Analyzing Human Service Organizations

Netting defines human service organizations as “the vast array of formal organizations that have as their stated purpose enhancement of the social, emotional, physical, and/or intellectual well being of some components of the population.”

- People are the “raw material”
- Human service organizations operate on people themselves
- The focus is on improving the quality of life of their constituents, or clients
- Human service organizations “are mandated – and thus justify their existence – to protect and to promote the welfare of the people they serve.”

Services are provided in such a way that also promotes the overall welfare of the public.

Human service organizations may be classified as 3 types corresponding to the 3 major sectors of the economy: public, non-profit, and for-profit.

There are several ways of looking at organizations when problems develop. Too often when agencies are not meeting their goals or functioning well, changes in personnel are the quick fix. We need an organized way of understanding and analyzing organizations, which looks at the structure and all it’s components

Hasenfield discusses a framework for analyzing organizations that includes

1. The agency and interorganizational relationships
2. The functioning of the agency itself

In other words, examining the environment in which the organization exists and the relationships within that external environment and the structures and relationships within the organization.

Hasenfield – 3 components of task environment
1. generalized agency environment (org, entities, and systems important to the org)
2. market relations with entities that receive an agency’s outputs and with those offering complementary or competing services
3. regulatory groups

The following is one system for examining an organization used in Netting. It is very much a “follow the dots” kind of system. My bias is that as with other types of assessment, (including client assessment), there is not one right way. Other models could be as helpful. For example, the model used by Rapp and Poertner in chapter 2 could help you diagnosis program problems. The model discussed here is broader and helps you look at the structure of the organization or agency as a whole. It is applicable to large or small organizations. It is a helpful guide, but as with all recipes, not foolproof and the information it yields is dependent on the diligence and in some places the interpretation of the user.
The framework is broader than what you have been asked to do in your organizational scan. I am following the framework outlined in Netting. You will have to select the areas you need for the scan. But obviously you should have all the information possible for your present learning and future use.

The framework is essentially divided into two major foci:
1. Identify the Agency’s task environment and assessing relationships
2. Analyzing the organization

Obviously these are related to Hasenfield’s framework. Each focus is then divided into a series of tasks to accomplish and within each task, a series of questions to answer.

I. **Focus A Identify the Agency’s Task Environment and assessing relationships.**

This focus has 6 tasks related to collecting information regarding organizational boundaries. Thompson defines the “task environment” of an organization. Task environment provides raw materials and resources and imposes constraints. Task environment includes those elements that are particularly relevant to a specific organization – elements that enable the org to operate and set the basic contexts for operation. According the Dill (1985), the task environment includes:

1. customers (distributors and users)
2. suppliers of material, labor, capital, equipment, work space
3. competitors
4. regulatory groups

A. Task 1 Identify sources of cash and non-cash revenues

Major revenue sources for Human Service organizations
- Government funds
  - Direct government appropriation (For example, Head Start receives federal allocations. Does Social Services in Co?)
  - Government purchase-of-service contract funds (Would Social services contracting for foster care be an example?)
- Government grants
- Matching funds
- Tax benefits (Non-profit organizations do not pay sales tax at the grocery store. That is indirect funding. Other examples?)

- Donated funds
  - Direct charitable contributions (from individuals, groups, and associations such as religious groups)
  - Indirect contributions (ex. Through United Way)
  - Private grants (ex. Foundation monies)
  - Endowments
- Fees for service
  - Direct payments from clients
  - Payments from third parties (ex. Private or public insurers – Medicaid or Blue Cross/Blue Shield)
- Other agency income
  - Investments (ex. Interest, dividends, royalties)
  - Profit-making subsidiaries
  - Fundraising events and appeals

Where funds come from can explain constraints on an agency or the agencies flexibility. How much and what percentage of the agency’s total funds are received from each source?

Noncash revenues:
- Volunteers (ex. Board of directors)
- In-kind contributions
- Tax benefits

B. Task 2 Assess relationships with revenue sources

What is the quality of the relationship between funding sources and the agency? The resource dependence model posits that external bodies on which an organization depends for vital resource are often more powerful determinants of organizational action than internal factors. So, how would you go about assessing relationships to funding sources? Obviously this requires more interpretation than simply looking at where funding comes from. So think about with whom you would talk. Where would you go for information? The following table could be helpful. See Netting Table 8.3

<table>
<thead>
<tr>
<th>List relevant funding sources</th>
<th>Describe nature of communication, length of relationship, changes in funding</th>
</tr>
</thead>
<tbody>
<tr>
<td>Contract with state department of social services</td>
<td>Quarterly site visits; have contracted for 12 years; funding has always stayed steady or increased</td>
</tr>
<tr>
<td>Client fees</td>
<td>Most clients are seen on a weekly basis; they either pay directly or through their insurance plan; client fees have declined 2 percent in the past three years</td>
</tr>
<tr>
<td>Charitable donations</td>
<td>Largest donations come from church groups; agency staff visit church representatives once a year; donations have increased 3.5 percent in the past year</td>
</tr>
</tbody>
</table>

Another question to ask is has resource dependence contributed to goal displacement?
Task 3 Identify Client population and Referral Sources

What are factors you can use to understand clients?
For example:
What clients are served?
What problems and needs do they have?

