

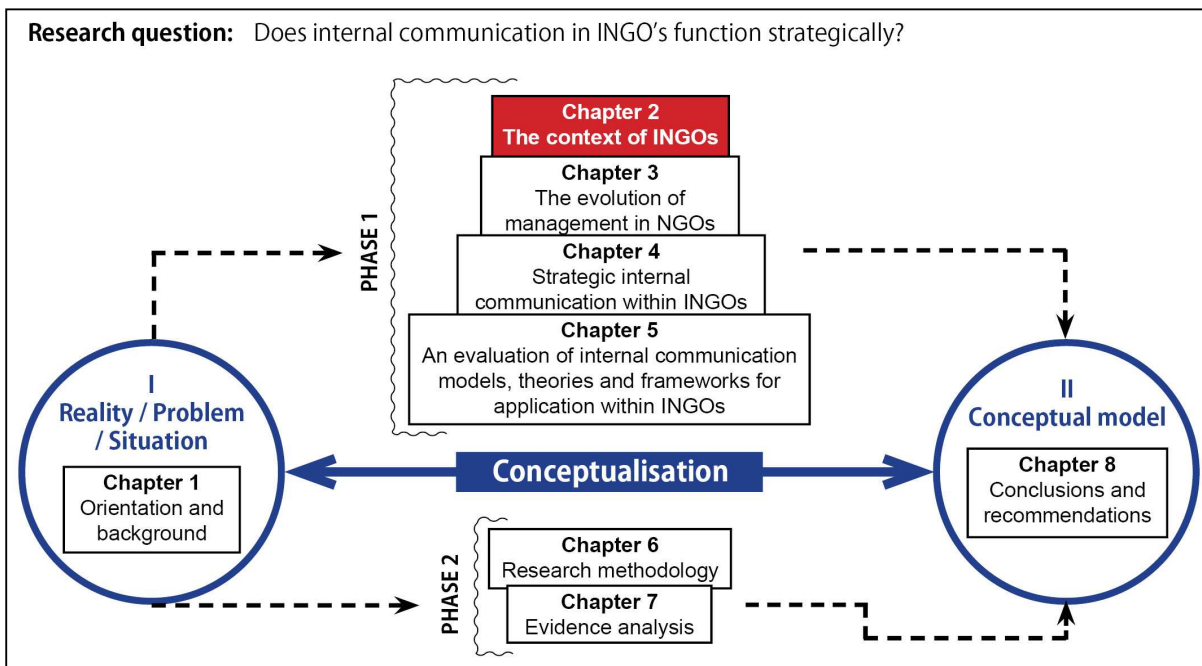
Chapter 2

The context of international non-governmental organisations

2.1 INTRODUCTION

The context and form of an organisation are important factors in its management. This chapter serves the purpose of exploring the INGO form and context in order to develop the background for both the theoretical and empirical portions of this study. Figure 2.1 illustrates the position of Chapter 2 in relation to the other chapters in this dissertation.

Figure 2.1: Chapter 2 in relation to the other chapters



This chapter is divided into four sections. The first section examines the environment in which INGOs are located: civil society. It defines what this term means and this sector's role in and relationship to broader society. The second section explores the primary organisational form within civil society and of which INGOs form a part, civil society organisations (CSOs). In particular, the section identifies the characteristics of these organisations and the activities they undertake, before starting to explore the central relationship between the CSO and its workforce. The third section turns its attention to the

particular type of CSO that is the focus of this study, the international non-governmental organisation (INGO). The definition, role and importance of INGOs are considered along with the unique characteristics of the INGO workforce. The section ends with a brief description of INGOs in South Africa. Finally, the fourth section considers the management challenges faced by INGOs that arise as a result of their organisational form and their environment.

2.2 SITUATING CIVIL SOCIETY

INGOs form part of civil society and thus to understand the INGO context it is necessary to explore the position and characteristics of this sector of society. This section starts by exploring how civil society relates to and is differentiated from other sectors of society. Then, the growth and current position of civil society are explored. Through this discussion, the context in which INGOs operate is established for consideration in future sections on how it affects the management of strategic internal communication.

2.2.1 Defining civil society through its place in the societal triangle

There is little agreement on a precise definition of civil society (Anheier, 2005:9). However, by considering civil society in comparison with other sectors of society, it is possible to gain an understanding of what this sector is all about.

2.2.1.1 Civil society's position

The use of the term 'civil society' in academic and policy circles is so loose that it has come to mean "all things to all people" (Heinrich & Fioramonti, 2008:xxix). Table 2.1 provides some examples of the definitions found in the literature.

Table 2.1: Definitions of civil society

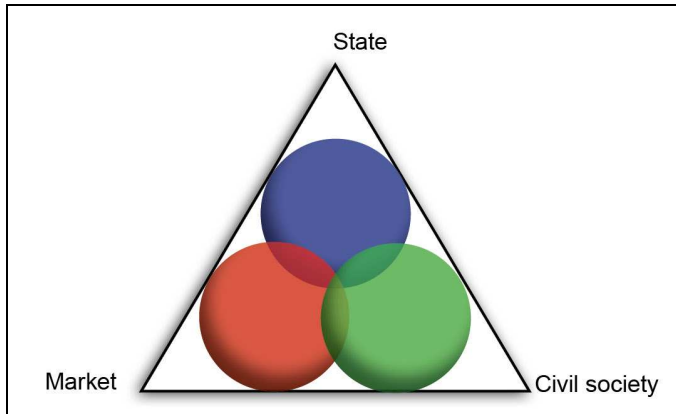
Authors	Definitions
Anheier (2005:9)	<i>"The sum of institutions, organizations, and individuals located between the family, the state, and the market, in which people associate voluntarily to advance common interests."</i>
Heinrich and Fioramonti (2008:xxx)	<i>"...the arena, outside of the family, the states, and the market where people associate to advance common interests..."</i>
Keane (quoted in Anheier, 2005:57)	<i>"...a complex and dynamic ensemble of legally protected nongovernmental institutions that tend to be non-violent, self-organising, self-reflexive, and permanently in tension with each other and with the state institutions that "frame," constrict and enable their activities."</i>
Lewis (2007:54)	<i>"...the realm or space in which there exists a set of organizational actors which are not part of the household, the state or the market. These organisations form a wide-ranging group, including associations, people's movements, citizens' groups, consumer associations, small producer associations and cooperatives, women's organizations, indigenous peoples' organisations – and ... NGOs."</i>
Salamon <i>et al.</i> (2004:9-10)	<i>"The sector composed of entities that are: organized, ... private, ... not profit-distributing, ... self-governing, ... [and] voluntary."</i>
Walzer (quoted in Parekh, 2004:19)	<i>"...the sphere of uncoerced human association and also the set of relational networks formed for the sake of family, faith, interest and ideology that fill this space."</i>
Van Tulder and Van der Zwart (2006:8-9)	<i>"...the sum of social relations among citizens that structures society outside politics and business."</i>

