WHICH TRAINING FOR SENIOR MANAGERS OF NONPROFIT ORGANIZATIONS IN AN ERA OF PROFESSIONALISM?

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ABSTRACT
Non-Profit Organizations (NPOs) are still scarcely represented within the work and organizational psychology literature, even if they are growing in both economic and societal terms (Salamon, Sokolowski & List, 2003). The present paper aims at identifying the training needs of senior managers of Italian Non-Profit Organizations, with special reference to Human Resource Management. The theoretical framework we make reference to is that one of Human Resource Psychology, enriched by the perspective on Intellectual Capital. In particular, following the recent contributions by Kong (2007; 2008), according to whom intellectual capital provides a conceptual framework for non-profit strategic management, we tried to investigate the strengths and the weaknesses of senior managers of NPOs on training and Human Resources management, along with the representations of training and educational needs that senior managers express, and the values they attribute to the so-called socio-psychological training.

The research was developed through the administration of a semi-structured interview to 122 senior managers of as many Italian NPOs. Interviews were audio taped and transcribed and subsequently analyzed by trained independent judges. Data analysis has been run using a triangulation of qualitative and quantitative techniques of analysis, discourse analysis, as well as the statistical analysis of questionnaire’s responses. In terms of results, data analysis shows that senior managers of Italian Non-Profit Organizations assess as very different their training needs from those of for-profit and public organizations and they perceive the development of their skills and competencies in Human Resources management as a priority, even if their representation of training and educational opportunities is far to be well defined and clear. In addition, it seems that money and time constraints, combined with poor quality
Introduction: the challenges for NPOs in the third millennium

Since the early 90s Non-Profit Organizations (NPOs) stand out as crucial actors in politics, economics and welfare systems (Salamon et al., 2003). Italian NPOs are 35,232. They are mainly young and fast growing: in fact, 55.2% of those organizations started their activities after 1990 and, finally, they increased by 36.8% between 1999 and 2005 (Rinaldi, 2008). Italian Non-Profit Sector also has an economic relevance: it has an income of about 38 million euros and an expenditure of 35 million Euros (Cnel-Istat, 2008) and employs 3,908,118 paid workers (Rinaldi, 2008). NPOs have to cope with and harmonize different motivations, different working times, different training, different approaches expressed both by the staff and the volunteers. A further element of complexity of the management of Non-Profit Organizations is their being accountable to many and various stakeholders: volunteers, donors, clients/people reached by their services; national and local administrators (with which they often co-operate), state institutions and public services (from which Italian Non-Profit Organizations receive a significant amount of money to fund their activities); just to mention only a few of them.

In addition, NPOs are facing, in the majority of Western countries, an era of professionalism (Cumming, 2008), namely their different stakeholders demand them to prove their efficiency and, in some sense, to be businesslike, notwithstanding their non profit aims (Bozzo, 2000). This is the right time to reflect in critical way about the most weak aspect of NPOs management, that one of Human Resource management and in particular of employee training.

The main research question we start by is “In an era of professionalism, is sufficient for NPOs to plan professional training in order to express the maximum of their potentialities?” And, in more general terms, “what are the key factors for NPOs success in such a new era?”

of training and educational opportunities as well as the selection procedures adopted, have a negative impact on skills and competencies of senior managers of NPOs on Human Resources management.

KEY WORDS Non-Profit Organizations | Strategic Human Resource Management | Training.
1. Intellectual Capital and Strategic Human Resource Management as answers

In order to answer to the above mentioned question, it is important from our point of view to underline the general framework able to sustain NPOs development, which could be that one of strategic human resource management. In particular it seems that employee training does not receive the importance it actually deserves.

Following the recent contributions by Kong (2007; 2008), according to whom intellectual capital provides a conceptual framework for non-profit strategic management (see e.g. Kong, 2007, 2009), NPOs are required to develop their present human resources and generate new skills and competences in order to create innovative services and survive in a more competitive environment.

