CHAPTER 1: INTRODUCTION

The purpose of this study was to investigate the problem of professional staff turnover within selected Non-Governmental Organisations (NGOs) operating in Malawi and to make recommendations that would lead to the reduction of the problem.

The current social, economic and political issues Malawi is grappling with, justifies the need for a strong and vibrant NGO sector to complement, supplement and complement government efforts. Unfortunately however, the NGO sector in Malawi is currently weak. One of the major causes of this weakness is their failure to attract and retain high quality professional staff.

This chapter provides a background to the study area; outline the development status of Malawi and a summary of the NGO sector in Malawi.

1.1 Background to the Country

1.1.1 Malawian Socio-Economic Status

Malawi is one of the poorest countries in the world. With a population of 10 million, more than half of the population lives below the poverty line (less than U$ 40 per capita per annum). Malawi’s GNP is U$ 170 compared to Mozambique’s (the lowest) of U$ 80 and Switzerland (the highest) of U$ 40 630 (World Bank, 1999: 15, 32).

86% of the people live in rural areas and 80% of the total population derives their livelihood from small-scale agriculture, the backbone of the country. According to
Owens (1998:7), female-headed households constitute 30% of the poor in the smallholder agricultural sector. According to The Department of Economic Development and the National Action Group (2003: 5 – 6), The Growth Rate fell 0.8% in 2000 and minus 4.1% in 2001 and provisional estimates for 2002 were that growth was stagnated at 0.1%. With interest rates at 45%, the private sector has all but collapsed. Domestic Debt has rocketed from K 21 billion at December 2001 to K 42 billion at December 2002 partly due to maize shortage and also withdrawal of budgetary support and the failure by Government to reduce expenditure sufficiently. Added to this has been instability and progressive depreciation of the Kwacha, which has been damaging to many businesses given high import dependence and to consumers ($ 1 = MK 120).

Malawi is rated as having the eighth largest prevalence of HIV/AIDS in the world with an estimate of 1 million people infected by the virus.

1.2 Non-Governmental Organisations (NGOs)

1.2.1 The Role of NGOs in Development

NGOs are the fastest growing category of organisations in Africa (Veit, 1998: 54, 84). Tandon (1996:3) observed that in the 1970s and 1980s, NGO thinkers, donors and ideologues typically viewed NGOs as temporary instruments to solve a limited problem or ‘gap filling’ functions due to failures of the state and market. It was assumed that NGOs would enter, intervene and withdraw from an area in a short-term, time bound manner to play a gap-filling role.
Beginning in the late 1980s, with the advent of fresh thinking on the development trinity (state-market-civil society), and a new perspective of the role of NGOs in a changing society, there is growing recognition of the significance and long-term relevance of civil society organisations in ensuring democratic and equitable development. This realisation has also brought to light the need for internal organisational capacity building for the NGOs.

In implementing development activities, NGOs have some comparative advantages over government, according to Nuscheler (2001: 12) some of these comparative advantages are:

- NGOs reach target groups better than any government programme negotiated on a bilateral basis or by international finance organisations and administered by bureaucrats.
- They have or find partners that are familiar with the situation on the ground. This applies in particular to church agencies and their global partnership structures.
- They are better at organising self-help, participation and empowerment of poor people because self-help organised by state implementing agencies is a contradiction in terms. This is especially the case when it rests on existing power structures.
- They work with lower administrative and staff costs than government implementing organisations or private sector consulting companies (whose daily fees match the weekly pay of NGO development workers).
- Their work is focused on the core sector of a development cooperation oriented on poverty reduction and organised on a partnership basis.
However, Trivedy (1999:624) reported that, “in Africa... many NGOs are still in their infancy, though they are growing in numbers and strength...”

1.2.2 The NGO Sector in Malawi

The NGO sector in Malawi is still a young phenomenon dating to as recently as early 1990s. Today there are around 200 registered NGOs in Malawi (Lawson, 2000:12). Of those NGOs 23 are international. The major motivation for the establishment of the NGOs was to provide relief to the refugees who had settled in Malawi after fleeing the civil war in Mozambique. At that time the population of Malawi was about 8 million. The refugee population was 1 million. The NGOs were therefore involved in providing relief and not development interventions. Development was seen as the sole domain of the State. When the civil war came to an end, the refugees were repatriated in 1992. The NGOs were faced with two options: to change focus or close down. Most of the NGOs changed focus to rehabilitation of the environment, which had been degraded by the massive population of the refugees in the areas where they were camped.

Other developments also led to the rise of NGOs around this time. The democratisation wave which saw Malawi move from one party rule to multiparty system of government in 1994 coincided with the rise in importance of participatory methodologies (which donors felt NGOs have a competitive advantage) and structural adjustment programmes which saw government slowly withdrawing from direct implementation of projects. These developments gave space to the establishment of NGOs on the Malawian development scene.
According to Lawson (2000: 13 -14), the majority of the NGOs in Malawi take service provision to be their reason for existence. Overall there is a perception that NGOs are being fairly successful in achieving this task, but there is more that needs to be done. Secondly NGOs see advocacy as an equally important purpose of the sector and this is seen as being the domain of the Human Rights NGOs. HIV/AIDS is another focus area for many NGOs.

The empowerment of communities as a purpose for the NGOs is conspicuously missing in Malawi. The welfarist approach reflects the historical legacy of the Banda regime, the fact that the primary non-governmental interventions came from the church and the youthfulness of the NGO sector. Morphet (2000: 6 - 8) observed that a strong potential cause of the weakness of the NGO sector in Malawi lay in the fact that the beneficiaries are unable to exercise effective claims on the organisations, which serve them. Their dominant role is to receive. NGOs, which take their primary mandate from the community in which they are located and which they serve, are not common or widespread in Malawi.
Table 1 Registered NGOs by Sector*

<table>
<thead>
<tr>
<th>Sector</th>
<th>No. Registered</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agriculture and food security</td>
<td>45</td>
</tr>
<tr>
<td>Advocacy, democracy and governance</td>
<td>50</td>
</tr>
<tr>
<td>HIV/AIDS and Health</td>
<td>60</td>
</tr>
<tr>
<td>Forestry and Environment</td>
<td>27</td>
</tr>
<tr>
<td>Gender and Women in Development</td>
<td>13</td>
</tr>
<tr>
<td>IGAs</td>
<td>40</td>
</tr>
<tr>
<td>Relief</td>
<td>15</td>
</tr>
<tr>
<td>Water and Sanitation</td>
<td>13</td>
</tr>
</tbody>
</table>

Source: Adapted from CONGOMA, 1999

*Note that some organisations are involved in more than one sector and hence the total number of the NGOs may not match with the total number of registered NGOs.

1.3 Problem Statement

High staff turnover is a major hindrance to organisational effectiveness among NGOs in Malawi. The problem is more pronounced among professional staff. Staff turnover is defined as the measure of the extent to which staff are voluntarily leaving an organisation (Martin & Smith, 1993:141).

Organisational effectiveness is defined as an organisation’s ability to identify and achieve worthwhile objectives (Shapiro, 1996: 3,4). According to Kaplan (1999: 33,34), indicators of an effective organisation include:

- A strong sense of direction and focus through an inspiring vision and mission.
- Inspiring shared values, which are practically lived by the organisational members.
- Strong leadership that facilitates rather than hinder work.
• A relevant and implementable strategic plan prioritising real issues as opposed to just symptoms.
• Ability for self-critique and self-reflection attributing any problem it may have to its own internal problems rather than outside factors beyond its control.
• Ability to concentrate on what it can do rather than mourning what it cannot do or influence.
• Adequacy of skills and competencies, and the ability to take time to develop the staff beyond just academic qualifications but emphasises personal mastery.
• Cordial relationships among employees.
• Policies, systems and procedures that facilitate rather then hinder work.
• Adequacy of resources to enable the implementation of the mission statement.

In short an effective organisation is the one that is responsive to employee and beneficiary needs. In other words, organisational ineffectiveness causes staff frustration that leads to actual and potential turnover. It is only effective organisations that can produce the required impact in the communities they work in. Impact refers to the effects that organisational activities have had on the environment in terms of changing communities or societies in a lasting way (Shapiro, 1996:15).

Employee turnover is an important organisational outcome that behavioral scientists have been interested in for a number of years (Blau, 1989:115). Trivedy (1999:625) observed that,

“in Africa, a particular difficulty (of local NGOs) is that of being able to recruit competent and skilled staff when local NGOs are competing with international
NGOs, which generally offer higher salaries and better terms and conditions”.

To illustrate the magnitude of the challenge, a co-ordination NGO conducted a training programme for 35 professional employees from different NGOs in 1999. During a follow up to the participants’ two years later, they observed that only 4 were still working with their original organisations. The rest had moved on (Khumalo, 2001, personal communication).

The above situation is not an isolated case but a general observation of the Malawian NGO sector. Lawson (2000:21) reported that the average time spent on a job (especially but not necessarily in local NGOs) was 13 – 15 months. Development being a long-term process requires that NGOs facilitating development programmes must attain continuity of staff as one of the preconditions for success.

According to Drucker (1974: 100), “ the first sign of decline of an industry is its loss of appeal to qualified, able and ambitious people”. While staff turnover is inevitable, high rates of staff turnover can be costly and disruptive (Martin & Smith, 1993:141). According to Hamylin (1996:43), losing an employee can cost the organisation between 40 and 60% of the individual’s annual salary. In addition to financial costs, loss of key personnel may lead to low organisational effectiveness as new people coming to replace those who left may bring with them different or sometimes contradictory values (Bulhungu, 1999:55).
Rapid turnover of staff limits the ability of the NGO to start building a foundation of knowledge and experience from which to draw future learning and on which to continue building an increasingly competent and rigorous body of practice (Taylor 2001:18).

The current literature on Malawian NGOs indicate that most previous studies concentrated on identifying the challenges NGOs are facing and none of them specifically addresses the problem of high staff turnover though it is recognised as a major problem in almost all of them (James & Ndalama, 1996: 11, Lawson, 2000:4 & O’Toole, 2000:27, 28).

The problem of high staff turnover is not only a Malawian problem. It is almost a universal problem more especially in developing countries (Suzuki, 1998: 196, 197).

The lack of understanding of organisational issues among NGO leaders and development practitioners, often lead them to think that problems of high staff turnover can be addressed only by paying the staff more.

This study therefore aims at identifying factors influencing professional staff turnover and how to address them among NGO leaders, professional staff, donors and organisation development (OD) practitioners/consultants. It is hoped that the insights from the study will be useful not only to Malawian but also NGOs from other countries in the region.
1.4 Study Objectives

The overall objective of the study was to gain an understanding of the phenomenon of professional staff turnover in NGOs operating in Malawi and strategies on how this problem can be most effectively addressed. The study was aimed at achieving the following specific objectives:

1. To assess the prevalence of professional staff-turnover in selected NGOs.
2. To determine which factors, other than remuneration, lead to high staff turnover.
3. To make recommendations on how to retain professional staff.

1.5 Research Questions

The study was aimed at exploring the following questions (see appendix 2 and 3 on pages 112 and 113 respectively for the checklists):

• What is the prevalence of professional staff turnover in the NGOs?
• What are the factors leading to professional staff turnover?
• How to retain professional staff in the NGOs?
• What are the differences between local and international NGOs in terms of staff turnover?
• What is the role of leadership in preventing professional staff turnover?
• Do more ‘capacitated’ NGOs retain staff better than the less ‘capacitated’ ones? If yes, which aspects of capacity?
1.6 Research Process

The documents consulted for the methodology were Mulugetta, 1998: 11 -16; National Environment Secretariat, 1991: 11 - 55; Kuhn, 2000: 21 - 22 and Feurstein, 1986: 67 -80. These argue for the need for qualitative and participatory methods in conducting community and organizational assessments. Cornwall and Pratt (2003: 40) point out ‘sloppy practice; not cross checking information and not using a range of techniques to triangulate findings’ as weakness of participatory research methods. Chambers (2003: 6 – 11) argues for the need to ‘quantify’ qualitative data to enhance objectivity and comparison over time and space. Marshall and Rossman (1989: 79 –111) argue for the use if a combination of data sources and methods to increase the validity of qualitative research findings. These considerations shaped the design of the methodology. The researcher has worked as a consultant to NGOs in Malawi since 1999. This enabled him to draw from his experience of working with the NGO sector.

Secondary data were collected from a review of literature and reports on the national NGO situation in Malawi and elsewhere. Primary data were collected during field research from 14 NGOs (4 international and 10 local).

The primary data were collected using the following methods:

1. *Semi–structured* interviews with key informants, including 14 directors, 4 Organization Development (OD) consultants who provide capacity building services to NGOs in Malawi and 5 professional employees who had left their organizations. The aim of the interviews was to draw a picture of their understanding of the problem
of turnover and how it can be addressed. The interviews with the OD consultants helped to get outsiders’ perspective to the problem.

2. **Questionnaire** – which was completed by 23 professional staff from 12 of the selected NGOs (in 2 of the NGOs only the directors were interviewed and the professional staff refused because the study was ‘too sensitive’ for them, and the 21 who participated are the ones who agreed to co-operate. This number is not representative of the size of the NGO). The purpose was to get an understanding of the reasons that motivate employees to stay or factors that can make them leave the organisation.

3. **A workshop** – the consultant facilitated a one-week training workshop with leaders from 12 NGOs (4 international and 8 local). One of the major issues covered in the workshop was that of staff turnover. The leaders discussed their experiences with the problem in their organisations and how they were dealing with it.

4. **Case studies** of 3 NGOs – the case studies were compiled through in depth interviews by the researcher with the directors, a number of professional staff in the organisation and those employees who had left the organisation. Organisational documents were also used to confirm the facts (see chapter 4). The aim was to provide more in depth information on staff turnover issues. All the organizations from which the case studies were written, had at one point hired a consultant to help them address some issues. The consultants who provided interventions to the organisations were also interviewed.
Three case studies were used to reflect a diversity of the NGOs operating in Malawi. One was a youth serving NGO implementing HIV/AIDS programmes, the other was a Human Rights NGO (these two are local) and the last was a Capacity Building NGO and at the time of the study it was a part of an international NGO.

The above methods were used rather than the structured survey because of the sensitive nature of the study and sensitive issues it deals with. Most of the NGOs and leaders interviewed asked for anonymity of respondents and their organisations.

The sample was limited in number and geographical scope due to limitations of time and financial resources. A major limitation however was that ten of the NGOs approached refused to be interviewed or release any information because the nature of the research was “too sensitive” for them. Malawian culture is known to be non-confrontational and non-critical mostly as a result of a historical background and the current political dispensation that discourages and punishes holding different views. Others who were willing to participate replaced the organisations that refused to participate but it was not possible to get the original desired number of around 40 professional employees as respondents. In addition, the specific reasons given for not willing to participate were also used as research findings of the study as they were insightful to the problem of staff turnover (see quote in section 5.4 on page 75).

