

Perception of Managers towards Result Based Management: A Study on Local NGO's of Khulna Region

Sabrina Afrin Tonny*

Abstract

The study intends to find out the perception of mid-level manager of NGO's from Khulna Division towards the effectiveness of Result Based Management. A purposive sampling technique was used for selecting the sample size of 10 from population of 30 managers. Semi structure questionnaire along with a Likert scale was used to collect their opinion. The data was collected using qualitative method. Content analysis was done to find out the perception of managers regarding result-based management. The study reveals that most of the managers have a negative perception towards effectiveness of result-based management, on top of that their perception lies within their degree of knowledge on result-based management which is significantly poor. The study suggests all stakeholders including Donor, Managers, and NGOs to address this issue and act accordingly.

Keywords: Result Based Management; NGO; Managers; Perception; Effectiveness

Introduction

Result-based management is a management method that focuses on the end result of an organization. It is based on the idea that managers should not be judged by how well they follow orders, but by whether or not they produce good results. In this type of management, employees are given clear goals and objectives for which they are held accountable. Managers and employees work together to come up with the most effective way to meet those goals. Employees have the freedom to find their own methods for achieving those goals, but they must report back to their manager at regular intervals so that progress can be measured and any necessary adjustments can be made. A concrete definition of the term is “Results-based management (RBM) is defined as orienting all action and use of resources towards achieving clearly defined and demonstrable results”(Wairimu, 2015). Result-based management is a management

* Research Assistant, Liberation War Museum, Dhaka , Bangladesh, E mail- sabrinatonny21@gmail.com

philosophy in which the success of the organization is measured by the achievement of specific objectives or goals. The importance and significance of this management philosophy are that it provides a way for an organization to measure its success. It also provides a way for managers to measure their performance and improve their skills. The importance of this concept is not to be taken lightly. It's not just an idea that one can ignore. The significance of this concept is that it has a major impact on the way managers manage their employees. Result based management is a system where managers are given incentives to focus on the result rather than the process. This system has been in existence for quite some time now and has changed the way managers work with their employees.

Non-governmental organizations (NGOs) are not-for-profit, voluntary organizations that work to solve social, economic and environmental problems. The term NGO is usually applied to an organization that works on development projects in the less developed world. NGOs often provide relief services in response to natural disasters, such as the 2007 Sidr (Haque & Jahan, 2016). They may also engage in education, development and advocacy work. The concept of a non-governmental organization (NGO) is relatively new. The United Nations (Leverty, 2008) defines NGOs as "a group of people or an organization that is not part of the government, but works to solve social, economic and environmental problems in society". NGOs are a critical part of the world's humanitarian system. They are often the first responders to natural disasters and other emergencies. They also help people around the world by providing emergency relief, rehabilitation services, economic development assistance and advocacy work. NGOs provide much-needed services to those who need it most. The NGO was created in Bangladesh in 1985 and it started as a small organization. They were able to help over 400 families who were living on the streets. In 1986, they were able to open up their first shelter which helped over 1,000 people. Today they have grown into an organization that has helped over 200,000 people in need ("Bangladesh Ngo Foundation," n.d.). NGOs are non-governmental organizations that are set up to promote, protect or provide a service for a specific group of people. The NGO's aim is to achieve their goal and objectives through the use of resources and skills in order to help those less privileged than themselves. Result based Management (RBM) is the process of managing a company's business affairs, with emphasis on the achievement of predetermined goals. It is an approach that links employee performance with desired results. The use of RBM by NGOs has been seen as controversial because it can give rise to conflict between the need for organizational efficiency and accountability on one hand and the need for social responsibility on the other. In this backdrop this study

aims to assess the perception of mid-level manager of NGO's from Khulna Division towards the effectiveness of Result Based Management.

Literature Review

The perception of stakeholder is important, especially when they play direct to implement it. This applies for implementation of result based management also. The effectiveness of a manager is often judged by the results they produce. The perception of a manager is also important because it affects how employees feel about their work. Managers have an impact on the organization as a whole and not just on their team. They need to be aware of this and make sure that they are not neglecting any aspect of the organization.

A study (Fraser & Zarkada-Fraser, 2003) was carried out by employing multivariate analysis to examine 268 significant project stakeholders and 61 high-rise residential development projects. The study's findings demonstrate that professional groups' judgments of the significance of each performance factor differ significantly. High-performing managers have different opinions than low-performing ones. The use of the methodology described in this paper can offer a foundation for improving stakeholder relations and managerial performance.