Using terms such as arena (Heinrich & Fioramonti, 2008:xxx), realm (Lewis, 2007:54), or sphere (Walzer in Parekh, 2004:19), several of the definitions in Table 2.1 conceptualise civil society as a space. This is in contrast to Salamon *et al.* (2004:9-10) and Anheier (2005:9) who see civil society as signified by a specific type of organisation. In line with the first group of definitions, this study adopts the position of Kelly (2007:82) in which civil society is the social space and CSOs are the actors within it (CSOs are discussed further in Section 2.3). This distinction between civil society and CSOs allows for greater analysis of the context in which CSOs (and INGOs) operate.

Most of the definitions in Table 2.1 give some attention to the boundaries of civil society in relation to other sectors of society, notably the state and the market, and in some instances the family. Generally, all definitions distinguish civil society from the state. However, while most also separate civil society from the market and the family (*i.e.* Anheier, 2005; Heinrich & Fioramonti, 2008; Lewis, 2007; Salamon *et al.*, 2004), there is disagreement on this issue. For example, Keane's definition (quoted in Anheier, 2005:27-28) does not exclude the market because, he argues, the market and civil society are interdependent as the market is mediated by social rules and relations and civil society is dependent on market principles and resources. Similarly, Walzer (quoted in Parekh, 2004:19) defines civil society as networks formed for "the sake of family, faith, interest and ideology" implying the inclusion of family in his conception. However, this study adopts the more widely accepted position that civil society is separate from both the market and the

family. This position is illustrated in the societal triangle model (Figure 2.2) discussed by Van Tulder and Van der Zwart (2006:8).

Figure 2.2: The societal triangle



Source: Van Tulder and Van der Zwart (2006:8)

In their model, Van Tulder and Van der Zwart (2006:8) conceptualise society as three spheres: state, market and civil society. How these three spheres function and interact comprises the functioning of society as a whole and each sphere plays an important role (Van Tulder & Van der Zwart, 2006:8). Each sphere is seen to play an equally important role in society, even though, in different countries and contexts, different spheres are larger and have more prominence and power.

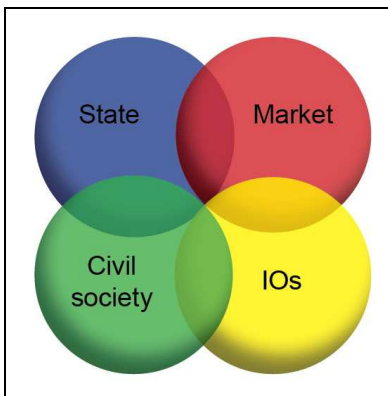
Another aspect of this model is that the different spheres overlap. Van Tulder and Van der Zwart illustrate that these overlaps are to allow for the many hybrid organisations that exist at the boundaries between the spheres (2006:12). However, the overlap between the spheres can also indicate some of the interdependence of the spheres. As Anheier (2005:57) puts it, “civil society is not a singular, monolithic, separate entity, but a sphere constituted in relation to both state and market, and indeed permeating both.”

This study adopts Van Tulder and Van der Zwart’s model as its view of society and civil society’s place within it for several reasons. First, by including civil society as an equal sphere next to the market and state, the model recognises the important role that actors within this sector play, highlighting the importance of studies in this field. Second, Van Tulder and Van der Zwart’s model conceptualises civil society as its own sphere, implying that it has its own distinct characteristics and roles that set it apart. Finally, the inter-locking

spheres contained within the triangle of society highlight the interdependence and interconnectivity between the spheres. This final point is important in understanding the context in which CSO and NGOs work and thus the context of this study.

The societal triangle is focused on national society. Since INGOs operate internationally, it is important to give some thought to the context of civil society on a global scale. In terms of defining global civil society, “no one seems to know exactly what it is, only *that* it is” (Bartelson, 2006:372). One of the difficulties of defining global civil society is that the national definition of civil society cannot simply be transposed to the global arena. The reason is because there is no central global government from which global civil society is distinct (Bartelson, 2006:372). Kelly (2007:91) proposes a four-actor model of global governance which helps to illustrate the different position of global civil society compared to national civil society (Figure 2.3).

Figure 2.3: Model of global society



Derived from: Kelly (2007:91)

In this model, there are four actors involved in global governance: multinational corporations (MNCs) acting within the market sphere, INGOs acting within the global civil society sphere and states and international organisations (IOs) dividing the state sphere. There is no hierarchy to the different actors, rather they all engage in relationships focused on problem solving issues of particular importance to their sphere (Kelly, 2007:91). Therefore, rather than being one of three equal spheres with a unique role in society, global civil society is one of four equal spheres which engages with the other spheres on constantly changing issues and in constantly changing ways.

2.2.1.2 Civil society's characteristics

The above establishes how civil society fits into the national and international societal framework, but not the characteristics of this space itself. Van Tulder and Van der Zwart's model conceptualises civil society as its own sphere with unique characteristics that make it distinct from the state and market. Many of these characteristics will be discussed further in section 2.3 because they relate more to the organisations that form part of civil society, CSOs, than to the conception of civil society as a space or sphere as defined in this study. However, several of the characteristics relate directly to the definition of civil society and these are discussed below.

To start, a defining characteristic of civil society is the voluntary nature of the sphere. This is hinted at in Van Tulder and Van der Zwart's (2006:9) identification of volunteers as civil society's primary resource, although the concept is much more profound. Anheier (2005:9) and Salamon *et al.* (2004:9-10) both use the term voluntary in their definitions of civil society, while Walzer (quoted in Parekh, 2004:19) chooses the term "uncoerced". All three are referring to the same concept – that all association within civil society is voluntary. This is civil society's main distinguishing feature from the state in which all citizens must participate (or submit to) and is thus involuntary (Walzer in Parekh, 2004:19).

