

**HRM PRACTICES: HOW THEORY MEETS THE REALITY IN THE
REALM OF NON-GOVERNMENTAL ORGANIZATIONS (NGO'S) IN THE
DEVELOPMENT SECTOR OF PAKISTAN**

By

Ali, Murad

THESIS

Submitted to
KDI School of Public Policy and Management
in partial fulfillment of the requirements
for the degree of

MASTER OF BUSINESS ADMINISTRATION

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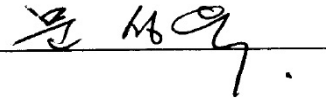
MASTER OF BUSINESS ADMINISTRATION

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ABSTRACT

HRM PRACTICES: HOW THEORY MEETS THE REALITY IN THE REALM OF NON-GOVERNMENTAL ORGANIZATIONS (NGO'S) IN THE DEVELOPMENT SECTOR OF PAKISTAN

By

ALI, Murad

Since its Independence in 1947, NGOs in Pakistan have effectively participated and have worked for rehabilitation, social welfare and betterment of the society. These NGOs serve poor and marginalized people at grass root level. Civil society organizations or NGOs have an impressive history of substantial contribution to the socio-economic and political development in the country. There are more than 45,000 NGOs in Pakistan working in more than 40 different program thematic areas. Most of the NGOs are small and community-based organizations. However, a significant number of them are graduating to a higher level of professionalism. They are not only realizing the need for institutionalizing processes and systems, but also making remarkable stride in their institutional development and management process. Today, many organisations claim “our people are our most important asset”, and the human resource management function is increasingly significant to business strategy and success. Activities such as recruitment & selection, training & career development, performance appraisal, compensation & benefits are important to the effectiveness of organizations wherever they are located. This thesis provides a theoretical and conceptual framework research based studying of human resource management practices at strategic level in the non-government sector of Pakistan and exploring the link between HRM practices and the NGOs in development sector. Furthermore, this thesis aims to reflect on current theoretical and empirical work and what it may have to tell us about the implications of HRM functions in NGOs in the development sector. The main focus is on the role of HRM practices currently implemented in the development sector or NGOs. Some important issues in HRM and NGOs are identified. Moreover, future policies & recommendations are also presented for strategic HRM implementation in NGOs.

Key words: HRM & NGOs in Pakistan, HRM functions and practices

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Dedication

*This thesis is humbly dedicated to
MY MOM
for her encouragement, support, and wisdom over
many years.*

ACKNOWLEDGEMENTS

Such kind of effort often listed only one name but behind this effort, many people contribute. This work wouldn't have been finalized without the consultation of those people who have assisted me during my work and have provided me useful materials.

I would like to extend my extreme gratitude to Mr. Azam Khan (LASOONA), Mr. Aleem Mohammad (KDI School) and Mr. Sana Ullah (Inha University) without whom this work wouldn't have seen light of the day. Special thank goes to Ms. Zehra Hussain (Liverpool University) for her valuable assistance and mature views on my thesis.

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Last but not the least, I also own my gratitude to my respectable teacher during my MBA program and supervisor Professor KIM, Ji-Hong who proved to be more than a supervisor, whose in-depth knowledge, teaching experience and continuous guidance enabled me to write this thesis. His wisdom, kind considerations and unique insights were invaluable and his real world experience added an extra advantage to my work.

Murad Ali
May 20, 2008

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LIST OF ACRONYMS & ABBREVIATIONS

AKRSP	Aga Khan Rural Support Programme
ADB	Asian Development Bank
BODs	Board of Directors
BADP	Barani Area Development Project
CBO's	Community Based Organizations
CMC	Credit Management Committees
ED	Executive Director
HRD	Human Resource development
HRM	Human Resource Management
HRP	Human Resource Planning
HR	Human Resources
IRDS	Institute of Research and Development Studies
KDI	Korean Development Institute
LASOONA	LASOONA-Society for Human & Natural Resource Development
LSMT	Leadership and Skill Management Training
NGO's	Non-Governmental Organizations
NPO	Non-Profit Organization
NGORC	Non Government Organization Resource Center
NRM	Natural Resource Management
FPAP	Family Planning Association of Pakistan
PAS	Performance Appraisal System
SAP	Social Action Program
SOs	Social Organizers
SOU	Social Organization Unit
SRSP	Sarhad Rural Support Programme
TOR	Terms of Reference
TA/DA	Travel Allowance/ Daily Allowance
TNA	Training Needs Assessment
UN	United Nations
WO	Women Organization
WB	World Bank

Chapter 1

GROWTH OF NON-PROFIT DEVELOPMENT NGO'S IN PAKISTAN

1.1 INTRODUCTION TO NGOs

Political theorists sometimes divide society into three components: the state, private enterprise and civil society. This tripartite division is embodied by 'the prince', 'the merchant', and 'the citizen'. The prince symbolizes governmental power; the merchant represents economic power; and the citizen embodies the power of the peoples. Civil society can also be identified as the public space between individual citizens and the state, in which their activities occur collectively and in an organized form [1]

Nonprofit Organizations (NPOs) or nonprofit development organization are an important part of civil society and are distinct from both the state and private enterprises. Their unique position outside the market and the state, comparatively smaller scale, connection with citizens, their flexibility and capacity to tap private initiative in support of public purpose have positioned NPOs as strategically important participants in the search of a 'middle way' between sole reliance on the market and the state. [2]

Over the past several decades, NGOs have become major players in the field of national as well as international development. A non-governmental organization (NGO) is an organization, which is not a part of a government. The World Bank defines NGOs as "private organizations that pursue activities to relieve suffering, promote the interests of the poor, protect the environment, provide basic social services, or undertake community development"[3]

Pakistani NGO's

The existence of Non-government organizations (NGO) in Pakistan has since Independence in 1947. These NGOs generally have worked for rehabilitation and social welfare and to serve the poor and marginalized people of the country. The number of NGOs had remained static for some 30 years, but has mushroomed in the 1980s and 1990s [4]

These NGOs have played an important pivotal role in the development and sustainability of the country and creating awareness of issues such as human and legal rights, women in development, and overpopulation. Others have provided badly needed services such as basic health care, water and sanitation, and employment opportunities to underdeveloped areas. By showing their ability to succeed where the Government has had difficulties, NGOs have helped change national perceptions and policies concerning sustainable development.

In recent years NGOs have become increasingly important players in designing and delivering community-based programs. Today NGOs in Pakistan range from completely voluntary organizations with small budgets contributed by volunteers to those run by well-paid full-time professionals. The majority are somewhere in the middle. Increasingly, NGO sector is becoming institutionalized, motivated both by altruistic goals as well as the ready availability of funds from external aid sources.

With a very few exceptions, NGOs in Pakistan do not have well defined governance, transparency, and accountability structures. While some rely entirely on financial support from the Pakistani public and Pakistani institutions, a larger proportion rely almost entirely on project aid from international donor agencies. They are constantly challenged to prove their sustainability and integrity.

The Pakistani Government has in general been positive about the development of NGOs, starting from the first Five Year Plan (1955-1960), when a permanent social welfare section was created within the Planning Board (now called the Planning

Commission). More recently, the Seventh and Eighth Five-Year Plans contained supportive policy statements, many of which have guided government action to assist NGOs.

Origin & Growth of NGO's

The history of Pakistani NGOs has its roots back in time of partition in 1947. Although not directed to as NGOs at that time, many voluntary organizations were contrived to provide humanitarian aids to refugees pouring into the country and to help victims of communal riots. During the first few years of Pakistan, many of these NGOs concentrated on rehabilitation and basic services such as health and education. As Table 1 shows that the largest number of NGOs, working for educations and research, while the numbers of NGO's working for health is quite satisfactory. The table also shows the total estimated number of development sector NGO's province wise and which is about 44, 526. Some of these voluntary organizations remain active today, although their roles may have changed today. Many continue to be led by *Begums*¹

Table 1: Provincial Composition of NGO's (% of organizations)

Working Area	Punjab	Sindh	NWFP	Balochistan
Culture & Research	4.0	7.6	0.0	13.1
Education & Research	48.6	46.3	24.8	44.8
Health	6.6	4.4	6.0	10.4
Social Services	8.5	7.6	14.5	4.4
Environment	0.2	0.3	0.2	0.0
Development & Housing	3.1	15.7	4.2	1.4
Civil Rights and Advocacy	17.4	12.9	50.3	17.0
Business & Professional Associations	4.9	3.2	0.0	0.0
Religion	6.7	2.1	0.0	9.0
Total	100	100	100	100
Estimated No. of Organization	24,883	15,114	2,270	2,358

Source: Aisha Ghaus-Pasha, Haroon Jamal, & Muhammad Asif Iqbal “*Dimension of the Non-profit organizations in Pakistan*” (2002)

The next upsurge in the formation of NGOs took place in 1970s, when martial law government explicated its philosophy of social work welfare. During 1980s, many new NGOs emerged to avail of funding set aside for development through local

¹ The wives of influential bureaucrats, politician and businessmen.

bodies. In the party-free polls of 1985, many legislators encouraged the growth of new NGOs to absorb the special funds available to them for development of their constituencies. A number of women NGOs were also instituted during this period.

In the early 1990s, there was another rapid increase in NGOs, when new organizations were formed to take advantage of new available funding under the People's Work Programme, particularly in rural Sindh and Punjab.

It is difficult to estimate the number of NGOs in Pakistan. Only rough estimates are possible. According to the SPDC/JHU/AKF Report of April, 2002 there are almost 45,000 active organizations in the non-profit sector [5]

Classification of NGO's

NGOs in Pakistan can be divided into several broad categories:

- those involved in advocacy and lobbying
- those involved in policy issues and debates
- emergency, rehabilitation, and relief organizations
- those involved in implementation of development projects and programs, including service delivery organizations and CBOs²

Role & Impact of NGO's

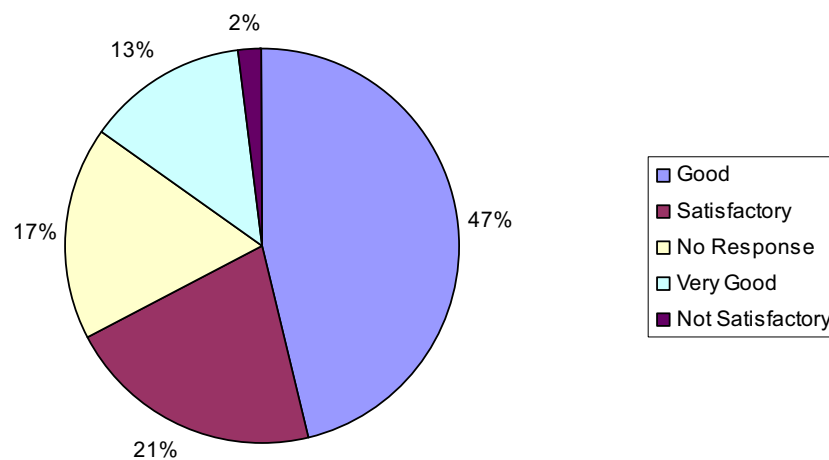
Although NGOs are seen as major actors in the development sector, success stories of Pakistani NGOs in the development sector are few. The majority remains poorly developed and require continuous support to exist. Having little exposure to the more organized development sector, small-scale NGOs often look to the established ones for help in starting. They seek the help of government departments and friends for patronage.

Of the well-established NGOs in Pakistan, some go back 40-50 years and have documented track records and professional staff. Above all, they have developed

² Community Based Organizations (CBO's)

reputations for hard work and efficiency. Figure 1 show the experience of supporting NGO's in Pakistan and is 21% satisfactory while overall 46% is to be considered as good. A good example is the Family Planning Association of Pakistan (FPAP)³. FPAP provided information on any aspect of its work quickly and comprehensively, was a member of several international and national networks, had a total current staff strength of 1,485 (137 administrative staff and 1,348 program staff), and a network of 70,000 volunteers. It held elections every two years and had 4,487 eligible voters. It was involved with 23 projects serving 4,000 villages across the country. About one-third of its expenditure had been on integrated community-based projects. Its impact had been considerable, particularly at the grassroots level, a very difficult area where the Government had encountered enormous problems. FPAP had cooperated extensively with the Government.

Figure 1: Experience of Supporting to NGOs in Pakistan



Source: NGO Resource Center "Directory of Donors Organizations in Pakistan" 1999

³ The Family Planning Association of Pakistan (FPAP) established in 1953 has pioneered the family planning movement with a commitment to responsible parenthood as a human concern for the well-being of women, children, families and communities in Pakistan. (<http://www.net-ngo.com/searchstring.cfm?xdh=FPAP&hkm=no>)

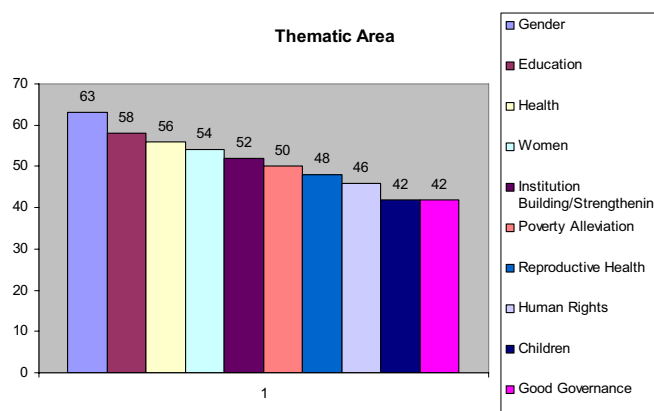
Only a handful of other national NGOs involved in the implementation of community-based projects have comparable credentials, coverage, linkages, delivery mechanisms, and documentation systems. There are, however, several smaller NGOs that serve parts of provinces or smaller areas but do so efficiently and effectively.

A few well-established NGOs work in such sectors as women's development, policy debate, research, and publications, but their impact and outreach is rather limited, either because they lack resources or because their target group is narrow.

Consolidated figures from government departments and funding agencies concerning disbursements to NGOs are difficult to compute. Information about individual incomes of some NGOs is available, as is information about funds disbursed by individual funding agencies and funds disbursed by individual government agencies, but consolidating all this information is virtually impossible.

NGOs in Pakistan are more numerous and most active in the traditional social sectors, these NGO's are working in more than 40 different programmatic areas. Figure 2, shows only top 10 thematic areas of NGO's that 63% NGO's are working for development of gender, which follows education at 58%, health at 56%, women development at 54%, institutional strengthening at 52%, poverty alleviation at 50%, health reproduction at 48%, human rights at 46%, and children and good governance at 42 %.

Figure 2: Programmatic Thematic Areas of NGOs in Pakistan



Source: NGO Resource Center "Directory of Donors Organizations in Pakistan" 1999

In the past, NGOs avoided sectors considered the domain of the Government because of the need for huge infrastructure development. These include water and sanitation, irrigation and drainage, urban development, environmental issues, and roads. Increasingly, however, there is a trend to involve both NGOs and CBOs in these sectors. The Orangi Pilot Project and the Aga Khan Rural Support Programme (AKRSP)⁴ led the way in this trend. One of the key factors in the success of the Orangi Pilot Project was its linkages with both government and private sector. This implies that when NGOs begin to operate in sectors requiring huge investments in infrastructure, a network of linkages with other sectors of civil society is necessary because NGOs do not have the capacity to do it alone. The Table 2 demonstrates the total number of NGO's with their percentage working in different areas. It's also cleared that most of the NGO's are working in education and research area which percentage is 46%, on second level is civil rights and advocacy at 18%.

