

# The examination of managerial processes of civic organizations

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*Management becomes more and more highlighted nowadays. It is a result of a dynamic development and now management science includes different kinds of analysis. A functional aspect is well-known in this discipline, and in its framework the Institute of Management and Labour Sciences at the the University of Debrecen has worked out its private research program, which is called “The functional examination of corporate management”. We have carried out diverse examinations in the framework, the authors of this article are mainly specialized in the study of the management of civic organizations. Researches were started in 2009. Currently 66 thousands of nonprofit organizations are registered nationally. We have focused on classic civic organizations from inside, these include foundations and associations, whose ratio among the nonprofit organization is about two third. Though their economic importance is undisputed, still little information is known about their managerial characteristics. Some organizations are really successful, others vegetate, and many organization only exist formally, without real operation. We have examined general managerial functions and within that we also have studied the field of managerial operations: planning, decision making, organization and control. The subject of the research was the operating of the civic organizations of Hajdú-Bihar county, we have taken sample of civic managers and carried out a questionnaire survey. Results show that many managerial functions are incompletely fulfilled, among which the most important managerial task was the subject of organization. According to managers, it is really hard to plan for more than a year in this sphere. Considering decision making, the managers examined mainly decide by their private experiences. Although organizing the managerial tasks equally influence all tasks, still the organization of corporate management was emphasized by managers. Examining the importance and the process of control, we have found that those set objectives which were defined and registered at the formation were primarily emphasized, and these are mainly attended by the managers.*

*Keywords: management, managerial tasks, functionalism, nonprofit, civic sphere, Hajdú-Bihar county*

## 1. Introduction

“People have been dealing with the questions of management for thousands of years now, this is hardly understandable that we still know so little about the subject of which so many people have written” (Bennis–Handy 1985).

In the 21<sup>st</sup> century managers have to meet almost constantly changing conditions, which means great challenge for them. The job of the managers is really complicated and multiple, sometimes hard to fight with the challenges and it is quite frequently not possible alone. The composition and the definition of managerial task and its differentiation are important elements of the managerial science. Management is such an activity which is often hardly noticed in human work, everyday economic and social processes. For thousands and hundreds of years, questions of organization, direction of labour and productional activity were not separated from the specific technical knowledge of each profession. The view of management was mainly focused on the government and dominant affecting problems of the church, the army and the state. Managerial questions of the organization and the direction of human labour were only highlighted in the past decade (Berde 2005).

Managerial science was formed at the beginning of the 20<sup>th</sup> century. The first management related literature was the work of Frederick W. Taylor. His “Shop management – 1903” “The principles of scientific management – 1911” meant the establishment and development of a new science within economic sciences. After the works and experiences written by many practicing managers, management became a well-known and accepted discipline. Different managerial schools were established in America and in Europe, the continents’ typical development tendencies, forms are characterizing factors of all individual schools. Management also influenced many fields of life, and the rules revealed in the organization of operations were tried to be applied also to the fields of service, educational and health care sectors. After the examinations of the management of global, large scale organizations, more and more frequently small and middle enterprises and organizations are also studied from the point of view of functional examinations.

## **2. Functionalism in management**

The definition of managerial tasks, the reveal of factors influencing task realization is the prime objective of the science of management. The task oriented thinking, the so called functionalism, is not a novel aspect of the scientific approaches. Functional approach also appeared in the first managerial literatures. The representatives of the classic school were the first to express and define the classification of tasks. This view also appeared later, in the 80s, repeatedly. This second period is called neofunctionalism by the scientists of sociology and psychology (*Andorka 2000*). Those approaches, which refer to the function of the phenomena at their explanation, are called functional approach in science. According to functional social researches, every aspect of a society (institutions, roles, norms, behaviour) serve a purpose (*Morel 2000*). This may also be referred to organizations, since function equally means operation, activity, task, position and role. *Torgersen–Weinstock (1979)* consider functionalism a managerial trend, the objective of which is to reveal and define the prime task of the managers. Followers of this theory suggest that managerial functions may be considered identical and constant in different types of organizations. Tasks may be considered permanent, still the ratio of the importance of diverse tasks differs according to the personality of the manager. This trend tries to describe and characterize the most important functions in their examples, and later also to reveal and to define how these functions may be administered successfully.

