

# METHODOLOGICAL QUESTIONS OF A SURVEY OF CIVIL ORGANIZATIONS

Anita Pierog – György Norbert Szabados

*Institute of Management and Organization, Faculty of Applied Economics and Rural Development,  
University of Debrecen 4032 Debrecen Böszörményi út 138. Hungary*

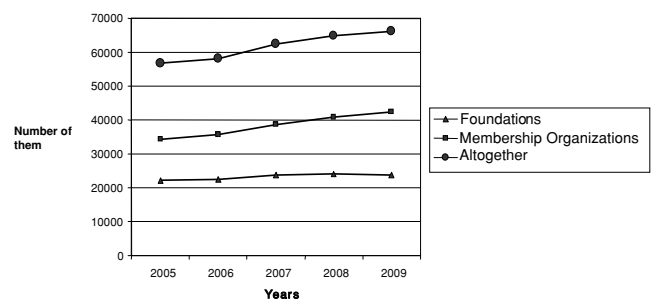
**Abstract:** Today, the non-profit sector, and especially the role of civil organizations, has become significant in society. In Hungary there has been a large development in the past 20 years, in the non-profit sector, as the number of such organizations has quadrupled. The number of classic civil organizations (foundations and associations) makes up more than 80% of the non-profit sector. The social attendance, economic significance and affect often raise the issue of the true intensity of the sphere and also the question of why there are such vast differences between the conditions of function, human resources and how successful they are. For years now, with management related examination, we have been searching for the answers to the above questions, within the confines of the functional aspect research program of the Institute of Management and Organization in University of Debrecen, Centre for Agricultural and Applied Economic Sciences, Faculty of Applied Economics and Rural Development. Above all, we made an attempt to find general, management- related results and answers, with the use of probability sampling, a low number of samples and surveying. In the selection process of organizations to include in our research, we relied on the data base of the Court of Hajdú-Bihar County and with K-aspect systematic sampling, and we also questioned more than 140 managers from different organizations. With this research, we acquired a diverse collection of information, which now we intend to summarize within this article. With this article, we aim to find out how realistic a picture the database of the Court gives regarding the civil activity of the county. Even the sampling was not trouble free, since the entire database is not accessible. The survey also revealed some problems that confirmed the statement of the Central Statistic Office (KSH), i.e. that some organizations either do not function at all or function in name only.

**Keywords:** non-profit, civil, Hajdú-Bihar county, method

## Introduction

In Hungary, the role of the non-profit sector, and more specifically, the civil sector, is becoming more significant. As proof of this statement, their numbers, social and economic roles evolved rapidly after 1989. This development is expressed in their numbers and their position in the sphere of the economy. While at the end of the 1980s, only 8,500 civil organizations were functioning in Hungary, by the second half of 2000, this number rose to close to 60,000 in the sector. This rapid increase in numbers and the change in structures may be explained with more factors, each partially related to each other. In Hungary, since 1990, the number of civil and non-profit organizations quadrupled and the profit of the sphere between 1996 and 2006 rose from 240 to 896 billion Hungarian forints (Bocz, 2009).

Figure 1 clearly describes the increase in the number of these organizations country-wide. Simultaneously, court records indicate, that in the past few years, these numbers have been stalling. From our point of view, the expectations drafted by the new civil law will decrease (especially from May 2013) the number of these organizations in the sector. New obligations related to reports will definitely play a role in this decline, just as the alteration of the program based support fund. (National Civil Fund – National Cooperation Fund)



**Figure 1:** Conformation of the number of civil organizations between 2005–2009

Source: Own compilation, based on KSH data, 2011

In 2010, approximately 65,000 non-profit organizations were functioning in Hungary. A little more than one-third (23,500) were foundations, and 41,500 were membership organizations. 62% of the foundations are related to 3 fields of activity: education (32%), social procurement (16%) and culture (14%). Regarding non-profit membership organizations, the ratio of leisure activity (25%), sports association and cultural organizations are still the most significant. Our research is focused primarily on classic civil organizations, which may be explained by their superiority in numbers. These two legal forms make up 87% of the non-profit sphere

(Baranyai et.al. 2003), which number remained the same according to statistics from 2010. At that time, half of the organizations held the title of public-benefit, while only 6% were elevated to the status of prominently public-benefit organization (Internet1).

Regarding these organizations, new changes came with the new legislation. The prominently public-benefit status ceased to exist. The demands and obligations to keep the title public-benefit may further burden this sphere in the future.

Non-profit organizations in 2009 gave almost three times more jobs to employees than in 1993, further increasing the economic importance of the sector (Internet2). Between 2009 and 2010, the employees in the sector rose by 9.2%, thus the total number exceeded the value of 143,000 (Internet1). Peculiarly this field may be connected with significant voluntary activity, which multiplies the work capacity of full time employees.

Wenn we examen the sector, we normally due so from two sides. We examen its economic capacity and its human resorces. Also, the method of categorization has changed, since the associations, the foundations and the civil associations are now all considered to be civil organizations.

