



VICIOUS CIRCLES

**– practices, obstacles and
needs of organizational
development of
civil society
organizations in Serbia**

**VICIOUS CIRCLES – PRACTICES, OBSTACLES AND NEEDS OF
ORGANIZATIONAL DEVELOPMENT OF CIVIL SOCIETY ORGANIZATIONS
IN SERBIA**

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SERBIA**

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All terms used in the publication in the grammatical masculine gender imply the natural masculine and feminine genders of the persons to whom they refer.

LIST OF ABBREVIATIONS

Abbreviations	Full name
APR	Business Registers Agency
CIVICUS	A global alliance dedicated to strengthening citizen action and of civil society (<i>World Alliance for Citizen Participation</i>)
BOŠ	Belgrade Open School
EU	European Union
EURC	EU Resource Center for Civil Society in Serbia
CSOs	Civil society organizations
USAID	United States Agency for International Development

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SUMMARY

The number of organizations in Serbia is growing despite the challenging environment. Appropriate regulations and practices of public authorities and other actors influence the creation of conditions for the operation of the civil sector in Serbia, but credible participation in issues of public interest implies appropriate knowledge, skills and resources within organizations. "EU Resource Center for Civil Society in Serbia" is a support instrument of the Belgrade Open School, created to support the development of the capacities of organizations working to bring Serbia closer to the European Union.

The research is the basis for the work of the EU Resource Center in the field of organizational development of associations in Serbia, and that is why it was aimed at mapping the current capacities of organizations and a deeper understanding of their internal challenges and development needs. It was implemented in two phases and the organizations registered in accordance with the Law on Associations were included. In the first phase, an online survey of organizations on the territory of the Republic of Serbia (without Kosovo) was conducted. In the second phase, discussions were held with representatives of organizations in focus groups.

Organizations operate locally, mostly in urban areas and wider regional areas within Serbia. Most of them are in Vojvodina and Belgrade. The largest number was founded after the adoption of the Law on Associations (2009), and as many as 15% of the surveyed organizations after the corona virus pandemic, which is not an insignificant

percentage considering the extremely short period. There is a wide range of topics, with the following areas slightly ahead: culture, sports, media, as well as human rights and non-discrimination. Consequently, young people and students are the key target groups, although the high second position is occupied by all citizens.

Financial and human resource management is a key challenge for organizations in Serbia. The predominant reliance on non-reimbursed donations from public and private sources leads to a vicious circle of the civil sector - the time invested and exhausting human labor are disproportionate to the available financial resources, which makes it difficult to carry out activities in accordance with the organization's mission and makes it impossible to retain staff. A condition for financial stability and self-sustainability is seen in the diversification of sources of financing, which requires additional information and education about available sources of financing, as well as about financial planning and management, then greater transparency in the work of organizations, development of cooperation with other actors in the community (first of all, economy), but also changes in donor policies. Organizations perceive that they create opportunities for staff development and care for the mental and emotional well-being of staff, but this is a situational approach, based on opportunities from the environment and acting in moments when challenges arise. This indicates the necessity of better planning and directing attention to other aspects of human resource management, in addition to ensuring earnings.

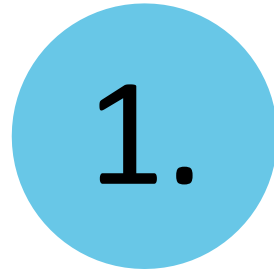
Structures, systems and procedures within most organizations are room for improvement for the sake of more efficient and long-term action in accordance with the mission and thematic area of the organizations. Within the organizations, a high commitment to the mission is noted, a democratic management culture characterized by participation and transparency in decision-making is nurtured, but most organizations are dependent on the leadership, whose change would have consequences for the organization - from drastic, in the sense of ceasing to exist, to continuing to operate in a different form. In some organizations, there are strategic and other specific plans (communications, monitoring and evaluation of work, etc.), as well as other operational documents that are the basis for the implementation

of value-based policies (gender equality, prevention of conflicts of interest, etc.) or administrative actions. Awareness of the importance of a strategic plan was particularly highlighted, but developing and updating internal procedures is not a priority compared to providing finances and retaining staff.

The non-existent and insufficient communication of organizations with actors limits their more effective influence on the environment in which they operate. Most organizations carry out public advocacy activities, while only half participate in the formal decision-making process. Organizations need training to participate in this process, although (in addition) there is a reservation for the outcome of participation and cooperation with public authorities. Other knowledge and skills in the field of communication are also necessary, such as planning or managing modern information channels, since it is necessary to establish or maintain trust with other actors, first of all with businessmen, but also with the community of citizens on whose behalf they act.

Serbia's accession to the European Union is part of the work of a large number of surveyed organizations (67%) and they are well informed about EU policies related to the areas in which they operate. These are mainly topics from the fields of education, science and culture, then environmental protection, rule of law, security and transparency and, finally, social policy and employment. These organizations deal with the mentioned topics, first of all, through public advocacy, then education and research.





INTRODUCTION

This research is a part of the project "EU Resource Center for Civil Society in Serbia", which is implemented by the Belgrade Open School with the support of the Delegation of the European Union in Serbia. The EU Resource Center for Civil Society in Serbia (EURC) was established in 2023 and is an important instrument of support for representatives of civil society working to bring Serbia closer to the European Union. It helps the growth and development of organizations and informal groups of citizens through the improvement of their capacities, networking and financial support.

Serbia's accession to the EU is impossible without a strong and active civil society. The joint action of citizens is a necessary resource for decision-making, because it provides knowledge and ideas, articulates the voices of different communities and is also corrective in the work of public authorities. In other words, the state of civil society is an important indicator of the achieved democratization of society. The interest of the Republic of Serbia, as a country with the status of a candidate for EU membership, is to create an appropriate environment for the development and operation of civil society. On the one hand, to create formal conditions in the form of a strategic, legislative and administrative framework for freedom of association, expression and gathering, then for financing, as well as participation in the decision-making process. On the other hand, to truly implement or at least facilitate the unhindered action of the associated citizens.

Existing research indicates that the environment for civil society activity in Serbia is not at a satisfactory level. Civic Initiatives in its latest report "Citizens' Associations - narrowing the space for action

2022/2023" assess that from the institutional-normative aspect the conditions for the work of organizations are "unfavorable", and "if you take into account the broader socio-political context, and above all the dominant public discourse and narrative towards the civil sector, then the entire environment in which CSOs function can be characterized as hostile" (Mustajbašić et al., 2024: 4). CIVICUS, an international organization that monitors the state of civil society at the global level, rates the environment for the work of CSOs in Serbia as "obstructed" in its index (CIVICUS Monitor, 2023).¹ The sustainability of civil society organizations (CSOs) at the world level, as well as in Serbia, is monitored by the United States Agency for International Development (USAID) within the CSO Sustainability Index. According to this index for the year 2022, the overall sustainability of CSOs in Serbia is "sustainability in development".² According to the same index, the legal environment for CSOs is continuously declining from 2018 to 2021, while the public image of organizations has had the worst rating for years (Selaković et al., 2023).

However, the environment can be more favorable, and the results of the activities of civil society can be limited. Capacities and infrastructure within organizations play an identical role as the environment. Organizational development is a compatible process that goes hand in hand with the creation of an enabling environment. It implies the development of: internal systems for management, planning and operational action, programs, relations with actors from the environment, human resources, as well as taking care of financial sustainability. This expands the circle of actors beyond the state and civil society and includes actors such as the donor community, the economy, etc.

When it comes to the situation within the organization, a partial overview can be found in one of the already mentioned researches. The sustainability index of CSOs in recent years does not record significant changes in terms of organizational capacities.

- 1 According to the CIVICUS index, the ratings that countries can receive on the state of civil society are, from the lowest to the highest: 1) closed; 2) suppressed; 3) obstructed; 4) narrowed and 5) open.
- 2 The condition according to the Sustainability Index of CSOs are classified into three categories: high sustainability index 'improved sustainability', followed by 'sustainability in development', and the low level 'difficult sustainability'.

There is no progress in the development of strategic plans, while the latest report for 2022 stated that "most organizations lack fully operational and transparent management structures and management procedures, including a clear division of responsibilities, mainly due to the lack of the most important resources, primarily staff and knowledge" (Selaković et al., 2023,8). These findings are in accordance with the research "Civil society sector in Serbia in 2019" (for the purposes of the project Together for an active civil society - ACT implemented in Serbia by HELVETAS Swiss Intercooperation SRB) which indicates that most organizations lack a strategic plan , "as well as not recognizing the need for the existence of written rules and procedures that regulate the structure and way of acting, but also their public availability" (Citizen Initiatives, 2019: 22). Similar findings regarding the principles of good leadership within organizations are provided by the study "Annex to the DG NEAR Guidelines for EU Civil Society Support 2021–2027: Report on the initial assessment of the situation for the year 2021 - Annex 6 - Country Analysis of Serbia" (conducted for the purposes of EU Technical Assistance civil society organizations in the Western Balkans and Turkey - EU TACSO) whose ratings for indicators in this area range from moderate to not meeting standards (Pajović van Reenen et al.,2021).³

According to HELVETAS research, when it comes to financial sustainability, half of the organizations assess their situation as extremely bad. The same survey indicates that the majority of organizations cite insufficient funds invested by the state and local self-government in financing civil society organizations, a small number of donors, and believe that donors finance only large organizations, leaving insufficient funds for small ones as the main problems. When it comes to sources of financing, self-financing, local administration, citizens and domestic donor organizations prevail (Velat et al.,2019). The EU TACSO study notes that 58% of organizations have diversified sources of funds.

3 Indicator assessments, which imply an normative assessment, such as compliance with legislation or standards, the following system was used: 5 – fully meets the standards; 4 – meets the most standards; 3 – meets the standards moderately; 2 – meets the standards minimally; 1 – does not meet the standards.

The predominant source is public funds, i.e. funding from the national or provincial government and local self-government (Pajović van Reenen et al., 2021). Both surveys point to a problem with financial transparency, as organizations do not publish financial reports. The sustainability index of CSOs has not recorded improvements in this area in the last few years, while a deterioration was recorded in 2022 (Selaković et al., 2023)

Civil society's relations with community actors appear to be diverse. One of the main findings of the HELVETAS research is that most organizations have established cooperation with other organizations, but that we need to work on the degree of that cooperation, because there is a lack of solidarity and synergy, and the organizations work in isolation and without contacting each other. An increase in dissatisfaction in cooperation with the media has been noted (Velat et al., 2019). The latest Sustainability Index of CSOs states that there is cooperation with the economic sector, as well as that cooperation with the academic community is increasing. At the same time, when it comes to cooperation with public authorities, "CSOs participate in various groups and forums, they (cf. aut. CSOs) usually see such activities as a way for the authorities to show their EU partners their openness to dialogue, but without practical influence" (Selaković et al., 2023: 15). Representatives of CSOs rated cooperation with public authorities as good (2.66) in the survey "Cooperation of CSOs with decision-makers", citing formal involvement, absence of political will and unwillingness for dialogue as the biggest obstacles (Partners Serbia, 2023). Participation in the decision-making process, as one of the types of cooperation, has been especially actualized by the adoption of a series of regulations in recent years.⁴ In connection with participation in decision-making, the aforementioned research by

4 When it comes to regulations, the basis for participation in decision-making is the Law on the Planning System of the Republic of Serbia and the Law on State Administration with the accompanying by-laws, which regulate the mandatory implementation of consultations in all stages of the preparation of regulation and public discussion in the preparation of public policy documents, and finally, the possibility of participation of interested parties and target groups in working groups. The Law on the Planning System of the Republic of Serbia is a turning point in the planning system in the Republic of Serbia, as it regulates the process of adoption and implementation of public policies. In addition, it prescribes the important principle of publicity and partnership, which implies that public policies are determined within a transparent and consultative process.

Partners of Serbia lists, in the opinion of CSOs, as obstacles: insufficient opportunities to participate in working groups, untimeliness and lack of feedback. Research by the Belgrade Open School on the practice of participation in decision-making processes identified challenges from both sides (CSOs and public authorities) in knowledge of regulations. When it comes to obstacles, the attitudes of civil society are almost identical to the research of Partner Serbia and refer to inadequate information, short deadlines and the absence of feedback, while public authorities cite disinterest and incompetence of CSOs (Đurović et al., 2023).

The CSO sustainability index states that in terms of human resources, organizations "have a particularly difficult time attracting and retaining employees over the years", as well as that "an increasing number of organizations report staff burnout and the need for a better balance between work and private life" (Selaković et al., 2023: 9). Most organizations do not allocate funds at all from the budget for human resource development and a large number (72%) did not attend trainings during 2018 (Velat et al., 2019). The EU TASCOS study notes that a large number (82.5%) attended training in 2021. The same study states that organizations generally do not meet the standards when it comes to organizational policies for the development of human resources (Pajović van Reenen et al., 2021).

The aim of this research is to supplement and explain existing knowledge when it comes to organizational development. In other words, to map current capacities, to understand what organizations strive for and explain what they need in order to achieve their visions of development and impact on the environment. The need for such an approach was imposed, bearing in mind a kind of inflation in the organization itself. The number of civil society organizations in Serbia is growing dramatically. Ten years ago, there were about 16,000 of them, while today the figure is approaching 40,000. More precisely, in 2011, at the time of the first significant research after the adoption of the Law on Associations, there were 13,375 of them, and already at the end of November of the same year, the number of associations reached 16,000 (Velat., 2012: 13). In 2019, there were 32,052 of them (Velat et al., 2019: 6), while in July 2023 there are already 37,053 associations.

Without going into the motives of founding organizations, there is a noticeable contradiction between a kind of inflation of organizations despite the unfavorable environment for action, and then it is legitimate to ask the question of the capacity for credible participation in matters of public interest. We are talking about a large number of newly formed associations in a short period of time, whose internal capacities are mostly unknown.

However, it is not only the capacities of the organization in the initial stage of development that are in question, but also those of older organizations. Changes in the context will require appropriate adjustments, changes in methods and areas of work, new knowledge, different sources of funding. In short, the resilience of many older organizations also needs to be strengthened. For example, among those founded before 2000, the investigation by HELVETAS from 2019 already concluded that "the work of civil society organizations has fallen silent." Previously active and recognizable organizations are left without funds for work and are shutting down, even though they worked professionally and with proven success for 20 years" (Velat et al., 2019: 100). All of this actually indicates the importance of constant monitoring and gathering of information about the internal challenges that organizations face, and then the need for specific activities to provide and direct resources for their development.



2.

METHODOLOGY

The purpose of this research is to serve as a basis for the work of the EU Resource Center in the field of organizational development of associations in Serbia. The findings will direct the EU resource center's actions in the form of further training, mentoring support and specific financial support to the civil sector in the coming period.

The goals of the research are: a) mapping the organizational capacities of associations on the territory of the Republic of Serbia and b) a deeper understanding of the internal challenges and needs of the association in terms of organizational development. The research was conducted in two phases and involved the combined use of analysis of relevant documents (desk research), surveys and focus groups.

In the first phase, the organizational capacities of the association were mapped. Before creating the questionnaire, an analysis of the content of previous civil society research in Serbia was carried out in order to gain insight into existing knowledge and to better accept the questionnaire as a research instrument for survey research. Data collection was carried out by an online survey, with telephone reminders in the period from September 16 to November 15, 2023.

The sample type was random. The basis for forming the sample was data on registered associations of the Agency for Business Registers (APR) from July 2023, which were obtained with the help of the Ministry of Human and Minority Rights and Social Dialogue. At that moment, 37,053 associations were registered in Serbia. However, the database does not have contacts for all associations, but for about 5,500 associations, of which over 1,000 email addresses are incorrect.

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Namely, the e-mail address and contact telephone numbers are not mandatory data when registering the association. For this reason, incorrect or missing contacts from the APR database were supplemented with contacts from the address book of the Belgrade Open School. The survey questionnaire was sent to the addresses of 4,758 associations throughout Serbia, of which 304 associations responded. At the same time, this is a limitation of the research, because the sample is not representative and it is not possible to generalize the data or perform appropriate stratifications, but rather we can talk about phenomena whose explanation was sought through the second phase of the research.

Also, it is important to point out that the research deals with the analysis of the capacities of associations registered in accordance with the Law on Associations. In other words, the sample does not include other forms of joint action in the public interest recognized by the legal system of the Republic of Serbia, as well as those which by their nature could be classified as theoretical concepts or numerous international determinants of the terms "civil society organizations", "civil sector", "non-governmental organizations" and the like. Specifically, foreign associations, foundations, endowments, trade unions and similar organizations, as well as informal groups, are outside the scope of the research. In the terminological sense, within this research, the widely accepted term - organization was used.

