CHAPTER 1

INTRODUCTION

Introduction

In recent years, there has been a phenomenal growth of Development Sector Organisations (DSOs) in India and across the world. They have expanded not only in numbers, but also in terms of their impact on the socioeconomic development. Considering the increase in demand for better delivery and quality for public services, it is important for governments everywhere to increase involvement of civil society. Voluntary sector is community based, capable to provide services at a lesser cost with accountability. Unlike government institutions, these organizations have flexibility to develop innovative projects based on local needs and resources. (Planning Commission – Govt. of India, 2012)

In India, Development Sector Organizations have exceptionally grown over the last few decades. An approach paper was published about Eleventh Five Year Plan and the paper mentioned about requirement for a National Policy related to Voluntary Organizations. As a result, 'National Policy on the Voluntary Sector' was developed in the year 2007. The Policy was *'a commitment to encourage, enable and empower an independent, creative and effective voluntary sector, with diversity in form and function, so that it can contribute to the social, cultural and economic advancement of the people of India'.* (Planning Commission – Govt. of India, 2012). As per the recommendations in the policy, Planning commission formally involved voluntary agencies for the Mid-term appraisal of the Eleventh Five-year plan. Later on around 900 civil society organizations were engaged in developing the approach paper to Twelfth Five Year Plan. This gives an idea of significance of development sector organizations at national level. (Planning Commission – Govt. of India, 2012)

With an increase in the number of development sector organisations, the urge for qualified and skilled human resources has also been increasing. All development sector organisations experience some or other type of HR issues as it is cumbersome to determine and retain the talent. Collectively, they employ a number of people with diverse educational background and skills that leads to the complexity in managing human resources. Similar to other organisations, they also compete with each other to attract, retain and utilize competent human resource. As the sector has not been perceived as attractive as corporate in terms of remuneration and career, the human

resource available to them is limited. This study is focused on HR challenges of Development sector organizations in selected Districts of Gujarat.

Need of the study

Development sector organizations which were earlier driven by mostly religious and philanthropic considerations are now becoming more professionalized in their approach. Such organizations were initially managed by publicly spirited individuals with high commitment taking decisions based on intuition, religious or philanthropic beliefs with little emphasis on principles of management.

In 1980s, International Council for Voluntary Agencies (ICVA) in Geneva published a newsletter in which there was a discussion about what development sector organizations are supposed to learn from mainstream management. Some of the experts argued that if DSOs want to live up to the rising expectations about their roles and to improve upon their effectiveness, they need to learn from mainstream management while some of the experts had more 'purist' view that these organizations are 'different' and they need unique management ideas that have the ability to challenge the current way of doing things. On the basis of this discussion Campbell (1987) developed a paper in which he argued that DSO managers should selectively use knowledge available in the domain of 'generic' management. (Lewis, 2003)

In many ways DSOs are also like other organizations for which established principles of management are important, even though they are derived from the business world. Like business organizations, DSOs also require systems for recruitment and selection, training & development, accounting and so on. At the same time, as these organizations face unique challenges of context and structure, ideas from generic management are not always applicable to them. For example, DSOs require specialized approaches for fund raising, using volunteers, managing governing bodies etc. which may not be available in generic management. In order to develop effective management systems and right decisions, it is also important to build an ability to appreciate and interpret the operating environment of a DSO. This environment includes the availability of resources, level of political stability, institutional context and the cultural norms that exist inside and outside the boundaries of organization.

As management of development sector organizations is a diverse and complex field, it is one of the areas which require more research. After the era of 1980s and 1990s when the family of development NGOs became quite prominent, there has been growth of a different category of organizations which are hybrid in nature. These organizations are termed as 'Social Business' which are aimed for the betterment of the marginalized communities through a profit making business model. Such organizations will require management concepts from variety of sources, their adaptation and experimentation that will further bring in complexity to the terrain of development sector management. In the domain of developing management literature, comparatively low deliberation has been given to the idea of identifying unique management challenges for Non-government development sector organizations. The area of academic research on this Third sector organizations working in industrialized context is largely unexplored area for researcher who are by and large familiar only with the world of NGOs and development. (Lewis, 2003)

Human Resource Management (HRM) is of utmost importance to DSOs. These organizations cannot replace employees with investment in physical facilities and equipment. In most cases, the service-providers' employees are equated with the services and therefore are the single most important asset of DSOs. (Barbeito and Bowman, 1998; Hall et al., 2003). For instance, in the soaps and detergents business it may be the distribution system; in many services it is the management of working capital; in software engineering it might be customer relations, and so on. Similarly, the most critical variable in development sector is the human resource.

Most of the theories and concepts of Human Resource Management are built on the researches and studies done in large manufacturing or service organizations. The same concepts are taught in the management schools which prepare HR managers. Such concepts are indeed relevant and helpful directly for practitioners in industries but the contextual applicability may be different in development sector as the purpose is social development rather than profit making. There is a need for more research based knowledge which could be used in managing HR in development sector organizations.

Research questions

- What are the HR challenges of development sector organizations?

- How these organizations are coping with the HR challenges?

- Are there any specific challenges related to geographical area or nature of work of these organizations?

- How do they attract and retain qualified and experienced people?

- How external factors affect the HR aspects of these organizations?

- Are there any good HR practices of some of the organizations from which others can learn?

- How founders and leaders of development sector organizations manage growing number of employees?

