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Jamaica Social Institutional Profile

**JAMAICA SOCIAL INSTITUTIONAL PROFILE**

**Submitted to:**

**Julius Schlotthauer, Deputy Director  
USAID/Jamaica  
c/o American Embassy  
2 Oxford Street  
Kingston, Jamaica**

**Submitted by:**

**MIRANDA ASSOCIATES, INC.  
4340 East-West Highway  
Suite 906  
Bethesda, MD 20814**

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**MIRANDA  
ASSOCIATES  
INC.**

**PREFACE**

**The following individuals contributed to this report:**

**Levi Berliner, Harvey Blustain, James Cotter,  
James Finucane, Carleen Gardner and James Noel.**

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### Executive Summary/Introduction

The dynamics and operating strategies of eight\* Jamaican organizations were examined in order to generate insights into the context in which AID/Jamaica must plan and implement its assistance projects. This examination revealed four sets of "pivotal strategies" that Jamaican organizations use to successfully compete for resources and solidify their business, whatever their field of endeavor. These strategies are as follows:

- o Motivational--provision of meaningful perquisites; professionalism/production orientation; religious commitment; opportunity for entry-level jobs
- o Socio-cultural--expedient political ties coupled with financial independence/diversification; use of the patronage system within explicit adherence to technical standards; racially/class homogeneous or inverted staff
- o Psychological--demonstrated commitment to employees; regarding clients, fees-for-service, group focus and long-term one-to-one relationships have been identified as reducers of risk and hostility
- o Managerial--high visibility and attention to external linkages; participatory management within agreed goals

AID/Jamaica could benefit from explicit analysis and documentation of the presence or absence of these strategies as part of the overall assessment done for resource allocation purposes.

The nine "case studies" referred to above form the core of the Jamaica Social Institutional Profile. Each organization (with the exception of the assessment of IRDP, which was a program involving several organizations)

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\*and one program implemented by several organizations. The organizations were selected for their representation of important sectors and for convenience. The list of organizations was approved by AID/Jamaica before the field work began.

is presented in terms of its: descriptive profile (nature and history of the endeavor); motivational dynamics; psychological dynamics; socio-cultural/political dynamics; managerial dynamics; and overall performance. The case studies themselves appear in Chapter 3; the methods used are presented in Chapter 2.

For the benefit of readers new to Jamaica, the case study chapter is preceded by Chapter 1: Background. This chapter contains a brief discussion of the motivation for doing a Social Institutional Profile, an overview of the economic situation of Jamaica, and a more lengthy discussion of two Jamaica-based social science explanations of the social/political environment of the country—the plural society and the power distribution approaches. The pivotal strategies (see Chapter 4) identified via the case studies are a response to Jamaican reality, and thus attempts at thoughtful explanations of that reality should be considered.

Chapter 5 contains recommendations regarding the weighing of organizational factors in AID/Jamaica resource allocation decisions, and a brief bibliography. The more detailed recommendations and ways of implementing them were discussed in oral briefings and orientations with AID/Jamaica staff.

## CHAPTER 1: BACKGROUND

### Focus of Study

The interest of A.I.D. in recent years in social and institutional analyses of the environments in which its missions are operating has grown along with the increased attention being paid to institution strengthening as development strategy. These analyses, referred to as social and institutional profiles (SIP), have now been undertaken in some dozen countries.

A perhaps unusual aspect of the process of encouraging and preparing SIP's has been the abstaining from the setting of any standard, agency-wide methodology or content. The practice has been for the individual missions to define their needs and the ways in which a SIP might be helpful in responding to these.

In the case of Jamaica, the interest in a SIP arose in relation to the observed "poor condition" of Jamaican institutions and the difficulties or "unyielding constraints on A.I.D.'s ability to assist in institution-building." 1/ At the outset the interest of AID/Jamaica was a broad one. It included a concern with specific problems which it was believed hampered the public sector as a whole (e.g. inadequate wage levels, "regrettable" taxation of government employees, staff skill levels), a concern to know more about "newly targeted" private sector institutions and the public sector institutions intended to assist them, and, a recognition of the "problems of communications" for A.I.D. institution--strengthening efforts. "Jamaican management solutions to problems tend to differ from U.S. solutions..." 2/.

1/ See, the FY 1985 Jamaica CDSS and the March 1983 cable of AID/Jamaica on the SIP scope of work, Kingston 02185.

2/ Ibid.

The action by AID/Jamaica to follow-up on this interest was its identification of the need for a SIP document which would "identify and describe the institutional framework in which AID is operating" in Jamaica. The content of such an implicitly voluminous document would have ranged from the identification of the organizations "capable of addressing Jamaica's most critical development problems" to recommendations on "strategies for an improved AID institution-building strategy in Jamaica." 3/ This range was widened further in the preliminary specification of the "principal research questions" which added the element of "economic" to the areas to be investigated and which gave increased accent to the need to understand the "Jamaican institutional dynamic." 4/ Secondly, it was expanded yet again in the contract scope of work which added to the aforementioned interests the comment that,

In particular, examination needs to be made of the inter-relationship between public policy, economic recovery and employment opportunity, and such prime AID beneficiaries as hillside farmers, traditional crop agricultural workers, urban youths and women.

In the months between the initial expression of needs and concerns, the development of the contractual Scope of Work and actual field work, the Mission refined its research focus to be the "dynamics" of Jamaican organizations. This focus on dynamics led in turn to an interest in learning about how organization operate given the social and political context of Jamaica. Referring back to the Country Development Strategy

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3/ Ibid  
4/ Ibid

Statement, the decision was made to focus on the operational strategies of organizations representative of those "sectors" targetted to receive and use assistance from USAID/Jamaica.

### Economy

The economic situation of Jamaica has not been very bright for some time. A few brief observations are offered here so as to bring to the attention of the reader some of the more relevant features.<sup>5/</sup>

Per Capita Output. While per capita GDP is close to US\$1,000, it has experienced no significant growth during the 1980-1983 period after having declined in real terms during the period 1970-1980. This pattern of stagnation and decline has been especially difficult to contend with in that it followed on an established pattern of sustained per capita growth: over the 1950-1968 period per capita growth averaged, in real terms, 4.3% per year.

### Employment

Present unemployment rates are 27%, a large element of which is structural, in that it is related to the young demographic structure and to high levels of participation by unskilled male and female youths in the labor force. The rate in Jamaica includes the "hard core"

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<sup>5/</sup> The Statements in this section draw from, Department of Statistics, Statistical Review, March, 1982, Kingston. Government Printers, 1982; National Planning Agency, Economic and Social Survey, January-June, 1981 Kingston. Government Printer, 1981. Department of Statistics, Statistical Abstract 1980, Kingston, Government Printer, 1980; U.S. Embassy, Jamaica, "A Perspective on Jamaican Unemployment," December 1982; Polly P. Harrison, "Analytical Description of the Disadvantaged Population in Jamaica," AID report, April 1978; Commercial Section, U.S. Embassy, Jamaica, "Jamaica": Foreign Economic Trends and Their Implications for the United States," July 1983; Norman Girvan et al, "IMF and the Third World: The Case of Jamaica, 1974-1990".

unemployed who are not "actively seeking" work, a definition which would exclude them from being included in the total labor force calculation in the United States. This high unemployment rate has been a steady feature of Jamaica at least since the early 1970s. More than 30% of those employed are "self-employed and independent workers".

#### Demography

Jamaicans have a fairly high life expectancy of some 70 years. The population of 2.3 million is both young - 45% is less than 15 years old - and old - 15% are 60 years or older, resulting in a high ratio of dependents to workers. More than 30% of the population lives in the Kingston area.

#### Income Distribution

Jamaica is considered a country with an extremely wide disparity in income distribution (often contrasted in this regard in the Commonwealth Caribbean with Barbados). No recent studies on income distribution have been discovered.<sup>6/</sup> Calculations covering the 1958-1974 period show, after some initial indications of improving distribution, a long term pattern of increasing skewness. In 1958, the lower 60% of the household received 19% of the national household income, in 1974 they were receiving 16%, a figure which understates the increasing per capita disparity in

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<sup>6/</sup> The data do exist, however, in the form of sectoral accounts, sectoral labor force and statistics and census data, making it quite feasible for a reasonable study of income distribution to be attempted. See also Carl Stone, Democracy and Clientelism in Jamaica, New Brunswick: Transaction Books, 1980; Development Dialogue, No. 2, 1980, --, 119-127.

that the size of households in the upper group has tended to decline disproportionately.

#### Open Economy

Jamaica's economy is very "open" and thus highly susceptible to external trends and events. In 1969, the total value of exports and imports (a standard indicator of openness), was 80% of GDP but by 1980 it had risen to 100%. From a different angle, more than half the postal transactions in Jamaica are said to be overseas mail, and more than half the households are reported to receive remittances from overseas.

#### Government

Government's role in the economy has been steadily rising. In 1969, central government expenditure was 18% of GDP; by 1980 it had risen to 39%. Over the 1959-1977 period, overall production of goods and services, increased some 85%; public administration expenditure over the same period increased some 300%.

#### Economic Structure

The national 1973-1980 accounts (market prices, in constant dollars indicate that the service sectors were the only ones which have showed any real growth; within this group, however, "producers of government services" have been the only dynamic sub-sector. Thus much of the "growth" recorded, remembering that the net figures for the period show negative growth, is likely accounted for by increases in public sector employment and salary levels. The economy relies on the export of bauxite and alumina for more than 75% of its recorded foreign exchange

earnings, and confronts continuing, long term trends of both declining real output levels and declining terms of trade for two of its potential export growth sectors, manufacturing and export agriculture.

Social/Political Context: Two Views from Social Science

While it is not the purpose of this SIP to reiterate scholarly findings, two "schools of thought" on the structure and functioning of Jamaican society are summarized here for the benefit of AID staff newly assigned to Jamaica; a bibliography is attached at the end of the SIP for those who wish to pursue the matter further.

The first is a social, cultural, psychological approach, historically identified with the work of Jamaican anthropologist, M.G. Smith. It centers on the view of Jamaica as a "plural society" which, rather than being a homogeneous product of a social "melting pot", is instead a society of clearly distinct cultural groups with their own, often clashing values and norms. The second, the result of a more structural power distribution perspective, which can be associated with a work of Jamaican political sociologist, Carl Stone, views organizations as functioning in an environment characterized by centralized power, almost "tribal" partisanism and pervasive networks of patrons and clients which determine and reflect the ways in which resource allocation decisions are made.

These two competing approaches are more or less holistic frameworks for understanding the Jamaican reality. One finds, not uncommonly, that many Jamaicans hold both. They are not, however, held by all Jamaicans and it is not being asserted that they explain all that occurs within

Jamaican organizations. Their usefulness is that their application can provide the observer with a coherent way of categorizing the causes and effects of difficulties and successes of Jamaican organizations. Their weakness, and here the reader is duly cautioned, is that their too rigid or too insistent application to what is a complex and changing reality, may result in the observer being too certain about that which he knows too little. A problem with too heavy reliance on earlier analysis is the tendency to interpret new information/observation based on those earlier assumptions: it is too easy to get what one is looking for. The matrix used in development of this SIP (see Chapter 3) is an attempt to overcome this potential weakness in the Case Study Approach.

The "plural society" -- a social, cultural psychological perspective

The "plural society" approach to understanding the Jamaican social and institutional context has its local origins in the history of Jamaica as a colonial society based on the plantation (slave) production of export sugar. Society was rigidly divided into white, brown, and black layers which were strictly and hierarchically defined in economic, political and social terms. Culturally, however, there was a constant "acculturation" pressure, beginning with the "seasoning" of each newly imported African as to what was expected of a slave, to adopt the cultural values and norms of the dominant white, British group.

Historically, the three major societal groups have institutions and expectations which differ considerably one from another. These groups identifiable by their racial and cultural ancestry, each having a different experience and history in Jamaica. M.G. Smith's views on this are reflected in the following chart.

CULTURAL PLURALISM IN JAMAICA

adapted from H. G. Smith *The Plural Society in the British West Indies*

INSTITUTION	UPPER SECTION	MIDDLE SECTION	LOWER SECTION
KINSHIP	Small families bi-lateral authority functions are status placement training	Patriarchal authority structure division of labor by sex varied household composition	Matriarchal family authority large varied household composition, based on maternal kinship
MATING PATTERNS	W. European norms	Civilized Victorian marriage distinguishing men's legal and legitimate issues	Mating outside the context of marriage Marriage postponed until middle age
RELIGION	Agnosticism Faith and skill in modern science, materialistic world view, causality	Denominational Christianity, church creed, ritual, theology	African type ritual forms, spirit possession belief in witch, magic, fatalism
EDUCATION	University trained, Overseas exposure	Secondary school, teacher training Technical institutions	Primary school, no formal education, high illiteracy
OCCUPATION	Entrepreneurs, landed proprietors, corporate managers, professionals largest incomes and high status	Clerical, white collar, skilled, small businessmen, farmers, contractors	Wage laborers, own-account operators, underemployed casual, unemployed, multiple occupations lowest income, very low status occupations
ROLES	Employers, security by virtue of position	Employees, Trade union membership Employer of casual domestic labor	High level of insecurity in employment, multiple sources of income and multiple occupational roles
ECONOMIC ASSOCIATIONS	Chamber of Commerce, Employer associations Business pressure groups	Trade Unions, Credit Unions	Trade Unions, friendly societies "partner"

<b>PROPERTY CONCEPTS</b>	Ownership of productive enterprises, factories, estates. Interest or shares and rights to profit Rights defined by law	Property by individual or family, freehold or mortgage. Own-account enterprises	Family land without title or personal distribution rights, personal property limited to tools, small stock
<b>LEGAL PRACTICES</b>	English law Interests in control of subordinates and protections of property and rights		Disputes settled by informal arbitration, obash, village lawyer, pastor
<b>LANGUAGE</b>	Standard English understood only 10% of dialect	Both Standard English and dialect	Dialect only
<b>RECREATIONAL PATTERNS</b>	Golf, polo, water-skiing, yachting, tennis, billiards, bridge		Boxing, cricket, track, cycling, football, dominoes, gambling, dancing
<b>VALUE SYSTEM MORAL AXIOMS</b>	Materialism causality and science	Social status and color based on Christian theology	Physical gratification and basic needs, spirit possession, manipulation

The important area of difference for purposes of this study is the question of values which determine interests, expectations and motivation of individuals and groups in organizations. According to Smith's analysis, the extent of difference between the groups would create a situation within organizations where events take on differing and competing interpretations for the various groups. He asserts that interpretations of events by reference to one or another of these competing moral systems is the principal mode of thought that characterizes Jamaica society.

