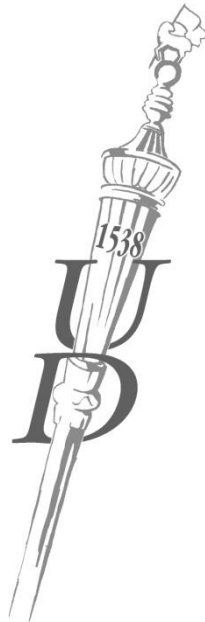


University doctoral (PhD) dissertation abstract

The management and operational characteristics of civil organizations

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INTRODUCTION

The maintenance and operation of the social and economic processes require that most tasks should be taken on and resolved by the official organizational forms. The implementation of the tasks should be performed by social and economic organizations and political formations. However, by their own nature some areas, such as local sports, maintenance of traditions, culture, folk customs can bring about tasks which cannot be carried out by formal organizations or institutions even if these organizations have the intention to do so. To solve such tasks, civil initiatives and even movements are formed to perform the above mentioned tasks. The civil organizations take on perform such tasks the economic and political sector cannot or does not want to solve. Based on the statements of the Hungarian Central Statistical Office (KSH), the professional literature considers education and sports, spare time activities, hobbies and culture the most frequent and most important civil organizations activities. However, the maintenance of traditions, healthcare, town development and the protection of the environment can also be as important as the above mentioned activities for the regional and local communities. On a professional basis, such tasks can be defined as the preservation of indigenous animal species and the preservation of genes or the maintenance of production traditions, which can be performed well by civil organizations. Civil tasks can be defined based on the social and living conditions of the different age groups of the population. Such tasks are social care, education or religious activities. There can be as many civil tasks as the number of segments in the society. The central government and the economic sector partly or entirely allows the civil organizations to resolve these tasks.

The immediate environment can perceive and is more sensitive to the arising problems and can see the tasks immediately to be solved. To solve the arising problems and satisfy the needs, various groups of citizens establish non-governmental organizations. Thus, these civil initiatives are formed to implement the tasks handed over by the social and economic sector and to handle the arising problems. If a community wants to resolve a task successfully, it establishes the necessary

organizational framework, which raises the necessity of management. By now, a large number of civil organizations has been established all over the world and in Hungary as well. These organizations succeed in resolving various voluntary tasks.

In my doctoral research, I decided to examine the characteristic features of management in civil organizations. I have had access to abundant Hungarian and international professional literature in leadership and management. In the past decades, several studies, books and dissertations have been published on the examination of management tasks. These publications are primarily related to economic organizations. However, very little has been revealed of the management tasks and characteristics of the civil organizations so far. The large number of civil organizations and their economic and social significance makes it more and more necessary to explore and reveal the operational and management characteristics of these organizations by using methods of scientific research.

In my paper, I intend to present the results of my research by topics. First, I present the definition of management, the functions of management and their development with the help of professional literature. I also give a detailed presentation of the tasks examined during my research. I define the functions I extended my research to. In the chapter of professional literature, I present the formation, historic development of the non-profit sector (and within this, the civil organizations) and their significance in Hungary and in the world. I also discuss the problem how the organizational characteristics affect the management tasks from a literary point of view. I also mention the specific tasks the professional literature defines for civil organizations. I give a definition of civil organizations based on the legal interpretation and my own experience. In the chapter on the material and method of examination, I present how my research topic is related to the research structure of the Institute of Management and Organization Studies. I also present the framework of the research, the antecedents of the examination and the applied methods of analysis. I present the details of my examinations in eight chapters and I also include figures and tables and I present conclusions and proposals in a separate chapter. Finally, I give a summary of my most important findings and the new and novel results.

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1. DESCRIPTION OF THE RESEARCH TOPIC AND GOALS

The activity of the civil society increased significantly in Hungary after the political changes of the 1990s since the world opened for self-organizing activities which had opportunities never seen before. Society took advantage of the opportunities and has had a spectacular development in the past two decades. As a result of this, a new social sector has evolved. New regulations appeared which allowed the operation of this sector. The organizational framework was formed and the governments also supported this kind of operation. The methods applied in the management, direction and operation of the organizational forms related to these activities were based on experience and the adaptation of management methods applied in organizations of other sectors. As for the management of civil organizations, there are very few professional literature data or publications. The topic has been researched primarily with sociological approach so far. Research results of economics in this topic are hardly ever known. During my studies, I encountered such issues and research results while studying the subjects of the Institute of Management and Organization Studies (FARKAS, 1990, 1994; KINYIK, 2007; SZABADOS, 2009). These issues and results directed my attention toward the topic and I started to research within the scientific students' association. Based on my research results, I wrote a successful paper titled 'A functional examination of decisions in civil organizations'. Based on the results, it was obvious that the examination of decisions of civil organizations was only a narrow field of research. It was decided that a broader issue of management related to the civil organizations will be studied as the topic of the dissertation. Thanks to this, I extended the area of research. Thus, the topic of my doctoral research is the examination of management tasks in civil organizations. However, a few problems arise related to this topic. The civil organizations has been formed in a specific self-organizing process, often spontaneously. This leads to a few questions: In what form can these organizations be managed? What management tasks are brought forward in the process of their management and direction? Which tasks are important and which ones are less important? Volunteering, altruism and the commitment of the participants to certain goals and values are all significant factors in the implementation of their tasks.

Beside this, the leaders of civil organizations have hardly any means to influence, manage and control the members and the volunteers. It is rather difficult to control, influence or manage their activities due to the self-organizing feature. The task they take on are important and the implementation of these tasks might be useful for society. It is easy to admit that these organizations have a rather limited access to the resources needed for their operation. They often have a lack of resources. Due to this fact, it is often impossible for them to carry out their tasks successfully. It can also be a problem that most civil organization leaders do not do their jobs in full-time employment. Their civil job is most often not their primary task. As a result, the implementation of tasks is often incidental. The operational activity of the civil organizations is varied: sometimes it ceases for a shorter or longer period of time. This can be in relation to the lack of resources or the often incidental implementation of tasks and the fact that this job is not the primary one for the leaders. It is very important what methods or means are used to manage such organizations.

When approaching the problem from the organizational side, we can see that the structure of such organizations is rather deficient. From the management side, it can be seen that certain management functions are hardly ever or not at all used in civil organizations. The civil activities and the organizations implementing them often in conflict with the authorities, certain structures or economic interests. Thus, the activity of the civil organizations may generate conflicts. It might be a research issue how these organizations handle conflicts and to what extent the conflicts appear in the process of their activities. The research of the issues mentioned above can be approached from two directions. On one hand, those specific operational and activity features and characteristics should be examined which are characteristics of civil organizations. On the other hand, the management tasks which can be utilized effectively in the management of civil organizations should be defined by analyzing and examining the work of civil organization leaders. Furthermore, the importance, significance and influencing factors of these tasks should also be determined.

Based on the interpretation of organizational forms, I extended my research to associations and foundations. Considering the large number of organizations, a limitation of area was necessary. According to this, I examined civil organizations in Hajdú-Bihar County. My goal is that

the findings, conclusions and proposals based on the research results would contribute to the improvement and more successful operation, management and direction of civil organizations. It was also my goal to determine the tasks which are characteristic of the management of civil organizations. I wished to reveal the factors which affect the importance, success and application of these functions. Based on the research results, I gave a definition of civil management and defined its most characteristic features.

The general goal of the research was to comprehensively reveal the management relationships of civil organizations. I determined various tasks to achieve this goal. According to this, I defined the task of revealing a possible classification of management tasks as a sub-target. Based on this, I defined the tasks to be included in the research and the aspects to be evaluated. It was also a target to carry out my investigations in a representative manner, if possible. It was a further goal to reveal how the value judgment of the civil organization leaders is related to the studied tasks. Based on the results, I rated the management tasks regarding the operation of civil organizations.