- What would be the future HR needs of these organizations?

- What specific practices and strategies are suggested to tackle the Human Resource issues of development sector?

Conceptual framework

Mentioned below are the concepts based on which the inquiry is framed

- Concept of Human Resource Management
- Concept of Development
- HRM and Development
- Social work practice and HR: Similarities in Values and Principles
- Development Sector Organizations

These concepts are explained as follows:

1.1 Concept of HRM

HRM is an elastic term (Story, 1989). There is no universal agreement on the meaning of HRM. In fact, there are varying and contradictory models. For example, some say that HRM covers a fourfold typology; employee influence, human resource flow (into, through and out of the organization), reward system, and work systems (Beer, Lawrence, Quinn Mills and Walton, 1984). Rather some identify four different areas; acquisition, maintenance, motivation, and development of HR (De Cenzo and Robbins,1988); still others talk about a five-step HRM cycle: selection, performance, appraisal, rewards and development (Fombrun, Tichy and Devanna, 1984)

The meaning of HRM is further complicated by writers (Storey, 1987) who distinguished between 'hard' and 'soft' forms of HRM, typified by the Michigan and Harvard models respectively. 'Hard' HRM focuses on the resource side of human resources. It emphasizes costs in the form of 'headcounts' and places control firmly in the hands of management. Their role is to manage numbers effectively, keeping the workforce closely matched with requirements in terms of both body and behaviour. 'Soft' HRM, on the other hand, stresses the 'human' aspect of HRM. Its concerns are with communication and motivation. People are led rather than managed. They are involved in determining and realizing strategic objectives (Prices, 1997). In fact, the value and popularity of HRM may be attributed to its openness to varied interpretations.

In this situation, simple reflection on the three words 'human', 'resource' and 'management' can provide a deeper insight.

'Human' implies labour, worker, employee or personnel, whichever it is called at different stages of HRM development or different stages or situations of organizational settings of the organization.

'Management' (as part of HRM) denotes the strategic planning and management of the personnel in an organization.

'Resource' indicates that personnel are 'valued assets' and, with the emphasis on commitment, adaptability and employees as a source of competitive advantage, the image might equally be presented as 'resourceful' humans (Legge, 1989).

Others explained in a different way- why the personnel are treated as resource. First, skills and knowledge represent capital, because they enhance productivity. In other words, people add value to a firm to the extent that they will perform future services (Parnes, 1984) Second, human resource is the result of a firm making a deliberate investment either through hiring certain individuals 'on the market' or developing them in –house. These investments, via HRM, carry both out-of-pocket and opportunity costs, and are justified only if they produce future returns increased productivity (Duncan and Hoffman, 1981)

Third, human resource commands a price on the market because it is valuable to other firms and, perhaps more important, it is transferable (Parnes, 1984). This transferability is a critical difference between human capital and physical capital. Even if employees stay with a firm, their contribution depends on their willingness to perform. Therefore, control costs, or costs of retaining and motivating employees (such as wages) must be considered human resource investments as well (Flamholtz and Lacy 1981). Obviously, the employees are not valuable in the abstract, but rather as a function of the jobs they perform (Flamholtz, 1979). But as Tyson and Fell (1986) point out, 'human resource' may be understood in a completely different sense, as a factor of production, along with land and capital, and an 'expense of doing business' rather than 'the only resource capable of turning inanimate factors of production into wealth"

Evolution of HRM

Human Resource Management (HRM) has been much talked about in the recent decades. HRM actually has its roots in ancient India. The world's first management book, *Arthashastra,* written three millenniums before Christ, codified many aspects of human resource practices in Ancient India. It presented notions of the financial administration of the state, guiding principles for trade and commerce, as well as management of people. *Arthashastra* had three key areas of exploration: 1) Public Policy, 2) Administration and Utilization of people, and 3) Taxation and Accounting. By 250AD, the increased trade and engagement with Romans led to widespread and successful governance methods. Later the Gupta dynasty encouraged establishment of rules and regulations for managerial systems. These ideas were to be embedded in organizational thinking for centuries. (Rangarajan, 1992)

HRM as we see today has gradually evolved through the industrial revolution era, trade unionism era, scientific movement era, human relation movement era, behavioural sciences era, personnel specialist and welfare era.

The industrial Revolution Era

The Industrial Revolution appeared almost simultaneously with the intellectual, scientific and political revolutions of the Seventeenth and Eighteenth centuries. After the Industrial Revolution, the factory system came into existence. As a result, it was necessary to start and stop work at the same time; establish rigorous working rules applicable to a large number of people; an extensive hierarchy of officials appeared; the social distance between the factory hand and owner was increasing widely; most employees in factories worked for long hours at a low pay and under extreme conditions of temperature, dust, noise and other discomforts. Labor was usually considered a commodity to protect the lot of workers (French,1974). This new industrial era brought about materialism, discipline, monotony, job displacement, work interdependence, and related behavioural phenomena for the Labourers (Perline, Martin, and Kurtis,1969).