Thus, Jamaicans moralize incessantly about one another's action in order to assert their cultural and societal identity by expressing the appropriate sectional morality.

Clearly, there would be constraints to institutional effectiveness of organizations whose membership draws from the entire society, constraints inherent in the cultural diversity and competing value-systems of the three groups who comprise the small, dynamic society of the "plural society" view. The we/they nature of social relations which it suggests would presumably create difficulties for efforts to operate organizations which are composed of representatives from all the groups.

The plural society perspective of Jamaica has been criticized in a number of ways, Two are mentioned here because of their obvious relation to intra-organizational and inter-organizational dynamics.

The first is that the plural society view gives secondary importance to economic stratification as explanatory of the distribution of power and status (and hence as explanatory of who does what in Jamaican organizations, what expectations people have within these organizations, and

similar issues). Thus, while accepting the we/they nature in which many interactions in Jamaican organizations are perceived by the actors themselves, this view sees it originating not in cultural differences but rather in economic class differences. This is an alternative view held not only by those with Marxist explanations of class development. Jamaicans of the upper category (using Smith's typology) with strong "right" views, not uncommonly argue for viewing Jamaica as a "fluid" society, with a widely shared consensus on norms and values, on what is "Jamaican". The argument is that the large disparities in "style" and living patterns are economically based, but that in modern Jamaica this base has more to do with an amalgam of factors such as merit, hard work, good fortune than with "family".

A second criticism of the plural society view is that it simply represents the changing ideology or views of the anti-colonial middle class of Jamaica of the 1950's. "Cultural pluralism" allowed people of that time who were "acculturated" to be anti-colonial while at the same time asserting a certain "middle-class" notion of what was "proper". It's strength was plainly visible in the constitutional and formal approach which was taken to gain independence, and it continues strongest in the formal, English common law based, legal system of modern Jamaica. This critical view of cultural pluralism, acknowledges that it is a theory with social roots, as an ideology of a group, but asserts that it does not serve adequately to explain the values and norms, the polarizations of Jamaica today. An interesting aspects of this criticism is that it serves to explain how the "plural society" view changed, as the upper group lost control, from an optimistic "we-will-all-be-one" belief to one that saw divisions as hard and in conflict.

#### A. Structural, Power Distribution Approach

A structural, power distribution approach to understanding organizational dynamics in Jamaica can be associated with the popular view of Jamaica as a "big man" society with behavior guided by "mafia" and with "controllers" determining who wins and who loses. It fits the view of politics as dominated by a succession of populist, charismatic leaders (e.g. W.A. Bustamante, Michael Manley) whose power is experienced through structures which reach into every corner of society. This approach can also be associated with a wide array of current Jamaican social scientists. In its more economically oriented versions it has a tremendous impact on Jamaican and Commonwealth Caribbean thought through the "New World" group of West Indian scholars, including Jamaicans Norman Girvan and Owen Jefferson, and the major work of George Beckford. In its versions which directly address issues of organizations, it has been employed by, for instance, Jamaicans Edwin Jones and Carl Stone.

In the development literature non-marxist approaches of this general type which considered institutional questions were frequently used in the 1970's in the analysis and planning of rural development efforts. They gave rise to "participation" as a technocratic development strategy, and to the "politics of participation" as a strategy to gain and employ power.

Two distinct categories of thought present in this approach are mentioned here because of their helpfulness in thinking about organizational dynamics. One is concerned with decision-making processes, participation analyses and political institutional studies (in the development field these are often grouped together in the broad category of development administration);

the other is a more, political economy based concern influenced especially in Jamaica, by the New World group's thinking about center-periphery types of relationships (that is, rather than by the more strictly class, in the marxist sense, orientation), and structural dependency about who owns and controls.

From this structural approach, the social and institutional context of Jamaica is one of extremely aggressive partisan politics, intense competition over the control of resources and an established centralization of resource allocation decisions and the development of extensive networks of patrons and clients.

#### Competitive Party Politics:

In Jamaica, "politics" is often synonymous with "partisanship." The nine national elections held since 1944 have resulted in changes in government every two terms, and the competition between the Jamaica Labour Party, now in government headed by Edward Seaga, and the People's National Party, now headed by opposition leader Michael Manley, is harsh and has at times been violent. Since the 1949 election, no candidate from outside the JLP or PNP has won a seat in Parliament. No representative of a third party has every won a seat, and in 1972, the last election contested by a third party, the third party candidate drew only .01 percent of the votes.

Jamaicans sometimes view their politics as being so partisan as to be "tribal" in the sense of deeply-rooted, and strongly felt, constantly promoted and physically defended loyalties. This characteristic, and the

challenge it poses to the political parties themselves, as well as to organizations in the society had been stated by one of Jamaica's current leaders:

..... a way (had) to be found to de-tribalize politics. With nothing to which a political commitment could be made in earlier times, people tended to form blind attachments to one or other party. It became "my party" right or wrong. People (were) literally happy if things went badly for the country under the "other" party, since that indicated a victory for "their" party at the next election.

Resource Concentration and Centralized Decision-making:

The party in power commands many of the resources of a highly centralized political and economic system. Policy and programmes are formulated and administered through the various ministries and agencies, and these, in turn, are managed by individuals appointed by the government of the day. Along with the steady trend for an increased government role in both the service and productive sectors, reflected in the rising proportion of government expenditure in the GDP noted earlier, that by 1982 there were 205 public enterprises, and statutory authorities ("parastatals") numbered 235, up from 34 in 1951. The public sector has steadily sought to achieve results while not deconcentrating or decentralizing. Local government, represented by the 14 Parish councils, is dependent upon the central government for resources and direction. Since 1856, the central government has maintained control over local revenue and expenditures, and the councils currently receive approximately 95 percent of their revenues from central government grants. Meanwhile as a proportion of total government services, local government fell from some 20% to 10% in the 1965 - 1975 period.

The private sector reflects a similar concentration of resources and decision-making. Jamaica is at times seen as being controlled by "21 families", and their interest groups. The families are all descendants of non-black families, most of whom have been Jamaican for generations. Available statistics are revealing: out of 11,435 firms, 41 (only 0.4 percent of all corporations in Jamaica) accounted for 70 percent of gross domestic savings in 1970. Many of these 41 are joined by interlocking directorates, where a head of one firm sits on the board of directors of several others. In 1972 seven percent of the shareholders held two-thirds of the shares in the 41 leading companies. In contrast, 83 percent of the shareholders controlled only six percent of total shares.

The concentration in both the public and private sectors is joined at the top through the practice, of both JLP and PNP governments, of relying heavily on members of these same "21 families", or officials of the companies controlled by them, to head and staff the board of the "independent" parastatals. The rationale is that the governments are drawing on individuals with directly related skills and experience, there being a limited number of these due to immigration. The result, however, is public sector boards that often are strongly influenced or controlled by the dominant private sector interests of their area of business.

This resource concentration and centralized decision-making was intensified in the public sector during the 1970's even while the economy was experiencing negative growth. While the present government has at times at a formal policy level espoused a market-oriented

approach which would imply a rather different structure of resource allocation decision-making, observers report no lessening of these tendencies. Although there are many particularistic reasons such as the personal backgrounds of individual leaders which might help to explain this phenomenon, at a general level it serves to underscore the strength of this societal proclivity to concentration and centralization.

#### Patrons and Clients

For individuals and organizations to gain access to the resources controlled by the center, it is necessary for them to establish themselves within a pervasive network of patrons and clients. Carl Stone, who has described Jamaica as "the prototype of a clientelistic democratic state," has concluded that without an understanding of the patron-client relationship existing between the political parties and the mass public, one is hard-pressed to understand how the whole system operates. He emphasizes that these relationships are not limited to party organization.

The link between competitive party politics, highly centralized resources, and patron-client linkages is extremely important. Parties attempt to establish and maintain popular support through the distribution of benefits through these client networks. It is a "spoils system" which does not vary with a change in government on election days.

For individuals and organizations, participation in these networks becomes critical because of the centralization of these resources. It

is no accident, therefore, that in the public sector, between 1959 and 1977, average increases in public spending in election years have been twice as large as the average increases for the entire period. Thus, for that eighteen-year period, the average annual increase was 8.6 percent. For the fourteen non-election years alone, the increase was 5.7 percent, and for the four election years (1962, 1967, 1972 and 1976), the increase was 16.7 percent.

#### Organizational Problems and Dynamics

The two approaches to the social and institutional context outlined above are at a level of abstraction above that which can be actually applied to reviewing specific organizational experiences. They are central element in the cognitive frameworks, and thus, among the determining factors of the social and institutional context itself, but in considering specific organizational issues the analytical framework needs to be less global. The sub-framework suggested in this section is one which has been developed and extracted from the views of organizational problems in Jamaican organizations as perceived by the actors themselves. Although there is at times a close relationship between the broad approaches and some of these problems or dynamics cited, the former represent perspectives on or ways of viewing the context, while the latter represent areas of actual behavior, within the context.

Presented below are the types of problems with which Jamaican organizations consistently contend. While the reader unfamiliar with Jamaica will be struck by a familiar ring of many of these, that they occur within the Jamaican social and institutional context causes them to manifest themselves in ways and to be amenable to types of solutions which may not be so familiar.

### Motivation:

Difficulties experienced by leaders and managers in motivating members of a work organization are a core subject of organizational behavior studies. In Jamaica, these difficulties are often ascribed to:

- reward structures: which fail to meet the objective and subjective needs of individuals with little work-place mobility and little link between increased output of quality and increased benefits for the worker; and
- communications: among people in different parts of the organization are often based on widely disparate views of goals, on an inadequate consensus as to, (a) appropriate responses to management and, (b) adequate levels of performance. The communications context is one in which the practice of identifying solutions through discussions is not common and is made difficult by the different orientations of the various social groups from which organizational members are drawn (read, "plural society").

### Socio-Cultural-Political:

Non-market based (from an economist's view of markets) responses are common-place in Jamaican organizations. Decision of the allocations of scarce resources within as well as among organizations of all societies respond in some measure to signals other than those of factor markets. In Jamaica, these difficulties are frequently ascribed to social, cultural and political features. The form of these problems are usually discussed in the following terms:

- centralization: of decision-making within organizations which not only reinforces a we/they dichotomy but produces, because of the social and cultural barriers to vertical communication, allocations made on the basis of insufficient information:
- politicization in the form of Tammany Hall style interventions into organizations encourages resources to be allocated on criteria resembling favouritism and special case pleading rather than "relative merits";
- "privilege": rather than merit continues to be a strong factor in determining access to resources, most notably within organizations in determining recruitment, entry level placement and promotion practices and in subtly influencing the "type" of role which individuals will be assigned; and
- "unions": the major ones of which in Jamaica are inextricably linked to the two political parties, are frequently mentioned as the major explanatory factor for wage levels, disciplinary practices and personnel procedures, and actions are said to be motivated more by inter-union (read inter-party) rivalry than by the specifics of any individual case.

Psychological:

From an organizational output perspective, (i.e. no reference is being made to "personal" psychological problems) psychological factors which make it difficult for individuals to function at full effectiveness while performing as members of a group are dysfunctional. In Jamaica, factors of this nature stem perhaps more from a "pirate ideology" (which is a set of beliefs which emphasizes personal strength, individuality, and a generalized resistance to authority, and which can be seen as a

characteristic derived from the maroons and ex-slave peasant farmers, as well as the pirates, who together were dominant foci of Jamaican thought and concerns for several centuries) than from a plantation society in which everyone "knew his place". For organizations, these problems are seen as:

- attitudes: of suspicion and distrust amongst individuals which can be sufficiently strong to be self-fulfilling;
- indiscipline: which while hostile and disruptive in many instances, is carried out as a form of self-assertion without a belief that it will affect the situation in some beneficial manner;
- short-term gratification: tendencies in which there is little or no learned behavior to reinforce concepts such as planning, savings or other forms of deferred gratification within a longer term framework; and
- individualism: which is supported by a belief that self-esteem, perhaps as a reaction against the total dependency inherent in the plantation model, is a function of the ability to control one's own environment (i.e., not to depend on an organization) and to reduce exposure to clearly assigned responsibility.

Management:

While the three categories of problems above do not isolate management as a separate factor, participants in and observers of Jamaican organizations frequently cite management problems as a major area for attention. In considering this area, one is reminded that in addition to the "plural society" view and to the structural, power distribution perspectives, and to the "pirate ideology" mentioned above, one must bear in mind the

history of Jamaica as a crown colony, and as a nation which adopted methods (e.g., "minuting" and minuting up") and legal and organizational forms (e.g., the essentially "class" notion of organizational structure) which, even when not practiced, have an impact on the way managers think and act. The specific problems cited are:

accountability: upwards is formally well-established but there is only a weak sense of accountability to lower level workers, work groups or, in development language, "beneficiaries";

linkages: to other organizations on a horizontal level (e.g., trade associations) and vertically downwards tend to be weak and relatively untended, while linkages upwards are often of a politicized or social-class bound nature;

formalism: a tendency to elaborate sophisticated structures, and a ritualistic respect for proper form is often more determining than efficiency and effectiveness and contributes to a;

rigidity and inflexibility in organizational resource deployments even in situations calling for rapid responses to changing circumstances; and, a

short-time focus and a preference for immediate, often token and weak commitments which are accompanied by constantly shifting priorities and an expedient and "trendy" use of management resources.

## CHAPTER 2: METHODOLOGY

### Overview:

To meet AID/Jamaica's goal of understanding the operational strategies of organizations representative of those "sectors" targetted for assistance, the followed study objectives were defined:

1. To identify impediments to operations in private, parastatal and PVO organizations
2. To identify facilitating strategies for dealing with the impediments identified above

Three field researchers were selected based on their prior experience with these types of organizations in Jamaica.\* Then, a cross-section of organizations were selected for Case Study, based largely on accessibility, given study time constraints.

A literature review was done to back up the conceptual frame of the analytic matrix described in the following pages. A completed summary matrix of strategies appears at the end of Chapter 3. Interviews of organization staff and observers were structured according to the matrix, leaving room for observations and discussion of factors not included in the matrix. The field researcher and Team Leader met daily for a review and discussion of results.

The preparation of this SIP has entailed literature review, organizational case studies (through structured interviews and review of interna!

