82.41%) agreed on that the selection and recruitment material were free from discriminations. Information's from some participants of group discussions and interviews with the process owners also complies with the responses given above.

All the respondents, 17 (100%) from the human resource department agreed on the presence of an individual to orient new staff members but the information from interviews and group discussions were not in favor of the issue.

From this one can conclude that orientation of new staffs is poor in each of the organizations under study and it might result in a failure to make an excellent first impression, misunderstanding & poor communication and increased chance of making mistakes for the new blood.

As it is described by Lusthaus and others (1999), to make the staff of an organization adapted to changing conditions, it is mandatory to build human resource skills, knowledge and attitudes. Following are responses presented related to human resource development items.

**Table: 11 Responses on Items Related to Human Resource Development**

No	Item	Freq.	%	$\chi^2$	Df	p-value				
1	The organization has a policy for training and development,	yes	9	52.9	.059	1	.808			
		No	8	47.1						
2	The organization has a budget for training	disagree	8	47.1	3.647	2	.161			
		undecided	2	11.8						
		agree	7	41.2						
NO	Item	Respondent organization						Total (%)	$\chi^2$ (P-value) (df)	
		A. A		Oromia		SNNP				
		%	$\chi^2$	%	$\chi^2$	%	$\chi^2$			
3	<i>The organization encourages staff to continue to learn and develop (by providing incentives for learning, by supporting training costs etc.)</i>	SD	47.1	27.47*	51.4	29.62*	15.2	31.697*	38.5	14.552 (.033)*
		D	35.3		24.3		57.6		38.5	
		UD	2.9		2.7		3.0		2.9	
		A	11.8		18.9		18.2		16.3	
		SA	2.9		2.7		6.1		3.8	
No	Item	Freq.	%	$\chi^2$	Df	p-value				
4	Someone in the organization identifies training needs.	yes	9	52.9	.059	1	.808			
		no	8	47.1						

According to item 1 of Table 11 above, respondents were not sure whether their organizations have a policy for training and development as there is no significance difference among responses in a chi-square test. Besides, documents related to policy for training and development was not found in all of the organizations human resource departments.

As to the above Table (item 2), still there is no significance difference among responses in relation to training budget. But, according to process owners interviewed, all the three organizations have found to possess training budgets.

Among the total respondents, given their opinions on the organizations effort to encourage staff to continue to learn and develop (item 3 above), majority of the respondents, 28 (82.4%) in AACAEB, 28 (75.7%) in OREB and 24 (72.8%) in SNNPREB has shown their disagreements. In contrary to this organizational leaders and heads of the human resource department indicated that the organizations are allowing staff members to continue and develop their educations by providing incentives and even I have found individuals who are continuing their education with full sponsorship of their respective organizations. From these contradictions, one can conclude that the organizations are encouraging staffs to continue to learn as the respondent staff members might be less cognizant regarding the issue.

Respondents from the human resource departments were asked whether there is an individual in the organization to identify training needs. No significance difference was observed among the responses at a chi-square value of 0.059, 1 degree of freedom and 0.05  $\alpha$  levels and a P-value of 0.808.

The process owners interviewed and some participants in the group discussion have indicated that there is no individual to do training need analysis in each of the three organizations. Consequently, in the absence of training needs analysis, it is difficult to know the area where training is applied and for which area a priority has to be given (Jenks, 1992).

Although, it was confirmed that the organizations have training budget and incentives for employees to continue their learning, the weakness to develop development and training policy and the absence an individual for training needs assessment might constrain the organizations efforts in making the human resource adaptable.

Assessment and reward system should help an organization retain good employees, motivate staff, administer pay within legal regulations, facilitate organizational strategic objectives and support individual learning. The following Table presents the responses gathered on issues related to assessment and reward systems in the three organizations.

Most respondents, 25(73.5) in AACAEB, 22(59.5%) in OREB and 23(71.9%) in SNNPREB (no table) were not in a position to support the availability of fair and motivational assessment and reward systems in their respective organizations.

**Table: 12 Opinions on items Related to Assessing and rewarding**

No	Item	Respondent organization								Total (%)	$\chi^2$ (P-value) (df)
		A.A N=34		Oromia N=37		SNNP N=33		Total (%)	$\chi^2$		
		%	$\chi^2$	%	$\chi^2$	%	$\chi^2$				
1	The staffs see an adequate correlation between compensation and performance.	SD	8.8	18.000*	2.7	11.514*	10.3	7.379	7.0	15.380 (.039)*	
		D	52.9		37.8		24.1		39.0		
		UD	29.4		21.6		34.5		28.0		
		A	8.8		18.9		24.1		17.0		
		SA			18.9		6.9		9.0		
2	Staff members are generally satisfied with their compensation	SD	8.8	21.765*	2.7	29.351*	10.3	10.138*	7.0	9.330 (.315) (8)	
		D	58.8		54.1		41.4		52.0		
		UD	20.6		10.8		24.1		18.0		
		A	11.8		18.9		13.8		15.0		
		SA			13.5		10.3		8.0		
3	Compensation packages are externally competitive for the sector.	SD	8.8	15.176*	5.4	47.189*	10.3	10.483*	8.0	9.578 (.296) (8)	
		D	52.9		64.9		37.9		53.0		
		UD	20.6		8.1		24.1		17.0		
		A	17.6		13.5		24.1		18.0		
		SA			8.1		3.4		4.0		
4	The organization maintains internal equity of salaries and benefits (equal compensation for work of equal value).	SD	14.7	24.588*	8.1	41.784*	10.3	10.034*	11.0	21.769 (.005)* (8)	
		D	61.8		62.2		41.4		56.0		
		UD	11.8		10.8		10.3		11.0		
		A	11.8		5.4		37.9		17.0		
		SA			13.5				5.0		
5	The organization motivate staff with monetary rewards	SD	14.7	29.294*	8.1	22.135*	10.3	28.414*	11.0	14.131 (.078) (8)	
		D	64.7		56.8		58.6		60.0		
		UD	14.7				10.3		8.0		
		A	5.9		24.3		17.2		16.0		
		SA			10.8		3.4		5.0		
6	The organization motivate staff with non-monetary rewards	SD	5.9	18.647*	5.4	34.216*	13.8	9.793*	8.0	7.795 (.454) (8)	
		D	44.1		56.8		41.4		48.0		
		UD	29.4		8.1		17.2		18.0		
		A	14.7		21.6		20.7		19.0		
		SA	5.9		8.1		6.9		7.0		

A significance difference was observed on responses among respondents of organizations regarding the correlations between compensation and performance (table 12 above). Accordingly, respondent from AACAEB and OREB (61.7% and 40.5%) have shown their disagreements than their agreements when compared with

respondents from SNNPREB whose opinions were insignificant. According to some participants from group discussions, it was also obtained that there was no adequate correlation between compensation and performance.

A greater degree of disagreement was also observed on the satisfactions of staff members with their compensations. In addition to this, as it was indicated on item 3 of the above Table most respondents claim that the compensation package in their respective institution is not competitive to external sectors.

According to Table 12, internal equity of salaries and benefits were not supported by most of the respondents from each of the organizations.

According to the last two items neither monetary reward, nor non monetary rewards are positively supported in each of the organizations. Employees from group discussions also confirm the absence of such rewards in their respective organizations.

Employees bring a range of desires with them. As to Cowling and Mailer (1998), to improve employee's performance, these desires needs to be full filled by offering financial rewards and by ensuring job security, good working conditions, opportunity to maintain and improve skill levels, status, and good social relationships in the work place. Lack of adequate correlation between compensation and performance, member's dissatisfaction with their compensation, non competitive compensation packages and unequal internal salaries and benefits (weaknesses on assessing and rewarding) decrease the organizations potential to attract, retain, and motivate the best possible workers and highly qualified work force. As to Shermerhorn (1996), the less capable the work force is the greater likelihood of performance problems and the greater the burden on external controls.

A chi-square test was employed to spot whether there are significant differences in the opinions of respondents from the three organizations and except for item 1 & 4 of the Table no significance difference were observed.

Table 13 below shows the distribution of opinion preferences among the three organizations on issues related to staff relations.

As Table 13 shows, a significance difference on opinions was observed among respondents from the three organizations,  $\chi^2 (8, n=104) = 26.032, P < 0.05$ . Accordingly more people from AACAEB disagreed on whether people in the organization are protected from exploitations. A relative agreement was observed among respondents in SNNPREB while respondents from OREB were refused to be positioned on the positive or negative side of the issue.

Concerning the efforts done by the organizations to seek ways of increasing the loyalty and commitment of staff (item 2 of the table below), respondents from OREB were agreed neither to the positive nor to the negative opinions. But more respondents (relatively larger than 50%) from AACAEB have shown their disagreements while an agreement was achieved among respondents of SNNPREB on the issue.

**Table: 13 Opinions on Items Related to Staff Relations**

No	Item	Respondent organization						Total (%)	$\chi^2$ (P-value) (df)	
		A.A N=34		Oromia N=37		SNNP N=33				
		%	$\chi^2$	%	$\chi^2$	%	$\chi^2$			
1	People in the organization feel protected from exploitation (through a collective agreement or policies).	SD	2.9	22.176*	8.1	6.135	3.0	40.788*	4.8	26.032 (.001)* (8)
		D	47.1		35.1		12.1		31.7	
		UD	11.8				15.2		8.7	
		A	29.4		29.7		63.6		40.4	
		SA	8.8		27.0		6.1		14.4	
2	The organization seeks ways to increase the loyalty and commitment of staff	SD		13.294*		3.757	6.1	15.939*	1.9	15.187 (.056) (8)
		D	50.0		37.8		21.2		36.5	
		UD	11.8		16.2		18.2		15.4	
		A	26.5		21.6		45.5		30.8	
		SA	11.8		24.3		9.1		15.4	
No	Item	Respondents organization			Total	$\chi^2$ (P-value)				
		A.A N=34	Oromia N=37	SNNPR N=33						
		N (%)	N (%)	N (%)			N (%)			
3	The organization has measures in place to deal with harassment in the workplace	yes	7(20.6)	19(51.4)	12(36.4)	38(36.5)	7.232(.027)*			
		no	27(79.4)	18(48.6)	21(63.6)	66(63.5)				
4	The organization has a health and safety policy	yes	11(32.4)	17(45.9)	8(24.2)	36(34.6)	3.744(.154)			
		no	23(67.6)	20(54.1)	25(75.8)	68(65.4)				

According to item 3 of Table 13, respondents from AACAEB and SNNPREB have agreed on the absence of measures to deal with harassment in the work place. Although, the opinion from the respondents in OREB seems to support the issue positively, some

participants of a group discussion and the process of document analysis in the human resource department were not found to support the issue. Therefore, it is fair to conclude that each of the organizations have no measures in place to deal with harassment.