Trade Unionism Era

It was inevitable that associations of wage earners would arise to protect themselves against some of the abuses of the Industrial Revolution and to improve their life. Trade or Labour unions were spread from factory to factory and shop to shop. Strikes were one consequence. A number of Acts were introduced in several countries during this time which brought the union-management relations, individual employee's right and union's rights and power to their present position.
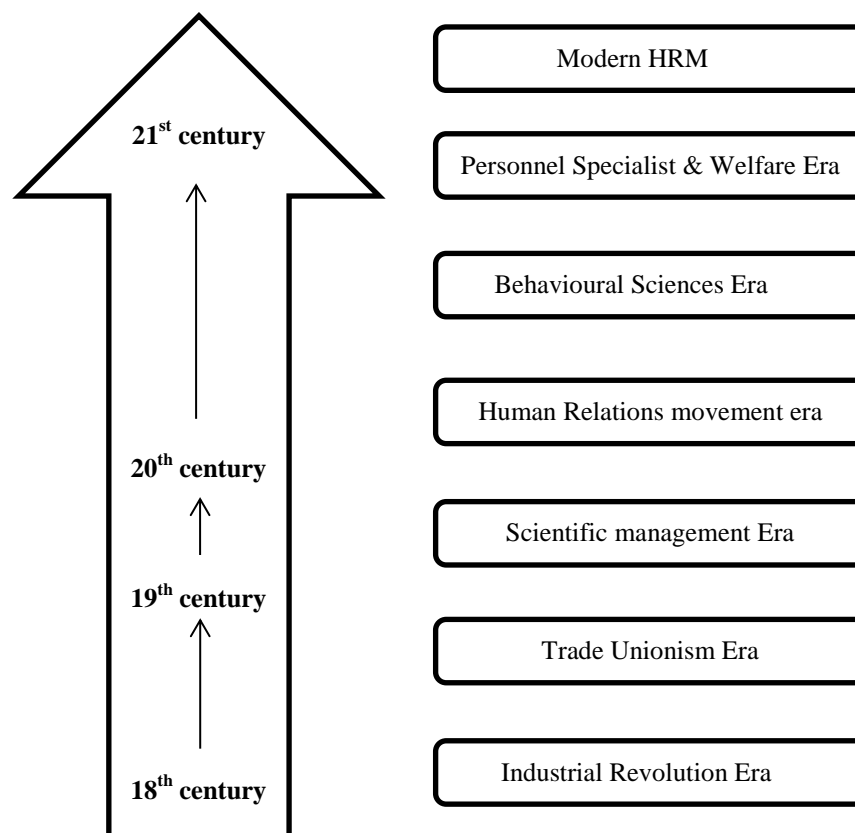
Scientific Management Era

The famous name associated with this movement is that of F.W. Taylor. Around 1878, Taylor had developed what he called 'the scientific management'. In general, the scientific management movement emphasized the importance of management planning down to the smallest details in the operations of the factory (French, 1974). This method gave the prescription for the standardized method of work organization epitomized in the factory assembly line, actually devising a system in order to establish the leading role of managers who control organizations. This is considered

to be the early form of human resource management. It embodies the controlling role of managers who need to have full access to the information held by workers on the best methods of carrying out their tasks, and it advocates a major emphasis on selecting the right person for the job, proper training to enable workers to gain the skills they require, and good rates of pay to offset the boredom of working in a fragmented and high performance work environment.

Human Relations Movement Era

In 1923, the Western Electric Company started experiments at its Hawthorne Works in Chicago in an attempt to find out what are the effects of illumination on workers and their output are. Mayo and his peers conducted the research which continued into the early 1930s. They concluded that productivity was a result of the extent to which the group became a team and cooperated wholeheartedly and spontaneously. The human relations movement was mainly concerned with the informal, spontaneous behaviour of work groups and the sentiments, interactions and attitudes of employees.

Figure 1.1: Evolution of HRM

The scientific management movement was mainly concerned with the organization as a techno economic system while the human relations movement viewed the organization as a social system (French, 1974).
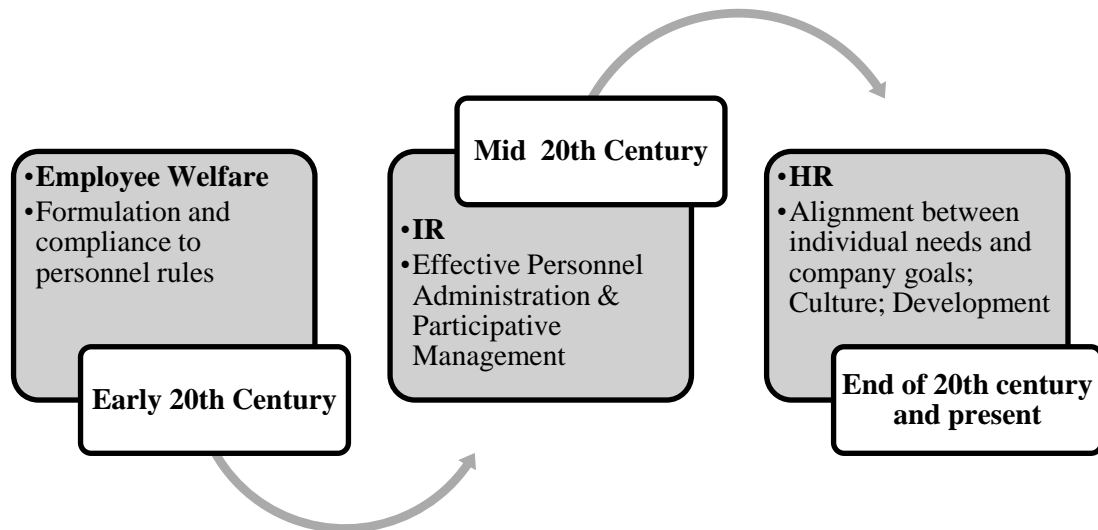
Behavioural Sciences Era

The behavioural sciences are essentially the social and biological sciences pertaining to the study of human behaviour. The term was coined around 1949 and grew out of a meeting of scientists who were considering whether a sufficient body of facts exists to justify developing an empirically tenable general theory of behaviour (Miller,1955). Recent contributions from the behavioural sciences to the study of Personnel Management have come mainly from industrial psychology, social psychology, organizational psychology and sociology, and a great deal of relevant research cuts across these disciplines.

