



Jonna Mellanen

**DIVERSE HUMAN RESOURCE MANAGEMENT OF A NON-PROFIT  
ORGANISATION**

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ORGANISATION**

Jonna Mellanen  
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Business  
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## ABSTRACT

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Author: Jonna Mellanen

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## ABSTRACT

The thesis of diverse Human Resource Management was commissioned by Art in Tanzania to study how the people management could be improved. The research was conducted with qualitative methods of in-depth interview and observation. The answers were transcribed and coded according to the themes of Human Resource Management as the questionnaires were also built on those practices. The resulting findings were reflected against the theory of management, non-profit organisation, International Human Resource Management and diversity in the workplace. The thesis will present the background of the target non-profit organisation and the environment that has a major influence on the organisations functions. Moreover, the different groups of employees and managers will be presented to achieve the idea of the circumstances in the case organisation. In addition, the different aspects of International Human Resource Management will be introduced to find the specific topics that are the essence of people management.

The results indicated that there are improvements to be made to further enhance the people management of the organisation. A properly structured Human Resource Plan needs to be made in order to achieve consistency and stability of the management of diverse employees. It will further support the selection and recruitment process, which should be done according to the requirements of the organisation. Furthermore, an adequate number of employees needs to be selected to ensure the continuity. The improvements of performance management, especially concerning the un-paid staff, need to be realised more actively and procedures could be adjusted accordingly. Learning and development opportunities for the key employees should be offered. In addition, the cultural familiarisation should be implemented effectively. Also the employee relations require special attention, as the wellbeing and comfort of the employees should be appreciated in order to secure the best possible performance.

Altogether, the thesis is not a generalised overview of the sector but it rather describes specifically the practices and improvement needs of a single organisation. Thus, suggesting further studies for generalised view of non-profit organisations, perhaps with quantitative research methods.

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Keywords:

international human resource management, diversity, culture, non-profit organisation

## TIIVISTELMÄ

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## TIIVISTELMÄ

Opinnäytetyö monipuolisesta henkilöstöhallinnosta teetätettiin voittoa tavoittelemattoman organisaation Art in Tanzania toimesta, ja tutkimuksessa oli tavoitteena selvittää miten henkilöstön johtamista voitaisiin kehittää. Tutkimus toteutettiin kvalitatiivisella menetelmällä, käyttämällä hyväksi syvähaastattelua ja havainnointia. Koska kysymykset pohjautuivat opinnäytetyön teemoihin, vastaukset litteroitiin ja vertailtiin kyseisten aihepiirien mukaan. Tutkimuksen seurauksena löydetyt tulokset heijastettiin johtamisen, voittoa tavoittelemattoman organisaation, kansainvälisen henkilöstöhallinnon ja työvoiman monipuolisuuden teorioihin. Opinnäytetyö havainnollistaa kohdeorganisaation taustat ja ympäristön, joilla on merkittävä vaikutus organisaation toimintaan. Lisäksi tekstissä esitellään eri työntekijäryhmät ja johtajat, jotta voidaan saavuttaa ajatus kyseisen organisaation tämänhetkisestä tilanteesta. Myös kansainvälisen henkilöstöhallinnon näkökannat käsitellään, jotta henkilöstöjohtamisen keskeiset aiheet kyetään ilmentämään.

Tulokset osoittivat, että kohdeorganisaatiossa on kehittämistarpeita henkilöstöhallinnon parantamiseksi. Hyvin rakennetulle henkilöstösuunnitelmalle on tarvetta, jotta voidaan saavuttaa jatkuvuutta ja tasapainoa monipuolisen työvoiman hallinnassa. Tämä edesauttaa rekrytointi- ja palkkaamisprosessia, mikä tulisi toteuttaa organisaation tarpeiden mukaan. On myös taattava riittävä määrä työntekijöitä jatkuvuuden turvaamiseksi. Etenkin palkattomien työntekijöiden työsuorituksen hallinta tulee toteuttaa aktiivisemmin ja käytäntö tulisi asettaa sen mukaisesti. Oppimis- ja kehitysmahdollisuudet pitää taata organisaation suorituksen kannalta tärkeille työntekijöille. Lisäksi, kulttuuriin perehdyttäminen tulisi panna täytäntöön tehokkaasti. Myös organisaation suhdetta työntekijöihin tulee vaalia pitämällä huolta työntekijöiden hyvinvoinnista ja tyytyväisyydestä parhaan suorituskyvyn takaamiseksi.

Kaikenkaikkiaan, tämä opinnäytetyö ei ole yleistävä kuvaus kyseisestä alasta, vaan ilmentää vain ja ainoastaan yhden organisaation toimintaa ja kehityskohtia. Mahdollistaen täten tulevaisuudessa yleistävän tutkimuksen voittoa tavoittelemattomille organisaatioille, esmierikiksi kvantitatiivisen tutkimuksen muodossa.

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Asiasanat:

kansainvälinen henkilöstöhallinta, monipuolisuus, kulttuuri, voittoa tavoittelematon organisaatio

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# 1 INTRODUCTION

The issue of Human Resource Management in non-profit organisations differs from regular companies and multinationals. This thesis will represent the challenges of managing a diverse workforce consisting of several nationalities and interest groups. The research question is “How to improve the management of diverse human resources in a non-profit organisation?” This can be further defined as an equal and consistent management considering the multicultural backgrounds of the workforce and different reasons behind their contribution for the organisation.

In the context of this thesis the word ‘diverse’ refers to the cultural differences and the variety of agendas that these people have for working in the organisation. At the moment, in the case organisation, there are people working from at least eight different countries and from three continents. In addition, these are volunteers, interns, expatriates and locals. This means that people have different motivations, durations, interests and goals for their work. However, the entire picture of the employee network needs to be placed on the Tanzanian context with possible limitations or regulations defining the environment of the organisation.

Human Resource Management refers to activities and practices that need to be executed to control and guide the workforce effectively. In the thesis, the topics include Planning, Recruitment & Selection, Performance Management, Reward Management, Training & Development and Employee Relations. These will be discussed through the framework which diverse and changing staff determines for this case. Moreover, the structure and characters that a non-profit organisation gives to HR need to be considered.

The empirical part of the thesis will be conducted through a qualitative research in a non-profit organisation Art in Tanzania. The Management and a few employees will be interviewed to discover the actual presence of Human Resource Management in this challenging situation. The questions for the Management will be directed to provide information about the administration and the execution of the Human Resource activities in the organisation. Furthermore, the interviews are aimed to discover how the diversity of the staff is considered and what kinds of actions have been taken in order to prevent the discrimination with the management of the workforce. On the other hand, it is necessary to examine whether the staff acknowledges those actions and if they are satisfied with them.

The thesis was initiated after the thesis' author had an internship with Art in Tanzania and noticed a lack of consistent and effective Human Resource Management in the organisation during the summer 2010. Towards the end of 2010 the organisation was contacted and the topic was accepted. The thesis is written in narrative form in order to be able to explain all the organisation's issues with reference to the theory along the entire text. The objective is to search for the problems and difficulties in the people management, followed with possible solutions and improvement suggestions for the organisation.

The thesis topic involves several abbreviations in its vocabulary considering organisations and management. The particular abbreviations are explained here for the convenience of the reader.

HR – Human Resource

HRM – Human Resource Management

IHRM – International Human Resource Management

NGO – Non-governmental Organisation

NPO – Non-profit Organisation

## **2 METHODOLOGY**

The empirical part of the thesis was done in order to achieve a more realistic and practical view of improving the Human Resource Management in the case organisation. The methodology is presented in this chapter to shed a light on the background work and actual conduction of the qualitative research.

The narrative categorisation for the thesis can be given as it generates a narrative response that is one way of defining the entire thesis to be a narrative. Another characteristic of a narrative text is the progress of the text. It is constantly flowing through specific themes that fulfil the story and, in addition, there is the sequence of time that can be seen in the progress. Story telling is a form of understanding life and the interpretation of it. Furthermore, when the collected data is being shifted through and analyzed, people tend to connect narrative version of the topic. This is then a natural way of constructing the report of the research which is done with qualitative methods about an organisation and specifically about its operations. Consequently, the results cannot be generalised for other organisations but instead, used for improving the HR practices in the case organisation. (Ruusu vuori, Nikander & Hyvärinen 2010, 93, 125, 139.)

### **2.1 Interviews**

This research was done with qualitative research tools that allow exact exploring of the experiences and attitudes of people. In-depth interviewing is most common way of executing qualitative research and the assumption is that the people are the experts of their own experiences and consequently the most proper conveyers of their perspectives of a certain phenomenon. (Darlington & Scott 2002, 48.) As the aim is to make a narrative thesis the method of in-depth interview was chosen in order to achieve people's own view point of the certain HR activity and how it is presented and perceived in their daily life in the organisation.

Furthermore, the interviewees were all representing different members of workforce and management. Starting from the top; the Managing Director, Staff/Customer Administrator, expatriate Team Leader, local staff member, volunteer and an intern were interviewed. The first three were chosen due to the fact that they were the only people holding these statuses in the



organisation and in order to explore the HRM issues it was essential to hear their perceptions. The Team Leader suggested a volunteer for the interview who had been working the longest period of time. Then there was only one intern present so he was to be interviewed as well. In addition, a randomly picked local staff member was interviewed amongst the most experienced ones. This way it was possible to reach a wide range of opinions from different levels that involve people management. The interviewees were selected according to their statuses and the mix was half male and half female. The only guideline for the selection of the interviewees was the theoretical sampling, so as it was important to get opinions from all the levels of workers, the interviewees were intentionally chosen to fill the gaps in the data (Darlington & Scott 2002, 52).

The interviews for the thesis were executed with semi-structured questionnaires that varied according to the status of the person in the organisation (Appendix 2). The interviews were conducted in the beginning of March 2011 and five of the interviews were implicated in person but one had to be done by e-mail. The interviews were made in the work environment that was comfortable for each of the interviewee at times. The interviews were made normal-conversation-like situations which would provide as little threat as possible. There were no problems with the interviewing of the first four interviewees.

However, the local staff member interview arrangement was not as easy. The lower level staff felt that they do not have the right to answer the questions that were presented for them. Consequently, it was not possible to make them agree on the interview before the General Manager had encouraged them to share their opinions after discussing about it with the Managing Director. Finally, all the interviews were successfully conducted in spite of the hindrances. (Mellanen 7.3.2011, observation.) Still, Staff/Customer Administrator expatriate gave her answers in writing through e-mail as the circumstances did not allow interview to be conducted in person (Staff/Customer Administrator 22.3.2011, e-mail message).

## **2.2 Observation**

In addition, observation was used for the research as it offers an effective means of surveying the routines and interactional design in the particular context. This is a way of witnessing what and how for example managers deal with the employees or how the communicational channels are open in practice. It provides the possibility to implement the research while the action is

appearing, and it does not require effort from the observed individuals, unlike interviews. Observer, however, cannot acquire the knowledge of why certain situations unfold as they do or why people act in a particular way. Also, it lacks the opportunity to survey the past or future events. On the other hand, the observer is not affecting the situations as one is following them as an outsider, but the presence of the observer may influence the behaviour of the observed. Nevertheless, the observer is deciding what is recorded and hereby analysed. (Darlington & Scott 2002, 74-75.)

