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### UTILISING STRATEGIC APPROACH IN IMPROVEMENT OF MANAGEMENT AND ORGANISATIONAL EFFICIENCY

- Case Study Suomen Reumanuoret ry



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# UTILISING STRATEGIC APPROACH IN IMPROVEMENT OF MANAGEMENT AND ORGANISATIONAL EFFICIENCY – CASE STUDY SUOMEN REUMANUORET RY

The following thesis focuses on strategic approach in improvement of management and organisational efficiency. Contractor of this thesis was a Finnish association with ten board members. The board members were focus group of the research conducted. There is a special focus on problem-solving among the issues within the board of a non-profit organisation.

Topics covered in the thesis are related to strategic management in recently based non-profitable association. Most of the board members are newcomers in this sector with no previous experience of working in an association, and they have difficulties getting started.

To find solutions for more efficient volunteer work, a qualitative research was conducted. Strategic tools were utilised when applying theoretical frameworks to improve efficiency and fluency of work conducted by volunteer workers.

Theory related to strategic management is covered in literature review section and it is applied in a case study organisation. Association Suomen Reumanuoret ry is case study organisation of this thesis. The purpose of this thesis is to offer suggestions of improvement in order to ease co-operation of volunteer workers.

By educating and motivating the board most of the inner issues could be solved, and long-term goals were created to guide the operations of the board toward the same vision, to be a nationwide organisation for young people suffering from MSDs.

#### **KEYWORDS:**

Strategy, Management, Non-profit organisation, Volunteer work

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# UTILISING STRATEGIC APPROACH IN IMPROVEMENT OF MANAGEMENT AND ORGANISATIONAL EFFICIENCY – CASE STUDY SUOMEN REUMANUORET RY

Tämä opinnäytetyö keskittyy johtamisen ja toiminnan tehostamiseen strategian kautta. Opinnäytetyön toimeksiantaja on suomalainen järjestö ja tutkimuskohteena oli sen kymmenhenkinen hallitus. Opinnäytetyön erityisenä huomion kohteena oli hallitusten sisäisten ongelmien ratkaisu tuottoa tavoittelemattomassa organisaatiossa.

Käsitellyt aiheet liittyvät strategiseen johtamiseen hiljattain perustetussa tuottoa tavoittelemattomassa järjestössä. Suurimmalla osalla toimijoista ei ole aiempaa kokemusta vapaaehtoistyöstä tai järjestötoiminnasta. Järjestöllä on vaikeuksia saada toimintaa aloitettua.

Kvalitatiivinen tutkimus tehtiin, jotta toiminnan tehostamiseksi löydettäisiin ratkaisuja. Toiminnan tehostamisessa ja vapaaehtoistyöntekijöiden työskentelyn sujuvuuden edistämisessä on sovellettu teoreettista viitekehystä samalla hyödyntäen strategisia työkaluja.

Kirjallisuuskatsauksessa käydään läpi strategiseen johtamiseen liittyvää teoriaa ja sitä sovelletaan "case study" -tyyppisesti. Opinnäytetyön "case study"-organisaatio on järjestö nimeltään Suomen Reumanuoret ry. Tämän opinnäytetyön tarkoitus on tarjota parannusehdotuksia vapaaehtoistyöntekijöiden työskentelyn sujuvuuden ja yhteistyön edistämiseksi.

Suurimmat hallituksen sisäiset ongelmat pystyttäisiin ratkaisemaan kouluttamalla ja motivoimalla hallitusta. Lyhyen ja pitkän aikavälin päämäärät luotiin ohjaamaan toimijoiden toimintaa lähemmäksi järjestön visiota olla kansallinen järjestö tuki- ja liikuntaelinsairauksista kärsiville nuorille.

#### ASIASANAT:

Strategia, johtaminen, tuottoa tavoittelematon järjestö, vapaaehtoistyö

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### LIST OF ABBREVIATIONS (OR) SYMBOLS

MSDs Musculoskeletal disorders

ry (Finnish) rekisteröity yhdistys (Finnish) = registered association

OE Operational effectiveness

### 1 INTRODUCTION

#### 1.1 MOTIVATION BEHIND THIS THESIS

Whether an organisation is for-profit or not-for-profit, small or large, there are people, actions and items to control and to organise. This is where management and leadership step in – all the organisations and actions within organisations need to be managed.

Effective management and control of activities can be challenging from time to time but when resources are extremely scarce, effective management may seem like a distant dream. This is the situation with Suomen Reumanuoret ry, a not-for-profit organisation founded 2014 with limited monetary funding with inexperienced, voluntary-based part time staff. (Svetloff, 2014)

I have high professional interest in management, organisation structures and not-for-profit organisations – this case study covers all these topics. Personally I feel Suomen Reumanuoret ry has lots of potential to grow larger and to become well-known. That is why I requested to conduct applied research for them in order to improve their organisation performance.