A consensus, with no significance difference is found on the absence of safety and health policy in each of the organizations (item 4 of Table 13)

The consequence for the lack of measures in place to deal with harassment and the absence of health and safety policy is a lower degree of feelings of ownership, self control, responsibility and self respect among employees which in turn leads to reduced individuals work performance.

### 4.2.3 Other core Resources

A well managed resource (infrastructure, technology and finance) is needed for organizations if they are to achieve their true potential in task performance.

Infrastructure, the basic environmental conditions which enable work to transpire describes the assets that support the organization. The following Table shows the responses on items related to infrastructure.

**Table: 14 Responses on items related to infrastructure**

No	Item	Respondent organization						Total (%)	$\chi^2$ (P-value) (df)	
		A. A N=34		Oromia N=37		SNNP N=33				
		%	$\chi^2$	%	$\chi^2$	%	$\chi^2$			
1	The infrastructure is adequate to support performance.	SD	2.9	24.235*	5.4	5.297	11.970*	2.9	14.367 (.073) (8)	
		D	35.3		27.0			27.3		29.8
		UD	14.7		21.6			24.2		20.2
		A	44.1		24.3			45.5		37.5
		SA	2.9		21.6			3.0		9.6
2	Internal services (water, electricity, etc) are adequate to support and facilitate daily work	SD	2.9	15.118*	5.4	16.649*	9.061*	2.9	10.540 (.229) (8)	
		D	32.4		21.6			21.2		25.0
		UD	23.5		8.1			24.2		18.3
		A	35.3		43.2			45.5		41.3
		SA	5.9		21.6			9.1		12.5
3	The buildings are adequate to support and facilitate daily work.	SD	5.9	17.059*	21.6	9.162*	6.879	9.6	27.159 (.001)* (8)	
		D	41.2		18.9			18.2		26.0
		UD			13.5			27.3		13.5
		A	44.1		45.9			42.4		44.2
		SA	8.8					12.1		6.7
4	There is an adequate transportation system to and from work.	yes	11(32.4)	6(16.2)	22(66.7)	39(37.5)	19.513 (.000)*			
		No	23(67.6)	31(83.8)	11(33.3)	65(62.5)				

According to item 1 of Table 14 above, a relatively higher level of agreement proportion was observed in AACAEB and SNNPREB in relation to adequacy of infrastructure to support performance while, opinions from respondents of OREB were found to be insignificant.

Internal services (water, Electric City, etc) are indicated to be adequate to support and facilitate daily work in all of the three organizations.

A significance difference was observed on responses given by respondents of the three organizations for the third item on the same Table above,  $\chi^2 (8, n=104) = 27.159, p < 0.05$ . Consequently, an agreement was observed in AACAEB and OREB in comparison with that of SNNPREB. But, as to my observations the set up of the buildings in each of the organization impacts easy coordination among units.

As far as the adequacy of transportation system to and from work is concerned (item), still a significance difference in responses was observed among respondents of organizations. As the data reveals more proportion of people in SNNPREB (66.7%) indicated the availability of adequate transportation system in their organization. on the other hand 67.6% respondents in AACAEB and 83.8% respondents in OREB indicated the absence of adequate transportation systems,  $\chi^2 (1, n=104) = 19.513, p < 0.05$ .

**Table: 15 Responses on items related to infrastructure (continued)**

No	Item		Respondents organization			Total N (%)	$\chi^2$ (P-value)
			A. A N=34	Oromia N=37	SNNP N=33		
			N (%)	N (%)	N (%)		
1	There are adequate maintenance systems and procedures supported by an ongoing maintenance budget.	yes	12(35.3)	17(45.9)	16(48.5)	45(43.3)	1.355 (.508)
		no	22(64.7)	20(54.1)	17(51.5)	59(56.7)	

No	Item		Respondent organization						Total (%)	$\chi^2$ (P-value) (df)
			A. A		Oromia		SNNP			
			%	$\chi^2$	%	$\chi^2$	%	$\chi^2$		
2	An individual or group with in the organization is responsible for adequate planning to address ongoing infrastructure concerns.	SD	2.9	23.353*	2.7	16.919*	3.0	8.667	2.9	5.382 (.716) (8)
		D	35.3		40.5		30.3		35.6	
		UD	11.8		16.2		15.2		14.4	
		A	44.1		29.7		30.3		34.6	
		SA	5.9		10.8		21.2		12.5	

According to item 1 of Table 15, respondents have demonstrated that there are no adequate maintenance systems and procedures which are supported by an ongoing maintenance budget. In relation to this issue, the information from interviews were in favor while the participants from the entire organizations were not supportive for the over all availability of maintenance system and ongoing maintenance budget. In each of the organizations, a number of vehicles and other physical assets were observed without any maintenance. This problem may result in an impacted work due to lack of maintenance of infrastructures which could be more serious due to lack of recurrent budget for up keep.

A relatively higher agreement were seen on the presence of an individual or group who is responsible for adequate planning to address ongoing infrastructure concerns in AACAEB (50%) while, a negative opinion was favored by respondents from OREB. Respondents from SNNPREB were refused on this issue.

But the information from interviews with organizational leaders and some participants from group discussions confirmed the absence of an individual or group to plan and address ongoing infrastructure concerns. This may result in a gap between the infrastructures and the image that the organization wants to project.

The basic impact behind technology on organization is the degree to which it facilitates or impedes interactions among members of the organization. The following Table presents the data gathered with respect to technology in the organizations.

**Table: 16 Responses on items related to technology**

No	Item		Respondents organization			Total N (%)	$\chi^2$ (P-value)
			A. A N=34	Oromia N=37	SNNP N=33		
			N (%)	N (%)	N (%)		
1	There is adequate technological planning.	yes	15(44.1)	13(35.1)	18(54.5)	46(44.2)	2.664 (.264)
		no	19(55.9)	24(64.9)	15(45.5)	58(55.8)	

No	Item		Respondent organization						Total (%)	$\chi^2$ (P-value) (df)
			A. A		Oromia		SNNP			
			%	$\chi^2$	%	$\chi^2$	%	$\chi^2$		
2	The organization's level of technology is appropriate to carry out its functions.	SD	2.9	13.647	10.8	15.027	8.818*	4.8	21.155 (.007)* (8)	
		D	32.4		32.4					42.4
		UD	35.3		13.5					6.1
		A	20.6		37.8					27.3
		SA	8.8		5.4					24.2
3	Access to international information is provided to all units through library and IMS.	SD	2.9	17.176	13.5	20.703	9.879	8.7	5.035 (.754) (8)	
		D	38.2		45.9					33.3
		UD	14.7		8.1					12.1
		A	35.3		27.0					33.3
		SA	8.8		5.4					12.1
4	There are adequate information technologies in place to manage the organization.	SD	2.9	19.824*	10.8	29.081*	12.303*	7.7	6.355 (.608) (8)	
		D	44.1		48.6					33.3
		UD	17.6		5.4					12.1
		A	29.4		32.4					36.4
		SA	5.9		2.7					9.1
5	There are adequate training systems in the organization for managing organizational technology	SD	2.9	28.647*	13.5	28.811*	12.606	7.7	9.651 (.290) (8)	
		D	52.9		54.1					36.4
		UD	11.8		2.7					12.1
		A	26.5		16.2					33.3
		SA	5.9		13.5					12.1

IMS: information management systems.

Although, significance difference was not observed among the responses of respondents in the three organizations, the data from the Table indicated the absence of adequate technological planning in AACAEB (54.5%) and OREB (64.9%) while respondents from SNNPREB (54.5%) were in favor of technological planning in their respective organizations.

The same issue was raised for participants in the focus group discussions and some process owners interviewed. The information from these informants in all of the three organizations shows the absence of technological planning. An effort was also done whether there is a plan for technology in each of the organizations and no organizations was found with such a document. From these contradictions one can

**Table: 16 Responses on items related to technology**

No	Item		Respondents organization			Total N (%)	$\chi^2$ (P-value)
			A. A N=34	Oromia N=37	SNNP N=33		
			N (%)	N (%)	N (%)		
1	There is adequate technological planning.	yes	15(44.1)	13(35.1)	18(54.5)	46(44.2)	2.664 (.264)
		no	19(55.9)	24(64.9)	15(45.5)	58(55.8)	

No	Item		Respondent organization						Total (%)	$\chi^2$ (P-value) (df)
			A. A		Oromia		SNNP			
			%	$\chi^2$	%	$\chi^2$	%	$\chi^2$		
2	The organization's level of technology is appropriate to carry out its functions.	SD	2.9	13.647	10.8	15.027	8.818*	4.8	21.155 (.007)* (8)	
		D	32.4		32.4			42.4		35.6
		UD	35.3		13.5			6.1		18.3
		A	20.6		37.8			27.3		28.8
		SA	8.8		5.4			24.2		12.5
3	Access to international information is provided to all units through library and IMS.	SD	2.9	17.176	13.5	20.703	9.879	8.7	5.035 (.754) (8)	
		D	38.2		45.9			33.3		39.4
		UD	14.7		8.1			12.1		11.5
		A	35.3		27.0			33.3		31.7
		SA	8.8		5.4			12.1		8.7
4	There are adequate information technologies in place to manage the organization.	SD	2.9	19.824*	10.8	29.081*	12.303*	7.7	6.355 (.608) (8)	
		D	44.1		48.6			33.3		42.3
		UD	17.6		5.4			12.1		11.5
		A	29.4		32.4			36.4		32.7
		SA	5.9		2.7			9.1		5.8
5	There are adequate training systems in the organization for managing organizational technology	SD	2.9	28.647*	13.5	28.811*	12.606	7.7	9.651 (.290) (8)	
		D	52.9		54.1			36.4		48.1
		UD	11.8		2.7			12.1		8.7
		A	26.5		16.2			33.3		25.0
		SA	5.9		13.5			12.1		10.6

IMS: information management systems.

Although, significance difference was not observed among the responses of respondents in the three organizations, the data from the Table indicated the absence of adequate technological planning in AACAEB (54.5%) and OREB (64.9%) while respondents from SNNPREB (54.5%) were in favor of technological planning in their respective organizations.

The same issue was raised for participants in the focus group discussions and some process owners interviewed. The information from these informants in all of the three organizations shows the absence of technological planning. An effort was also done whether there is a plan for technology in each of the organizations and no organizations was found with such a document. From these contradictions one can

conclude that the organizations have not a plan for technology and therefore, the availability and appropriateness of the technology is in question.

According to item 2 of Table 16, a significance difference was observed on the responses of respondents from the three organizations,  $\chi^2 (8, n=104) = 21.155, p < 0.05$ . Accordingly, the respondents from AACAEB and OREB were relatively in confusion with regard to the appropriateness of organization's level of technology while there was a better agreement on the appropriateness of technology in SNNPREB.

For the organizational leaders interviewed, still there is a gap in technology (equipments, machinery & systems). Some participants of the discussions in the organizations also indicate the insufficiency of communication systems. Therefore, the organizations has insufficient level of technology.