The second phase included focus group discussions with representatives of the organizations, with the intention of gaining in-depth insights into the internal challenges and needs of the association in terms of organizational development. The processing of the survey research led to appropriate findings that were the basis for the development of a guide for discussions in focus groups with representatives of the association.

Four online focus group discussions were held in February 2024, in which a total of 23 representatives of organizations participated. The respondents were divided into four groups according to the period of registration of their organizations: the first group included organizations registered before 2000, the second group of organizations registered from 2001 until the adoption of the Law on Associations in 2009 (National Assembly, 2009), the third group of organizations registered from 2010 to the end of 2019 (i.e. until the

outbreak of the covid pandemic), and the fourth group of organizations registered from 2020 to the middle of 2023.

In order for the sample to be representative in each of these groups, representatives of organizations with headquarters in all four statistical regions of the Republic of Serbia (without Kosovo): Vojvodina, Belgrade, Southern and Eastern Serbia, Šumadija and Western Serbia participated.

The list of topics discussed coincided with the thematic structure of the analysis and included strategic and operational action, then program management, financial management and human resource management in organizations.



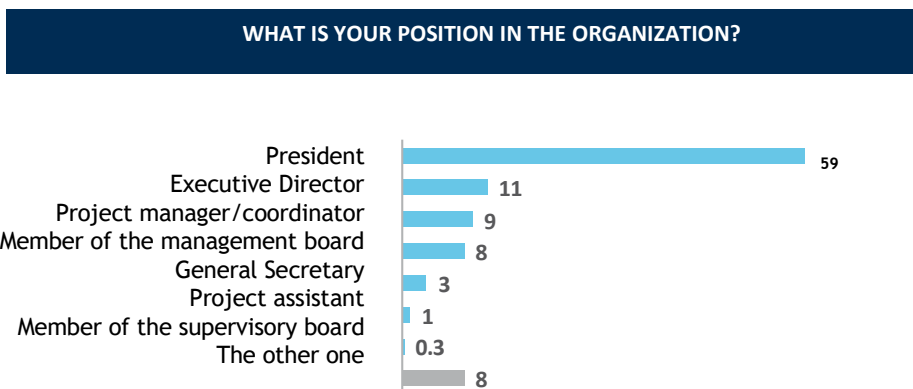
3.

RESEARCH RESULTS

3.1. General information about organizations

In most cases, the survey was completed by the management staff (82%), i.e. presidents, executive directors, members of management boards or general secretaries, which indicates a high level of reliability of data in the research. Managers, coordinators and project assistants filled out the survey in 10% of cases.

Graph 1.1. Position in the organization (in %)

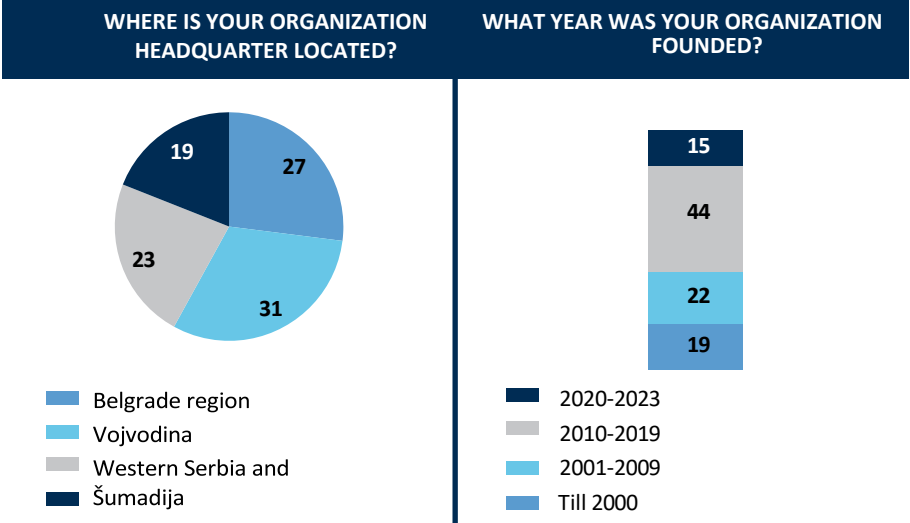


Sample: N=304

The largest number of surveyed organizations is from Vojvodina (31%) and the Belgrade region (26%). 23% of the surveyed organizations operate in the area of Western Serbia and Šumadija, and the least in Eastern and Southern Serbia (19%). The largest number of surveyed organizations was founded between 2010-2019. years. Every fourth organization was founded after the October 5 changes in 2000 until the adoption of the Law on Associations (2009), while 18% of organizations were founded before 2000. From the beginning of the corona virus epidemic to the middle of 2023, the fewest organizations were founded (15%), but this is still a large percentage considering the extremely short period.

Graph 1.2. Regional representation of organization (in %)

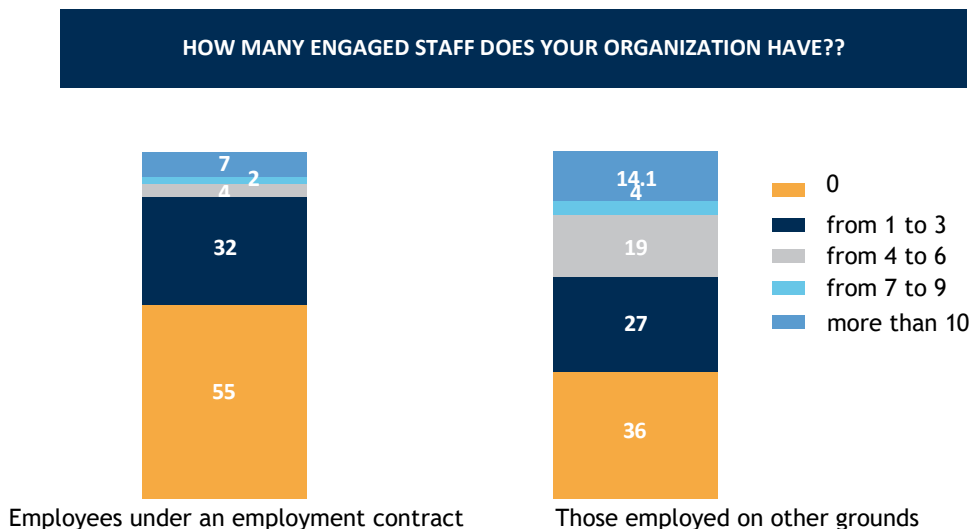
Graph 1.3. The year of organization was founded (in %)



Sample: N=304

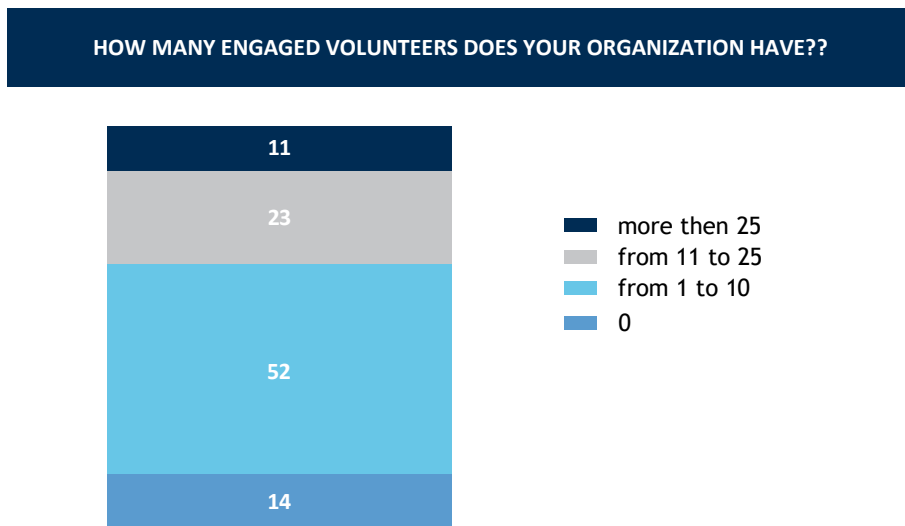
More than half of the organizations do not have a single permanent employee, and if they do, that number is between one and three employees based on employment contracts. Engagement under other types of contracts is somewhat more prevalent, as 46% of organizations have from 1 to 6 engaged on this basis. When it comes to the number of volunteers, every second organization has 1-10 volunteers, and every third has ten or more people who voluntarily donate their time to the community and to goals of public importance.

Chart 1.4. Staff engagement in organizations (in %)



Sample: N=303

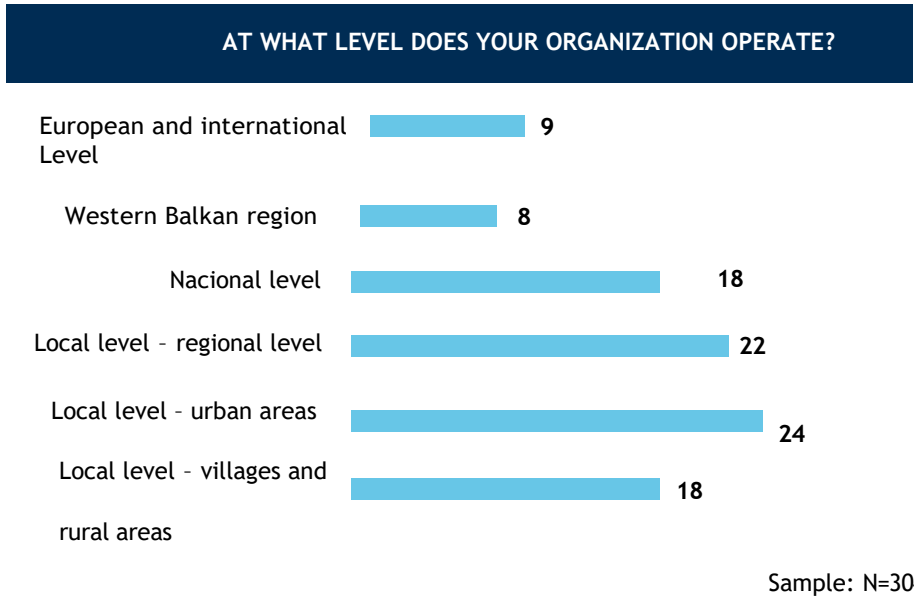
Graph 1.5. Number of volunteers in organizations (in %)



Sample: N=303

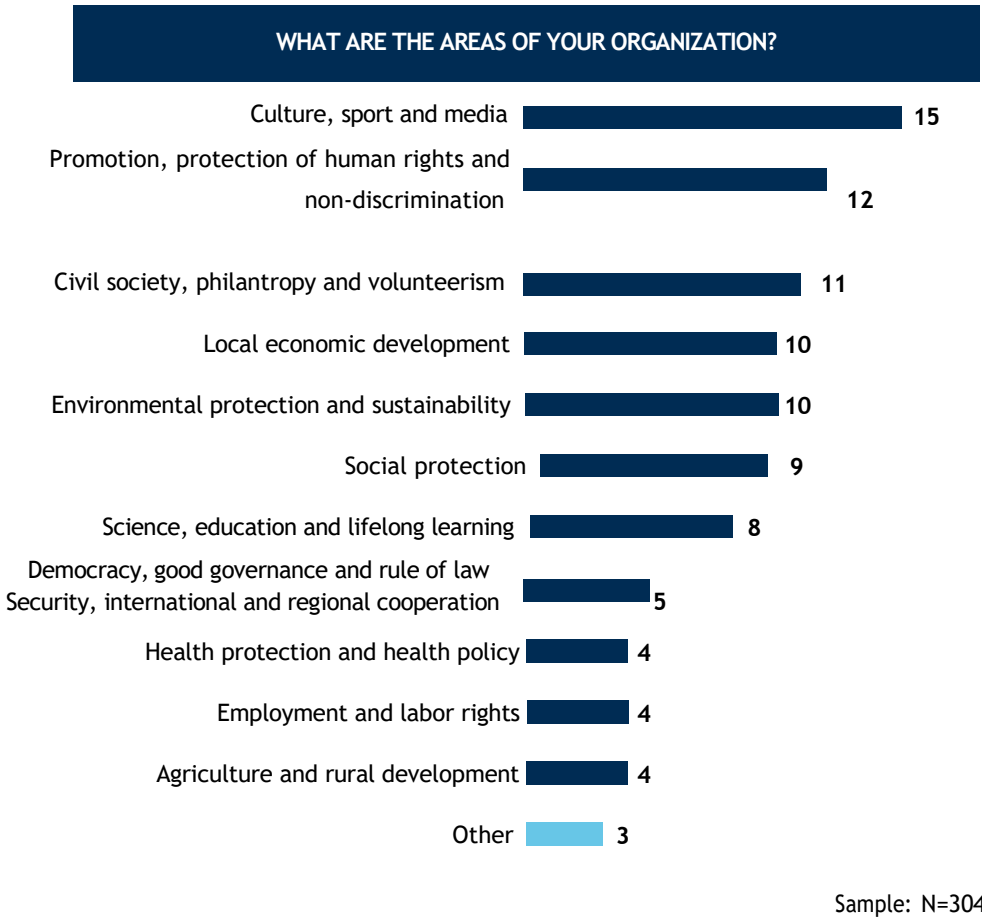
Organizations mostly focus their activities on the local level. They mainly operate at the local level in urban areas (24%) and regional areas within Serbia (22%). Slightly fewer organizations operate in villages and rural areas (18%). Almost every fifth organization operates at the national level (18%), while the smallest number operates at the international level (17%).

Graph 1.6. Level of activity of organizaions (in %)



The organization's engagement is mainly focused on the topics of culture, sports and media, then improving the protection of human rights and non-discrimination. In addition, there are topics of civil society, philanthropy and volunteerism, local economic development and environmental protection and sustainability.

Graph 1.7. Area of activity of organizations (in %)



Young people and students are the primary target group of the surveyed organizations, as well as members of ethnic minorities, women and children. Also, a high percentage is occupied by all citizens, which indicates insufficient planning and sharpening of the focus of the work of organizations.

Graph 1.8. Primary users of organizations (in %)



Organizing seminars, trainings and workshops, as forms of informal education, are the most common activities carried out by organizations, in addition to counseling and provision of various services and classic activist actions in local communities.

Graph 1.9. Types of organization activities (in %)

WHAT TYPE OF ACTIVITIES DOES YOUR ORGANIZATION MAINLY CARRY OUT?



Sample: N=304

3.2. Internal procedures and management practices

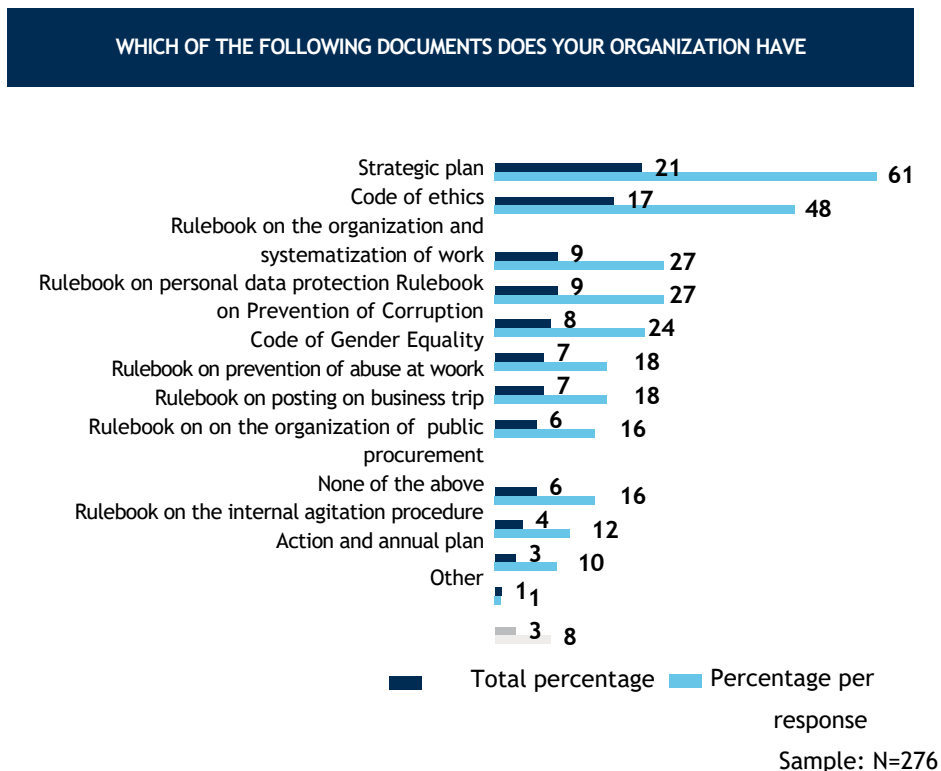
The purpose of the existence of organizations is to act in the public interest. Organizations make their contribution by acting in accordance with the selected value framework and mission, which are realized in the long term through strategic goals and their operationalization in practice. The incentive environment, in the form of a legal framework, political and economic context or donor support, affects sustainability and organizational development, but the internal life of organizations largely determines the scope of influence on the community in which they operate. As part of the research, existing practices of strategic and operational action, management methods and attitude towards changes were examined.