### 1.2 RESEARCH QUESTIONS

- Q. 1. What kind of organisational efficiency improvements can be suggested to Suomen Reumanuoret ry in order to improve their organisation performance?
- Q. 2. What strategic operations can be done on management level in order to improve the performance of the organisation?

### 1.3 RESEARCH OBJECTIVES

The research questions have a mutual aim; to improve performance of Suomen Reumanuoret ry in general. They seem to have quite a few problems related to their voluntary based staff.

The goal is to conduct a research that would ease the process of improvement of management of Suomen Reumanuoret ry. On the literature review some theories about strategic management are reviewed, focusing on issues which are applicable for non-profit organisations. In order to suggest improvements, I consider it crucial to discover the biggest difficulties in management of Suomen Reumanuoret ry. Another objective of this thesis is to see what kind of theoretical framework could be applied to organisation of Suomen Reumanuoret ry in order to improve their overall performance to get closer to their vision.

### 1.4 STRUCTURE OF THESIS

I shall start with introduction to the topic and to the organisation I conduct the research for. Introduction is followed by literature review – to get an idea of what kind of information there is that could be utilised in management of small non-profit organisation. I aim to cover all key concepts there too.

Research is conducted with qualitative methods. I chose only one research method because it is easier to analyse and compare the collected data when all the information is acquired with same method. The main data collection tool used is interviewing.

After analysing the collected information I propose strategic improvements to operations of Suomen Reumanuoret ry, which is one of the main purposes of this thesis.

### 1.5 SUOMEN REUMANUORET RY

Suomen Reumanuoret ry is a small organisation that used to be part of The Finnish Rheumatism association. It came to a point where operations specified for young people only would have been terminated. Therefore young volunteers decided to found an organisation of their own to offer peer support for young people suffering from musculoskeletal disorders.

Suomen Reumanuoret ry is run by a president and a board of nine members. All the work is conducted by volunteers, the board gets no salary or other benefits.

Mission of the organisation is to share information about musculoskeletal disorders (MSDs) to people who have been diagnosed with such and to their families and friends. MSDs are diseases that consist of physical disabilities that affect the bones, muscles and joints with variation of the severity level (Cherney, 2014). Their mission statement in Finnish is "älä ole yksin, ole yksi meistä!" which can be translated as "don't be alone, be one of us!"- (Suomen Reumanuoret ry)

Due to its young age and inexperienced management Suomen Reumanuoret is struggling to get closer to their vision, being a nationwide organisation offering peer support to young people suffering from MSDs. There are ten board (staff) members and they have 50 members in total. It was based 20<sup>th</sup> January 2014.

### 2 LITERATURE REVIEW

In order to understand the basics of strategic management of non-profit organisation and management in general, the concepts shall be explained in following. After that a comparison of strategic approaches is presented.

### 2.1 DEFINITION OF STRATEGY

In business related context strategy can be defined as something as a planned method or an action developed in order to achieve a specific goal or aim. (Anon., 2014) E. Porter distinguishes strategy from operational effectiveness, but claims that at its best different strategies can benefit different areas of business. According to his article "What is Strategy" operational effectiveness (OE) refers to actions that are handled better than competitors (Porter, 1996).

Jukka Ala-Mutka claims in his book "Strategiamalli" that strategy is indirect management that happens via social processes. These processes effect on the way of thinking of staff; when strategy is guiding thinking processes in an organisation, people make right decisions automatically. According to him business planning answers to a question of what strategy module includes and how strategy is described, communicated and managed. (Ala-Mutka, 2008)

### 2.2 COMPONENTS OF STRATEGY CREATION

Before strategy a vision ought to be created, being often the main goal of all operations conducted. Vision may often seem slightly unrealistic, as it is the ideal. After defining the vision, a mission shall be created. Mission answers to the questions "why" and "what". Goals for long term and for short term shall be composed. Strategy steps in when it is time to start executing goals and mission to get closer to vision. Strategy answers to the question "how" and can include actions and activities, in example. Strategy can be perceived as an execution of mission, goals and vision. Often strategies include an action plan too, or at least

an action plan and an implementation plan are often draft according to it. (Nagy & Fawcett, 2014)

### 2.3 STRATEGICAL APPROACHES IN MANAGEMENT AND IN ORGANISATIONAL STRUCTURE

Since the case study of this thesis is about non-profit organisation in its infancies, I shall not focus on the benefits of strategy in market competition field. There is market competition in this field, for example donors have a limited amount of monetary resources to donate. But before the main focus of activities of the organisation can be on the market competition, Suomen Reumanuoret ry feel like their inner operations ought to be functional and smooth. Therefore I aim to cover different strategic approaches in management and in structure of organisation that can be applicable for not-for-profit organisations in order to develop the basic operations within the organisation.