Personnel Specialist and Welfare Era

With the increase in the size of an organization, only hire and fire of personnel functions had to be allotted to a full-time 'manager'. With further increases in the number of employees, a separate personnel executive had to be appointed to determine wage rates, develop job descriptions and job specifications and to look after the benefits and services provided for the employees. Later safety experts, behaviour researchers, labour relations specialists, and others were appointed. For administrative and organizational effectiveness, these different functions were merged into a single position - 'Personnel Manager and Welfare Officer'. After that, organizational planning, manpower planning, manpower selection and other allied problems regarding the management of managers and high talent manpower assumed significance in the organization. High talent personnel emerged as the key human resources (Ordiarce, 1971). The emphasis then shifted to the 'management of human resources'.

As HRM evolved sailing through the various eras, it is clear that initially the emphasis was on formulating and monitoring conformance to rules and procedures. In the middle of the Twentieth century, the business environment shifted the attention from firefighting of industrial relations and monitoring compliance to procedures of HRM issues such as employee selection, training and development, performance appraisal,

performance management and compensation. Further, towards the end of the Twentieth century and in present times, the focus shifted to alignment between the individual needs and company goals, culture and development.

Figure 1.2: From Employee welfare to HR

Definition of Human resource management

According to Michael Armstrong, Human resource management (HRM) is a strategic and coherent approach to the management of an organization's most valued assets: the people working there who individually and collectively contribute to the achievement of its objectives.

The main features of HRM are:

- An emphasis on the strategic management of people (the human capital of the organization) which achieves "fit" or integration between the business and the HR strategy;
- A comprehensive and coherent approach to the provision of mutually supporting employment policies and practices;
- The importance placed on gaining commitment to the organization's mission and values – it is 'commitment oriented';

- The treatment of people as assets rather than costs – they are regarded as a source of competitive advantage and as human capital to be invested in through the provision of learning and development opportunities;
- An approach to employee relations that is unitarist rather than pluralist – it is believed that employees share the same interests as employers (the principle of mutuality) rather than that these interests will not necessarily coincide'

HRM Activities

The main activities of HRM are as follows:

- **Organization design:** Developing an organization that caters for all the activities required, groups them together in a way that encourages integration and cooperation, operates flexibly in response to change, and provides for effective communication and decision making.
- **Organizational development:** Stimulating, planning and implementing programs designed to improve the effectiveness with which the organization functions and adapts to change; advising on the development of work processes that will promote motivation and commitment.
- **Job and role design:** Deciding on the content, performance and competency requirements of jobs or roles in order to provide a basis for selection, performance management, development and reward, and to maximize intrinsic motivation and job satisfaction.

The employment relationship

It includes improving the quality of the employment relationship by creating a climate of trust and by developing positive psychological contracts.

Resourcing

- Human resource planning: Assessing future people requirements in terms of both numbers and levels of skill and competence, and formulating and implementing plans to meet those requirements.
- Talent management: Providing for the attraction, retention, development and reward of high quality people.

- Recruitment and selection: obtaining the number and type of people the organization needs.

Performance management

It includes getting better results from the organization, teams and individuals by measuring and managing performance within agreed frameworks of objectives and competence requirements, assessing and improving performance and identifying and satisfying learning and development needs.

Human Resource Development

- Organizational and individual learning: Systematically developing organizational and individual learning processes, providing employees with learning opportunities, including e-learning to develop their capabilities, realize their potential and enhance employability.
- Management development: Providing development opportunities that will increase the capacity of managers to make a significant contribution to achieving organizational goals.
- Career management: Planning and developing the careers of people with potential.

Reward management

- Pay system: Developing pay structures and systems that are equitable, fair and transparent.
- Contingent pay: Relating financial rewards to results, competence, contribution, skill and effort.
- Non-financial rewards: Providing employees with non-financial rewards such as recognition, increased responsibility and the opportunity to achieve and grow.

Employee relations

- Industrial relations: Managing and maintaining formal and informal relationships with trade unions and their members.

- Employee voice: Giving them the opportunity to have a say in management decisions that affect them.
- Communications: Creating and transmitting information of interest and concern to employees.

Health and safety

- Ensuring that a healthy and safe working environment is provided by protecting employees from health hazards and accidents.

Welfare services

- Providing employees with individual services concerning such problems such as prolonged illness, and group services such as restaurants and recreational facilities.

Employment and HR services

- Managing the employment relationship, administering HR policies and procedures and operating HR information systems.