This explorative research aims at identifying the training needs of senior managers of Non-Profit Organizations, with special reference to Human Resource management.

In this vein, it becomes crucial to collect information on:
- procedures and criteria adopted in order to recruit and select senior managers of Non-Profit Organizations;
- how senior managers are trained in Human Resources management and how they assess their training opportunities in this area;
- how senior managers of Italian Non-Profit Organizations assess their own skills and competences in Human Resources management;
- the relevance and priority assigned to Human Resources management by senior managers of Non-Profit Organizations.

In particular, we formulated the following research questions:
- Which representations do senior managers have of their training and educational needs?
- Which are the strengths and the weaknesses of senior managers of NPOs on training and Human Resources management?
- Which Priority do Senior Managers of NPOs assign to psycho-social training?

2. Psycho-social Training

In the present paragraph we explain in greater details what we mean by training and, in particular, by “psycho-social training”, a key element in the perspective we are proposing.

When we talk about training we are referring to the concept of employee development which can be seen as the key to fostering an organization’s
value (Mayo, 2000). In this sense, we may state that organizations can develop their human capital by attracting individuals with high competence and skill levels from the external labour market and/or by internally developing the knowledge and skills of their current members. Training becomes in this way a very important tool for developing their human capital, especially for small organizations which are quite often limited by resource constraints and are not always able to attract skilled workers from the labour market.

Training, considered as employee development, can be seen along a continuum which goes from being merely mere technical, meant as a way to develop specific competences in employees (like for example foreign language competencies or informatics competencies) to a non-technical level of competence that implies the so-called traversal skills, like the ability to lead a group or to perform in a team group or to communicate with stakeholders, all abilities a worker can use in different occupational contexts and beside the framework of specific tasks assigned to her/him.

We stress such a distinction between a technical side and a psycho-social one in line with those authors (see, for example, Cumming, 2008) who have underlined that the NPOs should eschew technical professionalism in this phase during which their stakeholders demand them to become more professional and, in some sense more businesslike in their activities (Bozzo, 2000).

We have to remark that up to now training has been seen primarily as a way to sustain individual development, so that also the research corpus on training outcomes has focused on the individual level. Actually, it is becoming more and more clear that the most important outcomes of organizational training are based at an organizational level (Haccoun et Saks, 1998; Ramlall, 2003; Tharenou et al, 2007).

In this sense we can echo the works of those authors (among others, see Salas & Cannon-Bowers, 2001; Tharenou et al., 2007) who state that workplace learning and continuous improvement are now considered essential for an organization to remain competitive. In addition, we can extend such a need to NPOs, which are receiving an ever increasing demand by funders, governments and the public to demonstrate their effectiveness (Forbes, 1998; Bozzo, 2000).

It should be quite clear at this point that from our theoretical perspective, psychosocial training, along with staff selection procedures, belongs to a more general strategic human resource management.

3. Methodology

The present explorative research was developed through the administration of a semi-structured interview and an ad hoc questionnaire to 122 senior
managers of as many Italian NPOs. Interviews were audio-taped and transcribed and subsequently analysed by trained independent judges. Data analysis has been run using a triangulation of qualitative and quantitative techniques of analysis, discourse analysis, as well as the statistical analysis of questionnaire’s responses.

4. Main results

Data analysis shows, in general terms, that senior managers of Italian Non-Profit Organizations do not have a clear idea of their training needs, also in comparison to what happens in for-profit and public organizations. In addition, they seem poorly trained with a few possibilities to develop their skills and competence, even if they seem to recognize the importance of both professional and psycho-social training. In the next paragraphs we will discuss in greater details the specific results related to our research questions.