Bases of functionalism may be identified in the American managerial theories and thinking moreover, in the development characteristics. A typical organizational development cannot be identified in the American territories compared to the European conditions. As a result of the economic opportunities and the fast development trends in America, a considerably large corporate base, including large number and scale corporates, also meant many chances. Managers of these types of organizations did not participate personally in the operation of their corporates (*Marosi 1988*). Those employees were trusted by the owners to manage the organizational activities, the most important managerial tasks were the most effective and efficient operations. As a result, the managerial and the owner layers became separated, and owners did not care about the managerial skills and the potentials of their employees, but they only cared about the results (mainly from a financial aspect) of the corporate operation. Managerial education separated from the different vocational educations and soon became a private profession (*Bába–Berde 2010*). From the American way of thinking it is obvious that almost everyone has the chance to become a manager, who studies management as a profession. The democracy of this thinking is originated from the view that successful meeting of diverse task requires a different knowledge, preparation and skill. Almost everyone can perform some managerial tasks at a higher level, but it is really hard to find such a person who can meet all expectations without problems. This way of thinking,

which is a result of the American development, is called “functional democratism” (Berde 2007). Functional, since it defines expected managerial characteristics from the study of managerial tasks. It is also democratic, since the different types of managerial tasks do not mean that our suitability is determined by inborn personal skills and characteristics, and our chance to become a manager, but our knowledge and meeting professional expectations affluence that. Another way of thinking is also widespread in the science of management which denies this kind of suitability and conformity. It suggests that managerial skill is a talent which is inborn and it cannot be learnt.

Many people many times tried to define managerial tasks and functions. Dobák (1991) originates the functional approach from Fayol (1916). According to Fayol (1916), the prime compounds of management are the followings: planning, organizing, direct direction, coordination and control. Later, these functions were referred to as partial functions or managerial subfunctions in the management literatures. More and more novel functions are identified by later researchers. Some classifications are also identified, where 8–10 basic managerial functions are mentioned, and more than 100 different sub-functions are defined (Berde 2007). Others, beside the classic functions, highlight specific, further tasks such as reporting, performance appraisal, government practice, hazard and danger protection (Angyal 1999). The classification and the structure of tasks are also special managerial tasks (Berki–Berde 1999). Dienesné (2000) qualified the specific tasks of human resource management, such as evaluation of positions, planning, performance appraisal and human resource development, as basic managerial tasks.

Berde (2000) suggests the analysis of the functional managerial activities from 3 prime aspects: corporate management, human resource management and process management. In the framework of process management, he deals with planning, decision making, decision realization, provisions, organization, logistic management, control, quality management, time management and safety management. Processes may not be considered as real productional phases, but the logic sequence and the built up of managerial tasks, where this sequence must not be changed. This is also the way we interpret the management of processes. Of the mentioned functions, we have examined the processes of planning, decision making, organization and control at the examples of civic organizations.

### 3. Subject and method of the research

We have carried out our researches among managers of civic organizations of Hajdú-Bihar county. First, it is vital to define the term of civic organization. Nationally and internationally many approaches are known as definitions in the professional literature, equally for nonprofit and civic organizations. Unfortunately, there is not an obvious and integrated definition for the sphere. This is why we try to describe what we consider nonprofit and civic organization.

Nonprofit organizations may be divided into 3 types: classic civic organizations are associations and private foundations; advocacy organizations include public bodies and labour unions, professional employer interest bodies and unions, while other nonprofit organizations include public foundations and nonprofit ventures (Nagy–Sebestény 2009).

Civic society is not the same as nonprofit society, since there are not civic initiated nonprofit organizations either, such as governmentally founded and/or governmentally controlled nonprofit organizations. Legally classified, the nonprofit sector is constituted by certain organizations, such as foundations, associations, nonprofit organizations, public bodies and public foundations<sup>1</sup>. Financial distributors, suppliers (such as application announcers) sometimes strictly define who they consider civic organizations among the nonprofit organizations.

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<sup>1</sup> [www.policy.hu/flora/miacivilszfera.htm](http://www.policy.hu/flora/miacivilszfera.htm).