Working with the NGO sector in the country for 6 years on a continuous basis as a consultant was both a strength and a limitation for the researcher. It was a strength because the researcher benefited from his experience and understanding of the NGOs. It
could be a limitation because it is difficult to remain neutral, as opinions formed over the course of time may be difficult to overcome.

While most of the NGOs are operating on a national scale and as such are representative of the Malawian NGO sector in general, the transferability of the findings and conclusions may be limited because they are specific to the culture and situation of Malawi. The study design and methodology and insights, however, may be useful in other cultural contexts.

1.6.1 Sampling

The study focused only on professional staff in the selected NGOs. Professional staff were defined as those having at least 3 years post-secondary qualifications in a specific field and holding positions referred to as professional in their NGO. According to Michongwe (2002:5), for an occupation to qualify as a profession, it must fulfil certain criteria. These are:

• It is an occupation, which requires a person to undergo a liberal, or rather fairly high academic education or its equivalent, and such education should be based more on mental rather than manual labour.

• The training must include distinct skills, which are closely related to the goals of the occupation and can only be acquired through the high level academic education.

• The academic education and skills must be implemented within an agreed paradigm of attitudes and conduct particular to that occupation.
In Malawi there are 223 registered NGOs (200 local and 23 International) (Lawson, 2000:12). The criterion used for purposefully selecting the NGOs was that:

- They are operational and have work on the ground in other words they are actually implementing activities and programmes or they are not just briefcase NGOs
- They have existed continuously for at least 3 years
- They have professional employees

Local NGOs are those owned and run by Malawians. International NGOs are those with headquarters in the North (Europe and America).

The sample included 10 local NGOs and 4 International NGOs. These were selected purposively from the city of Blantyre, which hold the highest concentration of NGOs in the country. A total sample of 60 professionals (directors, staff in NGOs, those who left and consultants) was interviewed. For the staff in the organisations equal numbers of male and female respondents were interviewed using a semi-structured questionnaire (see appendix 2 on page 113).

1.6.2 Triangulation

To cross check the validity of the data collected, the same questions were asked to the different respondent groups i.e. directors, employees, those who left the organisation and consultants. Different methods e.g. semi-structured interviews, ratings, case studies and evaluating organisational documents were used. For example the question: what factors
contribute to staff turnover? was asked to all the respondent groups to assess their
different perspectives and a range of methods were used within each respondent group.
An example is semi-structured interviews and ratings, which were used with the members
of staff.

1.6.3 Analysis

Data analysis was done qualitatively using content analysis and the case studies guided
by the levels of complexity model described below. According to Olive Subscription
Service (1997: 30), the levels of complexity model is an analytical tool that helps
organisations to identify:

• Strengths to build on
• Problems to tackle
• Weak areas to strengthen
• Blockages to unravel

See the detailed description of the model in 2.1.4 on page 22.
Table 2: The levels of complexity model

<table>
<thead>
<tr>
<th>Levels of complexity</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>7. Environment</td>
<td>The political, economic, technological and socio-cultural factors and trends affecting the organisation and its activities.</td>
</tr>
<tr>
<td>6. Vision and Mission</td>
<td>Organisational direction – leadership communication of where the organisation is heading.</td>
</tr>
<tr>
<td>5. Values</td>
<td>The culture of the organisation – the extent to which the NGO encourages employees to challenge the way things are done. This also includes the organisation’s ability to balance work and personal life needs of the employee.</td>
</tr>
<tr>
<td>4. Relationships</td>
<td>Relationships with colleagues and relationships with superiors. This also refers to leadership styles.</td>
</tr>
<tr>
<td>3. Policies, systems &amp; procedures</td>
<td>Policies, systems and procedures guiding work.</td>
</tr>
<tr>
<td>2. Skills and Competencies</td>
<td>Opportunities for personal growth.</td>
</tr>
<tr>
<td>1. Material Resources</td>
<td>Salaries and benefits.</td>
</tr>
</tbody>
</table>

Source: Olive Subscription Service (1997: 30)

In addition to content analysis, percentages and averages were also used to calculate the prevalence and rate of professional staff turnover.
1.7 Presentation of the Thesis

The study is presented in six chapters. Chapter 2 will provide the literature review upon which the study is based. Chapter 3 and 4 present the findings of the study. Chapter 3 presents the analysed findings while chapter 4 presents three case studies on the topic. Chapter 5 presents the discussion of the findings using the levels of complexity framework. Chapter 6 is the concluding chapter and discusses the implications of the findings and discussion in relation to the original objectives and it ends with recommendations on how to address the problem of professional staff turnover.
CHAPTER 2: LITERATURE REVIEW

This chapter presents the literature review upon which the study was based. The first part will present some motivation theories and how these are linked to the levels of complexity model. Then the factors in the levels of complexity model are discussed in detail. It finishes with an introduction of Organisation Development (OD) and its relationship to the problem of staff turnover as presented in the literature review.

2.1 Theories of motivation

Motivation is a measure of the extent to which people commit themselves to achieving goals. A study of literature, Costley & Todd (1987: 173 – 183); Covey (1991: 70); Flippo (1976: 37); Wood (1994: 4 – 7); Beckford, 1998 (117 – 118); Mullins (1996:479 – 518) and Wye External Programme (1998: 1 – 7) reveal that the most widely known motivation theories are Maslow’s Hierarchy of Needs, Herzberg’s Two-factor Theory and Vroom’s Expectancy Theory. These theories have been divided into two categories as ‘content’ (Maslow’s hierarchy of needs and Herzberg’s Two-factor Theory) and ‘process’ theory (Vroom’s Expectancy Theory).

2.1.1 Content theories of motivation

Maslow and Herzberg, by explaining people’s needs, set out to understand what people will and will not value as work rewards. Maslow suggested that needs progress in a series of steps from:

- Physiological – the need for food, drink, shelter, warmth, and relief from pain.
- Safety and security – the need to feel safe and secure.
- Social and affiliation – the need for friendship, a sense of belonging and interaction with others.
- Esteem – the need for self-esteem and the regard of others.
- Self-actualisation – the need to fulfil oneself by maximizing the use of one’s abilities, knowledge, skills and potential.

Maslow maintained that people are motivated to satisfy needs in a predetermined and logical order. He assumed that when one set of needs is satisfied, it stops being a motivating factor and a higher need arises. The process goes on until the individual reaches the stage of self-actualisation.

Herzberg quoted in Mullins (1996: 494 – 497) believed that there are two types of motivating factors, one type which results in increased job satisfaction (which he calls motivators) and the other type, which merely prevents dissatisfaction (which he calls hygiene factors). According to Herzberg as quoted in Mullins 1996: 494 - 497, an organization must offer reasonable levels of pay, conditions, status and supervision (hygiene factors) to meet the basic needs of their employees. However, in order to motivate their employees they would have to create opportunities for achievement, recognition, responsibility, interesting work, and career advancement. While managers may have limited control over the ‘hygiene’ factors, they can have considerable influence over the ‘motivators’.
2.1.2 Process theories of motivation

A major limitation of the content theories was that they tended to take a static analysis of needs. To deal with this shortcoming, a number of researchers began to investigate the thought processes of individuals, which act to influence their behaviour. The two major process theories are equity theory and expectancy theory.

Equity theory suggests that individuals compare the rewards they receive for their efforts at work, with the rewards received by others. If they believe they are under rewarded, this is called negative inequity. If they feel they receive relatively more than others, this is called positive inequity. Each state acts as a source of motivation (negative and positive motivation).

Expectancy theory suggests that, provided that people feel they are capable of doing the work, they will put in the effort required to achieve a desired reward. This is based on the assumption that high performance will lead to higher rewards. The theory suggests that organizations should reward good performance, but it is also important to know what each individual considers to be a desirable reward. As stated out earlier, it is easy to assume that every one will be motivated by more money.

2.1.3 Integrating the motivation theories into the levels of complexity model.

The levels of complexity model (table 2 on page 17) is built on the foundation of the above-described motivation theories. The aim of the model is to make the organisation responsive to individual needs while maintaining organisational health. While the
motivation theories focus on the individual, the levels of complexity model focuses on both individual and organisational factors. Organisational problems often arise out of a lack of congruence between individual and organisational expectations. A congruence of individual and organisational expectations is referred to as a psychological contract (Handy, 1985: 42 - 46). It is this congruence, which is crucial in retaining staff and thereby addressing the problem of professional staff turnover.

2.1.4 The Levels of Complexity Model

The model describes what constitutes a healthy and responsive organisation. In order to survive, grow and excel an organisation must have adequate financial and material resources. It is only when an organisation has adequate financial and material resources that it can pay its staff adequately. In addition to the financial and material resources, the organisation must have adequate and relevant skills and competences. The sustainability of an organisation depends on the skills and competencies of its employees. It is only employees with adequate and relevant skills who can attract both material and financial resources into the organisation.

Decision-making is effected through the policies, systems and procedures in the organisation. Organisational reality is usually experienced by how the policies, systems and procedures are practiced in the organisation. The perception of whether the organisation is fair or not is experienced through how the policies, systems and procedures are practiced in the organisation.
Healthy relationships foster team spirit and a conducive organisational culture. A sense of fairness arising from the practice of effective policies, systems and procedures strengthens relationships both among peers and between subordinates and their leaders. Relationships in organisations also refer to the structure, and roles and responsibilities and how these are shared. A clear structure and well specified roles and responsibilities strengthen the relationships in the organisation.

The essence or the spirit of the organisation is constituted by its vision, mission and values. The vision of the organisation is what the organisation would like to see changed in the society as a result of its work. The creation of an ideal society is the driving factor among healthy organisations. A shared vision, one that enables individuals and teams to see where and how they specifically fit their visions into the organisational vision is a commitment and motivation factor.

The mission is the organisation’s specific contribution to the vision. Usually the vision is too big for one organisation to turn into reality single-handedly. According to Olive Subscription Service (1997: 12 – 17), the mission is specifically concerned with the questions:

- Who are we?
- Why do we exist?
- Who do we serve and where are they?
Lastly, values are the behaviours that the people in the organisation consider important and are consciously or unconsciously rewarded whenever they are practiced. According to Lebow and Simon (1997:8), there are two types of values. These are business values (those that the organisation must practice when dealing with its customers) and people values (those that the people must practice within the organisation to create a conducive working environment).

The environment or the task environment is the context in which the organisation is working. It offers challenges, threats and opportunities to the organisation. Improving the above factors builds the capacity of the organisation to address the challenges and threats and to make use of the opportunities thereby making impact in the society.

In summary, the levels of complexity model was chosen for 4 reasons:

• It is an analytical tool that shows that in any organisational system a problem may have its causes from one or more sources (levels).

• It is a guide to the type of interventions that might be undertaken to address the problem. A specific type of interventions addresses each level in the model for example lack of adequate funds may be addressed by acquiring more funding from different sources while relationship problems may be addressed by team building type of interventions.

• It is also an indicator of the amount of effort and energy the organisation needs to address the problem. As one goes higher the system, it becomes more and more complex to address the problem. Lack of adequate funding can easily be solved
by a donor signing a cheque but lack of shared values needs more comprehensive efforts to address and can not be solved over night.

- The model also shows where the organisation should concentrate its efforts when addressing its problems. Addressing lower level needs like training staff while ignoring higher level needs like a shared vision and mission does not improve organisational effectiveness in the long run.

The paragraphs below describe the levels of complexity model through a literature review.

2.2 Environmental Factors

Organisations do not operate in a vacuum but are conditioned by the environment in which they operate. The environmental factors refer to those factors (political, economic, socio-cultural and technological) impacting on the work of the organisation and which may in return affect the organisation’s capacity to retain staff or not. Commins (1999: 619 -622) advised that NGOs need to place their work and overall effectiveness within a wider framework of political, economic and social changes, so that assessment is realistic in terms of options for the NGO sector in the future. While the environmental factors have an impact on the organisation, the choices that the organisation takes are more crucial. Edwards (1996: 1) observed that, “context is crucial but not determinant; therefore organisational choices always provide some room for manoevre”.

Donor funding conditionalities is an environment factor affecting the work of NGOs. Harding (1994: 34,35) predicts that,

“conditionality to aid flows into the NGO sector will become tighter and reflect a more market based, competitive approach…there is no indication that large Northern NGOs can or will want to move away from the bureaucratically oriented approach of discrete and time limited project approaches. Project based development aid will continue to be evaluated in quantifiable material results… Southern NGOs can be expected to be judged primarily on commercial criteria, and will be expected to show competitive advantage in relation to others in the field…many official donors will continue to be aggressively prescriptive in their approach, both in setting terms of conditionality and in direct interventions”.

The understanding of the issue of capacity building among the donors is another factor affecting the effectiveness of NGOs. According to IRED (1998: 28),

“Official agencies still do not fully comprehend the issues surrounding capacity building beyond that which has technical or sectoral specific aims. Most capacity building is still seen as instrumental to achieving a specific sectoral or service delivery goal, rather than contributing to long term organisational strengthening or the institutional development of civil society as a whole”.

An NGO that does not learn ‘how to find its way’ in the difficult environment may therefore find it difficult to attract and retain professional staff.
2.3 Organisational Vision and Mission

According to Waring (1997: 42),

“A network (of NGOs) will face problems if the stakeholders have differing visions
for it…often the vision is not clearly articulated. Each stakeholder simply assumes the
other shares their vision”.

Organisational vision refers to the change the organisation would like to create in the
society. Mission refers to the reason for existence for the organisation – its purpose.
Many NGOs (especially local ones) lack clear visions and missions. Malunga (2000: 8)
observed that many local NGOs are donor driven and will venture into almost any
activity provided it brings money to the organisation. Stum (1998: 10) however, observed
that,

“communicating the organisation’s mission and vision, cannot be done enough.
Building consensus and enthusiasm through employee participation in where the
organisation is going and how to get there is a sure commitment creator”.

The vision and mission of the organisation are realised through the quality of the
leadership and management that the organisation has (Blanchard, Zigarmi & Zigarmi,
Learning and development of leadership skills are therefore crucial to individual as well
as to organizational success (Pearman, 1998: 121 - 122).