5. Selection and recruitment of senior managers of Italian Non-Profit organizations

Participants were asked about the procedures and criteria usually adopted by Non-Profit Organizations to select and recruit their senior managers. The most quoted procedures are the informal, not structured ones (N=58; 65.90%), such as being chosen directly by the Non-Profit Organization’s president; usually they are already members of the Non-Profit Organization who become the manager of the department or unit where they have been working for several years. Formal, structured procedures were mentioned by only 13 respondents (14.7%). A minority also mentioned the fact that in some cases the senior managers are those who founded the Non-Profit Organization, or those who, at least, have been members of the Non-Profit Organization since its beginning. Criteria adopted to choose a senior manager are, according to the interviewees, “seniority in the organization” (N=34; 38.6%); in second place is the “experience gained in the same field of action as the Non-Profit Organization” (N=16; 18.1%); holding a formal education diploma or degree is mentioned only by six participants (N=6; 6.8%).

Those answers precisely reflect the procedures and criteria adopted in the organizations where respondents work (Table 1). Asked about their own organization, the most quoted criteria adopted are: “seniority in the organization” (N=36; 40.9%); “experience gained in the same fields of action as the Non-Profit Organization” (N=23; 26.1%); “holding a formal education diploma or degree” (N=7; 7.9%).
82.9% (N=73) of respondents said that seniority and previous work done in the organizations are important criteria for recruitment of senior managers; this criteria seem to be quite widespread among Non-Profit Organizations, according to participants (Table 2).

The relevance of seniority in the organization is evident also from another datum: 82.9% (N=73) current senior managers of participants’ own organization were already working in the same Non-Profit Organization before being recruited as such.

6. How senior managers of Italian Non-Profit Organizations conceive training in Human Resources management

All participants (N=88; 100.0%) believe that Non-Profit organizations have specific training needs, different from those of Profit Organizations but training opportunities offered to senior management of Non-profit Or-
ganizations are evaluated as “fully” or “partially adequate” only by 9 respondents (N=9; 10.2%); 68 interviewees (N=65; 77.3%) consider them “inadequate”.

According to respondents, senior managers are mainly on-the-job trained (N=35; 39.7%); they also attend informal courses, quite often organized by umbrella organizations (N=28; 31.8%). In terms of training, having a specific degree or diploma, related to their job is much less mentioned (N=15; 17.1%)

The majority of participants (N=63; 71.6%) say senior manager of Non-Profit organizations feel they need more training and almost half of them (N=40; 45.5%) believe there is a “strong” feeling about it.

The most quoted obstacle to receive more training is money constraint (N=62; 70.4%), followed by time constraint and poor quality of training and education opportunities (Table 3).

<table>
<thead>
<tr>
<th>Obstacle</th>
<th>N.</th>
<th>%</th>
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<tbody>
<tr>
<td>Money constraint</td>
<td>62</td>
<td>70.45</td>
</tr>
<tr>
<td>Time constraint</td>
<td>14</td>
<td>15.91</td>
</tr>
<tr>
<td>Poor quality of training opportunities</td>
<td>13</td>
<td>14.77</td>
</tr>
<tr>
<td>Training is not considered important</td>
<td>11</td>
<td>12.50</td>
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</tbody>
</table>

In term of the skills and knowledge that are absolutely necessary to a senior manager of an Non-Profit Organizations, the most quoted are “management and organizational skills” (N=40; 45.4%); half of those are explicitly quoted by respondents as “Human Resources management skills” (Table 4).

