Identifying of critical success factors of social services organizations in the public sector

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Keywords

Key success factors, strategy, public organization, social services.

Abstract

The will of success is the drive behind any action undertaken by any organization. The resources, competences and qualifications used to create a competitive advantage on a particular market are called 'key (or critical) success factors'. They are the determinants of the possible future success. This paper aims at the identification and analysis of the perceived and factual key success factors in social service organizations. This will allow to evaluate the possible future success of an organization. Basing on an overall analysis of the respondent's answers, it has been demonstrated, that according to the respondents, the most important part is the motivation system. This article is based on the research project "Key success factors of social services organizations in the public sector funded by NCN (Contract no 2013/09/N/HS4/03861).

1. Introduction

The determinants of the possible future success for an organization are its resources, competences and qualifications, to create a competitive advantage on the market at a given time – this is exactly what we call the key success factors (Flores and Fadden 2000). These factors are changeable and situation-dependent, depending on the precise situation the organization finds itself in (Brotherton 1996). They are the key factors deciding the area of management activity and have a great impact on the goals of the organization (Sirus and Mo'attar, 2006). Since strategic management theory is highly useful in application in business organizations, the matter of key success factors have been studied in relation to both theory and practice of functioning in business organizations, but there has not been much written about how these rules apply to public organizations.

Only after turning to secondary sources does one find research concerning public sector organizations. Given the social importance of these organizations, and their input into the practical realization of social policy principles, researching these issues ought to be a priority.

The aim of this research, focused on key success factors of public organizations, is to broaden the knowledge about key success factors in the aforementioned organizations, and by doing so – positively affect the public organizations' strategy.

2. An organizations' key success factors - definitions, types, benefits

KSFs (key success factors) and CSFs (critical success factors) are the terms used in academic disputes interchangeably. Various scholars have different definitions of KSFs – e.g. Rockart defines them as the factors which provide the organization with success and competitive advantage (Rockart, 1979). Leidecker and Bruno view them as characteristic conditions and variables responsible for an organization's success (Leidecker and Bruno, 1984). Grunert and Ellegard see four possible interpretations of critical success factors.

- the requisite components of the organization's management system;
- the unique organization's characteristics;
- a heuristic tool, aimed at sharpening the managers' perception of the organization;

 a description of the crucial competence and resources necessary to achieve success at a given market.

Thus, by focusing on the latter interpretation, Grunert and Ellegard view key success factors as the organization's investable competence (Grunert and Ellegard 1993).

What allows an organization to stand out from its competitors and create and maintain a strong, stable and positive relation within the market are the KSFs (Dirks and Wijn, 1996). What Rockart points out is that the success factors usually focus in a specific field of an organization's activity (Rockart 1979). The claim that unless KSFs credibly reflect reality the management goals cannot be accomplished comes from Thierauf (Thierauf 2002), while Pinto and Slevin stress how important it is to identify these factors, since otherwise they may become a threat to the organization (Pinto and Slevin 1987), Dadashzadeh points out that when the CSFs are identified, they should become management goals, and any changes should be reported to the management (Dadashzadeh 1989).

K. Grunert and C. Ellegard have made a particularly important distinction between the success factors, dividing them into perceived and factual factors (Grunert, Ellegard, 1993). The perceived factors reflect to what degree the factor effects the success in the eyes of the management and employees. The actual success factors determine to what degree the factor occurs in the organization (Dess, Robinson 1984). The knowledge about the differences between the two results in benefits such as effective development and a more effective communication processes and organizational strategies (Grunert, Ellegard, 1993)

Defining KSFs is beneficial in many ways (Zarepur 2001):

- a decrease in the negative influence of the success factors;
- a decrease in financial risk;
- an increase in quality control;
- an increase in the ability to handle the groups, whose influence on the organization might be negative;
- a budget goals guarantee.

The most important points of identifying KSFs are the diagnostic aim – since it helps explain the reasons behind different developments in organizations – and the prescriptive aim – which helps determine and define the manner and direction of efficient management.

3. Key success factors as the foundation in an organization's strategy formulation.

The concept of key success factors is connected to strategic planning – it is used to strategically analyse the present and future changes, along with their tendency in the environment, in order to create an adequate strategy (Bieniok and Gruszczynska-Malec, 1996). According to Chandler, what constitutes a strategy is "[the] determination of the basic long-term goals and objectives of an enterprise" (Chandler, 1962). Strategy defined as the company's way to compete is how Porter views the topic (Porter 2006).

In Rockart's eyes the risk of introducing and developing a strategy without enough stress on the key success factors determining the success in the particular sector should never be taken (Rockart 1979). To summarize: this is the basis of viewing CSFs as the cornerstone of strategy formulation.