Before starting the research, I made up a better basic concept. First of all, I assumed that the volume of civil organization activity is not as intense as one would think judging by their number. Secondly, civil organizations are specific structures where the importance of management functions is judged differently than in for-profit organizations. Thirdly, the operational form of civil organizations, their state of public benefit, their size and revenues all affect the order of management functions. Finally, the leaders of civil organizations evaluate the management tasks in the same way, regardless of the operational form. I decided to complete the following tasks in my research program:

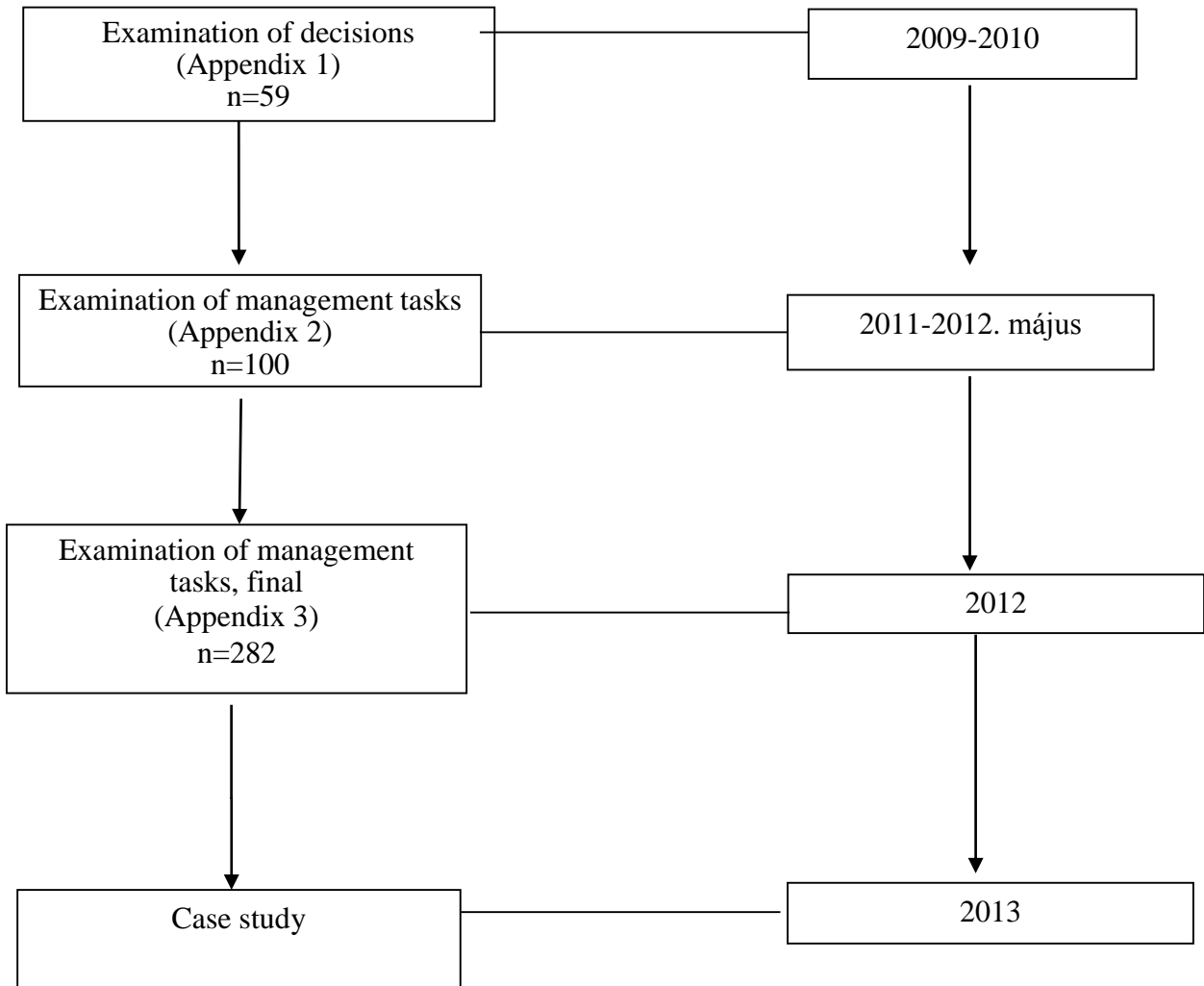
- examination of the management tasks related to the operation of civil organizations, with special regard to motivation, inspiration, communication, planning, decision-making, organization, performance evaluation and conflicts,
- revealing the decision-making processes and the decision-making relations of civil organizations and defining the factors which might affect decision-making,

- a detailed examination and analysis based on the organizational parameters and the characteristics of the interviewees in order to reveal the factors which affect the importance of management tasks and
- making findings in relation to operational activity by processing and evaluating the organizational data.

2. THE MATERIAL AND THE METHOD OF THE EXAMINATION

My doctoral research topic is connected to the research program 'A functional examination of management' compiled by the Institute of Management and Organizational Studies at the Faculty of Business Administration and Rural Development, University of Debrecen in 1994. Examining this sector and answering questions about the characteristics of civil organization management fit into the research program of the Institute very well. My research topic belongs to organizational management, organizational forms and management tasks. However, the relation of my topic to these areas is quite specific, since the topic can be interpreted as one which wants to reveal the management characteristics of one specific organizational form. However, the research and the examined topics affect several areas, like process management and human resources management as well as organizational management. Thus, my research topic is related to the research program at several points. As for the area covered, I carried out my research among civil organizations registered in Hajdú-Bihar County. This area limitation was necessary because there is a large number of civil organizations. Since my goal was to carry out a representative type of research, the number of examined organizations had to be limited so that the sample size should be significantly reduced. In order to do so, I limited the examinations of management tasks to organizations found in Hajdú-Bihar County. In time, the research goes back to 2009 (Figure 1). At that time, I started to study the management tasks of civil organizations as a participant of the Scientific Student Association. Within the topic, I studied the issues of decision as a management function. I studied the decision-making circumstances of civil organizations in two examinations for nearly two years. In my paper titled 'A functional analysis of decision-making', I presented the results found at that time. This paper established my commitment toward the issues of civil organizations. The goal of my examinations was to study the management tasks related to civil organizations. Since the management tasks affect all areas of operation in the organizations (from establishment through continuous operation and to liquidation), the main goal was to reveal those management characteristics which exist in the less formal and self-organized democratic structures.

Figure 1: The process of examination



Source: The author's own compilation, 2013

During my research, between 2010 and 2013 I performed altogether three questionnaire surveys which all examined the management tasks of civil organizations. When presenting the results, I mainly show the results of the 2012 survey. The reason for this is that I consider the 2011 surveys as preliminary ones. The final survey was compiled based on the experience of this survey. I only summarize the results of the preliminary examinations. My research was primarily based on questionnaire surveys. I compiled individual questionnaire-type interviews for each of the three examinations. During the research, I determined the scope of examined organizations representative sampling. The sampling was based on the database found on the website of the County Court. I did so because the latest data on civil

organizations can be found on the website of the County Court. As for the search categories of the website, the organizations belonging to the following categories can be considered active ones: the registered ones, the ones modified due to report and the ones modified due to final judgment. In case of sampling, complete representativeness is hard to achieve due to the problems of the earlier mentioned database. However, the organizations which remained in the basic population after the necessary reductions give a sufficient basis for random sampling. From the organizations belonging to the registered category on the Court's website, I selected the organizations to be surveyed by using K-type systematic sampling as proposed by professional literature. Taking the gathered data into account, I chose the method of analysis according to the goal of the examination. Thus, I used several applied statistics procedures. The basis of the research was the reliability of the surveys. According to ANDORKA (2006), there can be primarily reliability issues in the case of such small samples. Within the entire statistical population, the interval of reliability at a 95% probability level is +/- 10%. Thus, one should be careful when drawing conclusions. The evaluation of the surveys was carried out by using descriptive statistical analysis and not parameter analysis. Within this, I performed Kruskal-Wallis one-way tests and Mann-Whitney U tests. Also I carried out a rank correlation test.

In order to be able to carry out detailed examinations and analysis, I performed various classifications first. Taking the characteristics of the organizations and the leaders into account, I created the following groups:

1. I divided the organizations into two groups according to their operational forms: associations and foundations.
2. Based on their extent of public benefit, the organizations are non-public-benefit, public-benefit and prominently public-benefit organizations.
3. I created four groups based on the years of establishment: till 1980, 1981 to 1990, 1991 to 2000 and after 2001.

4. The size of the organizations can be characterized with the number of members, employees and volunteers. In all three cases, I created three groups:
 - number of members: 0 to 10 people, 11 to 50 people and more than 50 people.,
 - number of employees: 0 to 10, 11 to 20 and more than 21,
 - number of volunteers: 0 to 10, 11 to 20 and more than 21.
5. According to the amount of revenues, the organizations can be divided into seven groups: no data, 0 to 200,000 HUF, 201,000 to 500,000 HUF, 501,000 to 1,000,000 HUF, 1,001,000 to 2,500,000 HUF, 2,501,000 to 5,000,000 HUF and above 5,000,000 HUF.
6. According to the judgment of the operational conditions, I created three groups: unfavorable, average and good.
7. The interviewees were divided into the following age groups: under 20, 21 to 30, 31 to 40, 41 to 50, 51 to 60, 61 to 70 and above 71.
8. In case of the leaders, I created two groups based on their employment status: employed ones and volunteers.
9. I divided the interviewees into six categories according to their level of education: graduated elementary school, graduated vocational school, having high school diplomas, having OKJ certificates, graduated college, graduated university and having PhD degrees.
10. Based on the interviewees' NGO-related experience, I created three groups: having 0 to 10 years of experience, having 11 to 20 years of experience and having experience of more than 21 years.
11. Based on the number of immediate colleagues, I created three groups as well: 0 to 10 people, 11 to 20 people and more than 21 people.
12. According to the number of days the leaders spend managing the organization, I created three categories: 0 to 10 hours, 11 to 19 hours and 20 hours or more.