As far as item 3 of Table 16 is concerned, still there is confusion among individual respondents in each of the organizations, although there is no significant difference among opinions of respondents. But the information from organizational leaders, process owners, as well from observations particularly in AACAEB and SNNPEB revealed the absence of library and well equipped information management systems. In contrary to those two organizations OREB have been found to establish information management systems under the budget and program development unit. Hence, it is fair to conclude that the two organizations and the different units' inside are devoid of information from inside and outside.

In two of the organizations, AACAEB and OREB, majority of the respondents (47.0% and 59.4%) respectively shows their disagreements than agreements on the availability of adequate information technologies to manage the organization while, more respondents from SNNEB seems to be positive on this issue. According to the organizational leaders and process owners, hard wares and soft wares essentials for research and training activities as well for accessing information used by colleagues around the world are lacking in their organizations.

Still there is confusion among respondents of SNNPREB for the presence of adequate training systems to manage organizational technology while 55.9% respondents in

AACAEB and 67.6% of respondents in OREB were disagreed. In Relation to this, process owners and organizational leaders were found to be agreed on the absence of formal training system of technology in each of their respective organizations.

A chi - square test calculated for item 3, 4, & 5 of the above Table at 4 degrees of freedom and 0.05  $\alpha$  levels shows the absence of response difference among organizational respondents.

Good management of budgeting, financial record keeping and financial reporting is essential for the overall functioning of a firm. The following Table shows the data gathered on financial department of the three organizations considered for the study.

All the 16(100%), respondents have found to support the availability of adequate budgetary planning in their organizations. Thus, the organizations have a frame work with in which an organization can make decisions about present and future program and capital needs.

Among the total respondents from the finance department, majority, 13(81.3%) have been found to be in favor of timely budget plans.

**Table: 17 Responses on Items Related Financial management**

NO	Item		Freq.	%	$\chi^2$	Df	p-value
1	People in the rank of senior managers are involved in financial planning.	disagree	2	12.5	16.625	2	.000
		undecided	1	6.3			
		agree	13	81.3			
2	People in the rank of senior managers are involved in financial monitoring.	disagree	1	6.3	12.250	1	.000
		agree	15	93.6			
3	Capital and equipment forecasts are made appropriately.	disagree	2	12.5	16.625	2	.000
		undecided	1	6.3			
		agree	13	81.3			
4	Reports are provided to senior managers in a regular basis	undecided	1	6.3	12.250	1	.000
		agree	15	93.8			

According to item 1 and 2 of the above Table, people in the rank of senior managers are believed to be involved in financial planning and monitoring. As item 4 on the same Table shows, respondents have agreed on the regular provision of reports for senior managers.

As it was described by Lusthaus and others (2002), financial monitoring, following a timely budget plan which is prepared with the involvement of rank of senior managers and is equipped with provision of timely reports to these senior managers' helps them to make timely functional decisions.

According to item 3 of the above Table, 13(81.3%) of the respondents have shown their agreements on the availability of appropriate capital and equipment forecasts. As part of financial planning, a forecast on future capital and equipment needs provides a framework with in which an organization can make decisions about the present and future equipment and capital needs.

**Table: 18 Responses on Items Related Financial management**

No	Item		Freq.	%	$\chi^2$	Df	p-value
1	Senior managers review financial statements on a regular basis.	disagree	2	12.5	6.500	2	.039
		undecided	4	25.0			
		agree	10	62.5			
2	The senior manager establishes a committee to oversee financial issues.	disagree	1	6.3	7.625	2	.022
		undecided	5	31.3			
		agree	10	62.5			
3	The organization has an adequate bookkeeping system	yes	16	100.0			
4	A procedure is in place to control and record the assets of the organization	disagree	1	6.3	21.125	2	.000
		undecided	1	6.3			
		agree	14	87.5			

According to Table 19, financial statements are reviewed in a regular basis by senior managers. An agreement among respondents with a significance difference is shown on the effort senior managers do on establishing a committee to oversee financial issues.

All, 16(100%) respondents have been found to have positive responses on the availability of adequate book keeping systems. With an agreement of 14(87.5%) respondents, it has been found that each of the organizations has procedures in place to control and record the assets of the organization.

According to the literature cited in this thesis, regular review of financial statements by senior managers and committees established by senior managers and availability of adequate book keeping system as well a procedure to control and record the assets of

the organization offers an assurance that monies are directed properly and overall organizational goals are supported by the budget in sequence of priorities.

#### 4.2.4. Program Management

The function of program management is to develop and administer programs and corporate goals in ways that support its mission. As to Shermerhorn (1996), good program management is a result of careful planning, implementation and monitoring and evaluation. Following are the responses obtained from the three organizations under study on items related to program planning, program implementation and program monitoring & evaluation.

Respondents from all of the three organizations have reached at consensus on the presence of written plan for program areas and major projects in their respective organizations with a proportion of 85.3% in AACAEB, 97.3% in OREB and 97.0% in SNNPREB.

**Table: 19 Responses Related to Program Planning**

No	Item	Respondent organization						Total (%)	$\chi^2$ (P-value) (df)	
		A.A N=29		Oromia N=36		SNNP N=32				
		%	$\chi^2$	%	$\chi^2$	%	$\chi^2$			
1	Program and project plans are linked to the organization's mission.	SD							9.153 (.165) (6)	
		D	2.9	21.059*	10.8	11.730*	9.1	26.515*		7.7
		UD	14.7				3.0			5.8
		A	55.9		56.8		60.6			57.7
		SA	26.5		32.4		27.3			28.8
2	The organization undertakes adequate program-planning to ensure that its programs support its mission.	SD							8.947 (.177) (6)	
		D	11.8	9.765*	8.1	27.324*	24.2	7.364*		14.4
		UD	17.6		2.7		9.1			9.6
		A	47.1		56.8		42.4			49.0
		SA	23.5		32.4		24.2			26.9

No significance difference in responses was observed among respondents of the three organizations concerning the linkages between program area and organization's mission. Accordingly, most respondents 91.7% in OREB, 82.8% in AACAEB and 87.5% in SNNPREB have reached on agreement,  $\chi^2(8, N=97) = 9.1539, P>0.05$ .

As it is revealed in item 2 of Table19 above, adequate program planning was undertaken in all of the three organizations.

Questions were raised for respondents on which aspect did their organization depend during program planning. Among the aspects (no table), the most preferred by employees from AACAEB were technology and economic aspects (17.2%), economic and social aspects (13.8%), social aspects (10.3%) and environmental aspects (10.3%). The most important aspects to be considered in OREB were found to be technological, economical, gender, social and environmental aspects by 8(22.8%) respondents, economic aspect by 6(16.7%) and technological aspect by 6(16.7%) respondents. In case of SNNPREB, economic and social aspects were selected by 8(25.0%) respondents while 5(15.6%) and 4(12.5%) respondents were found to select economic and gender issues and environmental issues respectively.

Although, the preference of the criteria among respondents of the three organizations is significantly different with a chi-square value of 49.722 & a p-value of 0.006 at 38 degree of freedom and 0.05  $\alpha$  levels, OREB uses diverse number of criteria in planning programs. This may result in a better understanding of stakeholders to be served, to estimate the demand to be supplied and its cost, to identify the objective and the measures to be taken to achieve these objectives, to assign the appropriate man power for the activity and the way of doing, to know the time frame and the cost to be supplied and to put indicators of achievement.

According to item 1 of Table 20 below, all of the three organizations under take budget programming with no significance difference among responses of respondents,  $\chi^2 (2, n=104) = 0.853, p>0.05$

As far as consistency of organizational programs with missions, needs, strategies and priorities is concerned, (item 2 of the table below), 85.2.6% of respondents in AACAEB, 75.7% of respondents in OREB and 84.9% of respondents in SNNPREB have shown their positive supports.

As to Williams and Parr (2006), this consistency facilitates shared understanding among program stakeholders and guides the execution and control of the program.

**Table: 20 Responses Related to Program Planning (continued)**

No	Item		Respondents organization			Total	$\chi^2$ (P-value)
			A. A N=29	Oromia N=36	SNNP		
			N (%)	N (%)	N (%)		
1	The organization undertakes budget-programming for the programs.	yes	25(86.2)	32(88.9)	26(81.3)	83(85.6)	.853(.717)
no		4(13.8)	4(11.1)	6(18.8)	14(14.4)		

NO	Item		Respondent organization						Total (%)	$\chi^2$ (P-value) (df)
			A.A N=29		Oromia N=36		SNNP N=32			
			%	$\chi^2$	%	$\chi^2$	%	$\chi^2$		
1	The organization's programs are consistent with its mission, needs, strategies & priorities.	SD								3.528 (.740) (6)
		D	5.9	34.000*	16.2	15.649*	9.1	31.606*	10.6	
		UD	8.8		8.1		6.1		7.7	
		A	67.6		51.4		66.7		61.5	
		SA	17.6		24.3		18.2		20.2	
2	Programs are given adequate timelines.	SD								
D		17.6	16.353*	18.9	24.297*	30.3	13.182*	22.1		
UD		23.5		8.1		9.1		13.5		
A		52.9		59.5		48.5		53.8		
SA		5.9		13.5		12.1		10.6		

An agreement was also observed on the adequacy of timelines for programs in each organization with proportion of 58.8%, 73% & 60.6% respondents in AACAEB, OREB and SNNPREB respectively.

A chi-square test were employed to check whether there is a significance difference among responses in each of the organizations and none of the items have got a p-value less than 0.05 and therefore, no significance difference is found among opinions of the respondents from the organizations under study.

The hardest part for managers is to put a great plan of a program in to practice, program implementation, which the following Table shows the opinions respondents have on program implementation related items.

**Table: 21 Responses on Program Implementation**

No	Item	Respondent organization						Total (%)	$\chi^2$ (P-value) (df)	
		A.A N=34		Oromia N=37		SNNP N=33				
		%	$\chi^2$	%	$\chi^2$	%	$\chi^2$			
1	Staff supports the organization's efforts to serve clients and beneficiaries	SD							18.415 (.003)*	
		D	5.9	15.412*	18.9	11.973*	12.1	40.333*		12.5
		UD	11.8		10.8		9.1			10.6
		A	35.3		48.6		72.7			51.9
		SA	47.1		21.6		6.1			25.0
2	The staff members providing services have good relations with each other	SD							18.881 (.004)* (6)	
		D		1.118	5.4	15.432*	18.2	31.606*		7.7
		UD	26.5		16.2		9.1			17.3
		A	41.2		48.6		66.7			51.9
		SA	32.4		29.7		6.1			23.1
3	The program team has good problem-solving skills.	SD							11.178 (.083) (6)	
		D	11.8	33.529*	8.1	11.324*	21.2	17.061*		13.5
		UD	5.9		18.9		18.2			14.4
		A	67.6		45.9		54.5			55.8
		SA	14.7		27.0		6.1			16.3
4	Resources are efficiently used to provide the service.	SD							9.376 (.153) (6)	
		D	17.6	11.412*	18.9	13.919*	30.3	8.818*		22.1
		UD	32.4		13.5		30.3			25.0
		A	44.1		51.4		36.4			44.2
		SA	5.9		16.2		3.0			8.7
5	Staff members are motivated to work together to get things done.	SD				3.0		1.0	13.909 (.084) (8)	
		D	35.3	18.941*	27.0	6.784	42.4	20.788*		34.6
		UD	11.8		10.8		18.2			13.5
		A	50.0		40.5		33.3			41.3
		SA	2.9		21.6		3.0			9.6

From the total of 34, 37 and 33 respondents in AACAE, OREB and SNNPREB respectively, the majority 82.4% in AACAE, 70.2% in OREB and 78.8% in SNNPREB have shown their positive opinions on staffs support for organizations effort to serve clients and beneficiaries.