The nonprofit category is wider, it is considered to be larger, it includes civic organizations, moreover, it also includes nonprofit ventures. This is further justified by the report of the Nonprofit Kutatócsoport Egyesület, where they declare that classic civic organizations are the most widespread forms, they are private foundations and associations and they represent 87 % of all the nonprofit organizations (Baranyi et al 2003). This is the reason why we have only focused only on these forms. The research field was Hajdú-Bihar county. 72 settlements of the county have registered civic organizations, the number of which exceed 3400<sup>2</sup>. We started our researches in 2009, it included 2 surveys, and interviewed more than 100 managers of civic organizations about managerial characteristics. One research was carried out by the support of Magyary Zoltán Felsőoktatási Közalapítvány (Magyary Zoltán Higher Educational Public Foundation), the title of the applicational program was “The management of nonprofit organizations, managerial characteristics and the relationship between the professional technical direction and effectiveness”. The other includes researches of the TDK – Scientific Student Conference – dissertation, the title of which “The functional examination of decision making among civic organizations”.

We have carried our researches in the framework of the research program “The functional examination of corporate management”, which was developed by the Institute of Management and Labour Sciences at the University of Debrecen. At the development of the structure of the research program, managerial tasks, as subjects to be studied, were defined by the classification of Donnelly et al (1992).

Table 1. The functional examination of corporate management

<b>1. Corporate management examinations</b>	<b>2. Human resource management examinations</b>	<b>3. Process management examinations</b>
1.1. Organizational forms and managerial tasks	2.1. Motivation	3.1 Planning, as a managerial function
1.2. Organizational development	2.2. Conflict management	3.2. Decision making
1.3. Organizational communication	2.3. Human resource planning, organization	3.3. Decision realization, provisions
1.4. Information management	2.4. Labour selection	3.4. Organization
1.5. Corporate culture	2.5. Competence examinations	3.5. Logistic management
1.6. Group management	2.6. Performance appraisal	3.6. Control
1.7. Managerial structure and hierarchy examinations	2.7. Human resources development	3.7. Quality management
1.8. Change management	2.8. Carreer management	3.8. Time management
		3.9. Safety management

Source: Berde 2006.

Table 1 shows the structural built-up and moduls of the research program. Modular built-up is typical of this research program, which analyses the complex managerial tasks up to the level of each function. Changes of managerial problems examined may be defined in their processes. However, specific parts may be handled as private units, through the systematic framework of the whole. Structure may be extended, since all of its methods can be interpreted and applied to other territories. These subjects may be broken into further sub- and partial subjects according to the objectives, target groups and questions examined. This structure is also not suitable for the more concrete and deeper exploration, but it also enables the incorporation of research results into the results of sub- and partial subjects, which are structured in a hierarchy (Juhász 2004). Considering the subjects examined, not only this extension and precise focus are typical. Owing to the structure, this nature may also be interpreted horizontally (Dajnoki 2006).

<sup>2</sup> <http://www.birosag.hu/engine.aspx?page=tarsszervsearch>.

Of the research methods, this program mainly applies observation, questionnaire survey and deep interviews.

In this article we introduce the most important results of two larger examinations. In the framework of these we have carried out questionnaire survey among managers of civic organizations, its subjects marked in Table 1. We have selected the four managerial tasks, since we supposed that these may be interpreted and realized in this sphere by our experiences.