The summary of statistical methods used during analysis is the following:

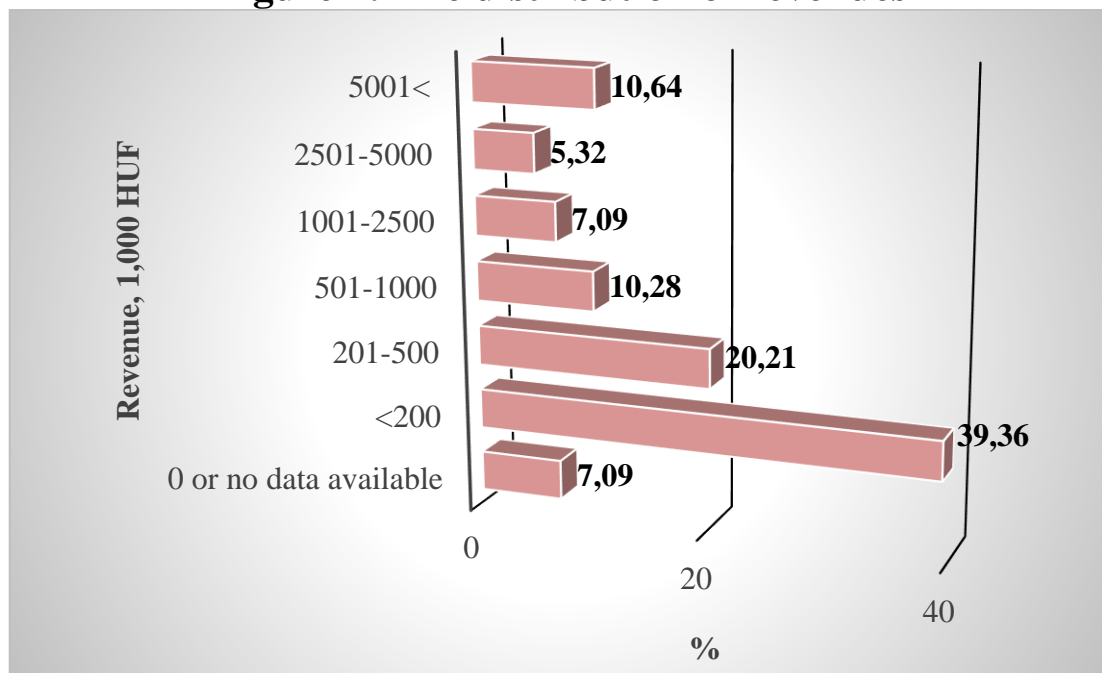
- *I performed a reliability test of the examined samples with the help of the Creative Research System calculator.*

- *The data of the groups created according to the interviewed leaders' personal parameters and the organization characteristics were analyzed with descriptive statistical methods first (average, distribution).*
- *By performing contingency table analysis, I examined whether there is a correlation between the operational form, the public benefit status and the amount of revenues of the organizations.*
- *By using non-parameter procedures (Kruskal-Wallis tests), I examined whether there is significant difference between the leaders' age, level of education and the judgment of the questions.*
- *I also examined whether there is a correlation between the responses and the various parameters of the organizations (operational form, size and type of activity) by using Kruskal-Wallis tests.*
- *If the Kruskal-Wallis test showed significant difference, I used Mann-Whitney tests to define which pairs have such difference.*
- *Based on the size of the organizations, I used Spearman's rank correlation test to to examine the correlations related to the responses.*

3. THE MAIN FINDINGS OF THE DISSERTATION

The goal of the **activity examinations** was to present how actively the county organizations operate. This part of the research was based on case study and the examination of resources. My goal was to examine the volume of these resources and whether they provide the financial resources needed for the operation. I divided the organizations into seven groups based on the amount of their revenues. The distribution within the groups can be seen in Figure 2.

Figure 2: The distribution of revenues



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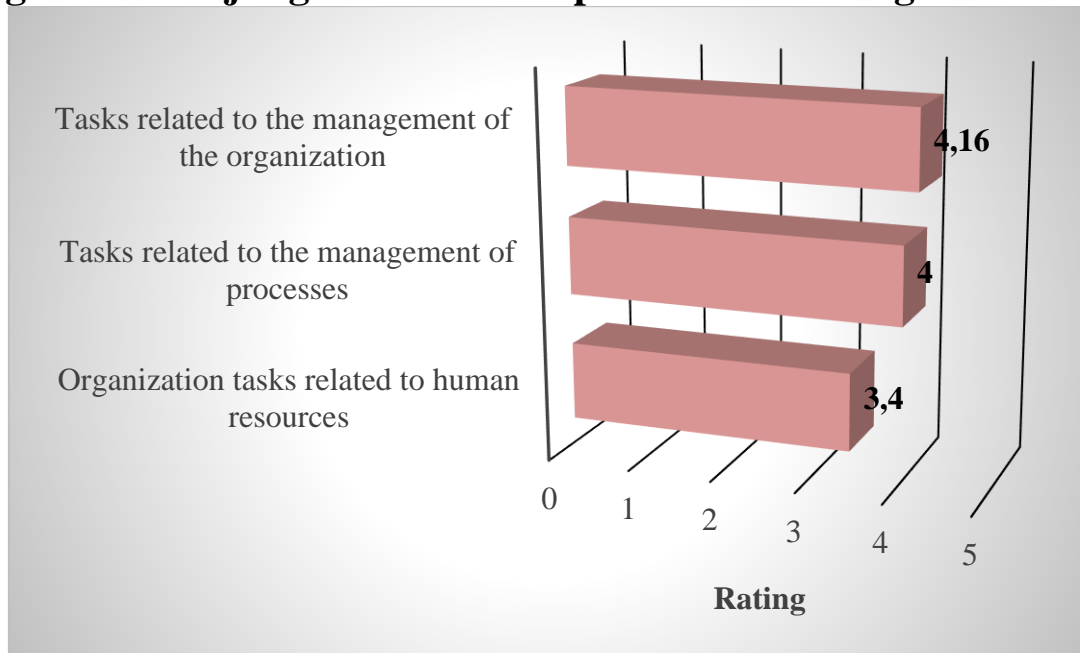
Source: The author's own examinations, 2013

Nearly 70% of the organizations have annual revenues of less than 1 million HUF. Within this, 0 to 50% of them have less than 200,000 HUF per year. According to my results, the rate of underfunded organizations is extremely high. It possibly means that these organization hardly or do not operate at all. Their existence can be regarded formal and nominal, their actual operation can hardly be funded from such low revenues. By analyzing the sources of revenues, it can be stated that most of them come from membership fees and the 1% of the taxpayers' personal income taxes. The result of the examinations regarding the financial status of the organizations do not show that their condition is good, yet the interviewees consider their overall operational conditions good. About 40% of the organizations consider the operational conditions good and 40% of them consider the

conditions average. Only 19.9% of them considered the conditions unfavorable. These results are surprising because I can see some contradiction between the amount of revenues and the judgment of operational conditions. In spite of the fact that 46.5% of the organizations have less than 200,000 HUF of annual revenues, 80% of them consider their own conditions good or average. Based on correlation examinations, it can be concluded that there is not significant correlation between the organizational form and the amount of revenues. That is, the fact that an organization operates as an association or a foundation does not affect the amount of the revenue. However, there is significant but medium-level correlation between the public benefit status and the amount of revenues. The activity situation of civil organizations is peculiar compared to business and other social organizations. According to the results, more than 50% of the civil organizations do exist but do not operate actively. In case of other organizations, the non-operating ones cease to exist or at least there is no point in keeping a non-functioning organization alive. In case of the civil organizations, there may be a point in maintaining a non-functioning organization if their tasks are important and valuable and the tasks represent the goals of the organization even if these goals cannot be achieved. The existence and the large number of such 'dormant' civil organizations are confirmed by my research experience gathered during doing the surveys.

I carried out several examinations **related to the management tasks** during my research. I performed analysis based on several different classifications. During one interview, I gave the task groups of the research program of the institute as choices of responses. I examined how important these task groups are considered by the leaders of civil organizations. I mainly tried to find out whether there is a rating in the judgment of management areas (Figure 3). The interviewed leaders considered the management tasks related to different areas of almost the same importance. The differences are not significant but the differences can be seen in the evaluations. The tasks related to human resources received the lowest value: based on the importance of management tasks, some kind of priority order can be established.