This facilitates the utilization of staff's skill and integrates management skills needed to allocate resources and the technical skills needed to do what has to be done (Lusthaus & others, 2002).

According to item 2 of Table21, staff members have found to have good relation with each other with a proportional agreement of 73.6%, 78.3% and 72.8% respondents in AACAE, OREB and SNNPREB respectively.

As far as problem solving skills of program members is concerned, more respondents in each of the organizations have supported the issue positively.

As it is indicated on the above Table (item 4), resources are efficiently used to provide services in all of the three organizations.

No significance difference was observed among opinions of respondents from the three organizations on the issue related to cooperation of staff members (item 5 of Table 21). For this item, respondents from AACAEB and OREB have shown better agreements while a disagreement were favored among respondents of SNNPREB. Organizational leaders were asked whether there is a culture of working together among staff members. Explaining the presence of the effort, leaders except from OREB expresses cooperation among staff members as it is not at a satisfactory level. It was in OREB that the information's from leaders, process owners and some participants of a group discussion show a concrete similarity for the presence of a strong cooperation. From this one can conclude that the motivation of staff members to work together is unsatisfactory in AACAEB and SNNPREB.

In the presence of positive supports for organizational efforts, good relation ships among staff members, good problem solving skills of program team and efficient utilization of resources, the lower motivation of staff members to work together may result in a low level of team building and development which could ensure that the program team to implement the program will posses a shared vision and understanding of program goals and objectives.

#### **4.2.5 Process Management**

As to Lusthaus and others (1995), making a vision reality through smooth flowing of organizational activities is dependent on ongoing processes which include the issue of planning, problem solving and decision making, communication, and monitoring and evaluation. Following are opinions together with information's from organizational leaders, process owners and group discussion participants on issues related to process management.

The success of any organization is dependent on the ability of managers to make effective decisions which is timely, acceptable to individuals who are affected and achievable (Nelson & Quick, 1999)

**Table: 22 Opinions on Problem Solving and Decision Making**

No	Item	Respondent organization						Total (%)	$\chi^2$ (P-value) (df)	
		A.A N=34		Oromia N=37		SNNP N=33				
		%	$\chi^2$	%	$\chi^2$	%	$\chi^2$			
1	The implementation of work flows smoothly at every level of the firm.	SD							11.866 (.056)	
		D	14.7	43.412*	18.9	10.027*	27.3	14.879*		20.2
		UD	5.9		8.1		12.1			8.7
		A	73.5		43.2		51.5			55.8
		SA	5.9		29.7		9.1			15.4
2	Decisions are timely.	SD							15.844 (.015)* (6)	
		D	14.7	25.529*	29.7	8.297*	45.5	8.333		29.8
		UD	17.6		8.1		18.2			14.4
		A	61.8		40.5		24.2			42.3
		SA	5.9		21.6		12.1			13.5
3	Performance gaps and opportunities are identified quickly enough	SD							8.391 (.211) 6	
		D	23.5	10.471*	21.6	3.324	45.5	14.152		29.8
		UD	20.6		21.6		12.1			18.3
		A	47.1		37.8		36.4			40.4
		SA	8.8		18.9		6.1			11.5
No	Items	Respondents organization			Total	$\chi^2$ (P-value)				
		A. A	Oromia	SNNP						
		N (%)	N (%)	N (%)			N (%)			
4	Problem-solving and mechanisms are in place.	Yes	18(52.9)	20(54.1)	17(51.5)	55(52.9)	.045(.978)			
		no	16(47.1)	17(45.9)	16(48.5)	49(47.1)				
5	Decision-making mechanisms are in place.	yes	23(67.6)	21(56.8)	15(45.5)	59(56.7)	3.360(.186)			
		no	11(32.4)	16(43.2)	18(54.5)	45(43.3)				

Regarding the smooth flow of work during implementation more respondents, from all of the organizations under study have shown their positive supports.

When it comes to appropriateness of time for decisions, a comparable difference is obtained with a p-value of 0.015 among organizational respondents. Accordingly a better support was observed in AACAEB and OREB while respondents from SNNPREB were negatively approached for this issue (item 2 of Table 22). The leaders and process owners interviewed were found to be in favor of the issue. Almost all participants in the group discussions believed in the presence of dramatic improvements towards timely decisions in their respective organizations. Undertaking timely decisions reduces over

runs and the confrontation of some other similar problems which in turn results in delays and distortions of programs.

As far as identification of performance gaps and opportunities is concerned, respondents from SNNPREB were found to be refused, while a relatively higher number of respondents were agreed in AACAEB and OREB (item 3 of Table 22).

According to item 4 & 5 of the above Table, although a relatively large number of respondents from both organizations believed that their organizations have problem solving and decision making mechanisms in place, no one organization were able to come with such documents. Even their organizational strategy fails to indicate the problem solving and decision making mechanisms.

The failure to have decision making mechanisms in place might constrained the process of identifying problems, gathering information's related to problems, processing of the information and process of indicating performance deficiencies and opportunities.

As item 1 and 2 of Table 23 below reveals, people with in the ranks of senior manager have adequate organizational problem solving and decision making skills. A significance difference was not observed among responses from the three organizational respondents as no p-value is less than the  $\alpha$  level (0.05).

More than an average of respondents from each of the organizations, with no significance difference in responses, has agreed on the adequate availability of problem solving and decision making in departments and projects. Among the total respondents in each of the organizations 24(70.6%), 25(67.5%) and 14(42.4%) from AACAEB, OREB and SNNPREB respectively believed in the efforts of the staff members done to solve problems before they become big concerns.

The adequate level of problem-solving and decision making skills of senior ranks of managers, and the adequate capacity of departments and projects to solve problems and make decisions, contributes for organizational direction not to be hampered and appropriate activities to achieve results.

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**Table: 23 Opinions on Problem Solving and Decision Making (continued)**

No	Item	Respondent organization						Total (%)	$\chi^2$ (P-value) (df)	
		A. A		Oromia		SNNP				
		%	$\chi^2$	%	$\chi^2$	%	$\chi^2$			
1	People within the ranks of senior managers have adequate organizational problem-solving skills	SD		18.941*		5.919		17.545	9.664 (.140) (6)	
		D	23.5		32.4		24.2			26.9
		UD	8.8		8.1		15.2			10.6
		A	55.9		32.4		54.5			47.1
		SA	11.8		27.0		6.1			15.4
2	People within the ranks of senior managers have adequate organizational decision-making skill	SD		6.000*		8.514*		11.970	6.032 (.420) (6)	
		D	26.5		27.0		33.3			28.8
		UD	8.8		18.9		12.1			13.5
		A	38.2		43.2		45.5			42.3
		SA	26.5		10.8		9.1			15.4
3	Problem-solving is adequate in departments and projects.	SD		7.176		10.892*		6.727	13.656 (.029)*	
		D	23.5		21.6		45.5			29.8
		UD	14.7		8.1		12.1			11.5
		A	44.1		45.9		42.4			44.2
		SA	17.6		24.3					14.4
4	Decision-making is adequate in departments and projects.	SD		15.235*		6.135		9.788	23.528 (.001) (6)	
		D	20.6		29.7		36.4			28.8
		UD	14.7		8.1		24.2			15.4
		A	64.7		35.1		36.4			45.2
		SA			27.0		3.0			10.6
5	The staff members try to solve problems before they become big concerns	SD		31.412*		12.622*		12.455	17.504 (.008)* (6)	
		D	23.5		29.7		39.4			30.8
		UD	5.9		2.7		18.2			8.7
		A	64.7		43.2		39.4			49.0
		SA	5.9		24.3		3.0			11.5

Communication, the exchange of information and the achievement of shared understanding among members of an organization has three potential purposes as achieving coordinated action, information sharing and expressing emotions and feelings (Moorhead & Griffin, 1995). The following Table reveals results from the three organizations on communication related items.

**Table: 24 Responses on Items Related to Communication**

No	Item	Respondent organization						Total (%)	$\chi^2$ (P-value) (df)	
		A. A		Oromia		SNNP				
		%	$\chi^2$	%	$\chi^2$	%	$\chi^2$			
1	People in the organization feel that, there is adequate, ongoing communication about the organization's activities.	SD	2.9	30.706*	10.8	19.351*	3.0	14.121*	5.8	16.777 (.033)* (8)
		D	11.8		13.5		27.3		17.3	
		UD	20.6		10.8		27.3		19.2	
		A	64.7		48.6		36.4		50.0	
		SA			16.2		6.1		7.7	
2	Staff members receive information about the organization's progress in fulfilling its mission.	SD	2.9	34.235*	2.7	8.811		7.364	1.9	11.806 (.160) (8)
		D	38.2		24.3		36.4		32.7	
		UD	2.9		18.9		18.2		13.5	
		A	50.0		32.4		36.4		39.4	
		SA	5.9		21.6		9.1		12.5	

As item 1 of Table 24 reveals, most respondents, 22(64.7%) in AACAEB and 24 (64.8%) in OREB reached on better agreements rather than their disagreements than respondents from SNNPREB on the presence of adequate ongoing communication about the organizations activities,  $\chi^2 (8, n=104) = 16.77, p<0.05$ .

Item 2 of the same Table, reveals the absence of significance differences in opinions of respondents from the entire organizations with a chi – square value of 11.806 at 8 degree of freedom and 0.05  $\alpha$  levels. Hence, staff members in each of the organizations receive information about the organizations progress in fulfilling its mission. Due to this, one can conclude that the employees in each of the organizations are kept aware about what needs to be done.

As far as the availability of adequate written communication is concerned (no Table), a significance difference with a chi-square value of 7.207 at 2 degree of freedom and 0.05  $\alpha$  level was observed. Accordingly 25 (67.6%) of respondents in OREB has confirmed the presence of written communication while 25 (61.8%) of respondents in AACAEB and 19 (57.6%) of respondents in SNNPREB were fail to support the issue.