Table 2: Estimated Composition of NGO Sector

Working Area	No. of NGO's	%age
Culture & Research	2452	5.5
Education & Research	20699	46.4
Health	2700	6.1
Social Services	3704	8.3
Environment	103	0.2
Development & Housing	3264	7.3
Civil Rights and Advocacy	7815	17.5
Business & Professional Associations	1705	3.8
Religion	2184	4.9
Total	44625	100.0

Source: Aisha Ghaus-Pasha, Haroon Jamal, & Muhammad Asif Iqbal “*Dimension of the Non-profit organizations in Pakistan*” (2002)

However, the grouping of activities may not depict a clear picture of the sectoral composition. It would, therefore, be useful to display ranks of individual activities. This information is given in Table 3, which also provides the share of urban located organizations for each activity.

⁴ The Aga Khan Rural Support Programme (AKRSP) is a private, non-commercial, and nonprofit company, established by the Aga Khan Foundation, to help improve the quality of life of the people of the Northern

Table 3: Estimated Composition of Nonprofit Sector by Activities

Type of Activity	Share of NGO's	Urban Share
Religion Education	29.5	68.6
Lobbying for Civil Amenities	14.6	81.0
Primary Education	8.5	92.3
Religion	4.9	75.8
Secondary Education	4.8	77.8
Resident Welfare Associations	4.8	81.8
Material Assistance to the Needy	4.5	79.8
Health Treatment, Primarily Outpatient	4.4	90.0
Sports	4.2	83.5
Shopkeepers/Traders Associations	3.6	85.3
Community & Neighborhood Improvement	2.2	67.1
Civil Rights Promotion	2.1	84.1
Income Support & Maintenance	1.9	87.9
Hospital Care – Inpatient	1.1	100.0
Burial & Funeral Services	1.1	95.2
Other Organizations (with <1% share)	5.3	76.3
Total	100.0	78.1

Table 4 shows the priority of international donors and their preferred. 87% donors target women group, 73% low income, 69% children development, 44% youth, 36% minorities while 42% target different groups like social, community and institutional development.

Table 4: Preferences/Donor Preference Target Group

Preferences	Frequency	%age
Women	45	86.5
Low income group	38	73
Children	36	69.2
Youth	23	44.2
Minorities	19	36.5
Others	22	42.3

Source: NGO Resource Center “Directory of Donors Organizations in Pakistan” 1999

Capacity of Pakistan NGO's

Recent literature on NGOs has suggested that although NGOs and CBOs do not perform as effectively as had been assumed in terms of poverty reduction, cost-effectiveness, sustainability, people participation, gender equity, and innovation, they can still provide these services more cost effectively than the Government.

Exaggerated claims of NGO success have often clouded the needs of capacity building within the NGO sector. NGOs in Pakistan are typically small or medium-sized and interested mainly in welfare work. An NGO is often the vehicle for the good intentions and enthusiasm of a founder, who also uses it for self-expression. In order to grow out of these tight confines, NGOs need education, organization, long-term goals, and managerial skills.

Many mid-level Pakistani NGOs are characterized by the retention of boards of directors composed of the same people year after year. Such NGOs require education on the merits of an open system of transparency and accountability that allows new blood in management so that the NGO does not become moribund.

Studies of Pakistani NGOs over the past decade have repeatedly pointed out the need for capacity building. NGOs request support for learning the skills of planning, management, documentation, accounting and financial management, negotiating, and technical skills in development sectors.

Government Policy Toward NGO's

The Government of Pakistan has long recognized the importance of NGOs, a fact that is reflected in its development plans, most recently the Social Action Program (SAP)⁵, which is already in Phase II, and the Eighth Five Year Plan. The key interface between the Government and NGOs is registration. Registration provides the opportunity for NGOs to clarify their role and objectives and inform the Government of their activities. On the other hand, registration is sometimes viewed as an attempt by the Government to regulate and control NGOs.

The Law & Pakistani NGOs

There is no legal definition of the term "NGO" in Pakistani law. However, an NGO is normally considered to be an organization not affiliated with the Government that works for the welfare, benefit, and/or development of society or certain sections of society. It is

⁵ The SAP is a multi-sector policy initiative of the Government of Pakistan was established in 1992.

usually constituted by a body of volunteers.

Table 5: Estimate Universe of Registered NGO's

	Voluntary Social Welfare Agencies Ordinance, 1961	Societies Registration Act 1860	Companies Ordinance, 1984	Total
Pakistan Province	12703	43007	509	56219
Punjab	5421	27702	45	33168
Sindh	4572	11877	442	16891
NWFP	1675	1343	15	3033
Balochistan	1035	2085	7	3127

Source: National Council of Social Welfare (1997), Provincial Social Welfare Departments, Provincial Directorates of Industrial Development, and Registrar, Joint Stock Companies

Table 5 shows the total registered NGOs under different ordinance and acts in different province of Pakistan. 76% NGO's are registered under Societies Act of 1860. 22% NGO's are registered under Social Welfare Ordinance, 1961 and less than 2% are registered under Companies Ordinance, 1984. Each NGO can draw up its own constitution, articles, rules, and by-laws, provided these conform to the law of the land. If the NGO is registered under any act or ordinance it is expected to observe the provisions of that particular act or ordinance.

An NGO in Pakistan does not have to register itself to perform charitable, welfare, or developmental activities. However, some specific types of activities can only be carried out if the NGO is registered under a particular act or ordinance. An NGO may gain certain important advantages upon registration which it would otherwise not obtain.

Registered NGOs obtain legal status at the official level and among funding, donor agencies and other organizations for a number of reasons—members are able to represent the organization, and the NGOs can open a bank account in the name of the organization, sign contracts in the name of the organization, and offer personal indemnity to its members against the liabilities of the organization. A registered NGO can also qualify for financial assistance from certain government agencies and local, national, and international funding agencies.

The trend of seeking registration as an NGO has much to do with current trends in the development sector. Increasingly, government and international funding agencies encourage NGOs to seek registration in order to avail of the financial assistance they offer. Many funding agencies also make technical assistance and consultancies conditional upon registration.

Pakistani Registration Laws

There are five laws under which NGOs in Pakistan operate. The Societies Registration Act of 1860 pertains to professional, cultural, and educational bodies. The Trust Act of 1882 provides legal cover for private acts of public charity. Many NGOs are registered under the Cooperative Societies Act of 1952. The Voluntary Social Welfare Agencies (Registration and Control) Ordinance was promulgated in 1961 to regulate and assist the development of NGOs undertaking welfare activities. The Companies Ordinance of 1984 allows NGOs to set themselves up as nonprofit companies.

It may be noted, however, that the leading successful NGOs in Pakistan are quite meticulous about meeting their legal obligations and it is usually NGOs engaged more in rhetoric rather than actual work that shy away from their obligations.

Table 6: Registration Status of NGO's

Ordinance – Acts	%age
Voluntary Social Welfare Agencies Ordinance, 1961	15.2
Societies Registration Act 1860	40.5
The Trust Act, 1882	5.8
The Companies Ordinance (Section 42), 1984	0.3
Registration Under Other Acts	0.1
Unregistered – Applied for Registration	4.0
Unregistered – Not Interested in Registration	34.1

Source: Aisha Ghaus-Pasha, Haroon Jamal, & Muhammad Asif Iqbal “*Dimension of the Non-profit organizations in Pakistan*” (2002)

Government Policy Toward NGOs

Historically, the government has maintained a supportive policy framework for NGOs and provided them with financial and technical assistance. Active assistance has included helping NGOs develop viable organizational structures, as has been the case in the

Social Welfare Department, whose officers are stationed right down to the district level, and who are available to assist NGOs.

Government and government-sponsored institutions that provide financial grants to NGOs include the following:

- National Social Welfare Councils
- Provincial Social Welfare Councils
- Zakat⁶ Councils
- Social Action Programme
- Trust for Voluntary Organizations
- National Trust for Population Welfare
- National Education Foundations
- Provincial Education Foundations
- National Health Foundations
- Provincial Health Foundations

Although there are problems and delays due to bureaucratic procedures, the commitment of the Government to NGOs is quite clear.

An NGO can also apply for funding to any government line department. If the project or activities match with the Annual Development Plan for that year, the NGO will receive support. There may be bureaucratic hitches and delays, but these reflect the way the whole system works in Pakistan, and are not an indication of mistreatment of NGOs. Many NGOs have received funding from the Government in this way.

Much of the alarm of Government about NGOs is recent and a direct result of the activities of the new breed of NGOs that appear less interested in delivering services or implementing development projects than in lobbying and advocacy. Many of these NGOs have sprung up overnight, and many appear to have huge funds and international support at their command, even though they lack a track record. They are often perceived as

⁶ a voluntary tithe on property paid by a wealthy Muslim for the support of the poor

agents of outsiders with agendas that may be detrimental to Pakistan.

Current government concerns with NGOs have to do with funding sources, monitoring, accountability, transparency, and true intentions. But the recognition within the Government of the growing importance of NGOs as partners in development is also steeply rising. In a very positive way, the Government, through its provincial machinery and sometimes directly, channels bilateral and multilateral funds to NGOs for development work. In many cases it has channeled loan funds (on which it will have to pay interest) to NGOs as grants. It has also, in some cases, provided funds from the Government's budget to NGOs and to projects that support NGO and CBO development.

The interest of the Government in NGO and CBO development is prompted at least partially by the realization that the Government cannot go on bearing the substantial costs of operations and maintenance of infrastructure schemes, and that the beneficiary communities must make a contribution.

NGO's Relations With Other Sectors

NGOs, is relatively advanced in terms of relations between the Government and NGOs, at least in terms of the Government's willingness to extend cooperation to NGOs. The experience of NGOs in recent years suggests that at the level of policy planning, government servants already recognize the need for working with NGOs and some expound the value and successes of NGOs openly and regularly. At the grassroots level, government staff connected with the communities in which they work enjoy collaboration with NGOs and CBOs.

Government/NGO Relations

A major barrier to improved government/NGO relations is the reluctance and resistance of middle management in the bureaucracy to learn new concepts, new development

paradigms, and innovative ways of working. They often view NGOs as nuisances. The fact that government officers responsible for dealing with NGOs are not trained to work with them adds to the problem. Even if a government officer wants to work with an NGO, rules and regulations do not tell the officer how to do this. There is little time and budget for exposure visits, and frequent transfers mean that the good work of a key official with an NGO is lost easily.

In terms of the attitudes of NGOs towards the Government, there are four distinct trends.

- Many small NGOs are looking for guidance, grants, and mentorship. They want the Government to lead them. They frequently request the social welfare registration offices for help in organizing themselves and seek support from such government agencies as the National Social Welfare Council and the Zakat Fund. They want to be meticulous about legal requirements and are often found chasing skilled and experienced people to help get their affairs in order.
- The majority of well-established NGOs look to the Government as partners and facilitators for joint ventures. They have good relations with both Government and funding agencies, and, despite being critics of the Government on some issues, recognize their own limitations as well. Their legal affairs tend to be in order and they are also more likely to be transparent. Their funding sources are often diverse, and they receive funds from the citizenry and business and philanthropic institutions.
- A majority of the "new breed" of NGOs are obsessed with proving the inefficiency and corruption of the Government, and with presenting themselves as the panacea for all development problems. They want to replace—rather than work with—the Government. Their demand for independence is often an euphemism for a rejection of regulation and coordination. Their links are more likely to be with the international funding agencies than with their own Government. In these NGOs, governance is frequently a major concern.

- The fourth type of attitude belongs to NGOs set up as overnight operations to absorb funding and which subsequently disappear. These NGOs do not care about their relationship with the Government. A good example is one of the large number of NGOs that came into being to receive funding from the People's Works Programme and that later disappeared. Another example is one of the many NGOs that died in the wake of the withdrawal of funds from the United States.

The latter two attitudes have given the whole NGO sector a negative image and proved to be a real obstacle in developing a healthy long-term relationship with the Government.

In this environment, caution is needed to ensure that funding and support reaches the right NGOs. If the Government is to channel money through NGOs, stringent control, clearance, checking, and monitoring are required. Funding agencies are not ready to provide loans to NGOs, because NGOs cannot provide guarantees for debt-servicing. Pakistani NGOs need to understand that if the Government is to support their activities through these loans, it is entitled to ask certain questions and demand strict accountability.

Funding agencies agree that the existing capacities of NGOs to implement projects are limited. Grant assistance is needed for institutional support of NGOs. While the Government has provided limited support for NGO institutional development through grants out of loan funds, more resources are needed and international funding agencies should increase their support for capacity building for NGOs.

NGO/Funding Agency Relations

When the term "donor" is used in Pakistan, it usually means a foreign bilateral or multilateral funding agency. It does not usually refer to Pakistani philanthropic organizations, corporate donors, or individual citizens. Funding agencies in Pakistan typically have provided funds for economic and public sector development, particularly for large-scale infrastructure development. Because of the Government's budgetary priorities, little is available for social development. In the absence of internal resources,

bilateral and multilateral funding agencies have become the backbone of social development and support to NGOs.

Interestingly, part of the Government's support program for NGOs has been made possible through the pressure of such agencies, particularly the NGO involvement in the ADB/World Bank-funded SAP

Major Funding Agencies

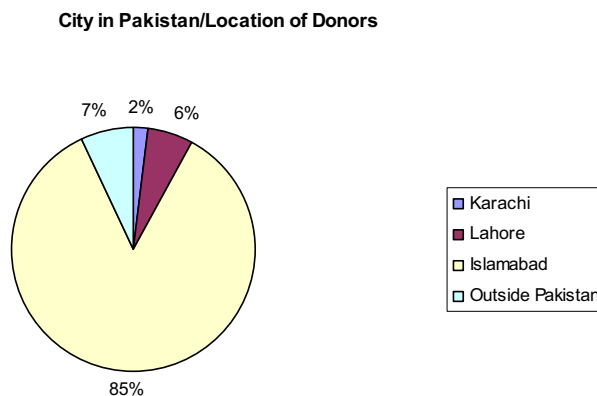
Over the last decade or so international donor agencies have increasingly given greater prominence to the role of NGOs in social welfare and development of the civil society. This prominence has not only been in the form of greater financial amounts being given in grants to NGOs but also as a proportion of the total aid given to countries.

Almost 56 [5] different funding agencies provide assistance in a range of more than 40 sectors [5], please refer to *Annex I*, including education, health, population programs, water supply, sanitation, drainage and irrigation, and infrastructure.

The multilateral agencies, including various United Nations agencies, the World Bank, and ADB have substantive programs in Pakistan. Their focus has been on education, health, water, nutrition, safe motherhood, reproductive health, children's health education, and other issues. They have also provided support to many NGOs for advocacy and networking around their concerns and programs.

Of the bilateral sources of aid, Canada, Germany, Japan, and the United Kingdom are noteworthy in their contributions to the social sectors. They also work closely with NGOs. Several embassy-based programs of support to NGOs also exist, notably those of Australia, the Netherlands, Norway, Sweden, and Switzerland.