Strategy as simple rules is a strategic approach made famous by Yahoo! The core idea is to create a set of rules which defines the priority order of tasks done within organisation. Tasks which are in line with the rules are conducted as soon as possible. This eases prioritising of tasks and duties. Kathleen M. Eisenhardt and Donald N. Sull criticise this approach as too holistic for most of companies and recommend selecting few strategic processes to focus on. When thinking of how applicable this can be for a recently founded, tiny organisation run by volunteers I think they could realistically have resources to choose one strategic process to work on. (Eisenhardt & Sull, 2001)

Due to the research part of this thesis, relation of structure and strategy is considered relevant to examine. According to W. Chan Kim and Renée Mauborgne, strategy and structure effect on each other. Kim and Mauborgne offer two approaches, structuralist and reconstructionist, which are presented in Figure 1. The structuralist approach emphases external conditions as a starting point for defining strategy. Different analyses of business environment shall be conducted and based on the collected data, strategy shall be formed and

strategic position can be defined. According to this view, structure influences more on strategy than strategy effects on structure. This is considered to be the traditional way of defining strategy of an organisation. (Kim & Mauborgne, 2009)

The reconstructionist approach is used as a synonym for Blue Ocean Strategy in the article by W. Chan Kim and Renée Mauborgne. The strategy relies on competitive economic climate and the core idea of it is that individual operators can change everything by forgetting the traditional starting point for strategy. This seems more applicable for developing industries and business-oriented organisations than for non-profit organisations, in my opinion. W. Chan Kim and Renée Mauborgne offer advices on choosing the right strategic approach. They name three factors that should be taken into consideration when determining the strategic approach; "the structural conditions in which an organization operates, its resources and capabilities, and its strategic mind-set". (Kim & Mauborgne, 2009)

A reconstructionist A structuralist approach is a good approach is a good fit when: fit when: Structural conditions are attractive Structural conditions are attractive and the organisation has the but players are well-entrenched and resources and capabilities to build a the organisation lacks the resources or capabilties to outperform them distinctive position Structural conditions are less Structural conditions are attractive but the organisation has unattractive and they work against the resources and capabilities to an organisation irrespective of its outperform competitors resources and capabilities The organisation has a bias toward The organisation has an orientation defending current strategic positions toward innovation and a willingness and a reluctance to venture into to pursue new opportunities unfamiliar territory

Figure 1. Choosing the Right Strategic Approach. (Kim & Mauborgne, 2009)

Leo Sun names five different main styles of strategies; functional, product, customer, regional and matrix. He offers pretty much same three factors as W.

Chan Kim and Renée Mauborgne for basis of choosing the strategy. According to him "well designed organizational structures will produce efficient communication channels and encourage fast, clean decisions" whereas without strategy the vice versa will happen. (Sun, 2011)

### 2.4 SUITABILITY OF SUOMEN REUMANUORET RY AS A CASE STUDY IN STRATEGIC CONTEXT

Many different approaches to improve management and organizational structure could have been chosen. One main factor why strategic approach was chosen is that it does not require monetary resources as much as many other options would.

This is a relatively new topic for me and I have encountered it only in my studies in Turku University of Applied Sciences. I lack experience in business development work, and therefore I am unsure what works and what not. It was difficult to estimate the time resources it would require.

But if no actions are taken, nothing will happen. This work did not require monetary resources from the young organisation and all development work done is valuable for Suomen Reumanuoret ry. Some of the members are more committed than others, and therefore especially they feel that help coming from an outsider is only positive. (Svetloff, 2014)

### 2.5 SWOT ANALYSIS & STRATEGY CREATION

According to Arline and Fallon, SWOT analysis is useful before a creation of new strategic plan. SWOT analysis is an analysis of a current state of organisation, examining its strengths, weaknesses, opportunities and threats. Strengths and weaknesses describe inner qualities of an organisation, and are something that organisation can influence on. Opportunities and strengths could be described as "circumstances" since they depict the operational field of organisation. (Arline & Fallon, 2013)

SWOT analysis is one of widely utilised tools of strategic management (Anon., 2015). It can be utilised in strategy creation process since SWOT analysis presents the pros and cons inside and outside an organisation in a compact form. SWOT offers information of a current state of issues in and outside the organisation. (Renault, 2014) Creation of strategy is rather self-explanatory; before strategic improvements can be proposed, strategy has to be created. SWOT-analysis can be found in chapter 4. (Figure 2.)

