

The Key Factors Leading to Emergence of New Non-Governmental Organisations

By

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The Not for Profit Sector or often called as NGO Sector, Voluntary Sector, or Third Sector has flourished in many 'Developing World' and 'Developed world' countries in the last few decades. The agencies (organisations) belonging to this sector have played an important role in managing relief, welfare, gender justice, environment, advocacy, development, human rights movement, and transformation of human society. The paper examines and highlights the key factors responsible in emergence of new Not for Profit Organisations (NFPO), NGOs as in south Asian countries, or Voluntary Agencies as they are called in some European countries. These factors have been active in contemporary society in one way or the other with varying degrees, intensity, complexity and often overlap, further, these factors have implication for NGOs' growth, management, approaches to development, and social change they work towards.

In the last few decades the Not for Profit Sector or often called as NGO Sector, Voluntary Sector, or Third Sector has flourished in many 'Third World' and 'First World countries'. The agencies (organisations) belonging to this sector have played an important role in relief, welfare, human service, gender discrimination, environment, advocacy, development, human rights movement, and transformation of human society. In this paper I would like to look at the key factors responsible in emergence of these organisations. The key factors operating in the establishment of new Not for Profit Organisations (NFPO), NGOs in south Asian countries, or Voluntary Agencies as they are called in some European countries may vary as situation, circumstances and social needs vary from place to place. I would like to highlight in the literature as well draw upon my experience with the NGO sector in India, the key factors emerging about the voluntary agencies in Third World countries, UK and USA. However I would like to suggest that the literature addressing, the issue we are concerned with is limited, specifically that - "much literature on the voluntary organisations take their existence for granted. How and why they came into being, and what effects their initial formation process has on later development, are regarded as non-problematic" (Sills et al, 1980:189). I also would like to suggest that factors leading to birth of the NGOs have implication for their management and approach to development, however that will not be dealt with in the paper.

First the essay would refer to literature, which looks at the contextual key factors in the establishment of voluntary agencies including socio-political, economic, religious factors. Then the essay will move on to highlight the key components necessary in setting up voluntary agencies wherever they are established. Although these factors may not have direct causal effect, they are important for our consideration, as they play a substantial role in the establishment

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of the voluntary agencies. I also would like to suggest that these factors do not operate separately, as they seem to appear but overlap.

It is important that we have a conceptual clarity here as we are looking at the voluntary agencies in the essay and not just any organisation. The essay therefore refers to establishment of 'voluntary agencies' and not just any voluntary organisations or NFPOs. The voluntary agencies or NFPOs or NGOs in this essay will refer to an organisational model which is bureaucratic - that is having paid staff to carry out the main operational activities of the organisation and their role organised in an hierarchical order (Billis, 1989; Billis, 1993) and not just a group of friends or association of people with good will who do humanitarian work in society. An organisation with no paid staff to carry out its main activities will not fall under our consideration in this paper.

In UK and USA, specially during the Thatcher and Reagan era, changes in the policy, government attitude and contract culture have lead to voluntary organisations entering into a contract with statutory bodies to deliver welfare services (Lipsky et al, 1989-90; Taylor, 1992; Gutch, 1992; Adams, 1991; Kramer, 1981; Kramer, 1992). Billis and Harris (1992:5) suggest that "during the 1980, many voluntary agencies expanded their activities and numerous new agencies were established". The shift in government role from provider to purchaser may be cited as an important factor in some voluntary organisations shedding their associational world and taking on bureaucratic form, thus establishing themselves as voluntary agencies. Examples of this process are cited in the literature (Trojan et al, 1990; Billis, 1993).

The inter-organisational relationship suggests yet another factor in the establishment of the NFPOs. Studies suggest that NFPOs network in various ways with one another (Benson, 1975; Batsleer and Randall, 1991) for various reasons - for resource acquisition (Yuchtman and Seashore, 1967), to establish organisational domain (Benson, 1975), for exchange of equipment, knowledge and funds (Levine and White, 1961). Pfeffer and Salancik (cited in Pugh et al, 1989) suggest that organisations are able to reduce their vulnerability to environmental changes by depending on one another for resources.

The inter-organisational interactions, for different reasons, may lead to identification, imitation of one another, referred to as institutional isomorphism (DiMaggio and Powell, 1983), becoming like the other - very often transforming itself into a bureaucracy, a voluntary agency as defined above. The Voluntary and informal groups and association interacting with Government development agencies, other NFPOs eventually establish themselves as a formal organisation. Thus such inter-organisational relationships may be considered as one of the factors for the establishment of voluntary agencies.

Failure of market especially in terms of people having no buying capacity for their basic needs and government failure in terms of ensuring basic human needs (stipulated by the country) and welfare services (Bhatt, 1987; Sheth and Shethi, 1991; Sen, 1992) may be considered yet another factor in the creation of voluntary agencies, as "market-government theory suggests that when both market and

government fail to provide needed services, the nonprofit sector develops" (Winkle, 1990). Cutting Government subsidies to rural poor for agriculture, health education may lead to NFPOs coming into meet these needs of the poor. The small informal groups and organisations expand, increasing their activities and covering wider clientele. This growth is yet another factor for the emergence of NFPOs as over time the voluntary organisations realise the need for paid staff to cope with their increased clientele and carry out their main activities. The failure of State in protecting basic needs and human rights of its citizens lead to formation of NFPOs for instance - Constitution of India has abolished untouchability but in practice it exists all over the country, the land reforms have hardly been implemented in absence of 'political will' (see Baxi 1994, Khan, 1995).