RBM has been adopted globally as a result of country success stories. Horton (2006) questions whether RBM has caused fundamental changes in the public sector. Review of the literature shows that the public sectors' service delivery has indeed been impacted by the new values of productivity, efficiency, and accountability. Worthington and Dollery (2000) demonstrates that the reform's impact on the efficiency of municipal government has been significant. It has been claimed that the customer care connection and the accessibility of the local government services have both improved as a result of the results-oriented ethics of RBM, along with that it contends that RBM has been helpful in boosting corporate productivity and efficiency in nations like the United Kingdom and New Zealand. He added that the achievement of goals and the ability of the public and private sectors to save resources have both contributed to the increase in economic performance in these nations. According to Thomas (2011), RBM has received a lot of credit for the economic revival in Malaysia. The review emphasizes how successful it has been for Malaysian organizations to implement performance budgeting and performance appraisal. Thomas points out that Malaysia's public and private sector performance has drawn foreign investors, resulting in the nation being economically stable. According to the assessment from World Bank Malaysia's 1997 financial crisis was managed thanks to the RBM system's excellent management methods. Despite claims made by academics that RBM has improved the performance of both the public

and private sectors, debates demonstrate that this claim has not held up in many nations. Performance management hasn't been as successful as expected in the public and commercial sectors, claim was done by Fryer and Ogden (2009). This elaborates that the performance increases in countries have been a deception intended to deceive and promote the RBM strategy by western countries, and he concurs with the aforementioned assertion. According to him, RBM has never been successful in developing countries because of the disparate realities present there. The study goes on to say that because developing countries have found western solutions to be terrible, RBM has only ever existed as a notion. Additionally, it has been determined that a lack of resources hinders RBM's efficacy as a performance management tool (Gande, 2014). It was discovered that governments lacked the necessary resources to execute RBM. All economies have been hit by the financial crisis, but the effects were particularly severe in developing nations that also rely on assistance from wealthier nations, several countries have struggled to implement RBM effectively due to a lack of funding, which has caused the system to fail early on before achieving its objectives.

A study was conducted by Pratolo et al (2020) his research demonstrates that the application of RbM is positively and significantly impacted by organizational commitment, human resource quality, and incentive and punishment systems. The influence of RbM'S implementation on HEI Performance is then established. Human resource variables, organizational commitment, and the reward and punishment structure have no clear correlation to HEI performance.

Later a study by Gande(2014) reveals that The implementation of the new performance management system was fraught with difficulties, including poor communication, a lack of a sense of ownership, insufficient training, resistance to change brought on by inadequate change planning, and a lack of suitable infrastructure and resources. Employee performance often suffered as a result of the ensuing confusion surrounding the new system, which is corroborated by a decline in the pass rate of students.

This discussion portrays that no study was conducted to assess the perception of manger towards the effectiveness of Result based Management especially form NGO of Bangladesh, thus making a serious gap in the literature of practitioner domain.

Methodology

This is a cross sectional study, where primary source of data has been collected from Mid-level managers from local NGO of Khulna region. A purposive sampling technique was used for selecting the sample size of

10 from population of 30 managers. Semi structure questionnaire along with a Likert scale was used to collect their opinion. The data was collected using qualitative method. Content analysis was done to find out the perception of managers regarding result based management.

Analysis

After collecting the data, content analysis was done to find out the perception. Following segments was identified during the analysis.

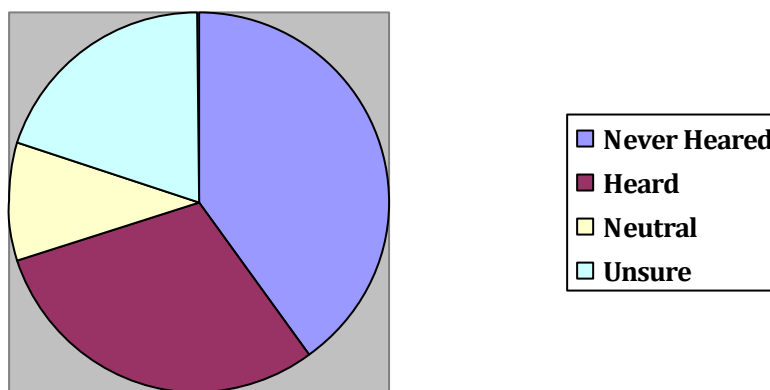


Figure-1: Knowledge on Result Based Management

Figure 1 shows that 4 of 10 managers of local NGOS's working in Khulna region never heard of the term Result based Management. While 3 of them claimed that they are aware of the concept and 1 and 2 managers were neutral and unsure regarding the term respectively.