Although, naturalistic observation is not describing the reasons behind certain actions, it is still powerful tool for examining the behaviour in the real world. The observations take place in the natural environment and as long as the observer avoids manipulating the settings and observing is conducted properly; it has major external validity. However, observation as a research method causes inconveniences as well. It is time consuming on the observers behalf and sometimes it requires travelling great distances to reach the natural environment of the subject. (Bordens & Abbott 2011, 236-237.)

Darlington and Scott suggest that it would be ideal to use observation and interviews to supplement each other in the qualitative research of certain phenomenon. In a sense observations would be better to make first so that the observer would be familiar with the environment and would already possess knowledge from the field. On the other hand, it might be useful to first conduct the interviews, and when the core issues and concepts are collected, it would be easier to concentrate on the important with the observations. Observation can be rather useful when there are limitations with the verbal compatibility. (2002, 76.) With this particular situation the observations were made both before and after the interviews. The observer was already familiar with the research environment after completing an internship there, so the observations were not needed for the initial familiarisation. However, the combination was found very useful and satisfying when it comes to the thesis topic.

The observations were made in the organisation during a one-month period in which time also the interviews were conducted. More specifically, the observations were made during daily work hours and sometimes even on a free time by making an observation diary (Appendix 1). This is essential for the success of the research as the employees change constantly; thus it is essential to capture the matters occurring with the particular people involved at that specific time. The

observations were concerning the HR activities and daily life issues amongst the people present in the organisation.

### **2.3 Analysing the data**

There are multiple ways of analysing qualitative data, but many of them have similar stages. The research purposes vary, however, the analytic choices of the data collection, from who to collect, how to focus the analysis and what kind of structure to give for the report have to be determined. The data may come for analysis from different sources such as interviews and observation. The extent of the analysis depends on the research problem and the purpose for which the data was collected. (Darlington & Scott 2002, 142.)

With audio-recorded interviews transcribing is almost inevitable for the possibility to properly analyse the data. This is a time consuming process and requires careful studying of the tapes in order to achieve most accurate form for the final analysis of the data collected. The transcription possibilities vary from topic related transcribing to word-to-word transcribing. The general level of detail would include defining long pauses and emotional contents such as laughing and sighing. (Darlington & Scott 2002, 143.)

The classification, analysing and interpreting of the interview material are the steps that need to be done for the qualitative research to take the data to the report level. This might be difficult as the data is often broad piece of information and that is why it should be started soon after finishing the collecting of the data. For qualitative analysis it is typical that the theory, collected data and research problem are in a dialogue together. Furthermore, it is rather rare that the collected data would alone provide the answer for the presented problem so it is essential to let the theory participate on the solution on the side. (Ruusuvaori et al 2010, 11, 13.)

Coding is the activity of creating categories and assigning the selected data accordingly. With qualitative research this means browsing through the data and making sense of the patterns and categorising by chosen themes. These are defined by the purpose and focus of the study. The categories can be specified with different codes such as activity codes and perspectives held by the participants. The data should be analysed in a way which provides the answer for the research question. This particular approach does not predetermine the themes but certainly shapes them. (Darlington & Scott 2002, 144-146.)

The analysing of the data collected was done according to the themes presented in the thesis as well as with the perspective of the improvement needs. The recorded interviews were transcribed with the general level of detail as mentioned above and the answers of the interviewees were analysed according to the coding categories established with the HR activities as well as the opinions of the interviewees of what is done well and what activities need improvements. The observation diary was used as a supplementing data for the HR activity categories but also to define the characteristics and competencies of staff used in the daily life. Furthermore, the improvement issues were also found when analysing the observations. As defined in the methodology chapter a narrative approach was chosen for the report and consequently the analysed data is presented throughout the thesis in order to create the narrative response from the reader.

### 3 ORGANISATION'S BACKGROUND

The resources the organisation and the environment provide are important in defining the starting point for the activities like Human Resource Management. In this chapter, Art in Tanzania will be presented together with examination of the organisation structure considering the characters of non-profit organisation and the functions belonging to it. The focus will be put on the Managers of the case company and the leading strategy as well as on the multicultural workforce that obviously modifies the HRM activities. In addition, the Tanzanian regulations and standards need to be discovered to determine the environment for the organisation.

Firstly, the core concepts need to be explained. Generally, organisations are defined by the relationships which the employees share together; consequently organisations are social systems consisting of authority, power and status. Certain people are expected to be leaders and some followers. The dividing of the workforce is not that simple. Instead, the transition from homogenous staff of middle-aged men towards diversified employees seems to be the trend. Organisations consist of individuals with different personalities, backgrounds and experiences. People have unique capabilities for learning and managing responsibilities. As a result, managers should take the employees as individuals, who shape the organisation with their behaviour and culture. (Gibson, Donnelly, Ivancevich & Konopaske 2003, 7.)

However, organisations are also organised entities that need to be controlled and managed in order to avoid chaos. The attention needs to be paid on the processes of organising and activities that are executed in the organisation. Meaning that organising should be taken as social and value adding process that allows the shaping and managing of the unpredictable. The resources for the organising are people, actions and shared meanings which are evolving constantly and define the organisation culture. (Gabriel, Fineman & Sims 2000, 1-10.)

Multinational non-profit organisations meet with similar challenges as for-profit enterprises including issues such as; employee commitment on common mission and vision, managing diverse workforce and international staff transfers. In addition, with non-profit organisations there are some fundamental differences that pose challenges. For example, to add to the mix of permanent and part-time staff, there rises the notion of the mix with volunteers and paid employees as well as with the quality of the psychological contracts which need to be more

individually identified. Moreover, the potential employees display high level of self-selection based on their values. (Fenwick 2005, 509.)

Although, it is important to effectively manage the internal organisation also the environment modifies the atmosphere which externally affects the organisation. The structure and operations of the organisation are shaped by the surrounding society. Technology, legislation, regulations, economic and political situation are factors that have an external influence on the organisation. These occur for example as downturns in economy, technological innovations in a certain industry, political instability and changes in regulations concerning businesses. It is necessary for the management to be conscious of these factors in order to administrate the organisation successfully. (Gibson et al. 2003, 9.)

### **3.1 Art in Tanzania**

Art in Tanzania is a non-profit organisation established in Dar Es Salaam by Kari Korhonen and his wife Yuster Nyakachara. It is registered in Tanzania and in Finland, and arranges volunteer projects and adventure tours throughout Tanzania. The chief aim is to improve the lives of the people of Tanzania. The sectors of operation include Education, Health care, Sports, Art and Music and Environment. (Art in Tanzania 2010, date of retrieval 28.12.2010.)

The workforce consists of about 70 staff members including locals and expatriate Team Leaders, in addition there are about 100 interns and volunteers working at a time, who annually amount close to 1 500 individuals from different parts of the world. The organisation runs with safari and tour profits, volunteer and intern fees and donations. Art in Tanzania operates in Arusha, Dar Es Salaam, Karatu, Moshi, Masai land, Serengeti and Zanzibar. In addition, they have activities in Ethiopia under organisation name Art in Ethiopia. (Art in Tanzania 2011, date of retrieval 17.3.2011.)

The focus on this Thesis will be aimed at the Dar Es Salaam branch, as it is the largest and busiest centre in the organisation. Permanent staff amounts to 35 people and most of the interns and volunteers in Tanzania are located here. The rich variety of people makes Dar Es Salaam the ideal place for the research as it is possible to gain different people's experiences and opinions about the same phenomenon in the same environment. (Managing Director 8.3.2011, interview.)

### 3.2 Organisation Structure

Organisation structure is an abstract term and it cannot be seen. The structure is often displayed as organisation charts and in this case the relationship patterns between the staff are illustrated in that particular way. The structure presents the behaviour and the controlling that people in certain position obtain and use in relation to others. When designing the structure, firstly the focus needs to be on individual jobs, then on departments, following the groups of jobs and lastly the delegation of authority. The structure can be designed by a manager alone or with a group of managers. (Gibson et al. 2003, 378-379.)

This case considers a non-profit organisation which may give a different structuring compared to traditional businesses. Art in Tanzania's structure is defined by the territorial and functional activities. Meaning that the activities are divided into territories such as Zanzibar, Dar Es Salaam, Moshi etc. and inside those areas the job departments are defined by their functions. (Gibson et al. 2003, 382-383; Art in Tanzania 2011, date of retrieval 17.3.2011.)

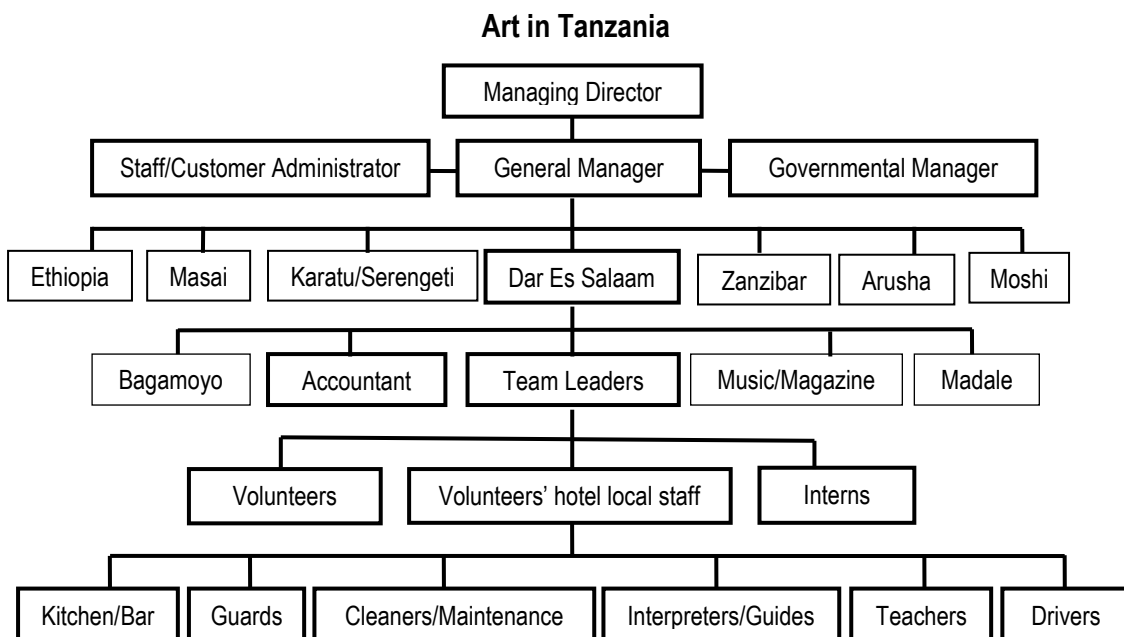


FIGURE 1 Organisation Structure

As it can be seen from the Table 1 the organisation structure of the case company is multi layered and the chart would be even wider if all the territorial units would be presented specifically. However, it is not needed as the research is concentrating on the Dar Es Salaam

branch. Although the case organisation is a non-governmental, it has the same kind of structure as can be seen in the for-profit organisations. Furthermore, this introduces the same advantages and disadvantages.

Geographic business units enable the organisation to provide differentiated organisation plants in various regions, where the specialists are grouped together. However, disadvantages include the possibility for duplication of resources as all the units have same functions and require same resources, which might mean additional costs and efforts for the organisation. (Martin 1998, 280-281.) Even in the case organisation some activities are duplicated e.g. housing, team leading and logistics. However, these functions are essential in each unit and all the general functions are centred to Dar Es Salaam; including accounting and administration.

