Non-Governmental Social Responsibility Communications

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Abstract

In developing countries such as India, Non Governmental Organizations (NGOs) play a significant role in fostering development. In order to continue their development role it is critical that NGOs are accountable to the various stakeholders including donors, corporations, governments and communities they serve. One mechanism to ensure accountability for NGOs is through Non-Governmental Social Responsibility Communications (NGSRC). Proper NGSRC ensures continued funding from donors and international development agencies, linkages with government entities (central, state, district, local *panchayat*) and access to the communities they serve. NGSRC involves the dissemination of information that enhances an image of social responsibility; it provides stakeholders and other audience members with disclosure about the organization's procedures, metrics, beliefs, and actions concerning social responsibility.

Given the range of stakeholders that NGOs are accountable to, NGSRC can be a complex process. Many NGOs are accountable to international, national, and regional partners and as such a NGSRC policy needs to encapsulate a cross-cultural perspective. Furthermore, NGOs are also dependent on resources provided by the various stakeholders. In this research we develop a theoretical model of the relationships between socio-cultural values, NGO use of NGSRC, and stakeholders' evaluations of NGSRC. The NGSRC model is developed based upon impression management and resource dependence theories, and provides direction to NGOs in order to create culturally tailored and effective communications. This model is applied in the context of two NGOs; one operating in an urban setting (National Capital Region) while the other one is in a rural environment (tribal belt of AP).

Introduction

Non-government organizations in developing countries exist given the inability of the public and/or private sector to deliver services to the weaker sections of society. Non-government organizations generally rely on funding from foundations, developmental aid agencies, governments, corporations and private parties. These resources carry expectations in terms of delivering benefits to the targeted communities. In addition, in order to access the targeted communities, it is critical that NGOs gain the trust of the local citizenry. Developing trust and meeting expectations requires specialized social responsibility communications.

Thus, for the long-term survival and effectiveness of an NGO, it is critical that they not only invest in tailored communications but also fundamentally create an organizational process to ensure the sustained flow of information.

NGOs maybe good in implementing interventions, but generally lack sophisticated business skills. In this research, we provide a typology that can be used as a road map for NGOs in establishing an appropriate level of Non-Governmental Social Responsibility Communications (NGSRC).

The literature for Non-Governmental Social Responsibility Communications (NGSRC) is almost non-existent. In addition, the NGO sector is not regulated such as the financial sector, and as such there are no prescribed templates, format and/or processes that NGOs need to follow.

NGOs that do create Non-Governmental Social Responsibility Communications (NGSRC) in almost all cases are responding to the requirements of a major donor. Some NGOs will create their own limited NGSRC as a means to reach out to a plethora of donors or as a way to monitor, control, and manage their operations.

Given the sheer size and scale of developmental activity in India and elsewhere, the time has come to develop a model for Non-Governmental Social Responsibility Communications (NGSRC).

In this research we will first explore the applicable literature to ground our model. A typology will then be developed to provide a prescription to NGOs.

Reframing the NGO

NGOs can use NGSRC to projection their reputation and gain legitimacy. Reputation and legitimacy is critical to ensure the continued flow of funds. The construct of reputation is described in both the strategic management and sociological literatures. In the strategic management literature, reputation is defined as an attribute that reflects the extent to which

stakeholders see the entity as a good organizational citizen (Roberts and Dowling, 2002); where as in the sociological literature, reputation is defined as a "subjective collective assessment of the trustworthiness and reliability" of an entity (Fombrun andRiel, 1997). Legitimacy is "the generalized perception . . . that the actions of an entity are desirable, proper, and appropriate" (Suchman, 1995; p. 573); reputation is the relative standing of an organization (Deephouse and Carter, 2005) relative to its mission.   In the long run organizations (including NGOs) are rewarded for having legitimate reputations (Ashforth and Gibbs, 1990); legitimacy is conferred when stakeholders endorse and support an organization's goals and activities.