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\* James Noel, private voluntary organizations  
Carleen Gardner, private industry and parastatals  
Harvey Blustain, agricultural cooperatives

documents), and interviews with knowledgeable Jamaican observers. Discussions with AID staff who have had wide experience with Jamaican organizations were also held. This approach was adopted, first, to allow for a perception as to how Jamaicans think about their social and institutional context to come through, and, secondly, through examinations of particular organizations along with surveys of the results of other investigations, to permit the subsequent identification of patterns from actual cases, and, thirdly, to be in a position to comment on the utility to AID of looking at the Jamaican context from the various perspectives which Jamaicans themselves employ.

Each of the individual case studies is structured to cover four distinct areas: a description of what the organization is and what it does; and assessment of how well the organization has performed with a particular emphasis on its performance as a development institution; and analysis of the organization's experience with the problems which, on the basis of an initial review and discussions, it was felt arose from the Jamaican social and institutional context; and, some comments, insights and views which arose during the course of the study.

## Analytical Matrix

Case Study researchers sought to understand each organization in terms of its motivational dynamics, socio-cultural dynamics, psychological dynamics and managerial dynamics. These dynamics feed off of and into each other, and are thus the distinctions are made for ease of analysis into their various aspects.

Motivational dynamics are expressed in an organization's reward structure, worker/management cohesion or alienation, and communications processes. These aspects may in turn be broken down into the following types of strategies:

- o Reward Structure: workplace mobility, production or process orientation
- o Worker/Management Cohesion or Alienation: consensus on output, consensus on safety standards, consensus on time-related issues.
- o Communications Processes: common definitions, dialogue, degree of formality.

The lack of motivation has been cited as a problem in Jamaica. What motivational strategies are actually used in Jamaican organizations?

Socio-cultural dynamics are cited by Jamaicans and others as being the greatest barrier to organizational development. The case study researchers examined each organization's technique(s) for dealing with socio-cultural factors such as:

- o clientelism/patronage;
- o partisan political polarization;
- o "them-us"
- o individualistic self-perception manifested in multiple survival strategies and reluctance to share; and
- o racial separativism.

Related or derivative psychological dynamics such as suspicion, hostility, short-term gratification, and avoidance of risk, blame and responsibility are important to the function of an organization. Where they are present, how are they handled, and where they are absent, why is this so?

Managerial dynamics are assessed in reference to

- o decision-making
- o accountability to beneficiaries
- o response to long-term problems
- o maintenance of external linkages
- o monitoring, record-keeping and impact assessment
- o degree of formalism internally and externally
- o degree of flexibility
- o organizational complexity
- o financial status

As can be seen from the Summary Matrix of Strategies at the end of Chapter 3, managerial dynamics are a reflection or further iteration of the other dynamics under study.

## CHAPTER 3: CASE STUDIES

### APPLIANCE TRADERS

#### Descriptive Profile:

Appliance Traders Ltd. is a group of companies:

- Appliance Refrigeration: Manufacturers of fridges, stoves, air conditioners, water heaters, etc.
- Florida based appliance and refrigeration, leading Fedders Distributors in the U.S.A.
- Appliance Traders: distributors of a range of electrical equipment.
- Caribrake - manufacturers of auto brakes.
- Industrial Products
- Sandals Hotel and Carlisle Beach Hotel

The core company Appliance Traders has 270 employees, but the factory itself is relatively small, with 40 employees. There is also a small service crew of 15 factory - trained technicians and a design engineering team of five. Seven hundred employees work for the Appliance Traders Group as a whole. The value of sales is in the vicinity of \$50M, with targets of \$100M. The major shareholder and founder of the company is a white Jamaican, from modest means, who started the business when he was 27 years old. A former salesman, now in his early 40's, he received only a secondary school education. However, his aggressive business policies and exemplary employee relations have built the company from a small scale distributorship of 4 or 5 people into a growing conglomerate.

The management team consist of a Managing Director (an ex-Minister of Finance) and several General Managers for the various entitites. The senior

management is a combination of (1) people promoted from within and (2) new professional managers; 60% of the people now employed have been there over 10 years.

The company is a private one, therefore financial resources come from commercial banks. In the business of distribution and manufacturing, foreign exchange is a critical factor to provide raw materials and finished goods. This company has secured its foreign exchange earning capacity via:

- (1) Florida based company
- (2) Sandals Hotel
- (3) Export of products

Appliance Traders is now a net earner of foreign exchange. During the 1970's when similar trading companies were folding, Appliance Traders converted to manufacturing, diversified into tourism and generally expanded.

The company began operations in Kingston in a small old house. Its present head offices, factory and warehouse, together with repair and maintenance facilities, showrooms, sports club and gym are located in mid-town Kingston. The company has islandwide distributorships, and its now proposing major expansion in Montego Bay.

#### Motivational Dynamics:

Appliance Traders is a meritocracy—performance and company loyalty are rewarded by tangible benefits as well as mobility. This factor is the dominant philosophy of the company, it is frequently talked about, it is practically demonstrated and there are many examples of successful employees to indicate that.

One of the Directors of the Company, who is also the Service Manager, is a founding member of the company and worked alongside the owner to build the enterprise. He runs an extremely efficient service operation, is well respected and has considerable status in the company.

The Factory Manager has been with Appliance Traders for 12 years; he also started as a technician and worked hard to expand the manufacturing operation into a full scale factory with the capacity to produce more equipment than the company now requires. Over the years, the company has experimented with reward systems and has developed a system of incentives which seem to work. Servicemen operate on a commission basis, the more jobs the higher the commission - even the office staff of the service department are on a commission basis. In the factory, technicians get \$1 extra on basic pay for each piece of equipment they produce. The reward system carefully responds to:

- (1) status needs
- (2) basic needs
- (3) mobility needs
- (4) security needs
- (5) recreational needs

There is for example a trophy donated by the Factory Manager, bearing his name, which is awarded each year to the most improved worker.

Job security and personal security are critical aspects of the employees policy at Appliance Traders, and this does not interfere with the task-orientation. Turnover is low and even if an employee, who has proven

capability, leaves, he/she can return to a place in the company. While these policies are not formally documented, employees know that they will get assistance from the company: 1) to purchase a house - a strong basic need among Jamaican workers; and 2) to get a license and loan for a car. All employees are entitled to a holiday free at the Sandals Hotel; the company is now refurbishing a sports club with bar, pool room and gym for its employees.

In the words of one employee "Appliance Traders takes care of you!" Employees therefore value the company and are willing to perform any tasks to ensure that the job gets done. The segregation of work tasks which occurs in many unionized environments does not happen at Appliance Traders. For example, if a trailer arrives with raw materials, all available hands, salesman, directors etc. pitch in to expedite the unloading. If there are no drivers available to do deliveries, servicemen are willing to take on the task. The organizational goal--getting the job done--is shared by every member of staff.

#### Psychological Factors:

This is not to say that disciplinary problems do not occur. The procedure is similar to other companies - reprimand for the first offense, suspension for the second. However, according to the Factory Manager, Errol Lee, the offender never repeats the action. Peer group pressure and a reinforcement of the required standard of behavior serve to keep people on track.

Appliance Traders recognizes the difference between idiosyncratic behaviour and poor discipline. The former is tolerated and accommodated as

long as effective work performance is achieved. Standards governing dress, language and other trivial externalities are not important - the atmosphere is casual, but efficient. Management operates an open-door policy and there is considerable personal contact between top management and all levels in the company. The Chairman is accessible to all employees and he listens to their problems and tries to find an appropriate solution. The story is told of an employee who wanted to purchase a house. The employee requested a loan from the Chairman who refused it. Instead, he promoted the employee so that his income made him eligible for a mortgage, then he offered him a short term loan re-payable after a three year moratorium. Although he had no intention of calling the loan, he did not make that known to the employee. The man acquired his house and is still saving to pay-off the loan from the company.

Socio-cultural and political factors:

Appliance Traders has achieved considerable social integration. All races and classes are represented there, with harmony. In that company, colour cannot be correlated with position on the hierarchy. The Chairman is white, the Managing Director is a brown-skinned Jamaican, however below that level there is a melting pot. There is a psychology graduate from an elite Jamaican family working side by side with a black high school graduate. The Chairman's parents are both employed by the company and report to black managers. All levels of employees socialize together; often the Chairman plays dominoes with the workers.

Much is attributed to the leadership and philosophy of Butch Stewart. His own example of willingness to take responsibility, to trust his employees

and to value each person for his or her contribution has formed the basis for the organizational dynamics.

The growth and success of Appliance Traders is attributed not only to the internal dynamics of the company, but also to the ability of the company to manage the economic and political environment. Recognizing the scarcity of skills, Appliance Traders maintains a strong relationship with Technical High Schools. Most of its technical staff started at Appliance Traders in a work-experience programme initiated by the schools. The schools assist with recruitment for the company and in return the company provides various services to the school. The company has a long term commitment to Jamaica and has been able to take advantage of the risks and opportunities despite the shifting priorities and the economic problems. The decision to move into tourism, for example, was a response to the need to generate foreign exchange to support the other operations. During the 1970's when several distribution companies were in receivership or contracting (the owners having migrated) Appliance Traders moved into manufacturing and set up a U.S.-based operation to support the local company.

Appliance Traders has demonstrated that political partisanship and clientelism can be used to the advantage of the company. During the 1972 election campaign, Appliance Traders supported the P.N.P., in fact direct contributions to a particular candidate were made. The candidate won and became the Minister of Finance. This man is now the Managing Director of the company. During the 1980 campaign, Appliance Traders supported a J.L.P. candidate with direct contributions to his campaign. This man became the Minister of Industry, with responsibility for issuing importation licenses

and foreign exchange quotas. Yet, the company has avoided alliances with the political parties themselves, and does not adhere to any ideological position.

While the majority of the work force expresses partisan loyalty to the J.L.P., today, the P.N.P. supporters in the company are permitted the same freedom. The company has obtained benefits from its affiliation with the present regime, it services government installations and supplies solar water heaters under the NDA - USAID grant, however it is not dependant on the government for its survival. There are far more private service and installation contracts than government contracts listed on the schedule of work in the Engineering Department. Similarly, it depends on government quotas for foreign exchange, but also generates its own.

The company has avoided joining the traditional pressure groups in the business community and operates to solve its own problems regarding government regulations and bureaucracy on its own. Linkages are maintained with the highest authorities in the critical agencies--i.e. Trade Administration Department, Ministry of Industry and Commerce-- and these are employed wherever necessary.

The image projected is one of aggressive efficiency, and high quality service. This is reflected in the advertising symbols carried on the vehicles and mails. The company projects its products and services - not its personalities. Its advertising strategy is geared to support community activities of high quality, e.g. plays and cultural activities. The physical plant is modest and business-like and does not project conspicuous consumption or excessive wealth.

### Managerial Problems:

A common problem in Jamaican organizations is lack of accountability for results, poorly structured organizations and over emphasis on formalism. This company has avoided this by introducing (1) a profit centre system (2) maintaining a lean organization and (3) a casual and open atmosphere - exemplified by the openness of the physical lay-out of the facilities.

The company relies heavily on its own experience to generate solutions to problems, rather than import foreign expertise. The factory is designed on a flexible production line system so that any of its products can be manufactured in the same space, using standard equipment. The concept was developed and executed by the technical team at Appliance Traders, who rejected the suggestion to import a North American consultant. The approach to company problems and challenges requires considerable internal brainstorming, with final decisions being made or ratified by the Chairman.

### Performance Assessment:

Throughout its 14 years the company has experienced growth and financial success. The employees have benefitted from this growth, they are among the best paid in the industry. The clients of the company are satisfied with its performance, despite the high costs of its products and services.

The company has been able to respond to the problems of the country with appropriate technology -- locally designed open burner stoves, solar heaters and other products under the brand Aqua Temp. It is a significant employer of labor providing direct employment for 700 people and is a net earner of foreign exchange.

Its ability to manipulate the political environment without compromising its autonomy or practising internal victimization of its employees along partisan lines is creditable. One critical success factor is its ability to practice effective employee relations policies which have resulted in keeping the unions out of the company, despite several attempts.

Finally, Appliance Traders has been able to initiate and manage growth, due to its long term commitment to "staying in Jamaica", its astute use of the human resources and its ability to generate foreign exchange.

## CHRISTIANA POTATO GROWERS COOPERATIVE ASSOCIATION

### Background:

The CPGCA is over 25 years old. It began through the efforts of the coordinated Extension Services of the Jamaica Agricultural Society (JAS) and the Jamaica Welfare Commission to organize farmers in the Christiana area in the uplands of Central Jamaica.

The purpose of the organization was to improve agricultural production by introducing effective farm technology and soil conservation methods. A range of community development services were put at the disposal of the area for a number of years - these included cottage industries, farmer training programs, demonstration farms and research stations. When the cooperative was founded it had the active participation of a large number of well-to-do farmers and some interest among many thousands smaller farmers. Over the years, the well-to-do farmers gained full control and the benefits of the Cooperative accrued primarily to them. A farm store, a marketing depot and an office were acquired, but area-wide membership waned.

The management structure was weak, consisting only of one person who took guidance from a Board which was controlled by large farmers and strong political interests. The technical problems of storage and distribution increased to the extent that the cooperative was unable to operate without government financial assistance. In 1981, the cooperative made an astounding loss of \$250,000; potatoes rotted in the fields and in the warehouses, while consumer demand went unsatisfied. Meanwhile, the government continued to allow importation of potatoes for the household and tourist market.

Today, the CPGCA has a turnover of \$13m Dollars and handles 1,200 tons of potatoes per year. The membership is now 14,000 with continued participation of 5,000 through 26 branch organizations. The Cooperative runs a large grading and packing station refurnished with a investment of \$87,000. It has diversified into the production and marketing of export root crops. It generates employment for 50 persons in its packaging plant and has a vibrant management staff of 7 competent and well-trained men. It has acquired a computerized management information system and projects a profit of \$2m next year.

In mid-1981 the CPGCA caught the attention of the Marketing and Credit Division of the Ministry of Agriculture which was in search of a producer marketing organization (pmo) to serve as a model for other pmo's which it was attempting to initiate. The CPGCA was in trouble having lost two consecutive Chairmen and a Secretary Manager who died within months of each other. A new chairman and board, younger entrepreneurial farmers with new ideas and plans had just been elected and a manager was hired with the objective of turning the organization around. The new board carefully defined the tasks and objectives and decided to utilize the technical assistance being offered by the Ministry in order to achieve their objectives, but without compromising this autonomy as a cooperative organization.

Motivation:

One of the first activities of management was to install a new reward structure for members, to meet farmer's real needs for cash throughout the year. Farmers are now paid:

1. An advance payment of \$55 per cut of potatoes at the time of purchase;

2. An interim payment calculated on the basis of market trends; and
3. A bonus payment at the year end, depending on the surplus earned by the cooperative.