Figure 3: The judgment of the importance of management tasks



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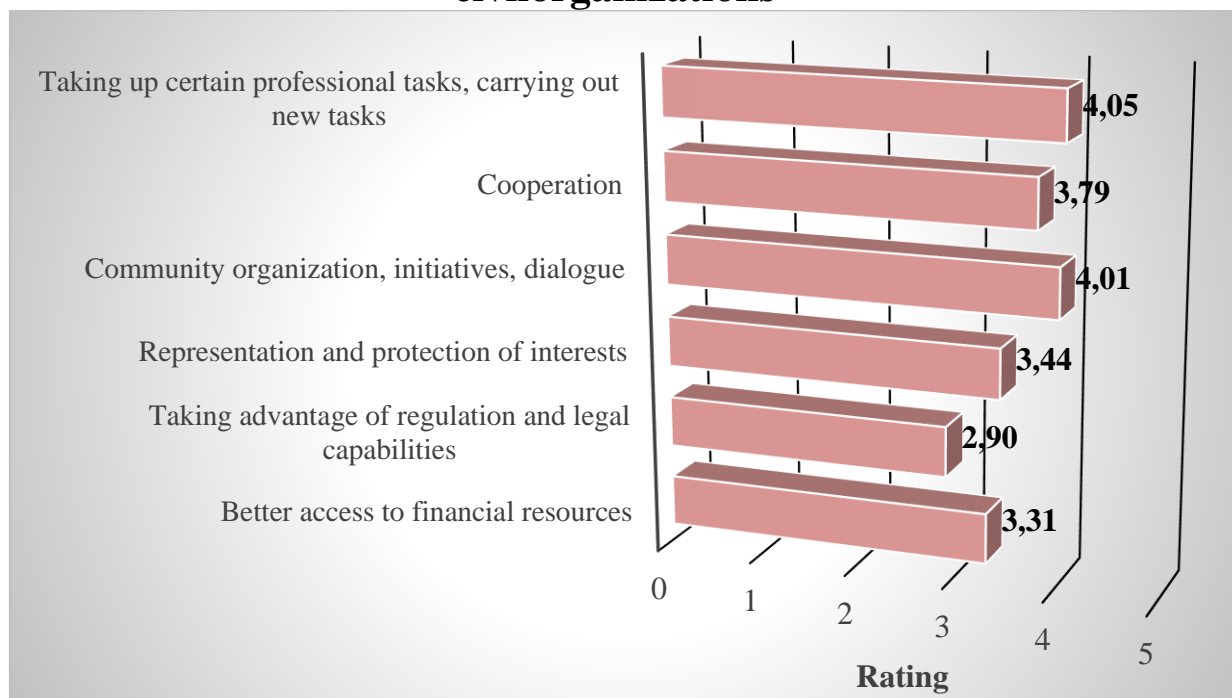
Source: The author's own examinations, 2013

The priority order of the analysis, which is based on the remote classification, is the following: organization, planning, executing decisions, direction, decision-making and control. Based on the interviewees' age and level of education, I found that age does not affect the judgment of the importance of tasks. However, there was a significant difference between the opinions of people with low-level education and those of having higher education regarding the judgment of the tasks related to organization management. The comparison of average ratings show that the higher qualifications people have, the more important the management tasks are. As for the organizational parameters, there was not any significant difference in the judgment of any groups. It may be concluded that the organizational parameters do not influence the importance of the tasks and the judgment of the tasks rather depends on the interviewees' personal characteristics.

The goal of the **motivation** examinations was to explore the factors which play important roles in the formation, establishment and operation of civil organizations. Parallel to this question, I also tried to find out what factors motivate the leaders of civil organizations in carrying out their activities. I examine the application of motivational

means separately and I also analyzed these means in economic, psychological and social categories.

Figure 4: The motivational factors of establishing civil organizations



N= 100

Source: The author's own examination, 2011

The establishment of an organization is influenced and justified by several factors. The results related to the motivational factors of establishing civil organizations is shown in Figure 4. It can be stated that interviewees considered taking up professional tasks (4.05) and organizing communities (4.01) as the most characteristic factors. Average level factors are cooperation (3.79), representation and protection of interests (3.44) and a better access to financial resources (3.31). The least important factors are taking advantage of the legal and regulation opportunities (2.9). When starting the research, I had the assumption that civil organizations are always established to resolve definite and specific issues. The results of my research justified this assumption. By examining the forms of inspiration related to the organizational parameters, I found that the size of organizations based on the number of members shows significant difference in case of categories like cooperation, organizing communities, initiative and dialogue. The correlation is slightly positive, which means that as the number of members and the size of the organization grow, these

motivating factors become more and more important. As for the leaders' inner motivation, I found that they take part in civil organization activities largely because of their inner impetuses and their intention to help. The leaders' motivations are primarily characterized by inner impetus and altruism. By examining the interviewees' characteristics, it can be seen that the extent of motivation differs according to the leaders' sex and level of education. The analysis based on the interviewees' sex shows that there is significant difference in the extent of wanting to help. Women consider this factor more important than men do. In case of the level of education, there is significant difference in the judgment of family motivation and family influence. The results show that in case of those with lower level of education, the family influence is a stronger motivation factor. The more qualified a person is, the less significant the family influence is. The forms of inspiration in case of the entire sample show that the leaders consider the psychological incentives the most significant. I performed further analysis and I examined the judgment of the forms of inspiration based on the interviewees' characteristics and the organizational parameters. In case of the organizational parameters, the level of public benefit and the amount of revenues are the ones which mostly influence the judgment of the forms of inspiration. There is significant difference in the judgment of the psychological forms of inspiration according to the interviewees' age. In case of the economic incentives, the difference can be seen in the judgment of the public benefit level and the amount of revenues. In case of the age groups, there is significant difference between the group of 21 to 30 and all the other age groups. As age grows, the importance of the forms of inspiration becomes less important. As the revenues and the level of public benefit increase, the economic incentives become more important. This can be explained with the fact that as the revenues increase, the opportunities of motivation are expanded in case of civil organizations as well. Thus, the civil organizations can apply these opportunities of motivation at a larger extent.

During the **communication examinations**, the starting point was the assumption that communication is extremely important for civil organizations since raising and maintaining interest, presenting the activity of the organization, persuasion and PR activities are all important communication tasks in case of organizations which are

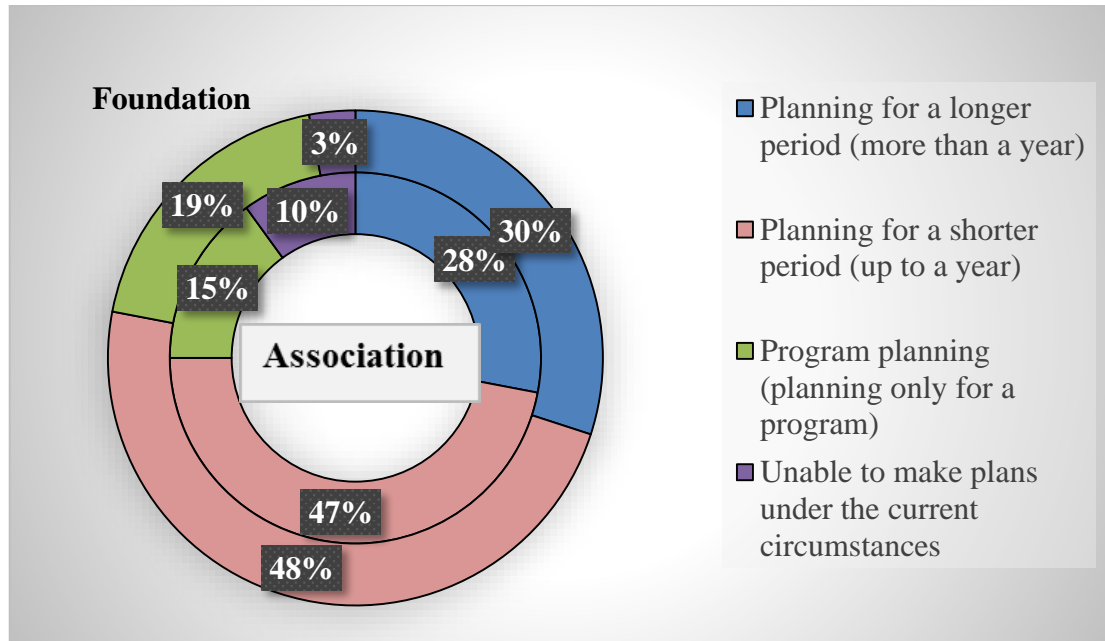
based on voluntary activities. When setting the goal of examination, I thought that the research of communication in the civil organization management was important. My goal was to explore which forms of communication play a role in the operation of civil organizations. Also, how formal and informal ways of communication and PR activities, that marketing communication can be interpreted in case of civil organizations? I examined the importance of internal and external forms of communication separately. Internal communication is important in the implementation of organizational activities. External communication is considered as an important management task in contacting those who are involved in the activities of the organization and also in obtaining resources. The interviewed leaders considered the discussion within the organization (4.49) and negotiation (3.68) as the most important forms of formal communication. These two forms are much more important than all the other examined forms which were considered average. By examining the formal communication based on the interviewees' parameters, it can be stated that leaders of different age groups judge the importance of chain letters and representation of interests differently. Professional literature sources judge informal communication in a contradictory way. When analyzing informal communication, I had the assumption that the structure of communication forms is not clearly defined in case of such less formal organizations as civil organizations. In case of civil organizations, informal communication can also play an important role in implementing the processes. In the examined organizations, the interviewed leaders do not consider informal communication important. There is one outstanding form of informal communication among the given ones and that is talking to friends (3.67). I think this can be explained with the fact that the participants do these activities on a voluntary basis.