Although, the organisation is structured according to territories also functional groupings are present. This ensures the specialisation with the discipline in question, thus increasing the productivity. Furthermore, it suggests that the colleagues are experts in the similar area so help is easily available in an event of crises. In addition, functional structure offers stability, leads to centralised view of running the organisation and gives clarity in a sense that individuals concentrate only on their own part of the entire operation. (Martin 1998, 275-277.)

Organisation structure proves to be essential for the Human Resource Management in two ways. First of all, it defines the job design, which is defining the contents and relationships of jobs. Secondly, it determines the organisational design which includes tasks, authority and interpersonal relationships between different employees of the organisation. The most important features, probably, being the communication and decision making in the work place. (Martin 1998, 13.)

Considering the communication, it is crucial that the information flows within as well as in and out from the organisation. Management has to cope with receiving, conveying and reacting to the information. When it comes to decision making, the knowledge of both individual and group decisions is needed for effective management. Moreover, the decisions need to be done with regards to ethics. Managerial decisions often affect the lives, careers and well-being of people. In addition, these decisions convey the rules and policies of the organisation but also manager's moral and personal values. (Martin 1998, 13-14.)



To conclude, there is no doubt that the structure of the organisation is important when considering the people management. It defines the starting point for the activities of the employee as well as determining the status that the employee holds in relation to others. In the end, the structure is about relationships and relationships are about people.

### **3.3 HR Managers**

The Human Resource Management requires effort from the top management as well as from the line managers. Top managers need to be willing to share the resources for line managers, who then execute the actual management of people. It is not enough to have well designed HR policies and practices in place. To achieve high levels of organisational performance the execution of those policies is the most important factor and that is where the contribution of line managers enters the picture. (Armstrong 2010, 15.) Under this heading the HR Managers of Art in Tanzania will be presented. Furthermore, it will be discovered how they contribute to the conduction of the Human Resource Management in the organisation.

The most challenging obstacles for Managers might come from the multicultural workforce as people have a variety of motivations and reasons to work for the organisation. This means that the Managers require special characters and competencies in order to lead the staff effectively. Some of the essential skills include flexibility, patience, respect and cultural empathy. These are important for adopting the culture in the new country and also to handling situations with people from various cultures. On the other hand, there are characteristics that consider the individuals personal adaptation i.e. strong sense of self, tolerance for uncertainty and sense of humour. (Schneider & Barsoux 2003, 191.)

One way of dividing the dimensions of leadership is task oriented and people oriented leadership. The first mentioned concentrate on the work itself and the managed activities like timetables, costs and purchases. When the people oriented leaders seek to be in contact with the employees and make themselves easily approachable and wait for contacts. This can be seen in the earlier mentioned decision making process as well. People oriented leaders tend to frequently involve subordinates to decision making more than task oriented ones. (Mäkiluoko 2003, 68.)

To begin from the top, the Managing Director, who has also established the organisation, is in a major position when it comes to managing the staff. He is the person responsible for the sharing

of the policies and practices. In addition, he sets the example of the managing style for rest of the Management team. (Heiskanen & Salo 2007, 32.) Kari Korhonen, the chairman of the case organisation, has not acquired corresponding education as he is a veterinarian according to his education (Managing Director 8.3.2011, interview). However, as a Managing Director of a non-profit organisation the aiding courses of Business, Social and Culture studies might prove useful. It has been studied that non-profit organisations that are not that similar with for profit companies, do not have CEOs, who have a high level of expertise considering their tasks and possible problems that might occur with i.e. fundraising and organisational resources. (Matias-Reche, Rubio-Lopez & Rueda-Manzanares 2009, 501.)

Staff Manager takes the second position with the managing of people. Her responsibilities are recruiting and selection, and when in Dar Es Salaam, the managing of that specific unit that is examined in this thesis. Unfortunately, she is at her home country at the moment as personal reasons caused an expatriate failure and now she is doing only the recruitment and selection part of the People Management. She has a very strong international background with education and travelling. However, her Human Resource Management tasks and studies are in the minor role when considering the actual workforce management in the level of the entire organisation. The areas of responsibility are customer support, sales, project management, dealing with agents, general administration and organisation. The only relevant fields for the HRM topic include recruiting of expatriate Team Leaders and prior their arrival to organise and allocate them properly. Consequently, covering of job advertisement publishing, conducting job interviews and liaising with team to find the best candidate are the activities in the range of staff management. (Staff/Customer Administrator 22.3.2011, e-mail message.)

As this organisation sources people abroad, they encounter several issues concerning work permits and other governmental aspects. General Manager and Immigration Manager are the people responsible for this background work for the employees, such as expatriate Team Leaders, volunteers and interns. These two important occupations are dealt by local staff, as it is obvious that they know the most of the local procedures and regulations. Furthermore, they should possess the most in depth knowledge of the organisation and the way it works. That is why both, General Manager and Immigration Manager have worked for the company for several years and are experts in their areas of responsibility. However, they are not involved in the daily management of the workforce, which excludes them for the actual Management Team for the Human Resources. (Managing Director 8.3.2011, interview.)

Probably the most important managers of staff, Team Leaders and the new Dar Manager, take care of the daily issues concerning the people management. The tasks include guiding, planning, rewarding and maintaining of the employee relationships. It is important to have several Team Leaders in duty at the same time and they should be able to build a strong daily management routine, where everyone knows their areas of responsibility and follows the agreed ways of working. The Team Leaders take care of the volunteers and interns and the Dar Manager handles the managing of the local staff with the daily working issues. At the moment, there is one expatriate Team Leader and the Dar Manager is local, which obviously makes the working with groups they are managing more convenient and comfortable regarding the backgrounds of the manager and the managed, they have most probably had the same issues with adapting to the multicultural place of work. (Team Leader 5.3.2011, interview.)

As it can be noticed there are many different managers involved with the Human Resource activities of the organisation. They may have different strategies for the management, such as Cultural Synergy, Cultural ethnocentrism, Cultural polycentrism and Cultural geocentrism. The first mentioned of these strategies means that the leader tries to discover similar preferences among multicultural staff and uses them in the leading practices. While polycentrism approaches the leading from local perspective, the distinctive corporate culture throughout the organisation is the character of geocentrism. (Mäkiluoko 2003, 85-86.) Cultural ethnocentrism will be discussed more detailed in the following paragraph as it is seen as the way of leading in the organisation.

The Managing Director has followed the Cultural ethnocentrism as his way of leading people. In practice this means that he is using his personal way of leading with all the different mixes of cultures that are presented in his team at different periods of time. Moreover, some call this international leadership, which has evolved through experience and is now applicable in all situations. However, this cannot be true and there is no universal way of leading but as mentioned earlier, the Managing Director acts as the example for others and that way it becomes a norm in this organisation. (Mäkiluoko 2003, 85; Managing Director 8.3.2011, interview.)

Cultural ethnocentrism is a common and an easy way to lead, but it lacks the perspective for other cultures and other people's perspectives. Some reasons for this can be limited time and capability of adopting all the different cultures and create synergy in the team. (Mäkiluoko 2003, 99.) This seems to be the problem in the case organisation, as there are so many cultures

present and the durations of the employment vary as a rule not as an exception. However, this seems to be adequate for the organisation and the leading strategy has become the organisation culture over the years (Managing Director 8.3.2011, interview).

As mentioned in the previous chapter it is also important for the management to be ethical concerning the decision making and the general leading of the staff. Fair leading is built with the hearing of subordinates with issues that are important to them and with decisions about their jobs as well as of open and truthful information flow and communication. The decision making is required to be consistent and transparent. Management has to be active in creating trust and it is essential to give fair compliments and critic when needed. (Heiskanen & Salo 2007, 16.)

It is certain that these different leaders handle managing and leading differently, and even their tasks determine certain approach which requires varying levels of involvement with subordinates. This also affects the way of Human Resource Management that they conduct and in that way is relevant for the research topic.

### **3.4 Diversified Staff**

This heading is in the essence of the research question for this thesis. The objective is to discover the diversity aspects and determine how they influence the Human Resource Management of the case organisation. The word diversity refers to the cultural, agenda, motivational, educational and other background differences that occur among the staff. This kind of environment is challenging for the Human Resource Management as the policies need to be adjusted accordingly. Other challenge, when it comes to the maintenance of staff is the duration of the employment, some volunteers might stay in Dar Es Salaam unit only for four weeks when some local staff members have been serving the company for several years.

The cultural differences among the people who work for organisation might become most striking at first. Everyone holds stereotypical conceptions of different groups. These perceptions are in many cases inaccurate when it comes to individual or even the whole group. People build the expectations according to the news and images and various other sources, which may give only partial truths in best cases. (Mor-Barak 2005, 133.) However, this is the reality and the management of the case company needs to be prepared for them and in some situations actions

need to be taken to solve issues that rise from the different views and the actual differences that are present (Mellanen 24.2.2011, observation).

Stereotypes can furthermore lead to employment-related discrimination among staff. This can be described as different treatment of people because of certain personal characteristics rather than their ability to conduct their jobs. This kind of discrimination can be done by individual, institution or government. (Mor-Barak 2005, 141.) This needs to be taken into consideration when managing people at work. In the case company context it is fairly easy for someone to blame the cultural differences when it comes to problems with different people or even work tasks. So it is crucial for the management to always be able to give reasoning for their decisions on the different functions of Human Resource Management when there is and there always is place for suspicion considering these issues. Also the discrimination of an employee by another should not be tolerated. (Mellanen 8.3.2011, observation.)

The managers need to be competent in cross-cultural communication and be aware of the cultural differences in order to succeed in the managing of increasingly diverse and multinational workforce. People with varying cultural background see common procedures like appropriate ways of coordinating and communicating in work place differently. These affect on the team dynamics and how well the tasks of different employees are executed. (Mor-Barak 2005, 187.) So in order to survive, and even achieve high performance, the management should not ignore the influence of culture in their business activities (Schneider & Barsoux 2003, 3). Consequently, it should be made clear how people are expected to behave and treat each other and that their actions should not be offensive or uncomfortable for others.

The present situation in the case organisation is that there are 35 permanent local staff members, a Team Leader from Netherlands, volunteers and interns from 3 different continents who amount to about 40 people. This makes a challenging combination for the top management as well as to a Team Leader to handle. Furthermore, the work environment will most definitely face some challenges posed by the variety of cultures there. On the other hand, different agendas and motivations among the staff raise further consideration for the management team. All the people working for Art in Tanzania's Dar Es Salaam's unit have different aspirations to be there, some are just doing their jobs and getting paid for it, while some are looking for new experiences and actually paying to be there. (Mellanen 22.2.2011, observation; Mellanen 8.3.2011, observation; Volunteer 7.3.2011, interview.)

To start from the local staff, they are working for the organisation to earn their living. They come to work regularly, get paid for their effort and are satisfied with it. Also it could be seen as a special aspect of their work that they are able to meet foreigners and familiarise themselves with new cultures and ways of living, which is not that common in their country. Their work tasks vary from cleaner, cook, bartender, translator, driver to middle manager. (Staff member 10.3.2011, interview.)

Secondly, the expatriate Team Leaders are acting as middle managers in the organisation which basically means guiding and taking care of the volunteers, interns and in rare cases local staff. They get salary, so their work is not entirely voluntary. Although, one could say that their motivation to work in the company differs from local staff as the Team Leaders are also there for the experience to learn and see the new country and what it has to offer. (Team Leader 3.3.2011, interview.)