The payment schedule coincides with high expenditure periods for small farmers and is very satisfactory to their immediate needs. For the new management staff, the salaries are not particularly good, and there are no opportunities for mobility within the organization. Nevertheless, recognition for effective performance is liberally distributed and the gratitude of farmers serves to energize the staff. The people who work with the cooperative share a common philosophy of development of small farmer agriculture and while they could earn better salaries elsewhere, they find intrinsic rewards from their work. Working with the Coop will provide valuable experience for the staff who seek mobility elsewhere.

The clarity of the goals of the organization also provides stimulus for hard work. "I like the challenges" said one staff member.

The organization tries to carefully select and orient the people who work there. The young men who have superior education -- most have degrees -- must go through a period of "toning down" in order to "fit in". Since the upper level managers are not as well educated, but have considerable experience, they find that the young men challenge their authority very aggressively. This is handled by the senior managers who must assert their "paternal status" and take responsibility for initiation of the younger men. One young graduate who was unable to pass successfully through this period, had to leave the organization.

The work norms are casually enforced; issues such as deadlines, punctuality, etc. are not overly stressed, primarily because of the obstacles in the rural environment — distances, poor transportation, and communication but also because there is general consensus on the critical norms which must be adhered to.

Similarity in class background, training and experiences reduces any communication problems between the staff management. Unfortunately, the smaller farmers continue to view the Coop as a "big man" organization and feel powerless to influence its direction or to reap its benefits.

The psychological problem dynamics found in some organizations, e.g. mistrust, threats to self-esteem, avoidance of responsibility are not observed among staff. The management style of the Managing Director is mediative and his personal relationship with each individual allows him to prevent confrontations which could result in these behaviours.

In its relationship with clients, (small and large farmers) the cooperative frequently encounters these problems, and attempts to use the following methods of combatting them:

1. Branch meetings between the management and the membership;
2. Extension and Field Manager presence among the farmers;
3. Improved delivery services and financial position to provide regular and tangible evidence of its effectiveness; and
4. Attempts to tailor its programmes to meet small farmers needs.

The Cooperative has a history of short term responses to crises, however, with the new managerial skill and technical assistance, a long term business plan is being prepared. Medium term 3-4 year programs are now being planned to improve services to small farmers. The plan is to acquire under the

Agricultural Marketing Project (USAID) a truck which will be a mobile collection unit, and another which will be a mobile farm store. Other long term projects, using Dutch assistance and other donor agencies have yielded good results. For example, a long term experiment in curing root crops for export is now in progress. The project will increase the shelf life of root crops and allow them to arrive at the overseas destination in good condition.

This long term perspective and the ability to effectively utilize external donor agencies and the commercial banks has placed the Cooperative in a position to expand membership to 20,000 in a 3 - 5 year period with emphasis on the small farmers.

In structure, the organization is flat and there is no formalism evident. Since it is a marketing organization, it is flexible and able to respond to opportunities. For example, the cooperative is now discussing with a large restaurant chain the possibility of growing potatoes for export to Latin America. This will mean changing the variety of planting materials and cultural practices. Nevertheless, the cooperative is prepared to take this risk.

#### External Factors:

The CPGCA has experienced most of the problems associated with clientelism and patronage as well as political partisanship. The new leadership has however addressed the problems squarely, by maintaining a consistent position of autonomy and by standing behind the principles of the cooperative.

The cooperative was ignored by government officials as a "socialist" phenomenon, and the leadership consistently sought audiences with the Minister to discuss their plans and programmes.

The outcome of this was that the Minister recognized the role and impact of the organization and is seeking collaborative activities.

A firm management position regarding patronage in employment practices and distribution of benefits has reduced the incidence of attempts by local level politicians to manipulate the organization. Despite the organization's ability to manage these elements internally, the membership continues to be affected, and participation patterns vary with political affiliation.

Performance Assessment:

The CPGCA over the long history has finally achieved the position of being the only successful producers cooperative in Jamaica. It has been able to mobilize and utilize external assistance with excellent results. It employs well trained staff and practices sensitive and entrepreneurial management. Evidence of its success is its favourably financial position and its growing assets of equipment and machinery.

The services delivered by the coop do not entirely meet the needs of all client groups, however, in attempting to expand its services the coop is now focussing on the requirements of the less advantaged farmers. One of the important outcomes of its activities is increased incomes to farmers now participating. The cooperative has however been unable to address the issues of the price of its produce to consumers especially low income urban groups.

In recognition of this, it has proposed to develop a retail outlet in Kingston to allow direct interface with the consumers.

## DYOLL LIFE

### Descriptive Profile:

Dyoll Life is a locally owned combination Life Insurance company, relatively small in comparison to the insurance giants in Jamaica. It is the newest member of the Dyoll Group of Insurance & Investment Companies. The company was acquired from British Fidelity 2½ years ago when its debit portfolio was valued only at \$41,000. Today, Dyoll's annual sales are \$4m and it provides employment for 141 people. Its policyholders total 85,000. During the past 2½ years, the company has experienced considerable growth in the volume of business and has acquired two other companies to obtain a controlling position in the debit insurance market.

The major shareholder in the company is a member of an elite Jamaican family and partner in a long established legal firm. Other shareholders are two brothers who started the Dyoll Group of Companies which specialises in general insurance. Dyoll Life is an attempt to expand the Dyoll Group into all sectors of the insurance industry. All shareholders sit on Dyoll Life's Board together with the President of Dyoll Life, (the founder of British Fidelity) and a Secretary, who is the Financial V.P. of Dyoll Life.

### Company Objectives:

The company serves the health, life and safety insurance needs of low and lower middle income Jamaicans. Thirty-eight percent of its income comes from Kingston branches, which are located in low income areas, such as West Kingston. Eighteen percent of income is generated in Montego Bay and the remaining forty-four percent is collected from rural towns.

The cost of this debit system decentralized operation is high as it requires several offices and a large field staff to effect weekly collections and home visits. Seventy-eight percent of the staff is in the field.

For the last two years the company made moderate profits, however, due to increases in operating costs and the high cost of first year business resulting from increased sales of new policies, a loss is projected for this year.

Organizational Dynamics:

The staff at Dyoll consists of clerical and administrative workers at the Head Office and field staff, salesmen and their managers. All the clerical staff is female, with High School education or less. All are under 35 years old. While a few of the staff have been with the company since the days of British Fidelity, the majority are new. Turnover is high at Dyoll. The company has just lost its V.P. Finance and is concerned about the competence of the next in line to take over the job.

The reward structure of the company is distorted. The top management is paid by the Dyoll Group on a higher salary scale while other staff are paid by Dyoll Life, at salaries far below market. These salaries do not compare with equivalent positions in the other companies of the group. This allows the company to retain and attract only a low educational level of employees who once they have developed in their jobs look outside the company for their future growth. There are no opportunities for mobility as the structure does not permit this. One employee has been promoted in the 2½ years, and this occurred following the departure of another.

Despite these factors, the "girls" at Dyoll report fairly high job satisfaction and work hard to meet standards of accuracy and weekly deadlines.

They express moderate satisfaction with the company and are reluctant to criticise or praise the management. Morale is average, but team spirit to get the job done is evident. Disgruntlement about salaries, lack of typewriters and crowded office space and other issues are expressed only by the most secure employees.

There is insecurity at all levels in the company.

The motivational process in the company is interesting:

Management's policy was to recruit women who were "socially disadvantaged" and who had difficulty in finding jobs elsewhere. By virtue of entering into employment with Dyoll they obtained an opportunity to achieve some mobility. For this they are grateful and loyal. One staff member said, "I can now tell my friends something about insurance."

Personalized attention from the front-line supervisor, a male, has been a significant motivator. All 11 women report directly to this man. The homogeneity in the work force has made interaction between the women fairly easy, although they report considerable rivalry for the attention of the supervisor, and some distrust between themselves.

Communications channels are formal, staff meetings are characterized by one way communication. Discipline is handled by letter of reprimand on the personnel file and directives from management.

#### Psychological Aspects:

Dyoll exhibits some of the psycho-dynamics typical of certain class-color relationships of the wider society. The owners of the company are white Jamaicans, the President is a brown-skinned Jamaican, the supervisor is a black-Jamaican. There is little contact between the top management and

the clerical staff, however, the supervisor acts as a buffer and channel between the two. The son of one of the Directors in the company was recently transferred from another company to work at Dycall Life and operates with role behavior characteristic of a manager. This has created considerable insecurity on the part of the two middle managers in the company. The president feels that it is not his responsibility to undertake role clarification as the decision to place this family relative was not his. This insecurity characterizes other situations, as most of the employees interviewed have a short-term view of their jobs. They do not expect mobility and are not motivated to undertake training. The company requires that they complete Stages I-III of the LOMA examinations and most employees have made attempts to do this, but few have actually completed the programs. The reasons given are: the lack of books and time to do the course.

The company now must contend with:

1. Inefficient systems to process the growing volume of business;
2. Poor quality of the data generated for management information; and
3. Run-away operating costs.

Difficulties overcoming these problems can in part be attributed to the low level of skill of the staff who cannot deliver the quality of work required. The company has invested considerable resources in computerization (estimated 20% of operating costs) yet after two years the data generated serves no useful purpose, primarily because no one in the company understands the purpose of computerization.

Management Problem Dynamics:

Presently, there is little accountability in the company. Field managers are not concerned by the lack of viability of the field operations; the President is waiting for the Board to decide on expansion plans, company objectives, and strategies for cutting expenses. Decision-making is done at Board level and is not based on useful information generated by management.

There is considerable emphasis on form rather than substance. The management operates with titles such as President and Vice President; the lone "supervisor" has an incredible work load but has no supervisory responsibilities. Below the level of Vice President, there are no defined reporting relationships, nor clear role definitions.

In the critical area of finance, the company operates a conservative investment policy which does not seek to capitalize on the opportunities in the market. All investments are on one year deposits and changes are made in response to initiatives by the bankers. The company is now at a cross-roads where long-term strategies are required to keep viability. The short-term quick growth business strategy (growth by acquisition) was not accompanied by internal system and staff up-grading, to the extent that no further increases in the volume of work can be accommodated.

The market potential of low income subscribers has not been addressed and the company has not considered how it can better serve this client group, while increasing its own profitability.

Performance Assessment:

Over the last 2½ years, Dyoll has been successfully operating in a vast low income life insurance market which it has controlled by means of acquiring other companies. Using inherited systems and low calibre staff, the company

has managed to make small profits. Today, management is concerned about the survival of the company, but is not in a position to generate solutions. Motivational strategies, and centralized organizational structure which were effective for an expatriate small sized company, can no longer work.

## COUNCIL OF VOLUNTARY SOCIAL SERVICES

### A. Descriptive Profile

There are about 200 Private Voluntary Agencies (PVO's) working in Jamaica, including 23 based in the United States. Fifty six of these are members of the Council of Voluntary Social Services (CVSS), the only nationwide umbrella and coordinating agency for PVOS.

CVSS was established in 1940 as a voluntary agency and became a non-profit, limited liability company in the late 1960's. Its member agencies provide a wide range of services to over 370,000 persons and are staffed by approximately 2000 paid employees and more than 8000 volunteers.

Until an AID grant for \$250,000 approved in 1977, CVSS had been financed mainly through membership fees and an annual subvention from the Jamaican Government. This government support has been limited to approximately \$30,000 in recent years, although the government does provide an extra allocation from time to time. The 1983 budget was approximately \$180,000 including a grant from AID/Washington for training and the salary of an additional staff person. In 1984 CVSS will be the recipient of an AID grant to support the development of fund-raising and related capacities among Jamaican PVOs. The Grace Kennedy Corporation also underwrites the salary of a full-time consultant who assumed the functions of the Executive Secretary from September 1981 to September 1982 while the incumbent was in the United States on a study program sabbatical. The Canadian International Development Agency made a grant of \$25,000 to CVSS in 1981.

CVSS does not have a Board of Directors, as such, but rather operates under the guidance of a 14 person Executive Committee selected from among member agencies, the private sector and the Ministry of Social Security. These Executive Committee members are not representatives of their respective agencies, i.e. they are elected as individuals by the Committee, which does, however, receive recommendations on nominees from its membership. Five of the present persons of the Executive Committee are from member agencies. The Executive Committee meets monthly.

In addition to its main office in Kingston, CVSS maintains branch offices in Montego Bay and May Pen. Headquarters staff consists of 6 persons plus the Grace Kennedy-sponsored consultant. Each of the two branch offices are staffed by one project officer and a secretary. Total staff of the three offices amount to 11 persons. In terms of services, CVSS plays a liaison and advocacy role with the government for its PVO membership. It also provides training to member organizations, hosts seminars and conferences, shares and disseminates information and represents the Jamaican PVO community with external donor groups and international bodies. In addition, it has compiled and published periodically since 1963, a document entitled "A Handbook of the Social Services of Jamaica" (the fifth and last edition was issued in 1978). This handbook consist of a categorized listing and brief description of services of each of the members agencies of CVSS. The categories are:

Children's Agencies

Youth Agencies

Community Service Organizations

Services for the Handicapped

Church Agencies

Service Clubs

Health Services, and

Special Interest Organizations

3. Discussion of Organizational Problem Dynamics:

Motivation: The reward structure within CVSS for its few professional staff is two-fold: professional recognition and self fulfillment coming out of a strong religious commitment to the poor. Although salaries are low, and upward mobility about nil, a certain prestige and status in the eyes of government and the wider society does accompany these professional staff positions within CVSS. The internal consensus on outputs, quality of work, deadlines, safety standards in the workplace, etc. is weak, mainly because the organization has not had an output orientation. Clerical and other support staff are low-paid, low-skilled, high-turn-over employees with reportedly little perception of, or interest in, the organization's goals and values. With so few staff professionals, communications has not been a major problem except in personal chemistry ways.

Much of the above would apply to the CVSS member agencies as well. Internally, the motivational dynamics are similar; externally, their relationship to CVSS is luke-warm: they are uncertain of the benefits provided by the CVSS, have little knowledge of its organizational goals, priorities, programs and few opportunities for substantial dialogue. Occasional rewards do exist however, in the form of attendance at an occasional prestigious conference, a worthwhile training session now and then, AID project funds for a few members and a sporadic advocacy role vis-a-vis the government and a few international donor agencies.

### Socio-Cultural:

Although a few of the member agencies are slowly moving towards social action programs and income generating activities their primary concern still lies with social welfare activities. Since "welfare" is like "Mom and Apple Pie", CVSS and its member agencies are not tainted by any accusations of partisanship or politics. However, they can be seen as manifesting "we/they" dynamics in terms of the way they relate to the poor they serve. Most of the member agencies have historically had paternalistic attitudes and it is proving difficult for this to be changed even when CVSS staff are aware of the problem.