3.2.1. Existing practices of strategic and operational actions

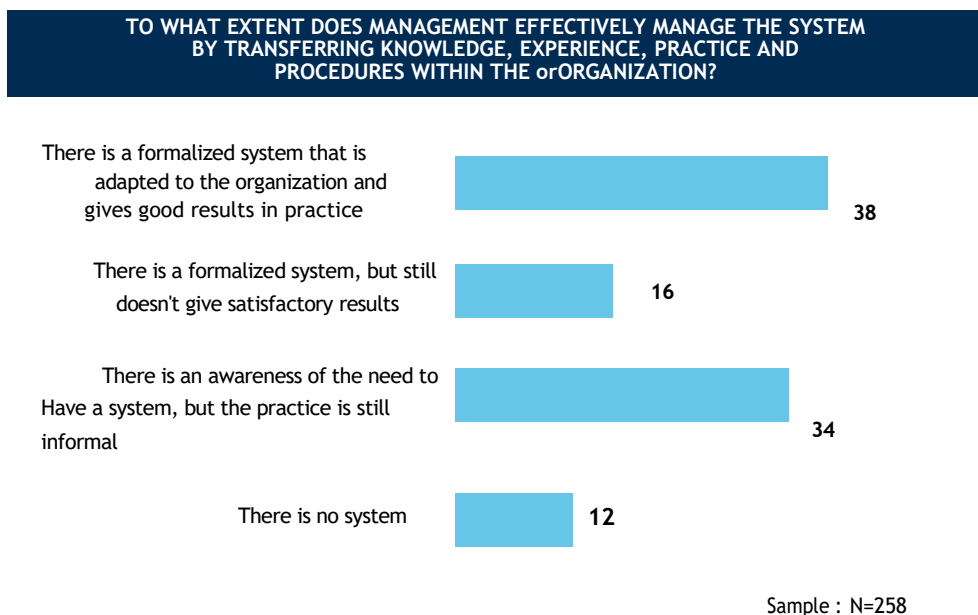
Strategic plan and work ethic code are the most frequently present documents. In addition to the strategic plan and ethical code, there are other types of documents that regulate the implementation of value policies and operational functioning within the organization: systematizations of work, protection of personal data, prevention of corruption, gender equality, etc.

The obtained data indicate that the strategic plan is still not present in the practice of all organizations. However, this does not mean that they function spontaneously, without any framework for strategic and operational action. Moreover, part of the organizations have informally established strategic directions to direct their work (38%). Furthermore, where there is a strategic plan, it mostly serves as a guide for the programmatic and operational direction of the organization (46%), and only a small number of cases have recorded the negative practices of a non-functioning strategic plan (12%).

Graph 2.1. Internal documents of the organizations (in %)



Graph 2.2. Strategic management of organizations in practice (in %)



In addition, the majority of organizations operate within an appropriate value framework expressed through the existence of a mission, vision and goals, the fulfillment of which the existing staff is dedicated (85%). In a small number of cases, it was recorded that the staff is not familiar with the value framework and the goals of the organization (7%), i.e. that they only formally exist without any function. It is interesting that there were recorded, although really few, organizations that do not have a mission, vision and work goals at all (4%).

Graph 2.3. The value framework of the organization's work in practice - the mission, vision and goals of the organization (in %)

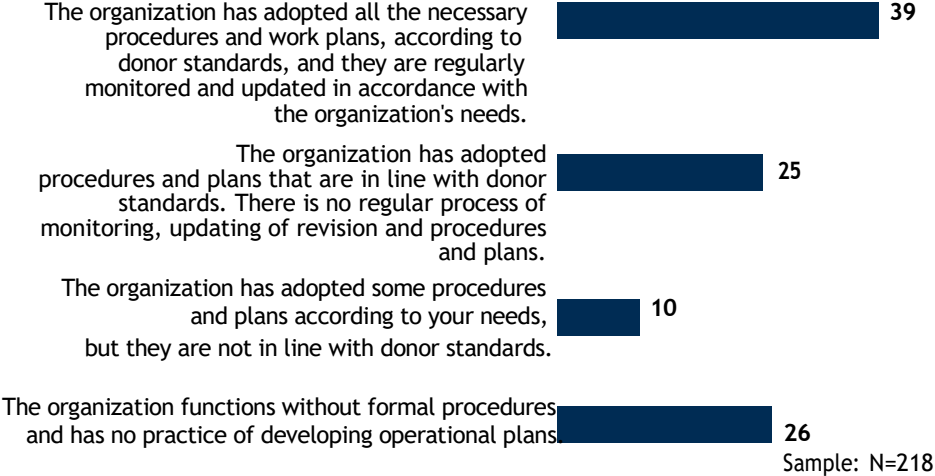


Sample: N=258

Most organizations have some form of formal operating procedures (74%), although only a little more than a third have regular monitoring and updating of them. Procedures generally follow donor standards. However, more than a quarter do not have any procedures or practices for developing any operational plans.

Graph 2.4. Monitoring and updating of operational procedures and work framework of organizations (in %)

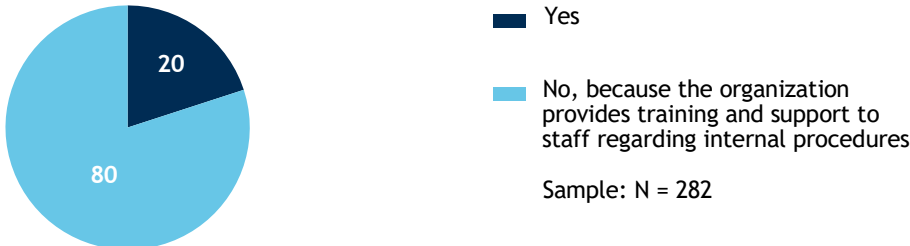
TO WHAT EXTENT ARE THE ORGANIZATION'S EXISTING PLANS AND PROCEDURES MONITORED, IMPROVED AND REVISED?



Most organizations have no challenges in complying with internal documents and procedures and provide appropriate training and support to staff in this regard. Where they exist (with every fifth organization), the challenges were seen precisely in the lack of capacity for development and implementation, but also in interpersonal relations, i.e. disagreements, misunderstanding and lack of interest in following the rules.

Graph 2.5. The presence of challenges in complying with internal documents and procedures (in %)

HAVE YOU HAD CHALLENGES OR DIFFICULTIES IN COMPLYING WITH INTERNAL DOCUMENTS AND PROCEDURES?



3.2.2. Management Styles

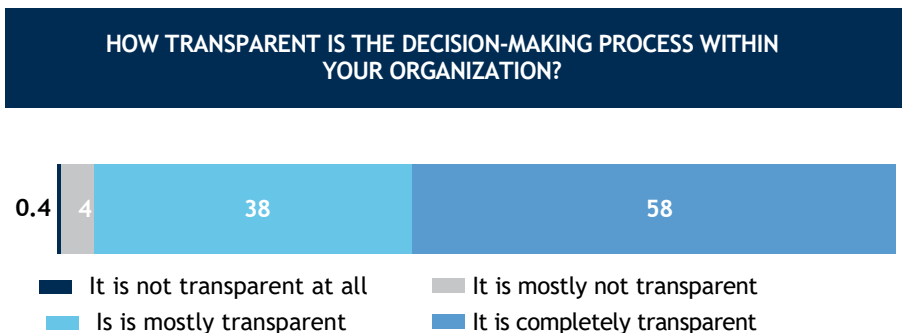
Within organizations, democratic practices in management have been developed. In the majority of surveyed organizations (90%), staff participate in decision-making, while in almost all organizations (96%) the decision-making process is marked as transparent.

Graph 2.6. Staff participation in organizational decision-making (in %)



Sample: N=254

Graph 2.7. Transparency in decision-making within organizations (in %)

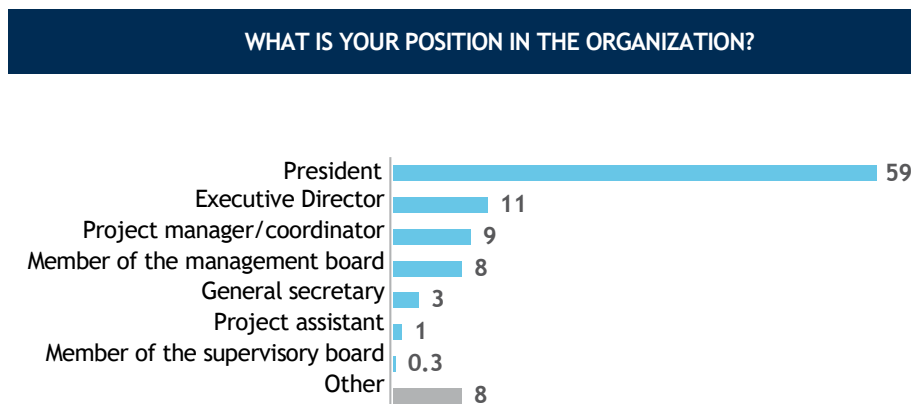


Sample: N = 252

3.2.3. Attitude towards changes

Most organizations recognize the importance of having a system for transferring knowledge, experiences, practices and procedures within organizations and take practical steps in that direction. It is interesting that every other organization has a formalized system for storing and transferring the so-called institutional memories of the organization (54%) with different results in practice. Good results in practice were recorded in slightly more than a third of organizations (38%), while 16% were not satisfied with the results achieved. Also, slightly more than a third of organizations have an informal system of transferring institutional memory. Systems for transferring knowledge, experiences, practices and procedures do not exist in 12% of organizations.

Graph 2.8. Institutional memory in the practice of organizations (in %)

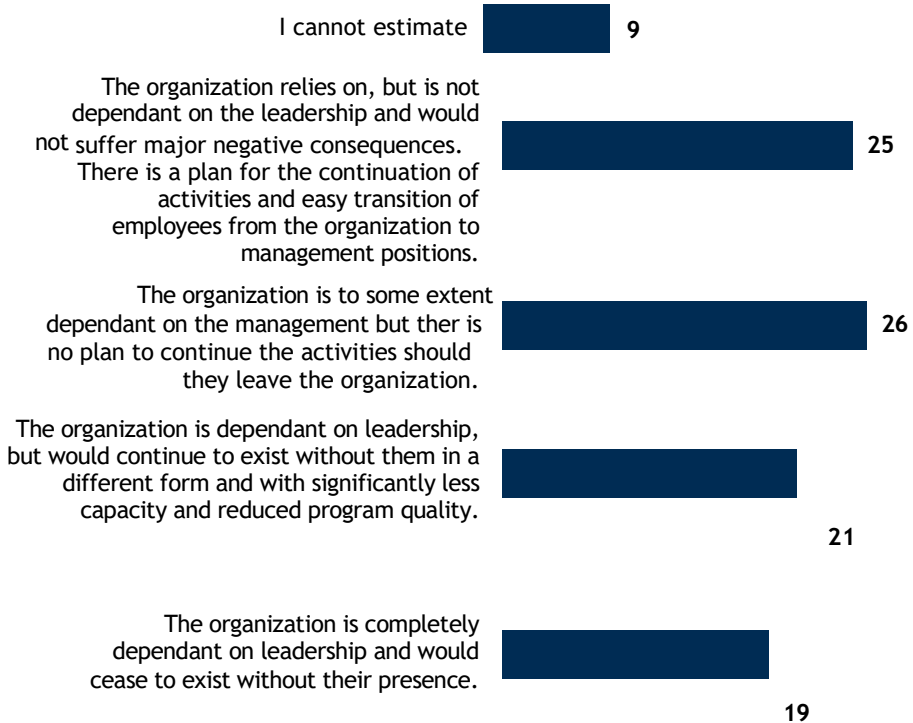


Sample: N=245

The importance of the existence of a system of transmitting institutional memory gains importance with the fact that a large number of organizations rely on the leadership and that a change would cause certain consequences - from drastic, in the sense of ceasing to exist, to the absence of any plan in the event of such an event and the continuation of operations in a different form (66%). Nevertheless, every fourth organization perceives readiness for transition in the form of the existence of a plan for such a potential scenario and developed capacities for management positions within the organization.

Graph 2.9. Organizational readiness for leadership change (in %)

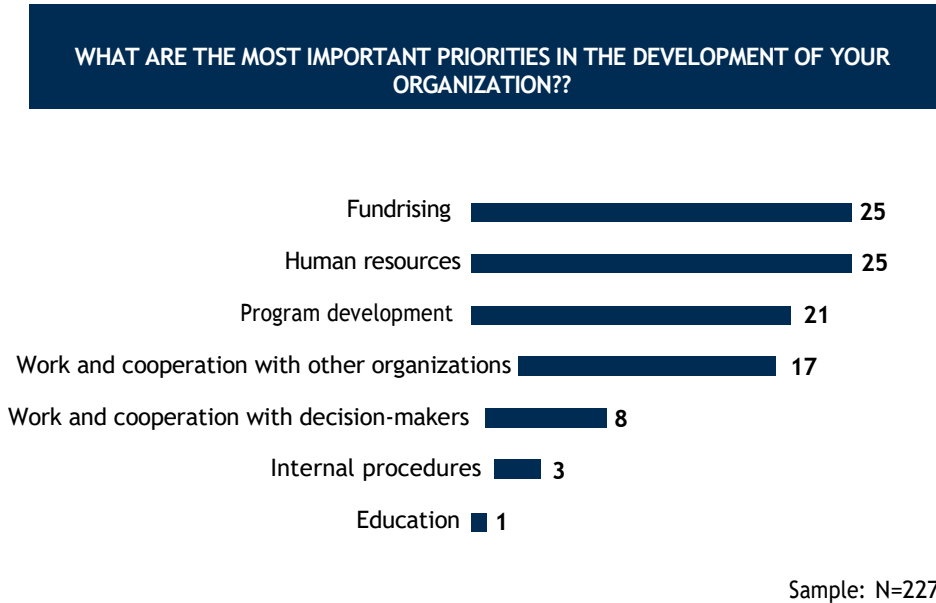
WHAT IS THE ABILITY OF THE ORGANIZATION TO CONTINUE WITH REGULAR ACTIVITIES IN THE EVENT OF ABSENCE OR CHANGE OF MANAGEMENT?



Sample: N=258

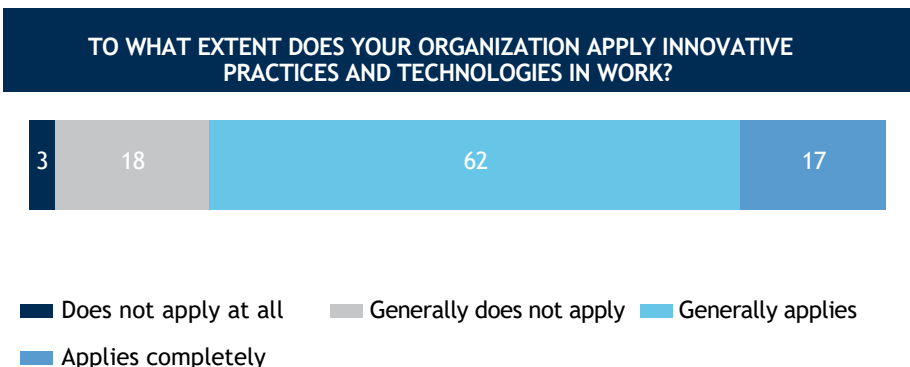
Fundraising and improvement of human resources are the most important priorities in the development of organizations. A slightly smaller percentage highlighted program development (17%). Cooperation with other organizations (17%) and decision-makers (8%) does not occupy a high position on the list of priorities, while internal procedures are almost at the bottom of the list of priorities, which indicates a certain reticence of organizations towards the formalization of work, i.e. establishing systems and structures within organizations.

Graph 2.10. Priorities in the development of organizations (u %)



The majority of organizations are inclined to introduce innovations in work (79%), whether it refers to the application of new practices in work (eg new methods in working with users, new approaches in the organization of work, etc.), whether it is about the use of new technologies, based on current trends in information and communication technologies. However, one in five organizations almost does not apply innovative practices and technologies (21%).