According to Carnegie quoted in Ledbetter & Bruner (1996: 79),
“about 15% of one’s financial success is due to one’s technical knowledge and about 85% is due to skill in human engineering – to personality and the ability to lead people”. This illustrates that leading employees successfully at work is a big challenge (Tyson and Fell, 1986: 13 - 15)

The following table serves to illustrate some of the differences between management and leadership as they relate to implementing the vision and mission of the organisation:

**Table 3: Management and leadership**

<table>
<thead>
<tr>
<th>Management</th>
<th>Leadership</th>
</tr>
</thead>
<tbody>
<tr>
<td>Administers</td>
<td>Innovates</td>
</tr>
<tr>
<td>Focuses on systems</td>
<td>Focuses on people</td>
</tr>
<tr>
<td>Relies on control</td>
<td>Inspires trust</td>
</tr>
<tr>
<td>Short-range view</td>
<td>Long range perspective</td>
</tr>
<tr>
<td>Ask how and when</td>
<td>Asks what and why</td>
</tr>
<tr>
<td>Eye on bottom-line</td>
<td>Eye on horizon</td>
</tr>
<tr>
<td>Imitate</td>
<td>Originates</td>
</tr>
<tr>
<td>Accepts status quo</td>
<td>Challenges status quo</td>
</tr>
<tr>
<td>Does the right thing</td>
<td>Does the right thing</td>
</tr>
</tbody>
</table>

Source: Kaplan, 1998: 15

**2.4 Organisational Values and Culture**

Values are what give meaning to employees. They are what they feel or believe to be important concerning their jobs. Based on a two year empirical study of more than 100 in-depth interviews with executives and senior managers, Mitroff & Denton quoted by White (2001:49) observed the following to be key values that motivate professional staff:

- The ability to realize one’s full potential as a person
- Being associated with a good or ethical organisation
- Interesting work
Making money
• Having good colleagues
• Service to mankind
• Service to future generations

Frankl (1986:117) observed that work becomes meaningful if it accords the worker a chance to make a contribution to society. In this case the earning of money becomes merely a necessary means for achieving one’s higher purpose in life, which is contribution to society.

Fysh (1988:14) suggested that leaders are be better able to motivate and retain staff if they focus more on the needs of the staff more than their own needs. Two key values for staff retention therefore are involvement in decision-making and perceived organisational commitment to staff interests (Blau, 1989: 115 – 127)

Stum (1998: 9,10) observed that ensuring a fearless culture was a major factor in retaining staff. An organisation that encourages staff to challenge the way things are done or speak against the status quo is more likely to retain staff than those organisations that do not.

In their work on capacity building in the public sector, Grindle and Hilderbrand (1995: 441 -463) observed that effective performance is driven by a strong organisational culture… than it is driven by training in specific skills.
Wood (1994:7) reported that, “the strongest motivational factor for high achievers is recognition of achievement and worth, and appreciation of effort”. These also happen to be the factors that will make staff stay.

Hudson (1995: 294) describe organizational culture on three levels:

**Level 1: Behaviour.** These are the most visible manifestations or artifacts of an organization’s culture. Examples are: the routine procedures of meetings, the buildings, the way resources are allocated, hangings on the walls.

**Level 2: Attitudes and values.** This refers to the organisation’s justification for itself, the thought processes that justify decisions and actions that people have agreed to. The vision, mission and strategic plans of the organisation are a good example.

**Level 3: Beliefs.** This is the most fundamental level of organisational culture. This refers to the unconscious values that inform people’s behaviour or assumptions that are taken for granted. An example could be the assumptions about the necessity of participatory decision-making. It is often assumed that NGOs are value led organisations where employees are motivated to work effectively according to their personal values, commitment and self-motivation. This assumption however is increasingly being questioned (Malunga, 2000, 7). Handy (1985: 186 -196; 1988: 85 - 102) identified four different types of organisational culture:
Club culture:

This is built around a charismatic personality usually the pioneer of the organisation. Everyone in the organisation becomes the extension of the pioneer and therefore the identity of the organisation is that of the pioneer. The advantages include flexibility, informality and the ability to respond in a timely manner to each individual and crises. This culture is common in politics, charismatic churches and crisis situations.

The success of this culture depends on the people’s loyalty to the values of the leader. Club culture depends on trust, empathy and personal communications for effectiveness. People with different values are avoided. There is a lot of leading in this culture as compared to managing.

Examples of organisations with this culture are all organisations, which are known more by the name of the founder though the organisation has a different name. In Malawi organisations like Consumers Association of Malawi (CAMA) and National Association of Business Women fit into this category.

The role culture

This is a bureaucratic culture formed with the aim of addressing the problem of growth and need for order. It works by logic and rationality. People become known by what they do rather than who they are – roles rather than names. Communications are formal through procedures and systems. Everything is written in manuals for every eventuality. There is a lot of management as compared to leading (see table 3 on page 28). The
motive is predictability and certainty to ease decision-making. Role culture strives best in stable environments doing routine and unchanging tasks and finds it hard to cope with change and different personalities and styles. People are not as important as procedures. Order is the order of the day. Government departments and institutions are a good example. The established church structure is also another good example.

**The task culture**

This is a compromise of the club and role cultures. The task determines the culture needed. The groups can be led, disbanded or increased as the task changes. Each task is treated differently. Usually there are plans and not procedures, reviews of progress rather than assessments of past performance. This is the best culture where problem solving is the job of the organisation e.g. consultancy. Tasks that need team work can best be addressed in organisation embracing task culture. Influence in task culture is based on expert power rather than on position or personal power.

The problem is that practicing the task culture is expensive because it requires professional, competent people to spend a lot of time together in search of the right solution. It is a ‘questioning culture and it abhors routine’.

Co-ordination and team leaders rather than managers is the talk of task culture. Task culture promises excitement and challenge but not secure employment because people will only be paid if they produce. Task culture therefore tends to be full of young, energetic people developing and testing talents. These are people who are self-confident
enough not to worry about long-term security. Management consultancy, the IT industry and the advertising industry are examples of this culture.

**The person culture**

This culture puts the individual first and makes the organisation the resource for individuals’ talents. An example is doctors in practice, consultants in partnership and musicians in a band. There is minimal organisation. Management is not as important and usually it is rotating. As business grows it usually turns into task culture.

**The mix of culture**

Pure organisational cultures are rare. Organisational cultures are usually a mix. The predominant culture becomes the culture of the organisation and this is only in relative terms. According to Handy (1985:197) the mix in an organisation usually results from:

- **Size** – the larger the size of the organisation the more it tends towards the role culture. Small organisations tend towards the club culture.

- **Work flow** – The longer and more interdependent the workflow, the more the need for systems and procedures and therefore the role culture. The more flexible the work, the more the need for task culture.

- **Environment** – Stable environments favour role cultures while changing environments require club and task cultures

- **History** – It is not easy to rub off history – the reputation of the organisation, the people hired in the past and past traditions. Staff dependent on a pioneer will find it difficult to participate in a task culture.
The stronger factors among the ones presented above will determine the prominent the
culture of the organisation.

2.5 Relationships and Communication

In their study of African NGOs, the International Forum on Capacity Building of
Southern NGOs (1996: 17) discovered that NGOs in Eastern and Southern Africa
indicated ineffective leadership as a major issue needing attention. Donnelly (1999:46)
observed that the traditional leadership style among Malawian NGO leaders tends to be
autocratic. This is largely shaped by the national culture. Poor manager/ employee
relationships leading to a ‘them and us’ scenario is a cause of frustration and staff
turnover (Hamylin, 1996: 42 -46). Leaders put their interests before those of the
organization. Instead of facilitating work and development of the employees and the
organisation therefore, leadership is seen primarily as a means of amassing wealth and
personal benefits (Goldsmith, 2001:81).

The structure of an organisation is an indication of how power is shared within the
organisation. Zeffane (1994:22-27) reported that in hierarchical organisations, individuals
who are power conscious and feel they are not powerful enough are more likely to leave
the organisation. The way management and leadership are exercised in the organisation
are a determinant on whether professional staff will stay or not.

Heyman (1994: 115) points out to the importance of effective organisation in an
organisation. He emphasizes that one of the greatest assets leaders can have is the
mastery of communication skills and the ability to create an atmosphere of open
communication in the organization. Robbins (1986: 332 –347) and Senge (1990: 238 -249) share the same view.

2.6 Policies, systems and procedures

Decision-making in organisations is effected through the policies, systems and procedures. Policies, systems and procedures are supposed to practicalise the values espoused by the organisation. Many times however, there is a discrepancy between an organization’s practiced values and its policies, systems and procedures. Many NGOs lack effective policies, systems and procedures (Adirondack, 1998:51). A key area having a bearing on staff retention is Human Resource policies, systems and procedures. Suzuki (1998:17) observed inappropriate recruitment to be a major cause of NGOs’ failure to retain good employees. He noted that many potential employees may have impressive CVs but as persons they may not be effective, as they may not ‘fit’ into the agreed and shared values of the organisation. Another area is performance appraisal. Performance appraisal is used in a situation where the achievement of satisfactory performance is not obvious from the nature of the task, and it is the process of judging a person’s performance and reporting that judgment (Torrington, Weightman & Johns, 1989: 323; Wyatt, 1995:37).

Another policy area is on the use and retention of expatriates in the NGOs. According to Waiguchu (1999: 570), in order to become more effective, NGOs must,

“reduce the number of foreign technocrats and their influence and grip on African based foreign non-profit agencies, and on how these foreign agencies control and shape the indigenous agencies”.

35
2.7 Opportunities for growth

Stum (1998:9,10) and Weisberg & Kirschenbaum (1991:359 -375) observed that organisations that give priority to staff development are more likely to retain staff than those that do not. Sherrat (2000:38 -39) advises that organisational leaders must show potential employees a mapped out career path with future opportunities and rewards, which correlate with his or her personal goals, if an appointment is to be successful. Joseph (1995: 74 -75) observed that, “fundamental to an individual’s security within an organisation is the future of that individual’s career”. Effective performance appraisal systems are a key to enabling both the organisation and the individual to develop their full potential (Boase, 1997:49); (Silvermann, 1994: 22 -28).

2.8 Compensation and other benefits

The issue as to whether people work only for money has been debated for a long time (Stoner, Freeman & Gilbert, 1995: 396 -397; McCormack, 1989: 103 -104; Carr, McAuliffe & MacLachlan, 1998: 99). In a study of commercial and governmental sectors in Malawi and Kenya, Blunt & Jones (1986: 165 -175) found that motivations to work in Kenya and Malawi differ from those in North America and Western Europe. They found that Malawians and Kenyans assign a higher importance to their ‘security’ needs, the lowest in the levels of complexity model while those in Western Europe and North America are motivated by ‘self-actualisation’ needs, the higher needs in the model. Otley (1987: 42) reported that, “the greatest effect we can have on people’s motives comes through indirect means such as changing the tasks environment, job redesign and assignment of greater responsibility”. This is in contrast to Blunt & Jones who found that
Malawian and Kenyan employees are motivated more by the financial security of working rather than the opportunity for self-development because it is a means to provide for them and their families. On the other hand, for most professional employees, their jobs are the only source of income and livelihood and as such the monetary aspect is given pre-eminence (Covey et al, 1994: 296). McConnell (1999: 13) and Lee (2001: 1 - 9) observed that local NGOs tend to be breeding grounds for International NGO professionals. As they get experience in the local NGOs, the international NGOs poach them because they are able to offer better packages.

It is often assumed that NGO employees are motivated to work by their personal values, commitment and self-motivation. This assumption is increasingly being questioned in NGOs of the developing countries (Malunga, 2000: 7 - 10). Conditions of service, especially the monetary side of it is observed to be a motivation for NGO workers. According to Fowler (1997: 83), “Becoming more business like and market oriented in the 1990s affects NGO incentives by making financial rewards more significant for retaining and motivating staff”.

Van Staden (1997: 20 - 25) noted that individual values change over time implying that in most cases younger professionals who are just beginning on their career paths are more likely to be motivated by money as they need the money to get settled in life. Murakami (1999: 38 -42) reported that older workers have job tenure twice as long as those under 34.
While the literature shows that money is the central factor affecting professional staff turnover, experience on the ground is showing that while money may be a significant factor, the other factors in the levels of complexity model play a more critical role especially among professional staff. Drucker (1967: 144) observed that, “the knowledge (professional) worker demands economic rewards too. Their absence is a detriment. But their presence is not enough. He needs opportunity, he needs achievement, he needs fulfillment, and he needs value”

2.9 Staff Turnover and Organisation Development (OD)

Organisation Development (OD) can be defined as:

“a long-term effort, led and supported by top management, to improve an organisation’s visioning, empowerment, learning, and problem-solving processes, through an ongoing, collaborative management of organisation culture – with special emphasis on the culture of intact work teams and other team configurations – utilising the consultant-facilitator role and the theory and technology of applied behavioural science, including action research” (French and Bell, 1995: 28)

According to Kaplan (1996:19 –28), a typical organisation develops and grows through a number of distinctive phases as given below:

- Pioneer phase: a newly formed organisation, which is usually led by one or a few founder leaders. The staff have a lot of trust in the leader and are follow him or her unquestioningly as they are dependent on him or her. There is no differentiation
between private and business lives of the employees. The general atmosphere in the organisation is that of a family with the leader as a hub of all activities.

- Differentiation phase: the organisation moves away from informality and begins to specialise and form formal structures. The staff become more independent from the leader and the relationships are less personal.
- Mature stage: the organisation gains consciousness and becomes more integrated again. Personal involvement, enthusiasm and creativity are regained and leadership is developed throughout the whole team in a participatory, empowering fashion.

The organisation moves from one phase to the other, as the previous one becomes overdue. Usually there is a crisis, which leads to change. The stage at which the organisation is has implications on what the organisation and its leadership should do to retain staff.

The introduction of OD into the NGO sector is relatively recent. After many years of a training dominated approach to capacity building, NGOs and donors alike are recognizing the limitations of this approach in improving organisational effectiveness. Hence a need was identified for a different kind of intervention. International donors and NGOs have taken OD to be more a more appropriate approach to building organisational capacity (Plowman, 2000: 190). The aim of OD interventions is to create a healthy organisation in which the above-mentioned factors are functioning effectively.
In summary, the literature review suggests that a ‘healthy organisation’ is likely to attract and retain staff. Such an organisation is according to Britton (1998:6) characterised as being:

- Honest
- Concerned for people
- Effective
- Financially sustainable
- Participatory in its approach and culture
- A good employer
- Flexible
- Influential
- Creative and innovative

From a research amongst employees from 40 countries, Lebow and Simon (1997: 63 – 106) concluded that employees are motivated to perform better and stay in their organisations if the following values are practiced in the organisation:

- Truth – if they are treated with uncompromising truth
- Trust – if they feel trusted by colleagues and leaders
- Mentoring – if the leaders unselfishly mentor the employees
- Openness – if the organisation and especially leadership is receptive to new ideas
- Risk – taking – if the employees are given opportunities to take risks for the good of the organisation
- Giving credit – if the employees are given credit when it is due
• Honesty – if honesty is encouraged in all dealings

• Caring – if the leaders and the employees put others’ interest before their own.