Dirk and Wijn regard the CSFs in correlation to the implementation and formulation of a strategy. The authors point out that both the definition and usage of CSFs is based on strategy implementation, since their main goal is to induce strategic activities. They simultaneously claim that the modern use of CSFs should serve the purpose of starting the entire strategic planning process, creating the organization's mission and vision. The management and control processes should begin with the CSFs identification, no matter the type of company (Dirks and Wijn 2002).

The inseparable connection between CSFs and the organizations' success is stressed also by Eisenhardt and Zbaraki. Their research proves that the CSFs method requires preestablished, clear management goals, which determine the value of its possible consequences. They call the employees "the actors", who gather information and prepare sets of alternatives, whereas the optimum is chosen in the end (Eisenhardt and Zbaraki 1992).

The identification of the CSFs is inherently related to strategy formulation, although there are business strategies which can aid helping social problems. One of the methods which should be mentioned is the vendor (in a broader sense) partnership strategy, which is based on the belief that the organization needs to adapt to the vendors' needs and have a partner-oriented attitude (Luecke, 2007).

4. Key success factors of organizations rendering social services in the public sector – a brief survey of literature.

Many a publication provide many compilations of KSFs in private sectors, e.g. Thompson and Strickland (Thompson and Stricklan, 1993), who propose technology, distribution, production, cooperative and organizational skills and marketing. In turn Obłoj propositions are post-purchase support and servicing, distribution and marketing, finances, staff management, production and technology (Obłoj, 2011).

Bardi has taken into consideration the service and manufacturing companies in the United Arab Emirates, where in both types of enterprises the key success factors seem to be: staff training, product/service design, management quality and relations between staff members (Bardi and Davis 1995). Hyland concludes in his research (encompassing manufacturing firms from Australia in 2000) that the most important for the organization's success was management support (Hyland, Mellor, O'Mara and Kondepudi 2000). Terziovski, Soahl and Samson investigated Australian manufacturing and services companies, and they reached the conclusion that the determining factors were leadership, customer focus, both internal and external, and strategic alliances with suppliers (Terziovski, Soahl and Samson, 1996). The KSFs research in the range of public sector organizations is a rare thing. The authors of this article decided to present the critical success factors of the aforementioned organizations in the form of a chart.

The table below presents the result of literature analysis in social service organizations. The Author carried out the surveys by means of the databases Ebsco, Emerals and ProQuest, the goal of the analysis was to identify the key success factors in social service organizations. The databases have been examined for articles by keywords connected to success, organization success, key success factors, public sector, and social service organization. Peer reviewed articles in scientific press were taken into account.

Author, publication date	Research method	Key success factors	
M. A. Youssef, M. Zairi (1995)	questionnaire survey	 Management commitment Quality policy Customer satisfaction Clear mission statement Vendor partnership Education 	
M. S. Owlia, E. M. Aspinwall (1997)	questionnaire survey	 Management commitment Strategic planning Quality management Employee involvement and team working Training 	

Table 1. Identifying key success factors of the public sector organizations

		Design management
		 Design management Process management
		8
		Information and analysis
		Customer focus and satisfaction
		Management commitment
TT NT 1		Customer management
U. Nwabueze,		• Teamwork
G. K. Kanji	questionnaire survey	Communication
(1997)		Process management
		• Training
		Organisational structure
		Management commitment
P. Thomas	questionnaire survey	 Process management
(2004)	questionnaire survey	Data analysis
		Supplier management
		 Process management
		Customer and market focus
		Employee focus
A. M. M. Rad	nostal quastiannaira aurray	Leadership
(2005)	postal questionnaire survey	Strategic planning
		Productivity analysis
		Material resources focus
		Supplier focus
		Clear mission statement
	questionnaire survey	Management support
		Client consultation
		• Project implementation plan
		• Personnel recruitment and
K. M. Rosacker,		training
D. L. Olson		• Technical tasks – availability
(2008)		of expertise
		Client acceptance
		Effective communication
		process
		Emergency management
		Staff management (group)
		trust, personal training
B. Dexter	questionnaire survey; focus group interview; telephone and e-mail interview	requirements, proper group
		selection)
(2010)		
(2010)		0 ,
		emergency management
		Process management
		Location and facilities

The analysis of the subject literature proves that there is little empirical research covering the key success factors in social service organizations. The specified factors include such areas of organizations' functioning as: quality management, social responsibility, private-public sector partnerships. The analysis of scientific papers allows to define the recurring factors, present in many areas. Dedication of the management board, effective communication and teamwork are prominent examples.