Figure 3: Location of Donors/Donor in Pakistan



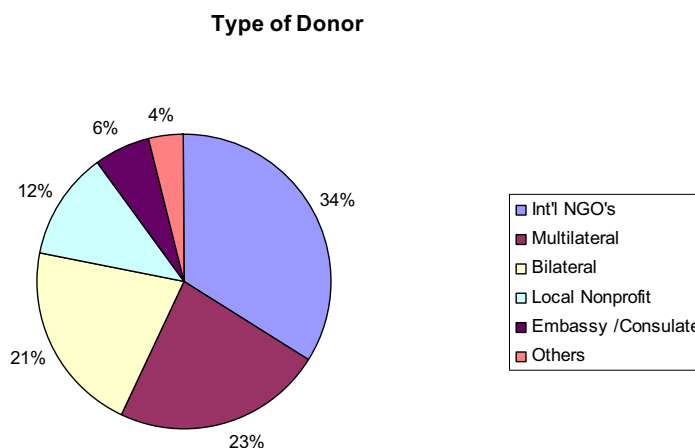
Source: NGO Resource Center “Director of Donors Organizations in Pakistan” 1999

Table 7: Origin of Donors – Location of Headquarter

Country	Frequency	%age
USA	13	25
UK	9	17
Pakistan	5	9.6
Germany	4	7.6
Japan	3	5.7
Switzerland	3	5.7
Italy	3	5.7
Canada	2	3.8
Netherlands	2	3.8
Misc.	8	15.3
Total	52	100

Source: NGO Resource Center “Directory of Donors Organizations in Pakistan” 1999

Figure 4: Type of Donors in Pakistan



Source: NGO Resource Center “*Directory of Donors Organizations in Pakistan*” 1999

Funding Agency-Initiated NGOs

There has been a significant increase in recent years of NGOs formed at the behest of, and supported by, funding agencies. NGOs financed in this way offer good salaries and benefits. Well-educated and articulate people are attracted to these organizations, both as directors and program managers. These NGOs have taken the leadership of attempts supported by funding agencies at NGO network building and have become spokespersons of NGO apex bodies.

The objectives and programs of these NGOs reflect concerns of the funding agencies and the focus changes frequently according to dynamic concerns of international development. When circumstances change, these NGOs are often abandoned by their sponsors, who then set up another program and a new set of NGOs.

This phenomenon, which has less to do with programs and implementation than with attitudes and current trends, is a major factor in the sometimes strained relations between the Government and the NGOs, and the questions raised about NGOs by the public.

NGO Participation in Projects Funded by External Aid Sources

Pakistan NGOs participate widely in projects, both directly and indirectly. This participation, however, is usually at the stage of implementation. Since NGOs' methods are quite different from those of the Government and since NGOs do not participate in the project planning stage, there often are problems. A good example is the Bank-supported Barani Area Development Project, which underlines the importance of training and orientation for government departments that are to work with NGOs but have no previous experience in doing so.

Two outstanding examples of projects that included collaboration with the Government and support from funding agencies are the Orangi Pilot Project and AKRSR. At opposite ends of the country and in completely different environments, both succeeded largely due to planned collaboration with the Government and linkages with the private sector.

The most successful projects are those built on a solid base of government/NGO people collaboration, sometimes with funding agency support and sometimes with funds raised from Pakistani philanthropists. This is a lesson that both the NGO community and the Government must learn. They may be able to do without contributions from foreign institutions, but they cannot do without each other. Once this lesson is learned, funding agencies will see their inputs utilized more effectively. It is therefore very much in their interest to promote a relationship of mutual reliance and support between the Government and the NGOs. This is without question the surest way to ensure that their investments are safe and that their intervention has been meaningful.

1.2 RESEARCH QUESTIONS

This research aims to study the overall human resource management functions and practices presently implemented in the nonprofit NGO's in the development sector of Pakistan. Pakistan is one of developing countries and poverty is one of problems Pakistan is facing presently very seriously. Most of the nonprofit development sector NGO's are small and community-based organizations. However, a significant number

of them are graduating to a higher level of professionalism. They are not only realizing the need for institutionalizing processes and systems, but also making remarkable stride in their institutional development and management process. Due to the poor conditions in rural areas, interest of international donors and agencies in the area, and providing fund in millions of dollars and euros, the numbers of nonprofit NGO's in the development sector are growing rapidly. But why should these international NGO's or donors provide such huge amount of fund, Do these NGO's are capable and have competent people, whether the human resources of these NGO's are managing effectively? Such kinds of issues are ready for conducting research in these NGO's. But this study is aimed only at assessing the human resources process in Pakistani NGO's in development sector.

The questions that the thesis will try to cover are:

- What is the concept of nonprofit NGO's in the development sector of Pakistan? In Pakistan, most of the nonprofit NGO's are belonging to development sector, which are in great effort to help poor and marginalized people of the country.
- Human resource management in the context of nonprofit NGO's in the development sector of Pakistan?
- How human resource management theory meets the reality in the realm of nonprofit NGO's in the development sector of Pakistan?
- Specifically, what are the HRM functions and practices and how these functions are practiced in the Pakistani NGO's in the development sector?
- And how to make HRM functions more effective and efficient in the nonprofit NGO's in the development sector of Pakistan.

1.3 AIMS AND OBJECTIVES

This thesis is an attempt to study the human resource management in the context of development sector NGO's in Pakistan. Particular focus on human resource management functions and practices presently implementing in the development sector NGO's, how these functions and practices are implementing and how these

functions are evaluated and how to make these functions and practices more effective for the effective and efficient implementation of HRM in these NGO's. Since, no such document has been developed to provide guidelines for development sector NGO's to develop HR procedures and manual, so this thesis has been written with the aim that it can be a first step for the development of HRM guidelines of development sector NGO's. Analysis of such HRM functions and effectively implementation of these functions, if any, is thus the primary objective of the research. It is quite possible that this study might breed new questions and identify problems and hence induce further research in the proposed area of knowledge.

1.4 RESEARCH METHODOLOGY AND STRATEGIES

In order to achieve the purpose of writing this thesis, a research strategy with two main components is applied. First, a wide and deep literature review and second the analysis of the secondary data available on the subject under focus.

Deductive research strategy will be used in this study as the study aims to test the theoretical arguments put forward in favor of HRM functions for better service delivery of nonprofit NGO's in the development sector for better social and welfare development. The conceptual link between HRM functions and nonprofit NGO's in development sector will be applied to the development process presently undergoing in Pakistani NGO's. The study will mainly rely on secondary sources like books, periodicals and research papers related to the HRM functions and nonprofit NGO's in the development sector of Pakistan. The study is based on qualitative data with little involvement of quantitative data, whiling personally visit to selected nonprofit development sector NGO's and meeting with their personnel and HR executives is used as primary source of data.

The secondary data that I will use in my analysis can be divided into three main areas: first, HR procedures and manual of NGO's that constitute the HRM logical framework of the nonprofit NGO's in development sector of Pakistan, second, up-

dated socio-economic statistical data related to nonprofit NGO's in the development sector and social indicators from several official statistical agencies in Pakistan, as well as regional and international statistical data, such as UN wings (UNDP, UNICEF), World Bank, Asian Development Bank; and, third, press reviews and news reports related to the topic.

1.5 ORGANIZATION OF THE STUDY

The Thesis has been divided into six chapters:

Chapter-1 is the introduction and highlights the developmental process of nonprofit NGOs in Pakistan. It gives an insight into empirical work and concept of the research questions that the study will answer; research methodology, structure of the study and its limitations.

Chapter-2 would give an account of theoretical understanding of characteristics of HRM functions and practices in the nonprofit NGO's in the development sector context.

Chapter-3 highlights staffing in NGO's in the development sector.

Chapter-4 reviews training & development activities in the development sector NGO's and also human resource development process in these NGO's.

Chapter-5 highlights compensation and benefits and also summarizes performance appraisal process in development sector NGO's.

Chapter-6 will summarize the main findings and future HRM policies recommendations.

1.6 LIMITATIONS OF THE STUDY

Since no proper research has been conducted in the research area of this thesis, availability of authentic reports on the HRM functions and nonprofit NGO's in development of Pakistan is limited. NGO is also a broad concept and covers a wide range of areas, but this study only focuses the nonprofit NGO's in the development sector and the generalization of this study to the NGO's other than development sector can not be guaranteed.

Chapter 2

HUMAN RESOURCE MANAGEMENT COMPONENT

2.1 NGO'S HUMAN RESOURCE MANAGEMENT

The common saying “The people who work for us are our greatest asset” frequently used by the managers and it is also common for them to say that the only real difference between one organization and another is the performance of its human capital. These truisms about the people side of organizational life highlight the importance of human resource management (HRM) and human resource development (HRD) [6].

At the same time, managers are often heard to complain that managing people is the most challenging and frustrating thing they have to do. Of all the resources they are responsible for managing, people are the least well utilized. In many organizations, it seems that only a fraction of the human potential is tapped for productive work.

NGOs face numerous challenges with regards to HRM. The need to ensure that the legal obligations by both employer and employee are adhered to is very neatly regulated by numerous statutory requirements, which can be easily sourced via the human resource department.

HRM and HRD, different but related concepts

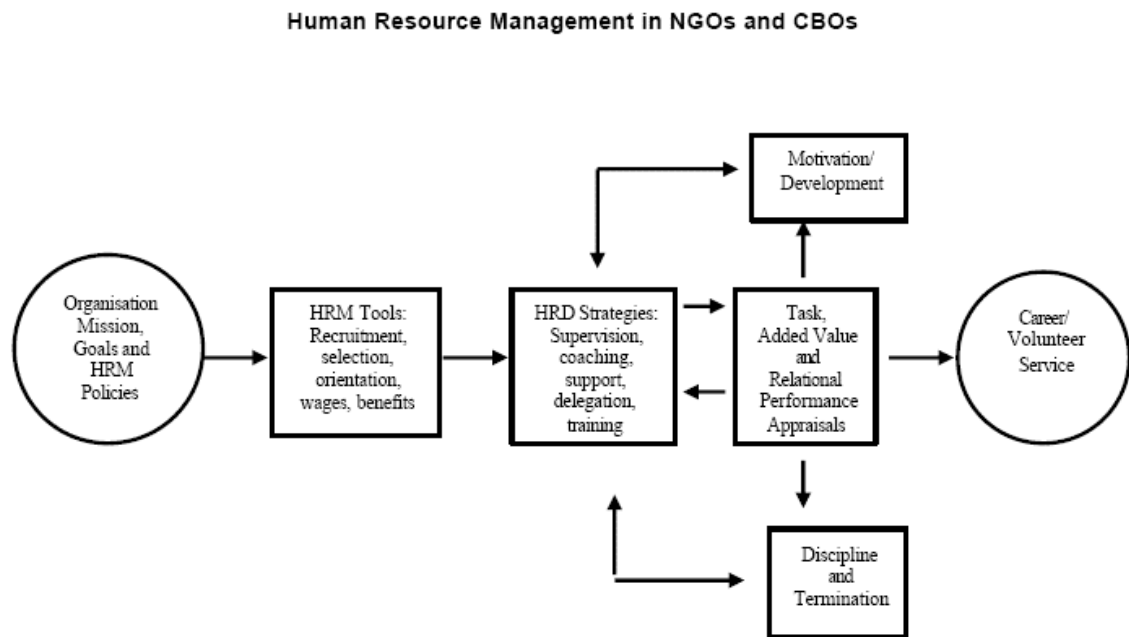
The terms human resource management (HRM) and human resource development (HRD) are often used interchangeably in the literature on personnel and human resource management. In this thesis, they have different although related meanings. HRM is referring to a wide range of management strategies for building and maintaining an organization's work force from recruitment to retirement while HRD is referring to those specific HRM strategies aimed at training,

developing, and other skill building initiatives designed to overcome deficiencies in organizational performance and to take advantage of new opportunities. HRD is a necessary and essential component of HRM concerned with continuous development of the workforce. Given this distinction, HRD will be incorporating into HRM and referring, from this point on, to the total process as HRM.

Who is responsible for HRM?

Responsibility for HRM is sometimes thought to be the exclusive domain of personnel or human resource directors/managers in those organizations large enough to have designated responsibilities. Not so. The management of people is the responsibility of *every* manager and supervisor.

Figure 5: The diagram below shows the basic functions of a human resource management system. The functions are listed in the sequence they are most likely to be carried out in the management of human resources in NGOs.



Source: United Nations Centre for Human Settlements “Building NGO/CBO Capacity through Managing & Developing Human Resources (Part 1) Concepts & Strategies” HS/656/02E

Human Resource Management

Human resource management, or HRM as it is referred to in this thesis, is the process used to obtain, place, manage, and develop the people needed by an

organization to achieve its mission and to reach its vision. The success or failure of every NGO or CBO will depend in large measure on its ability to attract, develop, and hold committed people [6]. Peter Drucker suggests that NGO/CBO managers should be asking three important questions about the organization's human resources.

- Are we attracting people we are willing to entrust this organization to?
- Are we developing them so that they are going to be better than we are?
- Are we holding them, inspiring them, recognizing them? Are we, in other words, building for tomorrow in our people decisions, or are we settling for the convenience and the easy today? [7]

The "people decisions" Drucker is talking about are central to the organization's vision, mission and goals which prompts to arise three fundamental questions. 1) Does organization have a stated vision and mission? 2) Do goals and operating objectives reflect the vision and mission? 3.) Do human resource management strategies include answers to the three value-oriented questions that Drucker poses?

If not, the first place to begin in strengthening HRM system is to go back to ground zero and re-consider the values that define organization's overall vision, mission, and goals, and how these are reflected in the ways organization manage its human resources.

Organizing for Human Resource Management

NGOs and CBOs differ from each other and among themselves in size, function, and financial ability. Because of this, prescribing a single best approach to HRM would be impossible. Large organizations have professionally trained personnel who manage centralized human resource functions. In smaller organizations with limited resources, HRM may be one of the many hats worn by the organization's chief executive officer.

Non-governmental and community-based organizations also differ from most public and private organizations in their use of volunteers, those individuals who

donate their time and expertise without compensation to help the organization fulfill its mission within the community. For many NGO volunteers are the organization's most important human resource. They also represent a unique management challenge. Given this challenge, considerable time will be needed to spend to explore the ways to manage these human resources to the mutual advantage of the organization and its team of volunteers. For example, many NGOs employ a full or part-time volunteer co-ordinator who works directly with the organization's chief executive officer. In this key position, the volunteer co-ordinator is able to place volunteers in more significant roles often as equal partners with paid staff in the pursuit of the organization's goals.

HRM is a decentralized activity

Even though the organization may be large enough to have a human resources officer, most HRM tasks are performed by operating managers and supervisors. Rarely does the human resource officer decide who to hire, terminate, promote, reward, or discipline except in his or her own office. Similarly, the tasks of training, task direction, coaching, and performance review are carried out by supervisors and operational managers. This decentralized view of HRM doesn't relieve the chief executive officer from the overall responsibility of human resource management and the importance of providing other managers and supervisors with the tools, freedom, and responsibilities to manage the human resources within their work domain.

Essential HRM functions and tasks

At the heart of any effective HRM system whether in an NGO, CBO, local government, or private organization is a collection of management tasks. These tasks must be carried out effectively to equip and encourage the organization's paid and volunteer employees to serve effectively and with commitment for long periods of time. Broadly speaking, the tasks of HRM are grouped into functional categories as shown in Figure 6, the sequence of these tasks maybe varies from

department to department and organization to organization depending depending on local traditions or requirements.

In managing small NGOs and CBOs with only a handful of employees, it might be found that all these functions in their formal clothing a bit overwhelming. It is suggested to: 1) think about each of the tasks in the following diagram in terms of how each of these functions can be managed currently; and 2) consider ways which might increase the HRM effectiveness by adapting and adopting those functions that will help the organization better achieve its mission.