The challenges of HRM

Ulrich (1998) suggests that environmental and contextual changes present a number of competitive challenges to organizations which mean that HR has to be involved in helping to build new capabilities. These comprise:

- Globalization which requires organizations to move people, ideas, products and information around the world to meet local needs. New and important ingredients must be added to the mix when making strategy; volatile political situations, contentious global trade issues, fluctuating exchange rates and unfamiliar cultures.
- Profitability through growth: The drive for revenue growth means that companies must be creative and innovative, and this means encouraging the free flow of information and shared learning among employees.
- Technology: The challenge is to make technology a viable, productive part of the work setting.

- Intellectual capital: This is the source of competitive advantage for organizations. The challenge is to ensure that firms have the capability to find, assimilate, compensate and retain human capital in the shape of the talented individuals they need who can drive a global organization that is both responsive to its customers and the opportunities of technology. They also have to consider how the social capital of the organization – the ways in which people interact – can be developed. Importantly, organizations have to focus on organizational capital – the knowledge they own and how it should be managed.

- Change: The greatest challenge companies face is adjusting to non-stop change. They must be able to 'learn rapidly and continuously, and take on new strategic imperatives faster and more comfortably.'

Philosophy of HRM

The accusation made against HRM by Legge (1998) and other academics is that it treats employees as a means to an end. However, it could be argued that if organizations exist to achieve ends, which they certainly do, and if those ends can only be achieved through people, which is clearly the case, the concern of managements for commitment and performance from those people is not unnatural, and is not attributable to the concept of HRM – it existed in the good old days of personnel management before HRM was invented. What matters is how managements treat people as ends and what managements provide in return. And the philosophy of HRM can provide positive guidance on approaches to managing people in, for example, the concept of mutual commitment.

It could also be argued that changes that have been taking place over the last decade or so in managing people have taken place because of changes in the environment in which organizations have been operating, not because managements seized upon the HRM concept as a rationalization for exploiting workers. Many employers have been doing this for years – they did not need to invoke HRM as their justification, even if they had heard of it. They took note of the much wider range of publications about personnel practices and the information on so-called 'best practice' provided by management consultants and conference organizers, and they learned from the case studies emanating from the research conducted by the budding academic institutions.

They also recognized that to succeed in an increasingly competitive world they had to become more professional, and they were encouraged to do so by bodies such as the then institute of Personnel Management. They took account of new ideas and implemented new practices because they were persuaded that they were appropriate, not because they fitted into any sort of HRM philosophy.

1.2 Concept of Development

Social development

"Social Development is the promotion of a sustainable society that is worthy of human dignity by empowering marginalized groups, women and men, to undertake their own development, to improve their social and economic position and to acquire their rightful place in society."- Bilance, 1997

"Social Development is equality of social opportunities"- Amartya Sen, 1995

Human Development

"Human development is a process of enlarging peoples' choices. The most critical choices that people should have include a long and healthy life, access to knowledge and income, assets and employment for a decent standard of living. (But) human development concerns more than the formation of human capabilities such as improved health or knowledge. It also concerns the use of these capabilities" - India Human Development Report, 1999

Evolution of human development concept

During the 1990s, the concept of human development was promoted as a complement to existing income-based approaches to international development. Rooted in the capabilities literature of Amartya Sen and adopted by the Human Development Reports of the United Nations Development Programme (UNDP), the primary aim of the human development paradigm was to focus development thinking more upon the enhancement of people's freedoms, capabilities, and wellbeing.

Specifically, the human development approach sought to achieve three goals:

i) To make people the ends and not the means of development;

ii) To refocus attention on what people can be or do rather than what they can produce; and

iii) To ensure that development policies are aimed at improving people's quality of life, including their health, security, and overall flourishing (Sen 1989).

While the theory of human development has been successful in refining the objectives of development intervention, however, there has been a running tension between its conceptualization and its measurement (Sen 2003, Fukuda-Parr 2004). As a concept, the theory of human development proposes a series of general objectives that can encompass all development aims: ensuring that people are empowered, that people are able to achieve their goals, and that people can live well. As a measurement, however, human development is typically monitored using the Human Development Index (HDI), which accounts only for levels of income, health and education. Consequently, 'human development' is often misconceived narrowly in terms of human capital, that is, the physical and mental properties that people can translate into economic rewards in the marketplace, rather than their overall wellbeing and empowerment (Sen 1997).

The human development index, as an initial sketch, paints particular emphasis upon individual capabilities such as health or knowledge. Yet as many have remarked, this leaves aside both the 'elementary' prerequisites for human security and survival (absence of poverty, undernourishment, and shelter) and the so-to-speak 'higher' ends such as political rights and freedoms, engagement in a community, and social cohesion (Trabold- Nubler 1991, Dasgupta and Weale 1992). The authors of the Human Development Reports have attempted to fill in for the missing dimensions by adding measures of human poverty (HPI-1 and HPI-2), gender empowerment (GEM and GDI), and, tentatively, political rights and freedoms. The social development concept is a useful vehicle for introducing yet further key dimensions, including civic engagement, inter-group cohesion, interpersonal safety and trust, inclusion of social and ethnic minorities, gender equity, and strength of families and community ties.

HR and Development

The concept of HRD

Human Resource Development (HRD) is integral parts of Human Resource function for helping employees develop their personal and organizational skills, knowledge, and abilities. Increasingly, more importance is being given to people in organizations. This is mainly because organizations are realizing that human assets are the most important of all assets. Moreover, with the increased emphasis on creativity, and autonomy, which people are increasingly acquiring and enjoying in the society, the expectations of people are changing fast and people cannot be taken for granted any more.