Another characteristic of civil society is what Van Tulder and Van der Zwart (2006:9) refer to as its coordination mechanism: shared norms and values. By coordination mechanism, they mean the way in which social relations and interactions are governed within the sphere. In the state, it is through laws and legislation. In the market, it is through competition and other market mechanisms. In civil society, it is on the basis of shared norms and values which lead to cooperation within communal relations. Several of the definitions in Table 2.1 support this characteristic of civil society. For example, both Anheier (2005:9) and Heinrich and Fioramonti (2008:xxx) put forth that civil society activities aim to "advance common interests," while Walzer (quoted in Parekh, 2004:19) argues that groups are "formed for the sake of family, faith, interest and ideology." Both these positions imply the existence of shared interests or values which is in line with Van Tulder and Van der Zwart's view of civil society as a space coordinated on the basis of shared values, norms and interests. This is civil society's main distinguishing feature from the market which is coordinated based on the quest for profit.

Within global civil society literature, the role of values takes on even more importance. Global civil society is commonly seen as a group of organisations acting based on some sort of common ethical ground (Kelly, 2007:88) with the power “to change the world” (Long, 2008:51). It is associated with the Gramscian concept of civil society as a counter-hegemonic force against neo-liberal policies and institutions (Katz, 2006:334). An associated negative view is that global civil society has been co-opted by those same neo-liberal policies and institutions and has thus become a hegemonic force (Katz, 2006:335). Katz’s (2006:344) conclusions from his study on the operation of INGOs argued for a dialectical view of civil society as being both hegemonic and counter-hegemonic. In both cases, global civil society is seen to be acting on behalf of a particular set of values. The conflicting pressures on global civil society actors to conform and to rebel because of the different value sets are a characteristic of this sphere.

Directly related to this discussion of values is a final characteristic of civil society: its mechanisms of accountability. In democratic states, government is responsible to its voters and in the market, companies are responsible to their owners and shareholders (Van Tulder & Van der Zwart, 2006:9-10). Meanwhile, in civil society the various types of associations are responsible to either their members or society more broadly. In essence, civil society is responsible to society as a whole and its citizens who hold them accountable on the basis of their shared values and interests. However, as there is no structured means of accountability as in the state (elections) and market (profits), civil society is plagued by problems of legitimacy. This is a challenge that will be returned to later in this chapter but it is important to note that a defining characteristic of civil society is its accountability to its members and society more broadly.

In the above discussion a number of characteristics of civil society and its place in society have been established. Based on this discussion, civil society can be defined as one of three interrelated spheres of society within which voluntary associations are formed to provide goods on the basis of shared norms, values and interests. It is within this definition of civil society that this study establishes the context for INGOs.

2.2.2 The rise of civil society and its current place in society

The concept of civil society has a long intellectual history but it has only been since the 1970s, when it was used by democratic opposition in communist states in Eastern Europe and by Latin American activist against military dictatorships, that it entered into modern political and academic use (Lewis, 2007:53). In the last two decades civil society and its accompanying actors have dramatically increased in number, size and influence so that civil society is now considered “a major economic and social force at local, national, and international levels” (Anheier, 2005:12). The reason for this rise, and the position civil society currently occupies, plays a big part in both the context and importance of this study.

Katsus (2004:387-389) identified five factors that led to the rise of civil society:

- i. The restructuring of the welfare state,
- ii. The collapse of the dictatorial communist system in central and eastern Europe,
- iii. Globalisation,
- iv. The diffusion of information and communication technologies (ICTs) and
- v. The ‘so-called’ growing gap between citizens and politicians.

Each of these reasons contributed in a different, and in many cases interrelated, manner to the rise of civil society and an increase in the organisations associated with it. The restructuring of the welfare state resulted in governments providing fewer services and contracting out more services to CSOs. The collapse of communist Europe is part of a greater wave of democratization worldwide which increased the space available for citizens to engage and associate (Van Tulder & Van der Zwart, 2006:62). Globalisation led to an increase in both multinational NGOs and anti-globalisation NGOs (Katsus, 2004:388). The diffusion of ICTs has made it easier for citizens to organise and communicate locally, nationally and globally. Finally, the gap between citizens and politicians refers to how many people are turning away from politics towards single issue causes and organisations. The reason is because, in current society, many people do not feel that they can get the power and influence they need through conventional democratic structures and therefore turn to other forms of organising to do so (Chesters, 2004:324).

Each of these factors has led to the creation of a large and vibrant civil society which is considered to constitute a 'superpower' and the eighth largest economy in the world (Van Tulder & Van der Zwart, 2006:61). However, despite its current prominence on the local, national and international scene, civil society is facing many challenges. First, due to its lack of clear representative and accountability mechanism, its legitimacy is constantly being called into question (Long, 2008:51). Second, the many and changing relationships civil society has with the state, the market and, in the global arena, international organisations results in a very complex environment (Anheier, 2005:58). Finally, just as various forces in the world shaped the current role and prominence of civil society, other forces are at play that can again grow, shrink or modify the sector. For example, the increase in terrorism and the 'War on terror' has resulted in legislation that curtails the space available for civil society in countries as diverse as the United States and Ethiopia (CIVICUS, 2008). Both the factors that support civil society and those that hold it back form part of the context in which INGOs operate. Many of these challenges are returned to in section 2.5.

2.3 CATEGORISING AND CHARACTERISING CSOs

INGOs are part of a larger group of organisations, CSOs. Therefore, they share many of the same roles and characteristics with other organisations in this group. This section first provides a definition of CSO and explores its unique characteristics. Then it discusses the role of CSOs and establishes the importance of these organisations to society. Finally, the section concludes with a brief discussion of the CSO workforce. As the characteristics of CSOs apply to INGOs as well, it is necessary to identify these in order to be able to explore how they may impact on the management of strategic internal communication in these organisations.

2.3.1 A general definition of CSOs

CSOs are the actors within civil society. CSOs, sometimes referred to as non-profit organisations or NPOs, can range from small, informal clubs and social groups, to large social movements and the international organisations that this study is focused on. From country to country CSOs' structure and purpose vary resulting in a complex and diverse group of organisations (Burnett, 2007:5) which is difficult to define. However, there are

certain necessary conditions which an organisation must meet in order to be considered part of civil society.