### 3 METHODOLOGY

I chose to take a qualitative approach on my research for several reasons. Qualitative approach enables the usage of descriptive techniques and is a valid method for collection of data that cannot be measured by numeric systems. Qualitative research approach aims to describe and to explain the phenomena explored. The data needed consists of opinions and views and it was collected from a relatively small number of respondents; therefore qualitative approach was chosen. (Saunders, et al., 2009)

The data wanted was the most practical to collect via a set of open questions sent via e-mail. Background information was collected during a meeting with contact person of the organisation, Jenna Kärpänen. The research was divided in three phases

- A discussion session with Suomen Reumanuoret ry to hear what they wish from me and to acquire background information needed for the research
- Preparation of questions based on the interview and the literature review, which were sent to volunteer workers in the organisation to hear what they think should be improved in the organisation
- 3. As a side product of this thesis a vision, a strategy, a SWOT analysis and long-term and short-term goals were formulated for Suomen Reumanuoret ry, which can be found on chapter 4.

A set of open questions were sent to the board members of Suomen Reumanuoret ry on 22<sup>nd</sup> December. The answers were received by January 5<sup>th</sup> 2015. The questions sent can be found in Appendix 1.

### 3.1 PARTICIPANTS

Participants in data collection were the board members of Suomen Reumanuoret. Recently based organisation is in its infancies and in order to support its operation, focus of the research was on how the volunteers feel and operate. Interviews via e-mail were conducted to discover what the members of the organisation see as the most insufficient part of their management and what issues need to be improved the most in management.

Questions were sent to ten people. Nine out of ten replied. Eight respondents answered to every question, one did not answer to three of the questions. Overall the response level was high. (Svetloff, 2015)

After interviewing the board via e-mail different strategy definition tools were examined and the most beneficial ones were used in this case. The interview questions were formed based on theories about strategic management in a book of Jukka Ala-Mutka (Ala-Mutka, 2008) and in SWOT analysis, keeping the research questions in mind.

#### 3.2 RESEARCH DESIGN

Saunders differentiates two types of research designs; deductive and inductive. According to him deductive design is about testing a theory in which researcher creates a hypotheses or a theory. Inductive design is about building a theory, and the research aims to create a theory. (Saunders, et al., 2009)

Neither of the approaches was entirely utilised in the research process since my research is not in-depth enough to either test a theory or to build a theory. Deductive approach was utilised in data collection to a certain extent in research design; theoretical frameworks presented in literature review were utilised in interview question creation and data analysis.

### 3.3 RELIABILITY AND USEFULNESS OF RESULTS

Data collected is applicable and valid for this case. A vast generalization cannot be made since the research was conducted aiming to help with case Suomen Reumanuoret ry. Suomen Reumanuoret ry has now concrete tools to utilise in their performance: SWOT analysis, goals, clarified vision and strategy for the next few years. In addition to that, solutions for strategic management modules presented in this thesis can be applied to their performance.

To achieve their dream as nationwide peer support organisation for young people suffering from MSDs, an action plan and an implementation plan can be made based on strategy-2015-17, goals and SWOT analysis.

### **4 EMPIRICAL DATA ANALYSIS**

Suomen Reumanuoret ry is a small, start-up organisation. That eases the development process since they have less routine with procedures than older organisations. As a comparison to older organisations, it is easier to change something relatively new than something old (Denning, 2011). All the questions were asked to provide information for SWOT analysis (Figure 2.) and for strategy creation (Picture 1.). Perceptions about strategic management of Jukka Ala-Mutka (Ala-Mutka, 2008) were utilised in creation of some of the interview questions. A table with purposes of the question can be found in appendix 2. Overall the respondents seemed motivated and willing to respond to the questions.

### 4.1 APPLYING STRATEGIC APPROACH IN ORGANISATIONAL EFFICIENCY

In the worst scenario, a lot of time can be spent to create wonderful strategy but it might be executed in an inoperative manner. This creates so-called "strategy-to-performance" gap. Michael Mankins and Richard Steele have created a list of guidelines which purpose is to ease the process of execution of strategy. Many of the ideas are linked with growth of profit and therefore cannot directly be applied to this case. Therefore I modified few of the rules to make them suitable for the case Suomen Reumanuoret ry. Monitoring the actions and activities performed is important in order to see how well the goals set were met. If the organisation performance differs greatly from the strategy, such actions ought to be avoided in the future. (Mankins & Steele, 2005)

A small size is advantage for Suomen Reumanuoret ry when applying a strategy, since it is not big and hierarchical organization with top management. If a right strategy is created and applied from the beginning, it can do wonders for the organization in the future. According to the article *Turning Great Strategy into Great Performance* the root of the problems linked with strategy lies in the gap between strategy and performance. (Mankins & Steele, 2005)