One approach is:

1. What problems are being addressed?
2. Clients’ perspective on etiology
3. Various community perspectives on etiology
4. How well client and community needs are being addressed

A 2nd approach is a demographic profile, comparing clients to the population in need

A 3rd approach: Explore the financial relationship between the clients and the agency. Those who pay for services often are not the same as those who receive services. Also look at referral sources. Who gets left out?

Task 4 Assess the Agency’s relationship to client population and referral sources

1. What is the organization’s domain? Specifically for what types of expertise is the agency recognized? Domain also refers to what the agency does and whom it serves – the agency’s niche or role.
   Domain legitimation refers to acknowledgement of the claims the agency makes
   Defacto domain – Disparity between what an organization says are its boundaries, the claimed domain and what these boundaries actually are. Following funding affects domain. An agency may “chase dollars” and end up with a defacto domain.
   Boundary control refers to the ability of the agency to reject clients that it does not wish to serve.
2. Does the agency claim a larger domain than it serves?
3. Does demand for services outstrip supply or is there unused capacity?
4. What types of clients does the organization refuse? (e.g. are there disproportionate numbers of poor, elderly, persons of color, women, persons with disabilities, gays/lesbians or other groups that are typically underserved?)

Human service agencies adjust their boundaries according to a wide range of factors, sometimes to the easiest, most profitable to serve (creaming). Being poor, having complex, long-standing problems are characteristics that simultaneously increase the level of need, yet ironically decrease the likelihood of being served.

Task 5 Identify other important organizations in the task environment

The general public usually provides social sanction for an agency. What are indicators of public opinion or social sanction for your agency?
Indicators of public opinion usually include:

- Elected representatives
- Interest and advocacy groups
- Civic organizations
- Funding sources – indicate indirectly public views
- Mass media

There are also organizations that do not provide resources but set the context for the agency. e.g. govt contracting agencies, agencies that levy taxes, monitor accounting, etc.

Task 6 Assess the Agency’s relationship to other important organizations in the task environment

Relationships to other agencies may be competitive or cooperative, or a mixture. One can assess the perception of the agency by important organization in the environment and look at the level of interaction between Human Service agencies within the community.

Levels of interaction:

1. Communication
   A. Formal
      Information and referral
      Using brochures, pamphlets
   B. Informal
      (1) Groups meet to discuss community issues
      (2) Staff talk about their programs at conferences
   C. Sharing of information must be nurtured. Written agreements often developed.
      Problems can be breakdown in delivery of services because of breakdown in communication resulting from new staff.

2. Cooperation – occurs when units within the community agree to work toward similar goals.
   Examples:
   Corporate volunteerism – employees volunteer in agencies
   Businesses may give employees release time volunteer, loan employees to a human service agency, establish a non-profit foundation to aid non-profits, or donate goods, computer, food, etc.

3. Coordination – more formalized and structured than cooperation, more focus on continuum of care
   Implies a concerted effort to work together. Often with written agreements outlining how coordination will occur.
   Case management is an example – oversight as consumers receive services from multiple units.

4. Collaboration – a joint venture
   A. An agreement in which 2 or more units within the community agree to set up a new program or services.
B. Coalitions – another type – a loosely developed association of constituent groups and organization each of whose primary identification is outside the coalition (usually temporary)

5. Confederation – units within the community merge (often one or more could not function independently)

This ends the guide for scanning and analyzing the environment in which the agency functions. Now let’s look at analyzing the organization itself.

II. Focus B Analyzing the Organization

We now start to break down the organization into elements that compose the system, looking at both the elements and their interactions. We look for strengths and weaknesses, points in the organization to help explain how the organization functions. Each element is understood in relation to how it contributes or doesn’t to the functioning of the agency or to existing problems. Analysis elements include:

1. mission
2. organization structure
   location
   management
   staffing
   workload
   services
3. goals and objectives
4. adequacy of funding
5. personnel policies and practices
6. management style
7. problem solving and communication patterns

Task 7 Identify corporate authority and mission

Corporate authority is the legal basis on which the organization operates. Generally if an agency is public (a government agency) the legal basis is statute or executive order. Private agencies generally get their authority from the articles of incorporation. You can look at who can hire and fire the executive director sometimes as a starting point. The legal documents establish the limits legally of the agency’s authority.