Burnett (2007:6), Salamon *et al.* (2004:8) and the UN's *Handbook on Nonprofit Institutions* (2003:13) all provide a list of characteristics they argue are possessed by all civil society organisations worldwide and which distinguish them from state or market-based organisations. In fact, Salamon *et al.* (2004:8) use this list as their definition of civil society itself and have tested it in 40 countries. These lists are contained in Table 2.2.

Table 2.2: A comparison of characteristics of CSOs

AUTHORS	Salamon <i>et al.</i> (2004:8)	Burnett (2007:6)	UN's <i>Handbook on Nonprofit Institutions</i> (2003)
CHARACTERISTICS	Organised	Non-profit	Organisations
	Private	Non-profit distributing	Not-for-profit and non-profit-distributing
	Self-governing	Limited sources of revenue	Institutionally separate from government
	Non-profit distributing	Non-tax paying	Self-governing
	Voluntary	Accountability and success determined vis-à-vis the mission statement	Non-compulsory

Across the three lists in Table 2.2 there are many similarities. To start, all three lists refer to the non-profit and/or non-profit distributing characteristic of CSOs. Non-profit and non-profit distributing mean that CSOs' primary aim is not to make a profit and if they do, it is not distributed to the board of directors or any other member of the organisation but rather funnelled back into the organisation's mission. Further commonalities exist between Salamon *et al.* (2004:8) and the UN's *Handbook on Nonprofit Institutions* (2003:13). Where Salamon *et al.* (2004:8) refer to organised, private, self-governing and voluntary, the Handbook refers to self-governing organisations, institutionally separate from government and non-compulsory, but both are identifying the same four characteristics of CSOs.

First, CSOs must have some sort of organisational form and permanence, even if not formally and/or legally constituted. Second, CSOs must be able to govern their own affairs. Third, CSOs must be separate from any state institution even though they can receive funding and other state support. Finally, participation in CSOs must be voluntary and not based on any compulsory requirements.

In addition to these five characteristics, Burnett (2007:6) provides three more that can play a role in the management of CSOs. First, he identifies the limited sources of revenue a CSO can draw upon, notably donations, grants, fund balances and in some cases sales and related revenue. Second, he notes that in many countries, CSOs do not have to pay taxes; however, this requires that they meet specific government guidelines. Third, a CSO's success is determined via the mission statement to which it is also held accountable. While not tested empirically to the same extent as the list by Salamon *et al.* (2004:8), and therefore not necessarily applicable across as broad a range of CSOs, these additional characteristics do shed light on certain aspects of CSOs that can affect their management. Thus, they are important to the purpose of this study, if not necessarily part of the definition of a CSO.

Van Tulder and Van der Zwart (2006:9-10) provide an additional list of characteristics of CSOs in relation to both state and market-based organisations (Table 2.3). These include the sphere of their importance, their coordination mechanism, who or what controls them, the types of goods they produce, their primary source of income, their weaknesses, the parameters of their interaction with others both within and outside their sphere, and the main organisational forms.

Table 2.3: Characteristics of state, market and civil society-based organisations

Characteristics	Organisation types		
	State	Market	Civil Society
Primary importance	Political	Economic	Social
Coordination mechanism	Control and codification (legislation)	Competition (market mechanisms)	Shared norms and values
Primary control	Voters, political parties	Owners, supervisory board	Society, members
Informal control	Officials	Managers, Board of Directors	Managers, technocrats
Type of goods produced	Public good	Private goods	Club goods
Primary resources	Legislation/police/armed forces/monopoly of violence	Financial capital, labour, natural resources	Energy of volunteers
Sources of income	Taxes	Profits	Donations and contributions
Primary weaknesses	Rigidity and bureaucratisation	Monopoly and other forms of 'market failures'	Fragmentation
Parameters	Coercion, codification	Competition	Cooperation; co-optation
Dominant organisational form	Departments, ministries, local councils, provinces/federal states	For-profit; Plc, Ltd, AG, SA	Nonprofit; voluntary organisation; foundation; association

Source: Van Tulder and Van der Zwart (2006:9-10)

Several of the characteristics in Table 2.3 have already been discussed as part of the characteristics of civil society. For example, similar to civil society more broadly, CSOs act on the basis of shared norms and values (coordination mechanism). This does not mean that all CSOs share the same values but rather that, within each CSO or groups of CSOs, people associate and act on the basis of common values and/or interests. There can be both 'good' and 'bad' CSOs (Kumar, 2008:22).

The lists provided by Van Tulder and Van der Zwart (2006:9-10) in Table 2.3 serve the primary purpose of illustrating how CSOs differ from market and state-based organisations. This is important for understanding why management theories and practices need to be evaluated within the CSO context. For example, the table shows how the limited source of income available to CSOs identified by Burnett (2007:6) compares to the sources of income in the market and state: profits and taxes. Both market and state-based organisations have some control over the amount of revenue they bring in, either by controlling the amount of product they produce or by raising/lowering taxes. The restrictions on CSOs in this regard can affect how these organisations are managed. The challenges posed by characteristics of the CSO form of organisation identified by Van Tulder and Van der Zwart (2006:9-10) will be further explored in section 2.5.

Based on the above discussion and the empirical testing of the characteristics provided by Salamon *et al.* (2004:8), this study adopts their definition of CSOs as "entities that are: organized, ... private, ... not profit-distributing, ... self-governing, ... [and] voluntary." These characteristics as well as those provided by Van Tulder and Van der Zwart (2006:9-10) and Burnett (2007:6) serve to distinguish CSOs from market and state-based organisations and are key to understanding their management.

2.3.2 Categories of CSOs

The characteristics of CSOs discussed above unite them as a cohesive group. However, within CSOs there is incredible diversity of structure, form and purpose. Various tools have been developed to classify the organisations in civil society, including the General Industrial Classification of Economic Activities developed by the European Statistical Office and the National Taxonomy of Exempt Entities developed in the United States, but few of the schemes apply across national borders (Burnett, 2007:7). However, two

particular schemes can help to organise the sphere globally; one related to organisational form and one to organisational purpose.