Graph 2.11. Application of innovative practices and technologies in work (in %)



3.2.4. Findings of focus group discussions

Research in focus groups determined a positive **attitude towards strategic planning and the existence of other policies within organizations that are operationalized through the existence of appropriate plans and procedures.** Most of the organizations already have a strategic plan or are in the process of searching for ways to create the plan, while a small number of the interviewed representatives of the organizations stated that they have some operational procedures.

In general, **the advantage of what gives results in practice, responds to the needs of the community and maintains contact with the community in relation to formally set plans and the way of decision-making is highlighted.** That is how it is stated that management structures are mostly formal and so-called. letter on paper, while in reality they function on a different basis, in accordance with the existing capacities of the organization (number of staff, their availability and motivation to contribute, financial resources, etc.). In organizations that were founded in the last decade, there is a noticeable tendency for decisions to be made by consensus of all those who contribute to the organization at that moment, while on the other hand, in a smaller number of cases, there are also developed formalized management structures.

Two approaches to the practice of organizational development were observed: one group that is firmly guided by "the idea with which we started, by which we are guided", while the other, in addition to the mission, takes into account the development of the management structure, and at the same time develops a strategic approach in accordance with the mission and a hard structure based on procedures, before any action.

The prevailing view is that the story of management and planning is for "more stable and better organizations", because they can afford it. The rest are struggling to survive in a financial sense and are forced to "make

ends meet", i.e. to adapt to donor policies. Namely, **because of sustainability, organizations often jump into other areas outside their mission of action or for which they do not have the capacities and competences, which has been identified as the biggest challenge when it comes to strategic action.**

In the area of planning, the key need for organizations is to maintain a thematic line of action in accordance with their mission and to carry out activities in areas for which they have competence (activities "for which we are sure that we have control over them, that we have enough knowledge, experience and everything others"). There are more conditions for realizing the identified need or as the organizations have named it - getting back on track. First of all, the existence of a strategic plan "so as not to wander as an organization", but which one "it was not adopted pro forma, but in a process in which all actors, members of that organization participated, and to listen well to the moment in which we adopt it". At the same time, a good plan implies "a balance between what is written on paper and what you do on the ground".

In addition to the plan, a **competent team** is needed, ready to learn, work on themselves, follow changes and accept new approaches. Such a team, on the one hand, has a functional leadership, which implies that there is a "clear vision of the persons who manage the organization, how that organization should look like. And what should they do". In addition, support within the team is necessary, ie. "first of all, there should be a basic understanding among team members and clear, I won't say the same, but certainly similar views on how the organization should be run." If we are somewhere on the same track in terms of mission and vision, then everything else can work more easily." Furthermore, such leadership is capable of managing "various interests (...) to have that skill, facilitation, coordination and respect for other people, that is the most difficult and that is what distinguishes associations and organizations". On the other hand, it is important to ensure that the team members deal with the "area for which there is expertise in the organization".

Fundraising is the most important priority for the development of the organization in all focus groups, which is in accordance with the results of the survey research. In addition, respondents mentioned human resources, return to base, communication and visibility, and strategic planning.

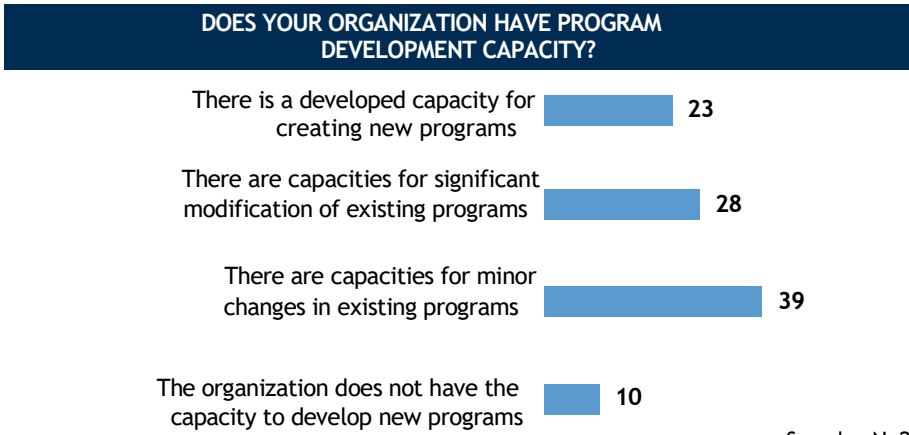
3.3. Program management

Working in the public interest implies continuous and long-term influence on policies, the environment and various actors. It is necessary to build integrity, provide resources and recognition among actors in the community. However, organizations operate in an environment that is very often dynamic and subject to change, especially in the last two decades due to continuous economic, political, security and health crises. In addition, the accelerated development of science and technology should be taken into account, because they open up new topics and put numerous questions before organizations, since they need to take certain positions and often modify, or completely open, new program units of work and action. As part of the research, the potential of organizations for program development, then for the process of public advocacy and the presence of the subject of EU accession in the activities of organizations were examined.

3.3.1. Existing capacities for program development

Most of the surveyed organizations have capacities for some kind of modification of existing programs, while every fourth is able to create new programs.

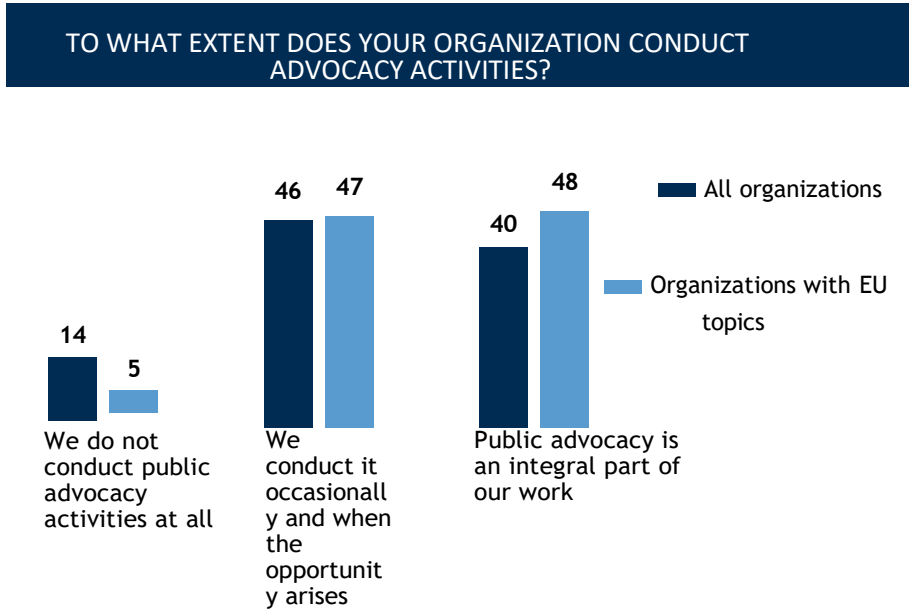
Graph 3.1. Existing capacities of the association for program development (in %)



3.3.2. The practice of public advocacy and participation in the decision-making process

The practice of public advocacy is widely present among civil society organizations, since only 14% of them declare that they are not engaged in such activities. Almost half of the organizations practice public advocacy sporadically, reacting to opportunities that arise, while 40% emphasize that this is an integral part of their regular way of working. In the case of organizations that have EU themes in their work, there are significantly more organizations for which public advocacy is an integral part of the way of working, that is, there are significantly fewer organizations without public advocacy activities.

Graph 3.2. Conducting public advocacy (in %)



Sample: N=221 (All organizations); N= 142 (Organizations with EU topics)

Public advocacy is based on empirical facts since the practice of using research findings is very present among organizations that conduct public advocacy (N=181, 91% use research). Every other organization uses both others' and their own research in the advocacy process, while 1/4 of the organizations rely on others' research, because they do not have the resources for their own. Still, there is a small number of organizations (12%) with the capacity to independently conduct research. The data indicate an identical practice among organizations that have EU topics, although they use research slightly less than all organizations that have advocacy activities.

Graph 3.3. Using research in public advocacy (in %)

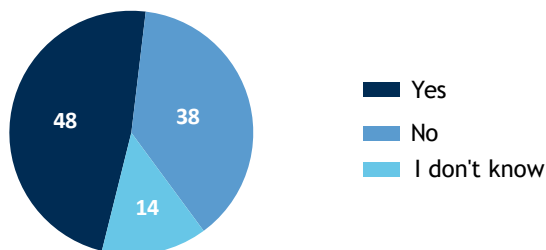


Sample: N=181 (All organizations); N=142 (Organizations with EU topics)

Participation in the decision-making process is a challenge for organizations in Serbia. Although the vast majority of organizations carry out public advocacy activities, not all of them participate in the decision-making process. Analysis of data on the involvement of organizations in the decision-making process indicates that less than half of the organizations actively participate in decision-making, while almost 40% of organizations are not involved. Also, it is interesting that almost 14% of organizations are not sure if they are included in the decision-making process.

Graph 3.4. Participation of organizations in the decision-making process (in %)

IS THE ORGANIZATION INVOLVED IN THE DECISION-MAKING PROCESS?



Sample: N=220

When it comes to the way of participation, organizations that take part in decision-making, **most often do so as part of working groups** for drafting public policy documents, laws, other regulations and general acts at the local, regional or central level, as well as **through participation in public discussion and public consultations** (more than half of the organizations point out that the latter two are the most common ways of their involvement in the decision-making process). Less than 15% of organizations declare that they participate in permanent and temporary working bodies, and that they use mechanisms of direct citizen participation.

Graph 3.5. Ways of association participation in the decision-making process (in %)

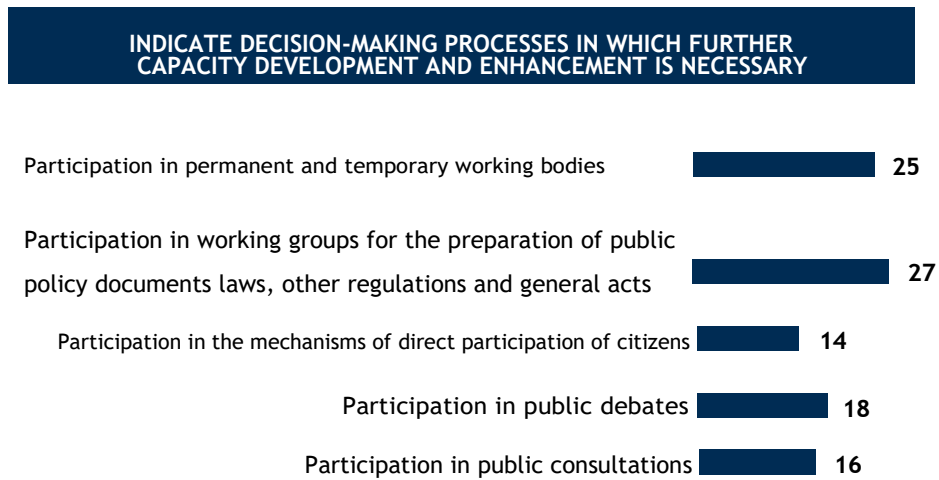
HOW IS THE ORGANIZATION INVOLVED IN THE DECISION-MAKING PROCESS?



Sample: N=105

As a form of support, organizations consider it necessary to improve their capacities for participation in working groups for drafting regulations and public policy documents, as well as for participation in the work of permanent and temporary working bodies.

Graph 3.6. Identified needs of organizations for additional improvement of internal capacities in decision-making (in %)



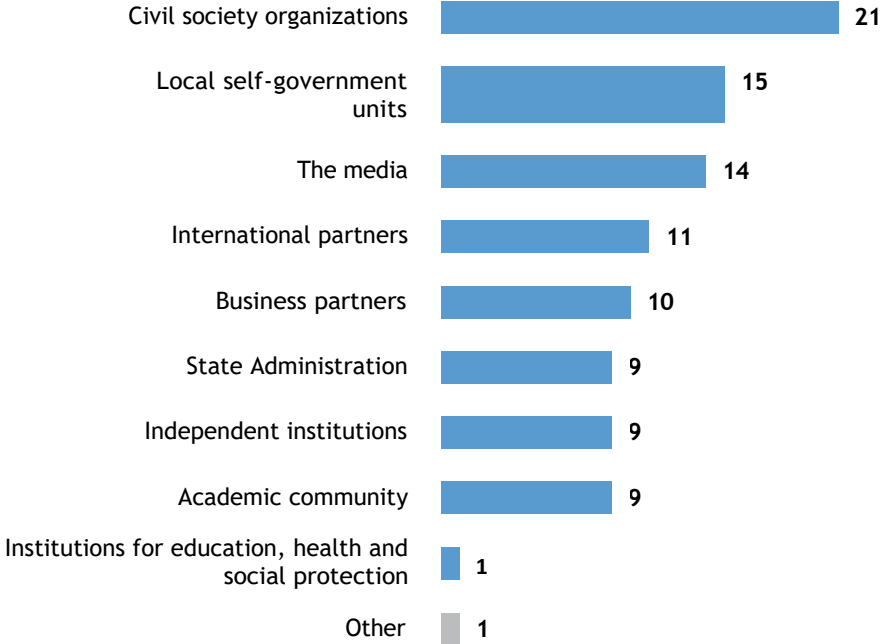
Sample: N=218

3.3.3. Relations with actors and grounding in the community

In most cases, **cooperation has already been achieved with civil society organizations, local self-government units and the media.** At the same time, **other organizations and media are also key desirable partners** for establishing cooperation. Besides them, **international partners** are high on the list of desirable actors for cooperation. Public institutions are somewhat less attractive for cooperation, especially at the national level. There is room for the development of partnerships with the business sector and the academic community, since they are recorded by a smaller number of realized partnerships and are less perceived as desirable cooperation actors.

Graph 3.7. Key actors with whom the organizations cooperated (in %)

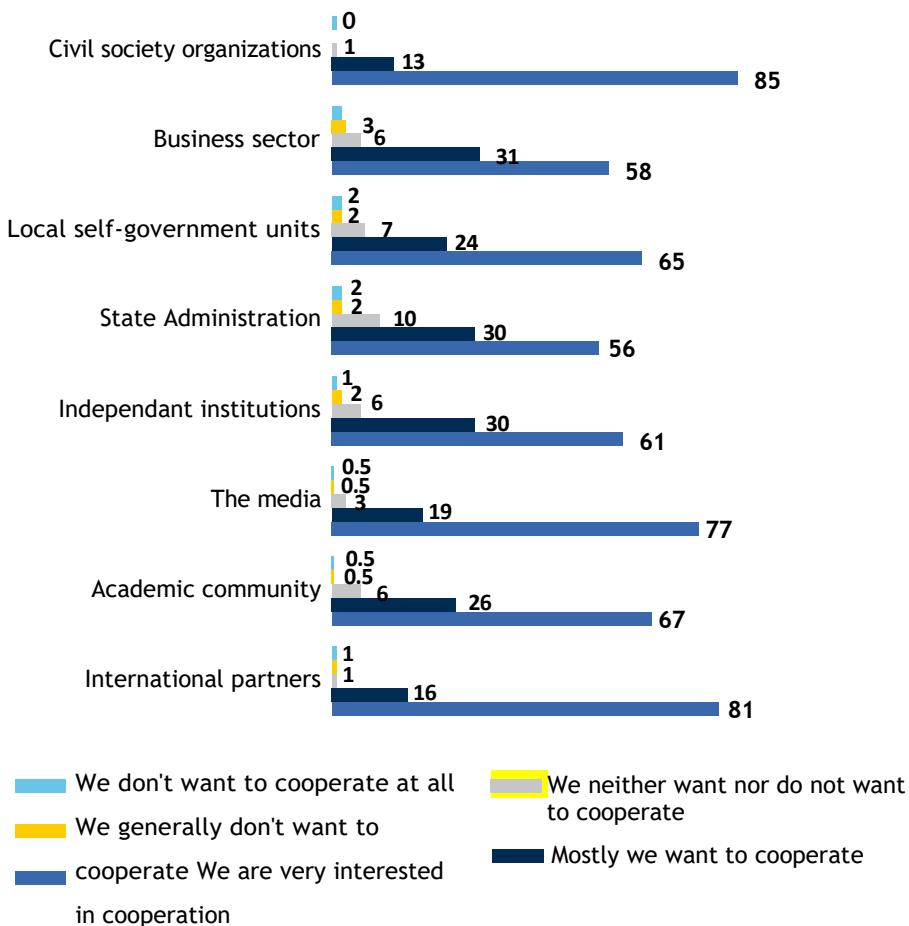
WITH WHICH KEY STAKEHOLDERS HAS YOUR ORGANIZATION COLLABORATED?