Then there are volunteers who pay for their stay and are usually having a gap year between secondary school and university. In some cases, also older people who seek for new knowledge and experiences are volunteering for the organisation. Many volunteers come to work for the organisation because they really want to help and they will be more active through their stay. On the other hand, there are people who just come there to get the mark on their CV when moving on to university studies. Their motivations are different from people who work in the organisation; and that is why the management should consider if they are treated as guests or as employees. (Volunteer 7.3.2011, interview; Intern 5.3.2011, interview.)

Lastly, there are interns and thesis writers that have a whole other purpose for doing their work. They are financing their own stays, but in special cases the accommodation or small pay can be offered if they are specially asked for a certain project. Interns are working to gain their school credits and also they have the motivation to learn new aspects of life different from home. (Intern 5.3.2011, interview.)

A study conducted in Netherlands, in the University of Twente, implies that the volunteer workers have stronger affective commitment and better person-organisation fit than the paid employees. However, the continuance commitment was stronger with paid workers as they have to face the financial insecurity when leaving the organisation. (Van Vuuren, de Jong & Seydel 2008, 322-

324.) This suggests that different groups have different motivations and drivers behind their work and contribution for the organisation.

When it comes to educational background the people vary a lot. Some of the volunteers have just finished their secondary school whereas others might have already ended their career and enjoy the free time of the retirement. Usually, the Team Leaders have acquired a particular education that fits to their tasks as well as interns come to work with area concerning their studies. With local staff, however, the education is not considered that important, but obviously it is inevitable that they can follow through their tasks. (Managing Director 8.3.2011, interview.)

As a conclusion it can be understood that the case organisation possesses very diversified work force and it has major affect on the Human Resource Management issues when they are executed. Especially, the culture impacts should not be neglected as the mistakes with it might prove fatal (Schneider & Barsoux 2003, 3). Moreover, the diversity should not be overlooked in any situation as it brings new aspects and factors to various parts of the general management as well.

### **3.5 Tanzanian Context**

Also the environment of the organisation shapes the management tasks and especially Human Resource Management; as the local staff has the culture from the country and in addition the new country might bring challenges for the foreign employees. The differences between domestic and international HRM include aspects such as more HR activities, need for broader perspective, more involvement in employees' personal lives and changes in the concentration as the workforce mix of locals and expatriates vary just to name a few (Dowling & Welch 2004, 7.) This chapter will explore the environment of the case company in Tanzania and what kind of influences there are to consider in accordance with PEST -analysis and Hofstede's cultural dimensions.

Firstly, the political and governmental issues need to be considered by any organisation based in a country. In Tanzania, The Revolutionary Party (CCM) has been controlling the politics since 1995, when the country began to use popular vote to choose their leaders. CCM has won every presidential and legislative election arranged since. The government has formulated a regulatory

framework that emphasizes on privatisation as well as establishing policies for an open market and removal of exchange controls during 2006-2008. (Datamonitor 2010, 1, 7.)

When it comes to economical factors, Tanzania is mainly dependent on agricultural productivity as it is accounting for 85% of the total exports as well as employing almost 80% of the population. The government is investing into infrastructure and regulating banking industry to make the economy of Tanzania more modern. The government is also increasingly supporting foreign investments. One example of this being the free repatriation of earned income for foreign investors. As the employment is considered, Tanzanian population has gone through unemployment periods for more than two decades, with unemployment rate reaching as high as 43% in 2007. The low rate of expansion in the labour market seems to be the reason, as more than 40% of the working age population that are not employed, are aged between 15-40 years. (Datamonitor 2010, 13, 21.)

The social landscape of the operating country is suggested to be the most influential to the HRM practices of the organisation. Activities such as terms of hierarchy, promotion avenues, wage differences and the worker/management ratio have been proved to reveal distinct national patterns. In organisational level compensation, training, job design and employee relations receive most of that influence. (Evan, Pucik & Barsoux 2002, 169.) Tanzanian population of 41 million people is distributed equally between Christianity, Islam and indigenous religions. The sex ratio is even and the birth rate is being as high as 34,2 per 1 000 population. The life expectancy with total population is 52 years, as women live over 53 years of age in general whereas the men achieve the age of a bit over 50 in average. (Datamonitor 2010, 5, 22.)

The concept of health services for profit has been banned by the Private Hospitals Regulations Act, as previously the sector was dominated by profit seeking service providers. Furthermore, the enhancement of health services has been prioritized in 2009-2010 by the government. When it comes to education, the country has well structured system and the education sector is improving rapidly with the help of United Nations. However, the literacy rate stays low with 69,4% Furthermore, Tanzania has not been successful in restricting the poverty and limiting the inequalities of income and wealth. (Datamonitor 2010, 22, 24.)

As the government is focusing on economic and social development, the science and technology sectors are in a very premature stage. Nevertheless, Tanzania has made notable efforts to



develop technology transfer through universities and R&D centres. Currently, the R&D is focused mainly on agricultural technologies and with the aid of the World Bank, to telecommunication infrastructure. (Datamonitor 2010, 26.)

The Tanzanian context for the case organisation is also defined by Geert Hofstede's cultural dimensions that are power distance index, individualism, masculinity, uncertainty avoidance and long term orientation. Tanzania has been classified in East-Africa country group which also includes Ethiopia, Kenya and Zambia. The highest ranking score for these countries is power distance at 64 on scale from 0 to 100. This means that the less powerful members of organisations expect and accept that the power is distributed unequally. It also suggests that the followers endorse the inequality as much as the leaders. (Geert Hofstede 2009a, date of retrieval 1.2.2011.)

The individualism rank was 27, which means that the East-African countries are more collective and individuals are integrated into groups. In more collective countries people are defined by the groups they are in which are strong and cohesive. The masculinity in these countries is not that strong with the ranking of 41. In masculine countries the difference of gender roles is perhaps divided according to conservative and traditional norms. On the other hand, in feminine countries the roles mix more often. (Geert Hofstede 2009a, date of retrieval 1.2.2011.)

The fourth dimension is the uncertainty avoidance, which ranked to 52 among East-African countries. This suggests that these societies are balancing between the concept of avoiding questioning rules and then on the other hand posing opposite opinions. The people are emotional and motivated by inner nervous energy in an average level. With the long-term orientation dimension these countries reached only the rank a bit over 20, meaning that they are more short-term oriented, which usually means respect for tradition, fulfilling social obligations and protecting ones reputation. (Geert Hofstede 2009a, date of retrieval 1.2.2011.)

These dimensions give certain characteristics for East-African countries' group. First of all, they seem to balance between paternalistic and bureaucratic, because the power distance is high and uncertainty avoidance in the middle. It has a tendency to influence the organisation structures common for these countries and consequently HR of the organisation is affected. The paternalistic way of leading appears as centralized power and vague task roles. In the bureaucratic leading the organisation uses written rules and procedures. Furthermore, with low

long-term orientation there is belief for absolute guidelines and on short-term results. On the other hand, high collectivist orientation suggests that consensus and relationships would be more important than the task itself and as the ranking with masculinity shows that these countries are actually more feminine, the role of the leader is to take care of the subordinate's well-being. (Schneider & Barsoux 2003, 90-91.)

As a comparison the Finnish cultural dimensions were explored as the company is also registered in Finland and it would be interesting to see how the cultures differ. It was found that the power distance index in Finland is around 28, individualism is as high as 59, masculinity is 21 and uncertainty avoidance 53 (Hofstede 2009b, date of retrieval 18.4.2011). The strongest differences between these countries seem to be the power distance and individualism and consequently these kinds of issues need to be considered with the people management of the organisation. Such issues may cause difficult and uncomfortable situations in the workplace. However, these cultural dimensions need to be considered carefully and not as certainties. The indexes are averages of certain countries and with the East-African block, it is even an average drawn from 4 different countries which may vary across borders in reality.

These country specific and cultural matters are to be considered as planning for the organisations people management. The management team should be aware of these influences as they might greatly affect how the local staff members behave and the way the foreigners can adopt.

## 4 INTERNATIONAL HUMAN RESOURCE MANAGEMENT

It has been realised that the opportunity and necessity of operating across national boundaries will present a critical challenge for organisations in the 21<sup>st</sup> century. International Human Resource Management (IHRM) considers the international and multinational companies having activities involving more than one country. (Armstrong 2010, 104.) The relevance of this chapter in the thesis is significant. The chapter will discuss the IHRM practices in theory while blending in the practical factors from Art in Tanzania that appeared in the interviews and observations.

In this case, the organisation has operations in Tanzania and Ethiopia, but the company is also registered in Finland. However, the focus will be on the activities in Dar Es Salaam unit as it is covering the largest amount of staff, 35 people, consisting of the most diversified people including locals, volunteers, interns and expatriate Team Leaders. Moreover, the Managing Director holds his office in Dar Es Salaam which proves that this unit covers the most important areas concerning the thesis.

The International Human Resource Management practices covered in this chapter include following. First subject is Human Resource Planning, which covers the identification of human resource needs in the company as well as the designing of a plan to satisfy those requirements. It involves estimating of the required workforce and the specific characters of the quality of staff needed. Next heading will include the action of finding and engaging people required by the organisation and then choosing the most appropriate candidates for employment, this is known as Recruitment and Selection. (Armstrong 2010, 189-192.)

As the suitable employees are found it is time to begin the management of the existing workforce. The Performance Management will be the third topic; it will present the issue of constantly finding ways to improve organisational, team and individual performance. Consequently, meaning that the performance expectations need to be defined and the possible impacts of high- or low performance. Reward Management is the next heading which is closely related to the Performance Management. Rewards can be financial or non-financial, but altogether the aim is to attract retain and engage the workforce to the organisation. This means recognition and rewarding strategies and policies for successful performance in achieving the determined goals in individual, team or organisational level. (Armstrong 2010, 247, 267.)

The fifth topic will be concerned with the Learning and Development in the organisation. This means the guidance and coaching from the organisation for employees to improve their knowledge, skills, behaviour etc. In addition the employee's own learning processes that are directed and managed individually are included in this chapter. The last topic covers the communication between the organisation and employee, this aims at positive psychological contract and is affected by the business environment such as the existence of trade unions. This entire subject is called employee relations and it presents important factors in maintaining the staff. (Armstrong 2010, 217, 294.)

#### **4.1 Human Resource Planning**

Planning of the Human Resources in an organisation is an important activity. The employer should be able to define what the requirements are and how those can be satisfied. This means the capturing of job roles and making sure the right people will be found for those specific tasks. (Armstrong 2010, 189-192.) The planning is especially important for the case company as the workforce is constantly changing so management needs to respond to the changes and update the plans accordingly. Here the aim is to explain what are the parts of HR Planning and how the planning is executed in a challenging setting of multicultural and changing workforce.

The HR planning activities start from making a scenario plan which is an assessment of the future developments and their possible impact on the employee issues (Armstrong 2010, 190). This scenario plan is affected by the organisation strategy and targets as well as with practices and methods. Then there is need for workforce analysis internally and externally to define the present situation. (Bratton & Gold 2003, 194.) Next there is need for forecasting the future demand, supply and requirements of the current and potential workforce. Finally, it is required to make an action plan according to the scenario and forecasts, which can include training, promotions or external recruitment. (Armstrong 2010, 190-191.)

The focus here is on the global workforce planning that has many different complexities. The word 'workforce' refers to the organisation's employees and the pool of potential employees is called 'labour force'. As the workforce of the organisation is international, so is the labour force, which means that the potential employees are located in many places and cultures around the world, as well as nearby in the same country or even in the same city. Furthermore, the global

labour force pools are defined with various characters that are changing across borders. These include unemployment rates, quality of education and industrial structures. (Briscoe & Schuler 2004, 202.)