In order to create an effective strategy and to apply it successfully to performance, strategy has to be simple. The usage of common language and concrete goals make it easier to approach for all the workers. Even rigorous frameworks can be applied, but the language used cannot be too complex. Jotting down priorities is a decent start, and it is important to clarify priorities to all agents in the organisation. (Mankins & Steele, 2005)

### 4.2 APPLYING STRATEGIC APPROACH IN IMPROVEMENT OF MANAGEMENT

Another purpose of this thesis is to provide suggestions about improvements of management to the president of Suomen Reumanuoret ry. Therefore I shall review an article about essential skills in strategic leadership by Paul J. H. Schoemaker, Steve Krupp and Samantha Howland. In following paragraph the guidelines presented in the article are summarised. (Schoemaker, et al., 2013)

The field of operation will change and a leader should prepare for the unexpected, therefore it is important to anticipate. To be an effective strategic leader, one shall challenge his/her own thinking too, being open-minded and focusing on the causes of a problem instead of the symptoms. It is important to create different interpretations to find the best, keeping in mind that an issue might have several explanations. In decision making it is crucial to survey different options and to differentiate different solutions for long term and for short term goals. According to Schoemaker, et al. it is important to align, in which open and effective communication plays a key role. To admit and to learn from mistakes is more important than accusation of people from past mistakes (Schoemaker, et al., 2013)

#### 4.3 SWOT ANALYSIS

Based on the interviews conducted via e-mails, a SWOT analysis (Figure 2.) was formulated to provide information about the organisation in a compact form.

The SWOT analysis were utilised in formulation of actions to improve management and organisational structure.

Figure 2. SWOT analysis.

### Weaknesses

Dysfunctions among the board with communication, co-operation, commitment, inexperience Difficulties with task division Difficulties with member acquisition Lack of education of the board about the duties & bureaucracy Monetary funding issues

### **Strengths**

Small-scale peer support Good spirit

Operated only by young people; eases the contuinity of peer support Inspirational for prospective investors

**SWOT ANALYSIS** 

### **Opportunities**

Limited amount of prospective members; not everybody has MSDs; easier to activate once reached?

No other operators on the specific field

### **Threats**

Limited amount of prospective members; not everybody has MSDs; extremely limited target group

### 4.4 MISSION, VISION & STRATEGY

Before strategy creation process it is essential to define the mission of an organisation. As mentioned in introduction, mission of Suomen Reumanuoret ry is to share information about MSDs to young people suffering from those. On the interview I asked about purpose of existence of the organisation and about the ideal situation for it. Based on that, vision of the association could be such as to activate and to offer peer support to all the young people around Finland who suffer from MSDs. Usually vision is something that the organisation aims to do, not something it will necessarily achieve. Though vision may never be fully achieved, it is something that an organisation aims at. In strategic management, vision is a goal of all operations conducted. Strategy is a set of means which aim to achieve the vision, directly or indirectly. (Rao, 2010)

### 4.5 LONG TERM GOALS, SHORT TERM GOALS & STRATEGY

Strategy is not the only tool used to achieve vision. Usually together with strategy, long term goals and short term goals are set (Rao, 2010). Therefore a set of long term goals and short term goals were created for Suomen Reumanuoret ry. The goals created can be found below. (Figure 3. & Figure 4.)

The goals were created to be applied in guidance of operations for Suomen Reumanuoret ry. The reason behind two sets of goals is simple; there are short-term goals and long-term goals, which take different amount of time to achieve. The short-term goals are something that can be applied to the operations of Suomen Reumanuoret ry immediately.

Based on the short term and long term goals, a strategy was created. Usually strategy is something that aims to achieve the vision together with long term goals. Usually strategy is re-created annually, but due to the young age of the organisation and its volunteer based staff, it may be more realistic to create a strategy for two years. (Rao, 2010) Therefore Strategy 2015-17 (Picture 1.) was created to help to get closer to vision by achieving short term goals.

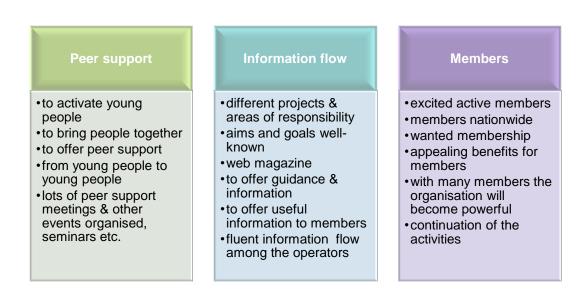
### 4.6 LONG-TERM AND SHORT-TERM GOALS

The long-term and the short-term goals for Suomen Reumanuoret ry were created based on the interviews via e-mail. Special emphasis on the creation process of the goals was given to the answers of the interview questions 1, 2, 4, 5 and 11. Those were questions about the purpose of the organisation and the actions it would conduct in the ideal case. All the interview questions can be found in Appendix 1. On the website of the organisation a mission, a motto, and a promise can be found. These were kept in mind in the creation process as well.