Van Tulder and Van der Zwart (2006:23-24) classify CSOs based on their form and legal personality. They propose three categories of CSO: groups without legal personality, associations and foundation. Groups without legal personality are often termed ‘pressure groups’, are informally organised and often cease to exist after achieving their basic objective. Associations are one of two types of CSO with a legal personality. Their main characteristic is that they have paying members who have a voice in the management of the organisation usually by electing the board of directors. The second type of CSO with a legal personality is the foundation. A foundation self-appoints its own board directors. It receives funds from donors, but unlike an association’s members, there is no formal structure through which these donors can influence the organisation’s policies. Van Tulder and Van der Zwart's (2006:23-24) classification is helpful in identifying some of the major differences in the form of CSOs. However, even within these three categories there is still incredible diversity among CSOs.

Salamon *et al.* (2004:11), as part of their comparative study of CSOs in 36 countries, developed a classification scheme of CSOs based on their purpose and activities. Table 2.4 outlines the twelve broad categories of their scheme.

Table 2.4: International Classification of Nonprofit Organisations

1	Culture and recreation	7	Civic and advocacy
2	Education and research	8	Philanthropic intermediaries
3	Health	9	International
4	Social services	10	Religious congregations
5	Environment	11	Business and professional, unions
6	Development and housing	12	Not elsewhere classified

Source: Salamon *et al.* (2004:12)

The International Classification of Nonprofit Organisations, as this scheme is known, divides CSO activity into twelve broad categories, most of which contain several subcategories (for the complete classification scheme see Salamon *et al.*, 2004:318-326). Salamon *et al.* (2004:12) tested the scheme in all 36 countries that were part of their study and deemed it to be useful internationally. As a tool for classification, it helps to divide the sector into manageable components with enough similarity to allow for insightful and

meaningful study. However, it does not give a complete picture of the diversity of CSOs as within the different groups, the size and structure of CSOs still varies considerably.

This study focuses on a particular type of CSO, the INGO. Based on the two classification schemes discussed above, INGOs are either associations or foundations that participate in the international category of activity. This description does not provide a lot of detail about INGOs. Therefore INGOs are discussed in more detail in section 2.4. First, however, the role and importance of CSOs generally is discussed.

2.3.3 Role and Importance of CSOs

As noted above, CSOs are a complex and diverse group of organisations. Their interests can be either public or private (Van Tulder & Van der Zwart, 2006:22) and their roles include delivering vital human services, empowering the disadvantaged, giving expression to artistic, religious and culture impulses, building communities and mobilising individual efforts in the pursuit of a common good (Salamon *et al.*, 2004:3-4). Table 2.3 highlights the social sphere as being the primary area of CSOs importance, yet, as discussed below, CSOs play an important economic and political role as well.

Salamon *et al.* (2004:15) divide CSOs' roles into two groups: service functions such as health, education, housing, economic development and other similar activities and expressive functions which include "activities for the expression of cultural, spiritual, professional, or policy values, interests and beliefs". CSOs represent "the most important human change agent bringing education to the unlearned, cures to the unhealthy, and integrity to the shameful" (Burnett, 2007:3) and provide many important social services not provided or inadequately provided by the state and market. This role has increased with the decline of the traditional welfare state. For example, in the US, nonprofits represent over three fifths of acute care hospitals (Anheier, 2005:97). As well, CSOs provide space for people to gather for recreational, cultural and religious purposes. In this regard, the social arena is dominated by CSOs with market and state-based organisations playing relatively minor roles. Thus it is in this sphere that CSOs find their primary role and importance.

In addition to the role CSOs play in economic development, CSOs are also an economic force in their own right. The combined economic impact of CSOs in the 36 countries studied by Salamon *et al.* (2004:15) is equivalent to the seventh largest economy in the world; it is larger than the economies of Italy, Brazil, Russia, Spain and Canada. In total, it is a combined \$1.3 trillion industry when considering only 36 countries (Salamon *et al.*, 2004:15). In South Africa, CSOs account for 1.3 percent of the country's gross domestic product (Swilling, Russell, Sokolowski & Salamon, 2004:111). In addition, CSOs play an important role as an employer. In the 36 countries studied by Salamon *et al.* (2004:15), CSOs employ a paid workforce of 25.3 million with a combined paid and voluntary total of 45.5 million. In the United States, CSOs are now "America's largest employer" (Burnett, 2007:3) and in South Africa, the CSO workforce represented four percent of the economically active population in 1998, a larger percent than the mining sector (Swilling *et al.*, 2004:111). CSOs therefore play an important role in the economic sector as well as the social sector.

CSOs' politically important role primarily comes from their promotion of civic participation and advocacy. CSOs are a forum for civic participation, giving individuals the opportunity to get involved in public affairs (Anheier, 2005:105). In this role, they give "voice to minority or particularistic interests" (Anheier, 2005:105). As Katsus (2004:390) notes, CSOs are usually the first to raise major issues and the source from which these issues move to a broader consciousness in society and government. CSOs thus play an important political role in mobilising the public and holding government accountable for its actions.

Based on the discussion, it is clear that CSOs play a major role in a social sense, but also play important economic and political roles. The study of the CSO management is vital, given the roles they play in society.

2.3.4 The CSO workforce

As noted in section 2.3.3, CSOs are a major employer globally and in South Africa. Strategic internal communication is focused primarily on the relationships between the employer and the employees (Kennan & Hazleton, 2006). Therefore the characteristics of an organisation's workforce are a key component in the context of this management practice. CSO workforces have three readily identifiable characteristics that distinguish

them from the workforces of other types of organisations: their motivation, their remuneration and the presence of volunteers.

As discussed previously, CSOs are formed on the basis of shared norms, interests and values. This applies equally to a CSO's workforce as to any other aspect of the organisation. For example, Steinber and Weisbrod (quoted in Anheier, 2005:176) both discuss a "sorting effect" which channels staff and volunteers to organisations that mirror their own values. As well, many CSO employees are motivated "by an intrinsic need for self-worth" (Maneerat, Hale & Singhal, 2005:189). The result is a workforce whose motivation is not solely based on monetary gain but rather a deeper sense of commitment and identification with the work and the organisation.