In case of external communication forms, the interviewed leaders considered group conversations as the most important form. I analyzed the forms of communication based on the interviewees' characteristics as well. It can be stated that people of 21 to 30 consider the means of mass media more important than the other age groups and the difference is significant. This is because younger people know the internet and the opportunities provided by it (e. g. social network sites) better. Younger people can adapt to changes faster. When examining level of education,

it can be stated that those who graduated elementary school only consider the means of mass media less important. However, there is no significant difference here. Regarding the amount of revenues, the forms of mass media are the least important. The interviewees considered the forms of group communication the most important but there is significant difference between the average results.

When examining **planning**, I analyzed three different approaches. If we look at the position of planning in devising action alternatives and in the process of decision-making, we find that devising alternatives is only the third in order (4.12), The most important is obtaining information (4.54) and then execution (4.29). Based on this, it can be stated that obtaining information is more important than creating plans in decision-making. When examining what period of time civil organizations make plans for, it can be stated that 48% of them make short-term plans, 29% of them make long-term plans, 18% of them make program plans and 5% of them are unable to make plans. This means that civil organizations cannot or do not want to make long-term plans even though long-term plans create perspectives for civil organizations. Based on the interviewees' characteristics, it can be stated that there was significant difference between the age groups regarding the categories of long-term plans, short-term plans and 'unable to make plans'.

Figure 5: The distribution of planning periods per operational forms



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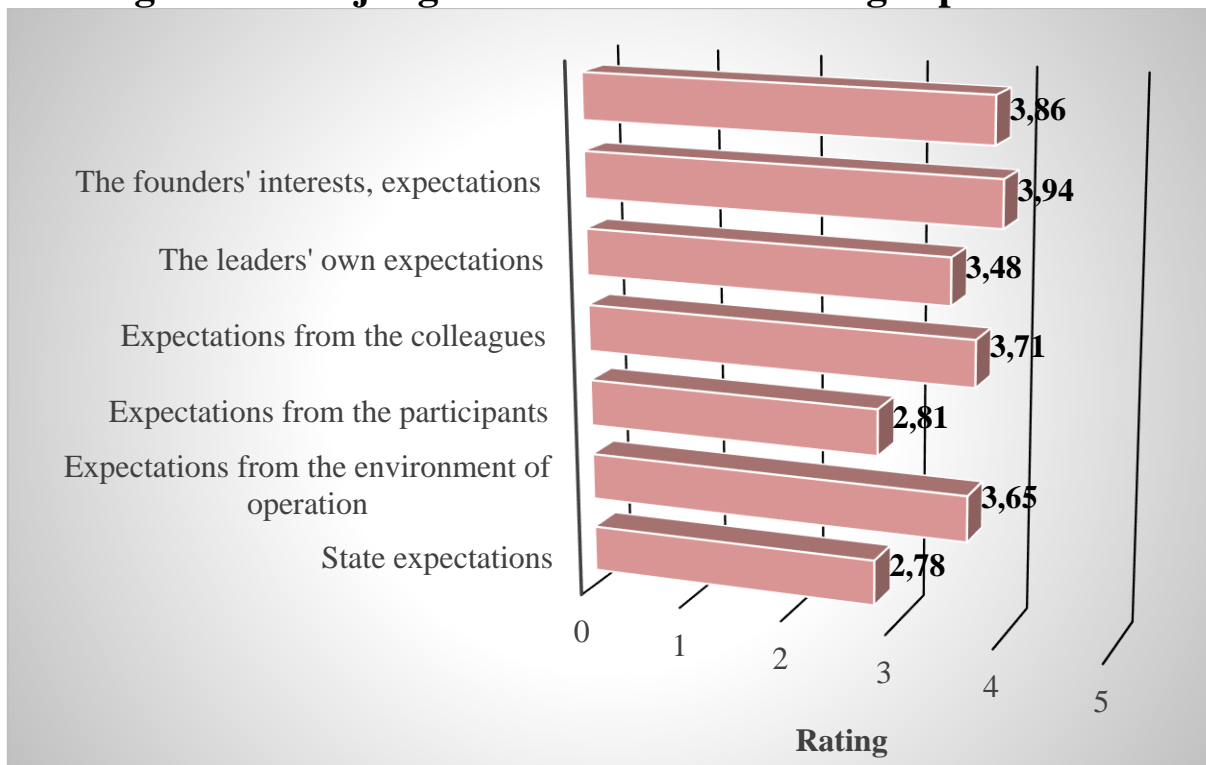
Source: The author's own examinations, 2013

When examining the planning periods per the operational forms, it can be stated that both associations and foundations largely use short-term planning. The category of 'unable to make plans' is the smallest portion (Figure 5). Based on the correlation examination, there is significant difference between the operational forms in case of the 'unable to make plans under the current circumstances' category. In case of the foundations, there were more responses of 'unable to make plans' than in case of the associations. It can be concluded that the interviewees' age influences the judgment of opportunities and the importance of planning. The judgment of operational conditions is related to the ability to make plans. I assume that this fact is in relation to the amount of revenues, though I could not support this with statistical analysis. Based on the examination of the factors affecting planning, it can be stated that planning is mostly influenced by the social goals and the financial conditions.

The **examination of decision-making** can be regarded as the integral consequence of my earlier work within the scientific students' association. In my doctoral research, I examined decision-making further. However, by taking my previous results into account, this research has been narrowed down to the analysis of expectations. I

define decision-making as a process which has the following stages: recognizing the necessity of decision-making situations, devising and evaluating action alternatives, choosing from the alternatives, execution and control. While examining decision-making, I analyzed recognition of problems, the factors of decision-making, the basics of forming the decision-making criteria and the expectations. I examined the sources of recognizing the necessity of decision-making and the sources of recognizing problems separately during the research. The recognition of problems is typically one's own recognition (4.16) and also comes from the signals of members, volunteers or colleagues (4.14). The other alternatives are densely at the average level. From this, it can be concluded that the leaders and the persons connected to the organization play nearly the same role in the recognition of problems related to the implementation of tasks and the operation of the organization. The signals coming from outside do not play as an important role as the previous ones but the evaluations show that the role of these signals is not negligible either. While examining decision-making, I analyzed decision-making as a process. I found that the recognition of the necessity to make decisions primarily comes from the leaders' own recognition and from the signals of members and volunteers. Thus, those who are strongly connected to the organization have a defining role in recognizing problems in the civil organizations. When making decisions, the interviewed leaders take their own experience and the results of their previous decisions into account. Thus, decision-making is empirical in their case.