Lebow and Simon (1997: 106) challenged that if the organisation, consciously practice these values, the problem of preventable staff turnover will be arrested. The process, through which these values can be realised in the organisation, is by using OD principles and interventions.

2.10 Conclusion on Literature Review

The levels of complexity model was used to collect and analyse data on the above factors i.e. environmental factors; organisational vision and mission; organisational values and culture; relationships and communications; policies, systems and procedures; opportunities for growth; and compensation and other benefits. The model was also used to guide the discussion of the results.

The next chapter will discuss the findings of the study upon which a discussion will be built based on the literature review presented in this chapter.
CHAPTER 3: STUDY FINDINGS

Chapter 3 presents the findings of the study. It presents the findings on the prevalence of professional staff turnover. It then presents findings on the causes of professional staff turnover. It also provides findings on the different views of the respondents on how the problem of staff turnover can be addressed.

3.1 Prevalence of Professional Staff Turnover

The prevalence of professional staff turnover is shown in the tables below.

Table 4: Staff Turnover Prevalence

<table>
<thead>
<tr>
<th>Organisation</th>
<th>Total # of professional staff</th>
<th># recruited since 2000</th>
<th># voluntarily left since 2000</th>
</tr>
</thead>
<tbody>
<tr>
<td>International NGOs</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1. Compass</td>
<td>8</td>
<td>8</td>
<td>1</td>
</tr>
<tr>
<td>2. Self-Help</td>
<td>11</td>
<td>6</td>
<td>6</td>
</tr>
<tr>
<td>3. Umoyo</td>
<td>15</td>
<td>15</td>
<td>7</td>
</tr>
<tr>
<td>4. IEF</td>
<td>11</td>
<td>19</td>
<td>5</td>
</tr>
<tr>
<td>Subtotals</td>
<td>45</td>
<td>48</td>
<td>19</td>
</tr>
<tr>
<td>Turnover rate</td>
<td>Leavers/stayers*100</td>
<td>19/48*100</td>
<td>= 40%</td>
</tr>
<tr>
<td>Local NGOs</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1. Carer</td>
<td>20</td>
<td>10</td>
<td>8</td>
</tr>
<tr>
<td>2. Pamet</td>
<td>6</td>
<td>13</td>
<td>7</td>
</tr>
<tr>
<td>3. WLSM</td>
<td>7</td>
<td>4</td>
<td>4</td>
</tr>
<tr>
<td>4. DBU</td>
<td>7</td>
<td>5</td>
<td>5</td>
</tr>
<tr>
<td>5. Nkhomano</td>
<td>5</td>
<td>16</td>
<td>8</td>
</tr>
<tr>
<td>6. CONGOMA</td>
<td>5</td>
<td>3</td>
<td>2</td>
</tr>
<tr>
<td>7. MACRO</td>
<td>57</td>
<td>45</td>
<td>15</td>
</tr>
<tr>
<td>8. Yoneco</td>
<td>5</td>
<td>11</td>
<td>9</td>
</tr>
<tr>
<td>Subtotals</td>
<td>112</td>
<td>107</td>
<td>58</td>
</tr>
<tr>
<td>Turnover rate</td>
<td>Leavers/stayers*100</td>
<td>58/107</td>
<td>= 54%</td>
</tr>
<tr>
<td>Grand totals</td>
<td>157</td>
<td>155</td>
<td>77</td>
</tr>
<tr>
<td>Overall turnover rate</td>
<td></td>
<td>77/155</td>
<td>= 50%</td>
</tr>
</tbody>
</table>
Between 2000 and 2002, 12 of the organisations interviewed employed 155 professional staff. In the same period they lost 77 members of staff who left voluntarily. This represents a professional staff turnover rate of 50% (see section 1.3 for definition of staff turnover). This is a composite figure for both local and international NGOs. The average period the employees stayed before they left the organisation was 18 months (see table 5 on page 44 below).

The international NGOs employed 48 professional employees and they lost 19 who left voluntarily. This represents a professional staff turnover rate of 40% in contrast to 54% in the local NGOs. The local NGOs recruited 107 professional employees and they lost 58 who left voluntarily.
The following table presents the average length of time the professional staff stayed in their organisations before leaving voluntarily.

### Table 5: Length of tenure before staff left their organisations

<table>
<thead>
<tr>
<th>Organisation</th>
<th># left since 2000</th>
<th>Average period they stayed before they left (months)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>International NGOs</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1. Compass</td>
<td>1</td>
<td>18</td>
</tr>
<tr>
<td>2. Self-Help</td>
<td>6</td>
<td>18</td>
</tr>
<tr>
<td>3. Umoyo</td>
<td>7</td>
<td>18</td>
</tr>
<tr>
<td>4. IEF</td>
<td>5</td>
<td>12</td>
</tr>
<tr>
<td><strong>Subtotal average length of tenure</strong></td>
<td></td>
<td><strong>17</strong></td>
</tr>
<tr>
<td><strong>Local NGOs</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1. Carer</td>
<td>8</td>
<td>18</td>
</tr>
<tr>
<td>2. Pamet</td>
<td>7</td>
<td>24</td>
</tr>
<tr>
<td>3. WLSM</td>
<td>4</td>
<td>24</td>
</tr>
<tr>
<td>4. DBU</td>
<td>5</td>
<td>12</td>
</tr>
<tr>
<td>5. Nkhomano</td>
<td>8</td>
<td>18</td>
</tr>
<tr>
<td>6. CONGOMA</td>
<td>2</td>
<td>24</td>
</tr>
<tr>
<td>7. MACRO</td>
<td>15</td>
<td>18</td>
</tr>
<tr>
<td>8. Yoneco</td>
<td>9</td>
<td>24</td>
</tr>
<tr>
<td><strong>Subtotal average length of tenure</strong></td>
<td></td>
<td><strong>20</strong></td>
</tr>
<tr>
<td><strong>Overall average of tenure</strong></td>
<td></td>
<td><strong>18</strong></td>
</tr>
</tbody>
</table>

The average length of tenure for the staff that left the international NGOs was 17 months while that for the local NGOs was 20 months. The average length of tenure for both the local and international NGOs was 18 months.
The following table shows the “destinations” of those who left their organisations.

### Table 6: Movement of Staff

<table>
<thead>
<tr>
<th>Organisation</th>
<th>Number left</th>
<th>Went to school</th>
<th>Went to International NGO</th>
<th>Went to Local NGO</th>
<th>Went to Government Institution</th>
<th>Went to Private sector</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Compass</td>
<td>1</td>
<td>1</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2. Carer</td>
<td>8</td>
<td>7</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3. Pamet</td>
<td>7</td>
<td>4</td>
<td></td>
<td></td>
<td></td>
<td>3</td>
</tr>
<tr>
<td>4. Self-help</td>
<td>6</td>
<td>1</td>
<td>5</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5. Wild life</td>
<td>4</td>
<td>1</td>
<td>3</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>6. DBU</td>
<td>5</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>7. Macro</td>
<td>15</td>
<td>15</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>8. Nkhomano</td>
<td>8</td>
<td>6</td>
<td></td>
<td></td>
<td></td>
<td>2</td>
</tr>
<tr>
<td>9. CONGOMA</td>
<td>2</td>
<td>1</td>
<td></td>
<td></td>
<td></td>
<td>1</td>
</tr>
<tr>
<td>10. Umoyo</td>
<td>7</td>
<td>8</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>11. IEF</td>
<td>5</td>
<td>3</td>
<td></td>
<td>1</td>
<td></td>
<td>1</td>
</tr>
<tr>
<td>12. Youthnet and Counseling</td>
<td>9</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td></td>
</tr>
<tr>
<td>Totals</td>
<td>77</td>
<td>11</td>
<td>46</td>
<td>1</td>
<td>2</td>
<td>12</td>
</tr>
<tr>
<td>Percentages</td>
<td>X/77*100</td>
<td>14%</td>
<td>60%</td>
<td>1.3%</td>
<td>2.6%</td>
<td>16%</td>
</tr>
</tbody>
</table>

The employees who left the organisations went to 5 different destinations. The largest percentage went to 3 destinations: other international NGOs (60%), private sector (16%) and further education (14%).

The employees who left the NGOs were not only those who left voluntarily. A good number (26) representing 25% of the total number of the employees who left the organisations left because the projects they were working had come to an end and they were declared redundant (see table 7 on page 45 below).
Table 7: Number of staff made redundant because of project termination

<table>
<thead>
<tr>
<th>Organisation</th>
<th>Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Wild life society</td>
<td>1</td>
</tr>
<tr>
<td>2. Nkhomano</td>
<td>8</td>
</tr>
<tr>
<td>3. International Eye Foundation</td>
<td>10</td>
</tr>
<tr>
<td>4. Youthnet and Counseling</td>
<td>7</td>
</tr>
<tr>
<td>Total</td>
<td>26</td>
</tr>
</tbody>
</table>

| Total number of people who left organizations since 2000 (77 + 26) | 103 |
| Percentage of those made redundant (26/103 *100)                  | 25% |

It is also important to note that the 25% of the employees who left because their projects had come to an end came from only 4 of the 12 organisations (3 local and 1 international).
3.2 Reasons for Professional Staff Turnover

The reasons for professional staff turnover are given in the table below. The reasons for each category are given in order of importance (starting with the most important).

Table 8: Reasons for turnover

<table>
<thead>
<tr>
<th>Reasons given by directors (n = 14)</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Looking for greener pastures</td>
</tr>
<tr>
<td>• Increased demand for professional employees in the labour market</td>
</tr>
<tr>
<td>• Uncertainty of funding and therefore job insecurity</td>
</tr>
<tr>
<td>• Lack of career progression path</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Reasons given by professional staff (n = 23)</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Inadequate monetary benefits</td>
</tr>
<tr>
<td>• Personal problems with leaders</td>
</tr>
<tr>
<td>• Work not challenging</td>
</tr>
<tr>
<td>• Lack of career progression path</td>
</tr>
<tr>
<td>• Restrictive policies, systems and procedures</td>
</tr>
<tr>
<td>• Job insecurity</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Reasons given by those professional staff who left their organizations (n = 5)</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Perceived unfair treatment by leaders</td>
</tr>
<tr>
<td>• Relationship problems with leaders</td>
</tr>
<tr>
<td>• Rigid structures and policies</td>
</tr>
<tr>
<td>• Low levels of responsibility</td>
</tr>
<tr>
<td>• No staff development</td>
</tr>
<tr>
<td>• False participation – “involving us when decisions had already been made”</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Reasons given by consultants (n = 4)</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Failure to handle transition processes from informal to formal phases of organisation especially for local NGOs</td>
</tr>
<tr>
<td>• Donor/expatriates/ local staff politics especially for international NGOs</td>
</tr>
</tbody>
</table>

The reasons given by the directors emphasised more on levels 1 and 2 of the levels of complexity model (refer to table 2 on page 15). The reasons for staff turnover as given by the professional staff tended more towards the higher factors in the in the levels of complexity model. Those that had left their organisations gave reasons that tended towards need for more power sharing in their previous organisations. Most of these employees had moved to more senior positions in their new organisations. Surprisingly
none of these employees mentioned low pay as the reason they left their previous organisations. The consultants observed that the local NGOs and the international NGOs are facing different general problems. Local NGOs are generally struggling with the problem of managing growth while international NGOs are struggling with the challenge of how to become more flexible and create a conducive internal organisational environment.

In addition to the general reasons given by the professional staff, an attempt was made to see the similarities and differences across gender.

**Table 9: Reasons for staff turnover among professional staff by gender**

<table>
<thead>
<tr>
<th>Male professional staff (n = 12)</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>• Low pay</td>
<td></td>
</tr>
<tr>
<td>• Relationship problems with leaders</td>
<td></td>
</tr>
<tr>
<td>• Inadequate or no staff development</td>
<td></td>
</tr>
<tr>
<td>• Work not very challenging</td>
<td></td>
</tr>
<tr>
<td>Female professional staff (n = 11)</td>
<td></td>
</tr>
<tr>
<td>• Low salaries</td>
<td></td>
</tr>
<tr>
<td>• No promotions</td>
<td></td>
</tr>
<tr>
<td>• No loan facilities</td>
<td></td>
</tr>
<tr>
<td>• Job insecurity</td>
<td></td>
</tr>
<tr>
<td>• Too much work</td>
<td></td>
</tr>
<tr>
<td>• Perceived favouritism on benefits</td>
<td></td>
</tr>
<tr>
<td>• Job insecurity</td>
<td></td>
</tr>
</tbody>
</table>

The reasons men gave leaned towards achievement and need for more power sharing concerns. These are at the level of culture and values in the levels of complexity model.

In contrast, the reasons women gave tended towards security needs. These are at the lowest factors of the model, which are salaries and benefits.
3.3 Ways of Preventing Staff Turnover

The directors, professional staff and those who left the organisations were asked for their opinions on what should be done to prevent professional staff turnover.

Table 10: Ways of preventing staff turnover

<table>
<thead>
<tr>
<th>Directors (n = 14)</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Better packages (loans and good salaries) and improving conditions of service</td>
</tr>
<tr>
<td>• Long-term core funding to reduce fear and job insecurity</td>
</tr>
<tr>
<td>• Increasing decision making space for managers in International NGOs</td>
</tr>
<tr>
<td>• Improving policies, systems and procedures</td>
</tr>
<tr>
<td>• Improving relationships</td>
</tr>
<tr>
<td>• Having a clear career development path for the professional staff</td>
</tr>
<tr>
<td>• Having an effective recruitment system</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Professional staff (n = 23)</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Better packages (salaries, medical, housing, transport and educational allowances)</td>
</tr>
<tr>
<td>• Improving working relationships</td>
</tr>
<tr>
<td>• Improving policies, systems and procedures to ensure fairness</td>
</tr>
<tr>
<td>• Improving leadership styles</td>
</tr>
<tr>
<td>• Introducing staff development</td>
</tr>
<tr>
<td>• Ensuring sustainable funding</td>
</tr>
<tr>
<td>• Making decision making processes more inclusive</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Those who left their organizations (n = 5)</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Ensuring leadership succession plans for local NGOs</td>
</tr>
<tr>
<td>• Removing bureaucratic processes and attitude problems in international NGOs</td>
</tr>
<tr>
<td>• Involving professional staff to ensure organisational ownership</td>
</tr>
<tr>
<td>• Building an atmosphere of trust</td>
</tr>
<tr>
<td>• Ensuring both organisational growth and development</td>
</tr>
<tr>
<td>• Committing to employee job security</td>
</tr>
<tr>
<td>• Improving negotiation skills with donors for sustainable core funding</td>
</tr>
</tbody>
</table>

The emphasis of the directors’ solutions is on the lower factors (in the levels of complexity model, refer to table 2 on page 15) of acquiring more material resources, improving skills and competences and improving policies systems and procedures, and relationships. With the exception of the need for better packages and the need to ensure sustainable funding, the professional staffs’ solutions to the problem of staff turnover
emphasised the higher factors of the levels of complexity model. They tend to look more at the values of the organisation: working relationships, leadership styles and participation. The solutions for the problem are crystallized by the reasons given by the staff who left their organisations. They emphasise issues of culture and values as being the major avenues for addressing the problem.