As there is limited research in regards to legitimacy and reputation for the developmental sector, we can examine similar constructs in the corporate sector. In the business world Corporate Social Responsibility (CSR) can be considered as representing 25 percent of an organization's reputation assets (British Telecom, 2002). In the non-governmental sector it can be presumed this ratio maybe even more significant. An enhanced reputation influences clients/community satisfaction (Birth et al., 2008) and aids in marketing a "product" (APCO, 2004) to current or potential donors. A "product" in the NGO sector could be a project, intervention or services provided to the vulnerable communities. Furthermore, CSR communicated to employees has been found to increase employee satisfaction and commitment, reduce turnover, and enhance the reputation of the organization as a future employer (Bevan and Wilmott, 2002; Joyner and Payne, 2002). Likewise we can assume that NGSRC would help strengthen NGOs internally.

Towards a Theory of Non-Governmental Social Responsibility Communications

NGOs have a multitude of stakeholders they are accountable to; private donors, foundations, international development agencies, governments, and of course the communities they serve. Each stakeholder will exert a different level of power on anNGO given the level of resource or access they provide. In addition, the various stakeholders view the NGO activity through their specific cultural lens. The flow of resources from a donor to NGO and then to a community may indeed traverse several cultures. In this research we develop a typology for NGSRC based upon the differences in power and culture. In building this typology we first

need to identify structural variables that can be combined into a process variables that adequately captures NGSRC properties.

Cultural variation structural variable.

Culture is the collective programming that distinguishes one group or category of people from another (Hofstede, 1980). It can be defined as "beliefs and values that are widely shared in a specific society at a particular point in time" (Ralston et al., 1993). An important aspect of culture is that it reflects shared meanings, values, and norms. In a vast country like India, cultural differences occur at regional and community level. Hence, tribal communities in rural Andhra Pradesh may have very different shared meanings, values, and norms relative to rag-pickers in the National Capital Region of India.

Cultural values can influence communication practices within NGOs and between organizations and their stakeholders.   When an agent reaches a communication point, cultural frames of reference may influence communication intentions and communication (Tata, 2000). Since NGSRC involve interactions between an organization and stakeholders, the NGSRC used by a NGO can be influenced by the socio-cultural frames of reference of organizational decision-makers. Similarly, the interpretation of NGSRC will be influenced by the socio-cultural frames of reference of the target audience, i.e., stakeholders or communities.

Thus, the socio-cultural context in which organizations operate can determine the appropriateness of NGSRC and create potential communication problems between organizations and stakeholders. Communication problems in intercultural contexts can occur because of two types of difficulties: 1) people may use inappropriate communicative acts because norms of communication appropriate in one culture may appear to be inappropriate in another and 2) people may negatively react to a communicative act that deviates from culturally acceptable norms of communication (Tata, 2000). As cultural distance increases between NGO and stakeholders (i.e., as their socio-cultural values become more dissimilar), the use of communicative acts inappropriate to the situation and the negative evaluation of NGSRC will also increase.

NGOs need to make implicit predictions about communications necessary to meet the expectations of stakeholders. Based on these predictions they may choose the types of NGSRC that maximize the flow of funds, access to resources and communities. Effective communication occurs when the person receiving the accounts gives the same meaning to the accounts as the account-giver (Triandis, 1994); such isomorphic attributions are likely to

result in positive evaluations of NGSRC. The meaning attributed to NGSRC, however, is often dependant on socio-cultural frames of reference. In cross-cultural communication situations, there is a greater possibility of non-isomorphic attributions, that is, the target audiences of the communication (i.e., stakeholders) interpret the message differently from the organizational decision-makers who formulated the NGSRC.Cultural variance can result in negative evaluations of NGSRC (Tata, 2000). As such NGOs need to invest more in donor/community tailored communications.

Proposition 1: Socio-cultural values influence evaluation of NGSRC, i.e., as the cultural distance between organizational decision-makers and stakeholders increases, NGOs need to invest more incustomized communications.

Stakeholders' power structural variable.