CVSS and its members both relate on the basis of at least some clientalism and patronage to the government from which they receive subventions. By receiving these very modest subventions, CVSS and its members have a kind of dependency relationship with the government and, as a result, must exercise more restraint than normally would be the case when they play an advocacy role with the Government on issues unrelated to the subvention.

The "me for me" characteristic of individuals as part of the Jamaican socio-cultural dynamic is a survival strategy as well for CVSS members in their scramble for scarce resources in the face of the growing needs of their clients. This may be another reason why united fund-raising efforts by CVSS have not been successful to date.

### Psychological:

Attitudes of distrust and suspicion apply to institutions as well as to individuals and they are often mentioned as part of the general Jamaican

context. Coordination and communication within member agencies and between CVSS and members suffer accordingly. This also would apply to the relationship between the needy individuals and groups, and the member agencies supplying them with "free" services. Each group of actors, the poor, the member agencies, CVSS -- and employees within member agencies and CVSS -- must protect their own order to maintain independence and reduce risk. Blame and responsibility are passed upward from tier to tier, i.e. to higher authority figures.

Management:

Over its more than 40 year history, CVSS has had occasion to experience most of the managerial problems considered endemic in Jamaica.

- a) The Executive Committee structure described earlier represents highly centralized decision-making, which repeats itself at the level of most member agencies, and hence, from this second level down to the client poor.
- b) Financial and programmatic accountability to the target group seldom occurs. Responsibility tends to be upwards to supporters and donors.
- c) Responses to needs are fragmented partly because of inadequate financing and partly because resources are often managed by part-time personnel, using loose record and accounting systems: program goals/plans tend to be vague shopping lists of what one group would like donors to support rather than realistic strategies considering available human and financial resources.
- d) The few evaluations made deal with accountability in a financial sense and activities and numbers, not with socio-economic impact on people.
- e) Significant change is slow and infrequent while temporary shifts are common, usually as a result of outside forces, e.g. donor demands or shifts in priorities of government, and not on a well-thought out internal process responsive to client needs.

- f) Linkages up and down and sideways are more formalistic and ritualistic than practical, effective and responsive. All parties concerned seem to go along with the "show" (whether they are convinced or not) that PVO coordination is effective and that development is occurring.

C. Performance Assessment

Resource mobilization and management both suffer from lack of direction from above and lack of participation from below. Donor funds occasionally are attracted to CVSS because it is the only existing umbrella organization for PVOs in Jamaica, not because of its track record or present potential.

Development opportunities for risk groups are few and far between and usually involve education and training leading to traditional low-paying jobs which help clients to survive but not to advance.

As indicated earlier, linkages at all levels are relatively ineffectual and static. CVSS and its members are effectively providing badly needed welfare services - a very worthwhile endeavour - but have difficulties in doing more than that except in a few cases.

D. Discussion, Analysis and Suggestions

CVSS has existed for some 40 years and it remains the only coordinating national level agency for PVO in existence in Jamaica. In this sense, it has been institutionalized. Nonetheless, it is a weak organization. Its member agencies do not look to it for guidance and provide weak financial support to it. On paper, fees from members are supposed to augment the annual government subvention but, it would appear that these contributions are dropping off (it was not possible to obtain specific information from the Executive Secretary

of CVSS about the amounts received from members in recent years, although it was stated that there is much delinquency and non-payment).

Non-member agencies of CVSS appear to have a very poor image of it and look upon the organization, as for the most part, outside the field of development. Even member agencies express a lack of enthusiasm and explain their membership by saying it is the only umbrella PVO agency in Jamaica and that this, in and of itself, is a good thing for the PVO community as a whole. They also mention an occasional reward such as project funds, training sessions seminars, conferences, etc.

Many of the above comments are substantiated in the AID/Jamaica November 1980 evaluation of the then on-going first large grant to CVSS. The audit speaks of poor recruitment policies, deficient management and leadership, high turnover of staff, inadequate accounting and recording procedures, unrealistic market studies, insufficient analysis of problems, incomplete base-line data collection, irrelevant training, etc.

It seems apparent that some radical measures are in order if CVSS is ever to become a reasonably competent development support and service delivery agency. The new 5 year, \$3,000,000 AID grant is designed to tackle the problem within CVSS and its member agencies by:

- a) Strengthening PVO capacity to deliver development assistance;
- b) Assisting selected PVOs to improve their viability as development agencies, thereby enabling them to attract and efficiently utilize funds from international donors;
- c) Institutionalizing fund-raising capabilities within CVSS

These three objectives are to be met by establishing a practically autonomous Voluntary Sector Development Office within CVSS to be headed up

the first two years of the grant period by a to-be-recruited American. Although this new grant is a step in the right direction, it may not be enough. Already many negative comments are being circulated:

- a) about the disproportionate salary levels between the VSD office and CVSS;
- b) about the requirement for an American director;
- c) about the lack of direct CVSS representation in the office;
- d) about the ambitious size, scope and expected results within a 5 year time frame - especially in light of the less than satisfactory record of the previous grant; and
- e) about the ability of CVSS and its member agencies to carry on after five years without and some significant modifications in structure and style. The concern here is whether people and institutions trained and experienced in mostly welfare activities will be able to change so as to become competent deliverers of development assistance, a problem also faced by U.S. PPOs.

An optimist would say that the 5-year term of the new grant will be sufficient to bring about the necessary change. A pessimist would say that in Jamaica history has a tendency to repeat itself.

AID/Jamaica has carefully considered the above and other factors in approving this large grant. They are repeated here merely to put into context the following suggestions:

- 1) That CVSS be brought more directly into the operation of the new VSD Department as both a learning experience for it and as a way to influence investments; and
- 2) That the Executive Committee of CVSS be encouraged to consider the need for charismatic leadership. To gradually and prudently move CVSS and its member agencies towards making the decisions required to change institutional structures is a major undertaking, the sort of undertaking which in Jamaica has been achieved under leadership styles which while professional and committed, are also galvanizing and able to inspire change.

THE NATIONAL DEVELOPMENT FOUNDATION (NDF) OF JAMAICA

LIMITED

A. Descriptive Profile

The NDF was established as a Private Voluntary Organization (PVO) in mid 1981 to promote non-traditional credit through a revolving loan fund to small entrepreneurs and groups engaged in income-generating activities. The loan process is accompanied by technical assistance and business guidance to these low income clients.

Initial funding of \$700,000 to launch NDF came in the form of a \$500,000 Operating Program Grant from AID, via the Pan-American Development Foundation (PADF) plus \$130,000 from NDF and the balance of \$70,000 from NDF/PADF, through private sector and individual donations.

Overall guidance and policy direction is provided by a 14 person Board of Directors drawn from small business financial institutions and other private sector organizations. The Board is elected annually by members of the Foundation; now totaling 80 between individuals and organizations. As of October 1st of this year, there were 17 staff members, plus 2 Peace Corps Volunteers, at the Kingston National Office. Since that time several additional staff have been employed, including staff for the recently opened branch office at Mandeville.

NDF's field extension office maintains direct one-to-one relationships with individual clients during the entire loan process. All loans are exclusively for low-income persons or groups. As of July 31, 1983, 145 loans had been approved to urban clients; the loans have been distributed as follows:

116 - sole proprietorship

17 - male/female partnership (usually husband and wife)

10 - male/male partnership

2 - female/female partnership

B. Discussion of Organizational Problems/Dynamics

Motivation: Program Staff at NDF are all technicians with degrees.

They regard themselves as qualified people and appear to have some personal commitment towards the economic and social advancement of the poor. Salaries are competitive with the commercial sector and upward mobility, based on job performance, is reportedly possible, especially as the Foundation intends to increase its loan portfolio and geographic scope as well as eventually to include rural clients in addition to its present urban clientele.

A reward or incentive system of good salaries, backed by a professional recognition and personal fulfillment is supported by an "open-door" policy at the Executive Director level and by a generally participatory management style. Utilizing a team approach decision-making is decentralized to the field extension staff throughout major stages of the loan process. Regular staff meetings are chaired by different members each month, thus increasing self-expression, opening the formal authority structure, improving communications and mitigating possible alienation between staff and management. As a result, lack of consensus has not been reported as a problem and staff are said to clearly perceive and to be supportive of the organization's over-arching goals and specific objectives. The NDF also has established systems to prepare job descriptions and performance appraisals, to spell-out office procedures and regulations and to define responsibilities. A formal mechanism to handle staff grievances in the near future is under consideration.

In short, communication, rewards, and consensus do not appear as significant motivational problems with the NDF structure and style.

#### Socio-Cultural Dynamics

Resource allocation by NDF is reported by not influenced by the networks of clientelism and patronage. Detailed and strict eligibility requirements are adhered to for consideration of loan applications.

NDF's business-like approach to its clients based on the merits of the proposed enterprise in terms of income-generation and job creation avoids political labelling or accusations of partisanship. Social separation because of different values and perceptions appears to be of little consequence in the staff client relationship. The relationship between NDF's field extension office and the client results from a long process which has tended to build mutual confidence and respect. It is seen, according to informants, as a way to share ideas and information rather than as an imposition by somebody from a "higher" social class.

#### Psychological

Contractual obligations between NDF and clients are carefully explained and mutually agreed upon at the beginning of the loan process. In this way, a tendency to avoid responsibility is offset by clear documentation. Contracts are entered into voluntarily by the client and not as a result of "hard" selling techniques. The lengthy procedure and the close relationship established also are not conducive to the expression by individuals of hostile behavior or suspicious attitudes on either side. Further, by accepting the loan, the client is, at least formally, deferring gratification of immediate needs for long-term economic rewards and benefits. This should have a spin-off

effect leading to deferred gratification in other areas, e.g. planning, savings, and budgeting for the learning of additional skills needed to operate a business.

#### Management

Although the type of program operated by NDF was based formally on a decision made by its Board, it is a response to a well identified need. Clients do participate in the loan process and make their own decisions about entering into a contract. In other words, there is a market to which NDF must respond.

NDF's efficiency has been enhanced by having started out small in one geographical area for a distinct group of clients with common problems and interests. Much pre-planning was carried out and financial security was assured prior to becoming operational. Care was taken to engage highly-skilled and committed staff and to set-up tight internal systems of management, accountability and programming. The intention has been to employ "good business" practices and norms and to avoid ritualistic procedures by having a relatively open and democratic management style. Linkages are maintained with the major points of power in Jamaica and the general public is kept apprised of activities through well planned media coverage at frequent intervals. One important linkage, nevertheless, seems to be relatively ignored by NDF, namely, the linkage with other PVO's in Jamaica. There is an impression that the NDF has been somewhat isolated from this community, perhaps due to its development rather than welfare orientation.

#### C. Performance Assessment

There is no question about the ability of NDF's staff and Board to effectively mobilize and manage resources. This was amply substantiated in

the recent audit by a PADF-contracted consultant. Resource mobilization has been helped considerably by the multi-disciplinary expertise available on a gratis basis from members of the Board and members of the Foundation.

Although the credit program is still new, development opportunities for "risk" groups (the loan recipients), will number about 200 by the end of 1983. The impact of these opportunities remains to be seen. Future evaluations, especially evaluations conducted some time after loans have been repaid, will indicate the levels of sustained socio-economic improvement of NDF's beneficiaries.

Feedback from clients via field extension offices, plus frequent staff and Board meetings, should enable NDF to learn and adapt based on its experience and circumstances. Many changes in procedures have occurred in the past two years and there is a constant debate on issues and policies within staff and within the Board.

Linkages, as explained earlier, have been good except for NDF's contacts and relationships with other PVOs. This may be because NDF doesn't consider itself to be a PVO but rather a business organization (a view expressed by the Executive Director).

#### D. Discussion

The NDF came into existence at a very propitious time in Jamaica for a new initiative in small enterprise credit programs. Its goals and priorities coincide with those of the newly elected government. In those heady early days of Mr. Seaga's leadership, private sector support to the NDF provided a "high profile" for the companies and individuals making donations. This support has now waned somewhat and NDF is aware of the problem and searching

for a strategy which will continue to generate necessary amounts. Both in its fund raising and in its internal structure and style, the "right" mix of commitment and a technical/business approach will be an issue for NDF. Most successful PVC's have needed a strong dose of commitment based as much on moral and ethical values as on monetary or professional rewards.

The first 145 of NDF's approved loans do not appear to include any cooperatives, groups or community business ventures; yet, loans to groups are mentioned frequently in AID's project document as eligible recipients for loans. A comparative study of PPP (which works only with groups) and NDF would be valuable.

## OPERATION FRIENDSHIP

### A. Descriptive Profile of the Organization

This private voluntary organization (PVO) was established in 1961 by the Methodist Church and, except for his one year sabbatical to do graduate studies, has always had the same Executive Director, Reverend Webster Edwards. Operation Friendship provides a wide range of services to the poor living in the extensive slum areas of Western Kingston.

These services include:

1. A Day Care Center for babies 6 weeks to 3½ years, which is also used to provide a one year training course in child care to young women.
2. A basic school for almost 200 children between the ages 3½ to 6 years.
3. A clinic for preventive and curative health services treating over 20,000 persons annually, as well as providing education in health, nutrition and family planning.
4. A community college for young women unable to complete their secondary education due to pregnancy or other social factors.
5. Pre-vocational classes, in cooperation with the Jamaica Manufacturers League (JAMAL), for young people who wish to enter Operation Friendship's trade training center.
6. A trade training center providing 9 month to two year courses to 150 young men and women annually in the following vocational skills: auto-mechanics, woodwork, machine shop practice, industrial sewing, refrigeration, air-conditioning, small appliances repair and lithography. Social skill training, sporting activities and a job placement service are also provided.
7. A Family Life Education Counselling service for men and women 12-19 years old, either on an individual or group basis.

8. A Community Assistance Program consisting of:

- a) educational assistance through provision of books, uniforms, lunch money, bus fare, etc. to scholarship students attending secondary or higher level learning institutions;
- b) emotional and social problem counselling to children, youth and adults, plus referrals to other agencies;
- c) food, clothing and seeds distribution to selected persons and/or families with serious economic problems.

Operation Friendship is incorporated as a non-profit, limited liability company guided by a seven-person Board of representatives of Catholic, Protestant, and private sector organizations who meet bi-monthly to set and oversee policy. The Executive Director, Reverend Edwards, and Nurse Brown, the second in command, are permanent members of the Board. Major decision-making within the policy guidelines established by the Board rests mainly with the Executive Director, but each service department manager operates with considerable decision-making authority within his/her area of responsibility.