Tables 8, 9 and 10 show that monetary benefits and better packages are primary reason employees would leave and that could make them stay in their organizations. Monetary benefits and better packages on their own however, are not enough. Professional staff look for organisations that both pay well and have a conducive working environment (made possible by the presence of the higher level factors). The professional staff identified inadequate monetary benefit as the first reason for staff turnover while those who had left their organisations perceived ‘unfair treatment by the leaders’ as their first reason. This means that staff will keep moving until they find an organisation that both pays well and has the higher level factors in place. Consciously or unconsciously, the ultimate search is for the organisation that has the higher-level factors in place in addition to good financial rewards.

3.4 Conclusions on results of prevalence, reasons and solutions of staff turnover

Vincent (1995: 375) reported that it takes a minimum of 10 years of undisturbed concerted organisational effort for an NGO to become effective and sustainable. Jennifer Routledge, personal communication (2000), talking about NGO directors’ period of tenure of office, said that,
“an NGO director must hold office for 5 years. After this he or she must seriously reflect on the contribution they have made to the organisation and if they have any more significant contribution to make to the organisation, if they have, they may extend for one more 5-year term. After 10 years it is often necessary to leave the organisation”.

While there are no clear standards of acceptable professional staff turnover rates, the rate of 50% within a period of 18 months is by any standard quite high. The implications of this are that within every 36 months (3 years) the organisations may have a new profile of professional employees. When members of staff keep moving at this rate, the NGOs may never become sustainable and effective. If we take the directors’ 5 year period of office of tenure as an acceptable period of time that one can make considerable contribution to an organisation, 18 months is just too short.

The average age of the professional staff interviewed was 32. Most of them had had one job before coming to the current job. This means that their experience was still low and hence a need for more investment into their development by their current organisations. Most NGOs have probation periods of 6 months for professional staff. It is only after probation that the organisations can make commitments to the development of the staff, if they leave 12 months after probation; this means the investment that the organisation has made in them will not be cost-effective.

For the reasons of staff turnover and their solutions, it is clear the directors tend to look at the lower factors of the levels of complexity model (salaries and other benefits; and training opportunities) while the rest of the respondents tend to look more on the higher
factors of the levels of complexity model (policies, systems and procedures; relationships, values and culture). This difference in ways of looking at the reasons for the problem of staff turnover and their possible solutions has implications on how the organisations are currently addressing the problem of professional staff turnover. Since it is the leaders who determine how to address the problem, they tend to emphasise looking for opportunities to improve salaries and benefits and training opportunities.

Ten of the 12 organisations interviewed did not conduct exit interviews when a member of staff leaves. It also follows that almost all did not have any conscious system to enable them to reflect on the problem and find corrective measures to arrest it. Most of the directors interviewed had a feeling that the organisations where the members of staff went to were better than theirs. This made them feel that staff turnover was therefore inevitable.

Most of the members of staff interviewed also had a feeling that “there is a better organisation out there” and they were looking forward to getting out of their organisation to find the ‘ideal’ organisation. The attitude of ‘working to make the current organisation to become the desired organization’ was conspicuously absent. The general attitude among the professional staff was that making the organisation ‘inhabitable’ and therefore able to retain staff, was the responsibility of the leaders. They therefore abdicate all responsibility to the leaders.
It is interesting to note the shift of looking at organisational problems from the group of leaders who went through the workshop. At the beginning they were asked to mention the three major problems of their organisations. The identified problems were:

• Lack of funding
• Lack of training
• Job insecurity for members of staff

At the end of the workshop they were asked the same question and the answers were:

• Lack of a clear and shared vision
• A restrictive rather than an empowering culture
• A gap between management and the board

This shows that by going through the workshop, they were able to make a shift from the lower to the higher factors of the levels of complexity model. This shift among the leaders is indispensable in sustainably addressing the problem of staff turnover among the professional staff members.

In order to have a practical feel of the problem of professional staff turnover, extensive and in-depth interviews were conducted in three organisations. From those interviews three case studies were produced. These are presented in the next chapter.
CHAPTER 4: CASE STUDIES

The case studies presented below represent the diversity of NGOs one will find in the Malawian NGO sector. Case study 1 is a Youth NGO started by and run by the youths themselves.

Case study 2 is a Human Rights NGO started by a political returnee. Returnees are the people who went into exile during the 31-year rule of Dr Hastings Kamuzu Banda. They came back at the dawn of multi-party democracy in the mid-1990s. Because of their political orientation, most of them formed Human Rights NGOs. With the present political developments in the country, Human Rights NGOs are facing challenges and pressures as they are generally seen by the ruling party to be thwarting its political interests. Government in May 2002 stopped a DFID project of about £3.5 million to support the Human Rights NGOs.

Case study 3 is an international NGO with a project aimed at providing organisational capacity building services to local NGOs.
4.1 Case Studies

Case study 1: Youth Development Organisation

Background

Youth Development Organisation was started in 1997 by an Education college tutor. The aim was to respond to the needs of young people in the city of Blantyre. The main goals were to offer services in the areas of:

- Reproductive health
- Human Rights
- Women empowerment – the girl child

The tutor identified three friends and registered the organisation as a Non-Governmental Organisation. The three friends and a few other individuals formed the board of governors and the tutor became the director of the organisation. He identified nine mainly secondary school leavers to work as volunteers. In the course of their activities a donor agreed to fund their HIV/AIDS activities and their administrative costs. The nine volunteers were put on a payroll and became paid staff.

The making of a crisis

Because of the enthusiasm and dedication of the whole team, they were making a good impression on other donors and they started getting more funding. With more funding the professional demands were also increasing leading to need for more skills and competences. They did not have an accountant and therefore the director had to strictly supervise financial reports. The director said programme staff could not write professional reports and it was weighing on him. He reported that at one point they
almost lost funding from one of their donors because of the conflict. The staff could not account for official expenditures and time.

The director recruited a finance officer at a more senior level than the one who was there previously. The old officer was now reporting to the new officer. This did not go well with all the 9 employees as they saw this as the beginning of a trend aimed at replacing them. While the director saw the recruitment of the new officer as a way of improving organisational competences and skills, the members of staff however saw it from a different perspective. They observed that the new accountant was under-qualified according to the qualifications indicated in the advert. He only had a certificate, he was interviewed at home and he came from the same district as the director. In addition, while there was a deputy director in place, the new finance officer was being made more and more prominent and was acting when the director was unavailable.

The nine employees asked for a strategic plan because they thought that the strategic planning process would “point out to the weakness of the director” and therefore they would use this as a basis for getting rid of him.

The strategic planning process, which was attended by representatives of the staff, the board and donors and other stakeholders asked for “more professionalism” from the members of staff. This triggered a crisis in the organisation. The members of staff felt that the organisation was asking for too much. They felt the director was taking the organisation at a pace they were not comfortable with. They felt they were being
harassed while the director felt he was only asking for more seriousness. This led to a loss of verbal communication and communication was limited to memos. The atmosphere in the organisation was now “us against the director and the finance officer”.

The members of staff wrote a “petition” to the director asking him questions like:

- “Why do you sit at the back of the car when the driver is driving?”
- Why are you the only one using the laptop?”
- “Why don’t you give us the car to use for weekends and yet your wife, who is not an employee has free access to the car?”
- “Why don’t we share left over donor money?”
- “Where are you getting the money you are building your house with?”

In short the members of staff were questioning the accountability and transparency of the director.

The members of staff then wrote a letter of dismissal to the director for “insubordination”. They did this because, “the constitution did not specify who could fire who”. The board confronted the members of staff and challenged them on their mandate to fire the director. The members of staff went on to collect all the receipts, reconciled them and sent to the board to prove that the director had been embezzling organisational funds. They even reported the director to police and sent e-mails to all stakeholders.
The situation degenerated further into verbal and physical warfare with the director and staff reporting each other to the police, locking each other out of offices and confiscating important documents. It became impossible to co-exist. Either the director or the staff had to leave. It now became a game of elimination.

**The climax**

While they were busy fighting, work on the ground suffered. Donors pulled out, projects ceased and no more salaries were paid. As a result all the 9 members of staff were declared redundant. After lengthy discussions, the major donor has just agreed to resume funding. Minimum recruitment requirements have been raised to a University Diploma and all the 9 members of staff could not apply again because they did not have this requirement.
Case study 2: Malawi Human Rights Organisation (MHRO)

Background

Malawi Human Rights Organisation (MHRO) was started in 1996 by a prominent political returnee. The aim was to promote and protect human rights. The activities included legal advice, human rights monitoring, civic education and advocacy. MHRO recruited two main types of employees in addition to the support or administrative staff.

Organisation Development Support

In 1999, the director noted that levels of staff turnover were reaching unacceptable levels. By 1999, MHRO had lost 8 out of the 15 professional employees and the others were threatening to leave. He felt that the problem was “poor conditions of service”. He then contracted a firm of Organisation Development (OD) consultants to come and study and recommend a revision of the “conditions of service”.

The consultants said that before they dealt with the issue of the conditions of service, it was necessary to conduct an organisational assessment in order to confirm the need for the improvement of the conditions of service and to identify any other factors leading to staff turnover. The consultants found that while the “conditions of service” were mentioned as one of the reasons leading to staff turnover, the salaries in the organisation were better than any local NGO in the country. They also found that some of the people who left the organisation were leaving not because they had found another job; they were leaving to stay at home for “peace of mind”.

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The reasons the members of staff gave had to do with the relationships and values in the organisation. They cited issues like:

- Staff fear those in leadership
- There is lack of trust among factions in the organisation
- Unclarified organisational and staff expectations
- Interpersonal and inter-departmental relationship problems
- Lack of commonality of vision leading to low commitment.

In a feedback workshop after the assessment, the consultants came up with a work plan of interventions to address the identified issues in addition to the issue of conditions of service.

Since the time of the organisation assessment to date, the organisation has lost a further 9 members of staff. What went wrong?

Most members of staff felt that while the consultants managed to surface the real underlying issues beneath the problem of staff turnover, they were not successful in designing effective interventions to address the issues.
Case study 3: Capacity Development Organisation (CDO)

Background

Capacity Development Organisation (CDO) started in February 1997 as a DFID funded project managed by a British International NGO in Malawi.

The purpose of the project was to assist in the development of effective, transparent, accountable NGOs better able to meet the needs of their beneficiaries. The approach chosen was Organisation Development (OD). Within the first 5 years of its operation CDO employed 13 professional staff. Of those only 3 are now still with the organisation. Of the 10 OD practitioners employed, only one (who also happens to be the first one to be recruited) is still with the organisation.

Identity

CDO was initiated and driven by donors and expatriates. The project was administered by a British NGO, which sent an expatriate manager to run the project. Malawians did not play any significant management role in the project. The steering committee which was put in place could not make major decisions as these were left to the organisation hosting the project.

The project document on which the project was based recommended that the project would recruit “barefoot OD advisers” who were fresh graduates coming straight from school. While there was some justification in employing young graduates, some stakeholders felt that the recommendation was strange because it was clear that according
to Malawian, culture wisdom or the respect one can command (a qualification which one must have to advise another) is dependent on age. This raised suspicion that the project deliberately employed youthful employees because of their naiveté, as they could not understand the politics involved. The expatriate played a management role while the “barefoot OD advisers” were the actual implementers providing OD services to the NGOs. This gave CDO a dual identity: a Malawian face in the field and an international one in the office. One of the consultants observed that, “the double identity has helped the project to survive by being able to show its Malawian face to the field and its international face to the donors but the most debilitating aspect of the condition is that it leaves a space between the staff and the project manager where there seems to be no identity at all”. The consultant also noted that, “during my consultancy I was able to see (and to some extent feel) both the Malawian and international identities, but what troubled me most was the feeling that sometimes crept over me during time in the office that the project was hollow at the core and that as a result it was very difficult for all staff to feel a full sense of commitment to its future purpose”.

During the final evaluation of the first five years, one of the questions a consultant asked was “who is CDO or who owns CDO?” No body of all the staff, the manager and other stakeholders was able to give an easy answer. CDO lacked meaningful ownership. This lack of clarity led to a battle for ownership. It was strongly felt that ownership and control lay with those controlling the purse strings.
Managing an Organisation of Young Organisation Development (OD) Consultants

From another perspective, CDO had two identities. It was a project within the international British NGO but it was also an organisation ‘to be’. This also brought its own complications. Because it was a project within an organisation, it had to large extent to adhere to the management policies, systems and procedures of the organisation to which it belonged. But at the same time, the nature of its work and field of practice made some of the policies, systems and procedure to look restrictive rather than facilitative.

Given its budget of close to £2million for 5 years, CDO had no financial limitation but the policies, systems and procedures of the organisation restricted the use of the money. About 75% of the money was sent back at the end of the project because it could not be used. The staff, especially, the OD practitioners felt they were not being paid what they were worth and yet there was lot of money.

Another point was unclear leadership structures at governance and management levels. The role of the steering committee, which was put in place at the on set of the project, was to facilitate the process of turning the project into an organisation. They did not play any governance role. Eventually, the steering committee was turned into the board but because the organisation was not yet registered, they were not a legal entity and all the ‘legal’ issues were still in the hands of the British NGO. Whenever an issue arose within the project, it was not clear who to report to. Within the project it was not clear who would form ‘management’ when the project became an organisation.
In order to assert their authority, immediately after turning into a board, the steering committee members came up with two decisions:

- They formulated a new vision for the organisation to move the organisation from providing OD services to individual organisations to becoming a school of OD i.e. training OD consultants. This was done without any consultations with the members of staff especially the OD practitioners.
- Upon the insistence of the manager, they decided to recruit an expatriate to lead the OD team. From the beginning the members of staff questioned the rationale behind this, as they felt the proposed consultant was not experienced enough to add value to the team. In addition, they felt the salary and benefits discrepancy was just too much. Moreover, when the organisation was supposed to be consolidating its local identity, this was seen as strengthening the international identity.

Upon these observations the consultant who facilitated the final evaluation observed that, “managing and leading an organisation of OD consultants is not going to be easy. For a start, in order to be effective, good OD consultants need to be independent and critical thinkers and actors. They need to carry high levels of responsibility and authority. They will have very specific ideas about organisations and how they should be run. In short no good OD consultant will be easily managed against her or his will. They will be striving for good progressive leadership and management. The effective OD organisations (organisations that provide OD services to other organisations)… are all led by OD
consultants, they tend to be flat and participatory, and have boards that are effective in achieving a fine balance between supporting and challenging”.