The structuralist approach emphases external conditions as a starting point for defining strategy. First I created the long-term goals, including there all the

things I considered necessary. The short-term goals were adopted from the long-term one; included topics are something that can be realistic to achieve within two or three years. Based on the goals strategy 2015-17 was created. The strategies and the SWOT analysis created were utilised in the answers to the research questions together with the answers of the e-mail interview.

Figure 3. Long-term goals.



### **Information flow**

- well-known aims and goals
- to offer guidance & information
- fluent infomation flow among the operators

#### Members

- excited, active members
- growth of member base
- committed volunteers

### Peer support

- to bring people together by peer support meetings
- from young people to young people

Figure 4. Short-term goals.

### **Strategy 2015-17**

Educate the current and future boards of Suomen Reumanuoret ry

Clarify and revise task division among the board

Motivate the board

Add visibility among prospective members

Conduct analysis to discover potential monetary funding channels

Create a specific action plan annually

Create an implementation plan for action plan annually

Organise peer support meetings on regular basis

Plan and organise recreational activities for members on regular basis

Picture 1. Strategy 2015-17.

### 4.7 STRATETIGIC SUGGESTIONS TO IMPROVE THE OVERALL EFFICIENCY

When asking from the volunteers that what on your opinion should be improved in the organisation, issues that rose up were linked with financing issues, member acquisition and marketing (visibility). Two issues that were relatively strongly linked with organisational efficiency were lack of clear, common goals and variance in the level of commitment of active members. As a solution for the lack of common goals, long-term and short-term goals were created, utilising a mixture of reconstructionist approach and structuralist approach (Kim & Mauborgne, 2009).

It would be impossible for this thesis to influence on the commitment level of the volunteers, but this thesis may motivate and offer operational tools for the volunteer workers in Suomen Reumanuoret ry. Therefore I truly hope an action

and an implementation plans will be created based on the strategy created. I also hope that the board members of Suomen Reumanuoret ry will adopt the goals set.

### 4.8 SUGGESTED IMPROVEMENTS TO OPERATIONS OF THE BOARD

Dysfunctions within the operations of the board were linked with following; communication, co-operation, commitment, clarity of task division, lack of education of the board about the duties and problems encountered with bureaucracy.

I suggest education as an applicable tool to improve operations of the board. It is possible for them to educate themselves about different positions, tasks and duties. It does not solve all the problems discovered, but by educating themselves, the level on knowledge about operating in non-profit association will increase. The knowledge of how operations should be conducted may also increase the levels of motivation and commitment.

By familiarising themselves with strategic tools created, board members should feel more confident and more committed. In ideal case strategy 2015-17 and long-term goals would manage the board indirectly and it would guide their thinking processes. People would automatically make decisions that would benefit the organisation. (Ala-Mutka, 2008)

### 4.9 SHARING A COMMON VISION

Sharing the same view about the purpose of activities conducted within an organisation is considered crucial in strategic management (Ala-Mutka, 2008). Therefore I asked two questions directly related to this.

In the interview I asked if one thinks that all the members of the board share the same vision about aims of operations. One of the respondents left this question

blank, and therefore this represents the view of 8 board members out of 10. 7 out of 8 said yes.

When I asked the interviewees to describe the aims of the operations, answers were extremely similar. All the respondents mentioned peer support as the main purpose of existence of the organisation, even the respondent that left the question about sharing a common goal unanswered. I consider this as a remarkable sign about the potential that this young organisation has.

### 4.10 APPLICABILITY OF THE SUGGESTED STRATEGICAL SOLUTIONS FOR IMPROVEMENT OF EFFICIENCY

As a concrete solution for the lack of common aim of operations, long-term and short-term goals and strategy 2015-17 were created. In itself this thesis may motivate the volunteers, since it shows that someone believes in what they are doing and is ready to create something for them.

The fact that all the respondents mentioned the same thing as the purpose of the organisation shows that Suomen Reumanuoret ry has potential to grow larger, and to become nationwide in the future. The lack of finance and professional knowledge are the most difficult issues to solve. But the mind-set of the board members seems to be right.

Education of the volunteers about different positions will hopefully bring them closer to professionalism. The knowledge of how to operate may increase levels of commitment and motivation too.