A number of public and private sector groups, as well as individuals, cooperate by providing goods, services, or funds, to help Operation Friendship carry out its many programs and meet its operating budget of about JS330,000 (US\$123,000) a year. This includes salaries for a total paid staff of 45 persons. About 50% of this budget is currently being met from sale of products made by trainees, from service fees to clients, from net proceeds of Christmas card sales, and from cash donations. The new print shop also will soon begin to produce additional in-house income for Operation Friendship. International donor agencies (including AID) have been providing large

sums to Operation Friendship in the form of grants for projects as well as direct institutional support. Many of these donors are Catholic and Protestant Church-related agencies. The government, incidentally, provides an annual subvention to Operation Friendship of only J\$6,000.

Because of its geographical location in the slum areas of West Kingston and of the types of services it provides Operation Friendship has a direct, daily linkage and relationship with urban "risk groups" of both sexes and of all ages. In response to this daily and intimate contact with the poor and their needs, the organization has been expanding existing services and adding new ones almost every year since its establishment.

#### B. Discussion of Organizational Issues

Motivation: This aspect must be looked at on two levels: board/top management and administrative/clerical. The staff and members of the former have a deep sense of mission and commitment based apparently on religious values. Service to the poor carries its own intrinsic reward and provides an internal sense of self-fulfillment. Many of the staff and personnel in the latter group also have this same commitment or, over time in their jobs, develop it through their contact with the poor and the "rub off" effect from top staff. Turn-over at the upper level has been low and although the turn-over rate at the administrative/clerical level has been high (said to be due to low salaries and lack of job security) entry level job experience has been provided which has enabled some to move on to more responsible and better remunerated positions in the commercial job market. Therefore, there is some upward mobility for employees, albeit usually not within the organizational structure of Operation Friendship.

Alienation of lower level employees from management/institutional goals does not appear to be a major problem, however, productivity and efficiency on the job undoubtedly are diminished owing to the salary/tenure/mobility limitations as well as to the lack of previous experience and inadequate skills of this level of employees within the organization. It should be noted that sporadic in-house training sessions are provided to staff by selected consultants; also, some staff are occasionally allowed to attend training sessions given by other private and public sector institutions. Nonetheless, Operation Friendship does not have an organized training program as such for staff.

The "open door" policy of all top staff, the personal charisma of the Executive Director and his own "humble" origins, and the clearly defined and understood goals and objectives of the organization all work to mitigate any potential communications problems within the different job levels of Operation Friendship.

Socio-Cultural: The religious commitment of the organization, the high visibility of Operation Friendship's many activities and easily perceived immediate results, and the sharing of these priority concerns by Board, top staff, and to a great extent by all employees, transcends most of the problems connected with politics, clientelism, patronage, race, status, and a "we/they" social strata separation. Even in the frequent case of outsiders from another class (Jamaican or foreign) working within the organization, these types of problems have not arisen to any significant degree. In addition to the reasons just noted, the fact that the Executive Director is seen by employees and clients as "one of their own" is a very big plus in avoidance of problems of a socio-cultural nature.

Psychological: Many of the problems within the Jamaican context, i.e. hostile behavior, blaming government or authority figures for individual failures, suspicion and distrust of systems and organizations and authority structures within systems, etc., have not been apparent at Operation Friendship. This organization has, in effect, set up its own system outside of "the system". People at the low strata are being heard:

- o through multiple services, many of their needs are being met and, for the most part identified by the poor themselves;
- o training programs are geared toward deferred gratification of wants and hence a longer term perspective.
- o rewards within the organization are not monetary and clients are having both short and long term needs partially met;
- o the organization is physically there in their own home environment to serve them;
- o the very diversified funding base, plus a growing self-sufficient financial status, precludes undue dependence on government or any other one source, resulting in diminished hostility, suspicion, distrust, etc., on the part of the clients; and
- o the clients are contributing through fees at least some of the costs of the programs so there is less of a "hand-out" mentality on the part of the organization and less of a demand for same on the part of the clients. One observation, however, is that Operation Friendship's approach is to help individuals, and groups or community organizations have not been spawned which would initiate their own problem solving programs despite the 22 years Operation Friendship has been working at community level.

Management: Jamaican organizations have been characterized by management rigidity, emphasis on formalism, centralized decision-making, short-term responses, shifting priorities due to expediency or changes in Government

policies, incomplete and inadequate assessment/evaluation of results, overly sophisticated organizational structure, etc. Operation Friendship has avoided most of these management pitfalls. Nevertheless, the organization's effectiveness is affected by the ups and downs of its fund-raising efforts, staff turnover and low skill capability of some employees, no evaluation over time of lasting program effects on its clients in terms of sustained socio-economic improvement, and a certain isolationism regarding closer cooperation with other FVO's for purposes of helping the entire FVO community gradually move towards a more effective advocacy and performance role on behalf of the poor.

#### C. Performance Assessment

Throughout its 22-year history, Operation Friendship has been able to successfully mobilize the human, financial and information services necessary to carry out an expanding, multi-service program for the poor in West Kingston. It has managed these resources well in terms of efficiency and of accountability, both to donors and clients. Evidence of the organization's ability to mobilize and manage resources can be found in many audits and evaluations conducted by various donor agencies over the years. Their satisfaction can be seen in the continued grant, technical and material support they provide year after year to Operation Friendship.

Vocational and other skill-training programs for men, women, and youths have resulted in capabilities leading to immediate jobs - and hence to increased income - reportedly for about 65% of those persons completing the courses. This creation of direct development opportunities has been completed. Operation Friendship reports, by many indirect opportunities generated through

improved health practices, better family life and child care, nutritional supplements for children, and emergency food rations for families in dire economic needs. Linkages to donors, risk group clients and the public and private sectors seem to have been consistently good, constantly increasing, and apparently devoid of significant clientelism, patronage or partisanship.

Operation Friendship's scale and scope of operations have increased over time in response to new needs (e.g. more unemployment, therefore, additional training). Program applications have been adapted based on first-hand experience and outside technical and educational advice.

#### D. Discussion, Analysis and Suggestion

The positive aspects of Operation Friendship may be summarized as follows:

1. A charismatic and capable Executive Director supported by a Board and staff who are committed to the poor and motivated by religious principles.
2. Open communications at all levels between clients and staff, staff and Executive Director, Executive Director and Board. The Board facilitates suggestions arising up to them out of this participatory system and non-threatening management style.
3. A pragmatic program, combining a variety of activities for risk groups, which is totally non-political and non-partisan and which has a diversified funding base.

On the negative side, the constantly increasing size and scope of operations may soon surpass the ability of a modestly paid, moderately skilled staff with considerable turnover to effectively manage such a large and diversified program. This problem needs to be addressed even if it means consolidation of some services and a slower rate of expansion, or perhaps no expansion at all for a period of time. This may happen anyway owing to the possibility of decreasing public and private sector support caused by the present economic recession.

Another problem alluded to earlier, which Operation Friendship has not adequately confronted, is the overall situation in Western Kingston of deteriorating social and economic conditions.

Despite its enviable record, Operation Friendship only can reach and improve the lot of a very small percentage of the poor in Western Kingston. Notwithstanding the contribution made by the organization, the general socio-economic situation for the majority of the people living in this depressed area continues to deteriorate. This problem cannot be solved by a plethora of programs, good as they may be in and of themselves, whose end result can be likened to putting a patch on a sore. Operation Friendship, together with other public and private agencies working in Western Kingston, needs to analyze the deep structural problems causing this poverty, and come up with a long-range integrated approach to its solution. In any event, participation of the clients in this process is a must if a peaceful and acceptable solution is to be found. This type of participation is difficult when dealing primarily with individuals, and more effort might be made to motivate and organize groups so that the people can be effectively involved in the entire process.

Also, an in-depth organizational retreat which would involve Board, Executives and staff with the objective of having an overview of Operation Friendship would appear to be in order. A serious look at program goals/objectives, organizational structure, communication system, staff training, salary levels, decision-making, etc. would be useful. This should all be done in relation to the institution's broad goals and external activities. A periodic review or overview of this type seems a necessary exercise for a growing, multi-service organization such as Operation Friendship.

And finally, due attention must be paid to the role of the Executive Director, Webster Edwards. His creativity, charisma and leadership are the main reasons why Operation Friendship has been successful. Yet, the very growth of the organization may have now reached the point where these talents are no longer being fully taken advantage of owing to the time he must spend on administration - not to mention his "open door" management style giving all and sundry access to his time and attention probably at the expense of more important matters. Although his style may have worked well up to now, the organization is simply too large and complex for him to continue to share himself with everybody and to personally attend to so many details. Webster needs to delegate certain responsibilities within the institution so that he can spend more time on fundraising, being a spokesperson within on the larger Jamaican PVO community and with the public sector on behalf of the PVO's and the client group of poor they serve. Recruiting and keeping a competent successor would likely require recognition of financial need above and beyond religious commitment.

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## PROJECTS FOR PEOPLE (PFP)

### A. Descriptive Profile

PFP is a private, non-profit limited liability company registered as a developmental agency under Jamaican Law in 1979. It is an outgrowth of the Social Action Centre (SAC) of the Jesuit Order, which as a Jamaican PVO has been involved since 1942 in the development and promotion of projects and cooperatives. PFP maintains close linkages with SAC as well as with the Canadian University Services Overseas (CUSO), a PVO providing technical assistance and project support funds for community income-generating projects for the past 18 years via SAC.

The experience and expertise of SAC and CUSO were merged in the formation of PFP emphasizing the cooperative development of small-scale rural agricultural and urban manufacturing enterprises in the Kingston area and several nearby parishes.

Projects for People has an Agency Coordinator, and a 10 person staff of specialists in accounting, education, agriculture, economics, manufacturing, communications and community organization. There is a 4-person Board of Directors which meets monthly with staff to set, policy review activities and make major decisions.

As an overall objective, PFP programs are, according to PFP, "to help advance the economic standards of living and the social well-being of disadvantaged urban and rural communities of Jamaica". Specific objectives within this framework are stated by PFP representatives to be:

- a) to identify sources of financing and to undertake selection, evaluation and implementation of employment-generating projects;

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- b) to provide project development expertise and to assist grass-root communities in acquisition of self-help, technical and managerial skills for the purpose of job creation;
- c) to initiate developments in low-cost and appropriate technology and to contribute towards national self-reliance; and,
- d) to develop social and community awareness through participation in projects as well as through conferences, seminars and consciousness-raising programs.

PPF is divided into three operational divisions or departments: the Administrative Department; the Project Development Department; and, the Technical Department. This third department does not have an independent staff and uses outside consultants on a hired basis to provide technical assistance and training.

Project costs and administration expenses are derived from donor agency grant funds with the latter built into the grant application as a percentage of total costs. Administration costs for the first two years of operation amounted to about \$90,000. These costs have now increased with the November 1982 Inter-American Development Bank \$500,000 loan to initiate credit and marketing programs. PPF is paying 12% interest on loans for its administrative costs, and also received \$75,000 over and above the \$500,000 for start-up. Other major supporters of PPF are: the Dutch Catholic Organization for Joint Financing of Development Programs, Inter-American Foundation, Catholic Relief Services,

Appropriate Technology International, Canadian International Development Agency, Christian Action for Development in the Eastern Caribbean, Canadian University Service Organization, Catholic Fund for Overseas Development (British), OXFAM, UNESCO and several foreign embassies in Jamaica. Project funding is exclusively for common interest groups whose members are in the lowest 20% of the population in terms of per capita income.

#### B. Organizational Problems

Problems in Jamaica normally associated with the motivational aspect within work groups include: a reward structure that doesn't satisfy the needs of the employee i.e., no upward mobility, benefits not perceived as linked to higher quality or more productive work; employees' lack of understanding or alienation from how management sees goals, objectives, values, etc.

These problems are not an issue with in PFP because, firstly, it is a lean, tight organization of experienced experts with relatively few clerical personnel. Salary ranges are considered reasonable by the staff and the reward system is linked to personal and professional satisfaction. Quality work, when produced is recognized by other staff and by the client groups. The satisfaction with this reward system appears to be also linked to the religious background of staff, most of whom previously worked with community organizations in church or church-related programs. These are people who have had a long-standing commitment to the poor and fulfilling this commitment is its own reward.

Secondly, bi-weekly staff meetings and monthly meetings of all staff with the Board are open for all where staff assist the Board in shaping

policy, setting goals and defining responsibilities. This type of structure has tended to keep communication problems to a minimum, helped to achieve consensus on work outputs, office procedures, working hours, etc., and seemingly serves to eliminate or mitigate alienation between staff and management regarding different perceptions of PFP's goals, values and behavioral standards.

#### Socio-cultural

In its short four year history, Projecta for People has been able to avoid the taint of clientelism and of social strata divisiveness both within its internal structure and with its client groups. Staff are generally of the same social stratum and minor differences are obviated by their sense of mission and compatible religious value systems. External relationships with client groups are based on their involvement in all phases of the process, i.e., in the analysis of reality and the identification, development, implementation and evaluation of activities. Since one of PFP's thrusts is to create social awareness in order to empower people who are working collectively, individualistic self-perceptions are not reinforced and group concerns about possible exploitation by PFP, an intermediary, are diminished.

In PFP's linkages with other PVOs and in their vertical relationship with the public and private sector, past affiliations of some staff members (in Christian Action for Development in the Eastern Caribbean, Social Action Center (Jesuit), community organizations, cooperative movements, etc.) occasionally have resulted in political labeling and accusations of partisanship. Also, community organizations and certain types of group associations were highly suspect and frequently harassed during the initial

months after the present government's election as being too radical. The public relations profile of PFP however, has improved considerably over the past year or so due in part to several favorable press articles on the organization, particularly in reference to the November 1982 Inter-American Development Bank loan fund program. Another mitigating factor has been the PFP's close and expanding relationship with and support from international donor groups such as UNESCO, A.T.I. (an AID program), the Dutch Catholic Organization for Joint Financing of Development Programs and several foreign governments. PFP also keeps the government informed of its activities and at times collaborates with government bodies in training programs, e.g., in the recent training program on bio-gas generators with the Ministry of Mining.

#### Psychological

Hostile behavior, suspicion, distrust, etc., are seen by many as prevalent characteristics of low income individuals in Jamaica. The small entrepreneur groups associated with the PFP through credit, grant and training programs have set their own priorities and manage their own projects. There have been no reported manifestations of these characteristics towards PFP by the group. Attitudes and behavior of this general type are said to be regarded by the members as detrimental to the group as a whole as well as to each individual -- whose economic star is hitched to the financial success of the collective enterprise. Blame and responsibility for failure therefore, is reportedly not attributed to Government, authority figures, or to "the system" in general.