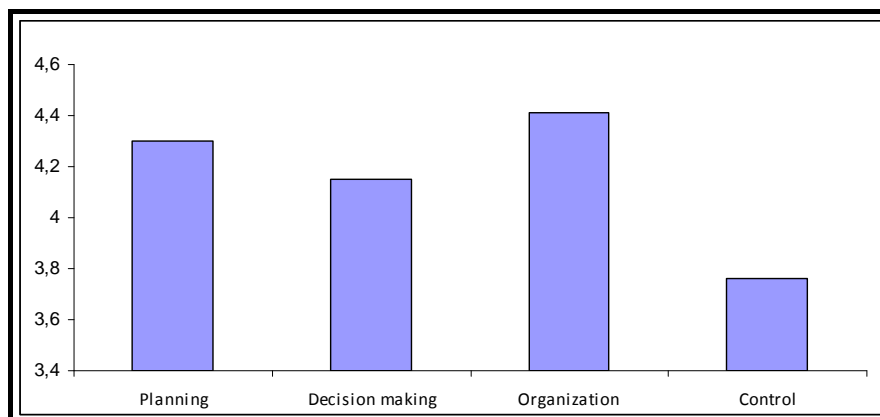
## 4. Results

During the researches many questions in relations with all managerial functions were asked. However, answers for the most important managerial questions of the two researches are introduced. This is why results are introduced only partially. Of the managerial process tasks of the institutional research program, planning, decision making, organization and the control were those fields which belong to the subject of the research. In the following we introduce by this logic sequence what results we have achieved by the survey.

### 4.1. Managerial tasks

First, we have made a comparative analysis of managerial tasks examined. Results are introduced in Figure 1.

Figure 1. The importance of managerial tasks



Source: own construction 2010.

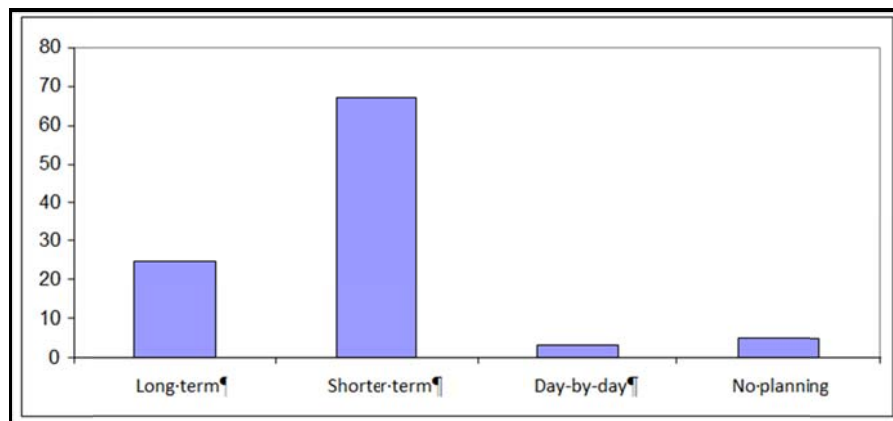
Answers indicate that managerial tasks examined are considered almost equally important by the respondents (Figure 1). The least important task is control (3,76), the most important task is organization (4,41). Decision making was qualified by 4,15, still planning received 4,29 points from the managers. Results of the comparative analysis suggest that differences are not so explicit, and overallly the most important process task is organization by the interviewed managers. Later, at the examination of organizational tasks, we will see that a dual evaluation and an explanation exist in the evaluation of the managers. Corporate organization and process realization related managerial tasks are summarized. This outstanding evaluation is obviously a result of that. Considering future examinations, this two managerial functions should be divided.

### 4.2. Planning

Planning means the selection of objectives, strategies and methods, moreover, the definition of programs and approaches to achieve overall or partial corporate objectives (Fayol 1984).

Corporate planning is one of the most fundamental managerial tasks. Its importance is further justified by the predictability and sustainability of the corporate operation. In the operation of civic organizations, similarly to the profit organizations, planning is also important. Considering current conditions quite often the question arises how long and for what period we can plan in the sphere. In this survey we have examined what managerial practice indicates in relations with the planning length during operation. Results are indicated in Figure 2. We have defined three intervals at the examination of the planning term. Long term planning means possibility for more than a year. Shorter term means a year or shorter period of planning. Planning as a daily activity is defined by day-by-day planning. No planning means that the managers of civic organizations react to changes spontaneously and organize tasks the same way.

Figure 2. The evaluation of planning terms



Source: own construction 2010.