Sample: N=227

Graph 3.8. Desired key actors for the development of cooperation (in %)

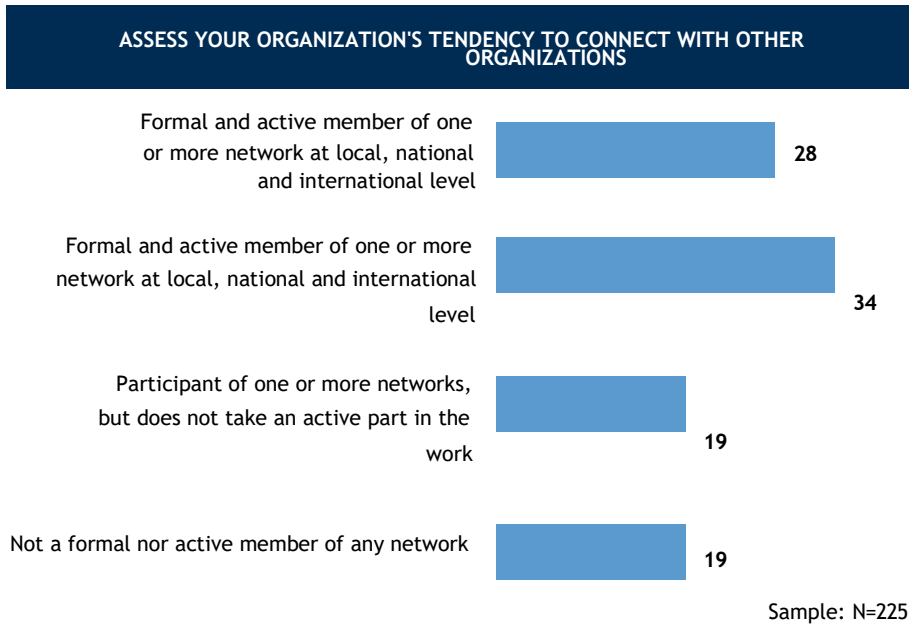
RATE THE DESIRED KEY ACTORS FOR COLLABORATION WITH YOUR ORGANIZATION



Sample: N=227

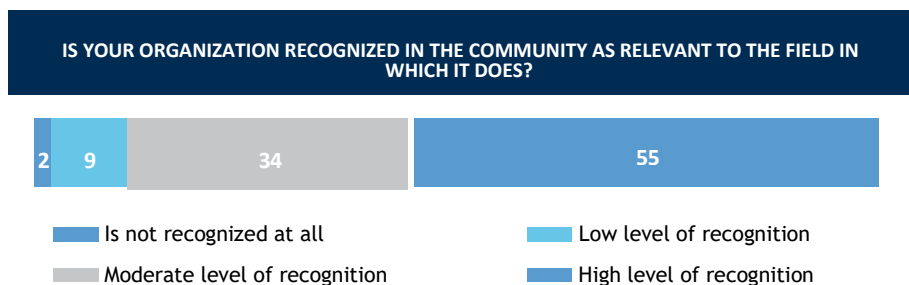
Networking of organizations can be considered relatively good since the vast majority are part of a network (81%). However, they differ in their active contribution and level of activity in the network. More than half of the organizations (62%) actively contribute to the work of the network of which they are a member, while most of them participate in networks operating at the local and national level (34%). Every fifth organization is not a member of any network.

Graph 3.9. Networking of organizations (in %)



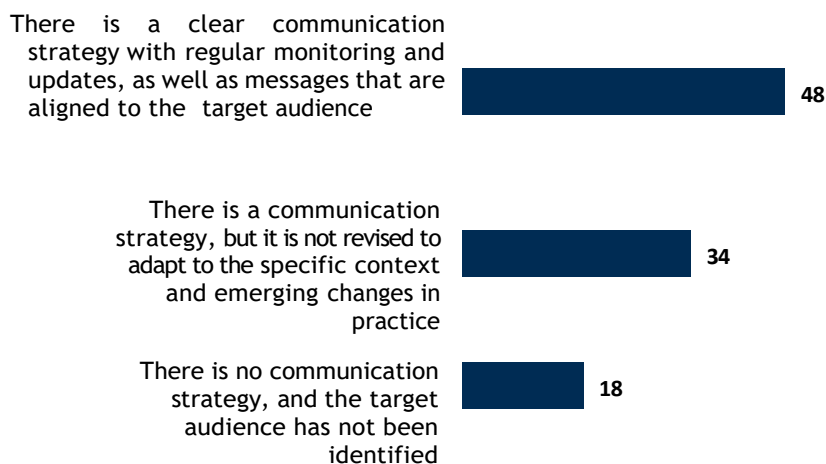
Organizations consider that they are recognized in their community as relevant actors in the field they deal with. More than half of the organizations assess a high level of recognition, while every third assessed that there is a moderate level of recognition. Half of the organizations have a clear communication strategy that is regularly monitored and updated according to the context, adapting messages to the target audience. A third of organizations have a communication strategy, but it does not adapt to the specifics of the context and changes in the environment. Unfortunately, every fifth organization does not have a developed communication approach or an identified target audience.

Graph 3.10. Recognition of the organization in the community (in %)



Graph 3.11. Communication of organizations with the target audience (in %)

DOES THE ORGANIZATION HAVE A CLEAR PLAN FOR COMMUNICATING ITS ACTIVITIES WITH THE TARGET AUDIENCE?



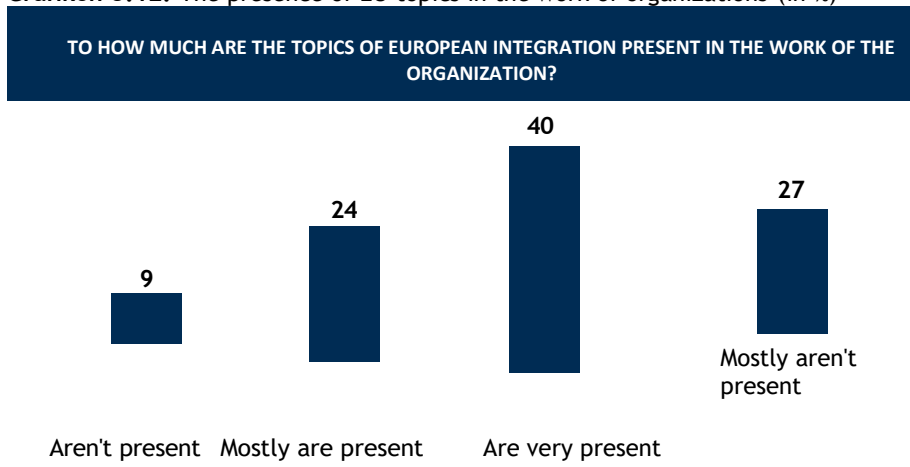
Sample: N=218

3.3.4. Accession of Serbia to the EU

The topics of reform processes related to Serbia's accession to the EU are very present in the work of the surveyed organizations. Namely, 67% of organizations include topics related to the EU in their program work. Nevertheless, every fifth organization declares that these topics are mostly not present, while in 9% of organizations they are not present at all.

Sample: N=218

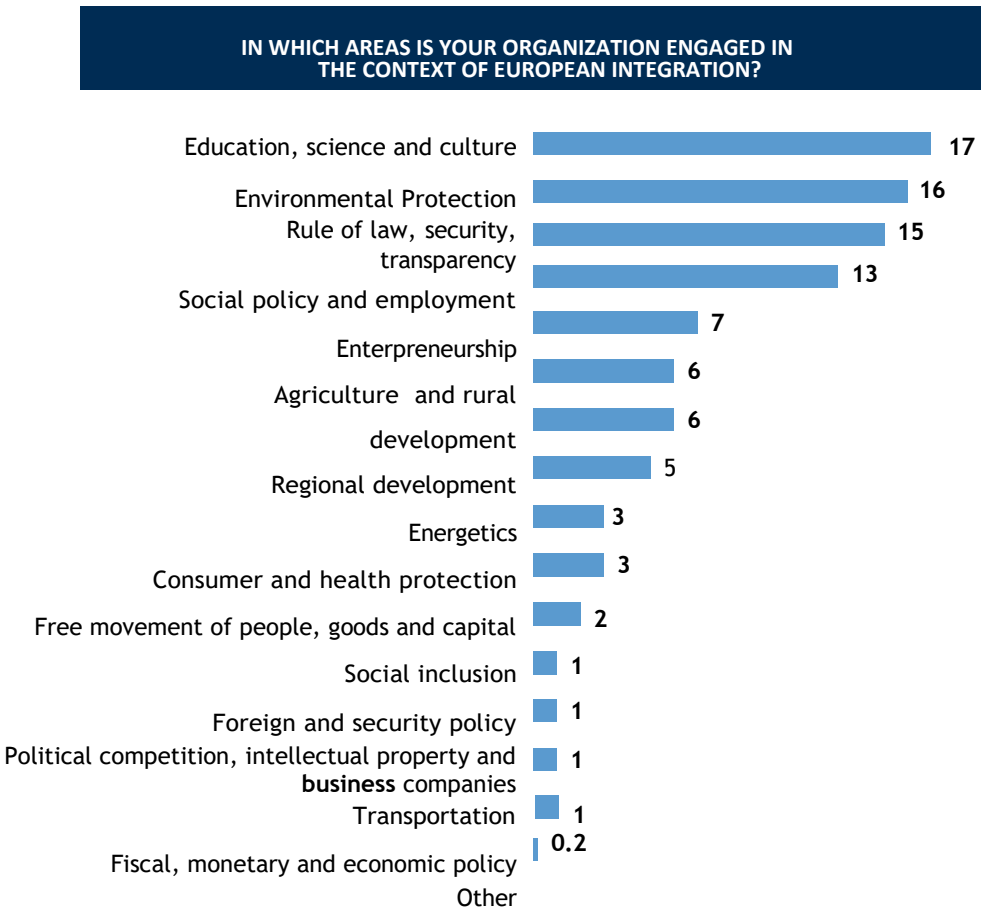
Grafikon 3.12. The presence of EU topics in the work of organizations (in %)



Sample:
N=214

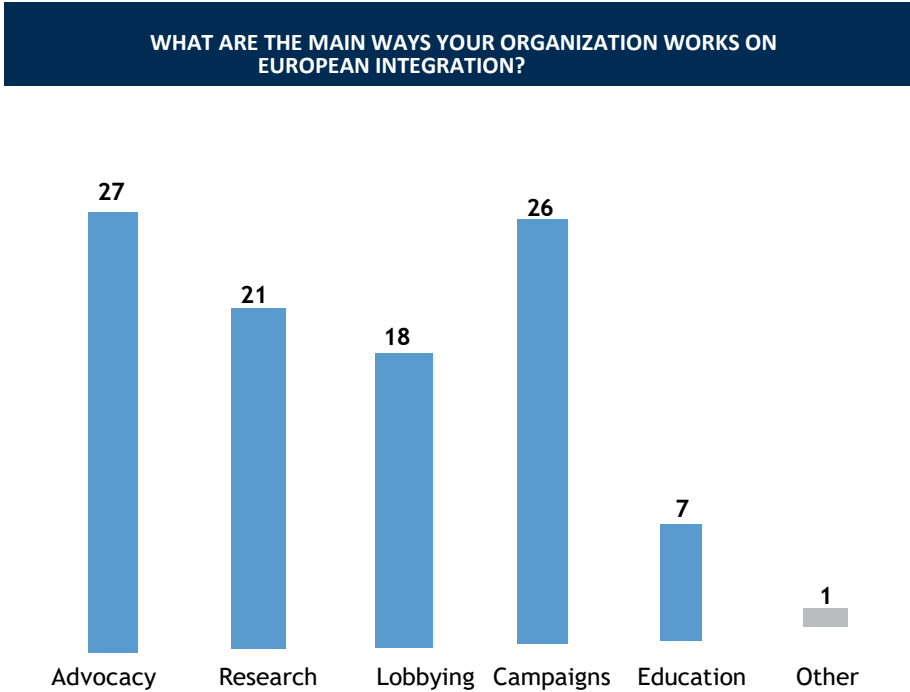
The most prevalent areas among the organizations whose work includes program activities aimed at EU reform processes are: education, science and culture, environmental protection, then the rule of law, security and transparency, and, finally, social policy and employment. This group of organizations mainly deals with these topics through public advocacy, education and research.

Graph 3.13. Areas of engagement of organizations that have EU themes in their work (in %)



Sample: N=142 (Organizations with EU topics)

Graph 3.14. Type of activities of organizations that have EU themes in their work (in %)

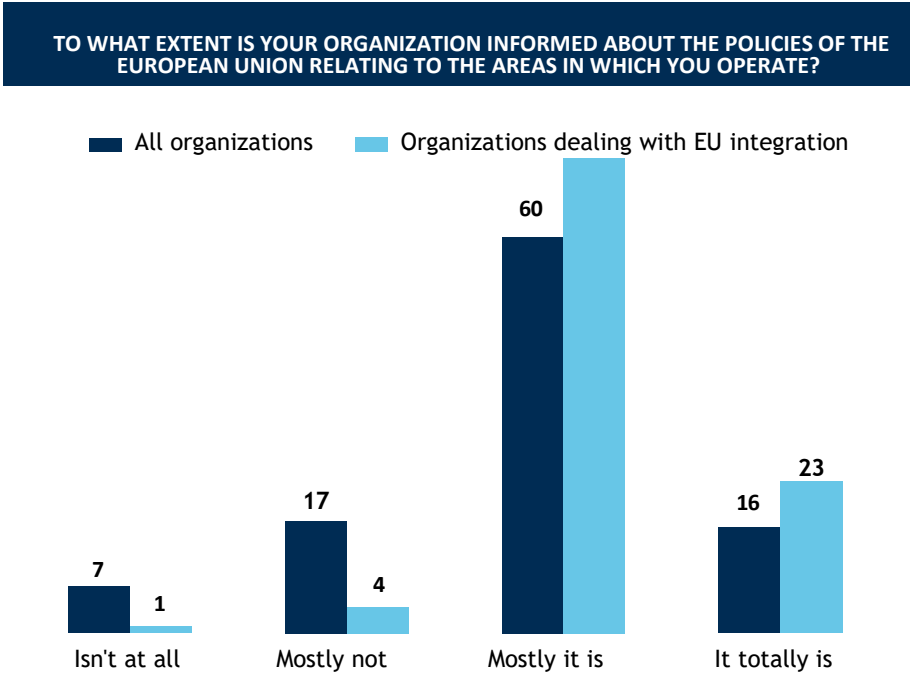


Sample: N=142 (Organizations with EU

topics)

It is observed that the organizations are very well informed about the EU policies related to the areas in which they operate. Even 60% of them say that they are mostly informed, and 16% even completely. There is room for work in this area since it is smaller, but still not negligible, the number is not very well informed or is not informed at all (25%). As expected, the percentage of information is much higher among organizations that have EU topics in their work (95%).

Graph 3.15. Organizations' awareness of EU policies (in %)

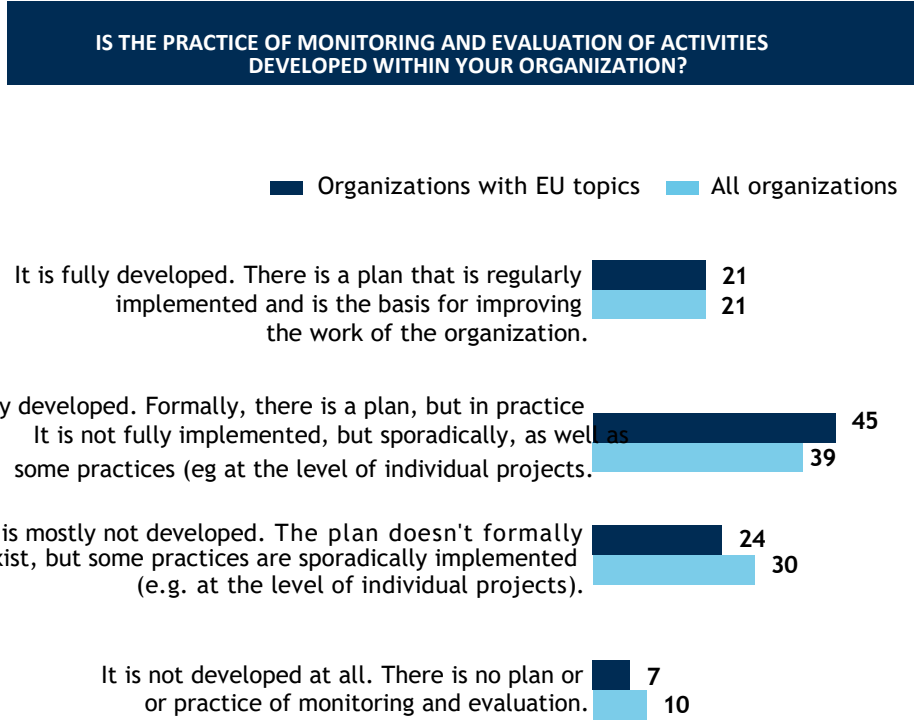


Sample: N=217 (All organizations) N=142 (organizations dealing with EU topics)

3.3.5. Monitoring and evaluation practice

The practice of monitoring and evaluating the achieved results is present, but it is more sporadic and mostly reduced to the level of individual projects, and less systematically implemented at the level of the entire organization. Most organizations have a plan, but almost 40% of organizations apply it sporadically, while every third organization has no plan at all, although they apply some practices of performance evaluation. Every fifth organization has a developed practice, that is, a systemic approach that includes a monitoring and evaluation plan that is regularly applied and is the basis for improving the organization's work. The practice of systematic monitoring and evaluation of results and impact is noticeable in organizations that have EU themes in their work, since almost half have a formal plan, and every fifth organization uses that plan regularly and sees it as a basis for further development. However, even among these organizations, there are still organizations that do not have a formal monitoring and evaluation plan (24%).