In less developed countries the labour markets have surplus of labour and the population is young. The unemployment rate of these young people tends to be high, usually the reason being limited education or work skills. However, even in high populated less developed countries, there are individuals with higher education, who are attractive for multinational organisations even in developed countries. Furthermore, it is management's responsibility to forecast these characters and plan their HR practices accordingly. Also immigration and emigration build possibilities for organisations to hire, and again it makes the labour force more diversified. In addition the employee pool nowadays consists of groups who couldn't participate in the past i.e. women, young, old and disabled. (Briscoe & Schuler 2004, 206-208.)

The possible problems with HR planning can be avoided with planning techniques that are used to identify and explore the problems with the manpower. This information generates solutions in wider extent and can affect organisation structure, job design and work practices. Then again, a short-term view of dealing with issues like skills shortages or decline of the availability of young workforce is also used. However, the main aim of HR planning should be the connecting of the people management on organisation's strategy more precisely. (Bratton & Gold 2003, 200.) If the organisation succeeds in aligning the worker investment with the business strategy it increases the possibility for prosperity in the marketplace (Davenport 1999, 97).

The situation in the case organisation is that there is no consistent plan made for HR activities. Team Leader states "As far as I know, there is not a solid plan. I would say though it's not only problem based in a sense that there is a problem, so we look for a new person, I do think we tend to look ahead a little bit." (3.3.2011, interview.) The Managing Director admits the structured plan does not exist. Instead it has only been natural development of how the people management is handled in the organisation. (8.3.2011, interview.) This is further confirmed by the Staff/Customer Administrator (22.3.2011, e-mail message). However, it is possible to measure the demand for interns and volunteers according to upcoming and existing projects and thus allocate them properly (Team Leader 3.3.2011, interview).

These occur with issues such as unclearly defined job roles and tasks which results to Accountant being responsible of team leading or the Managing Director being a part of daily management routine which is not desired situation (Team Leader 3.3.2011, interview; Managing Director 8.3.2011, interview; Mellanen 17.2.2010, observation). Also there occur shortages of Team Leaders and this poses complications with middle management with taking care of volunteers and interns at the same time. In addition, it builds stress on Team Leaders' shoulders as there is too much to be done and too few resources to realise those tasks. (Volunteer 7.3.2011, interview; Team Leader 3.3.2011, interview.)

However, the co-operation with middle management is well maintained and appreciated which gives credit for the free structure of HR. There is open atmosphere for discussion, and decision making power is shared through all the levels of management when it comes to the planning of people management. It is also positive that the interns and volunteers are seen as resources for new projects and the organisation in general even though they are not strictly considered as employees. (Team Leader 3.3.2011, interview; Managing Director 8.3.2011.)

As for any organisation, also for Art in Tanzania, the idea of equilibrium point with workforce is ideal but as they face various problems with employees i.e. expatriate failure, it is important to have the plan available and executed for the optimisation of the level of manpower. When moving towards the equilibrium several HR activities are needed. Including practices such as recruitment, training and reward management. (Bratton & Gold 2003, 195.) These, among other HR activities will be discussed in following chapters.

## **4.2 Recruitment & Selection**

Recruitment and Selection is a process that consists of four different stages which are defining requirements, planning recruitment, attracting candidates and selecting candidates. This is a part of the actionable HR plan and all these steps should be taken according to the demands of the organisation. (Armstrong 2010, 192.) This topic will introduce how it is done in theory; furthermore, explaining how the Recruitment and Selection is done in a perspective of non-profit organisation, looking for both paid and non-paid, and foreign and local workforce.

The defining of the requirements starts from the organisation strategy and the HR plan, which define the kinds of employees needed and what kind of activities they are to execute. This comes

down to analysis and definitions of competencies and characters required for the specific job role. (Bratton & Gold 2003, 228.) Armstrong suggests that the behavioural and technical competencies as well as types of qualifications and experiences are parts of job role that are defined by person specifications. These further define the recruitment plan and give information for advertisements and post vacancies on the internet. Major influencers on the execution and features of the plan include the timing issues, the complexity level of the job, local or expatriate recruitment and so forth. (2010, 192.)

With Art in Tanzania, certain characteristics and competencies are considered especially important. The emotionally involved competencies that the interviewees value to be of essence are patience, strong mindedness, empathy, active attitude, openness, humour and independency. Furthermore, they suggest that these are critical in the special circumstances of new cultures and new country. It is important to be able to step out from individuals own comfort zone and stay strong even in difficult situations. Language-, organisational- and social skills were considered important competencies for the multicultural environment in order to be able to cope with the work- and communication related duties. (Intern 5.3.2011, interview; Managing Director 8.3.2011, interview; Team Leader 3.3.2011, interview.)

Next step is to attract the applicants with the advertisements and posts, which should be carefully made to appeal exactly for the right type of potential employee required. Organisation strategy and culture are important as job seekers seem to look for organisations that can match their values with reputation. (Bratton & Gold 2003, 230.) With non-profit organisation this should be quite easy as the whole purpose of the organisation is to improve the lives of others rather than making profit and also the emphasis is given to persons and labour rather than revenue (Matías-Reche et al. 2009, 491). The most common ways of attracting applicants include i.e. employee referrals, advertisements, websites and professional agencies; with these channels the organisation can convey their values and desired image for the labour force. In recent years, the online recruitment has seen rapid growth and it is widely used with international organisations. (Bratton & Gold 2003, 230.)

Selection decision is important and it requires the full attention of the management and selection errors might have great negative impact on the operations. With expatriates it is important to explore that they possess all the required technical skills as well as the ability to perform well in a different cultural environment. The nature of the assignments in foreign countries often supports

certain criteria for selection. Few of them being emotional stability, independent decision making, knowledge of foreign languages and support from the family or partner. (Briscoe & Schuler 2004, 236.) All the expatriate assignments are not successful and the failure is defined as pre-determination of the expatriate assignment due to problems experienced by the employees themselves or by their families. Usually these include cultural adaptation difficulties with the expatriate or spouse as well as other family problems. (Anderson 2005, 568.)

When it comes to local labour force, it is really difficult for the management to grasp the availability of people with correct skills and attitudes. Different countries have varying standards for the recruitment and in more collectivist countries nepotism is a natural way of executing it. As the employer hires a person a moral commitment is build and there is expectation that the family of that employee is taken care of as well. This might prove effective as family ties offer more control than organisational hierarchy. So it proves convenient for both sides to do the recruitment and selection by this manner. However, expatriates might not be that comfortable with these procedures and might intervene some ways to ensure that also the competencies are matched with the potential employee and the vacant job role. (Schneider & Barsoux 2003, 151, 156.)

Probably the most challenging recruitment and selection process for organisations is the recruitment of volunteers. Obviously, these employees are common for non-profit organisations and it is crucial to be able to acquire a steady amount of them. The recruitment process of volunteers follows a path of three stages. Firstly, it is important to correctly define the job role and determine the competencies needed for the work. For example, if task requires high commitment level, is time consuming and demands for great amount of knowledge of the organisation, the selection cannot be made on light bases. However, there always are those tasks that do not require commitment and special competencies, so there is need for both kinds of volunteers. (Halonen, Karreinen & Tennilä 2010, 43.)

Next, the management has to consider what kind of employee would make a good fit. Students and retirees often are able to commit for volunteer work whereas currently employed people are occupied with their own work tasks. Finally, it is important to plan the duration of the volunteering period, some people have more time to offer and are willing to spend it while helping others. On the other hand, people's other responsibilities might limit their volunteering contribution. (Halonen et al. 2010, 43.) However, the task is now defined and ideal volunteer described, so it is time to proceed for the selection.



The selection of volunteers for certain posts often is limited with the current active volunteers. Still, there is always variety among people considering what they can and want to do. Moreover, specific projects can be directed towards the most suitable candidate. Usually, if people are shown that they would be the perfect match with the task, they happily accept it. Volunteers need to feel appreciated and important which can be done by showing that no one else would be able to conduct it as well as this particular volunteer. (Halonen et al. 2010, 44.)

The recruitment and selection process in the target organisation is implemented in three different categories which are defined by the job role and nature of the contribution for Art in Tanzania. Firstly, there are local staff members who are often recruited amongst the relatives or friends of current employees as mentioned before this is a way of securing reliable and trustworthy people to the organisation. The education is not the major requirement for the local employees as they are usually trained for the job and the tasks are often basic duties like driving or cooking to name a few examples. When it comes to expatriates, the recruitment process is different and the education is more important to determine who are selected than relationship ties. However, also old volunteers and interns are recruited to work as Team Leaders if there is proof of required skills. The vacancies are posted on free job seeker websites such as Idealist. The recruitment process is also taking considerably long, with the practical arrangements needed for the expatriate assignments. (Managing Director 8.3.2011, interview; Team Leader 3.3.2011, interview; Intern 5.3.2011, interview.)

Thirdly there are volunteers and interns who often are responsible of their own recruitment but not always alone. Real Gap, Adventure Heart and I to I are sourcing volunteers for the organisation from different parts of Europe. In addition, independent volunteers recruit themselves through the organisation's websites and other volunteering websites; thus controlling the process to a wider extent themselves. The organisation's volunteering 'package' is considered attractive with the offering of both volunteering and tours. Moreover, the volunteer described her selection process as follows: "I searched on the internet and I found some projects where it said, you can do volunteer work and we also offer some safaris or some tours, so you can see the country and it is not the touristic way, it's more the working way and I thought that's good for me." Also the internships need to be well matched for the students in order to them to feel that their work is proper and demanding enough for their study plan. Usually, these are found with the aid of the universities intranet possibilities of advertising the vacant internship placements. (Team Leader 3.3.2011, interview; Volunteer 7.3.2011, interview; Intern 5.3.2011, interview.)

As a summary, it is good to remember that recruitment and selection are mostly about the description of the task and defining the essential competencies for executing them. Consequently, then finding the people with those competencies. Since the recruitment and selection of both paid and un-paid employees is done, it is time to move to the management of the current workforce.

### **4.3 Performance Management**

Performance Management is a necessary part of Human Resource Management and especially in an international context. Performance consists of ability and motivation; thus, in order to achieve high-levels of performance both factors need to be strongly present. Moreover, individual performance builds on the team performance which leads to organisational performance. (Armstrong 2010, 248-249.) Consequently, it should be obvious that the concept is of outmost importance for an organisation. Following paragraphs will discuss the performance in the case company and for example, how the performance of volunteers, interns and local staff is managed.

The purpose of the performance appraisals can be either for evaluation or for development. In an international environment the evaluation goals include issues such as: providing feedback for managers, developing valid data about promotion and job assignment decisions and helping management to make discharge and retention decisions. The development goals consider: managers' improvement in their performance, develop commitment for the organisation with career planning, motivate through recognition of efforts, diagnose problems and identify training and development need with individuals. (Briscoe & Schuler 2004, 355.)

Performance Management includes setting goals, evaluating outcomes and giving feedback to improve the future performance of an employee, team or the organisation in general. It is supposed to direct the behaviour to desired direction and motivate people by having clear objectives and the opportunity to correct the behaviour according to the feedback. It has been argued that the most powerful mean of performance management is goal-setting. However, in cultures where the organisation is seen as a net of social relationships, the focus is on managing people not the tasks. There are many other issues that might fight against the cultural assumptions. For example, if the goals can be made and achieved in a certain period of time, it

would mean that a person has control over the environment as well as the time could be managed. (Schneider & Barsoux 2003, 162-163.)