In summary, the issues underlying CDO’s “stuckiness” were finally agreed in a workshop as being:

- Unclear leadership and ownership
- Inadequate shared purpose
- Breakdown in relationships – including lack of trust and lack of respect
- Ineffective communication – including lack of honesty and lack of openness.

4.2 Conclusions on the case studies

The 3 case studies above bring out the major tensions and currents flowing through NGOs in Malawi and affecting the issue of staff turnover. Case study 1 and 2 portray organisations that are going through a crisis of transforming from the pioneer phase to the differentiation phase of organisation (see section 2.9 on page 38 and 39). It is interesting to note that both organisations contracted Organisation Development Consultants to help them through their crises. Youth Development Organisation considered the OD process a success. Malawi Human Rights Organisation considered the OD process a failure.

Case study 3 deals with the questions of ownership and identity that international NGOs are dealing with. This in most cases surfaces in the form of differences in remuneration between local and international staff. Taylor (2001: 20) reported that,
“One particularly emotive and urgent issue that needs to be dealt with extreme sensitivity is presenting itself as the issue of remuneration of (development) practitioners… it is important to realise that when empowerment really takes place issues of fairness, worth and dignity inevitably become central – this is some of what lies behind the issue of remuneration”.

It is very important to note that in all the 3 case studies the lower factors in the levels of complexity model (salaries and training opportunities) are not emphasised. The issues revolve mostly around culture, values and leadership. The next chapter will present the detailed discussion on the findings and case studies.
CHAPTER 5: DISCUSSION OF STUDY FINDINGS

This chapter discusses the findings and the case studies in more detail. The findings and the case studies are discussed in relation to the levels of complexity model. The findings are also compared to the literature review to note any similarities, differences and their explanations. The discussion starts with the lowest factor (salaries) and ends with the highest factor of the levels of complexity model (donor and government politics).

When interviewing the professional staff, they were asked to rate the different factors (headings under discussion in this chapter) as they experienced them in their organisations on a scale of 0 – 5 where 0 meant non-existent and 5 meant exceptional (see appendix 2 on page 114). The average rate for salaries was 1, training was rated 1.2, rules and regulations was rated 1.2, relationships between staff and leaders was rated 2, values and culture was rated 1, vision and mission was rated 3. Generally all the ratings were low. This means that most of the professional staff were generally not satisfied with their organisations. This general dissatisfaction is a major explanation of the high rates of turnover among the professional staff. The detailed findings are discussed below.

5.1 Salaries

Salaries as a factor was rated at 1. The results of the study are in strong agreement with the literature review in that the monetary aspect featured very highly as motivator for attracting and retaining staff. The NGO sector has mostly employed young people as professional staff. The average age for the study sample was 32 (see section 2.8 last paragraph on page 37 for the implication of this on staff turnover). This is complicated by
the fact that at this age, the average number of dependents per individual was 5. With the worsening HIV/AIDS situation and therefore increased extended families as a result of orphanage, this number is likely to continue growing. This explains why the monetary aspect was so strong. This is further evidenced by the fact that 60% of the professional staff that left their organisations went to better paying organisations especially international NGOs. These were both from local and international NGOs. There was no case of an employee leaving an international NGO to a local NGO. Almost all the people went to better paying jobs and bigger positions in their new jobs. In two local NGOs, 4 professional employees explicitly said, “I am still here because jobs are scarce in Malawi”.

With 5 dependents it means that there is even more pressure on the employees’ financial freedom. For most of the staff, their jobs are their only source of income, which means that their livelihoods are wholly tied to their jobs. This scenario creates pressure for more money among the employees. While NGOs are thinking of how to make themselves sustainable, they should also think about how to help the professional staff become ‘financially sustainable’ or financially independent as well (see recommendation on professional staff in chapter 6 on pages 99 and 100).

Most donors are not keen on funding ‘administrative’ costs, which include staff salaries in local NGOs. This gives limitations on how much the staff can get in terms of salaries. An explanation for this is that the NGO sector is also referred to as the voluntary sector, driven by values rather than the need for self-sustenance among the employees. In much
of Africa however the word volunteer is an abused word because voluntarism, especially among professional staff, is very difficult to practice. But it is upon this justification that donors will give money for projects but not administration including salaries.

On the other hand, while donor policies may be a problem, a larger problem may be with the NGOs, especially the local NGOs themselves. In the words of one of the directors, “As local NGOs we lack the capacity to get money into the organisation. We lack the necessary skills to negotiate with the donors”.

The results are also in agreement with the literature review that, among most of the professional staff it was the fact of being employed and therefore earning a salary, which was given prominence rather than the higher values such as contributing to the cause of development. When asked what motivates them to stay on in their jobs or what could make them move, both the professional staff and directors mentioned the monetary aspect. In contrast to the organisations in the North, the monetary aspect plays a major role in attracting and retaining professional staff. It should also be noted that in international NGOs, the issue of salaries is not so much about the amount of money one receives, but the difference between what local staff and expatriate staff get and the perceived unfairness (see section 5.3 and 5.4 on pages 72 and 75 respectively for more details).
5.2 Training

Training was rated at 1.2. At an average age of 32, most Malawians have not yet fully developed their careers. Most of the professional employees join the NGO sector at diploma or first-degree level. With this qualification, one is likely to join at officer level. There is an increasing trend towards having a minimum of a master’s degree as a requirement for one to join ‘management’. Management is seen as financially more rewarding with a number of benefits. This trend, especially in the international NGOs could be a result of more ‘professionalisation’ of the development field. This development has led to a greater demand for personal and professional development by the members of staff. This is evidenced by the fact that 14% of those who left their organisations voluntarily went back to school.

In the past a number of NGOs sponsored their members of staff to upgrade their staff by sending them to degree or postgraduate training and other long –term courses. But to their dismay usually, when the members of staff came back from their training, they resigned and went to other better paying jobs in other organisations. As a result of this experience, some of the NGOs and donors have put in place policies of not supporting long-term training courses. Those NGOs therefore that support staff training tend to be attractive to professional staff contributing to the problem of staff turnover in the other NGOs.

Another way training opportunities contribute to the problem of staff turnover especially in the local NGOs, is that, they are very small and with very limited career progression
paths. Whenever a person gets a certain degree of qualifications and experience, their current jobs may become ‘too small’ for them. And since upward mobility in the organisation is not possible the remaining option is to leave the organisation. In addition, since most of the local NGOs are still led by pioneer leaders, they usually feel threatened by ‘promising’ staff and they may find ways of frustrating them. Oftentimes their leaving is seen as good riddance. One of the directors said, “I have been praying that all those who are not supposed to be in this NGO should leave, a few have since resigned, I believe God is answering my prayer”. And most of those who left were among the best qualified and those who had just completed some courses.

A problem amongst international NGOs was cited as their unwillingness to nationalise some key positions. Expatriates hold most of the key positions in international NGOs. While the local staff may have equal or better qualifications, they may not have the key positions for ‘political’ reasons. This was cited as a source of frustration leading to professional staff turnover in international NGOs.

It is important to note therefore that contrary to the literature review, it is not always true that NGOs that invest in training and development of their staff will always have high staff retention rates. While they may be attractive to professional staff initially, they may also have the highest levels of professional staff turnover. A case in point is that of CDO.

Most directors expressed that when the staff ask for more training, it is not so much to do with improving their performance as a result of the training, but to get a chance to earn
more. When staff come back from training and the chance to earn more is not available in the organisation, they leave. Four of the professional staff interviewed in local NGOs explicitly said that, “I am here as a training ground, when I get enough experience I will leave for a better job”.

It should be noted that in the case studies, the issues of salaries and training are not as prominent. It is the higher factors that are given much emphasis. This means that financial rewards and need for staff development may be the major triggers for staff turnover. When the staff move to the organizations with better financial rewards and staff development opportunities they discover that the other factors in the model also play a role in staff attraction and retention. It is to these factors that the discussion turns.

5.3 Rules and Regulations

Rules and regulations was rated 1.2. Most of the local NGOs interviewed are experiencing the natural crisis of moving from the pioneer phase to the differentiation phase of organisation (see section 2.9 on pages 37 and 38). In the first phase, there is a lot of informality in an organisation. There are no policies, systems and procedures as the organisation is run as a family. This is normally the case because the organisation is usually small with small numbers of people with common and shared values and, as such conflicts are unlikely. However, when the organisation grows, though resources may become more, they usually become limiting and hence a need to set up guidelines to guide decision making. A good number of the professional staff cited ‘unfairness’ as one of the problems that would make them leave the organisation. Perceived unfairness is
usually a symptom of lack of appropriate policies, systems and procedures. Effective policies, systems and procedures ensure that everyone feels that they are being treated equally. They also ensure that decisions are justifiable.

One of the directors noted that, “some NGOs as old as 10 years do not have any policies, systems and procedures” and that, “there is a high correlation between such organisations and their incidences of staff frustration and turnover”.

In the pioneer phase, the founder leader and sometimes a few individuals in the organisation make most of the decisions. Adopting policies, systems and procedures may be viewed as transferring the decision-making power from purely the discretion of the founder to the policies, systems and procedures that now become the basis for all decisions in the organisation. Some leaders may view this as losing their power to the policies, systems and procedures. This usually explains the resistance by some leaders to adopt policies, systems and procedures. Or sometimes these may be adopted but the leaders consciously or unconsciously undermine them in order to maintain their comfort zone.

In international NGOs, the situation is different. In most of them, the policies, systems and procedures are well developed but most professional staff experience them as hindering rather than facilitative to their work. This is usually due to the bureaucracy in the NGOs as institutions. One of the professional members of staff experienced his frustration as, “in the international NGOs, its not just the leadership which is a problem,
but the institution itself because every time people bring concerns on the way things are run in the organisation, we are told that decisions have already been made in America. Managers do not make decisions, decisions are made at headquarters”. Most of the professional staff had a feeling of “faux participation” (false participation). This rigidity of the structures and policies in international NGOs is a source of frustration among professional staff working in them.

Another source of frustration in international NGOs was the differential conditions of service for local and expatriate staff in organisations. Local members of staff perceive international conditions of service as being ‘discriminatory’. They view them as being less rigid and more facilitative to the expatriates as compared to their own local policies, systems and procedures.

The challenge for local NGOs is for the leaders to acknowledge the need for their organisations to move on to the second phase for more effectiveness and to adopt the appropriate policies, systems and procedures to match the requirements of the new phase. From the findings and the literature review, the key areas needing attention are recruitment systems and performance appraisal. In the name of professionalisation, there is a strong temptation to over-emphasise the importance of strong CVs at the expense of congruence of values of employees at their selection. Sometimes this is done to impress donors. Lack of clear and effective appraisal systems lead to feelings of unfairness when some employees are treated differently from the others without a justifying basis understood by all in the organisation.
According to the literature review, policies, systems and procedures are supposed to practicalise the values of the organisation (see 2.6 on page 35). Many times when people complain about the policies, systems and procedures as being too rigid, it means that there is a mismatch between the values of the organisation or the people and the policies, systems and procedures in apostle. And oftentimes people will complain if they were not involved in the formulation of the policies, systems and procedures. This is a major challenge for the international NGOs and a major lesson for the local NGOs.

5.4 Relationships and Communication in the Organisation

Relationships between staff and leaders were rated at 2. All the 3 case studies portray the intensity of relationship problems in NGOs. Oftentimes, the relationship problems are not among the staff but between staff and the leaders in the organisation in both the local and international NGOs. For international NGOs one member of staff who left an organisation observed that that, “there is a suspicion that there is a conspiracy among expatriates on Malawians”.

The problem of relationships and communication is a complex one but an explanation in most organisations is that they do not create time to build relationships, as they are too busy. Where relationships are poor, communication naturally suffers. There is a tendency in NGOs to focus more on doing rather than being. A typical example is the response below that the researcher got when he asked for permission to conduct this study in an NGO. The director refused and gave the following explanation:

“…this is far too sensitive an issue for us right now. All of us are stressed to the
maximum with impossible donor requirements, which are unrealistic to the
technical skills available to a local NGO such as ourselves. We do not have a
shortage of donors, but we have an overload of highly unrealistic requirements of
donor driven work. For instance we have 14 donors right now with radically
different demands, formats, log frames, financial reporting requirements,
procurement restrictions. We are completely over our heads.

We are all exhausted, facing rapid burnout and your request just comes at a time
when I personally can’t be responsive and none of us in management has an inch of
energy left to absorb whatever your findings might be. Anyone of us could resign at
any moment based on sheer overload and exhaustion”.

Goyder, Davies & Williamson (1997: 88) also observed that,

“most local NGOs have time consuming reporting and accounting systems (many of
them imposed on them by their donor agencies) which leave staff little space or
incentive to hear, understand, and act upon the people’s perceptions of their
interventions. For most local NGOs’ reporting, whether for their head office or for
their donors is a chore, and for many, evaluations and impact assessments are
assumed to be of greater interest to donors and head offices rather than the staff
themselves”.

Success in most NGOs is associated with the amount of money and the number of donors
the NGO has. But as seen from above, this success comes with a burden that pushes the
organisation towards ‘serving the donor’ rather than the mission of the NGO. The NGO becomes a beehive of activities with no time or space left for creating a favourable internal climate through relationship building and therefore free communication. The tensions in the relationship that arise between the leaders and the professional staff often come from the perception by the staff that they are being pushed too much, and that they are not being given enough space for reflection and team building. In the organisation cited above, the director said that the members of staff could not even afford a five-minute break to talk to the researcher but a few members of staff confided in the researcher that this was an exaggeration and that this is part of the explanation why there were relationship problems in the organisation.

In international NGOs, there is often tension between local professional staff and expatriate volunteers and staff over differentials in compensation packages. One of the expatriates explained that, “as expatriates we are paid more on the assumption that we know better than the people we are going to work with, we are therefore under pressure to prove this assumption. As a result we end up giving too much pressure to the people we are supervising frustrating and firing them in the process”. He also explained that, “if you find yourself in a situation where the assumption that you know better than the people you are going to work with is not true, it can be quite threatening”. This means that expatriates are supposed to know, and they must prove it or chase away the local people who they perceive to know better than them. Frustrating staff with the aim of making them leave becomes a survival technique.
On the other hand, a professional staff member who had left his organisation because of local/expatriate politics, referring to the expatriates, said that, “they confuse the word expatriate with expert and actually nowadays, they have shortened the word expatriate to ‘expat’ reinforcing the confusion of the two words. For this reason, they feel the differentials are justified because they are ‘experts’”.