Figure 6: The judgment of decision-making expectations



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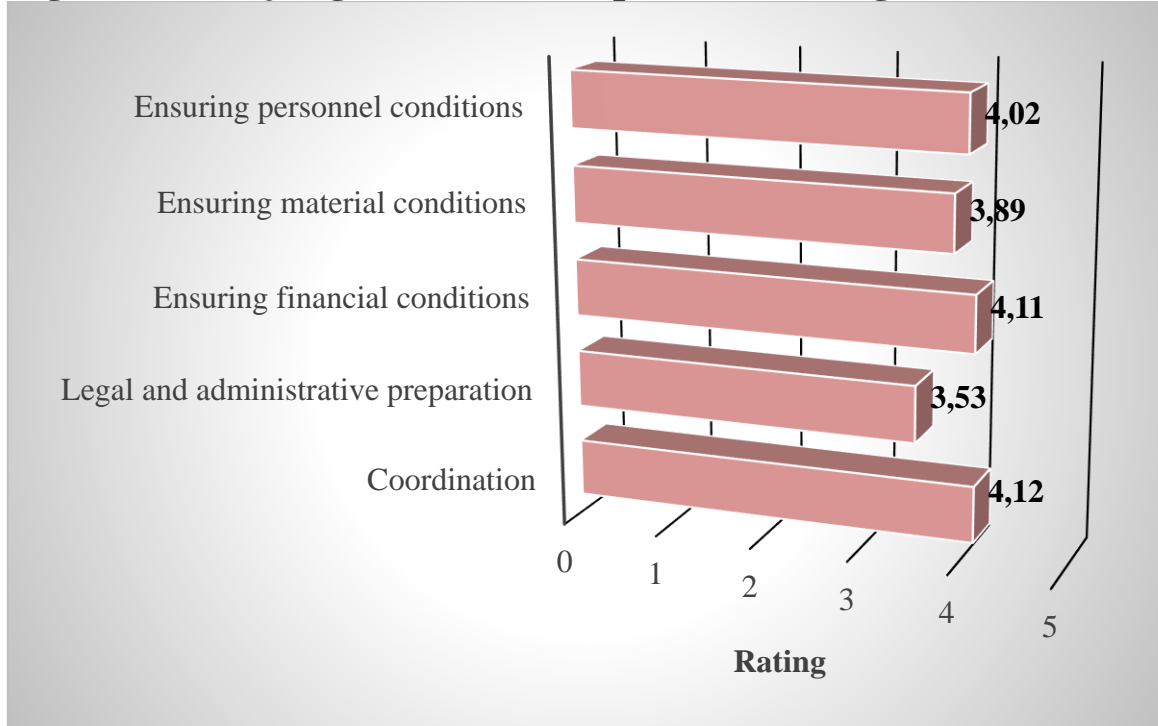
Source: The author's own examinations, 2013

The leaders' own and the organizational scale of values and the organizational interests play an extremely important role in the formation of decision-making criteria. The evaluation aspects applied in the decision-making process are determined by internal values and interests. When examining management tasks, I examined how the leaders' decisions related to the activity of the organization are affected by the different expectations (Figure 6). The leaders considered the founders' expectations (3.86) nearly as important as their own expectations (3.94) and the expectations of the people concerned (3.71) and those of the environment of their operation (3.65). The rest of the listed expectations reached only an average level. The preference order of expectations taken into account when making decisions can be explained that civil organizations are established to satisfy the needs of a given community. It is evident that the expectations of such a community must be taken into account when decisions related to the operation of the organizations are made. The importance of the environment of operation can be explained with the intention to keep the organization alive. An organization must meet certain requirements in order to be able to operate. The founders' expectations are important

rather in the case of foundations since here the founders and the leaders are often different. The leaders' own expectations are significant because it is their task to implement and achieve the goal the organization was established for and the mission of the organization. That is why the leaders' expectations are so important. I also examined how the interviewees' characteristics and the organizational parameters affect the rating of the responses. The results show that the leaders' age showed significant difference in case of response alternatives on expectations. There was significant difference between the operational forms, the leaders' own expectations and the colleagues' expectations. Apart from this, there was also significant difference between revenue expectations, the founders' interests, the external helpers' expectations and the state expectations. The correlation examination of the revenue groups showed that the difference is significant between organizations of low and high revenues. It can be concluded that the organizations have to take the expectations of the external environment and the state into account when they make decisions. These expectations are important for the organizations to obtain revenues. Thus, the need for conforming external expectation, that is, external influence is quite strong in case of the decision-making processes of civil organizations.

By drawing up the topics of **execution and efficiency**, my goal was to analyze the conditions which are necessary to implement the tasks successfully. I approached the issue from two directions. On one hand, I examined what management tasks the leaders consider important. I would like to present my findings about the importance of management tasks applied in civil organizations. On the other hand, I examined how the leaders evaluate the performance of human resources related to civil organizations. The interviewed leaders were asked to evaluate the performance of the members, employees and volunteers in implementing the tasks on a scale of 1 to 5. The leaders also had to define the aspects of evaluation as well. When examining the management tasks, I studied how important the various coordination tasks are in the leaders' activities. The results of this examination are shown in Figure 7. Based on the results, it can be stated that the various organization tasks are almost equally important for the leaders of civil organizations. They considered the coordination of activities (4.12) and ensuring financial conditions (4.11) as the most important tasks.

Figure 7: The judgment of the importance of organization tasks



N=282

Source: the author's own examinations, 2013

The latter task is a crucial requirement for the operation of the organization, so it can be considered evident. Coordination is important because in every type of organization (including civil organizations too) the resources, the activities and the capacities must be coordinated to implement the tasks successfully. The interviewees considered legal and administrative preparations as the least important task (3.53), yet this score is still above the average. It can be explained with the fact that these organizations had paid little attention to precise administration before and there had been hardly any control on the part of the supervising organizations in this aspect. However, the civil organizations clearly understand the importance of this task. It can be expected that the new legal regulations will make the civil organizations more conscious about the significance of the legal and administrative tasks. This result is in a slight contradiction with the result of the 2011 preliminary survey. This survey showed that the leaders' preference order was the following: ensuring the financial, personnel conditions, then ensuring the material conditions. Coordination came only after these. In all cases, the least important tasks were the legal and administrative ones. When analyzing the interviewees' characteristics, I found that there is significant difference between age and the judgment

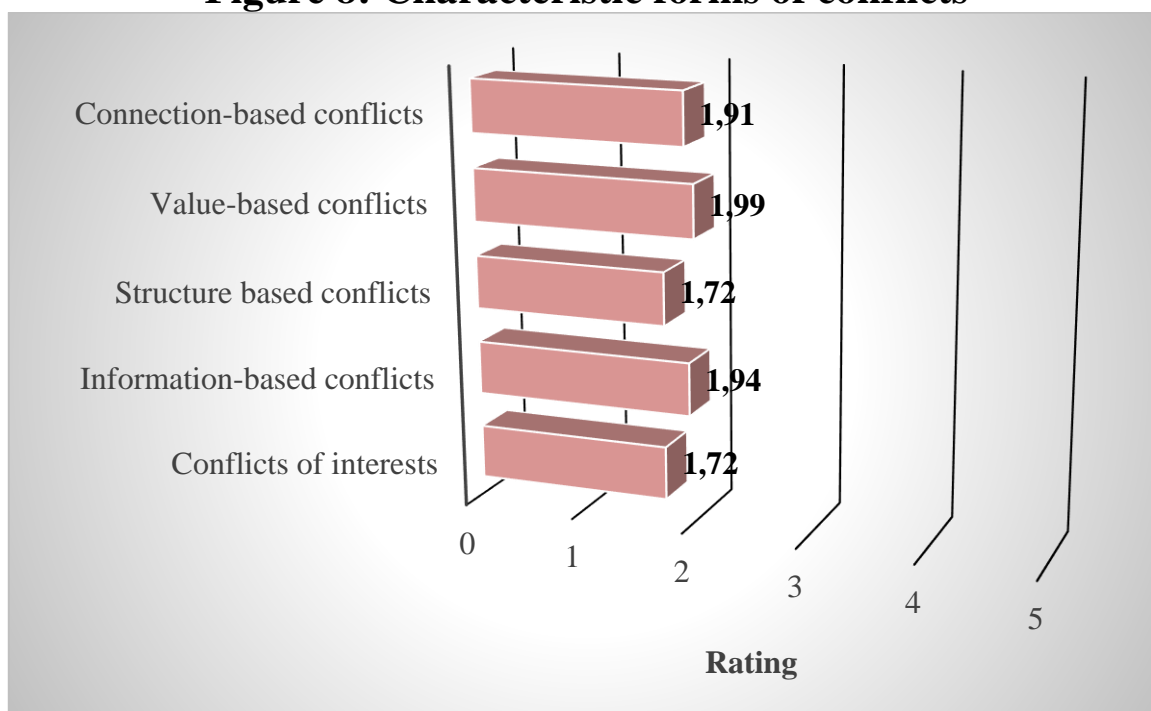
of coordination. The comparison of age groups shows that there is significant difference between the younger, the middle-aged and the older groups. Organization tasks were considered more important by older people. As for the level of education, there is a significant difference between people with low qualifications and higher qualifications in case of ensuring the material and personnel conditions. When examining the organizational parameters, it can be stated that there is significant difference between the number of members and the ensuring of material conditions. The difference between groups leads to the conclusion that the larger an organization is, the more important the ensuring of material condition becomes. The correlation examinations regarding the annual revenue of civil organizations showed significant difference in case of ensuring the financial conditions the legal and administrative conditions and coordination. In each case, the significant difference is between organizations having low revenues and those having high revenues. Based on these results, it can be concluded that the increase of revenues causes higher level of activity and the organizational tasks become more valuable. The efficiency examinations were built on the positions defined by the relationship of the participants to the organizations. I had to define these relationships. The positions within an organization develop through legal and behavioral connections. Based on the definition, three positions or statuses can be defined: statuses of volunteers, employees and members. Altogether, the efficiency and acknowledgment are the most important in case of all three statuses. While evaluating the statuses within civil organizations, the criteria showed different priority orders. In case of the employees, the presence at the workplace is far more important compared to the other two statuses. The participation in the implementation is the most important for the members.