Despite the above responses, the information's from interviews and group discussions as well as from document analysis have indicated the availability of written communication as a form of letters, memos, policy statements and other announcements. Therefore, it is fair to conclude that each of the organizations have

adequate written communication as respondents might be less cognizant with what written communication is.

**Table: 25 Responses on Items Related to Communication (cont...)**

No	Item	Respondent organization						Total (%)	$\chi^2$ (P-value) (df)	
		A. A		Oromia		SNNP				
		%	$\chi^2$	%	$\chi^2$	%	$\chi^2$			
1	Two-way communication is encouraged.	SD				3.0		1.0	13.094 (.109) (8)	
		D	17.6	29.529*	35.1	6.568	21.2	21.394*		25.0
		UD	11.8		10.8		21.2			14.4
		A	64.7		35.1		48.5			49.0
		SA	5.9		18.9		6.1			10.6
2	Multi-channel communication is often used	SD	5.9	28.647*	8.1	10.432*	3.0	16.545*	5.8	12.654 (.124) (8)
		D	26.5		29.7		27.3		27.9	
		UD	11.8		10.8		30.3		17.3	
		A	52.9		35.1		36.4		41.3	
		SA	2.9		16.2		3.0		7.7	
3	Listening is valued.	SD	2.9	17.471*		16.514*	3.0	25.030*	1.9	8.811 (.358) (8)
		D	32.4		18.9		24.2		25.0	
		UD	11.8		5.4		15.2		10.6	
		A	41.2		51.4		51.5		48.1	
		SA	11.8		24.3		6.1		14.4	

According to the above Table, most of the respondents with no significance difference in responses through each of the organizations have agreed on the encouragement of two way communications in their respective organizations,  $\chi^2(8, n=104) = 13.094 p>0.05$ .

Regarding the utilization of multichannel communications, still an agreement is there with no significance differences among opinions of respondents in all organizations under study (item 2 of Table 25). An agreement is also found as listening is valued among organizational members.

As to the organizational leaders and some participants in group discussions, two way communications (top – down) and multichannel communications are all encouraged in their respective organizations.

Although, the multichannel communication may allow misinformation's which can result in breaking apart of units to flow together with information which serves as a glue, the tow way communication and the value for listening will contribute for quality of working relationships as it may encourage the development of trust, loyal relationships,

secured working conditions as well it creates open communication which in turn makes managers to depend on complete information for decisions.

Organizational monitoring, an ongoing, systematic process of self assessment helps to clarify program objectives, link activities and inputs to those objectives, set performance targets, collect routine data and feed results directly to those responsible while organizational evaluation looks at why and how over all results were or were not achieved. Organizational evaluation therefore, links specific activities to overall results, includes broader out comes that are not readily quantifiable, explores unintended results, and provides overall lessons that can help organizations to adjust programs and policies to improve results. The following Table presents the data gathered with respect to those items.

**Table: 26 Responses on Items Related to Monitoring and Evaluation**

No	Item		Respondents organization			Total	$\chi^2$ (P-value)			
			A. A N=34	Oromia N=37	SNNP N=33					
			N (%)	N (%)	N (%)	N (%)				
1	Policies and procedures are in place to guide evaluation and monitoring.	yes	24(70.6)	28(75.7)	24(72.7)	76(73.1)	.236(.889)			
		no	10(29.4)	9(24.3)	9(27.3)	28(26.9)				
2	Resources are assigned to monitoring and evaluation	yes	23(67.6)	29(78.4)	27(81.8)	79(76.0)	2.025(.363)			
		no	11(32.4)	8(21.6)	6(18.2)	25(24.0)				
No	Item		Respondent organization						$\chi^2$ (P-value) (df)	
			A.A N=34		Oromia N=37		SNNP N=33			Total (%)
			%	$\chi^2$	%	$\chi^2$	%	$\chi^2$		
3	Monitoring and evaluation are valued at all levels in the organization, as ways to improve performance	SD							9.459 (.149)* 6	
		D	20.6		8.1		21.2	16.3		
		UD	20.6	12.588*	13.5	13.486*	24.2	4.212		19.2
		A	50.0		45.9		39.4			45.2
		SA	8.8		32.4		15.2			19.2

As to Table 26 above, most respondents from both of the organizations support the availability of policies and procedures to guide monitoring and evaluation. In each of the respective organizations, respondents, 23(67.6%) in AACAEB 29(78.4%) in OREB and 27(81.8%) in SNNPREB have found to support the assignment of resources for monitoring and evaluations.

Principles and procedures are used to guide the work of monitoring and evaluation and assists in resolving differences of opinions that may arise. Resource availability may be used to alleviate problems of funding for travel if the organization in question is decentralized or if two or more organizations that are geographically distant from one another are involved.

As to item 3 of the same Table, a significance difference was observed in opinions of respondents among the three organizations. Accordingly, large number of respondents from OREB has shown better agreements as monitoring and evaluation are valued for than disagreements in comparison with the other two organizations,  $\chi^2 (6, n=104) = 9.459, p < 0.05$ .

The higher degree of commitment from all members of the organization on monitoring and evaluation as ways of improving performance (like in cases of OREB above), may result in an improvement and growth in knowledge of individuals and organizations as a whole.

**Table: 27 Responses on Items Related to Monitoring and Evaluation (continued)**

No	Item		Respondents organization			Total	$\chi^2$ (P-value)				
			A. A N=34	Oromia N=37	SNNP N=33						
			N (%)	N (%)	N (%)						
1	The organization has an evaluation plan or performance-monitoring framework.		yes	19(55.9)	26(70.3)	18(54.5)	63(60.6) 41(39.4)	2.272 (.321)			
			no	15(44.1)	11(29.7)	15(45.5)					
N2	Item		Respondent organization				Total (%)	$\chi^2$ (P-value) (df)			
			A. A		Oromia				SNNP		
			%	$\chi^2$	%	$\chi^2$			%	$\chi^2$	
1	Strategy, program, policy, budgetary, etc. documents mention evaluation results		SD	50.0	9.588*	75.7	30.865*	42.4	14.394*	56.7	11.059 (.087) (6)
			D	41.2		18.9		39.4		32.7	
			UD					3.0		1.0	
			A	8.8		5.4		15.2		9.6	
			SA								
2	The organization learns lessons from monitoring and evaluation.		SD		11.882*		10.459*	3.0	23.818*	1.0	10.325 (.243) 8
			D	29.4		13.5		27.3		23.1	
			UD	14.7		13.5		3.0		10.6	
			A	47.1		45.9		48.5		47.1	
			SA	8.8		27.0		18.2		18.3	

According to Table 27, all organizations under study support the availability of an evaluation plan or performance monitoring.

Principles and procedures are used to guide the work of monitoring and evaluation and assists in resolving differences of opinions that may arise. Resource availability may be used to alleviate problems of funding for travel if the organization in question is decentralized or if two or more organizations that are geographically distant from one another are involved.

As to item 3 of the same Table, a significance difference was observed in opinions of respondents among the three organizations. Accordingly, large number of respondents from OREB has shown better agreements as monitoring and evaluation are valued for than disagreements in comparison with the other two organizations,  $\chi^2 (6, n=104) = 9.459, p < 0.05$ .

The higher degree of commitment from all members of the organization on monitoring and evaluation as ways of improving performance (like in cases of OREB above), may result in an improvement and growth in knowledge of individuals and organizations as a whole.

**Table: 27 Responses on Items Related to Monitoring and Evaluation (continued)**

No	Item		Respondents organization			Total	$\chi^2$ (P-value)				
			A. A N=34	Oromia N=37	SNNP N=33						
			N (%)	N (%)	N (%)						
1	The organization has an evaluation plan or performance-monitoring framework.		yes	19(55.9)	26(70.3)	18(54.5)	63(60.6)	2.272 (.321)			
no			15(44.1)	11(29.7)	15(45.5)	41(39.4)					
No2	Item		Respondent organization						Total (%)	$\chi^2$ (P-value) (df)	
			A. A		Oromia		SNNP				
			%	$\chi^2$	%	$\chi^2$	%	$\chi^2$			
1	Strategy, program, policy, budgetary, etc. documents mention evaluation results		SD	50.0	9.588*	75.7	30.865*	42.4	14.394*	56.7	11.059 (.087) (6)
			D	41.2		18.9		39.4		32.7	
			UD					3.0		1.0	
			A	8.8		5.4		15.2		9.6	
			SA								
2	The organization learns lessons from monitoring and evaluation.		SD		11.882*		10.459*	3.0	23.818*	1.0	10.325 (.243) (8)
			D	29.4		13.5		27.3		23.1	
			UD	14.7		13.5		3.0		10.6	
			A	47.1		45.9		48.5		47.1	
			SA	8.8		27.0		18.2		18.3	

According to Table 27, all organizations under study support the availability of an evaluation plan or performance monitoring.

As to the Horton (2003), the occurrence of these frame works and indicators are used as useful tools at the planning stage to keep articulate goals and objectives as well as short-term outcomes and activities that are expected to lead to the accomplishment of goals and objectives.

As item 2 of the same Table reveals, the strategy, program, policy and budgetary documents did not mention evaluation results in none of the organization under study. As a result it is difficult to conclude that the findings and suggestions are significant and the processes are not feasible.

According to item 3 of the above Table, most respondents from each of the organization believe in that their respective organizations learn lessons from monitoring and evaluations.

As the primary objective of monitoring and evaluation is to facilitate organizational learning, taking lessons from monitoring & evaluation facilitates individuals and organizations as a whole to improve and grow in knowledge.

#### **4.2.6 Inter –organizational linkages**

Despite the difficulties of working together, organizations increasingly seek to build their capacities through collaboration. In this case partners are expected to gain mutual benefits from the linkages. Two aspects of inter-institutional linkages (partnership and electronic linkages) are presented in this section.

Among the total respondents asked whether their respective organizations have adequate formal and informal linkages with like minded organizations, most (82.4% in AACAEB, 86.5% in OBE and 69.7% in SNNPREB) confirms the availability with out significance difference in opinions,  $\chi^2 (2, n=104)=3.254, p>0.05$ .