Agencies may have a vision statement and a mission statement. Shared vision means that everyone agrees on the expected outcome. Peters and Waterman in Search for Excellence were unequivocal in the necessity of shared vision to the success of the organization.

A mission statement includes:

• problems or needs to be addressed
populations served
client outcomes expected (in general terms)

Problems in agencies often stem from a lack of clarity or disparity in mission and what the agency actually does.

Task 8 Understand Administration, management and leadership style

You may find your knowledge from your macro theory course helpful here. Netting groups management theories into 3 models:

1. Traditional which includes Weber, Theory X
   Characterized by:
   - close supervision of work,
   - simple tasks
   - control of subordinates
   Assumptions: people inherently dislike work, are not self motivated and not self-directed

2. Human Relations:
   - Management attempts to make each worker feel useful
   - Management open to feedback
   - Subordinates allowed to exercise some self-direction on routine matters
   - Assumes people want to be useful and belong
   Assumptions: people want to feel useful and important, have a need to belong. These needs are more important for motivating than money

3. Human Resources
   - People assumed to be creative, resourceful, capable
   - Capable of contributing if unrestricted
   - Management creates environment allowing for contributions
   - Full participation encouraged
   - Self-direction and self-control supported and promoted
   Assumptions: Work means more than a paycheck. People are creative, resourceful, and capable.

You might approach determining the management style with a chart such as the following:
Explore how philosophy of management affects services. For example, does a protective services worker collect information and make decisions or turn over to a supervisor for decisions?

Task 9 Understand organizational and program structure.

As stated, this essentially refers to understanding how the organization is structured to get the work done. Some terms that are useful in thinking about organizational structure and how it affects the meeting of client needs are “learned incompetence”, “bureaucratic disentitlement”, and “goal displacement”.

*Learned incompetence* refers to the performance of employees who rely so heavily on a policy manual to make decisions that they are unable to think logically or creatively about client problems.

In *bureaucratic disentitlement*, clients fail to receive benefits or services to which they are entitled due to decisions that are based on internal organizational considerations rather than service needs.

*Goal displacement* refers to the tendency of organizations to lose sights of organizational mission and goals to focus on the concerns of units and subunits within the organization.

There are many ways of organizing staff with tradeoffs for each structure. Here are five categories that most fit into:

<table>
<thead>
<tr>
<th>Question</th>
<th>Management only</th>
<th>Input allowed but ignored</th>
<th>Input solicited and used</th>
<th>Group consensus, Full participation</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. How are organizational goals established?</td>
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<tr>
<td>2. What is the climate for supporting the achievement of goals?</td>
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<td>3. Where are program-level decisions made?</td>
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<tr>
<td>4. How does information flow throughout the organization?</td>
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<tr>
<td>5. Who has involvement in providing feedback about performance?</td>
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</tbody>
</table>
1. Bureaucratic structure – Traditional organization chart (Hierarchal). There are clear lines of authority and everyone has a supervisor.

2. Linking Pin – A work group has one person from the group acting as a link to another group. That person is also a member of the 2nd group. With emphasis on work groups or units, rigid lines of reporting and one to one relationships are abandoned. Since one person links to other work units, collaboration is important.

   Example:
   
   ooox –x—xooo

3. Matrix structure – Supervision is assigned to a function rather than person. Staff is likely to have more than one supervisor. For example, as director of a multi-disciplinary staff, I was in charge of all staff in terms of determining salary, assigning work load, etc. However, the chief psychologist actually supervised the work of the psychologists. Under this structure, constant communication is necessary.

4. Project team structure – Teams work on the same effort but take different responsibilities for different functions and work relatively independently. Work is coordinated by team leaders to make sure each team is working toward the common goal. Examples would include a board of director divided into committees.

5. Collegial structure – Professionals operate relatively independently. They come together when work overlaps. For example, a group of private practitioners who work independently, but come together to rent space or buy a copier.

   With a bureaucratic structure, you are likely to see conflicts when staff are professionals. Professionals are often self-directed and do not do well in routine jobs. Contingency theorists argue that the best structure depends on the task. A manufacturing plant may do better with a traditional structure, while a research lab may do better where staff are loosely structured, with more flexibility and room for creativity.

   A human relations approach is fundamentally the same as bureaucracy. This may be stifling to professionals. A human resources approach where work is self-directed and self-controlled, works for experienced employees but perhaps not for new professionals or where the job requires job definition.