When examining **conflicts**, I had the assumption that civil organizations are structures with widespread social relations. They interact with their immediate environment every day these interactions are related to the tasks to be implemented by the organization. Beyond this, several other areas of contact and cooperation can be identified. Civil organizations are in touch with local authorities and other civil organizations as well. Owing to their operational characteristics, civil organizations have to cooperate with administrative organizations,

businesses, companies, professional organizations and institutions as well. In case of an organization with such a widespread network of connections and so many interactions, many sources of conflicts can be identified. I think that conflicts are worth being examined from several viewpoints. In civil activities and in society it often occurs that the participants give different responses to a given issue. The civil interpretation conveys the concept of diversity and different opinions. As we could see in the description of historical development, the first civil organizations were responses to state activities. Even the existence of these organizations expresses disagreement. Thus, they convey conflicts in themselves since they often get into conflicts even with the state powers. That is why the results related to conflicts are so surprising. These results show that the examined civil organizations have hardly any conflicts. The goal of my examination conflicts was to explore how strong the conflicts are between civil organizations and the participants of their system of relations. How characteristic are conflicts of civil organizations? Beside this, I had the interviewed leaders rate the sources of conflicts based on the extent they generate conflicts. I examined which participants get into conflicts and the analysis of the entire sample shows that conflicts are not really characteristic of civil organizations. If conflicts happen to develop, they mainly develop between the civil organizations and the members, the civil society and the supervising organizations. Based on the interviewees' characteristics, it can be stated that there is significant difference between the interviewees' sex and each of the response alternatives. I pointed out that men gave a higher rating of conflicts between the participants than women did. However, the tendency of ratings in case of both sexes is the same. In case of organizational parameters, there was significant difference in case of the response alternatives of public benefit level, professional organizations, external experts and their own employees. The analysis based on the size of the organizations showed significant difference in the response alternatives of members or founders. It can be explained with the fact that the more people, values, personalities and interests take part in the implementation of a given task, the more interactions occur and the more easily conflicts may develop. Conflicts may have various sources. The definition of these sources is difficult because there are so many possible answers. When forming the factors of the survey questionnaire from the classifications,

I applied the system drawn up by MOORE. MOORE (1996) defined five groups of conflict causes: information-based, connection-based, structure-based, value-based and interest-based causes. This classification includes not only the social conflicts but also a part of individual conflicts. During the analysis, I wanted to find out to what extent conflicts are characteristic of the organizations according to the interviewed leaders' judgment. The results can be seen in Figure 8

Figure 8: Characteristic forms of conflicts



N=282

Source: the author's own examinations, 2013

Based on the results, it can be stated that conflicts are not really characteristic of civil organizations according to the leaders but if conflicts develop, the rate of each conflict form listed by me is nearly the same. If we have a more detailed examination of the evaluations, the forms of conflicts can be divided into two groups. Information-based, value-based and connection-based conflicts occur much more often than interest-based and structure-based conflicts. It may be explained with the fact that interest-based conflicts are not likely to develop in civil organizations because the participants have common interests. Structure-based conflicts do not often occur because it is not so characteristic of small organizations or simple structures since these can be handled easily. I carried out a correlation examinations based on the interviewees' characteristics. I found that there is no significant

difference regarding the judgment of the sources of conflicts in case of the leaders' age or the highest level of education. The analysis based on the interviewees' characteristics show that there is always significant difference between the responses of men and women. Men rated every form of conflicts higher than women. These results confirm that women do not really consider the examined factors as sources of conflicts. Based on the organizational form, I tried to find out whether there is difference between the judgment of responses according to the form of operation and size. The correlation between the form of operation and the forms of conflicts is significant. In case of size, it can be stated that there is significant difference in case of every factor except the conflict of interests. We might examine the conflict relations of civil organizations from any aspects, the results clearly show that the level of conflicts is rather low in case of the civil organizations examined by me. However, the implementation of tasks causes interaction in each type of organizations and interactions generate conflicts. Thus, the low level of conflicts means a low level of activity. Each examination result and detailed analysis, such as the low level of resources and accessibility refer to low organizational activity. Based on these results, I could define the condition of activity in case of civil organizations and I could interpret the cause, goal and sense of existence for 'dormant' organizations. Civil activity is rather difficult to examine and even more difficult to measure. Only indirect methods can be applied. Based on the results of conflict examinations, I concluded that the rate of conflicts can be used as a parameter of civil activity in certain cases.

4. THE RELEVANT FINDINGS OF THE DISSERTATION, NEW AND NOVEL RESULTS

1. Based on professional literature sources, my own research and my experience, I gave a definition of non-governmental organizations. According to my interpretation, a non-governmental organization is nothing else but a non-profit organization which is usually formed as a result of civil initiatives and implements the activities taken up in a formal framework.

2. Based on the results of the research topics, I consider civil management as a new field of management. Based on my research, the characteristics of this field can be describes as follows:

- strong internal motivation of the members,
- the efficiency of psychological motivation,
- informal communication is more important,
- short-term planning,
- the decisions are influenced from outside,
- value-based and empirical decision-making,
- task centered organization and
- the conflicts are primarily information and value-based.

3. I defined the position, which also means legal and behavioral relationships within the civil organizations. Based on this, I considered the positions of volunteers, employees and members as individual positions.

4. I considered the 'dormant' organizations meaningful. I defined the registered, that is, the existing but inactive civil organizations as 'dormant'. I consider such organizations meaningful structures since they can represent their values by their mere existence.

During the research, I defined new fields for further research and study:

1. A further examination of the status civil organizations in relation to human resources and the exploration of the factors which might affect the civil organization status.

2. Revealing the problems of civil activity and the establishment of methods to measure it.

SUMMARY

The goal of my doctoral research was to make findings, draw conclusions and outline proposals which might contribute to the improved operation, leadership and management of civil organizations, based on research results. Another goal was to determine the tasks which are particularly characteristic of the leadership of civil organizations. I also wished to reveal the factors which affect the significance, success and application of these functions. I defined the concept of civil management based on examination results and I also determined its most characteristic features and illustrated the activity of civil organizations on the basis of my research results and by analyzing the sources of this research. In my research assignment, I attempted to complete the following tasks:

- the examination of leadership tasks related to the operation of civil organizations, specifically focusing on motivation, inspiration, communication, planning, decision-making, organization, performance evaluation and conflicts.
- I particularly emphasized revealing decision-making processes and the decision-making relationships of civil organizations and the determination of the factors which affect decisions.
- based on the organizational parameters and the characteristics of the interviewees, I carried out detailed examinations and analysis, investigating further interrelations and contradictions.
- by processing and evaluating organizational data, I made findings regarding their operational activities.

The topic of my doctoral research is connected to the research program 'The functional examination of management' running at the Institute of Management and Organization Studies, Faculty of Economics and Rural Development, University of Debrecen. I carried out my research among civil organizations registered in Hajdú-Bihar County. Based on the interpretation of civil forms, I extended my research to associations and foundations. The area limitation was necessary because the number of civil organizations is extremely large. During the sampling, the

preliminary objective was to make the research representative. This could be ensured only by limiting the extent of sampling.