Figure 6: Classification of essential Human Resource Management tasks

Functions	Tasks
Recruitment and hiring	Procedures are established for recruitment to fill vacancies, for selecting the best- qualified persons according to valid criteria, and for orienting new employees and volunteers.
Wages and benefits	Job descriptions are prepared for all positions, pay is assigned to jobs based on their relative worth to the organization and to similar jobs in the job market, and a package of employment benefits is made available consistent with current practice.
Employee motivation	Motivation and support strategies are designed to encourage creative inputs and Initiatives and provide intrinsic rewards for employees.
Workforce management	Managers direct and support the work of their subordinates by varying their styles of management consistent with the ability and motivation of each volunteer and employee.
Training and development	Training is used to correct discrepancies in performance resulting from lack of knowledge or skill and results are evaluated against planned performance Improvements. Training is also an important strategy for personal and professional development.
Performance review	Standards are established and used to measure the performance of employees and volunteers, and results are openly discussed and used to raise mutual expectations for future performance.
Discipline and termination	A process is established for disciplining volunteers and employees who fail to perform satisfactorily and terminating them when reasonable efforts for their rehabilitation fail.

Source: United Nations Centre for Human Settlements “Building NGO/CBO Capacity through Managing & Developing Human Resources (Part 1) Concepts & Strategies” HS/656/02E

The Human Resource Management Department or component of the any NGO carries out different important functions. They are:

- HR Planning

- Job Analysis
- Job Evaluation
- Recruitment & Selection
- Performance Appraisal
- Training and Development
- Compensation and Benefits
- Transfer & Promotion [8]

2.2 HUMAN RESOURCE PLANNING (HRP)

“Human resources can be described as the organizational function accountable for obtaining and maintaining qualified employees. In today's complex environment, fulfilling that mission is a major contributor to an organization's success”[9]

“The purpose of human resources planning is to assure that a certain desired number of persons with the correct skills will be available at some specified time in the future”[10]. Human resource planning is the process by which managers and teams ensure that they have the right number and kinds of people in the right place, and at the right times, who are capable of efficiently and effectively completing those tasks that will help the organization achieve its goals and objectives. Most of the NGOs have developed the strategic plan. Usually these plans are for the period five to ten years. Some big NGOs having enough resources also conduct their strategic planning regularly and all the managers from the board to low management participate in it. Since Strategic HR Planning is the part of strategic planning of the organization, so HRM strategic is also developed which identified the requirement number of people the NGO needed and then the strategic approach how to manage them. HR Planning translates the organization objectives into terms of the workers needed to meet those objectives. Now every Human Resource planning consists of some steps, the HRM Recruitment policy of NGOs also relies on some steps, which are:

- Mission Formulating
- Establishing Goals and Objectives

- Assessment of the Current Human Resource
 - *Development a profile of the Organization current employees*
 - *Human resource information system*
 - *Replacement Charts*
- Assessment of future Human resource needs
- Development of Future programs [8]

If an organization indicates an understaffing, then the management would feel a need for more staff to be hired, in such situations recruitment takes place while the management indicates over staffing, then de-recruitment takes place.

2.3 JOB ANALYSIS

As the Human Resource Management component or any personnel department starts its HR functions with the proper planning for the prosperous future of the organization. Nowadays the system is job oriented. The job analysis is a scientific tool or technique of human resources and it is an important step of the HRM Component of the NGOs for the effective planning. “Job Analysis is the process of systematically collecting information about specific jobs for use in developing a performance measurement system, in writing job or position descriptions, and in establishing equitable pay systems”[11]. As far as the planning is concerned in NGOs, it relates to the BODs. The board considers many aspects of the planning in the context of job analysis. This function is distributed among the BODs and the HRM components. So the job analysis is done through the HRM component. The HRM component makes job analysis for

- Creation of the new jobs
- The performance of the present job
- Removal of the existing job

Decide What Vacancy You Have

The HRM department’s first task is to carry out a **job analysis** by deciding the exact nature of the job, and the knowledge, skills and other qualities required doing it. (with

sole proprietors, exactly the same procedures would be followed in all stages of recruitment and selection, except that the sole proprietors themselves would do the tasks involved.)

Job Description

The first and immediate product of the job analysis is the job description. Produce an outline of the broad duties and responsibilities (rather than detailed tasks) involved in the job the HRM department would then produce a job description. This describes job identification and summary, supervision given and received, working condition, the duties and responsibilities involved, usually in great detail. It may be defined as “A written statement of what the job holder does, how it is done, and why it is done”[12]. The job description is useful for informing applicants exactly what the job entails, and also for settling any later disputes about the tasks that the person appointed has been asked to perform.

Job Specification

“Job specification is also written statement indicating the minimal acceptable qualifications incumbents must possess to successfully perform the essential elements of their jobs”[12]. It also includes skills, previous experience and other personal qualities that the person must have to perform the job. What skills, experience qualifications and attributes someone will need to do the job as defined in the task analysis job description. Let’s take an example of the post of “COORDINATOR TRAINING” in any NGO, this post in the Training Component, so the job will specify be according to the needs and the requirement of the job. In the general duties may come that he or she will be responsible for implementation of beneficiaries training and making all necessary arrangements for conducting the trainings while in his or her specific duties may include that conducting and compiling reports of trainings, designing modules and calendars for the trainings, conducting the assessments of the trainings and carry out research on various training etc

2.4 STEPS IN THE HIRING PROCESS

Normally in many NGO, officers and staff are hired in a very casual and personal manner. These practices are fuelled by the lack of regulations and legal mandates, by the culture of informality that surrounds many NGOs and probably by repeating practices that go back to the organization's beginning. It is suggested, let's consider a more rigorous and formal process something like the three-step process which is about to explore, after, of course, it is certain that no one in the organization could meet the needs if the organization had given them the opportunity to grow into the job several months ago.

- **Step One** involves recruitment, e.g., who should be responsible for recruiting, how might go about it, and what a job announcement might look like.
- **Step Two** has to do with the selection process, e.g., what happens after identification of potential candidates? Who should be involved in the interviews and what about the use of application forms, testing, and reference checks?
- **Step Three** involves orienting the employee to his or her specific job, the organization, and colleagues. One could argue that this is not part of the hiring process but falls into the human resource development category of HRM tasks.

The first step in hiring process is recruitment, so it is important to remember that this first step depends on some other key pre -recruitment actions within the organization. For example:

- Have you clearly demonstrated the need for the new employee (s)?
- Are the funds available to hire the individual or individuals you plan to recruit?
- Does your selection criterion include such things as the importance of gender and minority involvement in the organization's work force?
- Will the recruitment & selection processes be open, objective, & fair to all that apply?

2.5 RECRUITMENT IN NGOS

What is Recruitment?

Recruitment is the process of discovering potential job candidates and its objective is to generate a large number of applicants and to obtain and provide enough information about the job [10].

Recruitment may be defined in a number of ways.

- 1) “Recruitment is the process of attracting qualified persons to apply for the jobs that are open”[13]
- 2) “It is the process of discovering potential candidates for actual or anticipated organizational vacancies. Or, from another perspective, it is a linking activity-bringing together those with jobs to fill and those seeking jobs”[14]
- 3) It’s the process of attracting individuals on a timely basis, in sufficient number, and with the appropriate qualifications and encouraging them to apply for jobs with and organization.
- 4) It’s the process of discovering capable candidates for actual or anticipated organization vacancies.
- 5) It is the process of searching and sourcing for viable job candidates.

The decision to appoint a member of staff is usually made by the HRM Component of the NGO and the Coordinator HRM of the component is concerned. Decisions to appoint heads of components are the duty of the Executive Director and BODs.

Figure 7: Eight Step Process of NGOs



Source: LASOONA-Society for Human & Natural Resource Development “HR Manual”, (2006)

Goal of the Recruitment

The overall goal of recruitment and selection for a position is to cost-effectively attract, detect and select those people who are most likely to optimally contribute to the organization within that position at a particular point in time and into the future.

As we can tell from the definitions of recruitment that is simply is a process, which attracts those candidates, which have the skills and capabilities, needed by the organization.

Recruitment, or taking on employees, is one of the most important tasks of the HRM Component, as the success of any organizations depends to a large extent on the quality of its employees.

Employees may be needed when: -

- The organizations expand, means the new project starts
- New skills are needed because of technological advances
- Employees are dismissed, or retire, or leave to join other firms.

Recruitment Sources of the NGOs

Recruitment sources are the places where individuals can be found. There are numerous ways in which an organization can find employees to fill its job vacancy. Many recruiting sources are available, some of which are more affective then others. Generally there are two types of sources, which are used by the HRM Component of the NGO: -

- **INTERNAL SOURCES**
- **EXTERNAL SOURCES**

Internal Recruitment of the NGO

Usually all the organization wants to recruit and attract well-qualified and good experienced candidates. But before that NGO never forgets its own employees

working already with the organization. So NGO first prefer its internal pool for the recruitment for the new job. If the internal employee fulfills the demands of the job, so then they are no need for external recruitment. But the internal recruitment also required a series of the steps in its selection of the employees. In internal recruitment, a job is offered only to current employees by advertising it on staff notice boards in the most of the NGOs.

One big advantage of internal recruitment is that it enables the firm to create a career structure for suitable employees. They can be promoted by being selected for a more important job.

However, internal recruitment may cause resentment among other employees, and it can make the organization sterile if long-serving employees fill the entire top posts with few new ideas.

Methods of Internal Recruitment in NGOs

Among the channels available for internal recruitment the most important ones are as follows:

Job Posting

Job postings are an established practice in many organizations, especially for filling jobs up to the lower executive level. But most of NGOs work on the project assigned, so the posting of the jobs are actually done in the projects because these projects are completed in specific period of time. More over the appointing authority is the board.

Employee Referrals

Referral of job candidates by present employees has been and continues to be a major source of new hires at many levels, including professionals and management staff level of the NGO. It is an internal recruitment method, since internal rather than external sources are used to attract candidates. The logic behind employee referral is that “it takes one to know one”

Temporary Worker Pools

In the NGO there are no such temporary employees, in-house “temporaries” worker pool internal method used. But the rule is that new employees have to pass a period of probation and that is almost three months or six months. In these three or six months the performance of the employee is closely watched and further stay in the organization depends upon the successful completion of the probation period.

Internees

Internee is given a chance to work in the real practical environment and to understand the studied more practically. Mostly there are two types internship given at the NGOs. Formerly that is non- paid or given no financial help to the student is comprises of two months. And the later one is the six months or the paid internship, which is given after the competition of the course for the experience.

Advantages of Internal Recruitment for NGOs

The main advantages of internal recruitment are:

- Much cheaper; quicker
- Reduces training costs
- Abilities of individual already known;
- Increased job security for current employees

Disadvantages of the Internal Recruitment Employees

There are also some drawbacks:

- Limits number of candidate;
- May cause jealousy;
- Managers may resent loss of staff to other departments;
- No ‘new blood’ or ideas

Methods of External Recruitment

Most job vacancies are filled by recruiting people from outside the Organization i.e. employees from another firm or organization, fresh graduates who have never worked before, or people who are unemployed. So the NGOs always brought young and energetic blood when required to the organization or the experienced fellow when required. Similarly the organizations also want to meet the demands for talent brought about by the organization growth in the reduction poverty from the rural areas of Pakistan. Replace employees who leave, organization periodically turn to the outside labor market.

There are also several methods of “external recruitment” for a job used by the HRM section of the NGOs:-

Personal Recommendation

An employee who is already working for the firm recommends someone they know. Working employee locates or identifies the demanded person required for job out sides the organization. They boldly and trusty gives the personal recommendation. Plus they also make the life the easy of the NGO staff and in return NGOs get competent person.

Job centers, Private employee agencies, Employee agencies are the methods used by the HRM component for the recruitment propose, because these centers or agencies are either present or not fully settled in out province. Plus this method is a costly method of attaining new staff. Moreover organization will also rely on the expertise of others in the presence of sound HRM component.

Advertisements

This is one of the most common methods of obtaining employee from both the internal and external environment is the use of the Advertisement. The Advertisement is usually given in the print media and some time also in electronic media. Most of the NGOs use the print media i.e. daily newspaper. They usually give the Advertisement on the weekends like Saturday or Sunday. Plus they cover both

language papers like Urdu and English newspapers for their advertisement. NGO'S staff tries to cover as much as most possible population for the job.

The following information is included in the advertisement in brief & directs form by the HRM component of the NGOs:

- Major job section of the NGO
- Required and/or preferred qualification (i.e.: experience, education, skills, etc.)
- Special qualities of the parish/school as employee (i.e.: rewarding work, dedicated co-worker, generous benefit package, pleasant atmosphere, etc.)
- Work hours and salary (i.e. can list salary as negotiable)
- How to apply (i.e.: in person, sending resume, telephone, etc.)
- Telephone number or address for receiving applications
- Deadline for applications

Further Advertisement contains the following:-

Age, sex, religion, race, disability or national origin should not be mentioned either directly or indirectly.

Advantages and Disadvantages of External Recruitment for NGOs

There are advantages and disadvantages with external methods of recruitment.

Some of them are as follow:

Advantages:

- Large choice of candidates.
- New individuals with new ideas.
- Applicants many wide experience.
- Greater flexibility up- to date education and training

Disadvantages

- Long process of recruitment, selection and appointment.
- Costly advertising/ or agency fees.
- Difficulties in assessing suitability of candidates.

- Reduced promotion opportunities might be discouraging to current employee

Consultancies

NGOs recruit candidates with the help of a consultant made for the special purposes of obtaining the services qualified persons. Consultants, services shall be governed by the rules stated in respective consultancy agreements.

2.6 PROBLEMS IN RECRUITMENT & SELECTION

Although, all the organization maintain recruitment and selection guidelines, but these are not implemented strictly in many organizations, due to the following reasons:

- Political Environment- most of the organizations are operating in political environment and these NGOs are effected by these political environments and political pressures which also affected the recruitment and selection process of the organizations.
- Lack of financial resources
- Lack of other resources i.e administrative and management resources
- Lack of time
- favoritism
- donor's direct involvement in the process

Chapter 3

STAFFING

3.1 LOCALLY EMPLOYED STAFF

Limited Contract

NGOs employ employees for different projects on the contract basis for a specific time but the specific time is not clear, it may be for a month, year or more. But on the completion of a specific project the employment of an employee may be terminated. In any case, NGOs must do a proper contract/agreement with the new employee in which all the terms and conditions are mention [15].

Employment at Will

All employees are employed at the will of the organization in NGOs. Top management/selection committee may give the approval of the employment. Employees are contracted at the request of the component coordinator and under the authority of the Executive Director. Employment contracts are subject to the termination at any time if a person is found guilty of misconduct or repetitive violation of the rules and regulations of the organization. Such termination shall not be questionable or challengeable in any court of law including labor court. At the same time, employees may terminate their employment at any time for any reason, but both the organization and employee may inform each other before one month of living the employment [16].

3.2 EMPLOYMENT CATEGORIES

Regular or Permanent Employment

A regular employee is hired on a renewable contract of not more than one year and all the new employees have to spend the probation period of three months [6]. A permanent employee is an employee appointed on a permanent post against a permanent vacancy under a proper letter of appointment and signature of Appointing Authority. This category does not include an employee who is on probation or who is

a trainee or who is casual or temporary or is on a contract or is working as a consultant [17].