A study by Brown & Yoshioka (2003:15) supports the above statement, but notes that commitment to the cause is not enough to necessarily retain employees in the face of uncompetitive wages and poor management practices. There is a significant wage differential between for-profit organisations and CSOs which is likely to persist (Anheier, 2005:216). The reason is because CSOs often do not have the ability to provide remuneration at the market level because of limited resources. As a result CSOs must reward employees in different ways. For example, CSOs often have a democratic work culture that allows for greater participation in organisation management and provides room for individual career growth (Brandel, 2001:13). Management practices are an important aspect of maintaining the commitment of a CSO workforce and will be returned to in Chapters 3 and 4.

A final characteristic of the CSO workforce is that it often contains volunteers working alongside paid employees. This mixture of employees and volunteers can take many forms in CSOs, with, in some cases, paid employees volunteering part-time or volunteers receiving some form of remuneration below standard wage levels (Anheier, 2005:214). As a result of the mixture of employee types, there is often a mixture in terms of motivation and commitment. This can cause tension between different groups within the workforce.

Based on the above discussion, the CSO workforce is characterised by a strong commitment to the CSO mission, lower than market-level remuneration and a mixture of paid and voluntary employees. These characteristics are important components of this

study's context and need to be considered in terms of a CSO's management and strategic internal communications.

2.4 A SPECIFIC TYPE OF CSO: THE INGO

This section starts by defining INGOs and highlights their unique characteristics. Then it explores the role and importance of INGOs in society before turning attention to the characteristics of the INGO workforce. The section concludes with a brief discussion of INGOs in South Africa as the particular context for this study.

2.4.1 A general definition of the INGO

INGOs, as a specific type of CSO, share the characteristics discussed above but also have their own unique attributes. In addition, since an INGO is an international NGO, NGO must first be defined in order to define INGO. Within civil society practice and literature, there is considerable variety in the use of various terms and acronyms (Lewis, 2007:43). In this study, NGO is a category of CSO, but this is not a universally accepted view of the term. Blair (quoted in Lewis, 2007:57), for example, uses NGOs as the term to designate the broader category and CSO as a subset within it. This section will clarify how the terms NGO and INGO are used within the context of this study.

The qualifier 'non-governmental' applies to all CSOs as well as market-based organisations. However, Kelly (2007:94) argues that NGOs are only those CSOs that are principled, value-based actors that actively promote social change. Meanwhile, Lewis (2007:48) defines NGOs as a subset of CSOs "concerned with development, human rights and social change." Generally, within both the literature and in practice, the term NGO is associated with development organisations (Salamon *et al.*, 2004:11). Swilling and Russell (2002:11) define development CSOs as "those engaged directly in improving the social, cultural, and economic well-being of certain sectors of society." Lewis (2007:5) argues that there are other types of NGOs working in other areas, but still uses the term NGO in his textbook on the management of non-governmental development organisation because of the popularity of the term in practice and in the literature. This study takes a similar position, using the term NGO to designate development organisations, where development is understood to be improving the social, cultural and/or economic well-being of society.

Within his definition of NGOs, Lewis (2007:48) notes that there is still considerable diversity of organisations, including northern and southern-based NGOs, those working within global institutional development frameworks and those working firmly outside these, community-based organisations and both service and advocacy-based organisations. This study focuses on one particular subset, INGOs. INGOs are at their most basic simply NGOs operating in two or more countries. However, as noted by Anheier (2005:356) “*being global is different.*” As such, the characteristics of INGOs, their management needs and their internal and external relationships all differ from an NGO. In addition, there are differences among INGOs that are also important when considering the management of these organisations.

In terms of organisational structure, INGOs can vary considerably. Within this framework, a review of the literature allows for the identification of three different types of INGOs: global organisations, federations and networks. Table 2.5 summarises these organisations based on two characteristics, localisation and control.

Table 2.5: Three types of INGOs

Differentiating factors	Organisation types		
	Global	Federation	Network
Localisation	Global	Multi-domestic	Localised
Control	Centralised	Diffused	Decentralised

Adapted from: Van Tulder & Van der Zwart (2006:65-67)

Global organisations are those INGOs that expressly adopt a global presence and position on global issues. They have a centralised organisational form and where they do have national offices, these tend to be tightly controlled by headquarters (Van Tulder & Van der Zwart, 2006:66-67). Federations are INGOs that adopt a multi-domestic position in which the INGO has a loose structure of associated organisations in various countries (Van Tulder & Van der Zwart, 2006:66). On issues where there is lots of variation across regions, this structure is best for achieving results locally (Anheier, 2005:353). Generally, in a federation there is a central coordinating body but control is diffused and national associations have a significant amount of discretionary power. This group reflects Kelly’s (2007:85) definition of INGOs as “loose, decentralised structures with national and subnational ‘nodes’ and some manner of international coordinating body.” Finally, the network type of INGO is an organisation primarily embedded within a particular nation, but

networking and collaborating across borders (Anheier, 2005:351). These INGOs tend to have networks that can be activated for particular campaigns and activities when needed. These different structures have an enormous impact on the management of INGOs.

INGOs do not all fall nicely into one of the three types of organisation laid out in Table 2.5. Rather, these three groups represent three archetypes around which INGOs fall. As such they are helpful for classifying and understanding the differences among INGOs. Their common characteristics which arise from their being CSOs, NGOs and INGOs, as well as the differences in their structure, are important considerations for their management.

2.4.2 Role and importance of INGOs

INGOs are the most visible actors in global civil society and the central component of its infrastructure (Katz, 2006:338). The modern INGO first emerged with anti-slavery societies in Britain in the 1830s (Anheier, 2005:329). In 1950, there were 804 INGOs globally (Tew, 1963 in Anheier, 2005:329), which grew to over 30,000 in 2000 (Van Tulder & Van der Zwart, 2006:63). The increase in INGOs is associated with their increasing role and importance in the development industry. Their roles can be divided broadly into three categories, an operational service-oriented role, a global policy and advocacy role and a counter-hegemonic activist role.

One factor that led to an increased operational role for NGOs and INGOs is the appeal they hold among neo-liberals in advancing the cause of privatisation (Lewis, 2007:40). More and more aid agencies are partnering with NGOs to provide development assistance. For governments of both developed and developing nations, NGOs serve as a means of avoiding the bureaucracy of the state, thus being a more efficient means of service delivery (Lewis, 2007:41). For developed country governments, they also help avoid potential corruption in developing country governments. This has led to an increasing role for INGOs in particular as aid agencies in the developed world partnered with locally head-quartered INGOs who have satellites and partners in the developing world. As a result, INGOs play an increasing role in aid delivery in the developing world.