Graph 3.16. The practice of monitoring and evaluating activities in organizations (in %)



Sample: N=221

3.3.6. Findings of focus group discussions

Organizations approach advocacy differently. On the one hand, they give priority to working with the base and engagement in the community through information and other concrete actions in the community ("we give hope to people, that something can be done"), but participation in decision-making is also important to them (participation in making public policy documents, work in working groups, etc.). However, **there is a division when it comes to cooperation with public authorities and decision-makers**, as an indispensable element of participation in decision-making. While some cooperate, the other group has limited reservations and dilemmas (and they approach some of their own ways of practicing examples of good practice that the public authorities should later codify), a complete refusal to cooperate with the holders of public authority ("we do not have any cooperation with the local self-government except through the clerk's office"), and directing their course of action by influencing public opinion through media pressure.

Inadequate communication (or the absence of it) in the implementation of program activities and the achievement of an impact on the environment is a key challenge for organizations. First of all, communication with decision-makers, but also with their base/community, because some organizations notice **a kind of alienation from the user group** (due to the bureaucratization of work, and the focus on the survival of the organization, the use of languages that the users do not understand, etc.) .

Hence, **the improvement of various aspects of communication is a key need of organizations** in the implementation of program activities, which includes a wide range of skills acquisition and provision of concrete forms of support (eg management of modern communication channels, legal support in advocacy processes or other forms of argumentation building). to the establishment of cooperation with certain actors, **primarily with decision-makers.** **The condition is to build and maintain trust, where credibility in the community has greater weight** ("It is in vain that we will advocate any policy or any changes if it does not have a foothold in the community, if that community does not recognize us.").

The following quote from the representative of the organization reflects the attitude of the organizations in relation to this issue: "In order to be able to appear before the local self-government or in general before the citizens, you need to have credibility, that's under number 1 and under number 2 you must know clearly what you want to change and for your requests for change to be substantiated, so you should constantly research laws, strategic documents, strategic documents at the local level and stick to it. So you always have to have an argument and you have to have a base that supports you, and that base is not built financially, that base is built by the relationship with the citizens and with the institutions, how ready are you to explain to us why you are doing it, why it is important to do it do, that change happens and at the end of the day you have to somehow build those relationships and nurture those relationships, we can't forget our partners when we finish successfully or

3.4. Financial management

Securing financial resources is a prerequisite for any type of activity and development of organizations. The number of organizations in the Republic of Serbia has been continuously growing for the past fifteen years (specifically since the adoption of the Law on Associations in 2009), which creates greater pressure on donors, but also encourages competition among organizations, because resources are limited. More efficient management of funds, as well as finding alternative sources of financing, is a necessity. As part of the research, existing financial capacities, diversification of funding sources, transparency and challenges in financial management were examined.

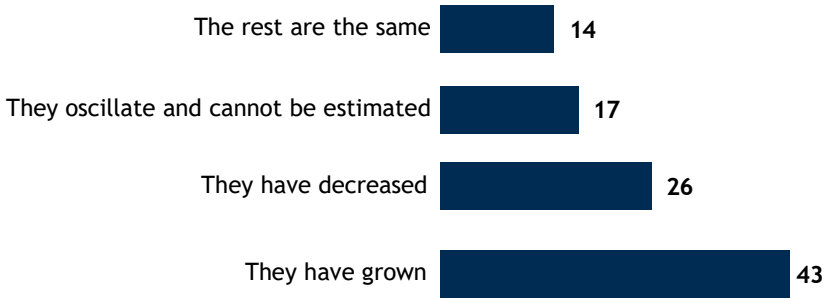
3.4.1. Existing financial capacities

Research on the movement of the organization's budget in the last three years indicates a trend of certain financial stability. Almost half of the organizations (43%) saw budget growth or remained the same (14%). On the other hand, less than one-third of the organizations recorded a budget reduction in the same period, although to this number should be added those where oscillations were observed and it is not possible to get a completely clear picture (17%). **The situation is somewhat better with organizations that have EU themes in their work,** since there was a greater number of

organizations with a trend of budget growth (46%), and a smaller number of those whose budgets decreased or remained the same.

Graph 4.1. Movement of annual budgets of organizations in the past three years

THE TREND OF YOUR ORGANIZATION'S ANNUAL BUDGETS IN THE PAST THREE YEARS?

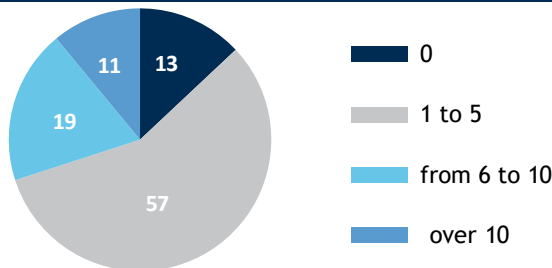


Sample: N=204

The results indicate that **in the past three years, more than half of the organizations had the support of one to five donors**, while 13% of the organizations remained without any donations during that period.

Grafikon 4.2. Number of donors in the previous three years (in %)

NUMBER OF DONORS IN THE PREVIOUS THREE YEARS?

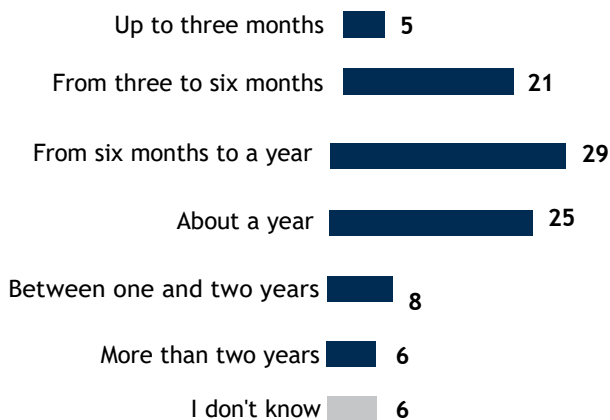


Sample: N=215

The average duration of projects in civil society organizations varies from three months to a year. A third of organizations implement projects ranging from six months to a year, while 25% of organizations receive projects with a duration of one year. A very small percentage of organizations implement projects of two years or more.

Graph 4.3. Average project duration (in %)

HOW LONG ON AVERAGE DO MOST PROJECTS THAT YOUR ORGANIZATION REALIZES LAST?



Sample: N=203

3.4.2. Diversification of funding sources

Grants from various donors are still the dominant source of funding, along with membership fees and donations from natural persons, with the most represented funds coming from local self-government units (57%). A small number of organizations have longer-term funds that would enable multi-year organizational and program development (17%), although a significant percentage of organizations invested efforts in applying for grants from donors at various levels.

Although they have existed for a long time as a source of funding, over 2/3 of organizations do not use monetary compensation for services and products. Among those who use them, it is known that they come from natural persons and the economic sector (almost every fifth organization), and almost twice as many from public authorities. Organizing fundraising campaigns (crowdsourcing), although popular in recent years, is still not the approach chosen by the majority of surveyed organizations (over 80%), while every fifth has tried, with varying results, although mostly successful (the percentage who use them is 16%).

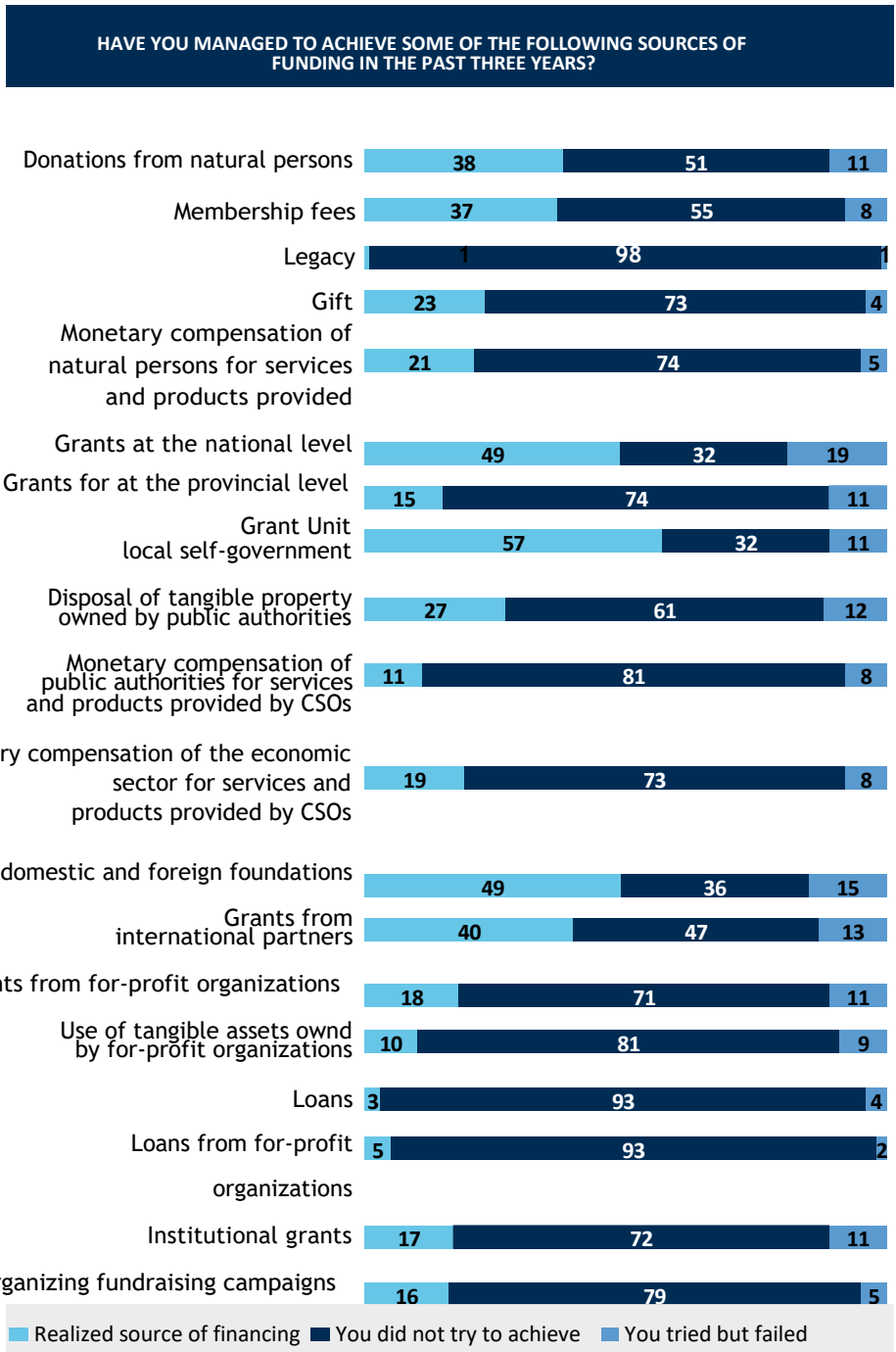
Table 1. An overview of the most common practices of organizations related to financing

Realized source of finance: Grants from international partners, grants from domestic and foreign foundations, grants from local self-government units, grants at the national level.

No attempt was made to obtain financing: Loans, loans from for-profit organizations, use of material assets owned by for-profit organizations, monetary compensation from public authorities for services and products provided by CSOs, legacies, monetary compensation from the business sector for services provided and products by CSOs, organization of fundraising campaigns, institutional grants.

Attempted, but not achieved: Grants at the national level, grants from domestic and foreign foundations.

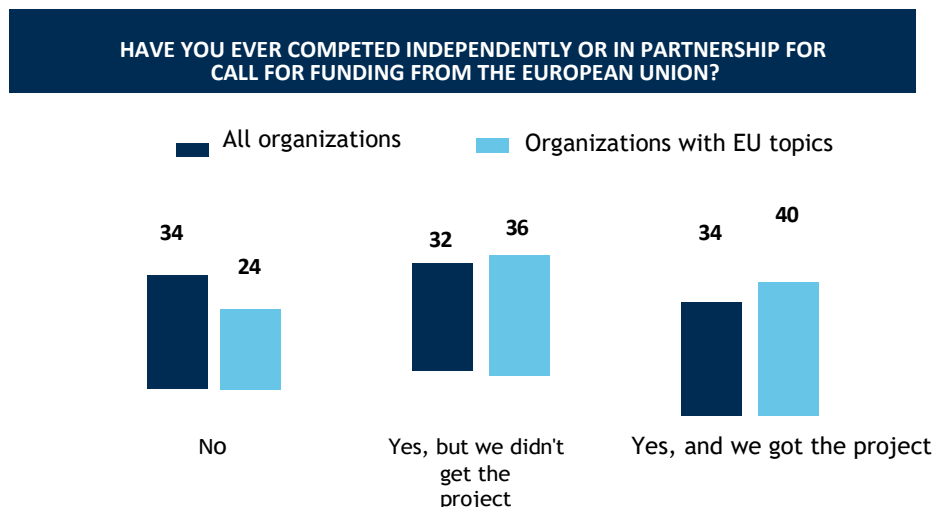
Graph 4. 4. Sources of financing organizations (in %)



Sample: N=215

It is notable that a **third of organizations have never applied independently or in partnership for EU funds**, while two thirds of organizations have participated in the application process. Of that number, a third managed to get projects.

Grafikon 4. 5. The practice of organizations applying for EU calls for funding (u %)



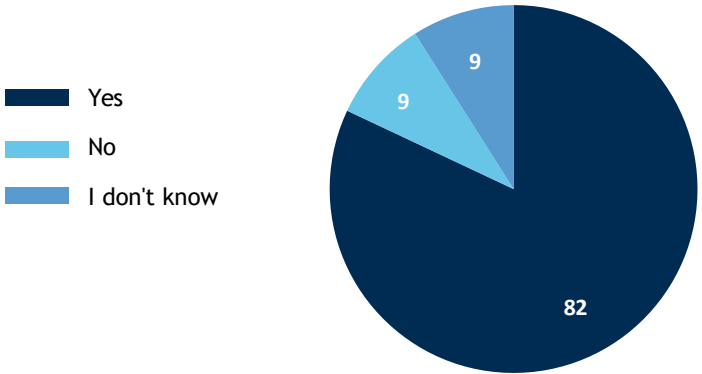
Sample: N=217 (All organizations) N=142 (Organizations with EU topics)

3.4.3. Transparency

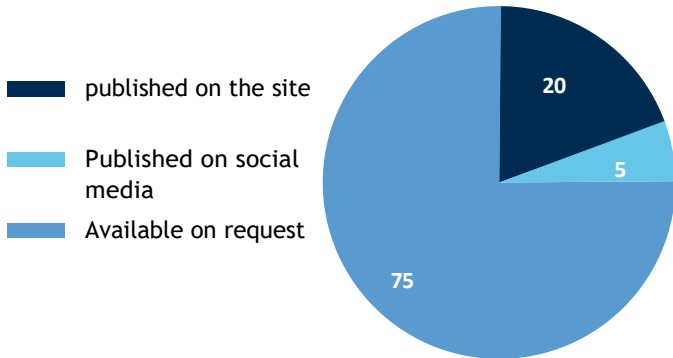
Transparency in the organization's financial operations is an area for further improvement. Data on financial operations are available to the public in 82% of surveyed organizations, while the worrying fact is that they are unavailable in every fifth (9%). An interesting fact is that 9% of organizations are not familiar with this principle of work. However, it is discouraging that in most cases, with organizations whose data is publicly available, it is available on request (75%), then on their own website (20%) and on social networks (5%). Additionally, it is interesting to note that 84 times in response to the question about the availability of financial reports, it is stated that they can be found on the website of the Agency for Business Registers (APR), which is certainly the minimum. Bonitet, Company Wall and neprofite.rs are mentioned as additional sources of information where organizations publish their financial data.