Data and methodology

This paper has been written with the application of mixed research methods (Cresswell 2011), which connect or join both quantitative and qualitative research. It is described as "research in which the researcher mixes, analyzes and finds connection between both qualitative and quantitative data in one research or research program". (Cameron 2008) Mixed research methods become more and more important and popular in conducting research and are named between the three most important research approaches or research paradigms, along with the qualitative and quantitative research (Johnson, Onwuegbuzie 2007). Formalized mixed research (Vitale, Armenakis 2008). The use of mixed research methods in the following study has allowed for the triangulation of the research methods. Due to that, the research has highlighted a broader context of the research topic, assuring a high quality of the performed study and minimizing the calculation and conclusion errors resulting from using a single method. Conducting research by using the mixed research method is highly valued in professional literature about management.

The first stage of the qualitative research has been conducted on a group of 20 respondents, managing social service centers and experts in social services. The second has been conducted on a group of 524 social service centers in Poland. The total amount of social service centers in Poland is 2433 (GUS, 2013)

Analysis and findings

The analysis of the interviews allowed to classify the answers connected to the understanding of "success" of an organization and "success factor" of the organization. The results of the analysis are presented in the table below.

The meaning of an organization's success	What is the success factor - what leads to success?
 Implementation of statutory tasks Efficient functioning of the center 	 Leadership - as an ability to influence the employees' behaviour in order to achieve specific goals Teamwork - the feeling of shared goals, mutual interdependence in pursuing these goals, cooperation and the ability to work as a team. The commitment of employees and managers - the degree to which everyone gets personally involved, working better and harder than it is required to keep their position The level of employee's motivation to provide public services - predisposition of employees to The knowledge and abilities of employees and managers Professional management in the organization

Table 2 Success and the success factor - analysis of the conducted structured interviews

 The relations between partners, aiding the goals of the organization (relations with any person or group of persons who may influence the given organization or being influenced by sucha n organization; e.g. – ministries, hospitals, the police, media). Partnership – acting jointly with partners e.g. with the police or a hospital. Participation of employees in management – how much the workers are a part of the decision-making process. An efficient system of communication within the organization.
 A positive image of the organization amongst people that it comes in contact with- clients, contractors, officials, employees; what do people think about the organization. Motivational system that fosters employee's engagement. Proper work organization - a system of rules, methods and actions that aim to unite the workers, The amount of financial resources Knowledge and ability in gaining financial resources Knowledge and ability in efficient use of obtained financial resources Workplace equipment. Housing conditions.

The perceived correlation between the occurrences of the success factors and the success indicators allowed for the actual identification of the key success factors in the centers subjected to the study.

Table 3 Identified key success factors in social service centers.

Succes factor	Pearson's linear correlation factor
Motivational system fostering engagement in employees	0,364
Positive image of the organization	0,353
Organizational culture that fosters achievement of the organization's goals.	0,353

Knowledge and ability in identification and acquirement of financial resources	0,35
Knowledge and ability to use financial resources efficiently	0,345
The level of engagement of workers and managers	0,339
Proper work organization	0,312
Knowledge and abilities of workers and managers	0,306
Cooperation	0,304
Elasticity in management structures	0,302
Efficient system of communication within the organization	0,301
Professional management of the organization	0,297
Participation of the employees in the decision-making process	0,296
Workplace equipment	0,295
The workers' willingness to provide public services	0,28
Amount of financial resources	0,253
Teamwork	0,247
Good relationship with stakeholders that aids in achieving of organization's goals.	0,243
Leadership	0,185

The results also point to the conclusion that the most important key success factor of the organizations in question is the motivational system, boosting the employee's commitment. Motivational systems are a set of motivational tools and motivational agents, which are connected and form a whole. Its goal is to create appropriate conditions and urge the employees to act in a certain way in terms of the organization's goals.

Managing a modern public organization reaches ever deeper into the management methodology of the economic sector. It is a visible trend also in the adaptation of the knowledge about motivation. An effective motivation system lies within the competences of a public manager and is within the scope of his basic tasks, and is to be performed within the range of the "motivating" function. A manager fronting a public service organization or a given department should keep in mind the need to improve the level of motivation in his/hers employees in such a way that their services would be of the best possible standard. The range of applied motivational methods in public administration should be clearly defined and easy to understand for any employee, while the motivational system itself should stimulate the behaviors desirable in the social services employees. This is because the core development of the organization and the realization of its goals is very much based on the individual and team achievements.

Without the employee's engagement, fulfilling the goals of the organization is impossible. Research points out that very often the sole reason the employees of PSO work is satisfaction. This is why it is so crucial to introduce a motivation system which will allow for a more effective performance of such organizations, developing an initiative-friendly environment, broadening the management competences, promoting elasticity, innovation and entrepreneurship.

