

Levels of an organisation

The model or way of looking at an organisation sees the organisation as a complex living organism with 6 levels of complexity. Each level has a greater or lesser effect on the others.

LEVEL 1 - PHYSICAL LEVEL

This is the simplest level. It includes the physical attributes or assets of the organisation. The buildings, the furniture, the information files, the people, the vehicles, the money in the bank or lack of it etc, Whether or not the organisation has enough assets to deliver its service will affect how and whether it can or can't deliver this service. How the organisation cares for and manages these assets will also have an influence on the longer term ability of the organisation to service its clients. So, on this level it is important to ask about assets and how they are managed or controlled.

LEVEL 2 - THE PROCEDURES, SYSTEMS AND STRUCTURE

"Administration" is the normal word used in NGOs to describe this level. This level includes all the work procedures, the formal rules, systems and structures. What is the work flow? How is it handled, controlled, improved etc? How is the staff paid? Are clients charged? What system is there to follow up to see they have paid? How are expenses charged and reimbursed? How are the books kept? Who controls the funds, deals with funders etc?

Is the structure the best way of working in order to deliver the service needed by the clients? Is it working? Are there inconsistencies or conflicts between different sections of the organisation? Is there a set way of monitoring progress or success? What is the evaluation system used in the organisation, is this regular how are the results of the evaluation used to refocus the effort?

Is this level it is again the formal side of the organisation which is under the spotlight. In many of our NGOs this level does not receive enough attention. It is a level that brings administrative form to an organisation. Without enough form it is impossible to deliver the productivity needed. The trick in any organisation is to be administratively efficient without falling into the trap of becoming a bureaucracy.

One important system, which lies in this area, is training. Is there any training? Does everybody get enough? How is its impact measured? Is the training supported when the trainee reports back to the organisation? Are the learnings shared in some formal way?

LEVEL 3 - RELATIONSHIPS

On this level the human interaction is investigated. Are people working as a team? How is the communication? Is there conflict? Do people feel supported or unvalued? The level also looks at the existing roles that people are playing. It deals with both the formal and informal issues that arise when any group of individuals work together.

LEVEL 4 - VALUES, CULTURE, POLICIES

This is the informal and often subconscious part of the organisation. It includes the mutually practised norms, principles, guidelines or values that people use to take daily decisions in the organisation. Some policies in the organisation may be consciously chosen and even written down but generally are implicit and unrecorded - simply "the way we do things around here."

LEVEL 5 - IDENTITY

The identity of an organisation can be described as its "spirit" or its "essence". It is the fundamental reason why the organisation exists, what it has been established to do in the world. At the beginning, this is very clear. Later, the people within an organisation may not share a common picture of what the identity is and they will consequently not be united in their efforts.

LEVEL 6 - ENVIRONMENT

Every organisation operates in an external environment in which their clients also live. The environment-political, cultural, economic or social is not stable and is continually changing. These changes often require a new response from the organisation and its staff. The changing environment can mean changing expectations, needs, trends or demands on the organisation.

Each level is not a separate entity and they do interact and influence other. For instance the levels 1 & 2 (Physical and Procedures) bring stability and form to the organisation. They also tend to perpetuate the past. Levels 4 & 5, on the other hand, demand building a picture of a preferred future. They trend to encourage creativity and release the will and enthusiasm. Levels 4 & 5 also have a strong effect on levels 2 & 3. Every procedure is set using the values in vogue at the time. If, for instance, there is a strong value of control in the organisation, then any new procedure will be set to reflect the need for central top-down control. If, on the other hand, an organisation has a value of encouraging creativity and responsibility the procedure written will trend to reflect similar values.

Many symptoms first mentioned by organisations lie on levels 1 & 2, e.g. "Communication is bad!" "They don't tell us what we need to know." Generally an investigation shows that people have enough physical means such as telephones, faxes etc. They may even have extensive reporting systems to keep everyone involved. Sometimes it is seen that actually there is an unspoken, even subconscious norm in the organisation that says "They don't need to know" or "we're too busy" or something else was more important.

Unless these norms are recognised and actively changed no amount of buying new faxes, phones or introducing new reporting procedures will solve the problem. In other words **once a diagnosis has been made an intervention needs to be chose which will address the problem on that appropriate level.** Using the example above the individuals must begin to actively keep each other informed in spite of how busy they are or what hardship is involved. In other words they must take on new habits or norms.

These levels, if the organisation is made aware of them, can act as a tool to help the organisation see itself to observe, diagnose and take the appropriate level action to a more appropriate (for them at that time) way of working. Some typical interventions

for each level are shown in Table 1. In Table 2, a diagnostic map is shown of how each level typically changes as the organisation develops. (See Appendix 3 for the phases of organisation development.)

TABLE 1

Levels of complexity in an organisation

| Levels of complexity | Description | Intervention strategies |
|--------------------------|---|--|
| 6. Environment | The social, economic and political situation in which the organisation functions. Changing needs, changing expectations and trends. | Linked to "identity". Analysis of what is needed and what is appropriate. Strategic thinking. |
| 5. Identity | Fundamental purpose and essence of the organisation, its "raison d'etre." The spirit of the organisation. | Culture change, develop a common vision, sense of uniqueness and organisational renewal, fundamental strategic thinking. |
| 4. Values | Policies, principles, norms - what we prize and use as guideline. | Clarify values, work with conceptual skills, develop policies. |
| 3. Relationships | Co-operation and the way in which people work together. The informal aspect. | Team building and social skills training, conflict resolution, improving meetings, common problem-solving groups. |
| 2. Structures/procedures | Procedures, work processes, structure. The formal organisation. | Develop suitable procedures and systems, formal management training, organisational solution, setting up communication networks. |
| 1. Physical level | Building tools, equipment and technical resources, manpower and all other tangible and quantifiable aspects. | Obtain what is needed, fix or adapt, usually a material solution, formal training of staff |

TABLE 2**Diagnostic map of organisations in the 3 phases of development**

| | Pioneer | Differentiation | Integration |
|---------------------------------|--|---|---|
| 1. Physical | Posters Small room Shack | Multi-level Security | Warm User friendly |
| 2. Procedures | Informal Flexible None/my way | Formal Inflexible Top-down | Effective Human Flexible |
| 3. Quality of relationship | Close Open Friendly | Minimal interaction Communication on paper Formality | Nurturing Participative Respectful |
| 4. Values, policies and climate | Values Personalised Family Personal pioneer | Strong on rules Resolution Technical Authoritative | Integrity Respect for individual Client focus Risk taking Holistic Inclusive Integrated |
| 5. Identity | Identity bound up with pioneer | Reflected in physical Strong at top Weak at bottom | Achieving relevance Purpose driven |

Sources:

James Taylor: Organisation and Development – Towards building a practice, CDRA, Cape Town, 1999