### Management

"Small is beautiful" is a concept followed by PFP to try to ensure efficiency and to avoid bureaucracy. The concept applies to the number of staff, to its program for small community groups and collective, common interest enterprises (both urban and rural), and to its limited geographic scope. This enables PFP to keep formalism to a minimum and to maintain a relatively unsophisticated organizational structure without sacrificing effectiveness and productivity, or good business and management practices. By remaining small, the frequent and open interactions among board, management and staff, as well as with client groups, have resulted in a flexible and non-rigid approach to organizational activities.

### C. Performance Assessment

As indicated earlier, PFP's linkages with clients are close and are seen to be responsive, and it has taken measures to improve its image and contacts with the Jamaican public and private sectors. External donor agencies are satisfied with performance as evidenced by their continuing financial and technical support to PFP as well as by new commitments by agencies such the InterAmerican Development Bank. Additionally, PFP has been instrumental in establishing the basis for the eventual creation of a new umbrella agency of PVOs working in development. Spearheaded by PFP, about 10 informal meetings have been held during the past two years with the participation of the following PVOs: Catholic Relief Services, Sistren (People's theater group), Mel Nathan Institute, Mennonites, Christian Action for Overseas Development (British) and Canadian University Services Organization/Projects for People. Roles and goals still have not

been sorted out and except for some sharing of popular education methodology, no other specific collaborative actions have been undertaken, however, a start has been made, and intentions are good. At present there is a hiatus in meetings, probably due to the recent resignations of the Director of Canadian University Service Organization and of the Catholic Relief Services/Jamaica Program Director: these were two of the most active agency representatives at the previous meetings.

PPF's ability to generate a flow of grant and loan funds has been impressive. From its November 1979 inception through March 1981, a total of \$633,694 was received in grant funds. Funding amounts for grants since that date continue at about that level and this, as indicated earlier, was augmented by a \$500,000, 30 year-loan from the Inter-American Development Bank in late 1982 for PPF's credit and marketing program.

The management of these considerable revenues through an efficient internal accounting system and the careful selection of project holders has been satisfactory to the donors. The large influx of funds from Inter-American Development Bank, with its new credit responsibilities, was the genesis for a recent self-evaluation of the PPF assisted by a process consultant. All staff participated in a series of meetings, workshops, and interviews over a period of several months which culminated in a retreat in April 1983. As a result of these endeavors, some improvements in organizational structure, communications system, decision-making process and accounting system were generated.

As PPF moves from being a grant organization to a credit institution, more development opportunities are created for the risk groups it supports through income-generating projects. Only a few other Jamaican institutions

(National Development Foundation, Christian Action for Development in the Eastern Caribbean, Unitas, Agricultural Credit Bank) are presently supplying loans to individuals or groups with no collateral. PFP's policy of making loans only to groups should facilitate a quicker transition to commercial credit worthiness than loan programs for individuals, (this, at least, is the hope of PFP).

PFP looks upon its linkage with client groups as a constant process of motivating them to analyze their own reality, and to identify, develop, implement and evaluate their own projects. This approach has generated good relationships because it ensures that project activities reflect group needs and concerns rather than any imposition on the part of PFP. At the same time, PFP maintains close contacts with other development-oriented FVOs as a means to share experiences and knowledge for the mutual benefit of all. This also holds true for its linkages with university and other centers of research and learning, both within and outside of Jamaica. Finally, the improved public relations profile of the organization evidences PFP's awareness of the need to maintain prudent and, when possible, collaborative relationships with Government and private sector.

#### D. Discussion

PFP's experienced and committed staff have a strong social change motivation expressed in action programs of income generation blending education, training and the provision of credit. The organization has chosen to carry out programs limited to groups since it believes this results in more developmental mileage at less cost, particularly when the clients are involved in every aspect of planning, decision-making

and implementation—all of which is geared to reaching self-sufficiency as soon as possible.

As a small, tightly knit organization, PFP has so far avoided excessive bureaucracy through careful use of resources applied to a limited clientele in a circumscribed geographical area. This is not a hand-out organization and obligations are spelled out mutually between clients and PFP at the onset of the relationship and contractually adhered to.

Both short and long-term needs are being met, through income generation in the case of the former, and through self-sustaining, responsible groups of informed citizens in the latter. Available resources, tangible needs and group capabilities are carefully analyzed in the pre-planning stage before implementation, thereby giving some assurance that local structures, possibilities and expectations have been properly considered. PFP's "process" approach to development builds on the strength and weaknesses of clients and their micro environment by insisting on analysis of reality, local decision-making and resources commitment before entering into agreements. This is the opposite of the "blueprint" approach of top-down planning prior to implementation.

Another advantage of PFP is the fact that it has many funders. This prevents undue dependency on any one source for resources and allows PFP to pursue its own developmental goals and set up a structure of its choice without fear of being coopted by external donors in terms of decision-making.

As PFP's loan portfolio and credit operation increases, it will be interesting to observe whether the organization continues to maintain its

mix of commitment and good business practices. A sense of "mission" can be diminished if a technical and business approach takes over at the expense of a socially and religiously motivated staff.

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## URBAN DEVELOPMENT CORPORATION

### Descriptive Profile

The Urban Development Corporation is a quasi-government organization set up in 1968 by the Government of Jamaica as a vehicle through which to ensure that development takes place where it is most needed. The UDC's role was to carry out primary development projects which were economically feasible, capable of providing impetus to secondary development primarily by private interests, and projects which had positive social impacts. When the Corporation was established it reported through a Board to the Ministry of Finance; in 1972 it reported to the Ministry of Mining & Natural Resources, by 1974 it was again transferred, this time to the Prime Minister's Office, where it remains today.

Over the 14 years of its life span, UDC has grown in size, from 14 staff members in 1968 to 150 in 1983. It has offices in Negril, Kingston, Montego Bay and Ocho Rios. The size of its asset portfolio has also grown: in 1978 UDC's assets were \$180M, today over \$500M is invested in a range of properties and projects from fish farms to hotels.

The type of projects which the Corporation has undertaken over the years has varied from infrastructure development (its original responsibility) to urban rehabilitation, low and middle income housing, tourism development, estate management and new town developments. The secondary developments are managed by nine subsidiary companies, and a number of Advisory Committees exist to represent the interests of each project area

The UDC obtains funds in several ways:

1. Government loans and grants - for projects in designated urban development areas, and for projects executed on behalf of Central Government e.g. road improvements and public facilities.
2. Loans from commercial banks, private international banks, Caribbean Development Bank, Inter-American Development Bank, National Housing Trust - for long term secondary development projects.
3. Rentals of hotels, office buildings; income from farms - UDC uses these sources to meet operating costs and salaries and is fully self-financing.

All projects are carefully assessed for their financial feasibility and long term economic impact. The Ocho Rios development, for example began with infrastructure to facilitate the development of the tourist industry. Hotels, cruise ship pier, and crafts-market were constructed first to provide jobs and income to the town. Subsequently, housing and social facilities were put in place as the townspeople were able to afford to purchase them.

The Corporation is guided by a board which represents both private sector and government interests. Management consists of a General Manager, who along with an Executive Board (Deputy GM, Chief Project Manager, Financial Controller, Estates Manager, Chief Engineer, Chief Architect, Planner and Company Secretary) carry out the Corporation's business, in what they describe as a "collective problem-solving mode".

### Motivational Dynamics

UDC maintains a highly qualified professional staff of engineers, architects, sociologists, economists, financial analysts, etc., despite the scarcity of skills on a national level and the inability of the organization to pay above market salaries. There are two types of employees selected by a deliberate recruitment strategy.

- a) The lynch-pins - older, experienced professionals who are at the end of long careers in the public sector and who "know the system" and have strong professional contacts with the agencies through which UDC works.
- b) Young professionals who are enthused by the mission and philosophy of UDC and who want to prove themselves as professionals. Both groups are highly motivated by the "mission of UDC", which is frequently discussed at formal and informal meetings. The organization has a professional culture which rewards performance and excellence, by conferring status and recognition on high performers. For example, the architect who designed the Seabed Authority Building was asked to sit on the platform during the opening ceremony, while his superior sat in the audience. Frequently one hears comments made by UDC employees about colleague - "He's the best in the business".

The emphasis on performance begins at the top of the organization, and is illustrated by a UDC employee who said: "When Mrs. Knight hires you she expects you to perform!"

Work norms are very clearly defined in terms of professional standards rather than less important aspects such as dress, speech, etc. and those who do not conform do not stay. A senior manager there explained that the standards are "honesty, efficiency, high technical quality and expeditious work". A core of senior managers who have been with the organization since its inception set the "mood" by consistent hard work, loyalty to the Corporation and persistent verbalizing of standards and expectations.

Communication is maintained through a team-approach to projects which brings together professionals from all disciplines in a creative problem-solving mode. Management maintains an open-door policy and there are frequent, perhaps too many meetings, on a task or project basis. Similarity in background and interests allows the employees to interact both socially and professionally on a regular basis and it is not unusual for the General Manager to have an informal gathering at her house to celebrate some success or milestone in the organization's activity. The management has also demonstrated its responsiveness to employees demands. In 1982 in response to a spate of departures due to salary dissatisfaction, UDC upgraded salaries, installed a classification system and personnel policies. This was part of an overall upgrading of management systems in the Corporation which included computerization.

The nature of work tasks provide considerable motivation to the staff and the opportunity to work with experienced professionals from outside (UDC sub-contracts a great deal of work to local consultants) is also seen as a reward.

Leadership in the organization is shared by an Executive Board, which collectively addresses issues and problems through a regular Monday meeting, but the charisma, professionalism and dedication of the General Manager, Gloria Knight are responsible for the cohesiveness and integration of the employees there. Mrs. Knight started UDC and feels that her willingness to delegate shows her confidence and personal interest in the employees; honesty and consistency are key factors in her motivational strategy. Mrs. Knight has been able to be away from UDC for three months of this year to pursue her own professional development.

#### Socio Cultural Political Factors

UDC has weathered two political regimes and is serving a third with unprecedented success. The corporation was the brain child of the present Prime Minister (then Minister of Finance & Planning) as a special vehicle for development. UDC falls under the portfolio of the Office of the Prime Minister, and has 'special' powers by virtue of the UDC Act as well as the legitimacy which comes from (i) effective performance and (ii) the interest and confidence of the Prime Minister. "The UDC is permitted to do anything" said a senior manager.

After 12 years under the chairmanship of "power-broker" Mayor Matalon, himself a major developer, who understood the business of land-development and who deliberately acted as a buffer between the organization and the political directorate, UDC has achieved considerable autonomy. This is not to say that the organization has not had its share of political battles. For many years UDC's Hillshire Project was delayed because of powerful political criticism of its development plan. The stalemate was finally

broken following a personal conversation between a senior manager and a Minister of Government who then ordered the critics to withdraw. The UDC did not give in to politically initiated pressure and has continued the project. The result is of course an increase in project costs to the extent that the houses in Hallshire cost \$3,000 more to the consumer.

One strategy employed by UDC to cope with the political realities of Jamaica has been to respond to political priorities, but with technically sound and economically viable solutions. The decade of the 70's for example stressed housing for the poor, the UDC responded with the "shell" unit; today's "Agro 21" mandate for commercial agriculture has yielded the Caymans Development Company, a subsidiary of UDC which is resuscitating sugar lands, leasing lands for export agriculture, cultivating coffee and orchard crops, as well as providing housing on inferior lands.

At the local level, UDC involved politicians, community groups and business interests in the planning process for new projects. M.P.'s are consulted and community meetings are held regularly during project development. Advisory Committees and Development Boards are formally established to monitor projects.

Clientalism is acknowledged as a fact of life of the construction industry and UDC tries to select its contractors from the local level and upon recommendations, as long as they are technically competent. It has taken the view that its role is to help the small contractor to develop, and also to dismiss the poor performers. Similar approaches are used for employment of staff - the organization will receive recommendations, but reserves the right to select whom it hires and fires.

The UDC does not engage in short-term projects -- most of its activities have long term pay-back periods. However the implementation strategy seeks to initiate some short-term elements early in the project cycle. The West Kingston Redevelopment Project, a long term project to rehabilitate downtown Kingston, began with the refurbishing of the market facilities which have an impact on a large number of market users, although financing for the entire project has not yet been obtained.

In summary, the organization has developed the capability to respond with sound technical solutions to shifting priorities as well as to real needs, e.g., Flood Rehabilitation Programs, New Market Development. This is achieved by astute leadership which maintains excellent Board level communication and political dialogue as well as professional ethics.

Wise financial planning has permitted UDC to maintain its independence -- it is self-supporting and uses its assets as collateral for funds from money sources. Its strategic linkage with the office of the Prime Minister is useful in a system which is highly centralized.

#### Management

In its approach to development, UDC has learned from its early experiences, by analyzing the impacts of its development projects; e.g., Kingston Waterfront Re-development which accelerated urban decay rather than stemmed it. It has drawn a great deal from the international state-of-the-art in urban planning, by exposing its work at international forums and by training its staff at an international level. The current development approach stresses integrated development, i.e., it takes into consideration social, economic, physical and environmental infrastructure. Sociological

analyses are conducted in each project area and considerable technical and financial study is done before the final design is agreed on.

Much of this work is carried out by local consulting firms which provide an objective assessment for the decision-makers. There is also a willingness to change plans to accommodate the recommendations of these investigations. For example, the West Kingston Redevelopment Project is now being redesigned as the original proposal would have resulted in;

- 1) considerable dislocation; and
- 2) costly budget.

The UDC recognizes that the development of other government agencies is also important. In fact, much of its success is due to its ability to work through and with other agencies. It therefore avoids competing with other agencies, but rather maintains collaborative relationships with them. Part of this strategy requires that the UDC limit its own size so as not to become an "empire". The second strategy is that it avoids usurping the role of Central Government Agencies. An example of this is the refusal of the organization to take on a major urban roadway project, even though it was internationally financed. UDC felt that this was the responsibility of another government agency. Linkages are maintained with these agencies at a formal committee or board level and also by personal and professional contacts.

The organization structure is flexible and allows for rapid responses to project and outside needs. Nevertheless, accountability for each project rests with the designated project manager. Ultimately, the head of the organization accepts responsibility jointly with the project manager.