INGOs fulfil a second role at the policy level of global governance. In this role, INGOs serve as public actors and play “a key role in supporting democratic processes in the

political sphere” (Lewis, 2007:41). In this role, INGOs try to serve as a link between local citizens and communities and the current system of global governance. The increasing importance of this role is shown by the 46 percent increase in the number of formal links between INGOs and international organisations, such as the United Nations (UN), the World Health Organisation (WHO) and the World Bank between 1981 and 2001 (Anheier, 2005:11). While INGOs face a significant amount of criticism regarding their ability to fulfil this role, as Kelly (2007:89) notes, INGOs are better than nothing in terms of bringing a plurality of voices to global governance institutions. For this reason, INGOs’ role in this regard is likely to continue to increase.

A major criticism of the above roles is that INGOs are being co-opted into the current hegemonic global order. For the ‘left,’ INGOs offer an opportunity to achieve real social transformation by playing a counter-hegemonic activist role (Lewis, 2007:40). Working outside of the established global governance structures and on the principle of social constructivism, INGOs, generally supported by broad social movements, aim to influence and change social values thereby achieving real change in society (Kelly, 2007:87). In this role, INGOs try to hold both the market and the state at arms length while supporting social movements around the world (Kumar, 2008:24). As such, this role is mainly distinguished from the policy and advocacy role, in that it occurs outside global governance institutions. It is an example of INGOs making use of the space provided by global civil society to strive for social change.

Each of the three broad roles discussed above, highlights an important area of INGO work. It should be noted that these roles are not mutually exclusive. Many INGOs engage in two or even three of these roles, often at the same time. Therefore they do not provide a good means of distinguishing between INGOs, but rather highlight the importance of INGOs within global civil society, global governance and development.

2.4.3 The INGO workforce

The INGO workforce shares all the same components as the CSO workforce discussed above, notably, a strong commitment to the INGO mission, lower than market-level remuneration and a mixture of paid and volunteer employees. However, one key

difference can affect the management of the INGO workforce, compared to the CSO workforce: it is international and diverse.

INGO workforces can be international in two ways. First, INGOs with offices in different countries are likely to have the local nationality dominant in each office (Anheier, 2005:349). Second, INGOs are often centres of collaboration between local and foreign academics, professionals, students and activists from both developed and developing countries. Thus they will have multiple nationalities represented within the same office. The result is an organisation with multiple cultures (Lewis, 2007:113). However, the cultural differences can be further compounded by other differences. For example, some INGOs have different pay scales for international and national employees, which may be necessary to attract the talent needed but can breed resentment. Similarly, there can be a divide, which can reflect the national/international divide, between programme staff fully versed and committed to the development field and administrative staff. Therefore, diversity in a variety of forms is a key characteristic of INGO workforces.

2.4.4 INGOs in South Africa

Despite being international in outlook, INGOs are still very much embedded within the states and cultures in which they work (Anheier, 2005). They must adhere to national government regulations and conform, at least to some extent, to the local culture's expectations. Therefore, the country in which an INGO operates can pose unique challenges to INGO management making it an important consideration. Since this study is focused on INGOs operating in South Africa, the following offers a brief overview of this particular context.

Civil society in South Africa arose from two factors (Swilling *et al.*, 2004:110). First, the corporatist tradition of the Dutch settlers led to a prominent role for CSO in public service delivery for an exclusively white population during Apartheid. Second, the self-help spirit of the indigenous people led to the development of many networks and organisations on which the Black population relied both for services and political mobilisation. The cumulative result post-Apartheid is that South Africa has one of the largest civil society sectors among developing and transitional countries (Swilling *et al.*, 2004:112). It plays a dual role of social watch and service delivery (Swilling & Russell, 2002:5). CSOs in South

Africa have the responsibility of monitoring the public good and the interests of the disadvantaged, as well as providing economic and social services.

International charitable organisations first came to South Africa with British occupation in 1795 in the form of Christian missionaries (Swilling *et al.*, 2004:115). However, it was not until after the first democratic elections in 1994, that INGOs started to develop a presence in South Africa. A 1998 survey of all CSOs in South Africa identified 212 international CSOs operating in the country (Swilling & Russell, 2002:23). Currently, the Prodder Database, an online database of NGOs and development organisations in South Africa, lists 256 INGOs with offices in the country. Further details on this group have not been found but a review of the list indicates that these organisations play the same roles as national CSOs including both social watch and service delivery.

By operating in South Africa, INGOs must adhere to its legal framework. This framework includes the Nonprofit Organisations Act 71 of 1997 as well as other acts that affect INGO operations such as the Income Tax Act, No. 58 of 1962, the Labour Relations Act, No. 66 of 1995 and Employment Equity Act, No. 58 of 1998 (Wyngaard, 2002:3). The need to adhere to different regulations in each country in which is they operate is a challenge INGOs must deal with.

South Africa has a unique history. Its population, with 11 official languages, is very diverse. The inheritance from Apartheid is a disparity between White and Black South Africans in terms of education and presence in the higher ranks of the workforce. Acts such as the previously mentioned Employment Equity Act are trying to rectify this situation by promoting equal opportunity as well as implementing affirmative action (Wyngaard, 2002:20). INGOs must not only adhere to this act, but also manage the added diversity among South African staff alongside their international staff. International personnel also introduce a regulatory challenge. The process for obtaining work permits can be taxing on the resources of the INGO and stressful for the employee. These are just some of the challenges faced by INGOs in South Africa. The following section discusses the management challenges INGOs generally face around the world. INGOs in South Africa face these same challenges although it should be noted that they all take on a unique form depending on the country in which the INGO is operating.

2.5 MANAGEMENT CHALLENGES FACING INGOs

The previous sections discussed the context in which INGOs operate, their organisational form and the characteristics of their workforce. These characteristics have implications for the management of INGOs including the potential to affect the management of strategic internal communication.