There are many challenges when operating with voluntary based staff in organisation that does not aim to produce profit. Problems that came up in the interviews were variance in the level of commitment and experience, lack of time resources/inefficient usage of limited amount of time, lack of funding and lack of members. The board felt like it was difficult to reach current and potential members.

Professional day-time workers would solve many issues mentioned, but at the moment it is unrealistic to consider such an option, mostly due to the lack of monetary resources.

## 4.11 STRATEGIC OPERATIONS SUGGESTED TO BE DONE ON MANAGEMENT LEVEL IN ORDER TO IMPROVE THE PERFORMANCE OF THE ORGANISATION

When encountering a problem, most of the respondents said they would either turn to other board members or to The Finnish Rheumatism Association to resolve it. On issues related to association operations, Suomen Reumanuoret ry seem to have relatively strong dependence on The Finnish Rheumatism Association.

It is convenient to have good relations to an association that operates on the similar field, but there might be slightly too much dependency at the moment. The dependence could be partially solved by education and by offering tools for the president of the organisation. President would be educated too, not only other board members. As a separate, independent association it would be more efficient if they could manage themselves.

Only three respondents felt like they are partially managed and guided. Others did not feel managed. This might be due to democratic decision making style, and it is important not to compare this to a profitable organisation. Yet this is slightly alarming, unless extremely flat organisation module is desired.

When asking how the respondents would like to be managed, many of the respondents highlighted management coming from the peers. Many of the respondents mentioned problems related to unclear task division and therefore blurred expectations for their actions.

One important thing that came up was the topical of help and guidance. Many times help and guidance came too late.

Apparently it is not crucial for the president to be a strong leader. Seems like low hierarchy is desired but they would like to rely on the president when they need help. A supervisor is not wanted. Concrete actions to improve management style were listed earlier under subchapter "4.2 Applying Strategic Approach in Improvement of Management".

### **5 CONCLUSIONS**

Different strategic tools were created to be utilised in operations of Suomen Reumanuoret ry, such as vision, long-term goals, short-term goals, SWOT analysis and strategy. The answers of interview questions were utilised in creation of strategic tools and they were taken into consideration when answering to the research questions.

### 5.1 RESEARCH FINDINGS

In the first research question was asked what prospective improvements in organisational efficiency could be suggested to Suomen Reumanuoret ry in order to improve their organisation performance. As presented in chapter 4, by education, by clarifying task division, by tuning down to a similar mind-set and by professional day-time workers the overall organisation performance could be improved. At the moment professional day-time staff is an unrealistic option due to lack of monetary resources. By studying vision, Strategy 2015-17 and long-term and short-term goals, common idea of the purpose of the organisation can be shared. This eases achieving common goals of operations in all fields.

By clarifying and reviewing the task division the board members should know what is expected from them. It is easier to function, when one knows what is expected from him/her (Denning, 2011). Other problem that was linked with lack of knowledge was uncertainty on how to conduct basic operations in an association. This could be solved by education, for example by partaking a seminar about how to operate in an association in Finland. Such events are organised around the country occasionally even without a participation fee.

The aim of the second research question was to explore strategic operations that could be conducted in management level to improve the performance of the association Suomen Reumanuoret ry. By educating the president about how to operate as a president in a Finnish association, some of the management issues could be solved. Based on the interview responses democratic decision

making style is preferred and constant supervision is not wanted. Generally when help or additional guidance is needed, president is wanted to be present. (Svetloff, 2015).

Apart from the education of the president, many strategic improvements cannot be suggested based on the research conducted. Wants and needs of the other board members were discovered but in fact those cannot be categorised as strategic improvements. More efficient communication is desired; perhaps the president could aim to ensure that. Even though many strategic improvements to management level cannot be suggested, many practical tools and useful information can be provided which will aid the president.

The response rate was extremely good which eased the analysis of data. Suggestions to improve overall efficiency could be provided although strategic suggestions to improve management could not be really offered based on this research. The association Suomen Reumanuoret ry felt the work conducted was valuable and they were satisfied with the strategic tools created and the information gathered.

### 5.2 SUGGESTIONS FOR FURTHER RESEARCH

In addition to SWOT analysis, such tools as Generic Strategy Map could be utilised. To discover more about strategic management for further research readings I suggest Team Performance Management, Volume 14, Numbers 3/4: The Relationship of Strategic Performance Management to Team Strategy, Company Performance and Organizational Effectiveness (Chau, 2008) and electronic source Community Tool Box (Work Group for Community Health and Development at the University of Kansas, 2014).