The degree of direct critic also varies across cultures. Where Europeans accept direct critic, the Americans prefer a bit of softening feedback at first before getting the actual critic. With the cultures that try to protect the appreciation, also known as 'face', of individuals, the organisations try to avoid giving feedback as hoping to protect the good atmosphere. Although there is cultural discomfort in many levels considering the performance feedback, it would be desirable to achieve a local interpretation of the way of giving feedback. In order to make it comfortable and convenient for all the parties and that it is clearly shown why this is done; as in, not to offend the employee personally, but to improve the working. (Schneider & Barsoux 2003, 164-165.)

With the volunteer workers the goal setting and feedback are especially important as their motivation is often based on the learning that they receive from their work. It is important to imply where the volunteer has been successful and especially note the assignments that are particularly important for the specific employee. The techniques of giving feedback can be adjusted, i.e. in case the work has been done in groups also the feedback can be mutually discussed. The corrective feedback is also needed and it is essential to be done with the guidelines that were determined as objectives and it should be given soon after the project is done. The way of giving corrective feedback should be practiced; the manager should always stay polite, calm and professional. The critic can be transformed into wish, advice or guide, which might improve the convenience of receiving the feedback. Furthermore, the positive feedback needs to be mentioned as well, preferably both before and after the critic. (Halonen et al. 2010, 82-83.)

In the case organisation, the performance management is not completely equally distributed. The goals are set and evaluated for local staff on weekly basis, whereas the volunteers and interns are mainly independently responsible of managing their performance. Moreover, there is not clear interest on improving the performance and foreigners have to be self-guided on these activities. The Team Leaders' resources are not enough to manage 30 volunteers if there are only one or two people to work with the interest for volunteers' projects and their performance. Furthermore, there is a need for more support and follow-up with the work of the volunteers as well. Even the volunteer admits that: "When I came to this project, I thought we would have more support." However, with the interns the school is controlling the completed tasks but that is aimed at the

follow-up, after the entire internship period. (Staff Member 10.3.2011, interview; Intern 5.3.2011, interview; Volunteer 7.3.2011, interview.)

The management of performance is important in the international environment and also from the non-profit organisation point of view. The goal-setting and afterwards the evaluation of what was achieved might be the most important characters. The reward management is tightly related to performance and following chapter will explain the different aspects of it.

#### **4.4 Reward Management**

Reward Management is closely related to the Performance Management as usually the rewards follow after successful performance. Rewards can be divided into financial and non-financial rewards and different strategies can be adopted for the allocation of rewards. (Armstrong 2010, 267.) Under this heading, it will be explained how the rewarding systems, both financial and non-financial, work in the case organisation and which kind of strategy is adjusted according to the resources given by the rich variety among staff.

In practice, the rewarding should be based on the type of job the individual is doing and how one performs the job; although, the demand and supply of the labour force are increasingly affecting the rewarding. The rewarding is seen as a tool of managing which supports the success of organisation and motivates the workforce to act according to the values and objectives of the organisation. Often, the management has a broad decision making power on the rewarding issues, but the industry, the structure of workforce and collective agreements give some limitations. (Kauhanen 2006, 105.)

The rewarding has many different systems to follow. The financial rewards can be base pay, performance related pay or indirect pay which constitute of benefits like free accommodation and so on; mix of these three is not uncommon either. Base pay is determined with internal and external rates that are the form of job evaluation and market rates and it is expressed with relation to a certain time period i.e. year, month, week or hour. The levels of pay are agreed with individual agreements or with collective agreements with labour unions. (Armstrong 2010, 275.)

There are two differing views of how to execute the financial rewards in the Non-Profit Organisations (NPO). First suggests that the employees cannot be paid competitively in order to

maintain the highly skilled staff as it is not possible for a NPO to spend that much financial resources to pay for its executives. On the other hand, it is argued that NPOs need to provide competitive salaries if they hope to attract and retain the most talented individuals. The CEOs must be able to adapt quickly to new situations and perform multiple tasks; thus, they need people with best leadership and management skills to motivate both paid and voluntary staff. (Matias-Reche et al. 2009, 500.)

To replace or complement financial rewards, there are different tools of non-financial rewards. Those focus on the needs that people have for recognition, achievement, responsibility, influence and personal growth. These include intangible rewards like quality of working life and work-life balance, performance management, learning and development. Money alone cannot be relied on motivating people to work, so it should be reinforced with these non-financial rewards. If the motivation is achieved in such means, it can have longer-lasting and powerful effect on people. (Armstrong 2010, 279.)

Consequently, it would be ideal to use total rewards system that would provide the employees with both, financial and non-financial as well as tangible and intangible rewards. This approach recognises the need for pay and benefits but in addition values the notion of providing people with rewarding experiences, which convey from the work they do, the environment, the management style and opportunity to develop their skills. This is effective way of rewarding and it covers all the aspects not just few mechanisms. (Armstrong 2010, 273.)

Although the notion of total reward is ideal, it needs to be attached to the cultural environment. The African societies work with collective logic and if the organisation is offering meal for their employees, they might want to take that rather as money and feed the whole family, because the employees would feel bad eating while their families are feeling hungry. (Schneider & Barsoux 2003, 166.) East-African population may be average avoiders of uncertainty which suggests that the total reward system would perhaps satisfy their need for feeling safe and certain about them getting enough compensation to manage (Geert Hofstede 2009, date of retrieval 1.2.2011).

The employees of Art in Tanzania, both paid and un-paid, feel that the rewarding is done equally. Volunteers and interns do not expect financial rewards and they are satisfied with their motivational and inspirational rewarding system; the reward for them can be the feeling of being needed and the joy of the good work. The internship or volunteering can also prove useful in

other professional ways such as appreciated work experience and acquired skills. However, the facilities may in some ways be disappointing for volunteers and this might reduce the feeling of comfort. (Intern 5.3.2011, interview; Volunteer 7.3.2011, interview.)

Local employees are paid for their work and they also get motivation for their job from the multicultural aspect of the work. They are in contact with foreign people who are quite rare in that certain area and as the local staff member phrases it: "We need more volunteers, so we can be good ambassador for our country". Still, locals consider the work really as a job whereas the foreigners are looking for the experiences and learning in the new environment. Furthermore, the staff decided to rather take a raise to salary than to be offered the food in the workplace and some individuals have special arrangements with accommodation as a benefit. (Staff Member 10.3.2011, interview; Team Leader 3.3.2011, interview; Managing Director 8.3.2011, interview.)

As there should be the overall compensation system in place, in addition the expatriates and volunteers need their own perhaps stronger incentives. The components involving these groups should include these features; provide incentive for leaving the home country, maintaining a certain standard of living and taking the family needs into consideration. (Briscoe & Schuler 2004, 308.) A major contributor for their rewards is learning and development which is one of the reasons for working abroad and doing voluntary work. This topic will be presented in the following chapter.

#### **4.5 Learning & Development**

All the aspects of acquiring more skills, capabilities and knowledge can be seen as Learning and Development. This can either be self attained learning where individual is responsible for the process. On the other hand, organisation might provide development programmes, events or guidance aimed at giving the employee the possibility to learn and develop in line with the organisations framework. (Armstrong 2010, 217.) The learning and development activities taking place at Art in Tanzania will be considered in the following. The goal is to achieve an understanding of these processes within different employee groups.

The initial socialisation of the employees happens once they are accepted to work for the organisation and the learning of the culture, values and behaviour begins. This can be done formally with some introduction courses or it can be informal where people learn by experiencing

the environment and watching how others behave. The organisations should carefully consider the way of executing this process as it is part of the organisation culture and affects internal communication as well as reputation. The local ways need to be accepted as part of the organisation and also matters of culture need to be conveyed for foreign employees. (Schneider & Barsoux 2003, 157-159.)

The learning and development is essential part of new employees to get to know how to work in particular organisation but also important is to develop the technical and managerial competencies of already existing staff. This is the covering idea but the cultural aspects need to be considered when deciding how to execute the training. Firstly, the management needs to define the purpose for the training, whether it will be generalist or specialist kind of development, if it is provided for relationship or task competencies and is the training conducted with external seminars or in-house. Some cultures prefer generalists who have worked in various positions and built a wide network of associates; this is popular in e.g. United Kingdom. On the other hand, for instance Germans prefer technical specific competencies that enable expertise in certain field. (Schneider & Barsoux 2003, 159-160.)

Cultural factors also affect on the decision of who has the power to determine who requires or deserves training. In some countries the individual chooses when to have training and what kind of training is needed. This kind of management of own career seems to be the fashion in western world. The perspective is different in countries where the people are less accustomed to being responsible of their own career development; here it is the organisation's management that decides who are appointed for the courses. (Schneider & Barsoux 2003, 160-161.) If the participants for training are determined in this manner it is essential that the learning gap is being identified. This means that management has discovered who really needs the training and what kind of training is proper for the particular individual. (Armstrong 2010, 235.)

Lastly there is the notion of how to learn and from whom. There is a choice between in-house and external courses, but also people from different cultures have been taught to learn differently and that is the challenge of the training process here. With more uncertainty tolerating cultures it is fine for the students to question their teacher and share their own opinions. However, for some extent uncertainty avoiding cultures, like East-African, it is not usual to disagree with other people or demonstrate own opinions. There are also the differences between learning by doing in practice, learning by studying and also the computer courses have become more popular in

organisations. It might be most useful for the organisation to be able to take a bit of each way of learning and unite them into one program or to outsource the training as a whole. (Schneider & Barsoux 2003, 161-162.)

Although, learning is often supported by the organisation, also self-directed learning appears with individuals who are encouraged to take responsibility of their own learning needs. It can be established on recording of goals, how those can be achieved and how they were achieved. This way learning is self-paced and employees can decide themselves how to do it. This principle is based on the notion that people learn more if they explore matters themselves. However, they need to be offered guidance and support for the investigations with for example material and information that will help them to learn. In addition, the middle management should coach and mentor the learning. (Armstrong 2010, 228.)

Self-directed learning is related with informal learning which happens as people work along and they learn about the work themselves. In this kind of environment only minor amount of formal learning avails, but instead people learn naturally from work by learning from experience and other people. The advantages of this way of learning are following; the efforts are relevant and focused, understanding is achieved with smaller steps, learners define how they will gain the knowledge and their learning can be put into action promptly. However, the disadvantages include unsystematic learning and learners might duplicate bad habits. (Armstrong 2010, 226-227.)

Learning and development occur in the case organisation in both self-assisted and organisational aided means. Most of the individual and informal learning is occurring with volunteers and interns. They learn from experience and with the guidance of their colleagues which is most clearly appearing as project diaries and teaching handbooks that are offered for them for the aid learning. Some people find this convenient like an intern notes: "I mean it is just all about you, it is very independent...if you want to make the most of it you need to be very proactive". On the other hand, others tend to prefer more straight-forward learning and actual guiding through the basics of the activities with volunteering, as it is considered a bit uncomfortable and perhaps intimidating situation to for example teach a full class with no previous experience. Also the Team Leaders' initial guidance and familiarisation for the duties is important in case the Team Leader in question has not participated in to the organisations activities. The environment provides good means for



both knowledge and personal development. (Volunteer 7.3.2011, interview; Team Leader 3.3.2011, interview; Intern 5.3.2011, interview.)