Part Time Employee

A part time employee is an employee who works for less than 45 hours and is appointed on a limited basis. A probationer is an employee who is provisionally employed with a view to filling up a permanent post against a permanent vacancy. The probation period will be 3 months (which may be extended at the discretion of the management) during which the employee's attitude and performance under actual working conditions is evaluated. The employee may or may not be confirmed after that period. If confirmed, the employee will be considered as a permanent employee of the Society or any affiliated units. [18]

Paid Staff

Paid staff is the employees to whom a regular salary or wages are paid either on monthly or timely bases. All the NGOs paid staff is paid on monthly basis either through bank cheque or cash, the final order is approved by the Finance & Administration Component followed by the Executive Director [19].

Volunteer

The volunteerism is the strength of NGOs. Numerous volunteers work in different organizations; some NGOs provide a very good environment of learning to these volunteers. These volunteers play very important role in the executing of the organization activities, although NGOs provide the opportunities of learning to the fresh graduates but it also takes great efforts from these volunteers. NGOs also provide them two time tea and lunch and also stipend for the purpose of motivation and encouragement, which has its effect on their performance [8].

Consultancy

A consultant is a professional who is employed to complete a project based on terms of reference described in the contract. Consultants are generally responsible for completing assigned work within a stipulated time frame. "A consultant may be hired for specific professional work that cannot be carried out by regular employees. Remunerati

on is based on the amount allocated in project terms of reference (TOR), payable on the completion of the task. Consultants are not eligible for overtime or standard employment benefits” [20].

Contract for Service

An individual or a company may be contracted to provide NGO'S with a particular service, such as maintenance of computer equipment or the repair of a roof etc. These individuals are not considered as NGOs employees and therefore are not entitled to any standard employment benefits or compensation other than the agreed fee for service. They shall be paid the agreed fee [21].

Probationary Period

All new employees or promoted employees are subject to ninety- (90) calendar days probationary period. During this span of time, if employee's performance is not found to the mark he or she can be terminated or demoted without any prior notice [22].

Resource Person

Some NGOs also hire a resource person for a specific training workshop or constancy. They are fully paid on timely basis. NGOs are under no obligation to provide any kind of benefits or compensation other than the agreed fee for service” [23].

3.3 WORK SCHEDULE

NGOs Office Hours

Normal working week is composed of 40 hours, divided into five (5) working days. Office hours begin at 8:00 AM sharp in the morning till 4:00 PM in the evening. These working hours are inclusive of a one-hour lunch/prayer break. The staff should avail this break in their schedule, so that the offices are not left vacant at any time during working hours.

Special Schedules

Some employees may be asked to work an adjusted or special work schedule in order to accommodate their work assignments to meet the expectations of their positions.

For instance, drivers or cooks may be contracted to work a total of 40-45 hours per week on any combination of days, including Friday and Sunday, but not to exceed 12 hours per shift.

Holidays

All national holidays will be recognized as holidays in the NGOs. Holidays are decided annually, in advance, by the Executive Director, and are based on those holidays gazetted by the national government. Any employee who is required to work on a public holiday will be entitled for overtime payment and a day off from the work.

Leave

In addition to official holidays, NGOs offer extra leave for its regular employees divided into the following disciplines.

Annual Leave

Casual Leave

Festival Leave

Sick Leave

Compassionate Leave

Meals and Housing

Although NGOs are under no obligation to provide meals and accommodation facilities for employees but even than most of NGOs provide food to its employees with two-time tea refreshment while in other NGOs the employees are responsible for their own food while NGO only provides tea refreshment [24].

3.4 OFFICIAL TRAVEL

Travel Outside the Duty Station

“Duty station” means that area in which the employees are assigned to work and in which the project works is normally conducted and “Official Travel” is any travel outside of the assigned duty station. An employee must be informed well in advance about the official travel outside the duty station [25].

Transportation

NGOs provide transportation for its staff members for field visits and for pick and drop services. Transport service is providing free of charge. The employee's shall not use vehicles, which take staff to different resource centers or for field visits, for personal purposes. No one is allowed to use any of NGOs vehicles to transport family members or friends. Drivers are responsible for the safety of their passengers as well as security of the vehicle. They need to be careful and well acquainted with driving rules and skills. Together with the stated purposes the NGOs vehicles can also be used for the below give purposes:

- a) Vehicles can be used if any emergency occurs on the premises, which required hospital treatment.
- b) For certain recreational activities planned and approved by the management.
- c) Certain other official purposes for which the management approval has been granted [26].

Travel Stipend

All employees of NGOs receive travel stipends while on official out station duty. It should be noted that travel stipends are to cover the cost of travel expenses only and not intended, nor should they be treated as salary supplements. Variation in travel stipends is depending on the ranks of the managerial staff. Travel stipends are determined on market survey, including typical costs in the various locals and comparison with stipends paid by other NGOs.

All cash advances must be approved by the appropriate coordinator and approved by the Executive Director or his/her designate. Reimbursements prepared only where there are actual receipts and a handwritten receipt where necessary indicating the vendor, date and place of purchase and items purchased. Expense reports or receipts should be prepared and submitted to the Finance and Administration Component [27].

3.5 GUEST HOUSING

Guesthouse facility will be provided to employees who are on duty outside station. If

the NGOs cannot arrange guesthouse facility, then the employees will be required to arrange for themselves for overnight stay and the NGOs will pay them extra stipend within certain limits to cover that cost of overnight housing. The organizations will also provide them transport facility or cost of transport to and from the guesthouse.

3.6 EMPLOYMENT ACTIONS

Employment actions include any action taken that affects, or affect the employment status of an individual e.g. hiring, firing, rehiring, promotions or other status change of close of service [28].

Hiring

For all newly created posts, NGOs hire employees from outside. Hiring is done through a selection committee, usually consists of Executive Director, HR Coordinator, and coordinator of the concerned component and other members of the managerial cadre. The selection process should be clear and standardized. The individual selected will receive a formal offer for acceptance of employment through appointment letter. The newly hired individual shall be given an orientation about the whole organization for the first day.

Re-Hiring

Any employee who has left the NGOs in good standing can be eligible for re-hiring, but he or she has to complete in the selection process with other applicants. If two or more applicants are equally qualified for the vacant position; the former employee will be given priority. If in case both were former employee of NGOs and are equally qualified that the one with higher seniority level, length of service and with sound record, will be considered first for the employment.

Promotion

For promotion, usually organization employees are considered first, if they fulfill all the requirements and capabilities of a certain job. In addition, he or she has been a good performer on his current position. If the management feels a need to announce the promoted version of job, then the employee has to complete with other applicants

in the selection process.

New Employee Orientation

Orientation is a formal welcoming process that is designed to make the new employee feel comfortable, informed about the organization, and prepared for his/her position. New employee orientation is conducted by a Human Resources representative, and includes an overview of an NGO's history, an explanation of its core values, vision, and mission; and the organization's goals and objectives. In addition, the new employee is given an overview of benefits, and will complete any necessary paperwork. Employees are presented with all procedures needed within the workplace. The new employee's supervisor then introduces the new hire to staff throughout the organization, reviews his job description and scope of position, explains the organization's evaluation procedures, and helps the new employee get started on specific functions.

Service Certificate

All employees at the time of termination with the NGOs are entitled to serve a service certificate stating the length of service in organization. Employee may request for a recommendation letter from their supervisors. NGOs are not obligated to issue a letter of recommendation to any employee who is not in good standing with NGOs at the time of termination [29].

Chapter 4

TRAINING AND DEVELOPMENT

Selecting and placing employees in jobs does not ensure their success. New employees are often uncertain about their roles and responsibilities. In order to make them aware with their roles and responsibilities in an organization, many organizations offer a lot of training programs to their employees. Training is not only important and essential to the new employees but is also very important for the current employees. Once employees have been trained and have mastered their jobs, they may need further development to prepare for their future responsibilities. “Training helps employees do their current jobs; the benefits of training may extent throughout a person’s career and help develop that person for further responsibilities”[30]. In HRM Component of NGOs, training may so call as a spinal cord. In today’s ever increasing working competitiveness, technological revolution, and latest information technology revolution, any organization which is oblivious to the importance of training-grooming their personal to meet the current world challenges is digging her grave [8].

In Pakistan, the NGOs gives more concentration to training that is why, for training and development, NGOs usually establish its own component from the beginning. This is because training is the only instrument, which makes the employee abreast with latest development, removes their deficiencies and hence increases their productivity, which is clearly the ultimate objective of the organization. “The organization, which is investing in the improvement and development of its human capital i.e. training, helps the dividends, if other wise losses are bound to occur because it is the person who makes the organization successful and hence employees deserve to be groomed and trained for perfection”[31].

This component is usually having two aims basically; one is to training and development of its own staff and the second is that, this component also arranges

many training programs in the capacity building of the human capital for different Government Organizations (GO) and NGOs time by time.

“Training is very vital component of HRM. It is the systematic program of the organization, which aims at increasing the attitudes knowledge, skills and abilities of the workers”[32].

4.1 TRAINING DEFINED

Training is an artificially created learning environment in which certain objectives are to be achieved. It is important for manpower development, thus training is a crucial management function. Training programs are necessary to improve the quality of work of all employees at all level.

Some of the important definitions of training are:

- “Learning opportunities (for example, courses and workshops) that focus on workplace learning and performance”[33]
- “Training is the act of increasing the knowledge and skill of an employee for doing a particular job”[34]
- “Classroom instruction, job-site safety meetings, on-the-job training, and written materials provided to employees to make them aware of workplace hazards and how to prevent accidents and illnesses”[35]

A comprehensive definition of training formulated by another author as follows. “Training is a systematic programme of the organization which aims at increasing the aptitudes, skills and abilities of the workers to perform specific jobs and through it, the employee will acquire new manipulative skills, technical knowledge, problem solving ability or attitudes”[36]

So training may be said as an organization procedure for the better performance on the job.

4.2 WITH AN INITIAL FOCUS ON TRAINING

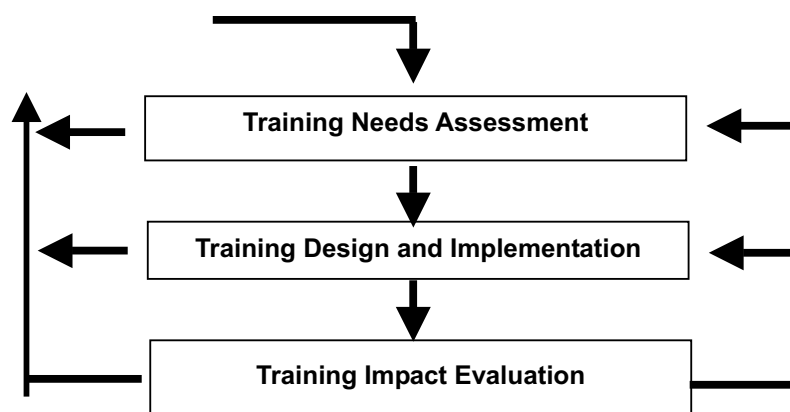
Let’s assume for a moment that someone in organization will be responsible

for training paid employees and volunteers and that training is a management priority. Given this possibility, and applaud it, there are several things that need to be done for training to have a positive impact on the performance of the organization. The first task is to develop reliable data about the need for training and how it should be delivered and evaluated.

- Who is to be trained?
- In what are they to be trained?
- By whom are they to be trained?
- How are they to be trained?
- How is the impact of training on the individual's performance to be evaluated?

Embodied in the response to these five questions are the essential components of a quality training component to the HRD process: training needs assessment, training design and delivery, and training impact evaluation. The relationship of these three essential components of an effective training program is shown in Figure.8

Figure 8: Typical Training Process in an NGO



Source: United Nations Centre for Human Settlements “*Building NGO/CBO Capacity through Managing & Developing Human Resources (Part 1) Concepts & Strategies*” HS/656/02E

4.3 TRAINING IN THE NGOS

NGOs always try to produce new and new training programs for the community organizations as well as for their own staff. The organizations always look for the aims from the training. The HRM Component of the NGOs plan, organize and execute/arrange training for the community organizations and the staff whenever they feel the need of the training. For other technical training's and workshop, NGOs work in the close collaboration with the relevant NGOs or other government departments. NGOs generally act as a resource center and make all the arrangement for training workshops. The HRM Component of the NGOs organizes training workshops in different areas.

4.4 TRAINING IN HRM COMPONENT

Most of the NGOs have their own resource centers, capacity building continues to be the primary focus of NGOs, enabling Community Organizations (COs)/Women Organizations (WOs) to respond their communities' specific needs on a sustainable basis. "HRM Component aims to place significant emphasis on improving the potential among the staff as well as the community members"[20]. This component provides training for NGO staff, village level activists and the staff of other NGOs working in the same area. At the staff level this means enhancing skills in effective communication and effective writing, social organization, identification and training of activists as social organizers and introduction and application of Participatory Rural Appraisal techniques and other analytical tools. At the community level, HRM Component conducts training for the village level and activists in managerial skills such as strategic planning, leadership, management etc.

4.5 AIMS OF TRAINING

"The main reason for undertaking training is for the organization to ensure that it achieves the best possible return from its investment in its most important resource its employees"[37].

4.6 OBJECTIVE OF TRAINING

The objective of this component is to develop the skills and knowledge needed to an individual to perform his/her job effectively and efficiently and to manage rural resources through participatory institutions. The primary beneficiaries of this component include NGO staff, local leaders/activists and community organizations or women organizations members. “The objective of staff training is to enhance employee’s abilities to plan, implement, manage and monitor the program component with clarity of concept and comprehensive understanding of the program approach while objective of local activists is to strengthen their awareness of development issues and necessary skills for being effective motivators, and technical resource persons for their communities”[38]. “The overall goal is to create a cadre of community leaders and managers to act as a link between the NGO’S and the communities and between the government and the communities”[39]. The objective of training community organization is to build capacities of the men and women and to increase productivity and income generating capacities.

4.7 METHODOLOGY OF TRAINING

Under training component, NGO plans, organizes and executes/arranges training courses for community organizations and the staff after due consultation and with the intended beneficiaries and objectives. For technical and other training workshops, the NGO works in the close collaboration with the relevant sections and other government departments. Technical training is carried out by the concerned section for which HRM Component provides support in the form of advice for curriculum development, resource persons and generally acts as a resource center for making administrative arrangements for training and workshops.

4.8 COMMUNITY TRAINING

It is important for sustainable development of the rural areas through participatory approach that people's participation shall remain part and parcel of the whole process from the beginning. As most of the NGOs are working in the rural areas of Pakistan, so the basic aim of the organizations are to actually work for the community with the participatory approach of the development. Many NGO's working on the same approach to alleviate the poverty at the gross root level and the pave their way towards sustainable development. NGOs want to empower the people to such and help them to regenerate the revenue. The community is divided into following main classes

- *Activists Training*
- *Enterprise Training*
- *Primary Education*

It is not possible for an organization to work in a programme area for the lifetime without paying any attention to other area s of the region under its programme. HRM Component thus, makes it sure that the people should take full advantage of the training give to them in order to continue the development.

Activists Training

Most of the NGOs work in the rural areas of Pakistan to help poverty alleviation. All development related rural activities of NGO are carried through gross-root or the village organizations or community organizations and its basic objective is to promote and establish a process that leads to sustainable development in programme area. For the fulfillment of the above objective the HRM Component relies on the active members are carried out with the help of their ability and committed to run their organization on their own, now these committed people are known as the "Activists".