Carr, McAuliffe & MacLachlan (1998: 86) observed that, “tensions between local staff and expatriates may be reinforced by the expatriates’ lack of post contract job security back home”. For this reason they tend to overstay. They noted a case in Malawi where an expatriate stayed for 13 years from an original 2-year contract. One professional staff member said that his organisation could retain professional staff by reducing the number of expatriate volunteers.

These tensions affect relationships and communication negatively. In a situation where relationships and communication are bad misunderstanding is natural. Directors often complained of being misunderstood in their actions, which they thought, were for the good of the organisation and staff. On the other hand the members of staff feel victimised. One of the expatriate managers said that while going through an organisation assessment feedback session, she broke down in tears because she never knew that the members of staff were so unhappy. She had always assumed they were very happy and appreciative of her leadership style.
When relationships and communication are bad most of the energy is spent on ‘internal fights’ and little energy is spent on the realisation of the vision and mission of the organisation. This explains why in most of the interviewed organisations, the issue of vision and mission were ‘silent issues’. Lack of the consciousness of the vision and mission in one’s work, leads to feelings of meaninglessness in the long run. This is a motivation for staff turnover. The staff will move to look for more meaningful jobs.

A challenge for most NGO leaders is to learn how to practice positive, rather than negative power. The negative face of power is characterised by a need to have dominance over submissive others while the positive face of power is characterised by a socialised need to initiate, influence and lead. The positive face of power is intended to enable others to reach their goals as well as let the person exercising power reach his or her goals. In short, the negative face of power seeks domination and control of others; the positive face of power seeks to empower self and others (French and Bell, 1995: 303). A major challenge facing the leaders however, is the scarcity of model leaders who are effectively using positive power (Bourget, 1996: 17).

For the older directors, managing young and ambitious professionals is not an easy task. One of the directors said, “it used to be very easy when I was working in government. I was not so close to people. I could just command and they had to obey”. The directors must move from this negative face of power to the positive one.
5.5 Values and Culture in the organisation

Values and culture was rated at 1. The values that are actually lived in the organisation portray the culture of the organisation and they determine whether the organisation will realise its vision and accomplish its mission. While the average age of professional employees in the NGOs is 32, the directors almost always tend to be about twice that age (except for 2). The start of most of the professional employees’ career coincided with the democratic dispensation in Malawi. The concept of democracy has emphasised the need of more openness and participation in organisational decision-making. The directors however, have been mostly influenced by the Banda one party autocratic regime. The values emphasised this time were secrecy and absolute control. While conducting this study 10 directors refused to give permission to be interviewed and to let their professional members of staff be interviewed. A reason given was that the ‘policies of our organisation do not allow us to give information to outsiders for documentation’ and that the topic of the research was too sensitive. This was in both local and international NGOs. For those NGOs that gave permission, it was easier to get the permission in NGOs led by expatriates as compared to those led by Malawians.

As a result of this attitude, there is often a clash of culture and values between leaders and staff. Most of the tensions in NGOs are a result of the clash of the different cultures and values in the organisations. One of the professional employees left his organisation because of, “false participation – they pretended to involve us when decisions had already been made”. One of the directors accused his fellow directors of hypocrisy. He noted that
while NGOs were asking the government to be more democratic, the same values were not adhered to in their own organisations.

One of the crises that led to the fall of CDO was the fight between the board and the OD practitioners on the way some processes were handled in the organisation. The board, which comprised elderly NGO personnel, changed the vision and mission of the organisation in isolation without consulting the OD practitioners. When the OD practitioners questioned the appropriateness of the process followed to come up with the vision and mission, they were told that it was the responsibility of the board to formulate an organisation’s vision and mission. When the OD practitioners insisted that the process was supposed to be more participatory and that their input to the process was important because they had first hand knowledge of ground realities, the board members felt their territory was being encroached and that their power was being undermined.

In most organisations this situation has led to a culture of fear. From his experience of working with NGOs in Malawi, James (2002: 65) observed that,

“leaders of NGOs do often misuse their power by punishing those who speak out and challenge them. We have been told of staff facing retribution back in the workplace after having been open about organisational issues in workshops”.

Building an empowering organisational culture is a challenge in most NGOs. A complication to this however is that culture is ‘unconscious’ (Pieterse, 1997:3). The individuals in the organisation are often not aware of what their culture and values are
and how these are affecting organisational effectiveness. Since culture represents a way of looking at the world that one is comfortable with, every person thinks that his or her way of looking at the world is the right one. For this reason, in their being ‘dictators’ the older and more senior members of staff see themselves as playing a good role of ‘controlling lest things get out of hand’. At the same time, the ‘rude’ youngsters see their role as bringing democracy into the organisation. For both the old and the young, the actions are in shadow form, in other words, they are unconscious. What is in light form is usually only the motives. The professional staff and the leaders must learn to see how things look from the eyes of the other group.

A challenge for NGOs both local and international is to identify processes that will bring the culture of the organisation from the subconscious to the conscious, from shadow form to light (Pieterse, 1997: 6). When the culture and values of the NGO have been brought to light, it will then be possible for the NGOs to reflect on how the culture and values are facilitating or hindering their work. This process will enable the different groups holding different worldviews to see the situation from their points of view as well. This will ensure shared values and therefore an empowering organisational culture.

Chambers (1997: 6), observed that,

“if, for example, all managers and staff in …NGOs…adopted a participatory philosophy and behaviour, and supported each other in the change, the world of development would be transformed…”
5.6 Vision and Mission in the Organisation

Vision and mission was rated at 3. In pioneer organisations, the vision and mission of the organisation are those of the pioneer leaders. Of late most of the funded local NGOs have gone through strategic planning processes to clarify their visions, missions and strategies. While they have managed to articulate their visions and missions however, most of the organisations have not internalised the visions and missions.

While conducting a strategic planning workshop in an organisation, it was observed that the organisation members could not remember their vision and mission statements and yet these were hung on the wall in the same workshop room. An explanation for this is that the process of articulating and clarifying the vision and mission of the organisation is often not initiated and owned by the organisation. These organisations often do not look at strategic plans as management tools but as a means to get donor money. Lawson (2000: 20) observed that, “for the majority of the local NGOs, the strategic plans once completed often are not looked at again”. Another reason may be that in a culture of fear and where dissent is suppressed, people’s participation may be superficial leading to less ownership of the stated vision and mission statements of the organisation. This leads to each of them having their own ‘vision’ and ‘mission’ which they wish could have been adopted. Drucker (1974: 71 –72) advised that,

“the main reason why it is important to bring out dissent…is that there is never one right answer. The answer never emerges as a logical conclusion from ‘facts’… it should never be made on plausibility alone: it should never be made quickly; it can
never be made painlessly”. Senge (1990: 207 - 211) shares the same views.

Some respondents indicated that lack of adequate follow up and implementation support from the consultants was another factor leading to non-implementation of strategic plans and therefore the realisation of the vision and mission of the organisation. Most of the directors indicated that there were more pressing issues like ensuring organisational financial survival. This pushed the issue of ‘intangibles’ like vision and mission to the background.

With all the reasons given above, there are often differing visions in the same organisation. The mission statement, which is supposed to be the guiding star of the organisation, does not play its role. The different visions in the organisation may lead to different expectations and hence potential and actual conflict.

In international NGOs, often the vision and mission are ‘predetermined’. These are set at headquarters. The process of contextualising the international vision and mission is often a political one. And it is often difficult for individuals and groups of people within the organisation to influence the vision and mission.

Another complicating factor is that in most NGOs, the professional members of staff are not actively involved in their own processes of self-development. Self-development is a self – discovery process in which one brings to consciousness their values, goals and purposes in life. This process is important because if a person knows and understand
themselves, they would be in a better position to make choices on which organisations would best suit them or how best to achieve their purposes through the vision of the organisation. One of the respondents wondered, “how do people in Malawi get married before they even know themselves as individuals, how does one expect to know somebody else before they know themselves?”

It is however, important to note that the issues of vision and mission are felt among most directors and staff but their effects are significant. Being developmental organisations, it is interesting to note that none of the respondents gave explicitly any vision or mission related reason for staying or leaving an organisation.

One of the reasons why the issues of vision and mission are felt is that there is more management than leadership in most of the organisations (see table3 on page 28). The directors tend to emphasise fieldwork often as a result of pressure from donors rather than creating time and space for communicating and inspiring the vision of their organisations to the employees.

Another reason is the lack of autonomy among the NGOs; they are often swayed by changes in donor preferences. Many of the leaders feel that sticking to rigid visions and missions may be detrimental to organisational survival. However experience has shown that one of the key NGO success factors is to be clear about where the organisation is heading in the long term, and not to be distracted (unless there is a very good reason to change along the way) (Edwards, 1996:2).
Since the vision and mission of the organisation are manifested through its leadership, a key aspect of organisational success and staff retention has to do with proper leadership succession planning and management. All the organisations interviewed except two did not have a leadership succession plan. The feeling among the local directors was that being the founders of the NGOs, the organisation belonged to them and since it was theirs how could they give it to somebody else? While discussing the roles and responsibilities of an NGO board in a workshop, one of the directors protested that the board could not fire him from his own organisation.

In international NGOs, as mentioned elsewhere, lack of job security after the contract may force some expatriates to extend their contracts. In CDO, after 5 years no local member of staff had been groomed for leadership. The one who was supposed to be the local counterpart to the expatriate resigned because of frustration after a month of employment and was never replaced.

Two of the directors interviewed (both from local NGOs and about 30 years of age) said they had put in place mechanisms to work themselves out of their positions by June 2004. Meanwhile they are developing leadership capabilities in their organisations so that when they leave, there is no leadership gap. It was found however that they were able to take this direction for a number of factors:

- During their working years, they have managed to make themselves financially independent. One of them said, “the reason why many directors are not willing to pass on their positions to others even when they know they have made their
contribution is that, their work is their only source of income and they would suffer financially if they left. They stay on for the money not for contribution to society”.

• They felt that there were other opportunities out there and they looked at their current job as having prepared them for those opportunities. One of them said, “I am a pioneer leader and I have successfully established a vibrant youth organisation. I feel I am not a youth any more, I would like to move on and have a feel of what it is like to be employed and to be managed by somebody else”. The other one said, “I have gathered enough experience, I will establish my own private consultancy firm”.

By moving out, the leaders create space for the other professional staff to take over positions of more responsibility. And by going through organisational leadership development programmes, the members of staff are given an opportunity to shape their organisation into what it should be. This ensures more ownership and commitment by the staff to the organisation.

In dealing with issues of leadership succession-planning leaders must be supported with issues of their financial independence and how to overcome the fear of the unknown. They must also be encouraged to undergo their self-development initiatives that would prepare them for other opportunities when they leave the organisation. Leaders must be helped to see that ‘there is life after directorship’ and that their leaving at an appropriate time is for their own good and the good of the organisation.
5.7 Government and Donor Politics

In 2000, the Danish Development Agency (DANIDA) closed their offices in Malawi after clashes with the government. According to one of the directors,

“DANIDA was providing 60% of funding to many NGOs mainly in the areas of human rights, environment and education. When DANINDA left most of them almost went broke”.

A good number of projects closed while the lucky ones were taken over by other donors like DFID. Where the projects were closed, people lost their jobs. DANIDA left because it clashed with government when it pointed out cases of corruption and lack of transparency in government.

In 2001, the government banned a grant of $ 4.5 million aimed at building the capacity of Human Rights NGOS from DFID. The government felt that “building the capacity of human rights NGOs is tantamount to strengthening opposition parties thereby threatening its own survival”. In addition, the government has introduced the NGO law and an NGO board. Most NGOs feel that these are meant to control and manipulate the work of NGOs. Trends like the ones above are a source of staff instability in NGOs.

The majority of the directors interviewed are critical of donors and their policies. They suggested that their often quoted weakness that they follow money rather than their vision can be blamed on donors because the donors are not willing to provide ‘quality’ funding. Their funding tends to be short – term, small and project rather than organisation
based. They also said that donors’ representatives suffer from the same problems as international NGOs. Their policies are predetermined and cast in stone. The policies cannot be changed even when they are irrelevant to the local situation. If donors are really genuine that they want to developmentally help the NGOs, the directors felt that they need to move towards long term institutional funding.

In response to the above complaints, Lawson (2000: 18), reported that, “when confounded with the issue of core funding, one donor agreed that donors must bite the bullet and fund core costs if they want to see sustainable organisations”. The same study observed that most donors maintain that project based funding is unlikely to stop in the near future.

The problem of job insecurity as a cause of professional staff turnover was mentioned again and again among the respondents. A cause of job insecurity comes from the policies of the donors and their way of funding. There is power imbalance between donors and NGOs because most of the NGOs are not financially sustainable. Most of them are almost funded 100% by donors and do not have financial sustainability plans in place. As long as this situation will be the case, true partnership as a relationship of equals between donors and NGOs will remain a far-fetched dream and instability and staff turnover will remain the norm.
Instead of blaming the NGOs for failing to attract and retain key staff, donors must first reflect on their policies and motives in supporting these NGOs. One of the directors observed that, “good conditions of service must be accompanied by good funding”.

5.8 Conclusion

Taking into account the youthfulness of the NGO employees, issues of good salaries and training cannot be avoided. NGOs that offer better salaries and other benefits are more likely to attract and retain key professional staff on assumption that the higher factors of the levels of complexity model have been well taken care of in the organisation (see table 2 on page 17). Many times professional staff will come back from courses to resign because the organisations fail to create space for them to earn more and to effectively utilise their newly gained skills and knowledge. And because they are young and still trying to get established in life, acceptable levels of staff turnover must be expected and be planned for. Most of the NGOs however do not plan for staff turnover and are taken by surprise when key staff leave voluntarily. All except one of the organisations interviewed conducted exit interviews to learn from the member of staff leaving the organisation and to plan on how to avoid staff leaving the organisation for the same reasons in the future.

Because most of the local NGOs are passing through the crisis of transforming from first phase to second phase organisations, the leaders must be willing to formalise their organisations in order to bring about ‘fairness’ and effectiveness through adopting
appropriate policies, systems and procedures. The key policies that the NGOs must look into seriously are:

- Personnel policies, systems and procedures
- Financial policies, systems and procedures
- Administrative policies, systems and procedures

International NGOs have a challenge to integrate local and international policies, systems and procedures or justify the differences between the two.

Instead of concentrating on activities only, NGOs must also take time for self-reflection and build relationships and address conflicts within their organisations. The impact of an organisation’s activities is dependent on the quality of the relationships and communication within it.

The values and culture of an organisation are ‘unconscious’. For this reason, if an organisation’s culture is an empowering one, the organisation may not know how to build on it for more strength. If the organisation’s culture is hindering organisational effectiveness, the organisation may not know what is harming it. Leaders have a challenge therefore to bring organisational culture to consciousness and work with it to bring about organisational effectiveness.