Resource dependence conceives an organization operating within an open system that faces environmental uncertainty (Katz and Kahn, 1978). Resource Dependence Theory (RDT) views organizations as embedded in a web of exchange relationships within an uncertain environment and dependent on other entities for survival (Pfeffer and Salancik, 1978). RDT provides an explanation for why stakeholder communities are able to influence the practices of an organization (Maignan and McAlister, 2003), based on the fact that "an organization must attend to the demands of those in its environment that provide resources necessary and important for its continued survival." Formation of a close long-term relationship is a means of reducing uncertainty and managing dependence. A major implication of RDT is the identification of dependence and uncertainty as critical antecedent variables underlying the formation of inter-organization relationships (Fynes, De Búrca, Marshall, 2004). Stakeholders are identified in the literature as any group of individuals that can affect or is affected by the achievement of the organization's objectives (Achterkamp and Vos, 2008). A number of stakeholders provide key resources to NGOs. NGOs are dependent on these stakeholders for their long-term survival in terms of access, funds and supplies. Relevant stakeholders include private donors, foundations, developmental agencies, government entities, local community leaders and even the recipients themselves. For NGOs, communications is a key part of a sustained partnership with their respective stakeholders. As the relative power of stakeholders increases (e.g. concentration of funds) the NGO will have to provide more complex knowledge to maintain the relationship.

Proposition 2: The relative power of stakeholders influences the form of NGSRC,i.e., as the stakeholders' power increases, NGOs need to provide more complex information.

NGSRC information specialization process variable.

In this research we apply typology building methodology whereby we can assemble two or more structural variables into a process variables. Cultural variationvariable within the NGO network can be classified as low, medium or high. Low variation occurs when all the stakeholders and the NGO belong to the same or similar community within a country. Medium variation would occur when there is one variation either in terms of community or country within the network. Finally, high variation occurs when there are players in the networking hailing from three or more different communities or countries.

Resource dependence structural variable can be classified as low, medium or high. Low power occurs when the NGO financially is generating a predominate amount of resources internally as in the case of micro-credit institutions. Medium power occurs when there are multiple donors and access to recipient communities is rather open. Finally, high level of power occurs when there is a concentration of funds coming through a single or few donors, partnerships with the government are necessary and access to the communities is difficult. Based upon these two structural variables we can create a process variable with nine (3x3) cells defined as *NGSRC information specialization* accounting for cultural variance and power difference (Figure 1).Types of NGSRC information specialization"products" includedisclosure about the organization's procedures, metrics, and R&D. The degree NGSRC information specialization can be defined by the following properties: breadth of domain (single vs. multiple), rate of change of domain(s) (low vs. high), depth of domain (common vs. expert), comprehensiveness of systems outputs (limited vs. extensive), breadth of information inputs (limited vs. range), and ambiguity of information inputs (low vs. high) (Table 1).

Figure 1. Typology of NGSRC information specialization.

NGSRC information specialization		Cultural variation		
		Low	Medium	High
Stakeholders' power	High	1,3 Medium	2,3 Medium – high	3,3 High *Hub n' spoke*
	Medium	1,2 Low-	2,2 Medium	3,2 Medium -

		medium	*IPCA-IDS Rag-picker education*	high
	Low	1,1 Low *IPCA-solid waste*	2,1 Low-medium	3,1 Medium

Discussion

Based upon the typology in Figure 1, we can now classify different NGO interventions. In this study we examine the three different social responsibility interventions.

Case 1.Providing integrated education (grades 1 through 10) to tribal children in rural Andhra Pradesh through a hub and spoke program. A number of network stakeholder partners are involved in providing these services. Specifically, a US based non-for profit organization (India Development Service) provides much of the funding. In tandem, a Visakhapatnam based NGO (Global Aid) provides the administrative support, while locally Lions Family Welfare Planning Trust provides local infrastructure and access.   This intervention requires a high degree of coordination with the *panchayats* in the respective tribal hamlets and *mandal* level school officials. Within this network there is a diversity of cultures including US, mainstream Andhra Pradesh and tribal. As such there is a high degree of cultural variance and the NGOs need to invest more in customized communications. In addition, the administrative system of the network needs to generate more complex information given high degree of stakeholder power within the network. As such the NGSRC information specialization of this intervention would be classified as high (3,3).