These activists are supported by the communities as well as by the NGO. They help the organizations for their smooth running and make their work easy. The expansion of the NGO with the passage of time and with the burden of the new projects, it is not

possible to keep and finance a staff beyond its meager resource. It is therefore, necessary that local activists are encouraged and involved in the programme for successful achievements of the NGO objectives. It is only the genuine activists who can harness the potential of the people and not the people who are outside the organization or outsiders.

HRM Component also considers that activists and their organization shall be strengthened in such away that they manage all developmental related activities with confidence and self-reliance. There are two kinds of activists, one who can run their organization, second those who can assist and guide the organizations developmental activities with sustainability.

For the enhancement of the activists managerial skills and technical knowledge, HRM Component of the NGO arranges and design courses, plus conduct training programme in a number of fields. Some of the courses are design for the leaders and activists from the communities, working in collaboration with the NGO; the following are some of the courses which are designed in the participatory:

Capacity Building of CMC

Credit Management Committees established at the local level are facilitated to strengthen the MSEs. The CMCs are enabled, through formal and informal capacity building training, to effectively perform its responsibilities including market study for identification of profitable businesses, identification of potential Entrepreneurs and assessing their needs, and coordinating with them to run their enterprises in more effective and profitable manner. After the final appraisal and approval of the business proposal, the potential Entrepreneurs are imparted business development services for productive utilization of the loan. These include enhancement of technical, marketing and business improvement skills, bookkeeping and accounts and saving techniques etc [40].

Basic Course

The “basic course” for community leaders covers conceptual clarity on community development, record keeping and the importance of linkages with the organization and secretaries. Two or one person from each CO/WO can participate in the course. Such course organized at the SOU (Sub Organization Unit) level.

Leadership and Management Skill Training (LMST)

One of the training levels is Leadership and Management Skill Training, which is also known as the LMST training for the activists and training under this concept are in progress. The training is more advanced in the concept dealing with the managerial and leadership issues and the main aspect is the management at the grass root or village level institutions. This course cover the whole style of the leadership, that of the activists, activities implement by the CO, financial management such as credit, bank statement, profit distribution etc. The participants for the training are carefully selected with the idea that they would be able to initially assist the SO (Social Organizers male and female both). NGOs actually want to hand over the responsibilities of the SO and also to assists them in their work. The strategy of the community leader in the social organization has been recently adopted by the NGOs because with time passing the work and the task is expending and complex.

Micro Finance Training

As micro finance is one of the hot issues in the NGO’s, to develop and regenerate the wealth through interest free micro financing or through the small and medium enterprise. So the credit and enterprise is the essential key areas of the NGO and the course designed for them is to increase rural communities’ access to credit for productive purposes. The HRM Component of the NGO arranges the access of the members of CO/WOs to meet their needs by their own and institution credit coursers “The Credit Management Committee (CMC) programme encourages interest free micro-enterprise development to achieve higher productivity and increased incomes for the rural communities The linkages of the entrepreneur accessible to the market is also through in the courses develop for the enterprise”[41]

These training courses include basic accountancy skill to the trainees such training helps the trainees to increase the potential for the self-employment, small business and small based enterprise and also expand the CMC Programmes. This also provides new doors and chances for more self-employment opportunities these small based enterprises are the grocers, small fruit shops, embroideries, dying and tailoring etc improved technologies such as mini-wheat threshers, incubators, mold board ploughs and peanut sheller are usually demonstrated to the villagers, and some of these are sold to the communities as well.

Primary Education Training

“HRM Component of NGOs, sometime also help in implementation of the NGO’s primary education programme which works for setting up adult literacy centers, child literacy centers and community-based schools”[42]. As education is the main components of the human beings and without the fulfillment of this basic need they can’t survive, so some of the NGOs are also make a clear plan about the need of the activities which will certainty improve the living condition of the society and reduce alleviate the poverty specified program areas of the NGOs. The education level of the country is also very weak and especially in the rural areas. There are no schools at the local village level and in fact there is no aesthetic sense in the normal human being living in the villages due to the unfair distribution of wealth among the cities and villages. In this programme they work for setting up adult’s literacy centers and the community based schools. The main focus of this programme is to create and show a model of community participation in the education sector. The gender development also comes under the main responsibilities of the HRM Component. The NGOs try to spread over the gender issues through the social sector and they have combine section.

4.9 STAFF DEVELOPMENT TRAINING

On staff development front, the HRM component make substantial efforts towards clarifying the conceptual issues implementation methodologies and procedures. Staff not only benefits from the in-house training capacity but also is sent for training programmes to polish up their skills and gain exposure. The NGOs carry such

programs, which upgrade the skills and new technology techniques through the training. This is being done through creating appropriate forums for focused discussion based on NGO's experience in the program area as well as by bringing in experienced individuals from outside to facilitate and maintain certain objectivity in achieving the meaningful objectives

4.10 HUMAN RESOURCE DEVELOPMENT (HRD)

The NGO sector is growing wider by the day. To keep up with the challenges of its numerical expansion and conceptual maturity, work on new ideas and broad base the available resource of human expertise, it is necessary to train young, talented and inexperienced graduates in practical aspects of development theories. Keeping in view the wide gap between academic knowledge and its practical implementation, the students, even after graduating from the universities, lack the capacity to understand how to put their theoretical knowledge into practice. On the other hand all governmental and non-governmental organizations search for hiring only well experienced people so they could start their programmes instantly and avoid spending on the costly and time consuming process of capacity building of the new graduates [43].

Some organizations do hire interns and provide them on-the-job training but in that case too, their orientation remains confined to a particular area. Resultantly a valuable potential is lying unutilized and stagnated in the form of unemployed youth. This situation calls for evolving and executing an effective programme strategy and establishing a potential institute dedicated towards building and promoting skills and capacity of fresh university graduates and on job development professionals. This would lead to enhance the effectiveness and productivity of the non-profit development sector.

In view of its strategy for HRM, the NGOs have also decided to embark on practical implementation of certain projects in different field depending upon on their thematic programmatic areas– including the entire project that address causes and effects of poverty.

In order to achieve the priorities and needs of the impoverished communities and a proper building of capacities in these poverty-stricken areas was not possible without the assistance of the HRM Component. As for as the need of such component was also really felt in the organizations, because the staff morale is also the main the focus of the NGOs and they also want to meet new challenges and goals so the employees must be updated with current living (salary), their development in future long-term aspects, training and the proper rights. HRM Component is also act like a bridge between development agencies and different NGOs.

Some NGOs do not limit its services to its staff and community but also helps other NGOs working whom same aims and objectives. Generally NGOs work and aim to provide:

- Identifying the individual needs at the village (grass root) levels and develops their managerial and technical skills.
- It tries to updates their employees understanding towards conceptual participatory development.
- Provide services to the Governmental and Non-government organizations in these above areas i.e. capacity building, training, project proposal development, primary education, poverty alleviation, community organization and participatory approaches to development.

NGOs are also focusing on basic and advance courses for its own and staff of other government and link agencies. As the existence of the department definitely involves certain objectives, which are given below [26]:

Objectives of the HRD

The HRD strives to achieve high staff morale through various methods, techniques, and financial and non-financial incentives such as salary increment, performance cash awards, promotion, training and exposure trips etc. They also upgrade the managerial skills and technical skills of the both staff and communities. For the reason they worked together to alleviate poverty from the country.

Specific Aims of HRD

There are many aims of the HRD but these all made to achieve the organization

objectives and goals. Some of them are listed below:

Human capital is the most expensive asset of an organization and the staff or the employees are also the major concern of the HRD. So to understand the staff issues regarding to the participatory development.

- Regarding the specified aims of the organization is to identify the individuals as well as the groups. Plus develop their skills i.e. managerial and technical; to use their resources effectively through their community based organizations.
- To facilitate the governmental and non-governmental organization in providing them training in any or the developmental issues majorly.
- To conduct training need assessment of the communities, different organizations, and staff of NGOs along with the professionals working in the field of participatory approach.
- To enhance the capacity and build the skills of the community members for eradication poverty through linkage development.
- To provide the data required to the funding agencies and to work as resource pool for the agencies working in the development sector through the programme area.
- Also to provide the data about employee's performances required by any component of the organization.

Main objectives of the HRD is to upgrade and provide technical and managerial skills to improve better management and leadership of the communities for the purpose of poverty alleviation as sustainable development at the grassroots level. Target groups and activities of HRD in NGOs maybe the following but not limited to:

- All the staff of the NGOs including the Upper Management, Middle or the Professionals and the lower level or the Support staff.
- Training assessment required both for the communities and staff.
- Training staff of the line agencies, government departments and other non-governmental organizations.
- Follow up of the training programmes conducted by the NGOs
- Capital generation, skill enhancement and capacity building.
- Social mobilization and organization training for the communities [26].

Chapter 5

COMPENSATION AND BENEFITS

While most managers in the non-governmental sector realize that their work environments change constantly and the way they serve their clients and the community must change to keep the pace, few think of the pay process as dynamic and capable of evolving as well [44].

The word compensation is really like by the employees, because they are receiving returns of their hard works in the form of compensation. The compensation defined as “the adequate and equitable remuneration of personnel for their contributions to organization objectives”[45]. It is one of the operative functions of personnel management.

Further the motivation of the employees lies beneath the similar word; therefore the management always has deep concern for the motivation level of the staff. When the organization managed it correctly, it helps the organization achieve its objectives and obtain, maintain and retain productive employees. Compensation programs are designed to do three things or objectives of compensation are as follows [46].

- To attract capable employees to the organization to the organization.
- To motivate them toward superior performance.
- To retain their services over an extended period of time.
- The system must keep the external element such as law and regulation of the government, while preparing the compensation plan.

5.1 IN THE CONTEXT OF THE NGOS

The NGOs also take care of the above compensation objectives while making the compensation plan for the organization. The compensation plan of the organization is divided into two types of compensation i.e. direct organization or the financial compensation, and the second one is the Indirect or the Non- Financial compensation [47].

5.2 FINANCIAL OR THE DIRECT COMPENSATIONS

“Rewards may or may not enhance the employee’s financial well-being. If they so, they can do this directly, for instance, through wages, bonuses, or profit sharing, or indirectly, through employer-subsidized benefits such as retirement plans, paid vacations, paid sick leaves, and purchase discounts”[48]. The financial benefits cover the monetary terms. “The wages or salaries pay for performance etc. The HRM Component of the NGOs relate with the both compensation and making plan for the staff. Once the HRM Component makes some new plans then it is send to the Executive Director for the approval. So Executive Director along with BODs gives the approval for the implementation of the plan. The job analysis makes things easy for the compensation plan of the NGOs and for the HRM Component as well. In the appointment letter of the NGOs the whole number of benefit is mentioned for the new comer to the organization”[49]. The following are the financial compensation given by the organization:

Monthly Salary

The HRM Component when appoints a new employee so the individual get the appointment. Before signing the letter, the newcomer checks the monthly salary written in the letter. Further if the individual has some doubt in there so that must be clear before joining the organization. In the NGOs there is mostly time based wage system. The pays are in lump-sum manner means all the fringe benefits financial given by the NGO is mentioned by the HRM Component.

Travel Allowance or Daily Allowance (TA/DA)

The NGOs also give the travel allowance or the daily allowance to their staff. The NGOs provide the conveyance for the official visits to the field and also give TA/DA. All the staff employees in high rank like program or component coordinator or project manager/Team Leader will be provided official vehicles to travel in the regions (regions where the NGOs operate for their objectives) for the official purpose, while the employees in low rank e.g. staff supporter or assistance will use the personal public transport. Further for the overnight stay in the regions the staff will provide hostels

where possible else they will pay per room according to the rules. But the hotel bill will be received at the arrival of the employee. Personal expenses if any included in the bill will deducted from the employee personal account.

Salary Increments

The HRM Component also responsible for the salary increments per year to the employee but with the availability of the funds. Salary increment plays a vital role in the motivation of the employees because the expenses of the families are increasing day by day.

5.2 NON-FINANCIAL OR INDIRECT COMPENSATION

The below benefits are related to the non-monetary terms like Appreciation Letters, Leaves, Exposure Trips, Group Insurance, Training's, and Medical etc. Further the non-Financial or indirect compensation covers the security, safety and health and benefits. The HRM Component compensates the employee of the NGOs in the following non-financial compensation [50].

Staff Medical

The entire employee whether regular or during the probation period will be provided with medical facility by the organization. According to the rules "the employees will be covered by medical insurance policy, which will cover the medical treatment expenses for the employee, one spouse, and unmarried below 21 years old age". Further the employee health is the NGOs major concern, which will help the organizations in achieving their goals and objectives.

Leaves

The employees are also given casual leave of 12 working days a year means 1 day a month, but they are not encashed. Similarly an employee will be allowed a total of 12 days working sick leave will pay per year. Application for the sick leave more than of two days will be attached a medical certificate.

Married female is permitted by the NGOs to avail the maternity leave for 8 weeks with pay for each confinement period. This privilege can only be availed only after the completion of probation period. Further the Leave without pay shall be considered the right of the employee but with the recommendation of the Component Coordinator or Executive Director. The permission can only be given for two months maximum.

Appreciation Letter

The HRM Component also recommends an employee for the appreciation letter. Further the Executive Director has the authority to issue letters in the honor of the employee for his/ her outstanding work for the organization. The motivation level of the employee not only relies on the financial appreciation but there is some employee who loves that their hard work should be appreciated by the organization.

Exposure Trips and Trainings

Another form of the compensation is that the employees should be given some break and should enjoy his or her life with his or her family also. So the NGO also gives breaks on the demand of employees in order to reduce the job stress from the employees. Another type of the compensation is the arrangement of the trainings programme by the HRM Component inside or outside the region. So, in a similar fashion the employees get some break also and with that they completed their trainings as well. The staff of NGOs also gets many opportunities of training workshops, seminars or conferences in the head office of NGOs. This is not the end of the compensation given by the NGOs and HRM Component, it is just a start taken by the organization with the help of the HRM Component. The component aims that the employees of the NGOs should get maximum possible and rational compensation both financial and non-financial.

5.4 PERFORMANCE APPRAISAL

Performance appraisal is the system by which organizations evaluate individual job performance. It is defined as “evaluating performance to encourage worker motivation and performance and to provide information to be used in managerial decision making” [51]. Moreover it is about the employee performance and the accountability. As the world is now global village and the competitor is watching other companies, so the organizations need high performance. At the same time the employees need back on their performance guide for their future behavior. So the output of the organization depends upon the feedback provided to the employee timely. Especially the newcomer to the organization needs to understand their jobs and their work setting. The longer service employees also want positive feedback on the good things they do. So the NGOs are organizations where the management feels about the employees. The employees feel sense of belongingness in return. HRM Component always takes this opportunity to evaluate the performance of the employees. The appraisal system also helps the management of the NGOs to help the coordinators with placement, pay and other HR decisions. An overall satisfactory performance is a pre-condition for contract renewal. Employees must receive satisfactory or above rating in every area in order to be eligible for a salary increase upon contract renewal.

Immediate Supervisor

The NGOs provide their staff with the approach of the immediate supervisor. Now the person who is observing you every time is the immediate boss. This approach is also called the 360 days degrees approach because the boss is keeping an eye on his or her subordinates from every possible angle. There is system in some NGOs that employee and his/her supervisor are both observing their duties and both are trying to get good positive outcome for the organization.