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### Performance Assessment

Evidence of the UDC's success are readily visible throughout Jamaica, viz:

1. Kingston Waterfront Re-development
2. Ocho Rios
3. Negril
4. Montego Bay
5. Hellshire Bay

In addition to the physical development, UDC has created directly and indirectly thousands of jobs for target groups, its own employees and local consultants, many of whom were previously employed by UDC as professional architects, engineers, etc. It has achieved international acclaim for its work, and local credibility at all levels. The organization carries out a consistent public relations programme which projects an image of both sensitivity to the Jamaican social environment and effective performance. Brochures, development support videos, community meetings, press releases, community entertainment and drama groups all form part of its image building strategy.

The success of the Urban Development Corporation is attributable to three major coping strategies:

1. The ability of the organization to attract and retain a high level of professional expertise.
2. The extent to which UDC has been able to respond to political interests and priorities while maintaining its independence and professional integrity.

3. The ability of the organization to evolve an approach to national development, to develop it as an organizational philosophy, and to mobilize resources to carry out its activities consistent with this philosophy.

UDC will no doubt continue to be successful as it demonstrates the ability for self-criticism and incorporating lessons learned. Given the stability of its own management who are still below retirement age and who adhere to its development philosophy, continued success is expected.

## CHAPTER 4: FINDINGS

### Analysis Issues

Ideally, a study of this sort should yield preliminary answers to the question "What organizational factors should AID/Jamaica take into account when deciding where to allocate institutional development assistance?" That is, based on the "feel" for the present conditions of representative organizations, one should be able to make the following sort of statement:

"X out of N organizations studied exhibited high ability to attract workers, but limited reward structure, resulting in high turnover...organizations in target sections which attempt to have workable incentives/rewards (not necessarily financial) should be ranked higher than those which have not attempted to do so."

Two crucial questions immediately present themselves. First, was the sample of organizations large enough and the study of each comprehensive enough to make such statements? If so, how should organizational factors (workplace, mobility, clientelism, accountability, etc.) be weighted--vis a vis each other, and vis a vis overall development strategy?

The number of Case Studies is limited. However, by subjecting them to analysis of motivational problem dynamics, socio-cultural problem dynamics, psychological dynamics, and managerial problem dynamics--pressing them through the same sieve--they can provide a basis for discussion and consideration of organizational factors by AID/Jamaica program staff.

Further, each Case Study researcher has years of experience in Jamaica on which to draw in arriving at the conclusions and recommendations.

#### Summary Matrix of Strategies

Exhibit 1 on the following pages presents the strategies used by the various organizations:

successful:	Appliance Traders, Projects for People, Urban Development Corporation
transitional:	Operation Friendship, Christians Potato Growers Cooperative, National Development Foundation
unsuccessful:	Council of Voluntary Social Services, Dycall Life Life Insurance, Integrated Rural Development Program

#### Motivational Strategies

The relative value placed on professionalism seems to have ramifications for the functioning of these organizations. When accompanied by an output orientation, mobility (both inside and outside the organization) and accountability tend to increase. Religious commitment, such as that found at the PVOs studied, does not in and of itself guarantee success. In the context of an output orientation (e.g. Projects for People), this commitment seems to compensate for lack of mobility and there are good chances for success (for the organization). The Council of Voluntary Social Services appears to be the victim of, among other things, a motivational dynamic consisting of religious commitment coupled with a process orientation.

Summary Matrix of Strategies

	National Dynamics	Socio-cultural Dynamics	Psychological Dynamics	Managerial Dynamics
Appliance Traders	<ul style="list-style-type: none"> <li>o high workplace mobility; meritocratic</li> <li>o output oriented</li> <li>o no apparent communication problems: open-door policy internal problem solving (no consultants)</li> </ul>	<ul style="list-style-type: none"> <li>o direct campaign contributing revolving doors, close links to bureaucracy</li> <li>o private contracts; generate own foreign exchange</li> <li>o company neutral, employees allowed to be partisan</li> <li>o color not correlated with hierarchy or dependency</li> <li>o labor and management pitch in together when necessary</li> </ul>	<ul style="list-style-type: none"> <li>o long-term, stable employment and solidarity reduce risk avoidance behavior</li> <li>o trust based on production orientation (one representative generally sufficient)</li> <li>o casual but efficient - some idiosyncrasies allowed</li> <li>o high value on initiative</li> </ul>	<ul style="list-style-type: none"> <li>o centralized decision-making coupled with much internal "brain-storming" involving workers, to solve problems</li> <li>o high accountability external</li> <li>o good feedback</li> <li>o informality and high production</li> </ul>
Christiana Potato Growers Cooperative	<ul style="list-style-type: none"> <li>o low internal mobility but high gratification</li> <li>o new financial incentives</li> <li>o output &amp; market prices (no ambiguity)</li> </ul>	<ul style="list-style-type: none"> <li>o large farmer vs. small farmer</li> <li>o politically labeled; recent efforts to rely on merit, increase autonomy</li> <li>o seeking to expand markets and membership</li> </ul>	<ul style="list-style-type: none"> <li>o short-term gratification - new market development required longer-term perspective</li> </ul>	<ul style="list-style-type: none"> <li>o output orientation leading farmers to take some risks,</li> <li>o resistance to change muted by upper management</li> </ul>
Council of Voluntary Social Services	<ul style="list-style-type: none"> <li>o professional recognition and religious commitment</li> <li>o process orientation</li> </ul>	<ul style="list-style-type: none"> <li>o paternalistic</li> <li>o dependency on government subsidies</li> </ul>	<ul style="list-style-type: none"> <li>o self-protection by putting blame upward</li> </ul>	<ul style="list-style-type: none"> <li>o formalistic poor to "inward" links to member agencies - member agencies have "me for me" attitude</li> <li>o accountability up, not to clients</li> <li>o loose record-keeping systems</li> <li>o no assessment of socio-economic impact</li> <li>o lack of direction and participation</li> </ul>

Summary Matrix of Strategies

	Motivational Dynamics	Socio-cultural Dynamics	Psychological Dynamics	Managerial Dynamics
Dyall Life Insurance	<ul style="list-style-type: none"> <li>o no opportunity for mobility</li> <li>o high levels of insecurity</li> <li>o standards known</li> <li>o no piecework incentives</li> <li>o no career orientation</li> <li>o one trained, high turnover</li> </ul>	<ul style="list-style-type: none"> <li>o recruit "socially, disadvantaged" women</li> </ul>	<ul style="list-style-type: none"> <li>o male supervisor creates rivalry and distrust among female clerical staff</li> </ul>	<ul style="list-style-type: none"> <li>o very formal communication; decisions at Board level</li> <li>o no clear role definitions or reporting relationships</li> <li>o conservative (reactive) investment</li> <li>o not equipped to handle short-term growth</li> </ul>
Integrated Rural Development Program		<ul style="list-style-type: none"> <li>o non-participatory Development Committees could not compete w/ th succ for political connections</li> </ul>		
National Development Foundation	<ul style="list-style-type: none"> <li>o professionalism</li> <li>o reasonable salaries</li> <li>o upward mobility</li> </ul>	<ul style="list-style-type: none"> <li>o loans to sole proprietors or 2-person partnerships, not to groups as specified in charter</li> </ul>	<ul style="list-style-type: none"> <li>o staff develop close working relationship with clients (one-to-one); within known (subjective loan) parameters</li> </ul>	<ul style="list-style-type: none"> <li>o long link to power</li> <li>o media coverage</li> <li>o poor links to PVMs</li> <li>o no links to groups, e.g. cooperatives</li> </ul>

Summary Matrix of Strategies

	Motivational Dynamics	Socio-cultural Dynamics	Psychological Dynamics	Managerial Dynamics
Operation Friendliness	<ul style="list-style-type: none"> <li>o no internal mobility for administrative staff, but easy entry</li> <li>o religious motivation</li> <li>o low salaries</li> <li>o limited training</li> </ul>	<ul style="list-style-type: none"> <li>o assistance to <u>individuals</u></li> <li>o high visibility</li> <li>o humble origins of founder</li> <li>o deteriorating environment</li> </ul>	<ul style="list-style-type: none"> <li>o fees for service reduce dependency and hostility</li> </ul>	<ul style="list-style-type: none"> <li>o diverse sources of funding and in-kind contributions</li> <li>o adaptive program development</li> <li>o no action base due to lack of assistance to groups</li> <li>o high accountability of resources and input (follow-up)</li> </ul>
Projects for People	<ul style="list-style-type: none"> <li>o flat organization, lateral mobility</li> <li>o religious commitment</li> </ul>	<ul style="list-style-type: none"> <li>o diversified funding</li> <li>o labelled as "radical"</li> <li>o client groups, not individuals</li> <li>o small staff, of same social status</li> <li>o limited scope and geographic area</li> </ul>	<ul style="list-style-type: none"> <li>o group focus and procedures reduce suspicion, etc.</li> </ul>	<ul style="list-style-type: none"> <li>o many meetings to achieve consensus</li> <li>o small staff</li> <li>o high accountability</li> <li>o emphasis self-sustaining projects</li> <li>o many and strong linkages</li> <li>o self-auditing</li> </ul>
Urban Development Corporation	<ul style="list-style-type: none"> <li>o professionalism                             <ul style="list-style-type: none"> <li>- technical sophistication</li> <li>- international recognition</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>o snailierly in background and interest</li> <li>o old political ties (family?)</li> <li>o responsive to political priorities</li> <li>o patronage for construction work as long as technically competent</li> <li>o financially self supporting</li> </ul>	<ul style="list-style-type: none"> <li>o self criticism now more after past serious mistakes</li> </ul>	<ul style="list-style-type: none"> <li>o team approach to projects</li> <li>o many meetings</li> <li>o much public relations</li> <li>o responsive to employee demands</li> <li>o general manager delegation is low</li> <li>o international professional linkages</li> <li>o collaborative relationships with other agencies, via networks of other staff, to neutralize political</li> </ul>

### Socio-cultural Dynamics

The stronger organizations in the study group would do as well in Boston or Chicago as in Kingston. Close attention to the political winds combined with financial independence allows the organization to survive and professionalism (be it in appliance distribution, potato marketing, credit or housing construction) to flourish. Financial independence alone, as in the case of Dyoll, is not enough. A client base of groups seems to confer more strength than a client base of individuals, although the need for such a base varies with the type of organization.

### Psychological Dynamics

The case studies are weak in their coverage of psychological dynamics, due to short duration of observation and interviews. What is clear from the studies, however, is that active, conscious measures must be taken to reduce risk and suspicion. Measures taken by the organizations studied are listed in Exhibits 1 and 2.

### Managerial Dynamics

Management is closely linked to motivation. Output orientation and professionalism are correlated with consensus building, reliance on internal problem solving, high internal and external accountability, and strong external linkages. The organizations characterized earlier as transitional -- Christiana Potato Growers Cooperative, Operation Friendship and the National Development Foundation -- reflect mixed managerial dynamics.

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### Pivotal Strategies

Through analysis of the Case Studies, the strategies in Exhibit 2 have been identified as pivotal. When they are present, the organization has a higher likelihood of success than when they are absent, in that they can offset weakness, independently, and reinforce each other. They also make possible other secondary (dependent) organizational strengths, for example, an emphasis on professionalism facilitated accountability to clients. Some are clearly specific to certain organizational types (e.g. religious commitment - FVOs), or difficult/expensive to sustain over a long period of time (e.g. one-to-one relationship in credit programs). In allocating institutional development resources to organizations in a given sector, the presence or absence of pivotal strategies should be entered into the "equation" used by AID/Jamaica.

Pivotal Strategies

<u>Dynamic</u>	<u>Strategy</u>
Motivational	provision of perquisites professionalize/production orientation religious commitment opportunity for entry-level jobs
Socio-Cultural	expedient political ties coupled with financial independence/ diversification use of patronage systems within explicit adherence to technical standards racially/class homogeneous or inverted staff
Psychological	demonstrated commitment to employees--- reduces risk avoidance behavior fees for service--- reduce dependency/anger group focus--- reduces suspicion long-term one-to-one relationships--- reduces suspicion
Managerial	high visibility, whether through word of mouth or communications media strong linkages to other organizations (may be a dependent strategy) participatory management within clear goals

## CHAPTER 5: CONCLUSIONS AND RECOMMENDATIONS

Based on an admittedly small sample of organizations selected for study, we nonetheless can conclude that there are certain strategies repeatedly associated with overall organizational strength: these strategies were discussed in Chapter 4. It could be further argued that those organizations which are in a transitional phase (e.g., changing emphasis from welfare to development, or production to marketing) and exhibit one or more of these strategies in each dynamic, would be the "best bets" for institutional development assistance, if they are in a targeted sector of activity.

Any resource allocation decision requires the weighing of strengths and weaknesses, and the ranking of possible choices. How heavily should various organizational factors be weighed in assessing the rank order of particular target institutions? The answer to this question will vary, depending on the following factors:

- o major purpose of the institutional development program being considered, i.e. training of staff, strengthening internal procedures, increasing impact on client group, etc.
- o the "sector" to which the organization belongs, i.e. private voluntary organizations do not necessarily need to exhibit the same mix of strengths as commercial enterprises to be successful
- o the importance of other "contextual" factors to the institutional development program goals, e.g. geographic location, emphasis of bulk of the organizations activities (if multi-purpose), etc.

It is recommended that AID/Jamaica consider assessing and documenting organizational factors in an explicit manner. The advantages of explicitly

including organizational factors in resource allocation decisions\* would accrue not only to the individual project, as it would have that much greater chance of success, but also to AID/Jamaica during or after project implementation, as they would have that much more of an information base for project evaluation.

One of the managerial dynamics examined in the Case Studies was accountability to client group (or beneficiaries). During discussions held in mid-January, AID/Jamaica staff expressed a desire to focus on the needs of one particular set of beneficiaries, urban youth. The operational strategies of a few organizations (PVOs and potential employers) which have contact with urban youth were represented in the studies; the HEART programs and post-secondary vocational schools were not. What is not known, apart from anecdotal evidence, are the operational strategies and perspectives of the youth themselves.

The proposed Jamaica Skills Training Project is still in the pre-implementation stage. Thus the following steps appear to be opportune:

- Analyze the Skills Training Project Paper, in order to identify areas of potential difficulties and suggest ways of preparing for or circumventing them;
- Assess the institutional capabilities of the implementing organizations vis à vis their proposed project role and project objectives;
- Interview urban youth to find what they think the problems are, what they think they need and how they view the world and their role in it.

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\* It is assumed that this already happens on an informal or implicit basis, to a greater or lesser extent.

Implementation of the above or similar steps would constitute an application of findings for project improvement, thus demonstrating the utility of SIPs in general, and organizationally-focused ones in particular.

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