Lack of consciousness of a shared vision is a source of organisational strain. If they are to retain staff, NGO leaders have a challenge to build a sense of a shared vision for all members of staff in the organisation. They also have a challenge to encourage the
members of staff to pursue their own self-development so that they can discover themselves and how they can fit into the organisation’s vision and mission.

Job insecurity caused by the current unhealthy relationship between the NGOs and government and donor conditionalities is another contributing factor to professional staff turnover. There is a need for a unified understanding of the concept of development as a long-term process and use this as a basis for the partnership between the donors and NGOs. In short, donors need to consider giving long-term institutional funding for sustainability and impact. Watson (2000: 32) observed that, “most importantly, the health of the staff, the projects and the bank account must balance”.

This chapter has presented the discussion of the findings of the study. The last chapter will relate the discussion to the specific objectives and offer recommendations on how the problem of staff turnover can be addressed in NGOs.
CHAPTER 6: CONCLUSIONS AND RECOMMENDATIONS

This chapter concludes the study by drawing conclusions and recommendations from the discussion of the findings. The study addresses the problem of high staff turnover as a hindrance to organisational effectiveness among NGOs in Malawi. The study was aimed at achieving the following specific objectives:

- To assess the prevalence of professional staff-turnover in selected NGOs
- To determine which factors, other than remuneration lead to high staff turnover
- To make recommendations on how to retain professional staff.

In order to achieve this, data were collected using semi-structured interviews with directors, consultants and professional staff who left their organisations, a questionnaire for professional staff in some selected NGOs, facilitating a workshop and case studies. The prevalence, causes and suggested solutions for professional staff turnover were described in chapter 3 and 4. Chapter 5 gave a deeper discussion on factors affecting staff turnover using the levels of complexity model. This chapter concludes the study with reference to objectives as outlined above:
OBJECTIVE ONE: Extent of Professional Staff Turnover

The findings of the study on the prevalence of professional staff turnover are in agreement with Lawson’s (2000:21) findings (see section 1.3 on page 6). Professional staff turnover was found to be 50% within a period of 18 months across all the NGOs interviewed. This means that within every 36 months (3 years), the organisations may largely have completely new sets of professional employees. This by any standard is high. When members of staff leave at this rate, the organisations may never become sustainable and effective. If we take the directors’ 5 year period of office of tenure as an acceptable period of time that one can make a considerable contribution to the organisation, 18 months is just too short (see section 3.4 on page 51).

OBJECTIVE TWO: Reasons for Professional Staff Turnover

From the findings, all the factors in the levels of complexity model (see table 2 on page 17) contribute to the problem of professional staff turnover. The directors however tend to concentrate on the lower factors of monetary compensation and opportunities for growth through training. The professional staff tend to concentrate in addition to compensation and opportunities for growth, on the higher factors of the levels of complexity model especially, the policies, systems and procedures; values and culture; and relationships and communication. From the reasons given, it can be concluded that professional staff will move in search of the “ideal organisation” as described by Kaplan (1999: 34, 35) in section 1.3 (on page 6). The “ideal organisation” is characterised by high levels of consciousness and learning and the best sign of such organisations is improved levels of morale and commitment among the staff in the organisation.
(Edwards, 1997: 235 - 250). It is only this organisation, which can put into practice the eight values for staff retention (see values listed by Lebow and Simon in section 2.9 on page 39)

In addressing the problem of professional staff turnover, the challenge for organisational leaders, professional staff, donors and consultants is to strive towards building the “ideal organisation”. In building such an organisation, there are three main approaches that can be used. These are:

• Getting more funding
• Training the current staff
• Process (OD) interventions

There is a strong feeling in NGOs especially local NGOs that if only they would get more funding, they would be in a position to pay better salaries and therefore the problem of staff turnover would be arrested. The donors however, have a strong feeling that NGOs in Malawi have a low ‘absorption capacity’ (Lawson, 2000: 17). This means that it is difficult for weak NGOs to be entrusted with large amounts of money making it difficult for them to access the money and therefore pay better salaries to their staff. It has also been shown from the study findings that those organisations that pay better are not necessarily any better at retaining their staff (see table 4 on page 42). One director observed that, “it is actually those members of staff that we have doubled their salaries that are giving us most of the problems”. This is often because when they get better salaries, they now begin to see better their other needs in the levels of complexity model.
Another means of building the ideal organisation and therefore preventing staff turnover is through training. It has been discussed however that the experience of many NGOs is that they train their staff who only come back to resign and go to greener pastures (see section 5.2 on pages 70 through 72). Nchabeleng (2000: 2) observed that,

“the nature of change, of transforming world views, is not easily solved by the training industry…capacity building cannot be equated to training. To do so would be to deny the human growth…”

As explained in the description of the levels of complexity model, the lower factors (salaries and training opportunities) are often more felt and more ‘tangible’ as compared to the higher factors (policies, systems and procedures; relationships and communication, values and culture; vision and mission; and environmental factors). The lower factors are also the easiest to address. This explains why the funding and training are the most felt needs of the leaders. This also explains why they have been the traditional means of building the capacity of NGOs in the past.

Addressing the issue of funding and training are often associated with organisational growth rather than development. One of the respondents noted that, “in their efforts to retain staff, NGOs have tended to focus on growth rather than development”. According to Becker (1996: 31),

“to grow means to increase in size by the assimilation or accretion of materials. To develop means to expand or realise the potentialities of; to bring to a fuller, greater or
better state. When something grows, it gets quantitatively bigger, when it develops it gets qualitatively better, or at least different. Quantitative growth and qualitative improvement follow different laws”. Kaplan (1996: 16) shares the same views.

A preoccupation with quantitative growth often masks the need for qualitative improvement and yet it is qualitative improvement, which forms the lasting foundation for quantitative growth. Reich quoted in Latouche (1997: 140) commenting on economic growth in America observed that,

“we think of ourselves as an incredibly rich country, but we are beginning to realize that we are also a desperately poor country – poor in most of the things that throughout the history of mankind have been cherished as riches”.

Efforts to bring about organisational growth that preoccupy most NGOs have failed to address the problem of staff turnover in both local and international NGOs. For the problem of staff turnover to be adequately addressed, organisational growth must be combined with OD or process interventions (see section 2.9 on page 38 for definition of OD). OD concentrates on addressing the higher factors of the levels of complexity model (see table 2 on page 17). Since these are usually unfelt and unconscious in most NGOs, the aim of OD is to awaken this consciousness in the NGOs and bring about the appropriate interventions to address the otherwise unseen and unfelt problems, which are the major culprits of staff turnover. OD interventions are aimed at enabling the organisation to effectively adapt to and make impact on the environment it is operating in. It also aims at ensuring a shared vision and mission, and to also come up with a set of
shared values and culture, which are practically lived every day. OD interventions also concentrate on empowering leadership so that it is more facilitative rather than hindering to organisational effectiveness.

OD interventions also concentrate on creating facilitative policies, systems and procedures in the organisation. The essence of OD interventions is people and how well they are working together in order to achieve their vision and accomplish their mission.

In summary, OD or process interventions form the bedrock for the creation of the ideal organisation described above. It also forms a foundation for sustainable funding and training.

**OBJECTIVE THREE: Addressing Professional Staff Turnover**

The study concludes by making recommendations to directors, professional staff, donors and consultants.

1. **Directors** must balance their efforts for organisation growth and organisation development. Since most of them are already working on organisation growth efforts, they need to proactively become more conscious of the OD or process needs of their organisations. Directors must ensure that the vision and mission and values of their organisations are shared and owned by all the members of staff. They must ensure that the cultures of their organisations’ are empowering. They must also ensure that the policies, systems and procedures are facilitative rather than hindering to staff
effectiveness. This will form a strong foundation upon which to build good and meaningful compensation packages and opportunities for growth (training) for staff. Alongside their programme and project implementation plans, directors must have conscious internal capacity building plans that go beyond only ‘growth efforts’ and they must open up to professional external help for the expertise in internal organisational capacity building which is lacking within the organisation and for more objective and independent views.

2. Instead of looking for the ‘ideal’ organisation that somebody else created elsewhere, professional staff, especially those of local NGOs must seek to transform their own organisations into the ‘ideal’ organisation. They must take more ownership and responsibility for creating the ‘ideal’ organisations out of the organisations they are working in. This might mean sacrificing monetary benefits potentially available in the other better paying organisations for the sake of making a contribution to the growth and development of their current organisation. This also means that in the process of building their organisations, the professional staff will need to rely more on their values than on their need for financial rewards. When the staff, with supportive leadership work under the inspiration of the organisational vision and mission, they will eventually get the rewards they need though this may take some time. This also brings the issue of the importance for the professional staff to go through personal development or personal mastery processes to enable them to get focused in their professional lives and to become more conscious of how their personal visions fit to the organisational visions and missions.
It will also be necessary for the professional members of staff to seek ways of becoming financially independent in ways that do not conflict with their jobs so that their lives are not 100% tied to their jobs. This will help them to concentrate more on the values in their work rather than the money. Staff members can become financially independent by finding extra sources of income. An example of how professional employees can become financially independent is allowing them to undertake consultancy work and make arrangements for the staff to keep some of the money from the consultancy to themselves and give some of it to the organisation. When well organised, this arrangement will contribute to both the individual’s and the organisation’s financial sustainability.

3. **Organisation Development Consultants** have a delicate role to play because through their interventions, they can build up or destroy an organisation. Problems for consultants arise from their failure to recognise the different roles they should play in the different situations they are intervening in. Different situations demand different responses. Mismatch between the situation and role has often resulted in worsening rather than alleviating the problem. OD consultants must be flexible to play the following roles according to the situation being addressed:

- **Support** – the consultant gives the client a sense of worth, value, acceptance and support in their efforts to develop themselves.
- **Raise consciousness** – the consultant helps the client generate data and information in order to restructure the client’s perceptions. The consultant acts as mirror of the reality of the situation or how things could be.
• **Confrontation** – the consultant points out value discrepancies in the client’s beliefs and actions.

• **Prescription** – the consultant tells the client what to do to solve the problem.

• **Training** – the consultant teaches the client concepts, frameworks and principles so that the client learns to diagnose and solve his or her own problems.

4. **Donors** and international NGOs must adopt a more developmental rather than growth approach to their work. They must become more flexible and reduce their bureaucratic tendencies. International NGOs must be more willing to localise some of the key positions in the organisations to local staff that are qualified and experienced enough. They must also address the discrepancy of compensation differentials between equally qualified expatriate and local staff. Donors must be willing to give long term funding not just for projects but also for internal capacity building including good conditions of service for professional staff. International NGOs must support capacity building of the local NGOs rather than poach capacity (poach staff from local NGOs).

6.1 **Conclusion**

The study has established that salaries and monetary benefits are only one of the factors causing the problem of professional staff turnover in NGOs. In order to address the problem of staff turnover in NGOs in Malawi therefore, salaries play a crucial role but of much more importance are the higher factors in the levels of complexity model (policies, systems and procedures; relationships and communication; organisational culture and
values; organisational vision and mission). If the higher factors are well taken care of, the organisation has higher chances of getting more money and will therefore be in a position to pay better salaries to the professional staff in a donor sustainable way.

While NGO leaders may not be in a position to significantly influence salary increments and training opportunities, they can influence their organisation’s vision and mission; culture and values; leadership styles; communication and relationships and to some extent the policies, systems and procedures. It is in this circle of influence where the highest potential of addressing the problem of staff turnover among professional staff lies.

In conclusion, professional staff turnover is very high in NGOs in Malawi. 50% of the professional staff in the studied NGOs left their organisations after 18 months. To effectively address this problem, organisational leaders must ensure both organisational growth and development. Leaders must in addition to improving monetary benefits and staff development efforts, work on improving the policies, systems and procedures; relationships between leaders and staff; the values and culture practiced in the organisation; and ensuring shared organisational visions and missions.
Bibliography


Khumalo, F, 2001 Librarian, Malawi Human Rights Resource Centre *Personal Communication.*


Appendix 1: Director’s Checklist

Organisational Information

Name of NGO (local or International)

Year started in Malawi

Number of Employees

Number of professional employees

Annual budget

Number and type of projects

<table>
<thead>
<tr>
<th>Questions</th>
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<tbody>
<tr>
<td>1. How many professional staff have you recruited in the last three years?</td>
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<tr>
<td>2. How many of those have left?</td>
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<tr>
<td>3. How long had they stayed by the time they left?</td>
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<td>4. Where did each of them go?</td>
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<tr>
<td>5. What reasons did they give for leaving?</td>
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<tr>
<td>6. What is your opinion of why they left?</td>
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<tr>
<td>7. Did you conduct formal exit interviews and were they documented?</td>
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<tr>
<td>8. What corrective measures have been taken as a result?</td>
</tr>
<tr>
<td>9. Are there other measures that can help prevent avoidable staff turnover?</td>
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<tr>
<td>10. Does the organization have a capacity building plan?</td>
</tr>
<tr>
<td>11. What capacity building support are you receiving from a service provider?</td>
</tr>
<tr>
<td>12. How is the capacity building effort helping make employs want to stay on?</td>
</tr>
<tr>
<td>13. How do your conditions of service compare with those of similar organizations?</td>
</tr>
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</table>
Appendix 2: Professional Staff Questionnaire

1. Personal information

*Name of NGO*

*Sector of NGO*

*Position/grade in NGO*

*Male/female*

*Age of respondent*

*Marital status*

*Number of dependents*

*Professional training institution and qualification*

*Previous employers*

*Period of tenure on each past job*

2. Questions

Rating: 0 – 5

0 = non existent

1 = weak

2 = there but not used

3 = fine but needs improving

4 = effective

5 = exceptional
2.1 How does the organisation compare with other similar organizations in terms of compensation and conditions of service?
Explain:
Rate:

2.2 How clear are the vision and mission of this organisation? Is where the organisation going and what it stands for clear?
Explain:
Rate:

2.3 How free are individuals to express their true feelings or speak against the way some things are done in this organisation?
Explain:
Rate:

2.4 How are the relationships between employees and between employees and leaders?
Explain:
Rate:

2.5 How can you describe the leadership style in this organisation?
Explain:
Rate:

2.6 What values are practiced in this organisation?
Explain:
Rate:

2.7 How are decisions made in the organisation?
2.8 How facilitative are the policies, systems and procedures? Which ones specifically?

Explain:

Rate:

2.9 How does the organisation encourage self or personal development?

Explain:

Rate:

2.10 What factors motivate you to stay on in your job?

2.11 What factors (starting with the most important) would make you leave your job for another one?

2.12 What should this organisation do in order to retain professional staff?