Self Appraisals

Getting employees to conduct a self-appraisal can be a useful evaluation technique if the goal of evaluation is to further self-development. When employees evaluate themselves, defensive behavior is less likely to occur and self-improvement is thus

more likely. The employee's involvement in and commitment to the improvement process is the important dimension of the appraisal system.

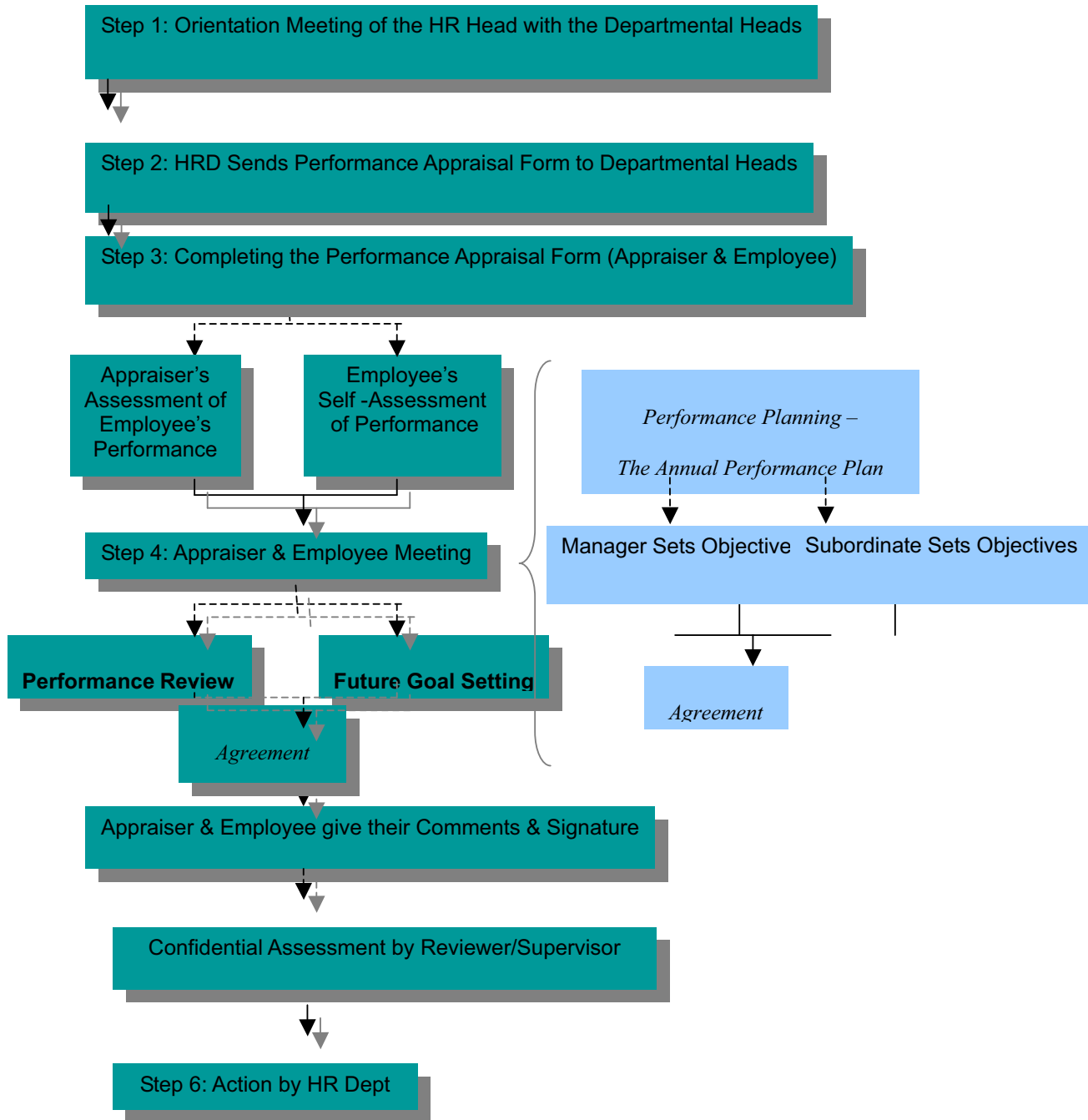
Performance Evaluation Reports

The HRM Component and the finance section of the NGOs are responsible for managing the performance evaluation system and for ensuring that supervisors complete reviews in a timely manner. The success of the successful performance appraisal system requires more than a good technique. It depends on consistent approach for comparability of result, clear standards and measures, and bias-free ratings. Using multiple raters, even peers, suggests multiple viewpoints, which may reduce biases and offer a better evaluation. This will definitely promote employees feel the process is fair and equally balanced.

Feedback of HRM Component

The proper feedback would be the key to success. Proper feedback is a critical activity of HRM Component. "Its goal is to provide an accurate picture of the past and future employee performance. HR specialists of the NGOs need to monitor carefully the results of the organizations performance appraisal process. These results can serve as a barometer of the entire HRM function"[52]. Further more the appraisal system serves as a foundation for the compensation and benefits.

Figure 9: Overview - Performance Appraisal Process



Source: LASOONA-Society for Human & Natural Resource Development “HR Manual”, (2006)

Chapter 6

SUMMARY AND CONCLUSION

The role of NGOs in the development of society organizations, and its substantial contribution to the socio-economic and political development in Pakistan is inevitable. Many NGOs in Pakistan had gained local and international recognition because of their commendable work in different sectors. These organizations vary greatly in terms of their size, competence, and transparency, focus and impact. They address a varying range of issues from education, income generation, micro-finance, irrigation, health, poverty alleviation, environment, advocacy/ research, agriculture/food, disaster management, economy, emergency relief, environmental/NRM, forestry, gender development, good governance, humanitarian relief, infrastructure development, institution strengthening, rural development, to democracy and rights in the country.

These NGOs have a strong existence since Independence of Pakistan in 1947. These NGOs have effectively participated and have worked for rehabilitation, social welfare and betterment of the society. These NGOs also serve the poor and marginalized people at grass root level. There are more than 45,000 NGOs in Pakistan working in more than 40 different program thematic areas. Most of the NGOs are small and community-based organizations. However, a significant number of them are graduating to a higher level of professionalism. They are not only realizing the need for institutionalizing processes and systems, but also making remarkable stride in their organizational development and management process. There is also few organizations needed support to enhance their management capacities for an optimum utilization of resources as well as service delivery to the marginalized sections of society.

In this thesis, different human resource management functions in nonprofit development NGO's in Pakistan are discussed at strategic implementation level. HRM and its integral function of recruitment and selection, training and developing, performance appraisal and compensation management are the most important and

personally rewarding managerial responsibilities within NGOs. The success or failure of every NGO will depend in large measure on its ability to attract, develop, and hold committed people and its success will also depend, in large measure, on how effective an NGO is in:

- *establishing* systems and procedures that facilitate the flow of individuals through organization from initial recruitment to departure; and,
- *infusing* throughout the organization a caring and supportive approach to the day-to-day implementation of human resource management challenges and opportunities.

HRM is an awesome responsibility undertaken on behalf of others. It is concluded that the first sign that is needed to expand the organization's human resources until they exit the organization for whatever reason, there are many tasks to be done and decisions to make in managing and developing an organization's human resources. They require constant diligence on the part of managers and others who bear the responsibility for HRM.

6.0 FUTURE HRM POLICIES RECOMMENDATIONS

For this thesis, the author has deeply studied the HRM program of four organizations⁷. On the basis of his research, it is concluded that in most of the organizations, they don't have proper HR Plan, it may be due to their unavailability of strategic plan, lack of financial and other resources, incapable of HR, no donor support in terms of both financial and supportive, no check and balance from outside organizations, or lack of board and management commitment. If the organizations have HR plan then it is also sometime cannot be implemented properly due to the lack of monitoring and evaluation system. So here the role of donors and the partner organizations is inevitable. Before making any partnership and agreements donors and other partner

1. Sarhad Rural Support Program (SRSP), Available (on-line) <http://www.srsp.org.pk>
2. Institute of Research & Development Studies (IRDS) <http://www.theirc.org/>
3. International Rescue Committee (IRC) <http://www.irds.org.pk>
4. LASOONA-Society for Human & Natural Resource Development, Available (on-line) <http://www.lasoonna.org>. I am serving LASOONA as Program Manager Finance & Administration/HR, since 2004.

organizations should ensure whether the organizations have properly HR system and that is also implemented properly or not.

On the basis of author's research and key findings, the following HR policies are suggested for NGO's:

6.1 RECRUITMENT AND SELECTION POLICY

The most important element of the recruitment process is to ensure transparency and fairness without any bias and favoritism and gender discrimination in the hiring process. The NGO's approach to recruitment and selection of employees should be based on merit. NGO's should have an equal opportunity employer and committed to ensuring a transparent recruitment process.

NGO's should make reasonable accommodations for qualified individuals with known disabilities unless doing so would result in an undue hardship. This policy governs all aspects of employment, including recruitment and selection.

Mentioned below is a brief overview of how various hierarchical positions can be appointed within the organization;

- The operational head of the organization i.e. the Executive Director/Chief Executive Officer should be appointed by the Board of Directors (BoD) of the Organization.
- All managerial level positions e.g. Project Managers, Team Leaders, Administration, Finance, Operations, Engineering, Policy & Research, etc should be made by the Executive Director in consultation with the Chairman of the BoD.
- For recruitment at any mid-level managerial position it should be through head hunting or an advertisement will be posted at any one of the National or local Dailies. Short listing should be done against a laid out criteria and

tests/interviews need to be conducted by a panel of officials' senior than the positions advertised. It is preferred to have at least one board member on the interviewing panel along with the Executive Director.

- For entry level/junior positions selection can be made through head hunting, posting the position on the web, through circulation of posts to various relevant organizations etc. The interview panel for such positions should constitute at least one managerial level position. The idea is to ensure that the process is transparent and fair.
- All appointments should be made, clearly indicating the terms of reference and conditions of employment. The letter of employment has to be addressed to the employee and a copy signed by the employee has to be kept in official record.
- Similar procedure should be followed for consultants and interns.

Since most of the organizations are operating in political environments so these NGOs are also greatly influenced by the political pressure which greatly influences the recruitment and selection process of the organizations. In order to get competent HR, the selection and recruitment process should be strictly transparent. The board members should be involved in the process and it should be strictly limited to secrecy of the organizations.

6.2 TRAINING & DEVELOPMENT POLICY

After placing the competent people on the jobs, they might not be able to handle their jobs very well and they may need further training and development programs to improve their skills, attitudes, and capabilities to perform their jobs in the effective and efficient way. Since most of the organizations cannot afford such programs at their own costs, so they may ask donors or other external organizations for such programs.

The organization should be committed to provide appropriate and necessary training, both on-the-job and through training courses, to every team member

according to his/her job description to enable them to perform assigned duties in the best possible manner.

The objectives of training & development of the organization should be:

- Systematic planning to support organizational mission
- Increased capacity to achieve the organization's goals
- Clear definition of each employee's work responsibilities and link to organization mission
- Greater equity between compensation and level of responsibility
- Defined levels of supervision and management support
- Increased level of performance and efficient utilization of employees skills and knowledge
- Cost savings through improved efficiency and productivity
- Increased ability to manage change

The two core areas in which training can be provided are:

- Technical Training
- Managerial Training Workshops

The organization should reserve the right to locate trainers or trainee at any location for training purposes.

Training shall not be claimed as a matter of right. In case of exigencies, the ED may refuse to grant approved training or cancel previously approved training, or change the nature of the training, or recall the employee before expiry of the training program.

The sanctioning authorities for approval of training and the nature of training they can approve should be as follows:

NATURE OF TRAINING

Training within country

Training overseas

SANCTIONING AUTHORITY

Executive Director

Executive Director and Chairperson

Employee training and development needs, as identified through their Performance Appraisals, should be arranged by the respective manager/supervisor in consultation

6.3 PERFORMANCE APPRIALS POLICY

The Performance Appraisal System (PAS) at NGO's should be aim to develop a result and performance oriented environment and to encourage personal development of the employees. Annual review of employees' work and achievements should be carried out to monitor their progress in achieving assigned goals and objectives and to provide them with feedback and guidance for their career development.

The objective of Performance management should be a the systematic process by which NGO's involve their employees, as individuals and members of a group, in improving organizational effectiveness in the accomplishment of the vision, mission and goals. Performance management integrates the processes used to

- (a) Communicate and clarify organizational goals to employees;
- (b) Identify individual and, where applicable, team accountability for accomplishing organizational goals;
- (c) Identify and address developmental needs for individuals and, where applicable, teams;
- (d) Assess and improve individual, team, and organizational performance;
- (e) Encourage and subsequently reward new ideas and suggestions which eventually would lead to more efficient office environment.

- (f) Use appropriate measures of performance as the basis for recognizing and rewarding accomplishments; and
- (g) Use the results of performance appraisals as a basis for appropriate personnel actions. The objective of this directive should be to establish requirements and responsibilities for the management of employee performance, including appraisal, recognition and reward for employees, and to measure employee levels of achievement against mutually agreed-to performance objectives and criteria. To support NGO's strategic plan, mission, goals and planning objectives through the process of performance management.

The applicability of The performance management system should be applied to all employees of the organization, head office employees, project/program employees, contract employees or any other employee who has been hired to work under the organization on wage and whose employment is reasonably expected to continue for over one year.

The board should be responsible for its own operations, including the education, training, and development of board members; annual evaluation of its own performance; and, when appropriate, the selection of new board members. There should be written job descriptions for board members, officers, committees, and committee members.

6.4 COMPENSATION AND BENEFITS POLICY

The compensation management system should be aimed to achieve a fair, attractive and merit based pay and benefits system with emphasis on rewarding individual performance, contribution and competence. The objective of compensation management should be to help the organization achieve its mission, goals by providing incentives and motivation through a transparent compensation process ensuring internal and external equity.

The compensation and benefits system should be based on “broad banding”. Given

the nature and operational circumstances of the organization's program, it is proposed that they streamline the compensation structure and follow a system based on "broad-banding" which is easy to administer, is flexible and will prove long lasting.

Broad banding refers to grouping jobs or tiers of positions into a few wide bands for the purpose of managing the career growth of individual and administering the delivery of pay. Compared to a conventional salary structure, broadband structures have fewer salary levels and broader minimum-to- maximum spreads.

The following characteristics of "broad-banding" are identified:

- Simple to Administer. Often no more than four or six bands to cover all employees.
- Wide pay spans, which can be 100 per cent or more above the minimum rate in the band
- Emphasis on market relativity, which may be used to define target rates for roles in the band
- Focus on sideways career development and skill/competence growth
- Rewards for competence
- Flexible. Less reliance on conventional and rigidly applied analytical job evaluation schemes

The following are the benefits of "Broad Banding".

- It reduces the preoccupation with grade status, which can be a feature of more narrowly, banded structures,

It provides an opportunity to simplify benefits and make the provision of these more flexible,

- It allows more flexibility in making and administering pay decisions,
- It recognizes that careers are more likely to develop within homogeneous levels of responsibility rather than by progressing up a number of steps in a hierarchy

All organizations interpret their needs and develop the pay structures on the basis of their business, personnel and reward strategies, their culture, their organization

structure and management practices.

For NGO it would mean simplifying grades and as a major instrument to support organizational and cultural change and to reinforce new methods of working and of managing and developing people. This would encourage flexibility, lateral career development and often use competence-related pay.