In the past, people working in organizations were given attention merely in administering the necessary conditions of work. The traditional concept of personnel management was based on a very narrow view of human motivation. The basic assumption underlying that view was that human beings are primarily motivated by comforts and salary, and necessary attention may be given to rationalize these, so that people do not get dissatisfied. Most of the attention, therefore, was on administration of salary and other benefits. It is now being increasingly realized that people working in organizations have their own needs, motivation and expectations, and that their contribution to the organization is much more than that of any other resource being used.

The term human resource is sometimes criticized mainly on the ground that this concept treats people as a resource, and not as human beings. Probably two concepts are involved in this term, one, that people are a resource and so are valuable for the organization, and two, that this resource has to be treated as a human resource, and not merely as people or personnel resource. In other words, human resource may be interpreted as a resource to be recognized and appreciated and one which has to be treated differently as a human one, and not like other material resources.

The concept of Human Resource System (HRS), therefore, assumes that human beings are a great asset to the organization. They are not merely necessary evils to be reckoned with; in fact they can contribute a great deal to the achievement of

organizational goals. This positive view of people working in the organizations as an asset with unlimited potential is the core of the concept of the human resource system. Another underlying concept of the system is that investment in human beings is necessary. Investment for increasing the resource is important and the more an organization invests in its human resources; the greater the return from the investment is likely to be. This realization of the need for continuous investment, and the possibility of substantial return, is an important concept of the human resource system. There is also one more reason why investment in human resource is necessary. It is also being realized that organizations have an obligation to the society, that they should also contribute to the development of people as human beings, as well as contribute to this value of creating traditions and culture of respecting people as human beings.

Development as the Underlying Concept of HRS

The core of the concept of HRS is that of development of human beings, or Human Resource Development (HRD). The concept of development should cover not only the individual but also other units in the organization. In addition to developing the individual, attention needs to be given to the development of stronger dyads, i.e. two person groups of the employee and his boss. Such dyads are the basic units of working in the organization. Besides several groups like committees, task groups, etc. also require attention. Development of such groups should be from the point of view of increasing collaboration amongst people working in the organization, thus making for an effective decision-making. Finally, the entire department and the entire organization also should be covered by development. Their development would involve developing a climate conducive for their self-renewing mechanisms in the organizations so that they are able to adjust and develop relevant processes which contribute to their effectiveness.

Such a concept of development will focus on the different units available in the organization for different purposes. The individual and his role are important units for some purposes. For others, groups, departments and the entire organization are more relevant units. The concept of development should therefore cover all such possible units.

Development in this sense becomes a massive effort. While the training of HRD department may play the major role in designing and monitoring development efforts in the organization, other parts of the organization have to share in such an effort. In fact, the person, or the groups for whom the efforts of development are made, is also a partner in this process of development. The four partners or agents of development can be identified as:

(a) The person or role

 (b) The immediate boss of the person

(c) The human resource management department

(d) The organization.

1.3 Social work practice and HR: Similarities in Values and Principles

Group work is an important method of social work practice. Giselle Konopka defines group work as a method of social work which helps individuals to enhance their social functioning through purposeful group experiences and to cope more effectively with their personal, group and community problems. Some of the objectives of Group work are:

- Providing supplemental emotional and social nourishment
- promoting democratic participation and citizenship
- Remedy individual and social disorganization or maladjustment through group Intervention strategies

The research is focused on organizations which are engaged in work areas such as advocacy, protection of human rights, research, environmental conservation, Agriculture and livelihoods, water and sanitation, healthcare, education, training & skill development, energy, microfinance etc. Many of these organizations use group work to provide supplemental emotional and social nourishment and to remedy individual and social disorganization.

Development sector organizations have their ideals in line with the objective mentioned above, but it is important to observe whether these ideals are practiced

when it comes to dealing with the employees or team members. Development Sector Organizations work to promote democratic participation and citizenship in community but the research will try to explore whether there is culture of participation and citizenship among employees.

Stages of group development

To carry out group work process effectively, it is very important to understand the stages of group development. The way group of people behave within organization is related to Human Resource Management. The performance of groups within the organization, group dynamics of the organizations under study are going to give significant information related to HR.

Community Organization

Murray G. Ross (1967) defines community organisation as a "process by which a community identifies its needs or objectives, gives priority to them, develops confidence and will to work at them, finds resources (internal and external) to deal with them, and in doing so, extends and develops cooperative and collaborative attitudes and practices in the community". In general, community organization means helping the community to solve its problems. In the context of social work profession in India, the term is used to denote a method of social work to intervene in the life of a community.

In context of value orientation

Dignity and worth of the individual is the essential value that the method of community organization is based upon. Agencies which practice these values to community stakeholders also need to practice it when it comes to internal stakeholders such as employee. Whether employees are feeling valued and their individual contributions are appreciated by organizations or not are also a very important aspect of HR.

In context of principles

Some of the principles given by Siddiqui (1997) are the Principle of People's Participation, The Principle of Democratic Functioning, and the Principle of Flexible Organization. Whether these principles are followed while dealing with own team members are important to learn from HR perspective.

Social welfare administration

The field of Human Resource Management has evolved from personnel administration and personnel management. Thus whenever the inquiry is related to HR aspects, the administration part cannot be ignored. Social welfare administration is a process through which social policy is transformed into social services. It involves the administration of public and private agencies.