**Table: 28 Responses Related to Items on Institutional Linkages**

No	Item	Respondent organization						Total (%)	$\chi^2$ (P-value) (df)	
		A. A N=28		Oromia N=32		SNMP N=23				
		%	$\chi^2$	%	$\chi^2$	%	$\chi^2$			
1	Institutional linkages are adequately supported.	SD							11.321 (.079) (6)	
		D	23.5	31.647*	13.5	24.297*	36.4	9.061*		24.0
		UD	8.8		8.1		15.2			10.6
		A	64.7		59.5		39.4			54.8
		SA	2.9		18.9		9.1			10.6
2	Institutional linkages contribute efficiently to the organization's goals and mission.	SD							10.541 (.104) (6)	
		D	29.4	5.294	10.8	18.459*	42.4	11.242*		26.9
		UD	11.8		10.8		12.1			11.5
		A	38.2		54.1		36.4			43.3
		SA	20.6		24.3		9.1			18.3
3	Fruitful, ongoing partnerships with external organizations through these linkages bring new ideas or resources, or both, to the organization	SD							12.131 (.145) (8)	
		D	23.5	9.765*	13.5	15.649*	30.3	16.242*		22.1
		UD	11.8		5.4		9.1			8.7
		A	47.1		45.9		42.4			45.2
		SA	17.6		35.1		12.1			22.1

Of the total respondents whose response was yes for the item related to presence of formal and informal linkages, the majority have shown their agreement on item 1 of Table 29 above. According to Coyne and Dyne (1998), linkages (formal or informal), if adequately supported, they result in advances for organizations in pertinent fields and gave access to wide ranging sources of information within each area of the organizations work.

According to item 2 of the above Table, it is also indicated that the organizational linkages are contributing efficiently to the organizational goals and missions.

Information from organizational leaders and process owners interviewed also confirms the contributions of these relationships in a form of exchange of approaches and resources including knowledge and expertise.

Although, respondents were in a position to support the presence of fruitful, ongoing partnership with external organizations (item 3) through these linkages, the document analysis done was unable to find such indicators like journal articles, newsletters and other promotional materials which enables the wider environment to be informed, be they the general public, identified constituents, or specialized technical audiences.

Therefore, it is fair to conclude that the organizations partnership or linkages in not sufficient enough to bring new ideas or resources or both, to the organization.

All of the respondents from each of the organizations (100%) indicated that their organization fails to be electronically linked with the outside world of colleagues, clients and users. Information's from interviews with organizational leaders also indicate the absence of electronic linkages to the outside world.

The failure not to have electronic linkages which are the results of new technology like internets, and other electronic mechanism causes the organization to decrease its capacity and performance, makes people not to be informed about the latest ideas and minimizes the opportunity the organization have in searching the entire globe for now ideas & information's.

## CHAPTER 5

### SUMMARY, CONCLUSION AND RECOMMENDATIONS

This chapter deals with the summary of major findings of the study, the conclusion drawn upon the major findings and recommendations that are based on the conclusions arrived at.

#### 5.1 SUMMARY

This study was conducted aiming at assessing the capacity of the three selected Education Bureaus and forward the possible recommendations. To do so, the following specific objectives were set:

1. Assessing the organizational capacity in terms of strategic leadership
2. Assessing the strengths and weaknesses of the systems, processes and dimensions of human resources
3. Identify the statuses of core resources
4. Identifying the strengths and weaknesses of program management in the organizations
5. Identifying the strengths and weaknesses of process management in the organizations
6. Exploring the availability, strengths and weaknesses of inter-institutional linkages

The following basic questions were the bases to obtain the necessary information.

1. What are the strengths and weaknesses of strategic leadership in the organizations?
2. What are the strengths and weaknesses of the systems, processes or dimensions of the Human resources?
3. What are the strengths and weaknesses of organizational core resources (infrastructures, technology and finance)?
4. What are the strengths and weaknesses of program management in the institutions (program planning and implementation)?
5. What are the strengths and weaknesses of process management in the institutions (problem solving and decision making, communication, and monitoring and evaluation)?

6. What are the strengths and weaknesses of inter-institutional linkages in the organizations?

Taking the fact that organizational performance is dependent on its capacities, examining the status of some organizational capacity elements in institutions can significantly help the organizations themselves and/or other concerned bodies to compare what should be found in principle and what actually is available in reality.

In an attempt to answer the above basic research questions, a descriptive survey method was preferred to serve the purpose. The sources of data for this study were performers, process owners in, organizational leaders, and logistic workers. Relevant data have been gathered from different documents and observations. The institutions, organizational leaders and process owners from human resource and finance departments were selected for the study by purposive sampling technique while performers were selected by random sampling. Convenience sampling method was employed for logistic workers. Data were gathered using questionnaires, Interviews and focus group discussions and as well from observations of the organizational environment. A total 170 (53.13%) out of 320 respondents were considered for the study purpose and out of 120 questionnaire papers distributed 104(86.7%) were filled out and returned. The data gathered were analyzed using frequency counts, percentages, and the Chi-square Test to verify whether there are significant differences in the distribution of responses between or among the respondents of the organizations under study. For those items which could have expected counts less than five, violating the assumptions of a chi-square test, fisher's exact test have been employed to test significance differences.

### **5.1.1 Characteristics of the Respondents**

As to the findings of the study, there are only a few numbers of women in the organizations under study. The majority of the respondents in each organization belong to the age group 30-39. Concerning the work experience of employees, an equal proportion of employee's are found to serve from 10-19 years and 20-29 years (34.6% each). The organizations' have a mix of young and experienced peoples. Education wise, most of them (68.3%) have at least first degree.

## 5.1.2 Major Findings

### 5.1.2.1 Strategic leadership

- a. Formal leadership was found to be positively supported by more respondents in all organizations. A significance difference ( $p < 0.05$ ) among organizational respondents on that people in the organizations takes on positive informal leadership roles shows a positive support with a proportion of 47.1% and 57.6% in AACAEB and SNNPREB respectively while there was confusion among respondents of OREB. Most respondents in organizations believed in the availability of distributive leadership. It was also found that staffs through out the organizations are willing to take on leadership roles. Although, there is significant differences in opinions, staff's are found to be willing to try new suggestions made by those in leadership positions. Thus, more respondents, 59.4% in OREB and 54.5 % in SNNPREB shows high level of agreement. The opportunity for staffs to suggest changes in the organization was in question for AACAEB and SNNPRES while a relatively higher level of agreement was observed in OREB.
- b. Formal organizational strategy was found in the organizations which is generally accepted and supported among members. Most respondents from each of the institutions (79.4% in AACAEB, 80% in OREB and 90.9% in SNNPREB) have demonstrated that the strategy helps to clarify priorities and set indicators. It was also found that the strategy is not helping decision making. Revising organizational strategy was supported positively in all organizations while ongoing scanning of the environment was found to be rarely done. It was also found that all organizations fails to identify constraints and opportunities regarding core resource areas related to improving performance.
- c. Although, the result from the questionnaire (85.3% in AACAEB, 97.3% in OREB and 92.3% in SNNP) reveal that a niche is defined, the failure for leaders to support the issue, absence of documents; on competitive strength assessments to identify distinctive competencies that reveal its strengths and weaknesses, on information's collected in the sectors about their role inside and on the financial support to keep

its niche favors the conclusion that the organizations did not define their unique place.

- d. Majority of respondents and information from document analysis revealed that all organizations have an organizational structure which supports the organizational mission. It has also found that the organizational structure have clearly defined the roles and responsibilities of individuals, departments or other grouping.
- e. A significant difference was observed among opinions on whether department lines or divisions between groups are crossed easily,  $\chi^2 (4, n=103) = 9.809, p < 0.05$ . Hence, Respondents from OREB and SNNPREB (64.9% and 68.8% respectively) has shown better agreements while the opinions from AACAEB were insignificant. It was also found that the organizational manual of each of the organizations fails to indicate formal coordinating mechanisms.

#### **5.1.2.2 Human Resource Management**

- a. No one of the organizations understudy has been found with human resource planning documents. Except in OREB, it has found that the organizations have not the right peoples at the right jobs. The study reveals that the organizations lack forecasts on current and future demands of human resource.
- b. Regarding adequate staffing systems, although respondents were in a position to favor (94.1%), any one of the organizations was unable to find a human resource document. In contrary, most respondents (94.1%) agreed on the competitiveness of their staffing approaches. The study also reveals that the organizations have not appropriate job descriptions, competency review or equivalents. Respondents' have indicated that reviewing curriculum vitae, checking references, reviewing curriculum vitae and conducting interviews and others including CGPA & political affiliation are the systems employed in selecting a candidates.
- c. The individual in charged of selection did not take trainings to develop interviewing and listening skills, politeness, and good judgments. The selection and recruitment materials in all of the organizations were found to be free from

discriminations. In each of the organizations under study, it has been found that orientation of new staffs was poor.

- d. None of the organizations have been found with a policy for training and development while an agreement was reached on the availability of training budget. It has been found that the organizations allow staff members to continue and develop their educations by providing incentives. This study also demonstrates the absence of an individual in the respective organizations to do training needs assessment.
- e. Most respondents, 25(73.5) in AACAEB, 22(59.5%) in OREB and 23(71.9%) in SNNPREB, agreed on the absence of fair and motivational assessment and reward systems in their respective organizations. A significance difference was observed on opinions from respondents of organizations regarding the correlations between compensation and performance. Accordingly, respondent from AACAEB and OREB (61.7% and 40.5%) have shown their disagreements than their agreements when compared with respondents from SNNPREB whose opinions were insignificant. The study also reveals that staff members are not satisfied with their compensations. In addition, most respondents (61.7% in AACAEB, 70.3% in OREB and 48.2% in SNNPREB) claim that the compensation package in their respective institution is not competitive to external sectors. The study also reveals the lack of internal equity in salaries and benefits. In none of the organizations no support was found on the availability of monetary and non-monetary rewards.
- f. A significance difference on opinions was observed on whether people in the organization feel protected from exploitations. Accordingly more people from AACAEB (50%) disagreed on whether people in the organization are protected from exploitations while, an agreement was observed among respondents in SNNPREB (69.7%). Respondents from OREB were refused to be positioned on the positive or negative side of the issue. The efforts done by the organizations to seek ways of increasing the loyalty and commitment of staff respondents were positively supported only by respondents from SNNPREB. The study has

demonstrated that organizations lack measures in place to deal with harassment and as well safety and health policy.

### 5.1.2.3 Other Core Resources

- a. The adequacy of infrastructures to support performance was positively favored by a relative number of respondents from AACAEB and SNNPREB. It was also found that the Internal services (water, Electric City, etc) are indicated to be adequate to support and facilitate daily work in all of the three organizations. Although, it is not that much serious the set up of buildings has been found to impact coordination among units. It was in SNNPREB that the respondents were found to be agreed on the adequacy of transportation systems. Respondents from all of the three organizations reveal the absence of adequate maintenance systems and procedures with ongoing maintenance budget. No individual or group was found to plan and address ongoing infrastructure concerns.
- b. None of the organizations have been found to possess plans for technology. Respondents from AACAEB and OREB were not sure whether there is the appropriate level of technology in their organizations while it was positively supported by 51.5% respondents in SNNPREB. Library and well equipped information management systems which could help organizational units with international information's were not found in AACAEB and SNNPREB while hard wares and soft wares essentials for accessing information used by colleagues around the world are found lacking in the entire organizations.
- c. People (100% of respondents) considered that there is adequate and timely budgetary planning in their respective organizations. The study also reveals that the ranks of senior managers are involved in financial planning and monitoring as well the availability of regular provision of reports for senior managers. Appropriate capital and equipment forecasts have been found to be done in each of the organizations under study. Committee established by senior managers to oversee financial issues, availability of adequate book keeping systems, procedures to control and record the assets of the organization were supported positively in the organizations.