2.5.1 Organisational context

The context in which CSOs and INGOs operate is complex. CSOs must negotiate multiple relationships with members, donors, state regulators and the general public as well as with each other. The complexity is further increased by changing international and local political, economic and technological environments. Finally, the situation for CSOs is further compounded by their lack of direct power to control their environment. Government can assert its power through the creation of laws and when necessary the use of force. Corporations can use capital to influence and adjust to changing environments. The power of CSOs, however, is indirect and lies in their ability to shape public values and thus influence policy (Kelly, 2007:87). As such, they have little control over their environment and must focus on constantly adapting to its changing features (Anheier, 2005:251). Negotiating this complex operating environment is a management challenge for CSOs.

The complex operating environment of INGOs is compounded by the fact that they operate in the global arena. Anheier (2005:349) notes that INGOs do not have just an environment, but multiple, complex environments. They operate within local, national and global contexts and have relationships with donors, governments, international organisations, beneficiaries, partners and the broader public. Many of these institutions have conflicting and diverse demands of INGOs (Chesters, 2004:326). For example, within global civil society, signs point to increasing competition for scarce resources (Anheier, 2005:352). This scarcity not only places financial restraints on INGOs, but may lead them to modify their activities, positions and organisational forms to make themselves more attractive to donors (Anheier, 2005:352). This can cause an INGO to focus more on satisfying donors instead of those to whom it is dedicated to serving (Ehlers & Lazenby, 2007:278). This can lead to challenges in achieving its objectives in terms of serving its beneficiaries. Managing the multiple environments that form an INGO's context is a major challenge.

2.5.2 Organisational form

As discussed throughout this chapter, the INGO organisational form and its parent form, the CSO, have a number of particular characteristics. These include, among others, a lack of resources, a reliance on volunteers and values as the central coordination mechanism. These characteristics of its form pose a variety of management challenges for INGOs, notably fragmentation and difficulty establishing legitimacy.

2.5.2.1 Fragmentation

Van Tulder and Van der Zwart (2006:10) identify fragmentation as the primary weakness of civil society and CSOs (see Table 2.3). They argue that because of insufficient resources and the lack of professionalism among volunteers, CSOs are becoming more and more fragmented, making it more difficult for them to achieve their goals. Chesters (2004:326) also identifies fragmentation as a key issue for CSOs with the multiple types of CSOs and their activities increasing. The result is competition within civil society for both financial and human resources as well as for public support. Thus fragmentation makes either competition or partnership between CSOs necessary. As Swilling and Russell (2002:92) note, it is the alliances and networks of a CSO which will determine its success in the future. Thus building these alliances is a management concern for CSOs.

2.5.2.2 Establishing legitimacy

Values are the coordination mechanism of civil society and the organisations operating within it. This means that the organisation's mission, which reflects the organisation's values, is central to NGOs because it guides decision making. Unlike in corporations, there is no financial bottom-line to provide the basis for strategic decisions (Sawhill & Williamson in Brown & Yoshioka, 2003:6). The subjective nature of values and the difficulty in ensuring that one is always perceived to be acting in accordance with those values makes establishing legitimacy a constant challenge for CSOs and INGOs. As introduced in Chapter 1, legitimacy refers to an organisation's licence to operate, given to them by society based on their adherence to societal values. Long (2008:53) puts it in a slightly different way, stating that it is the recognition and acceptance of the wielding of power by those over whom the power is wielded.

Lack of legitimacy is a major criticism of CSOs (Long, 2008:51) and three reasons for this can be identified in the literature. The main reason is because CSOs often claim to represent their membership or a broader segment of civil society; yet, this representation is inherently undemocratic (Kelly, 2007:89). Unlike democratic states, CSOs are generally not elected by those they claim to represent, thus they are not explicitly given a license to operate. Secondly, CSOs often claim legitimacy based on a moral rightfulness; however, given the diversity of values within both national and international contexts, this is problematic (Long, 2008:54). Finally, CSOs often operate on the trust of their members and society generally with very little independent oversight. However, in light of recent financial scandals among both corporations and CSOs (see Burnett, 2007:12 for examples) this trust has been broken. The result is increasing scrutiny of CSOs and focus on their legitimacy and adherence to the values they claim to support.

Establishing their legitimacy in the face of these criticisms is of primary concern for CSOs because a lack of an appearance of legitimacy can affect a CSO's survival by losing the support of their internal and external stakeholders and limiting their ability to raise funds and be effective in their work. INGOs face the same legitimacy challenges as CSOs but they are intensified for INGOs because of the increased distance between them and the people they claim to represent.

Several issues can impact on an INGO's ability to establish legitimacy. For example, bowing to donor pressure to secure resources can cause INGOs to lose legitimacy among broader society. Elitism, or perceived elitism, can jeopardise an INGO's legitimacy. A major criticism of INGOs is that they are dominated by middle class, professional men from developed countries (Kelly, 2007:89). These people predominantly share the same world view and it leads to elite politics in global civil society (Long, 2008:51). Therefore INGOs have the management challenge of ensuring that they hear and reflect the voices of those they speak for and aim to help. If not, they could lose their legitimacy.

2.5.3 Workforce characteristics

Diversity characterises the INGO workforce: diversity of commitment, of remuneration among paid employees and volunteers, of field and position, and of nationality and culture. The academic literature identifies both positive and negative effects of diversity in the

workplace. Negative effects of poorly managed diversity in the workplace can include increased employee stress, absenteeism, employee turnover, recruiting and training costs and the potential for litigation and bad public relations (Hargie *et al.*, 2003:290). Meanwhile, when diversity in the workplace is managed properly, positive benefits can include greater innovation and higher levels of creativity, improved problem solving and decision making (Ayoko *et al.*, 2004:158), increased organisational flexibility, improved retention and recruitment of valuable employees and decreased costs (Miller, 1999). The characteristics of the INGO workforce therefore pose a management challenge for INGOs and are of particular concern for the management of strategic internal communication.

The context, organisational form and workforce characteristics of INGOs influence the management of these organisations and of internal communication in particular.

2.6 CONCLUSION

INGOs operate within the sphere of civil society. The characteristics of civil society and CSOs, which are inherent in INGOs as well, influence how they relate to their environment and how they need to be managed. In particular, since strategic internal communication centres on the relationship between and organisation and its workforce, the characteristics of an INGO's workforce are an important consideration for the management of this function and thus for this study. In addition, the management challenges that arise from the context and form of the INGO can also influence the management of strategic internal communication and the role it plays. The influence and role of these characteristics and challenges on general management and the management of strategic internal communication in INGOs are further discussed in Chapter 3 and 4.