Graph. 4.6. Availability of data on the organization's financial operations (in %)

IS DATA ON YOUR ORGANIZATION'S FINANCIAL BUSINESS PUBLICLY AVAILABLE?



PUBLICLY AVAILABLE DATA



Sample: N=215 Sample: N=133

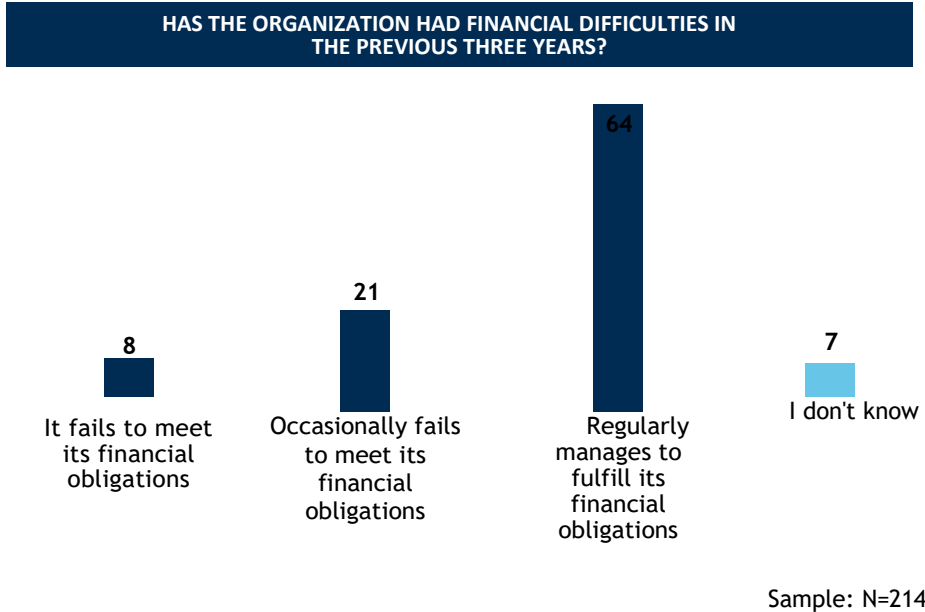
3.4.4. Financial management challenges

Graph 4.7. Challenges that organizations face when financing (in %)

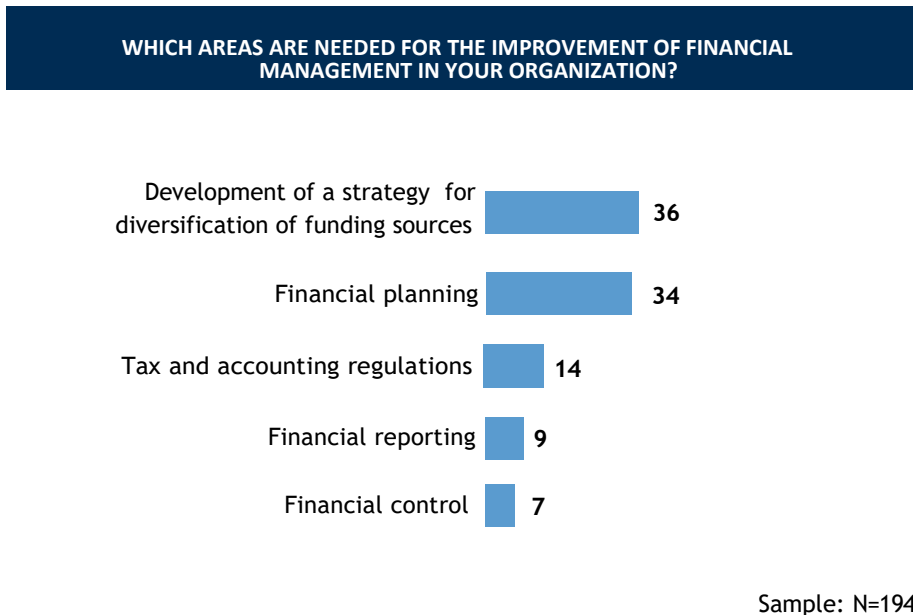


Most civil society organizations have not had serious financial challenges during the last three years. More than 60% of them regularly fulfill all their financial obligations, while 21% occasionally encounter challenges in the process. Only a small percentage of organizations (8.4%) fail to meet their financial obligations. **Lack of time, insufficient information about tenders and potential sources of funding,** as well as high administrative requirements of donors are the main challenges in managing finances among the surveyed organizations, while the need for improvement was identified in strategic thinking related to the diversification of funding sources and in financial planning.

Graph 4.8. Financial difficulties of the organization in the previous three years (in %)



Graph 4.9. Areas needed to improve financial management (in %)



3.4.5. Findings of focus group discussions

The opinion on the necessity of diversifying sources of financing is shared by all the interviewed representatives of the organizations. Relying on grants is no longer promising, but it is still very much present. According to one interviewee, the reason is, above all, because donor grants are "one of the safer ways to get some funds that are more significant for your work." There are various ways of alternative sources of financing that organizations apply or have at least tried with more or less success: social entrepreneurship, commercial services, membership fees, collection of money from the community, business donations, non-financial services (e.g. logistical support of local self-government). to payments from the pockets of founders and members ("practically my family and I as founders finance the activities").

The focus on grants leaves numerous consequences that one of the representatives of the organizations succinctly described as "the vicious circle of the civil sector: that organizations have to apply for a large number of projects in order to have some stable funding, and then get stuck in the fact that they cannot achieve everything , so that the schools would report and maintain all these activities, so I think it is one of the biggest stumbling blocks in the civil sector". In this description, the widely present barrier of limited human resources comes to the fore, i.e. the simultaneous implementation of several projects entails more administration, lack of time and the impossibility of existing human resources to implement projects efficiently and effectively.

Challenges are most often seen in donor policies: demanding procedures, a small percentage of funds intended for human resources and operational costs in donor tenders, insufficient so-called medium calls (grants with challenges adapted to larger, developed organizations with many years of work experience), as well as institutional grants. A big challenge, and to some extent resentment, is seen in the division between Belgrade and the rest of Serbia ("we from the interior feel more and more like contractors, this means that large Belgrade organizations receive

large grants for the work that we do in the end for small money, so yes, in general, it is difficult to survive").

Dealing with a specific topic (e.g. LGBTQ, human rights, fight against corruption) or **approaching the topic in a certain way** (e.g. public advocacy) was also seen as a barrier, especially when it comes to the economy, because business people have a hard time deciding whether to they give money for operating costs and fees. Finally, as contextual challenges, the poverty of the local community to finance the work of organizations (in terms of donations and crowdfunding), the burden on the economy, the negative image of the civil sector in the community, rigging of tenders, etc.

Self-sustainability and financial stability are the key needs of organizations when it comes to financial management. Most of the interviewed representatives of organizations agreed that the **diversification of funding sources** is one of the key conditions for achieving self-sustainability. It is up to organizations to choose the most appropriate way to diversify funding sources, but according to the situation within the organizations and the local environment in which they operate. However, the strategic decision of the organization is not enough, but also **the skills to achieve it** ("let's learn how to do it. Well, obviously... that the way we communicated did not convince them that what we do is important. Well , I don't know how else to say it.") or how "first of all, we should be very visible and communicate clearly with different publics: with the local self-government, the local community, the business sector and so on".

In addition, in all focus groups, **the importance of the institution's grants** "in which you relax a little in the sense of, don't tremble over telephones, renting space and all those other things that can make it easier for you, was highlighted as a condition." And in a certain sense to include new people, one or two people. That grant certainly cannot include 100 people, but at least one or two people in whom you recognize the potential to start with education... to create that team of human resources that can continue to work, I think, because our goal is not to when one or two withdraw from the organization to lock down the

organization...”

Finally, some of the respondents believe that the condition is "the trust that large donors need to have towards organizations that are not in Belgrade." So we lack decentralization in the donor world as well, first of all he thinks of USAID and the European Union. So they very shyly try to finance organizations that are not from Belgrade, but it is easiest to send money to the big five organizations in Belgrade, and then those organizations are literally looking for contractors and subcontractors in the interior. This is how the civil sector in Serbia currently functions".

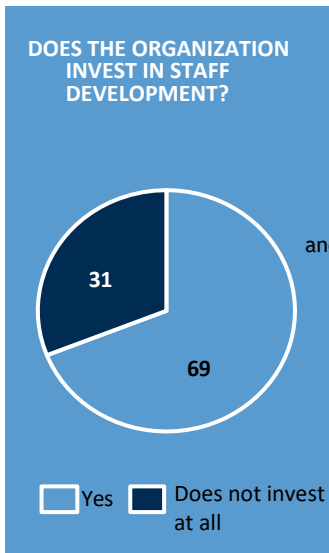
3.5. Human resources management

Human resource management is a complex process aimed at the development of diverse skills, talents and motivation of employees, with the aim of improving their contribution to the achievement of the organization's common goals. As part of the research, the development of employee competencies and the performance measurement system, psychological safety of the staff, as well as challenges in human resource management were analyzed.

3.5.1. Development of employee competencies and performance measurement system

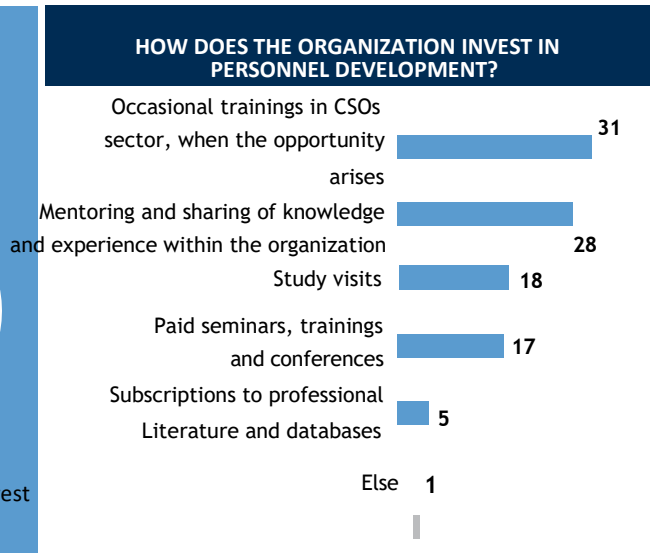
Organizations invest in the development of staff competencies, but one can hardly talk about planned investments, but more about using occasional opportunities from the environment and own capacities that are free, free of charge, because they do not require financial resources. Analyzing data on staff development, it is observed that 70% of organizations invest in the development of staff competencies. However, as already stated, it is more about using available occasional trainings in the CSO sector. Also, a significant part of investments is aimed at using internal resources (which are the most financially profitable), i.e. mentoring within the organization, through the sharing of knowledge and experiences among employees. Forms for which it is necessary to allocate funds from the organization's budget, such as study visits, paid seminars, trainings and conferences, and subscriptions for professional literature and databases, are noticeably less represented.

Graph 5.1. Investment in staff development (in %)



Sample: N=214

Graph 5.2. Way of investing in staff development



Sample: N=172

To the question of which area should be invested the most in order to educate and advance the staff, the most common answer highlights the importance of investing in fundraising, proposal writing, financing and project management, which indicates the importance of fundraising in organizations. On the other hand, less emphasis is placed on investing in staff well-being and human resource management.

Graph 5.3. Staff needs for education in different fields (in %)

WHICH AREAS ARE NEEDED FOR THE IMPROVEMENT OF FINANCIAL MANAGEMENT IN YOUR ORGANIZATION?

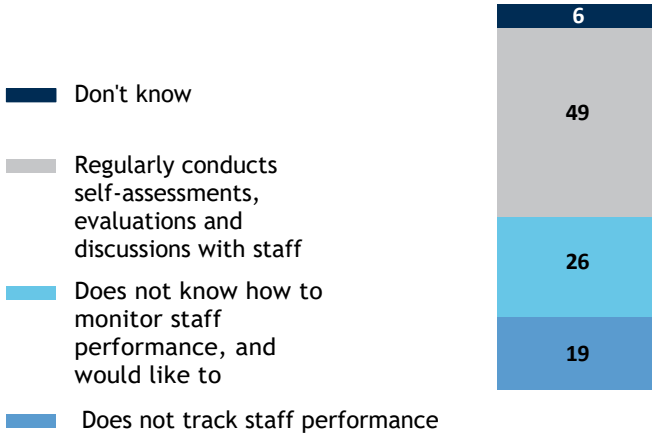


Sample: N=211

In connection with the monitoring of staff performance, it is noticeable that half of the organizations regularly conduct self-assessments, evaluations and discussions with employees. In contrast, the other half do not have an established practice of monitoring their employees. Nevertheless, even in situations where organizations do not monitor staff performance, 1/3 of them express a desire for improvement in this sector, emphasizing the lack of current knowledge for implementation of such changes.

Graph 5.4. Monitoring staff performance (in %)

DOES THE ORGANIZATION MONITOR PERFORMANCE OF STAFF?

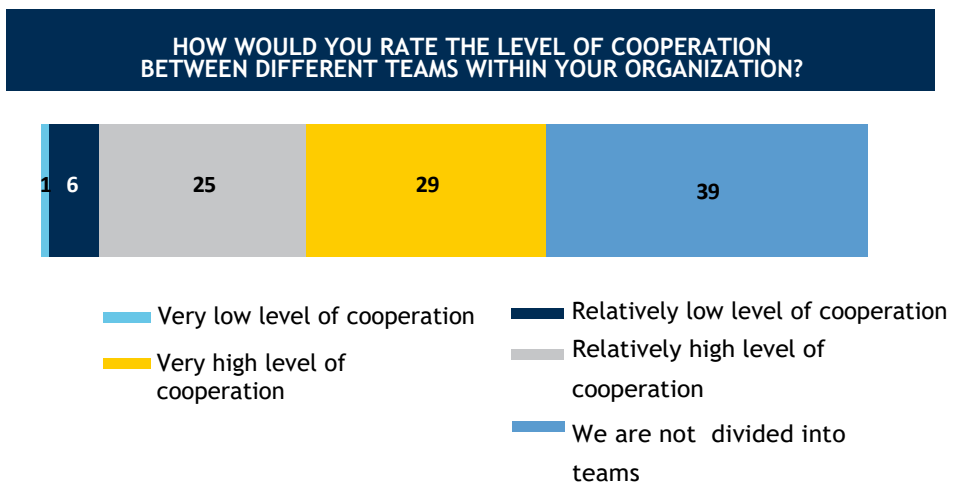


Sample: N=214

3.5.2. Staff relations

As already established earlier, organizations have a small number of staff and this explains the fact that in 40% of cases there is no division into teams. Where there are, **there is a very positive dynamic of cooperation between teams**, with as many as 1/3 of them emphasizing a high level of cooperation between different teams.

Graph 5.5. Level of cooperation between different teams (in %)



Sample: N=224

Also, in most organizations, positive dynamics of relations between staff can be observed, which is further confirmed by the fact that every fourth organization emphasizes the absence of previous conflicts. The analysis showed that organizations effectively manage conflicts, given that almost all organizations that have faced conflicts emphasize the existence of developed mechanisms for their resolution.

Graph 5.6. Organization management of conflicts and disputes among staff (in %)

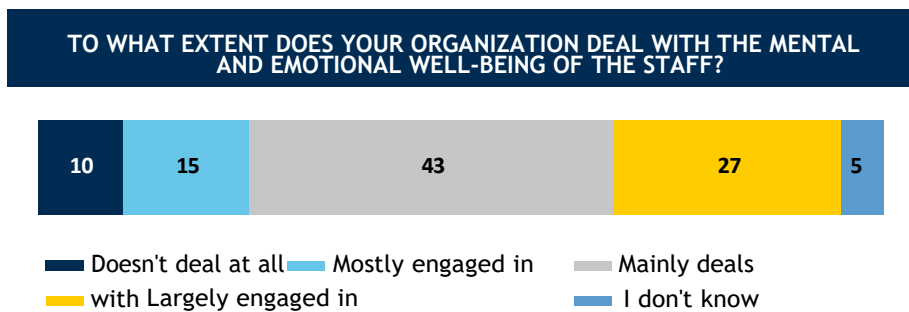


Sample: N=205

3.5.3. Psychological safety

The mental and emotional state of the staff is room for improvement. Although 70% of organizations perceive commitment to the well-being of their staff, the methods indicate that it is mostly based on individual conversations between managers and staff and only in crisis situations. Any forms of prevention or other methods are represented in almost negligible percentages.