The agencies which are considered as universe as per this research are all using the method of social welfare administration. There is a growing trend in development sector organizations to recruit professionally qualified manpower. Therefore, it is important to study the HR aspects of development sector organizations. Rosemary Sarri (1971) has outlined the activities of social welfare administration. Following are the activities which have direct relation with Human Resource Management

- Design of organizational structures and processes through which the goals can be achieved
- Securing of resources in the form of materials, staff, clients and societal legitimation necessary for goal attainment and organizational survival
- Optimizing organizational behaviour directed towards increased effectiveness and efficiency

1.4 Development Sector Organizations (DSOs)

As per United Nations Rule of Law

A non-governmental organization (NGO, also often referred to as "civil society organization" or CSO) is a not-for-profit group, principally independent from government, which is organized on a local, national or international level to address issues in support of the public good. Task-oriented and made up of people with a common interest, NGOs perform a variety of services and humanitarian functions, bring public concerns to governments, monitor policy and program implementation, and encourage participation of civil society stakeholders at the community level. Some are organized around specific issues, such as human rights.

Anyone studying the world of NGOs is immediately beset by a bewildering set of terms and acronyms. While the term NGO is very widely used, there are also frequent references to other similar terms such as 'non-profit', 'voluntary' and 'civil society' organizations, to name just a few. Some of these terms reflect different types of NGO, such as the important distinction usually made between grassroots or membership NGOs, composed of people organizing to advance their own interests, and intermediary NGOs, made up of people working on behalf of or in support of another marginalized group. But in many cases, the use of different terminologies does not reflect any analytical rigour, but is instead a consequence of different cultures and histories in which thinking about NGOs has emerged.

For example, 'voluntary organization' or 'charity' are terms that are common in the UK, following a long tradition of volunteering and voluntary work that has been informed by Christian values and the development of charity law. 'Non-profit organization' is frequently used in the United States, where the market is dominant, and where citizen organizations are rewarded with fiscal benefits if they show that they are not commercial, profit-making entities and work for the public good. 'NGO' has come to be used in relation to organizations which work internationally or to those belonging to 'developing' country contexts. The term has its roots in the history of the United Nations. When the UN Charter was drawn up in 1945, the designation 'non-governmental organization' was awarded to international non-state organizations which gained consultative status in UN activities. Each of these terms has been

culturally generated, and different usages can be traced back historically to specific social, economic and political contexts. This is not just a semantic problem, however the way this organization are 'labelled' may have significant implication in terms who can participate in policy processes and discussions and who can receive funding.

One useful way of approaching the problem of labelling NGOs is to see them as a part of what has been called the 'third sector'. This is the idea that the world of institutions can be divided three ways: the first sector of government, the second sector of for-profit business and a third group of organizations that do not easily fit into either category: a 'third sector' variously identified by different observers as 'not-for-profit', 'voluntary' or 'non-governmental' in character. The 'third sector' is therefore both a group of organizations and a social space between government and market. Within this framework, NGOs can be viewed as a specific subset of this wider family of third sector organizations.

DSOs in India

The development sector or voluntary sector has contributed significantly to finding innovative solutions to poverty, deprivation, discrimination and exclusion, through means such as awareness raising, social mobilization, service delivery, training, research, and advocacy. This sector has been serving as an effective non-political link between the people and the Government.

Voluntary Action cell of the Planning commission of India has drafted a "National Policy on the voluntary sector". The Policy is a commitment to encourage, enable and empower an independent, creative and effective voluntary sector, with diversity in form and function, so that it can contribute to the social, cultural and economic advancement of the people of India.

Definition of Voluntary organizations

As per the planning commission,

Voluntary organizations (VOs) mean to include organizations engaged in public service, based on ethical, cultural, social, economic, political, religious, spiritual, philanthropic or scientific & technological considerations.

VOs include formal as well as informal groups, such as: community-based organizations (CBOs); non-governmental development organizations (NGDOs); charitable organizations; support organizations; networks or federations of such organisations; as well as professional membership associations.

VOs should broadly have the following characteristics: a) They are private, i.e., separate from Government b) They do not return profits generated to their owners or directors c) They are self-governing, i.e., not controlled by Government d) They are registered organizations or informal groups, with defined aims and objectives.

According to a survey conducted by Society for Participatory Research in Asia (PRIA), about 1.5 million NGOs work in India (i.e., non-profit, voluntary citizens' groups organized on a local, national, or international level). This includes temples, churches, mosques, Gurudwaras (Sikh place of workshop), sports associations, hospitals, educational institutions, and Ganeshotsav mandals (temporary structures set up to house Ganesh festival celebrations). Most NGOs in India are small and dependent on volunteers. 73.4% of NGOs have one or no paid staff, although across the country, more than 19 million persons work as volunteers or paid staff at an NGO. The PRIA survey also reveals that 26.5% of NGOs are engaged in religious activities, while 21.3% work in the area of community and/or social service. About one in five NGOs works in education, while 17.9% are active in the fields of sports and culture. Only 6.6% work in the health sector.