Community Tool Box is a website in which organisational topics modified for non-profit organisations are covered and it is a service provided by Work Group for Community Health and Development at the University of Kansas. There is lot of valuable information for agents in third sector.

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### **APPENDICES**

### Appendix 1. Interview questions sent via e-mail

1. Ole hyvä ja kuvaile Suomen Reumanuoret ry:n toimintaa oman ihanteesi mukaan. (Eli miten järjestö toimisi ihanteellisesti, parhaassa mahdollisessa tapauksessa)

Please describe the ideal you'd imagine Suomen Reumanuoret ry could function.

2. Mitä pitäisi kehittää Suomen Reumanuoret ry:n toiminnassa?

What on your opinion should be improved in the organisation?

3. Mitä pitäisi kehittää hallituksen toiminnassa?

What do you think should be improved in the operations of the board?

4. Mikä on mielestäsi Suomen Reumanuoret ry:n voimavara?

What do you consider as assets of Suomen Reumanuoret ry?

5. Miksi Suomen Reumanuoret ry on olemassa? Mikä on toiminnan tarkoitus/päämäärä?

What do you think is the purpose of Suomen Reumanuoret ry?

What do you consider as a goal of the operations?

6. Luuletko, että hallituksen jäsenet ovat yksimielisiä järjestön toiminnan päämääristä?

Do you think all the members of the board share the same vision about goals of operations?

7. Kun sinulla on ongelma järjestöön liittyvissä asioissa, keneltä kysyt neuvoa?

If you encounter a problem, who would you turn to resolve it?

8. Onko sinulla sellainen olo, että sinua ohjataan/johdetaan hallitustoimissa?

Do you feel you are being managed and guided?

9. Kuinka haluaisit, että sinua ohjataan/johdetaan?

How would you like to be managed?

10. Mitkä ovat mielestäsi suurimmat ongelmat/haasteet Suomen Reumanuoret ry:n toiminnassa?

What do you consider as the biggest problems/challenges within the organisation?

11. Mitä järjestölle tapahtuu tulevaisuudessa?

What do you think will happen to Suomen Reumanuoret ry in the future?

### Appendix 2. Interview question utilisation & theoretical qualification

Interview question	Utilised in	Adopted from the	Directly utilised in
·	SWOT	book Strategiamalli by	Research Question 1 or
		Jukka Ala-Mutka	2
1. Please describe the ideal you'd imagine Suomen Reumanuoret	SWOT:	Strategy creation	
ry could function	opportunities		
2. What on your opinion should be improved in the organisation?	SWOT:	Strategy creation	Q 1
	weaknesses &		
	threats		
3. What do you think should be improved in the operations of the	SWOT:		Q 1
board?	weaknesses &		
	threats		
4. What do you consider as assets of Suomen Reumanuoret ry?	SWOT:	Strategy creation	
	strengths		
5. What do you think is the purpose of Suomen Reumanuoret ry?		Question based on	Q 1
What do you consider as a goal of the operations?		Strategiamalli,	
		Strategy creation	
6. Do you think all the members of the board share the same		Question based on	Q1&2
vision about goals of operations?		Strategiamalli	
7. If you encounter a problem, who would you turn to resolve it?		Question based on	Q 2
		Strategiamalli	
8. Do you feel you are being managed and guided?		Question based on	Q 2
		Strategiamalli	
9. How would you like to be managed?		Question based on	Q 2
		Strategiamalli	
10. What do you consider as the biggest problems/challenges	SWOT: threats		Q 1
within the organisation?			
11. What do you think will happen to Suomen Reumanuoret ry in		Strategy creation	
the future?			

## Appendix 3. A summary of discussion session with representative of Suomen Reumanuoret ry

A discussion session with representative of Suomen Reumanuoret ry was organised to hear what they wish from me and from my thesis. It was also useful to acquire background information for the research since all the information needed could not be found on their website.

- The not-for-profit organisation was based 20<sup>th</sup> January 2014
- Limited monetary funding
- Inexperience with association work
- · Operated completely by voluntary-based part time staff
- Amount of members: 50
- Board (staff) members: 10
- Difficulties with motivation of the board
- Variations in the level of commitment
- MSDs effect on the condition and functional capability of the board members

Before becoming founding members for Suomen Reumanuoret ry, the board members were active in The Finnish Rheumatism association.

Unfortunately due to cuts in financing of The Finnish Rheumatism association, operations targeted for young people only could not be financed anymore and the activities were not targeted to people suffering from all types of MSDs anymore either. Instead the activities were targeted to people suffering only from different types of rheumatism.

Due to the fact that it would have left many young people outside, without peer support, Suomen Reumanuoret ry was founded.

Since there is room for major development work, the representative welcomed research and improvement in any field of operations.