*Case 2Providing basic primary education to the children of rag-pickers in the NCR region of India.*In this intervention there only two main parties involved. India Development Service provides funding for direct expenditures (direct staff, material) where as India Pollution Control Association (IPCA) provides the necessary indirect resources and access to the rag-picker communities. India Development Service is a US based organization, while IPCA is based in the National Capital Region of India. The rag-picker community primary hails from Bengal and Bihar but over time has culturally adapted to many of the Northern Indian norms. In this intervention, there is some degree of cultural variance (medium) and a shared distribution of power among the three parties (IDSUSA, IPCA, rag-picker communities). As

such, we can classify this intervention requiring a medium level (2,2) of NGSRC information specialization.

Case 3 *Organizing the informal sector in the solid waste flowsin the NCR region of India.* Thousands of "rag pickers" working in the informal sector manually collect, pick, sort, transport solid waste from households/businesses or from mountains of waste being deposited by municipal corporations. India Pollution Control Association (IPCA) coordinates the flow of material, information, and money to create organized networks. This organized network has additional efficiency resulting in greater recycling yields and improved incomes. In this intervention IPCA works independently of any other major stakeholders and is financially self-sustainable. As such there is minimal stakeholder power over the IPCA operation. Furthermore, there is minimal degree of cultural variance as the rag-picker community primary hails from Bengal and Bihar but over time has culturally adapted to many of the Northern Indian norms. As such, we can classify this intervention requiring a low level (1,1) of NGSRC information specialization.

Based upon the level of NGSRC information specialization, NGOs need to be cognizant of the corresponding properties (see Table 1). For example, in the case of a high degree of NGSRC information specialization, a donor might aska NGO to conduct Research and Development (R&D) for a possible health care intervention. In conducting R&D it can be safely assumed that would be that the breadth of domain is often multiple (health care, developmental sector, supply chain), rate of change of domain(s) is generally high (findings from recent literature), depth of domain is usually at the expert level, comprehensiveness of systems outputs tends to be extensive (preventative rural health care), and breadth of information inputs might have a large range with a high degree of ambiguity (qualitative and quantitative methods)**.**

Developing a dedicated sophisticated Non-Governmental Social Responsibility Communications (NGSRC) program could be quite a burden for a small NGO. Thus, NGSRC should be developed as part of an overall strategy where the necessary resources are in place for the overall NGO operation, but called upon when a key stakeholder requests a certain type of communication. Alternatively, NGOs could develop a strategy to relying upon multiple local donors as opposed to large overseas ones. This strategy would require less demanding Non-Governmental Social Responsibility Communications (NGSRC).

Conclusion

NGOs are dependent on the goodwill of the recipient community, relationships with government institutions, and donor agencies. Non-Governmental Social Responsibility Communications (NGSRC) is a critical tool for the continued access to communities, resources and funds. The NGSRC information specialization is a function of the cultural variance and relative power of the various stakeholders in the network. In a cultural diverse network where the power is concreted among a few donors, the NGO will have to invest time, money and resources in NGSRC.

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Table 1. NGSRC information specialization properties.

Properties	*Definition*	*Degree of NGSRC information specialization*		
		Low	Medium	High
Breadth of domainHackathorn and Karimi (1988) Meyer and Curley (1991)	Number of specific fields of expertise employed	single		multiple
Rate of change of domain(s) Meyer and Curley (1991) Xia and Lee (2004)	Rate at which expertise becomes obsolete	low	moderate	high
Depth of domainHackathorn and Karimi (1988) Meyer and Curley (1991)	Educational level and duration of study	common		expert
Domain penetration Meyer and Curley (1991)	Degree of computerization in specific domains	little	partial/moderate	complete
Comprehensiveness of system outputs Meyer and Curley (1991)	Range of outputs, e.g., problem diagnosis recommend actions, actual solutions hypothesis testing	1	2-3	4
Breadth of information inputs Meyer and Curley (1991)	Range of sources of information	1-2 inputs	3-4 inputs	5 or more
Ambiguity of information inputs Meyer and Curley (1991)	Ambiguity of raw data inputs	low	moderate	high