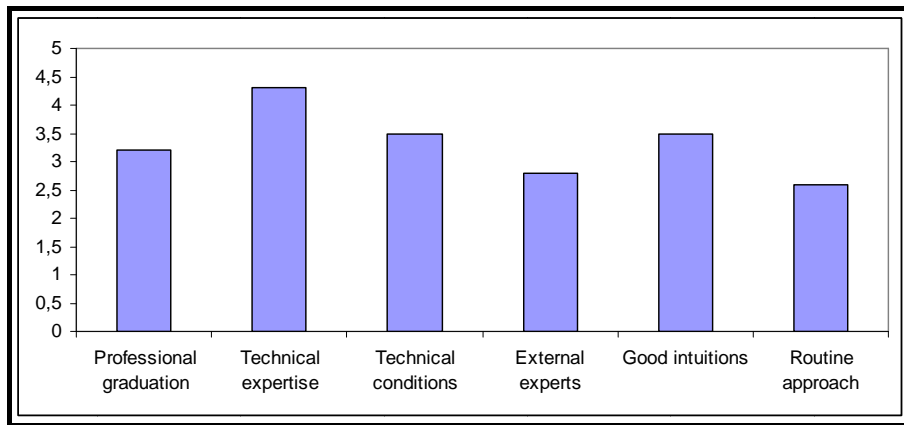
Of the results we may declare that managers examined consider planning to be executable only in shorter terms. Only one quarter of the respondents consider that it is possible to plan for a longer term (25%). Shorter term planning is more typical in the sector, approximately 67% of the respondents stated that they can plan for a one- year period, so the operation of the organization may be estimated for a year. Only few respondents marked a shorter term planning possibility and together with the few who indicated that planning is not possible in the sphere. Summarizing it all, we have revealed a tendency that civic managers mainly plan for a year or less period and calculate possibilities within.

#### 4.3. Decision making

“Decision is the purposeful selection beside given circumstances of the actional possibilities, where variations to act are revealed as activity options in the decision preventive phase of decision processes.” (Kindler 1991).

Decision is a basic element of the managerial process and means the selection of realization alternatives. We have conducted the decisional process by professional literary suggestions. Decisional suitability usually includes many skills and competences, moreover, conditions, some are of human, others are of environmental, or of technical nature. In the survey we listed those answers to the questions, which were factors-defined by the professional literatures, and were the most fundamental ones at the decision making. (Figure 3).

Figure 3. Conditions for the decision making



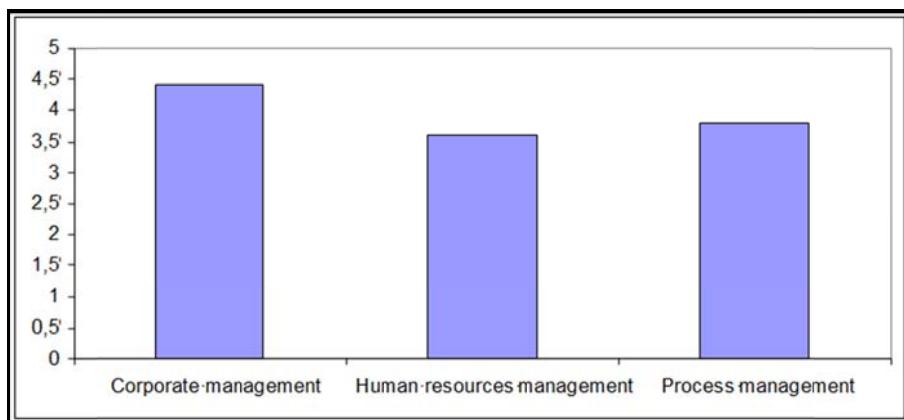
Source: own construction 2009.

By the results we found that the interviewed managers qualified that decision making is based primarily on expertise (4, 3). Most of the organizations were established years before, this is why they possess formed habits and practices. Graduation, technical conditions and good intuitions were qualified intermediately. The availability of external expertise seems to be neglected and ignored by practising managers. Decision making seems to be established on the experience of the managers. Evaluating the results we may draw the summarizing conclusion that decisions are characterized by professionalism, since respondents equally, highly evaluated the technical experience, the empiricism and the professional knowledge. These are followed by technical conditions and intuitions parallel with and intermediate with values of approximately 3,5.

#### 4.4. Organization

Organization means the structure of the task to be realized to achieve corporate objectives, to rank tasks into labour positions, to develop teams, to work out internal information systems and the coordination of these activities (Fayol 1984). Organization is the supply of factors necessary for operation and the realization of processes. Organization first was related to basic managerial tasks, since observing cross functionally, all managerial tasks have organizational aspects. Accordingly we have examined, by the institutional structure, the organizational tasks related to the three main managerial fields. Results are illustrated in Figure 4.