The organization should consider and adopting the “Broad Banding” method of compensation structure as it allows for greater flexibility and reduces administration costs of the organization. While considering the broad banding structure the following should be kept in consideration.

1. Decisions pertaining to revision of salary scales should also be carried out keeping in mind the availability of required manpower in the program area and ensuring that similar positions are performing jobs with similar job requirements.
2. Furthermore, while revising salary scales and compensation levels, NGO’s management should also take into account the resources available to their organization pertaining to compensation as compared to the comparator organizations.
3. The salary of the Executive position will provide the bench mark for all other positions in the organization’s head office and its allied field units/departments etc.

Analysis of HRM activities as a whole and survey of issues/problems being faced by NGOs in Pakistan may not be fully addressed in this thesis, yet attempt have been made to point out few important areas which require more thorough investigation. Through this thesis, author has tried to provide some flavor of broad array of problems confronted to NGOs in Pakistan in their HRM components. Future considerations involve a detailed survey of issues and challenges being faced by nonprofit NGOs in development sector. This could initiate further development in the HRM guidelines for these NGO’s.

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Thematic Focus

	Thematic Area	Frequency	Percent
1	Gender	33	63
2	Education	30	58
3	Health	29	56
4	Women	28	54
5	Institution Building/Strengthening	27	52
6	Poverty Alleviation	26	50
7	Reproductive Health	25	48
8	Human Rights	24	46
9	Children	22	42
10	Good Governance	22	42
11	Water Supply and Sanitation	20	38
12	Rural Development	19	36
13	Advocacy/ Research	19	36
14	Girl Child	17	33
15	Micro Credit	16	31
16	Environment / Natural Resource Management	15	29
17	Youth	15	29
18	Democracy	14	29
19	Vocational Training	14	27
20	Emergency Relief	13	25
21	Information Dissemination	13	25
22	Economy	12	23
23	Agriculture/ Food	11	21
24	Humanitarian Relief	10	19
25	Disaster Management	10	19
26	Infrastructure Development	10	19
27	Drug Abuse	9	17
28	Rape and Violence	8	15
29	Arts / Culture	8	15
30	Communications/ Media	7	13
31	Legal Aid	7	13
32	Energy	6	12
33	Trafficking & Migrants	5	10
34	Forestry	5	10
35	Information Technology	5	10
36	Industrial Relations / Labour	4	8
37	Religion	4	8
38	Housing	4	8
39	Sports & Recreation	2	4
40	Others	10	21

Source: NGO Resource Center "Director of Donors Organizations in Pakistan" 1999

INTERVIEW EVALUATION FORM

HR# 003

1.0 Position Information

1.1 Candidate Name: _____ 1.2 Proposed Position _____

1.3 Interview Stage Screening Interview 2nd Interview Selection Interview

1.4 Interviewer's Name & Title _____ 1.5 Date of Interview _____

2.0 Rating on Key Attributes

Rating Scale: 0-3 *Unacceptable* 4 - 6: *Average* 7 - 8: *Good* 9 -10: *Excellent*

KEY ATTRIBUTES	Score
2.1 Appearance, Manner and Personality (General Appearance, Speech, Mannerism, Level of Confidence)	
2.2 Attitude (Hard Work, Subordinates, Management, Supervisors, Family)	
2.3 Communication Skills (Ability to Communicate Ideas, Speak Confidently, Ability to Write)	
2.4 Interpersonal Skills (Ability to get along with People, Ability in Maintaining Relationships)	
2.5 Problem Solving and Analytical Skills (Ability to Articulate & Organize Information, Mental Alertness, Grasp of Complex Ideas)	
2.6 Ambition & Motivation (Field of Interest, Career Plans, Aspirations for Success)	
2.7 Technical Knowledge (Quality of Knowledge & Practical Experience, Performance of Procedures, Level of Judgment Exercised, Understanding of Issues)	
2.8 Supervisory and Leadership Qualities (Previous Supervisory/Leadership Experience, Assertiveness, Ability to Motivate Others, Acceptance of Authority & Responsibility)	
2.9 Education, Training and Professional Qualification (Major Field of Study, Specialized Training)	
2.10 Quality of Work Experience (Level of Responsibility, Decision-Making, Supervisory/Management Functions)	
Total Score	

3.0 OVERALL RATING (Circle appropriate choice)

50 or Less: *Unacceptable* 51 - 70: *Average* 71 – 90: *Good* 91+: *Excellent*

INTERVIEW GUIDELINES

HR# 004

There are some basic guidelines or rules of thumb which interviewers may follow in order to conduct effective and productive interviews. These rules can be further refined as the interviewer gains confidence and experience in conducting interviews. There are five stages to conducting interviews. There are a series of steps to be carried out for each stage.

1.0 PREPARATION

Preparation should be done for all interviews.

1.1 Determine the Specific Objectives of the Interview

Decide what type and level of information should be obtained from the interviewee with respect to the position involved and the general organization philosophy. Do not simply repeat all of the basic information questions given on the Employment Application Form (EAF) or the applicant's resume.

In general, probe the candidate to get information on the authenticity of his claims on his applications and his personality traits, such as character, social adjustment, attitude, oral communication, and capacity for growth and advancement.

1.2 Formulate Specific Questions to Accomplish Interview Objectives

Write down the general questions, but do not memorize them. An interview should not turn out to be an interrogation.

1.3 Read up on the Interviewee's Application/Resume

Get a general idea of the interviewee's profile. It would help you determine what areas and lines to pursue during the interview.

2.0 SETTING OF INTERVIEW ENVIRONMENT

Both types of settings, physical and mental, are critical for a smooth interview.

2.1 The Physical Setting For The Interview Should Be Both Private And Comfortable

It encourages the candidates to talk openly and frankly. Any individual who is sitting in a comfortable

chair has a tendency to relax and talk more freely, thus providing more and truer information for the interviewer to evaluate.

2.2 The Mental Setting Should Be One Of Agreement

Interviewer should establish an atmosphere of ease. Make some general conversation in the beginning to act as an icebreaker. The interviewer must be aware of non-verbal behavior.

3.0 CONDUCT OF THE INTERVIEW

This is the major step in the interview process, where the interviewer is able to get the desired information and the interviewee supplies the facts the interviewee wants to know.

3.1 The Interviewer Should Be Approachable And Friendly

The interviewer should show a healthy respect and concern for the interviewee. The interviewer who likes to talk with people and is truly interested in them will find out the most about them.

3.2 Ask Open-Ended Questions To Encourage The Interviewee To Talk

Questions that can be answered by 'yes' or 'no' will not reveal the true nature of the applicant. Instead of asking if the person being interviewed has trouble getting along with supervisors, the interviewer should ask what type of supervisor the interviewee would like to work for and why.

3.3 Listen Attentively

The interviewee must have the full attention of the interviewer. Marginal listening not only prevents the obtaining of full information but is insulting to the interviewee.

4.0 CLOSING AN INTERVIEW

Just as it is important for the interview to being and run smoothly, without awkwardness and embarrassment, it is vital for an interview to end smoothly.

4.1 The Interviewer Should Indicate The End Of The Interview

The interviewer has definite responsibility for bringing the conversation smoothly to a close and so indicating in some obvious manner, thus enabling the interviewee to make a reasonably poised exit. The interviewer may lay a pencil down, push back a chair, stand up, or do any of a number of things to indicate that the conversation is coming to a close.

4.2 The Interviewer Should Give Information Regarding Further Action

At the end of the interview, the person taking the interview should clearly inform the applicant of the next step. This normally means calling or informing the candidate that by a given date a decision will be made and he or she will be informed by the officer in-charge or they can call up and find out the outcome.

PERFORMANCE APPRAISAL SYSTEM (PAS)

**HR
#014**

<i>Name</i>	<i>Current Position</i> Since (Date)
<i>Department</i> <i>Current Location</i>	<i>Salary Level</i> Since (Date)
<i>Joining Date</i>	Period Under Review
<i>Appraiser's Name</i> <i>Title</i>	<i>Reviewer's Name</i> <i>Title</i>

DIRECTIONS TO THE APPRAISER

Annual Performance Review is based on objectively assessing individual employee's performance against responsibilities and tasks. They should then form the basis for setting future objectives and action plans for the next year.

1. The HR & A Unit should conduct an orientation meeting with all Departmental Heads at least three months before the appraisal process starts. It should give them a briefing on how to prepare for the Annual Performance Appraisal Process and to acquaint them with any changes made in the procedure or the Performance Appraisal Form.
2. The HR & A Unit should circulate the appraisal forms to all managers and Head of Organization at least one month before date of submission of form for each employee after filling in the requisite information on the cover page.
3. The Appraiser (immediate supervisor of the employee to be appraised) should fill out the 'Results' column of section 1 of the form prior to forwarding it to each Employee for self-assessment. The Employee should return the form with his self-assessment done at least two weeks before the appraisal meeting. The Appraiser should then fill out his assessment of Employee's performance.
4. A meeting should be held between the Appraiser and the Employee to discuss his evaluation. The objective should be to discuss his performance, provide recognition for good results, set a future work plan and assess his training needs. Both the Appraiser and the Employee should sign on the form.
5. The Reviewer reviews the performance appraisal and the performance rating provided by the Appraiser and gives his final approval. If the employee dissents with his performance rating, he should appeal to the Reviewer who will be the final judge of the appraisal rating. The Reviewer then forwards the appraisal form to the HR & A Unit t.
6. The HR & A Unit translates the performance rating into salary recommendations and the final approval is obtained from the Head of Organization.
7. The HR & A Unit takes the necessary actions to implement the decision.

SCORING SYSTEM

<i>E: Excellent</i>	<i>3.0 to 4.0</i>	Performance is exceptional and exceeds all job requirements:
<i>G: Good</i>	<i>2.0 to 3.0</i>	Performance meets most job requirements:
<i>S: Satisfactory</i>	<i>1.0 to 2.0</i>	Performance mostly meets job requirements but needs improvements in some areas.
<i>P: Poor</i>	<i>0 to 1.0</i>	Performance does not meet job requirements.

DEFINITIONS OF TERMS USED IN THIS FORM***General Definitions Used in the Form***

- *Appraiser: The individual responsible for conducting the performance appraisal of the employee to be assessed, usually the employee's immediate supervisor.*
- *Employee: The individual who is to be assessed under the Performance Appraisal Process.*
- *Reviewer: Usually the Project Manager/Head of Organization or the immediate supervisor of the Appraiser. He is responsible for giving the final approval to the performance rating assigned to the Employee.*

DEFINITIONS FOR TERMS USED IN SECTION 1: PERFORMANCE FACTORS

Individual Traits, Behavioral Patterns Consistently Demonstrated By Employee

- *Attitude: Interest in work, acceptance of supervision and general disposition towards others.*
- *Acceptance of Responsibility and Initiative: The amount of additional responsibilities willingly accepted, the degree of success in timely completion of required work and the extent to which performance barriers were removed independently*
- *Flexibility: The ability to deal with different situations simultaneously and to shift from task to task without losing momentum*
- *Leadership (If Applicable): Effectiveness in remaining people oriented and situation sensitive, in order to influence and motivate subordinates to work towards assigned goals through mutually supportive relations*
- *Creativity: The ability to generate new ideas and techniques having a practical application*
- *Personal Productivity: Output and quality of work in relation to time spent*
- *Appearance & Personality: Punctuality, attendance, conduct, discipline and grooming/appearance*
- *Integrity: Adherence to personal principles (including honesty) and the courage to uphold convictions*

Knowledge

- *Job Related: Demonstrated adequacy of knowledge required for job performance e.g. functional knowledge of new development tools and products, knowledge of new software and research in their area of expertise*
- *Work Related: Understanding impact of own work on other areas, knowledge of other functions influencing own work*

Work Management Skills

- *Planning: The ability to set specific goals and objectives and effectively plan the work required to attain them*
- *Organizing: The ability to organize own work and the work of subordinates into manageable activities*
- *Directing (If applicable): The ability to make sound decisions and to motivate employees to implement actions, providing guidance as required*
- *Controlling (If applicable): The ability to continuously monitor performance with established standards, identify performance deviations and to take corrective action to bring performance inline with requirements*

Problem Solving Skills

- *Routine Problem Solving: The ability to identify, define and solve problems which are well within the scope of the job*

Interpersonal Skills

- *Relationship with Community Members: Employee's ability to identify and respond to the needs of community members*
- *Relationship with Co-Workers: Consider cooperation with co-workers success in building & maintaining respect and loyalty*

Communication Skills

- *Verbal: Consider the ability to put his ideas across in speech*
- **Writing: Consider the employee's ability to put his ideas across in writing**
- **Listening: Consider the employee's ability to understand and listen to ideas of others**

SECTION 1: PERFORMANCE FACTORS

Please indicate assessment of performance with respect to the overall level of achievement. Refer to the cover sheet #2 for definitions of each term.

Score Key: *Excellent: 3.0 to 4.0* *Good: 2.0 to 3.0* *Satisfactory: 1.0 to 2.0* *Poor: 0 to 1.0*

<i>Performance Factors</i>	Self Score	Appraiser Score
1.1 Individual Traits, Behavioral Patterns Consistently Demonstrated in the Employee's Performance		
<i>1.1.1 Attitude</i>		
<i>1.1.2 Acceptance of Responsibility & Initiative</i>		
<i>1.1.3 Flexibility</i>		
<i>1.1.4 Leadership (If Applicable)</i>		
<i>1.1.5 Creativity</i>		
<i>1.1.6 Personal Productivity</i>		
<i>1.1.7. Appearance & Personality</i>		
<i>1.1.8 Integrity</i>		
1.2 Knowledge		
<i>1.2.1 Job Related</i>		
<i>1.2.2 Work Related</i>		
1.3 Work Management Skills		
<i>1.3.1 Planning</i>		
<i>1.3.2 Organizing</i>		
<i>1.3.3 Directing (If applicable)</i>		
<i>1.3.4 Controlling (If applicable)</i>		
1.4 Problem Solving Skills		
<i>1.4.1 Routine Problem Solving</i>		
1.5 Interpersonal Skills		
<i>1.5.1 Relationship and socialization with communities and its members.</i>		
<i>1.5.2 Relationship and ability to get along with co-workers.</i>		
1.6 Communication Skills		
<i>1.6.1 Written</i>		
<i>1.6.2 Verbal</i>		
<i>1.6.3 Listening</i>		
<i>Total Score</i>		

SECTION 2: PERFORMANCE SUMMARY									
2.1 Appraiser's Comments							Date _____		
<i>Position Title</i>		<i>Name</i>			<i>Signature</i>				
2.2 Employee's Comments							Date _____		
<i>Position Title</i>		<i>Name</i>			<i>Signature</i>				
2.3 Confidential Assessment									
<i>Please tick below the overall performance assessment of the incumbent based on sections 1 and 2. (To be completed by the Appraiser/Department Head). Assign it a numerical rating.</i>									
E		G			S		P		
4.0	3.1	3.0	2.1	2.0	1.1	1.0	0		
_____					_____				
Appraiser's Signature & Date Date					Reviewer's Signature & Date				
2.4 Summary Recommendations for Review Committee									
<i>To be completed by the Human Resource Department</i>									
<i>Current Salary in Rupees</i>									
<i>Recommendation for Increment in percentage</i>									
<i>Impact on annual basic salary in Rupees</i>									
<i>With effect from (Date)</i>									

Signature & Date, HR & A Unit									

Sources of Annex II, III, IV: LASOONA-Society for Human & Natural Resource Development "HR Manual", (2006)