I performed three series of questionnaire surveys and one series of targeted interviews between 2010 and 2013. During my research, I devised my own professional interviews in each case. Based on my research results, I have come to the following conclusions:

According to the definition I created based on literature approaches and my own research experience, a civil organization is a non-profit organization which is usually formed by civil initiatives and implements specific activities in a formal way. The operation of civil organizations is characterized by volunteering, autonomy, pluralism, solidarity and corporate social responsibility (CSR). The activity of the organizations is varied regarding both their revenues and their operation. According to my research results, more than half of the civil organizations have revenues under 500,000 HUF per year. This low level of resources does not cover the year-long operational costs of an organization or allows an extremely low level of activity. This assumption is confirmed by the low intensity level of conflicts, the small number of employees, members and volunteers and the difficult accessibility of these organizations during the data collection process. I pointed out that the most characteristic ways of revenues are the membership fees, the decentralized tenders and the 1% of tax offered by the taxpayers. Based on their accessibility and the amount of revenues, the civil organizations show a very low level of activity. Based on this low level of activity, it can be assumed that some of these organizations are operated only nominally and some operate on a program-based agenda. These “dormant” organizations can be regarded as being meaningful structures, since they make their environments aware of the importance and value of their goals by their mere existence. The leaders of the civil organizations regarded organizational management tasks to be the most important. Based on the leaders' opinions, the order of the functions defined by Fayol is the following: organization, planning, executing decisions, direction, decision-making and control. Civil organizations are established to carry out and solve specific and clearly defined tasks and problems. Moreover, the leaders

are also motivated by their willingness to help and their altruism. The leaders regarded the application of psychological incentives as the most efficient means behind their motivating activity. This attitude can be explained by the form and structure of the organization. Informal communication has more value than formal in the internal communication of the organization. In their external communication, the organizations, the group communication means are significant. Based on the examination of decisions, I found that the recognition of decision-making situations and the formation of the applied evaluation aspects come from internal (personal and organizational) observations, interests and values. In the decision-making process, there is a strong need for conforming to the external expectations and the decisions are strongly influenced from outside. Ensuring the financial conditions and coordinating the actions are important organizational tasks for these organizations.

Although the concept of 'civil' conveys the existence of conflicts, my results show that the level of conflicts is also low in the civil organizations. This result is probably due to the low level of operational activity and the small number of interactions. Most conflicts arise between the organizations, their members, the civil society and the organizations of supervision, since the organizations most often interact with them. The most characteristic conflicts are the value and information-related conflicts which are most often resolves by using the most efficient conflict-handling strategies.

Based on my results, I devised new and novel findings and I defined the concept of civil organizations. Similarly, I consider civil organization management as a new field of management which has several characteristic features. The members and the leaders of these organizations all have strong inner motivations. Among the means of motivation, the psychological motivation is the most significant. Formal communication has a greater value in civil organizations. Most of these organizations are characterized by short-term planning. The decision-making processes are based on values and empirical experience and decision-making is strongly influenced by external

factors. Organization is task-centered. Conflicts are usually based on values and information.

I define the positions inside the civil organizations as legal and behavioral relationships. Volunteers, employees and members are defined as independent positions within the organization. I consider the “dormant” civil organizations to be meaningful structures. I revealed new fields of research during my examinations. Based on my results, I drew conclusions regarding the characteristic features of operation and management of civil organizations. I also drafted suggestions so as to help to make the operation and management of civil organizations more efficient.

In summary, I think that both society and the economy need this organizational form. However, as long as the leaders of civil organizations do their jobs as a secondary activity, no one can expect professional operation from civil organizations. It can be admitted that working for a non-governmental organization is not a marketable activity in Hungary at present. Thus, we cannot expect full-time leaders in this sector. Nevertheless, I often experienced that commitment, enthusiasm, the intention to help others are sufficient motivations for this kind of activity.

PUBLICATIONS RETALED TO SUBJECT MATTER OF THE THESIS

PROMINENT PUBLICATIONS WHICH CAN BE TAKEN INTO ACCOUNT ACCORDING TO THE REGULATIONS OF THE DOCTORAL SCHOOL:

Publications approved by the Qualifying Committee in Economic Sciences of Hungarian Academy of Sciences (MTA):

Leading journal of a field

1. **Pierog Anita** – Szabados György Norbert (2013): Civil szervezetek vezetési szempontból. In: Vezetéstudomány, (Közlésre elfogadott, befogadó nyilatkozat mellékelve) 54775 karakter

Hungarian-language journals, with summaries in English

2. **Pierog Anita** (2013): A civil szervezetek „gazdasági érintettségének” vizsgálata. Acta Agraria Debreceniensis 52, Agrártudományi Közlemények, pp. 139-146. 37938 karakter
3. **Pierog Anita** (2013): Motivációs vizsgálatok civil szervezetekben. Acta Agraria Debreceniensis 54, Agrártudományi Közlemények, pp. 73-79. 35352 karakter

Publications approved by the Agricultural Economics Committee of MTA Class IV.

Foreign-language journals published in Hungary

4. **Anita Pierog** – György Norbert Szabados (2012): Methodological questions of the Survey of Civil Organizations, APSTRACT Vol.6. Numbers 5, 97-100. p. 19440 karakter, 0,0419 IF

Hungarian-language journals, with summaries in English

5. **Pierog Anita** – Szabados György Norbert – Troy Wiwczarowski (2013): Miről szól a civil érintettség? KÖZÉP-EURÓPAI KÖZLEMÉNYEK” (KEK)(megjelenés alatt) 20719 karakter

6. **Pierog Anita** – Szabados György Norbert (2012): Civil szervezetek működési aktivitása Hajdú- Bihar megyében. A VIRTUÁLIS INTÉZET KÖZÉP-EURÓPA KUTATÁSÁRA KÖZLEMÉNYEI IV. évf. 4. sz. (No.10): pp. 281-288. 20619 karakter
7. Szabados György Norbert – Troy Wiwczaroski – **Pierog Anita** (2012): Civil szervezetek Hajdú-Biharban- Egy felmérés esszenciái. A VIRTUÁLIS INTÉZET KÖZÉP-EURÓPA KUTATÁSÁRA KÖZLEMÉNYEI IV. évf. 4. sz. (No.10): pp. 289-297. 20712 karakter
8. Szabados György – Troy Wiwczaroski – **Pierog Anita** (2012): Civil szervezetek menedzselési viszonyai és problémái Hajdú-Biharban. A VIRTUÁLIS INTÉZET KÖZÉP-EURÓPA KUTATÁSÁRA KÖZLEMÉNYEI V. évf. 1. sz. (No.12), pp. 114-119. 22541 karakter
9. **Pierog Anita** – Szabados György Norbert (2011): A vezetés és a döntés sajátosságai civil szervezetekben. A VIRTUÁLIS INTÉZET KÖZÉP-EURÓPA KUTATÁSÁRA KÖZLEMÉNYEI IV. évf. 1-2:(7-8) pp. 59-65. 17656 karakter terjedelmi korlát
10. **Pierog Anita** (2011): Új vezetési kihívás: civil szervezetek. A VIRTUÁLIS INTÉZET KÖZÉP-EURÓPA KUTATÁSÁRA KÖZLEMÉNYEI III. évf. 1-2:(5-6) pp. 159-166. 21135 karakter
11. **Pierog Anita** (2010): A működés és a források kapcsolódása civil szervezetekben. A VIRTUÁLIS INTÉZET KÖZÉP-EURÓPA KUTATÁSÁRA KÖZLEMÉNYEI 2:(2-3) pp. 119-125. 19027 karakter terjedelmi korlát

English-language publications published in Hungarian journals

12. Troy B. Wiwczaroski – György Norbert Szabados – **Anita Pierog** (2013): Civic organizations-an approach of diverse understandings. A VIRTUÁLIS INTÉZET KÖZÉP-EURÓPA KUTATÁSÁRA KÖZLEMÉNYEI, (megjelenés alatt) 25400 karakter
13. Troy Wiwczaroski – Szabados György Norbert – **Pierog Anita** (2013): Management, Rationalization and Human Capital. A VIRTUÁLIS INTÉZET KÖZÉP-EURÓPA KUTATÁSÁRA

KÖZLEMÉNYEI V. évf. 1. sz. (No.12), pp. 109-113. 24852 karakter

Other Hungarian-language publications with English-language summaries

14. **Pierog Anita** (2013): Civil szervezetek döntési viszonyainak vizsgálata, Debreceni Műszaki Közlemények, (megjelenés alatt) 19206 karakter
15. **Pierog Anita** – Szabados György Norbert (2012): Funkcionális vezetés gyakorlatának vizsgálata civil szervezetekben, Erdei Ferenc VI. Tudományos Konferencia, pp. 353-357. 10968 karakter terjedelmi korlát
16. **Pierog Anita** (2010): Civilek és a döntés. GAZDÁLKODÁSTUDOMÁNYI KÖZLEMÉNYEK II.:(1.) pp. 83-89. 19893 karakter

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17. **Anita Pierog** – György Norbert Szabados: The examination of managerial processes of civic organizations. In: Proceedings of the "Scientific Management" and Management Science Today International Scientific Conference Cover, (Edt.: É. Málovics – B. Kincsesné Vajda), University of Szeged Faculty of Economics and Business Administration, ISBN 978-963-306-176-3, 28231 karakter

Other Hungarian-language publications

18. Szabados György Norbert – **Pierog Anita** (2011): Önkéntesség és a civilek. In: Szele Bálint (szerk.): Tehetséggondozási workshopok a Kodolányi János Főiskolán 3. Székesfehérvár, pp. 65-70. (ISBN:978-615-5075-12-4) 18578 karakter