Figure 4. The appearance of organizational aspects in managerial tasks



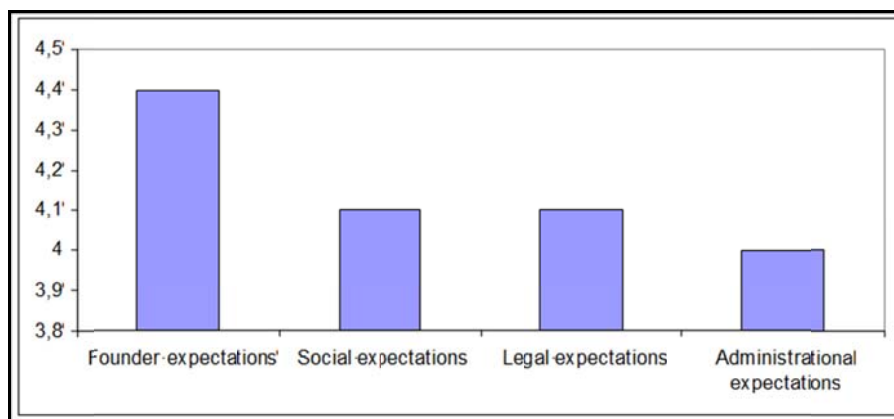
Source: own construction 2009.

Research results show that organization mainly appears among the corporate management tasks emphasized by the managers questioned (4, 4). Its appearance in process management is at intermediate level (3,8). Organization appear in human resources management the least (3,6). Summarizing it we may declare that organization is mainly connected to corporate management. Comparing organizational tasks related results with the supervising evaluations of Figure 1, we draw the conclusion that the base of high evaluation of organization is the importance of organizational tasks related to the organizational activity. Both received 4,4 evaluations. Before the examinations we supposed that we can indicate larger differences in the qualification of organizational tasks. Research results obviously indicate that the differences are not significant.

#### 4.5. Control

Control is nothing else but the supervision and the measured tasks of individuals and groups, and it provides that performance should act by plans (Fayol 1984). Control is the last chapter of managerial activity, the feedback of the process. Control is an exclusive managerial task, it may be realized in different forms and ways. Of the control related questions we preferred the examination of managerial behaviour, according to the expectations, a corporate must face. We have examined how managers evaluate the corporate suitability to tasks defined at establishment, moreover, social expectations, legal expectations and administrative expectation. Research results are illustrated in Figure 5.

Figure 5. The suitability of the organization to different expectations



Source: own construction 2009.

Results allow us to conclude that managers questioned consider the organizational suitability to founder expectations the best (4,4). They can least meet the social expectations (4,1) and the legal expectations (4,1). Organizations are relatively poor at meeting administrative expectations. Qualification does not reach the expected level and we have to refer to deficiencies. Organizations mainly meet their private expectations and unfortunately, they can least meet environmental expectations.

## 5. Summary

Management is a dynamically developing discipline, it is further justified by many authors and numerous professional literatures, articles. An aspect of this science is the functional approach. Functionality originated from the American development and way of thinking. The Institute of Management and Labour Sciences at the University of Debrecen has worked out a private research program which provide a framework for the study of managerial activity.



Accordingly, we have carried out our researches in this research program where we have selected planning, decision making, organization and control to study in the civic sector. Research mainly included questionnaire survey, among the managers of the civic organizations of Hajdú-Bihar county. Of the managerial tasks, organization was considered to be the relatively most important factor, and control was the least important. Evaluating the functions in details we have revealed that managers usually plan for only a year, and only one fourth of them indicated predictability for more than that. Examining decision making, we wanted to know and identify factors affecting managerial decisions. Respondents revealed that decisions are made mainly by managerial experiences. Organization related examinations revealed that organization mainly appears in the field of corporate management. Finally, we have also examined control, where we have mainly studied the managerial view on organizational expectations. Results show that organizations mainly meet private expectations and it is more important that they relatively weak at meeting environmental expectations.

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