A motivational system may also shape the stance of motivating people to provide social services. Many researchers point to the stark difference in motivation between the social service organization employees and the motivation of private sector employees. The former is called the "Public Services Motivation – PMS. The concept of public services motivation is an important element of the modern public management and is more and more often used to explain the behaviors of the public service employees.

Another stage of the research was the analysis of the differences between the perceived and factual key success factors of the studied organizations. The respondents had a clear problem with pointing out the perceived key success factors, and on an average they consider each of the mentioned factors important. The statistic show that there is a slight differentiation in the average values of the factors under analysis. The small standard deviation also is a proof, that there is little variation in the answers. All medians from the answers about the perceived success factors fit between 5, 25, the answer median for 17 surveys was equal 6, and for the rest – 5. The average difference between the average respondents' answer was 2, 5 and the median of the difference was 2 (at maximum 7-1 = 6).

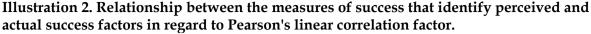
	Average	Median	Dominant	Standard deviation
Leadership	5,30	6	6	1,01
Teamwork	5,79	6	6	1,03
The level of engagement of workers and managers	5,89	6	6	1,03
The workers' willingness to provide public services	5,61	5	6	1,16
Knowledge and abilities of workers and managers	6,00	6	6	0,82
Professional management of the organization	5,84	6	6	1,05
Good relationship with stakeholders that aids in achieving of organization's goals.	5,59	6	6	0,91
Partnership	5,58	6	6	1,07
Employee participation in the decision- making process	5,41	5	6	1,05
Efficient system of communication within the organization	5,60	5	6	1,10
Elasticity in management structures	5,35	5	6	1,05
Organizational culture that fosters achievement of the organization's goals.	5,64	6	6	0,95
Positive image of the organization	5,54	6	6	1,05
Motivational system that fosters engagement in workers	5,27	5	5	1,35
Proper work organization	5,74	5	5	1,17
Financial resources	5,39	5	6	1,35
Knowledge and ability in identification and acquirement of financial resources	5,53	5	5	1,04
Knowledge and ability to use financial resources efficiently	5,70	6	6	0,96
Workplace equipment	5,64	6	6	1,10
Housing conditions	5,34	5	6	1,29

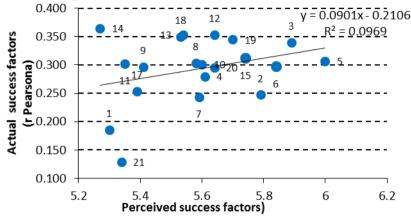
Table 4 Descriptive statistics of the answers to the	questions about key success factors
Table 4 Descriptive statistics of the allswers to the	questions about key success factors

Source: own work

The rankings of perceived and actual success factors, described in the previous step of the research, differ very noticeably. It needs to be pointed out, though, that the differences in factors which decide about the place in the rankings are indeed quite small. Low values of R2 factor reinforce the thesis that no connection exists between the perceived and actual success factors. In the following drawings numbers next to the points identify the success factors.

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Summing up, the results of the research indicate, that managers in charge of social welfare centers have noticeable troubles with identifying key perceived success factors of those organizations. Additionally, they do not possess knowledge about the actual factors that lead to achieving success by the social welfare centers. The results of rankings of perceived and actual success factors, which differ noticeably, prove that.

7. Discussion and summary

The results of conducted research will add to the knowledge about the key success factors for social welfare centers, with key difference being the one between the perceived and the actual factors. Up until now, most of the research about success factors in Poland was focused on private business. These studies, often of qualitative nature, consisted of small tests or bigger but unfocused ones. Other relationships were not until now an object of empirical research. This article presents a list of identified success factors for social welfare centers, which alters the point of view on managing these centers considerably, since it gives basis to consider changes in strategic management of those units.

The research results also provide a new view on measuring the success rating of social welfare centers. The research tool used, which included both subjective and objective measures of success, is an added value of the work, which shows the perspective of success measurement by means of social service centers. Up until now there have only been a few examples of measuring the success of social welfare centers in both polish and foreign literature.

8. Direction of future research

Despite the fact that the goals of this work have been achieved, the author acknowledges that some questions require further research and analysis. Filling those gaps is required not only for the improvemint of theory, but also for practical purposes. Enriching the knowledge regarding key success factors of social welfare centres is especially important now, in the face of social phenomena such as unemployment, marginalization or ageing of societies that occur in increasingly large instances, coupled with deficit of public funds. Future research should above all focus on measuring the success rate of those social welfare centres. Methods of analysis and reporting these results should come under special scrutiny. Additionally it is advised to consider the relationships between key success factor and between those key success factors and other variables.

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