#### **5.1.2.4 Program Management**

- a. No significance difference in responses was observed on the availability of adequate program planning. Accordingly, most respondents (70.6% in AACAEB, 89.2% in OREB and 66.6% in SNNPREB) have shown their agreements. An agreement have been found on the consistency of organizational programs with their missions, needs, strategies and priorities in all of the organizations involved.
- b. A significance difference due to a chi-square test confirms the availability of better problem solving skills of program members in OREB than the other two organizations. Besides, motivation of staff members towards working together founds to be unsatisfactory in AACAEB and SNNPREB.

#### **5.1.2.5 Process management**

- a. Respondents have demonstrated that there is dramatic improvement towards timely decisions in their respective organizations. No one organization was found with problem solving and decision-making mechanisms in place. Adequacy of organizational problem solving and decision making skills for senior ranks of managers, adequate availability of problem solving and decision making in departments and projects, and efforts of the staff members to solve problems before they become big concerns were all supported positively by majority of respondents.
- b. The study reveals the presence of adequate ongoing communication about the organizations activities and confirms that the employees in each of the organizations are kept aware about what needs to be done. Besides, written communication as a form of letters, memos, policy statements and other announcements were found to be adequate in each of the organizations. Two way communications (top – down) and multichannel communications are all encouraged in the respective organizations.
- c. Respondents have shown their positive attitudes on the availability of policies and procedures to guide monitoring and evaluation and as well on the assignment of

resources for the process. A higher level of commitment for monitoring and evaluation as ways of improving performance was observed among members of OREB with a chi-square value of 16.590, 4 degree of freedom and 0.002 p-value which is less than the  $\alpha$  level ( $<0.05$ ). Supporting the availability of an evaluation plan or performance monitoring framework, respondents indicate the failure of the strategy, program, policy and budgetary documents to mention evaluation results in all of the organizations under study. It has found that the organizations learn lessons from monitoring and evaluation.

#### **5.1.2.6 Inter – organizational linkages**

- a. Most respondents have agreed on the availability of formal and informal linkages with like minded organizations and they believed that these linkages are adequately supported. Linkages are found to be inefficient to contribute for organizational goals and missions.
- b. Respondents from each of the organizations indicated that their organization did not electronically link with the outside world of colleagues, clients and users.

#### **5.2. Conclusion**

In light of the above findings of the study, the following conclusion can be stated. Organizational capacity involves not only the human side of an organization but also to the strategic leadership; leadership, strategic planning, niche management, to core resources; infrastructure, technology and finance and even to program and process management; planning, implementation, problem solving and decision making, communication, and monitoring and evaluation. Thus, aspect of the organization should be managed properly and carefully. The study had finally come up with the following conclusions:

- a. Staffs support formal and informal leadership, are willing to try new suggestions and take on leadership roles, support and acceptance the organizational strategy. The strategy clarifies priorities and set indicators, organizational structure clearly fits to mission and goals as well indicates roles and responsibilities of individuals,

departments or other groupings. In contrary, the failure to scan the working environment, to identify constraints and opportunities regarding core resources, inability to define a niche and the lack of formal coordinating mechanisms are the weaknesses for strategic leadership in each of the organizations. Hence, the effort in understanding the environment to take maximum advantage of the strengths and opportunities while minimizing threats didn't meet the requirements.

- b. Forecasts on current and future demands of human resources, job descriptions, staff orientations, training needs assessment, fair and motivational assessments, satisfying compensations (monetary and nonmonetary), and measures to deal with harassment, safety and health were all found unavailable in each of the organizations. Hence, the practice for successful human resource management to instill and develop core values (integrity, honesty, commitment for organizational mission and goals, accountability for and pride in one's work, commitment to excellence, and building trust) through out the organization will be a futile exercise. Adequate maintenance systems and procedures with ongoing budget, plans for technology and software and hardware used to access information are around the world are lacking. Financial management; adequate budgetary planning, involvement of senior managers in planning and monitoring of finance, regular provision of reports, appropriate forecasts on capital and equipment, adequate bookkeeping systems, procedures to control and record the assets of the organization were found to be the major strengths of organizations.
- c. Although organizations are on dramatic improvements to make decisions timely and as problem solving and decision making are adequate among senior managers, departments and projects, the failure to possess problem solving and decision making mechanisms in place would result in difficulties to make timely, acceptable and achievable decisions. The strategy, program, policy and budgetary documents did not mention evaluation processes and results and therefore, the organizations evaluation processes and results could not be transparent and the findings and suggestions could not be easily substantiated. The formal and informal linkages with like minded organizations are adequately supported but with unsatisfactory contribution for organizational goals and mission

and organizations have not fruit full, ongoing partnerships with external organizations. Organizations are not electronically linked with the outside world of colleagues, clients and users. Hence, the organizations ability to come together and share resources, to make the wider environment to be informed and to make its employees informed about the latest ideas and as well to gave the organization the opportunity to search an entire globe for new ideas and information's is below the expected requirements.

- d. Among other capacity elements, the availability of right peoples in the right jobs, library and well equipped information management systems, program members with better problem solving skills, and a higher level of commitment of members for monitoring and evaluation as ways of improving performance are the sole strengths of OREB while, adequate transportation were found only in SNNPREB.

### 5.3 Recommendations

Based up on the above conclusion of the study, the following recommendations were made to enhance the organizations' ability to more effectively uphold their efforts.

1. **SWOT analysis-** One of the questions a strategic plan to answer is "what is the environment (environmental scanning)"? This forces the organization to take a hard, objective look at itself, its external environment, its competitors and the threats and opportunities, gaps between its goals and objectives and its capacity to attain those goals. To do so the planning department with the intervention of senior managers needs to undertake SWOT analysis during strategy formulation and after feedbacks from internal and external stakeholders to take maximum advantage of strengths and opportunities while minimizing weaknesses and threats.
2. The failure to posses formal coordinating mechanisms results in subunit orientation by which different functions see things differently which in turn causes communication failure and coordination difficulties. Hence, senior managers have to develop new and better ways to integrate functions and to promote cooperation, coordination and communication among separate subunits either by abolishing the boundaries (grouping people together from different functions in multidisciplinary teams permanently or in project groups), Moving people freely

across the boundaries that can not be broken down (encouraging social interactions, sports events, and other opportunities to meet and mix), Use training programs from inductions to top management seminars to reinforce a feeling of identification with the firm or Developing a strong corporate culture to link people in the organization through emotional and psychological bonds.

3. The finding of this study identifies that organizations lack human resource forecasts and job descriptions, individual to do training needs assessment, and fair and motivational assessment and reward systems. In order to ensure that an organization have the right people to do the required work in achieving its full potential, the human resource function together with senior ranks of managers when necessary should undertake:

- **Forecasts** on current and future demands of human resource to identify the human resource surplus or shortage and develop a formal human resource audit or systematic inventory of the strengths and weakness of the existing labor force which in turn is used for managers to plan and deal with specific staffing needs like promotion, transfer, training and development programs, other types of career enhancement activities, and even personnel replacement where weaknesses exist at least at the beginning of a year.
- **Job analysis** in the field of recruitment and selection to collect information's in a form of job description, person specification, determine pay differentials, identify training needs, set performance targets and draw new organizational structures.
- **Orientation** immediately after selection to create excellent first impression, encourage better moral and motivation, present accurate information to make the individual understand rules, practice and benefits offered and improve learning to minimize the probable mistakes, training and supervision. It may be achieved by assigning an individual with a sole responsibility.
- **Human resource development programs** to make the staff of an organization adapt changing conditions by improving their skills knowledge and attitudes

as a form of training, development and career progression with out time limits. For this purpose the HR department should assign an individual to do training needs assessment to know where training should be applied; setting priorities.

➤ **Fair and motivational assessment reward systems** to improve the performance of employees. Attractive base compensation in a form of market competitive salaries or hourly wages, right incentive systems in a form praise, responsibility and growth, clear performance appraisal system, job security, satisfying work, good working conditions and opportunities to maintain and improve skill levels all at the right time contributes for hiring and retaining the best possible workers and highly qualified work force.

4. To make timely, acceptable and achievable decisions, functional managers should put programmed decisions (problem solving mechanisms) on structured problems which are familiar straight forward and clear in respect to the information needed to resolve during synthesis of operational plan.
5. To ensure that evaluation process and results as well findings and suggestions are transparent and substantial, the monitoring and evaluation units in the organizations should take efforts on the strategy, program, policy and budgetary documents to mention procedure, results, findings and suggestions during the stage of preparation and recording the out comes accordingly.
6. An unrestricted effort by senior managers and governing body has to be done to make linkages beneficial and to develop fruit full, ongoing partnerships with external organizations and through journal articles, newsletters, and other promotional materials and also to establish electronic linkages.

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Here below are listed some activities regarding the eight important elements of Organizational capacity with their sub-components (Strategic leadership, Organizational Structure, Human Resources, Other Core Resources, Program Management, Process Management and Inter-organizational Linkages). Please rate the statements in the table as follows with regards to your organization:

5-Strongly agree 4-Agree 3-Undecided 2-Disagree 1-Strongly disagree

## Part II. Strategic Leadership

### Leadership

No	Item	5	4	3	2	1
1	People in the organization supports formal leadership					
2	People in the organization take on positive informal leadership roles.					
3	The organization recognizes the importance of distributive leadership.					
4	Staff throughout the organization are willing to take on leadership roles					
5	Staffs are willing to try new suggestions made by those in leadership positions					
6	All staff have an opportunity to suggest changes in the organization					

### Strategic Planning

1. The organization has a formal organizational strategy? Yes \_\_\_ No\_\_\_

If your response for item No.1 is 'Yes', indicate your answer to the following items by making tick " x " mark in the box which indicates the extent to which your agreement or disagreement

No	Item	5	4	3	2	1
2	The strategy is generally accepted and supported in the organization.					
3	The strategy helps to clarify priorities and set indicators.					
4	The strategy is used as a way to help make decisions					
5	There is a process for revising the organization's strategy.					
6	There is an ongoing process for scanning the environment.					

7. The organizational strategy identifies constraints regarding core resource areas related to improving performance. Yes \_\_\_ No\_\_\_

8. The organizational strategy identifies the opportunities regarding core resource areas related to improving performance. Yes \_\_\_ No\_\_\_

### Niche Management

**Note: Niche Management** essentially evolves in identifying and concentrating on competitively valuable capabilities that the organization possesses more of or can do better than its rivals.