DSOs in Gujarat

Gujarat has been known from the time immemorial for the contribution of its DSOs in virtual every field. Few of Gujarat's DSOs have very high national and international reputation by virtue of their work and achievements. Predecessors of current DSOs of Gujarat are the voluntary groups of the past century and more. These voluntary groups

had their roots in philanthropic, religious and national mission oriented movements. As the activities of these groups became more organized and professional, after Indian independence they gradually oriented their goals towards facilitation of programs at the grass-root. Later, in the 1970s, the advent of current DSOs happened with the questioning of prevalent developmental paradigm, characterized by an atmosphere of passionate and inspiring leadership and professional organizations, with a passion towards creating innovative, people-oriented development models that assist conscientious and equitable progress of society.

Demographic indicators of Gujarat

As per Official Census, Population of India has reached 1.21 Billion (121 Crore) in 2011 which is an increase of 17% from the earlier figure of 103 Crore of 2001. The state currently has 26 districts (226 talukas, 18,618 villages, 242 towns). Although population growth rate has decreased but actual population continue to rise. As per estimates, it is expected that India would be most populous country by 2025 overtaking china. Gujarat Population Census Data shows that it has Total Population of 6.03 Crore which is approximately 4.99% of total Indian Population. Urban Population of the State is 42.6%, which used to be at 37.4% in 2001. Rural population in the state in 2011 fell to 57.4% from 62.6% in 2001. Ahmedabad is the most populated District in the State, with 7.20 million people, up 11.94% from 2001, followed by Surat with 6.07 million people, up 10.07%, as per Gujarat's Directorate of census operations.

Poverty

According to Human Development Report 2011, the incidence of poverty in Gujarat is lower than that of India for both rural and urban areas; however, rural poverty is higher than urban poverty for all social groups in the state. The incidence of poverty among STs is higher than the state average, but still lower than the incidence of poverty among SCs and STs at the all India level. Though Gujarat has a low incidence of income poverty, it is still significant given the high economic growth it has achieved over the years.

Table 1.1: Human Development Indicators – Gujarat

Description	2011	Description	2011
Estimated Population	6.03 Crore	Female	28,901,346
Actual Population	60,383,628	Sex Ratio	918
Population Growth	19.17%	Percentage of total Population	4.99%
Area km2	196,024	Literacy	79.31
Area mi2	75,685	Male Literacy	87.23
Density/km2	308	Female Literacy	70.73
Density/mi2	798	Total Literate	41,948,677
		Male Literate	23,995,500
Male	31,482,282	Female Literate	17,953,177

(Source: Human Development Report 2011, Gujarat State)

Health

Looking at the other human development outcome indicators, particularly health indicators, the performance of STs in Gujarat is worse than at the national level, and also worse than other social groups within the state. This is primarily due to the fact that they are concentrated in rural areas, where the public health facilities are not as good as the facilities available in urban areas.

A similar trend is observed for underweight children. This suggests that even if Gujarat is performing better than the country vis-à-vis the health indicators, the marginalized groups of the state, particularly the STs are deprived of health facilities. SCs are marginally worse off than the state average and quite close to their national averages for all the health indicators. Further, in recent years, environment related health problems due to high levels of contamination of ground water in the state are becoming a cause of concern.

Literacy

Gujarat's literacy rate is marginally above the national average. However, there is a high degree of intra-state variation in education levels, with the literacy rate being low

in the tribal belt. The literacy rate among STs is the lowest among all the social groups in the state. Since STs constitute about 17 per cent of the state's population, their low literacy rate is a matter of serious concern. Literacy rate in Gujarat has seen upward trend and is 79.31% as per 2011 population census. Of that, male literacy stands at 87.23% while female literacy is at 70.73%.

Household amenities

In terms of basic household amenities, the state' s performance is marginally better than the national average, with more than 93 per cent of the households having access to an improved source of drinking water as against the national average of 91 per cent. This amenity is fairly distributed across all the social groups, and their averages are quite close to the state average and greater than their corresponding national averages.

Access to toilet facilities in the state is also slightly better than at the national level. Across the social groups, SCs and STs are worse off than the other social groups in the state, and also below the all India levels for SCs and STs. Realizing the importance of sanitation; the Government of Gujarat has introduced the Gokul Gram Yojna, and the Community Rural Sanitation Programme.

The following statement from the Human Development report 2011 summarizes the status of development in Gujarat.

"To sum up, it appears that the high growth rate achieved by the state over the years has not percolated to the marginalized sections of society, particularly STs and SCs, to help improve their human development outcomes."

Registered Trusts and Societies in Gujarat

According to the data available on the website of Legal Department – Government of Gujarat as on 31/12/2014, total 2, 22,624 trusts are registered under the office of Charity Commissioner in Gujarat. Out of the total number of trusts, 19% are religious and remaining 81% include medical, education and other charitable trusts. Though number of such organization seems very large, a very few of them have actually been able to make an impact in social development. There is still a huge scope for DSOs to act as a major contributor in development. It is important for these organizations to

effectively and efficiently manage their operations and management of human resources will play a vital role to achieve it.

This chapter explains the rationale for the study and explains the theoretical concepts related to Human Resource Management, its philosophy, its activities and historical evolution of the field. It includes concept and definitions of the term 'Development' and its relationship with HRM. The chapter also includes discussion about similarities in Values and Principles in Social work practice and HR along with the significance of Development Sector Organizations. There is a list of broad research questions which have been instrumental in framing the inquiry. The next chapter includes Review of Related Literature in which researcher has discussed and analyzed various papers, articles, reports and case studies which are based on the allied areas of study.