   Lastly, one needs to explore the staff competence to complete the organization’s work, their level of education, experience, and if applicable if licensed.

   Task 10 Assess the organization’s program and services
Ways of assessing the organization program include looking at efficiency, effectiveness, and quality assurance.

Efficiency refers to the ratio of outputs to inputs or the volume of services to costs. In other words is the organization using a lot of resources to produce few results or the other way around.

Effectiveness is whether the agency makes a difference. Are clients better off? Do programs resolve client problems? Does the agency accomplish what it has set out to do?

Quality accountability – Here we assess the quality of the services using indicators such as timeliness, accessibility, communication, competence, courtesy, durability, reliability, and consistency.

“Some of the more important documents and data sources to be examined to understand the planning, deliver, and evaluation of programs and services might include:

1. Program plans
2. Organizational charts
3. Roster of staff and job descriptions
4. Annual reports of programs and services
5. Needs assessment surveys
6. Evaluation findings, including client satisfaction surveys
7. Case records”

Nettings, et al

Task 11 Assess Personnel Policies and Procedures

If people are the raw material of human service agencies, then workers are the tools. How we use those tools is essential to meeting the needs of clients. I’ve briefly discussed models for how organizations may approach the use of personnel. Here again is a place to remember your macro practice theories and look at what they tell us about how management may approach the use of staff.

Essentially, an agency should have a human resources plan that includes policies and procedures for:

- Job analysis
- Recruitment strategies
- Selection
- Orientation
- Supervision
- Training and development
- Performance appraisal
- Termination
Job analysis involves breaking a job down into the tasks and the competencies needed. Then the other parts of the human resources plan follow logically. That is if you know the job and what is needed, it is easier to rationally determine how to get the tasks completed well. "The significance of a human resources plan is that it is critical to the success of an organization that new employees be brought on board in an orderly, systematic manner that maximizes the likelihood that they will be successful and productive during their tenure at the agency." (Netting, et al.)

Helpful documents to examine how an agency uses its personnel include:

1. Manual of personnel policies and procedures
2. Copy of a human resources plan, including affirmative action/equal employment opportunity plans
3. Job analysis and job descriptions
4. Recruitment and selection procedures
5. Staff development and training plan
6. Performance evaluation forms
7. Statistics on absenteeism, turnover, usage of sick leave
8. Grievances and complaints filed with the human resources department
9. Interviews with representative staff who perform different roles

Remember you are trying to determine how the agency makes use of its staff; it’s human resources in order to meet client needs. Think about whether practice is consistent with policy.

Task 12

Assess Adequacy of Technical Resources and Systems

This includes (1) budget management and (2) assessment of facilities, equipment, and computers. Good financial management practices involve all levels of staff. A budget is a planning tool to run the program. For example, how many computers will case managers need next year and estimating the cost. Thus you should look at how creative the budget is. Is it linked to meeting needs – to making a plan? Functional and program budgeting are methods of developing budgets that produce cost and expenditure data in relation to programs rather than in relation to the whole agency. The produce data such as:

- Total program costs
- Cost per unit of service
- Cost per output – client completion of program
- Cost per outcome – cost if producing measurable change client’s quality of life

A program should drive the budget, not the other way around. Think about agencies where the budget drove the program. What were the results?
Sometimes agencies are reluctant to show students the budget. First think about what this says about the agency. Why is your agency reluctant? Explain that you do not need to see salary information. That you would like to look at the budget summary – where income is from and what are the categories of expenditures and in summary what are the dollar amounts by categories - that you also are required to learn about the budgeting process – how the budget is developed. You also need to know what “strings” are attached to the dollars.

You also need to examine other technical resources of the agency. Are they adequate? Do they contribute to serving clients? What’s missing? What kinds of client data does the organization need to meet it’s outcomes for clients? Who asks for the information? What information does the organization need for it’s own planning? Is there an information system in place to provide to answer these questions?

Are program staff involved in a meaningful way in providing budgetary input? Do they get useful feedback about expenditures and unit costs during the year? Do program staff use budget data as a measure by which they attempt to improve efficiency?

Lastly look at facilities, equipment, and computers. You are essentially trying to determine if these technical resources contribute adequately to the functioning of the agency. Or do these present barriers?

This essentially concludes what I would have lectured in regard to analyzing organizations. Most of the notes come from Social Work Macro Practice by F. Ellen Netting, Peter M. Kettner, and Steven L. McMurtry. I have placed a copy on reserve at the library. For those of you who will not be in Fort Collins before the next class, you may read chapter 8 then or copy it for your use. I don’t think you need it before then.