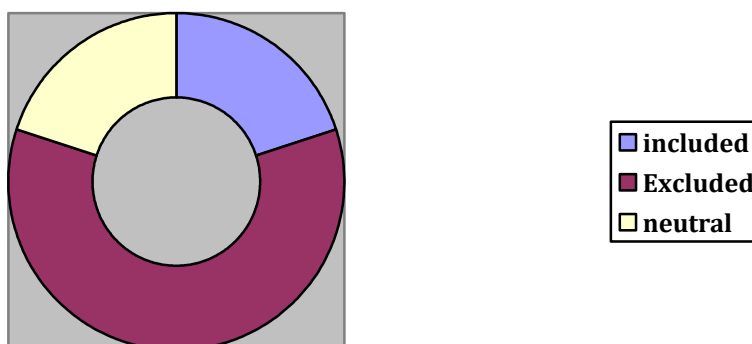


Figure-2: Inclusion of RBM in NGO's Plan

Figure 2 demonstrate that 2 out of 10 managers of local NGOS's said that Result based management in included in their organizational plan, where 6 of them revealed that the organization's plan doesn't have Result based management in their plan, and the rest 2 managers said that they are unwilling to disclose that matter for the time being.

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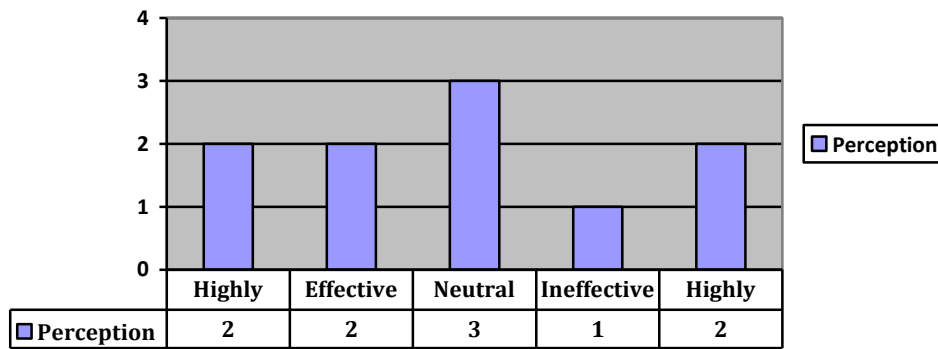


Figure-3: Perception

Figure 3 suggest that 2 out of 10 managers of local NGOs's said that Result based management is highly effective, while other 2 have also found it as effective. 3 out of 10 managers remained neutral, and 1 manager said that the result based management is ineffective and only 2 said that it is highly ineffective.

Findings

Using content analysis it's been found that primarily 30% respondents acknowledged about the result based management and claimed that they are aware of the term and concept, where rest of the 70% are divided into negative segments including never heard of the term, neutral and unsure what the terms or concept means. Surprisingly, pertaining to the inclusion of the result based management in their organization's plan, 60% respondents acknowledged that their NGO doesn't have any plan which consist of the RBM, where only a minor portion of 20% have it in their plan but the stages, process are not clearly defined. Finally only 20% and 20% respondent said that the result based management is highly effective and effective respectively. And the rest 60% are posing a negative impression towards the effectiveness of result based management.

Recommendation

- Local NGOs should recruit managers with global level knowledge and best practices
- Local NGO's managers should train and educate themselves about result based management.
- The donors should set the criterion of knowledge on Result based management for managers and in project planning to receive donation and fund.
- NGO affairs Bureau of Bangladesh should oversee the functions and level of expertise of local level NGOs and organize training on result-based management for all NGOS

Conclusion

Result based management is crucial for success of project and achievement of NGOs goal. The NGOs of Khulna region focus more on helping people suffered by natural calamities, thus contributing on a greater scale and helping a special class of people. The functions of Result based management are supposed to have serious influence and impact over success of these NGOs. However, the perception of Mid-level managers of local NGOs towards result based management and its effectiveness reflects the poor condition of knowledge about result based management and its effectiveness. Respective stakeholders can address this issue, the research may carry more crucial study and practitioner may take initiative to help the local NGOs.

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