Graph 5.7. The organization's commitment to the mental and emotional state of the staff (in %)



Sample: N=214

Graph 5.8. Ways in which the organization deals with the psychological and emotional well-being of the staff (in %)

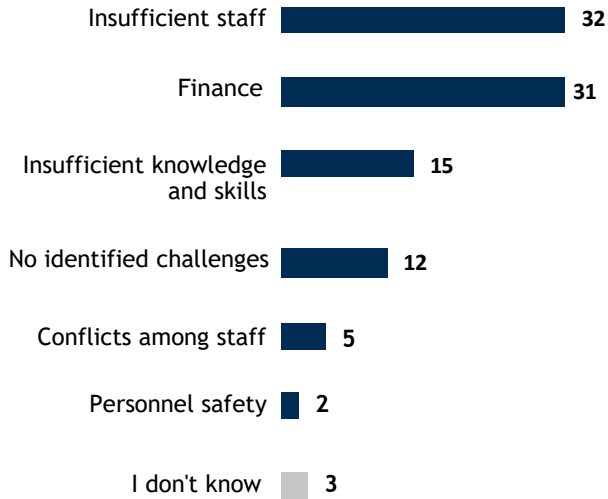


3.5.4. Challenges of human resource management

Understaffing and financial difficulties are key challenges when it comes to human resource management. In addition to these, the third significant challenge is the lack of sufficient knowledge and skills required for effective human resource management. Also, it is interesting to note that there is a significant number of organizations that claim that they have not experienced these types of challenges in human resource management.

Graph 5.9. Challenges of human resource management (in %)

WHAT ARE ALL THE CHALLENGES IN HUMAN RESOURCE MANAGEMENT IN YOUR ORGANIZATION?



Sample: N=213

3.5.5. Findings of focus group discussions

Teams within organizations are small. This is precisely why there is generally no strict division of work and activities, and the principle that everyone does everything prevails ("we have not strictly defined who does what. Of course, there are some basic divisions regarding who primarily deals with administration, finance, who is for communications, media or other things. But, I say, when it's a small team, it's probably clear to everyone."), **which leads to burnout at work.**

Awareness of this exists and several approaches have been noted to improve the mental and emotional well-being of staff in the sense of: breaks, redistribution of work, focus on results regardless of how they are achieved (allowed to work from home, no formal working hours, etc.), joint activities ("we are trying to create some small, small beautiful moment, this one for example for the New Year now, last time we distributed packages for children for the first time, how should I say these some of our activist participants, this one members") , group discussions within the team to expert help from psychologists.

Small teams make it impossible to invest more seriously in the development of competences, and resources are used "offered by larger Belgrade organizations when it comes to training, training and so on, to improve that person." An example of good practice of sharing human resources between organizations was identified.

The inability to retain staff is the biggest challenge for organizations in human resource management. It is a complex problem made up of a mixture of factors, among which the following have been identified: burnout at work due to multitasking (simultaneous performance of several different jobs), insecure and low wages ("we cannot keep the quality people we want to keep, they are not in question only finances, everything is a question, but hey, it's often a problem");

insufficiently engaged staff (few employees, mostly on fees); inappropriate division of labor and departure of young people from smaller communities. In addition to staff retention, the lack of staff for appropriate topics in the civil sector, as well as the lack of people with experience working in the civil sector in local areas, were identified as challenges.

More staff, made up of people with appropriate knowledge and skills (primarily related to communications), who share the same values, with a clear division of work within the team, are the key need of organizations when it comes to human resources. The specificity of the civil sector, according to the respondents, is that "we choose people based on the fact that they value our story." And then, when it comes to someone's professional capacities, it may be in a different place". However, in addition to prioritizing values, for a good team it is necessary **to ensure dignified working conditions, first of all, higher wages** because "in order for people to work, not only because of enthusiasm, you need to have enough funds to be able to pay them." If you don't have that, it's happened to us several times - people leave." That is why part of the interlocutors see in the institutional grant the possibility to create conditions for the inclusion of new people. In addition, it is important that there is "some psychological support for people who work in the civil sector, because I believe that it is very necessary for everyone, but specifically for the civil sector, especially people who work in the civil sector, it is a huge pressure."



4.

CONCLUSIONS AND RECOMMENDATIONS

Conclusion 1: Management of finances and human resources are the weakest points of the work of organizations in Serbia. Organizations do not have enough capacity (skills, information and people) to achieve financial sustainability based on the diversification of funding sources, nor to retain personnel within the organizations.

Survey research indicated that organizations mostly rely on non-reimbursable donations from private and public sources, as this provides a certain amount of security compared to other forms of financing. The economy, citizens and other sources of financing or receiving non-financial support are still untapped potential, although there are no lack of attempts to provide funds for activities in different ways, but obviously with less success. As part of research in research focus groups, successful examples of collecting funds from the community, membership fees and through the practice of social entrepreneurship were recorded, but even in those cases, in the end, support in the form of grants was necessary. Focus group respondents strongly stated the importance of acquiring fundraising skills. It is not only skills that are needed, but also information. A particularly interesting fact emerged from the survey research that among the biggest challenges is the lack of information about potential sources of financing and even that they have no information about tenders.

Relying on grants consumes other resources of organizations (time and people, first of all) and in some way is an obstacle to organizational development. Although survey data indicated a trend of certain financial stability and the ability of organizations to fulfill their financial obligations in the last three years, on the other hand, it was followed by the so-called **the vicious circle of the civil sector** (as found in the research in focus groups) - too many human resources are spent on obtaining grants of smaller amounts, with insufficient amounts for fees and salaries, time-limited to up to a year, which bring with them exhausting and complicated administrative demands of donors, with little room for programmatic activities or time for any other type of development. In other words, a result in which organizations, donors and, ultimately, the entire community lose.

Organizations are not transparent when it comes to finances, which is an important finding of the research, especially for the civil sector, which often originates requests for more transparent work of public authorities. Although the organizations perceive that they are transparent, the existing practice, determined by the survey, shows that there is room for improvement in this segment of work, since it is not enough to provide, for example, availability of financial reports on the APR portal or upon request.

Certain contextual elements important for further understanding of current donor policies, which emerged from the narratives of organizations during focus group discussions, cannot be ignored. It is about the repeatedly identified attitude that most funds are allocated to larger organizations in Belgrade, which creates a shortage of medium-sized grants and puts larger organizations within Serbia in front of a choice between partnership (with organizations from Belgrade) or investing resources in smaller grants that they do not contribute to their long-term sustainability. Also, an opinion was identified about the almost non-existent opportunities for institutional support that would enable relaxation in work (in the sense that they would at least provide salaries for a while and devote themselves more actively to program activities).

Organizations have small teams that are situationally managed, ie. there is a permanent crisis management of human resources. The small number and fluctuations of personnel make any systematic approach to the development of human resources difficult, and staff

retention is the biggest challenge faced by organizations when it comes to human resources. Small and uncertain wages are part of the cause, and there is an obvious desire to bring them into an acceptable framework. However, part of the sample can also be found in other aspects: work organization, opportunities for training, etc. Survey research indicates that there is a perception that organizations carry out these activities. Indeed, efforts have been identified to provide some benefits to team members in terms of mental and emotional health care or opportunities to improve skills, but all efforts are insufficient, again situational, when an opportunity arises or a problem already arises. , without preventive and planning. Caught in the trap of the already mentioned vicious circle of the civil sector, small teams and inappropriate division of labor in combination with insecure and insufficient earnings, almost as a rule lead to burnout at work, loss of motivation and leaving the teams. The departure of young people from smaller areas is an added challenge for organizations from the interior of Serbia.

Conclusion 2: Most organizations in Serbia are strongly committed to fulfilling their mission, but significantly fewer of them have appropriate structures, systems and procedures that are the basis for long-term and effective action.

This refers, above all, to the existence of strategic and other plans (communication, financial, monitoring and evaluation of work, etc.). No less important is the existence of operational documents that would ensure the implementation of value-based policies (gender equality, prevention of conflicts of interest, prevention of mobbing, etc.) or administrative actions (in accordance with regulations or donor requirements). More than half of the organizations have a strategic plan, but this is not encouraging since it is the most important development document. Although most organizations have some form of formal operating procedures, only slightly more than a third regularly monitor and update them. Moreover, the results of the survey indicated that the procedures are in the lower half of the list of development priorities. Research in focus groups indicates that preference is given to what works in practice, regardless of formal structures or management style.

However, it is not a matter of lack of awareness of the importance of planning and the creation of internal structures, but above all of forced prioritization. Discussions in focus groups indicated that organizations recognize the importance of having a strategic plan as a condition for long-term action, while survey research showed that existing procedures are followed. Faced with sustainability, organizations are "all-rounders", i.e. they adapt to donor calls often outside the field of action. In addition, the staff is small and fluctuations are frequent, especially in the interior of Serbia. In such circumstances, it is understandable that they prioritize fundraising and staff retention over the development of internal systems, procedures and structures. In addition, during the discussion in the focus groups, an additional finding was highlighted, important for understanding the relationship to planning and management. Namely, almost all respondents have a positive attitude towards community-based and work with users, but part of the respondents see the potential danger of alienating organizations from the base in the development of internal structures and formalization of work, stressing that there are such examples in practice.

When it comes to management structures, preference is given to functional management, i.e. the one that gives results in practice, has a vision and is capable of making compromises. A democratic culture of management characterized by participation and transparency in decision-making is fostered within the organization. However, a large number of organizations rely on the management and perceive that changing it would cause certain consequences - from drastic, in the sense of ceasing to exist to continuing to operate in a different form.

Conclusion 3: Thematic expertise is a stronger foreign organization, but at the same time there are noticeable weaknesses in communication with actors from the environment, which greatly affects the effectiveness of the

The existence of expertise is indicated by the possibility to modify or create completely new programs if necessary, while during the examination in this was unquestionable in the focus groups. Moreover, it has been highlighted as one of the main needs of organizations, although it is often undermined by an excessive focus on securing finances.

However, the fundamental invitation of certain areas is only part of the puzzle of creating conditions for changes in the environment, since additional knowledge, skills and resources are needed. Although most organizations carry out public advocacy activities, not all of them participate in the formal decision-making process, for which formal conditions have been created by recent legislative changes in Serbia. The data indicate that half of the organizations actively participate in decision-making (participation in working groups, consultations and public debates), as well as that they need appropriate knowledge (procedural knowledge, for example, in connection with participation in working groups and permanent working bodies). On the other hand, it is indicative that a part of organizations resort to different public advocacy tactics, relying on media pressure and actions in the community. In other words, everything points to a clear attitude that is contextually imposed and can be linked to a reluctance to cooperate with public authorities at all levels. Namely, the results of survey research and discussions in focus groups showed certain reservations and dilemmas regarding cooperation with public authorities.

Organizations prefer being grounded in the community and consider it a necessary condition for public advocacy. However, certain contradictions are noted here. Data from the survey indicate that among organizations there is a perception of being grounded in the community, while during focus group discussions, it was pointed out that part of the organizations are alienated from citizens, which leads to the conclusion that the relationship with the base is also room for further improvement.

Overall, communication with different actors is room for improvement. It is good with other organizations, as indicated by the data on the achieved cooperation, readiness for cooperation and networking. Partnership with other organizations provides extraordinary advantages that can be used to achieve better joint influence on decision-makers, optimization of resource sharing and rationalization of costs, etc. However, it is important for organizations to review their communication approaches towards different partners and make some kind of prioritization, because the data show that every fifth organization does not have a developed communication approach or an identified target audience, many do not have updated strategies, and yet the majority points out that all citizens are their beneficiaries. , which, bearing in mind the capacities of organizations, is unrealistic and does not agree with effective communication practices.

Conclusion 4: The topics of Serbia's accession to the EU are the framework of work for a large number of organizations in Serbia.

The results of the research indicate that almost 70% of organizations include these topics and that there is a high level of information among them. They are mainly topics related to: education, science and culture, then environmental protection, rule of law, security and transparency and, finally, social policy and employment. This group of organizations mainly deals with the mentioned topics through public advocacy, education and research.

The conclusions point to certain phenomena within the civil sector that need to be focused on in the coming period. Recommendations are focused on organizational development and numerous contextual challenges are not taken into account (e.g. legislation, political context, etc.), which does not exhaust all mechanisms for the improvement of organizations, as well as actors who can take part in the development of civil society in Serbia.

In this sense, the following recommendations are intended, above all, for organizations and the donor community:

Recommendation 1: It is necessary for organizations to focus as much as possible on the development of alternative approaches to fundraising, adapted to the context and community in which they operate, within which the constituent segments would be: information and education, greater transparency and development of relations with stakeholders. in the community, above all with the economy.

The creation of specific calls for medium-sized organizations or especially regional competitions are part of the solution, but with a short-term and limited effect, in relation to **the creation or mentored programs on financial planning and fundraising, as well as the opening of additional calls for institutional support.** Organizations should ensure **greater transparency by regularly publishing data on financial operations** on the Internet and social networks, as the first step in establishing trust with the community and potential donors, as well as **develop practices of more proactive sharing of information about achievements and work results.** The development of relations with potential donors (primarily the economy) is a long-term process, and at this moment organizations must **devise approaches to sensitize the economy to their topics and activities, as well as focus on finding non-financial forms of support that can reduce their costs** (e.g. obtaining space for use, sharing of human resources with other organizations or businessmen, etc.). The overall effect of the implemented recommendations would to some extent reduce the focus on grants, as currently the most represented source of financing, and in the medium term provide the necessary financial stability and space for the development of other work segments in the organization.

Recommendation 2: Planning, as well as the development of internal systems and structures, adapted to the capacities of organizations, regardless of their size and experience, must become a priority in organizational development of equal importance with fundraising or human resource development.

In this sense, donors should provide more opportunities **through mentoring programs and special development grants** for these needs. Plans for defining the strategic approach, communication and diversification of funding sources are the basis of managing organizations. Within organizations, **the most important role is the leadership, which would emphasize the development of a culture of planning, followed by a culture of monitoring, evaluation and learning.** At the same time, it is important to use the spirit of democracy within organizations and the willingness to innovate, and to open space for the selection and preparation of future leaders of the organization. Only in this way, systematically and through planning, can the need of organizations to act in accordance with their mission in the long term be partially met, reducing to the smallest possible extent the current practice of thematic *generalization* and the constant need to *get back on track*.

Recommendation 3: It is necessary for organizations, in parallel with efforts to ensure salaries and fees (through diversification), to focus efforts on improving the mental and emotional health of team members.

Better organization of activities and division of work, planning and creation of additional opportunities for training, as well as the introduction of preventive activities to strengthen solidarity and mutual assistance within teams can greatly mitigate the widespread phenomenon of burnout at work. The donor community should take into account the challenges that organizations face and provide appropriate types of support that would range from providing training to simplifying grant management procedures.

Recommendation 4: It is necessary for organizations to be involved as much as possible in decision-making processes at all levels of management, from local to national.

Building trust is crucial, first of all towards public authorities and decision-makers, as well as towards the community in which they operate. The ways to achieve this are: **improving various aspects of communication** (planning, clearly defining target groups and messages, providing feedback, increasing transparency, etc.), as well as **improving skills and knowledge about the possibilities of participation and influencing decision-making**, which provides the current strategic and legal framework of the Republic of Serbia (among other things, the Law on the Planning System and corresponding by-laws, the Law on State Administration, the Law on Local Self-Government, Guidelines for the inclusion of civil society organizations in working groups for the preparation of proposals for public policy documents and drafts, i.e. draft regulations, Rulebook on good practice guidelines for public participation in the preparation of draft laws and other regulations and acts, Guidelines for inclusion of CSOs in the process of passing regulations, statutes of local self-government units).

In addition, an integral part of improving skills and knowledge is understanding the internal structures, procedures and practices of public authority institutions within which decision-making processes are carried out. Examples of good practice and lessons learned resulting from the previous involvement of civil society organizations in this field also represent a valuable source of knowledge. A fundamental approach, reasoned and transparent, creates a basis for establishing and maintaining a dialogue with public authorities, exerts pressure for corrections of regulations and public policies, and provides feedback on the outcomes to the community on whose behalf it acts.

Recommendation 5: It is necessary to conduct a more detailed research on the representation of EU topics in the work of organizations and, in accordance with the findings, to improve their capacities for greater contribution to the reform process in the context of Serbia's accession to the EU.

The research should provide a detailed insight into insufficiently current, new, narrowly specialized and unrepresented topics and the required knowledge of organizations related to EU public policies. The latter training and development, as well as other activities based on the findings, should be supported by public authorities at all levels and other actors, in addition to the donor community, as a form of joint work, building trust and strengthening cooperation in the EU accession process. In this sense, the competent ministries for European integration should include strengthening the capacity of civil society organizations within their activities, while the Permanent Conferences of Cities and Municipalities (whenever possible) should include representatives of local organizations in the implementation of trainings intended for employees in local self-government units.



5.

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