The local staff has occasional opportunities for training that is provided by the organisation. In general, the training courses are cheap and will earn the money back with the development and advancement of performance that is acquired through them. Often these courses are found outside the organisation, but also English courses are arranged by the volunteers for the staff to improve their language skills; thus enabling them to interact more with each other. These courses are taken positively among the locals and they are enthusiastic to learn new skills. However, these are usually conducted from the initiation of the top management, meaning that the employees cannot affect their own development courses that way. In addition, cultural aspects need to be considered by both locals and foreigners. It is crucial for both parties to know what acceptable behaviour is and how to cope with each other without causing distress or uncomfortable situations. (Staff Member 10.3.2011, interview; Managing Director 8.3.2011, interview; Intern 5.3.2011, interview.)

Learning and Development is essential part of the IHRM and that is why it should not be ignored by the organisations. It is major influence on keeping the organisation running with capable workforce. Also the employee relations need to be handled well in order to maintain successful organisation in shape. Next chapter will introduce the most important aspects of it.

#### **4.6 Employee & Labour Relations**

The entire subject of employee relations is considered increasingly crucial as the human resources in an organisation are appreciated as an important part of the organisational performance. Thus, employees should be treated well and communication channels should be free for everyone to share their opinions. This needs to be done in order to maintain good relationship with staff as well as improving the actual performance. (Armstrong 2010, 294.)

The term employee relations has been used interchangeably with labour relations and Industrial Relations but actually they have a slightly different meaning. To clear out the meaning of this chapter in the thesis, here employee relations are considering the variety of initiatives that the management undertakes in order to improve the workplace communication, engaging employees

and securing employee compliance with rules and regulations established. With labour relations' point of view the trade union activity will be explored. (Bratton & Gold 2003, 258.)

The employee involvement is considered to be the commonality of interests between management and staff. In direct action, this means an individual employee's involvement in decision-making. The problems coming from employee involvement deal with control and commitment. If management gives more autonomy for employees over their work tasks, it will result a stronger organisational citizenship. Furthermore, it will increase employees' commitment on organisation's goal, which will lead to better individual and organisational performance. Management reason these to generate benefits with the moral, economical and behavioural aspects in the organisation. (Bratton & Gold 2003, 360-361, 363.)

Organisational communication needs to be included in this topic as it describes the upward and downward communication in the organisation. Moreover, this defines whether the employees are being correctly informed about managerial decisions as well as if they are listened to with their own issues. Hierarchy and power related issues are a hindrance for this kind of communication as everyone has own abilities and biases. In addition, there are three different ways of communication; verbal, non-verbal and written, which affect on the receiving of the message in different ways. (Bratton & Gold 2003, 365, 368.) The work environment should be open for all of these methods, but sometimes when there is a lack of common language, it is only possible to use non-verbal communication (Team Leader 3.3.2011, interview).

The discipline practices are also part of the employee relations which are made to reinforce positive attitudes and behaviour. The modern workplace is regulated by rules that are established by the management to limit the inappropriate actions of the workforce. The work relationship also involves a legal part, which means that managers are in a legal relationship with the employees. This guarantees fair and consistent way of dealing with unacceptable work behaviour. Furthermore, trade unions are also taking care of the appropriateness of managing in the organisations where their members work. (Bratton & Gold 2003, 383.)

Usually, trade unions work together with the management of the company to protect the rights of the employees they represent. Trade unions aim at establishing collective agreements for the entire industry to ensure equal benefits. Thus, the HRM and labour relations of the organisation are closely attached. Unions are affected by social, political and economical factors of their

domestic country. The management needs to co-operate and be aware of the aspects that the trade unions bring to their HR issues. (Bratton & Gold 2003, 394-396.)

Employee and labour relations are affected by many factors in the environment as well as inside the organisation. To begin from the issues relating to the in-house employee relations with multicultural work force, the atmosphere and guidelines need to be clear for each and everyone. Often, the foreign employees face culture shock and problems with living conditions which could be overcome or at least soften with proper dealing with the employee relations. Such problems include misunderstandings when interacting with opposite sex and groupings to own nationality groups. The problems considering the environment of the organisation might be more complex in governmental level. Tanzanian banks, very strong Labour Office and corrupted trade unions pose own regulations and limitations to Art in Tanzania's operations. (Volunteer 7.3.2011, interview; Intern 5.3.2011, interview; Managing Director 8.3.2011, interview.)

These complications can be won with seamless co-operation among the Management Team which is not a problem as they know each other well and have been working together for several years. Also social events and meetings are important in order to maintain positive atmosphere and get the different employee groups involved with each other to create synergy and cohesion. The positive connotation of the work is brought up by the nature of the work, which is helping others and people with the need for it. However, the pressure is also there and it comes down to the issue of how much the middle managers or individual employees are able to bare with such responsibilities. Still, everyone is helpful, people feel equal and needed; and they enjoy their tasks in the organisation. A volunteer put it in these words: "I feel really home here, I will miss this place." (Volunteer 7.3.2011, interview; Managing Director 8.3.2011, interview; Team Leader 3.3.2011, interview; Intern 5.3.2011, interview; Staff Member 10.3.2011, interview.)

In case the trade unions are strong in the operation country of the organisation it is likely that they have major regulatory and legislative power on the decisions of HRM. Moreover, it is crucial for the management to be able to realise those affects and obey them. However, even more important is to maintain satisfied and active workforce so the employee relations should be dealt accordingly.

## 5 THE RESEARCH: RESULTS AND CONCLUSIONS

The empirical part of the thesis was done with in-depth interviews and observations as mentioned before. However, the following results have not been clearly discussed in order to achieve the general picture of the indications of this study. This chapter will present the most significant results and introduce the conclusions.

The results of the empirical part of the thesis show that there are significant improvements to be made in the case organisation. However, there still are some positive aspects in the Human Resource Management of the organisation and those are not to be ignored. Consequently, in an ideal situation the good previous habits should be complemented with new perhaps more structural activities in the organisation. Here the essential results will be presented with reference to the conclusions.

The HR planning of the organisation is not structurally executed which is a problem, considering the main attributes of the employees. There should be careful thought put on the durations of the employee contribution as well as to clear job roles in certain areas. The Team Leaders should be adjusted to the amount of volunteers and interns at times and for that reason a proper contingency plan should be in place. Furthermore, it is vital to plan the intern projects as if there is no control over the working intern fields, there might be shortages of proper tasks for each of them. In addition, the internship employees' work could be taken to further responsibility and they could actually contribute on i.e. Hotel Management or Project Coordination issues if there is match between the studies and tasks. The management team is already considerably united so there should be no problems to achieve mutual understanding when considering the HR plan. Moreover, the existing habits are proven to work, so it should be rather easy to construct a plan and make for example the volunteer, intern and Team Leader allocations to match and this way improve the performance in the organisation.

With the Selection & Recruitment the process should be made more flexible and rapid when considering the Team Leader posts as the needs for them are constantly high. Also for their comfort, the bureaucracy should be made clear and consistent. Meaning that it should be possible to give proper job description and contract before the expatriate leaves the home country. It is ideal that the local recruitment is done together with the Local Manager and the

Team Leader as both of them should be able to manage and cope with the selected person. With all the employees it should be verified that they have the social skills to be able to work in a multicultural environment, and perhaps be prepared to come across strong differences with previous experiences. In addition, it is essential for the employees to possess the certain level of English language so that it would be easier to communicate in the work community; this can also be replaced with the willingness to learn it. Otherwise, the recruitment process seems to be working well and the advertisements for the vacancies are adequate. Furthermore, the nepotism is considered more as a rule than an exception; thus this is proper way of recruiting based on trust and relations in this environment.

Performance Management is well organised with the local staff. However, there is major improvement needs for the interns and volunteers. As they are unpaid employees it is found even more important that they have set goals and follow-up feedback in order to feel needed and appreciated. This requires the change of the organisation's attitude towards them. Interns and volunteers need to be seen as employees as well. This way they can benefit from their volunteering work and efforts. Moreover, it comes back to recruitment process, as there should always be sufficient amount of Team Leaders to manage the performance of un-paid employees. The Managing Director cannot be responsible for the interns as it is mentioned that daily management issues are not considered his responsibility. Perhaps it would be advisable to hire a Team Leader specifically for the interns of the organisation. On the other hand, it is essential to let the employees also manage their own work to achieve the ownership of the tasks done.

The rewarding system needs to be equally distributed and properly justified. It is obvious that there are both paid- and un-paid employees in a non-profit organisation, but that requires clear division and reasoning for the choices of who deserves financial rewards and who does not. The understanding for this division is well-grounded in the case organisation. Employees are satisfied for their rewards no matter what those might be. However, for volunteers the rewards could be further reinforced with the consistent feedback of their work. That way they can see their own development and decide if the experience was useful in professional means. For locals it is already a reward to be able to introduce their country to foreigners and for foreigners it is rewarding to see how they can visibly help the community and in addition get the experience of new country and perhaps even continent.

Learning & Development activities should be enhanced with general improvements. With local staff it needs to be carefully reasoned who has the opportunity to participate learning courses. These decisions need to be done with transparent procedures, so that no one feels that they are treated wrong. With volunteers the learning could be focused on own efforts after receiving the earlier mentioned feedback. Still, it is good that the teaching handbooks and project diaries are available but to make the learning more substantial the feedback is required to trigger the learning processes properly. In addition, the initial learning of the organisation's ropes and cultural familiarisation needs to be made. This is important especially with Team Leaders as they are the people who then share the information forward to volunteers and interns. The development needs should always be reflected to the organisations situation and how essential the skills that are to be trained actually prove for the strategy.

The internal and external relations of the organisation have to be taken into account as well. It is impossible for the organisation to affect the surrounding labour relations but the internal employee relations should be monitored and maintained accordingly. The organisation has to learn to cope with strict Labour Office and Trade Unions, but they can actually have an influence on the employee experience of the organisation. Moreover, this can be done with proper familiarisation to the culture, country and habits of the organisation. It is important to make the rules clear for both locals and foreigners so that there will not be any harmful incidents. Then also the tangible environment like housing systems and work facilities can be improved for foreigners to feel comfortable enough as they pay rather high price for quite middle quality housing. One possible concrete improvement could be the acquiring of generators to the volunteer hotel, so that there is a possibility to have water and electricity even during the power outages. This seems to be important for all the people living in the volunteer house and consequently might be able to increase the positive attitude inside the organisation.

Another thing that could contribute to the experience in good manner is the mixing activities of different groups of employees. At the moment it seems like the locals, the foreigners and the foreigners who are there with group are divided in a way that causes tensions in the volunteer hotel. Obviously, everyone is socialising with the people they desire to meet, but in order to spread the exchange of cultures and experiences it might be nice to organise events on a weekly basis to introduce people to one and another. The employee relations are important concerning business as well, because the reputation that the organisation gets is majorly affected by the

word of mouth that previous people involved will spread. Consequently, it is necessary for the organisation to keep the employees satisfied and feeling comfortable.

The improvements should be made to show how the employees are appreciated as a part of the organisation and after all there would not be non-profit organisations without the volunteers. They are the people who want to go abroad and contribute on the well being of other societies even when paying for the experience themselves. Consequently, it is important that the organisation makes the working worthwhile and satisfying experience. Furthermore, the local staff needs to be valued and their skills maintained throughout the organisational levels.