1. The organization has defined its unique place within a sector in terms of philosophy, mission and goals. Yes\_\_\_ No\_\_\_

If your response for item No.1 is 'Yes', indicate your answer to the following items by making tick " x " mark in the box which indicates the extent to which your agreement or disagreement.

No	Item	5	4	3	2	1
2	The niche selected matches with its strengths					
3	The organization does competitive strength assessments to identify distinctive competencies that reveal its strengths and weaknesses within its niche.					
4	The organization seeks information about the services that clients want.					
5	The organization collects information on its sector about its role inside					
6	The organization has sufficient financial support to keep its niche.					

7. What comments do you have about activities related to strategic leadership in your organization? \_\_\_\_\_

### Organizational Structure

1. The organization has an organizational chart (organizational structure) Yes \_\_\_ No \_\_\_

If your response for item No.1 is 'Yes', indicate your answer to the following items by making tick " x " mark in the box which indicates the extent to which your agreement or disagreement.

5-Strongly agree 4-Agree 3-Undecided 2-Disagree 1-Strongly disagree

No	Item	5	4	3	2	1
2	The organization mission is supported by its structure.					
3	The organization goal is supported by its structure.					
4	Roles within the organization are clearly defined and are flexible enough					
5	Departmental lines or divisions between groups crossed easily, particularly in cases when collaboration would mean an improved product.					
6	Staff has linkages with other units in the organization that are important to their work					

9. There are coordinating mechanisms which facilitate access to other units within the organization. Yes \_\_\_ No \_\_\_

10	Staff can create important coordinating units with ease.					
----	--	--	--	--	--	--

14. Some other opinions of your self on the organizational structure \_\_\_\_\_

Part

### III. Human Resource Management

#### Human Resource Planning

1. The organization has a human resource planning document? Yes \_\_\_ No \_\_\_.

No	Item	5	4	3	2	1
2	The right people are in the right jobs in the organization					

3. The organization can forecast current demands for human resources. Yes \_\_\_ No \_\_\_.

4. The organization can forecast future demands for human resources. Yes \_\_\_ No \_\_\_.

5	The organization knows how and where to identify people with the skills needed to fill its needs.					
6	The organization can link its mission and goals to its human resources planning.					

7. The organization has developed a personnel policy manual. Yes \_\_\_ No \_\_\_.

### Human Resource Staffing

1. The organization has adequate staffing system. Yes \_\_\_ No \_\_\_.

No	Item	5	4	3	2	1
2	The organization has competent approach for staffing.					

3. The organization has appropriate job descriptions, competency reviews or equivalents to determine what staffing is needed. Yes \_\_\_ No \_\_\_.

4. The organization has an appropriate system for selecting candidates. Yes \_\_\_ No \_\_\_.

5. Which of the following systems are used in selecting candidates in your organization?

- a. reviewing curriculum vitae
- b. conducting interviews
- c. checking references
- d. Others please list \_\_\_\_\_

6	Individuals in charge of selection are appropriately trained (interviewing and listening skills, politeness, and good judgment).					
7	Recruitment and selection materials are free of discrimination (gender, religious, disability, race and etc.).					

8. Someone familiar with both the day-to day functions of the organization is available to orient new staff members. Yes \_\_\_ No \_\_\_.

### Human Resource Development

1. The organization has a policy for training and development, Yes \_\_\_ No \_\_\_.

No	Item	5	4	3	2	1
2	The organization has a budget for training.					
3	The organization encourages staff to continue to learn and develop (by providing incentives for learning, by supporting training costs etc.)					

4. Someone in the organization identifies training needs. Yes \_\_\_ No \_\_\_.

### Assessing and Rewarding

1. The organization has fair and motivational assessment and reward systems. Yes \_\_\_ No \_\_\_.

No	Item	5	4	3	2	1
3	The staffs see an adequate correlation between compensation and performance.					
4	Staff members are generally satisfied with their compensation					
5	Compensation packages are externally competitive for the sector.					
6	The organization maintains internal equity of salaries and benefits (i.e., equal compensation for work of equal value).					
7	The organization motivate staff with monetary rewards					
8	The organization motivate staff with non-monetary rewards					

### Staff Relations

No	Item	5	4	3	2	1
1	People in the organization feel protected from exploitation (through a collective agreement or appropriate personnel policies).					
2	The organization seeks ways to increase the loyalty and commitment of staff					

6. The year-end date is clearly stated.

No	Item	5	4	3	2	1
7	Senior managers review financial statements on a regular basis.					
8	The senior manager establishes a committee to oversee financial issues.					

9. The organization has an adequate bookkeeping system. Yes \_\_\_ No \_\_\_

No	Item	5	4	3	2	1
10	A procedure is in place to control and record the assets of the firm.					

11. Do you have some other opinions of your own concerning financial issues?

\_\_\_\_\_

\_\_\_\_\_

5-Strongly agree 4-Agree 3-Undecided 2-Disagree 1-Strongly disagree

## Part V. Program Management

### Program Planning

1. Each program area or major project in the organization has a written plan. Yes \_\_\_ No \_\_\_

No	Item	5	4	3	2	1
2	Program and project plans are linked to the organization's mission.					
3	The organization undertakes adequate program-planning to ensure that its programs support its mission.					

4. Which aspects are taken in to account during program planning

- a. technological
- b. economic
- c. gender
- d. social,
- e. environmental
- f. If others, list \_\_\_\_\_

5	The organization undertakes budget-programming for the programs.					
6	The organization's programs are consistent with its mission, needs, strategies, and priorities.					

### Program Implementation

7	Programs are given adequate timelines.					
8	Staff supports the organization's efforts to get programs accomplished.					
9	Staff supports the organization's efforts to serve clients and beneficiaries					
10	The staff members providing services have good relations with each other.					
11	The program team has good problem-solving skills.					
12	Staff members are motivated to work together to get things done.					

## Part VI. Process Management

No	Item	5	4	3	2	1
1	The implementation of work flows smoothly at every level of the firm.					
2	Decisions are timely.					
3	Performance gaps and opportunities are identified quickly enough.					
	4. Problem-solving mechanisms are in place Yes ___ No ___					
	5. decision-aking mechanisms are in place. Yes ___ No ___					
6	People within the ranks of senior managers have adequate organizational problem-solving skills					
7	People within the ranks of senior managers have adequate organizational decision-making skills.					
8	Problem-solving and decision-making is adequate in departments and projects.					
9	The staff members try to solve problems before they become big concerns.					

### communication

No	Item	5	4	3	2	1
1	People in the organization feel that, there is adequate, ongoing communication about the organization's activities.					
2	Staff members receive information about the organization's progress in fulfilling its mission.					
4	Written communication is adequate					
7	Two-way communication is encouraged.					
8	Multi-channel communication is often used.					
9	Listening is valued.					

### Monitoring and Evaluation

1. Policies and procedures are in place to guide evaluation and monitoring. Yes \_\_\_ No \_\_\_
2. Resources are assigned to monitoring and evaluation. Yes \_\_\_ No \_\_\_

No	Item	5	4	3	2	1
3	Monitoring and evaluation are valued at all levels in the organization, as ways to improve performance					

4. The organization has an evaluation plan or performance-monitoring framework. Yes \_\_\_ No \_\_\_

5	Strategy, program, policy, budgetary, etc. documents mention evaluation results					
6	People have the skills to perform monitoring and evaluation.					
7	Monitoring and evaluation processes are valued.					
8	The organization learns lessons from monitoring and evaluation.					

10. What final comments and recommendations do you have on the communication and monitoring and evaluation aspects of your organization? \_\_\_\_\_

## Part VII. Inter-institutional linkages

**Note: Inter-institutional linkage** is establishing regular contact with other institutions, organizations and groups with strategic importance to your organization and can result in a healthy exchange of approaches and resources including knowledge and expertise.

### Partnerships

No	Item	5	4	3	2	1
1	The organization has adequate formal and informal linkages with like-minded organizations.					
2	Institutional linkages are adequately supported.					
3	Institutional linkages contribute efficiently to the organization's goals and mission.					
4	Fruitful, ongoing partnerships with external organizations through these linkages bring new ideas or resources, or both, to the organization					
5	The organization is using these linkages to communicate information about its work to external stakeholders, including the general public.					

### Electronic linkages

No	Item	5	4	3	2	1
1	The organization is electronically linked to the outside world of colleagues, clients, and markets (users).					
2	Electronic networks are financially and technically supported.					
3	Electronic networks effectively respond to the needs, shared interests, capabilities, etc. of the organization.					
4	Electronic networks support new efficient practices.					
5	Fruitful, ongoing partnerships with external organizations through electronic linkages bring new ideas or resources.					
6	The organization is using electronic linkages to communicate information about its work to external stakeholders.					

7. If you have some additional points about the inter-institutional linkages in your organization \_\_\_\_\_

Thank you!

## Part VII. Inter-institutional linkages

**Note:** **Inter-institutional linkage** is establishing regular contact with other institutions, organizations and groups with strategic importance to your organization and can result in a healthy exchange of approaches and resources including knowledge and expertise.

### Partnerships

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3	Electronic networks effectively respond to the needs, shared interests, capabilities, etc. of the organization.					
4	Electronic networks support new efficient practices.					
5	Fruitful, ongoing partnerships with external organizations through electronic linkages bring new ideas or resources.					
6	The organization is using electronic linkages to communicate information about its work to external stakeholders.					

7. If you have some additional points about the inter-institutional linkages in your organization \_\_\_\_\_

Thank you!

## Annex B

### ADDIS ABABA UNIVERSITY SCHOOL OF GRADUATE STUDIES

DEPARTMENT OF EDUCATIONAL PLANNING AND MANAGEMENT

[Human Resource and Organizational Development]

#### ***Interview Guide for Leaders of the Organizations***

Organizational Capacity determines whether regulations are enforced, Objectives are achieved, benefits are distributed, and programs are completed. This study is designed to assess the status of your organizational capacity in its move in fulfilling its vision and goals. Your genuine response contributes much to the study.

**Thank you in advance for your time and cooperativeness.**

1. Is there a strategic plan?
2. Is there formal and informal leadership in the organization?
3. Does the organizational structure show clear lines of authority and responsibility?
4. Does the organization develop adequate system of Human resource?
5. Does the organization develop adequate system of managing core resources?
6. Is the system of program management and process management adequate in the organization?
7. What benefits did the organization obtained from inter-organizational linkages?

## **ANNEX C**


### **Group Discussion Guide**

1. What kinds of conditions are there in your organization concerning human resource?
2. What kind of compensation is there in your organization?
3. The status of communication and coordination in the organizations.

## DECLARATION

I, the undersigned, declare that this thesis is my work and that all the materials used for the thesis have been fully

Milemariam Kibret



Date of Submission 20/07/09

## APPROVAL SHEET

This thesis has been submitted for examination with my university advisor.

Dr. Omer (Ph.D)

Ass. Prof.