Some of the factors cited above with regard to the establishment of NFPOs in Third World countries are similar to those in the First World countries. Here the literature focuses more on the socio-political, economic, environmental and religious circumstances of the place. Once again there is more than one factor operating at a time making it difficult to gauge which are stronger and which are not.

The communication and transport technology revolution has brought people in the Third World much closer than ever before in recent times (Young, 1990). National and international conferences and workshops have helped people share their local, national and global problems of massive poverty, health, discrimination based on caste, creed and race, environmental pollution and depletion, agricultural and natural disaster. These forums also have brought about a realisation of where easy funds are available. The initiatives and approaches taken elsewhere inspire people to do something for their own communities and countries, thus accelerating the possibility of grassroots support organisational growth (Fisher, 1993). Fisher defines grassroots support organisations (GRSOs) as working in communities other than their own; they are usually staffed by paid professionals - fitting our definition of voluntary agencies (NFPOs).

The socio-political situation of a country is an important factor in the creation of NFPOs or Voluntary agencies as defined above. Fisher (1993), cites inequality and repression in the developing countries as promoting factors of voluntary organisation though sometime it inhibit people and organisations. Poverty, unemployment, disasters and depletion of natural resources have raised concern among many and often the concern has resulted in the setting up of NFPOs (Korten, 1990; Clark, 1991; Wettenhall, 1990; Sheth and Shethi, 1991).

The other major factor in the establishment of NFPOs in the Third World countries is the charismatic leadership (Bhat, 1989; Pandey, 1991, Sen, 1992; Fisher, 1993; Clark, 1991). Their previous experience, enthusiasm, commitment to the objective, public profile (Connor, 1992; Sills, 1980), and their ability to mobilise domestic and foreign funds matter a great deal in establishment of a new organisation. Often this leadership has emerged from some Gandhian, religious, committed citizens and professionals groups, playing a significant role in establishing some of the NFPOs in India. In India such leadership also has helped in setting up a chain of NFPOs all headed by husband wife and other family members.

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Added to such a leadership, there has been an increased funding from the government and agencies from abroad in the past decades. This is yet another important economic factor in the creation of NFPOs. Some suggest that in India, the element of availability of government as well as foreign funding plays an important role in the establishment of NGOs (Pandey, 1991; Tondon, 1989) as well in other developing countries (Korten, 1990; Clark 1991).

Natural and manmade disasters, number of communal riots, and recent State sponsored carnage like that of Gujarat, in the last three decades has cost India many lives and much property. It has brought division, distrust, and fanned strong prejudice against different communities. These situations and circumstances has helped some groups to transcend their religious differences and establish NFPOs to help the riot and carnage victims, create awareness, work for human rights and bring harmony (not without justice) among all communities in different states of India.

Besides the liberation theology example of religious factors (Fisher, 1993) may also be cited in the decree of the 32nd General Congregation (legislative body) of the religious congregation of the Jesuits. The decree urged that all their activities should have a preferential option for the poor (GC 32, 1977). It has had a wide impact all over the world where Jesuits are working especially in the developing countries. Jesuits in India were instrumental in promoting and financing many NFPOs in many states of India in the 1970s and 1980s (refer Heredero, 1989).

Some of the factors mentioned about with reference to India are applicable not only to the voluntary agencies per se but the other kinds of voluntary organisations as well.

I would like briefly to go through the factors which indicate the 'content' or in other words the key components, building blocks which go to make a voluntary agency. First, the charismatic leadership which recognises the need and persuasive theory to involve others to respond to the need. Hodson argues "a new organisation needs an idealistic and visionary leader who is often determined and single-minded" (1992:134).

The social need of the community itself which is identified (Rock 1988) is brought to the public arena. Identification of this social need is not sufficient; it has to be articulated, so that a collective awareness is created and the need is perceived as a social problem, a cause to respond. Billis (1993) suggests that it is helpful to see organisations as responding to social problems.

Third, the leaders explore the available alternatives to respond to the problem. Formal organisational response is one of the responses. There could be others too, individual, informal, governmental, private profit-making, to mention a few.

The fourth factor is the availability of required resources like committed people to give their time and energy for the cause, finance, infrastructure like office, and technology. Altruistic motive of enhancement of one's country and its people has

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motivated many individuals and groups to do something for the people who are economically, socially and politically marginalised (Dabhi, 1995).

Last but not least, there is the realisation that systematic organisational response is needed, beyond individual and family, in order to meet the need effectively. It is argued, "needs and aspirations of human beings are the reasons for organised effort in the society" (French and Bell, 1990:49).

To summarise, i have looked at several factors which operate in the establishment of NFPOs. Voluntary agencies basically respond to the social needs of a disadvantaged society and as such the factors whether they are socio-political, economical, religious, or organisational play a vital role in their birth, growth, management, approach to development and social change. These factors have been active in contemporary society in one way or the other with varying degrees, intensity, complexity and often overlap.

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