<table>
<thead>
<tr>
<th>Skills/Competencies</th>
<th>N.</th>
<th>%</th>
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</thead>
<tbody>
<tr>
<td>Management and organizational skills</td>
<td>40</td>
<td>45.45</td>
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<tr>
<td>Leadership and entrepreneurship</td>
<td>27</td>
<td>30.68</td>
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<tr>
<td>Knowledge related to the NPO’s specific field of action</td>
<td>20</td>
<td>22.73</td>
</tr>
<tr>
<td>Legal and fiscal knowledge</td>
<td>11</td>
<td>12.50</td>
</tr>
<tr>
<td>Administration knowledge</td>
<td>6</td>
<td>6.82</td>
</tr>
<tr>
<td>Fund raising knowledge and competencies</td>
<td>4</td>
<td>4.55</td>
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Not surprisingly, the most quoted training needs of the senior management of Non-Profit organizations identified by interviewees are “management and organizational skills” (N=44; 50.0%) of which 23 (N=23; 26.1%) make explicit reference to Human Resources management. 71.6% of participants believe that senior Managers of Non Profit Organizations do not have enough competencies, skills and knowledge of Human Resource Management and 82.9% (N=73) think that training them in Human Resources should be considered as “important” or “very important”, while only (N=4; 5.0%) consider it “little important”. In the past 12 months, in a large majority (N=76; 86.5%) of respondents’ organization senior managers have taken part in a training opportunity, mainly in a specific issue related to their Non-Profit Organization’s field of action (N=39; 51.3%), followed by legal and fiscal issues (N=19; 25.0%); entrepreneurship and leadership (N=12; 15.7%); in only three organisations (N=3; 3.9%) has there been a place for Human Resources training.

6. Conclusions

To sum up our results, senior management of Non-Profit organizations do not seem to receive proper training in Human Resource Management; they are mainly self taught; therefore their skills and competencies in this field appear to be mainly self-referential. In fact, managers of Non-Profit organizations build their competencies mainly through their direct experience and in the second place by attending courses organized by other consultancy entities. It seems to us that this, in turn, may lead to a misconception of what training is or should be, with the consequence that NPOs manager do not seem fully conscious of their real training need; in terms of work and organizational psychology this means that before the real intervention NPOs should receive a sort of education to better understand and visualize what actually they urge (Carli & Paniccia, 2004).

In addition, most of the senior management of the considered Non-Profit Organizations have come up through the same organization; this seems to be a common procedure according to 78.4% (N=69) of participants. This procedure can guarantee a deep knowledge of the organization but cannot guarantee that senior and middle managers develop adequate knowledge and competencies of Human Resource management. In particular this aspect of so-called seniority and experience recalls an idea of training as being more technical and professional rather than psycho-social and able to develop traversal skills (Avallone, 1994). A further reason for the lack of skills and competencies in Human Re-
resources management is due to the selection and recruiting procedures. It has to be noted that a high percentage of respondents mentioned that Non-Profit Organizations do not use formal or structured procedures. In addition many respondents said that Non-Profit Organizations assign importance to seniority within the same organization or to previous work done in another organization operating in the same field of action, when they select senior managers. Very few Non-Profit Organizations use more effective and structured procedures, like hiring a consultancy recruitment agency or making use of job analysis and job description.

Senior Managers have access to training opportunities, as shown by the large number of respondents who affirmed that in their own organization in the past year senior managers had taken part in at least one training opportunity. Those opportunities cover mainly aspects that are strictly necessary and urgent, like the law on compulsory rules on workplace safety or aspects related to the field of action of the Non-Profit Organization. Nevertheless, there is a need for more training in neglected and crucial issues in terms of strategic management, like Human Resources management, that can offer a competitive advantage to any organization. Access to more training is limited internally mainly by money constraint, followed by time constraint. It can be supposed that in some cases there is also a need to legitimise the need for training: that might explain why some respondents said there is a lack of priority assigned to training (N=11; 12.5%). Training is also limited by external causes: training opportunities offered are mainly considered as “poor”. Although it is a fact that respondents consider training senior management in Human Resource management both “a priority” and “inadequate”: 82.9% (N=73) think that training in Human Resources should be considered as “important” or “very important” and 77.3% (N=68; 77.3%) consider training opportunities “inadequate”. Furthermore, senior managers (N=40; 45.4%) consider “management and organization skills” very important.

This research is to be further developed, in order to reach a bigger sample. Nevertheless, according to this preliminary study, it seems that there is much to be done with Non-Profit organizations in terms of developing knowledge in Human Resource management. In particular, our results suggest, in terms of interventions, that in this era of professionalization it is urgent for NPOs to plan a training conceived not only as technical and professional but rather focused on psycho-social and traversal skills.
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