## 6 DISCUSSION

The topic was found very interesting and relevant to explore. The cultural complexities and the reflection of it to the Human Resource activities in the organisation were of great fascination to the researcher. Furthermore, the situation felt interesting as the thesis writer had experience in the organisation before and will be having it also after the conduction of the research. Thesis gives more in-depth knowledge of the organisation and its management aspects for the future challenges.

The qualitative research was a good match with the research topic and problem. The semi-structured interviews gave a good insight on the opinions and attitudes that are present in various levels of the organisation. Moreover, the answers were perceived to cover the themes of the thesis and the research problem was answered by the interviewees as well. In addition, it was possible to discover how the individuals felt about occurring issues in the organisation. Unfortunately, one of the interviews had to be conducted through e-mail messaging as the middle manager was not available in person and other channels of communication were not possible to use. However, the main points were sought from the messages and the answers were supplementing the answers of the other interviewees. All in all, the interviews succeeded well in their task to present what is happening and why.

The observations were used to analyse the situations and people management aspects in addition to the interviews. This felt like proper way of conducting the research as there was one month period of time in which it was possible to get a good idea of what is actually taking place in the work environment. Observations confirmed the picture that was perceived from the interviews and that way the choice of using exactly these methods seems to have achieved the objectives of the research.

The key findings of the research include making a proper HR plan for the organisation which will further aid the selection and recruitment process i.e. proper amount of staff. Also the managing of the interns needs to be planned and perhaps give more responsibilities for them and furthermore, upgrade the performance management of all the un-paid employees as it is part of their rewarding as well. In addition, Team Leaders' initial learning needs to be well organised and executed, so that there is confidence to take on the job properly. Lastly, it is important to improve



the employee relations of the organisation which greatly influence the performance of the work force. Possible improvements being: job security i.e. written contract, improvements on the facilities and socialisation of the employees.

The research has a rather high level of validity as it successfully answers the thesis question 'How to improve the management of diverse Human Resource Management in a non-profit organisation of Art in Tanzania?' Consequently, it can be said that the right questions were asked from the interviewees and their answers were sufficiently supplemented by the observations that were made. Moreover, the research has predictive validity as it measured the phenomena the way it was supposed to.

The reliability of the study can be considered rather high as well. Thus, it would be possible to achieve similar results with same methodology by reproducing the study at different time. However, one might argue that it is not possible to acquire the same results as the employees are changing, but if the circumstances and procedures will not change it is quite anticipated that people will feel the same way. Although, it is desirable for the management to improve the suggested matters then it is impossible to reproduce same results if the problematic issues are eliminated. Consequently, that would only prove that the research was defining the real improvement requirements. However, the generalisations cannot be made from the research as it was done specifically for Art in Tanzania. Basically, this means that the organisation will be able to use the results straight to their practices if they consider the improvements relevant.

Furthermore, the narrative approach for the thesis was discovered to be the proper way of telling the story of the case company. This way a harmonious and consistent appearance was attained. The research was interesting and further studies could be made about specific Human Resource Management issues in non-profit organisation or perhaps a quantitative research which would allow the more generalised data to be published for the increasingly emerging industry.

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17.2.2011

Dar Es Salaam

I find that there are not enough resources to lead the workforce effectively in practice. Team Leaders time is spent on the daily management issues, Adventure Heart group has own Team Leader, accountant needs to be involved with the team leading stuff (work permits). Interns seem not to have proper assignments or control/follow-up on their performance.

22.2.2011

Dar Es Salaam

Guards didn't know whose orders to obey: local manager or expatriate Team Leader. Most of the guards don't speak English, which causes problems when their local supervisor is not present. This is a problem with other locals as well. They are offered adult English classes, but they claim that they don't have time.

The volunteers are changing in fast phase, so to control what has been taught and what has not, there are books, which are assigned to each project and volunteers should write there. Unfortunately, it seems that it is not done too actively, which complicates the work for the following volunteers.

Every month one employee is selected to be the employee of the month and gets one day off. I have never seen that foreign employee would have been chosen for it. Is it motivation only for the local staff? Why is that?

Work place offers food for staff. However, the food for locals and foreigners is different. It might be more effective to give foreigners the chance of eating local food and then introducing western food for locals. Maybe it has been tried already.

Notice board for general staff information. Projects, what is included for different "volunteer" programs.

24.2.2011

Dar Es Salaam

Again problems with electricity. Only volunteers and most of the locals are able to work. Causes big problems for interns, might be having do dates for school. Volunteers are preparing their lessons (self-learning – preparation). For HIV awareness, volunteers need to study the package

in order to be able to work. So learning is crucial also the guidance is done to “educate” the volunteers.

The over interest of opposite sex brings problems with on certain employee. And this has been going on for a long time. However, he only receives warnings and last warnings when the Team Leaders are changing and he never faces serious consequences. This brings really uncomfortable situations for volunteer and internship girls. Furthermore, it might damage their whole perception of the experience and usually first time in Africa. Many girls are young and vulnerable in that sense. There probably should be something done to this fact. Make him work, so that he is not in touch with the volunteers.

1.3.2011 Dar Es Salaam

I made a rehearsal interview with one of local staff members. It took 5 minutes and the only problem that occurred was the HR terms the interviewee wasn't familiar with. Later with other interviews we can see how the staff responds to these profession specific words.

It seems that is a part of volunteers rewarding system that they can choose at what time they work. Local staff has 6 working days almost without exception. Freetime? Are they just happy that they have a job and income. Money is stronger motivator than other benefits. Malanil pills that were promised to get today, didn't arrive: cause health issues.

6.3.2011 Dar Es Salaam

The information is not passed effectively through different levels of management. The issue was the acquiring of the anti-malaria medication for an intern; it took 5 people from different levels to solve it. Communication from higher levels down and vice versa did not work properly, which led to last minute actions. This issue should have been dealt earlier.

7.3.2011 Dar Es Salaam

Local staff members seem reluctant to give interviews. First the interview was promised but refused after the potential interviewee saw the questions. He didn't give me a proper reason, why he didn't want to answer but it seems like he was uncomfortable with the contents. It might be hard to evaluate the organisation that is supporting your living.

Also another employee refused answering the questions and they are suggesting that I Should interview the Managing Director or general manager. It feels like people really are afraid to say their opinions.

General Manager now explained that staff feels uncomfortable to do the interview because there was a communication barrier. And with this kind of information there should be permission from the management to employees to share that information and experiences.

8.3.2011

Dar Es Salaam

It seems that the employees are not really getting as much attention as they could. They are not considered as very valuable asset for the organisation. Furthermore, the volunteers and interns are not seen as workforce even as they are really important for the entire functioning of the organisation.

Other volunteers were planning their lessons but others were playing cards. All of these were adventure hearts. There is clear divide between Danish and other nationality volunteers. Danes seem to keep to themselves. English and Chilean volunteer were planning the lessons. It is really flexible and self guided. They got help from the class/lesson handbook.

Notice: Alternative ways of teaching

- seminar for volunteers and other teachers
- playful methods

9.3.2011

Dar Es Salaam

It is important to keep the hotel organized and that is why there should always be someone present who is responsible for the running of the daily tasks. This duty can be cycled around but people need to be informed of who that person is and that person has to be given access to the assets such as keys, in order to be able to do the job.

## Questions for Managing Director and Staff Administrator

1. Tell me about yourself and describe your duties and status in Art in Tanzania?
2. Can you describe your background considering your experiences and education before coming to work for Art in Tanzania?/ before establishing the organisation?
3. Describe the responsibilities you have considering the Human Resource Management of the organisation?
4. Which competencies you consider the most important for subordinates in this work environment? Why and how they show? Which competencies are especially important in the multicultural environment?
5. What is Art in Tanzania's Human Resources Plan and how it works in practice? Who are responsible of planning and then the execution of the plan?
6. Describe the recruitment and selection process. Which channels are used for recruitment and which methods for selection? How do these differ across the different jobs and nationalities?
7. How is the performance management and rewarding realised in the organisation? How are the rewards distributed equally? What determines who gets financial and who non-financial rewards? How is the work-life balance taken care of?
8. Describe the directing process of different groups of employees. How are employees familiarized with the work and the environment?
9. What are the elements of learning and development in Art in Tanzania? Self-managed or offered by the organisation?
10. How are the employee relations taken care? In what ways the Tanzanian environment affects on it? Trade unions? Does it differ with different groups of jobs?



### Questions for Team Leader

1. Tell about yourself and what are your duties here in Art in Tanzania. How would you describe them?
2. Can you describe your background considering your work experiences and education before coming to work for Art in Tanzania?
3. How are you involved with the HRM?
4. What kind of role you have in the Human Resource Planning in Dar? How is it done? How is the diversity considered? Are you following the plan in daily execution of managing people?
5. Explain the recruitment and selection process from your responsibility point of view? What were your own experiences of this?
6. What competencies you consider important for an employee here? Why and how are those used?
7. How are the staff members directed in their duties? Dividing volunteers, locals and interns?
8. Describe the execution of performance management and rewarding. How is it done fair and equally for all the groups of employees?
9. Tell about the learning and development opportunities provided for staff. How about your own learning and development here / initial guidance? Are those same with everyone?
10. How would you describe the employee relations here? What kind of characters Tanzania is giving to it as the activity environment? Are employees equal, how it can be seen when referring to employee relations?

#### Questions for Local staff member

1. Tell about yourself and your duties in Art in Tanzania. What tasks are included in your job role?  
How would you describe them?
2. Can you describe your background considering your life and education before coming to work for Art in Tanzania?
3. How did you find out about the available job in AIT and how did you get selected to that job?  
Relative relations, purely with educational background, other?
4. How is your performance being managed and rewarded? Do you feel equal with other employees on this matter?
5. What kinds of efforts have been made on your learning and development? Is fairly distributed?  
Are your tasks being monitored and do you get feedback and future how is future goal setting done?
6. Describe how you are treated as an employee and how you enjoy working for Art in Tanzania?  
Are you member in any Trade Union? Do you even have the possibility or would you like to have those?
7. Any comments or improvement suggestions you would like to add?

#### Questions for Volunteer

1. Tell about yourself and what your volunteering here in Art in Tanzania is about? Can you further describe your duties?
2. Can you describe your background considering your work experience and education before coming to work for Art in Tanzania?
3. Describe the process of getting your volunteer placement here. Any level of studies or English required?
4. In which ways your performance is being managed and rewarded? Is it enough and do you feel that it is equal? Does someone monitor your work and give you feedback? Do you set goals together with Team Leader?
5. What kinds of efforts have been put on your learning and development here? How was your initial guidance and the guiding at the moment? Are you satisfied?
6. Do you feel that Art in Tanzania provides nice facilities for volunteering and do you enjoy your work? Do you feel that you are treated well?
7. Any comments or improvement suggestions?

### Questions for an Intern

1. Tell about yourself and describe your tasks here at Art in Tanzania.
2. Can you describe your background considering your work experiences and education before coming to work for Art in Tanzania? How do those match?
3. Is your job role fitting with the needs of your studies? What kind of process you went through in order to have a place here as an intern? Any specific requirements?
4. In what ways your performance is being managed and rewarded here? At school? Do you feel like being useful to the organisation?
5. What kinds of efforts have been put on your learning and development during your internship? Do you have a supervisor? Are you satisfied with these? Are they equal from your point of view?
6. Do you feel that Art in Tanzania provides good circumstances for internship? Are you enjoying the internship as an employee and do you feel that your opinions are being heard?
7. Any comments or improvement suggestions you would like to make?