A further problem is, whether the significance of the civil sphere will be depleted in only considering their economic capacity and human resources, leaving out other dimensions which approach the significance of the sphere from a completely other perspective.

The current research is meant to substantiate the answers for the questions determined above.

## Materials and Methods

Data from 2010 show that the number of registered non profit organizations is a little less than 65,000. Every year, using sheet no. 1156, the Hungarian Central Statistical Office (KSH) collects information about this sector. KSH is involved with with sample taking, but in reality it does not give a clear view about the number of active organizations (respectively examining few dimensions to judge the measure of real organization activity), nor about wheter they are contactable.

This can be explained by- although receiving the sheet-most do not take the time to send it back to KSH. Also, the default of sending back the sheet does not have any kind of legal consequence. In this way, since the data are not confirmed by authentic means, our point of view is that most data are based merely on estimation.

In answer to this problem, the new Civil law is expected to bring more strict rules on many points for civil organizations. In the future, due to obligatory court publication, more authentic data are expected.

Since, based on KSH registry, it is harder to start a county-wide survey, we used the data supported by the County Courthouse (former Court), as it is liable for registering all functioning and semi- functioning organizations.

Our examination is also capable of revealing Courthouse data validity and true content while considering possible evaluation mistakes. On the basis of Courthouse data, out of 82 settlements, 72 have registered civil organizations in Hajdú-Bihar County. On the Courthouse's homepage, these organizations are registered in the following categories (which include the currently valid details, according to the President): registered; modified, based on notification; repealed (by civil review procedure); repealed (in new trial); modified (by final and binding decision); and terminated (by final and binding decision). Of the above categories, the third means that the organisations apparates in accordance with the date avaliable in the courthouse: registered; modified based on notification and the modified (by final and binding decision). Although by choosing one of these three categories, the number of organizations may be quantified, unfortunately, an accurate list of them has not, a problem for which the courthouse was unable to give any solution. Thus, because of this method, we were forced to narrow the number of categories and to examine only registered organizations. From this determined base population, using K-aspect systematic sampling we tried to contact these organizations, collect their details, and keep several research aspects in view.

On the basis of literature recommendations, this K-aspect systematic sampling is completely appropriate in this case. During this sampling, we choose every „k”th member into the sample pool.

This method- with few exceptions- is functionally equal with simple random-pick sample taking, while being more practical (Babbie, 1998). Thus, every 10th organization got into the the sample pool. Collaterally with this we determined the selection method of subsidiary addresses, if the chosen address is unreachable for some reason, it can be added in later. These subsidiary addresses were defined to be continued by the next address. This type of survey was started experimantationally. And in the following days we are strating a new survey that relies on a larger sample pool. As far as we know, no such examination was started recently in the circle of civil associations, at least, in Hajdú- Bihar, we are not aware of any.

The survey relies on the examination program of the Applied Economics and Rural Development Faculty's Institute of Management and Organization, both in the selection of the desired method, in the determination of management tasks and in registration surveying. The basis of this method was elaborated Berde (2000). Within the confines of this program, primarily questionnaire surveys, deep interviews, and the composing of case studies are accepted. From among these methods, at this point of the project, the questionnaire surveys are making progress.

First of all, for the examination, a questionnaire and the means of its analysis had to be made which consists of three parts: general data collector; interview identification data and the interview itself.

Onto the general data collector, we particularly collected the most important details about the given organization in 13 questions (such as legal form of operation, function, public-

benefit level etc.). The interview identifier aims the measurement of personal, professional and experience details of the questioned person, such as the gender, age, or highest qualification of the subject.

In the professional questionnaire interview we measured the aspects in focus (such as leading function, organization activity and organization development) where the questioned leading manager had to qualify the importance of these aspects by their impact. We applied different questions, and as possible answer we designed for these questions a 5 stage rating scale (1: not sufficient/insignificant rate or amount; 3: medium/average rate or amount; 5: excellent/ significant rate or amount). This total of 8 leading functions, 5 categories of activities and 10 questions, drafted issues regarding the attitude of organization development or asked about passed off developments. The questionnaire survey was performed in the sphere of the lead managers of civil organizations.

In the case of a civil organization, those are considered to be lead manager, who are entitled to decide. In the case of an association the representative, recorded, but not nominated by its constitution; in the case of a foundation, the person/representative, nominated by the deed of foundation. The surveying had been executed by trained commissioners whose jobs were to conduct subsidiary addressing as above, whether for any reason they, have not been able to complete the questionnaire at the first given address.

Summarized, we reached the sample limit of 100.

We completed the evaluation of the questionnaires with the help of the program package SPSS 14.

## Results and Discussion

We started this monitoring in July 2011. For the sampling process, we used the database of the Court of Hajdú-Bihar County. On the 7th of July, 2011, according to courthouse data, in Hajdú-Bihar county, the number of civil organizations in 3 categories, reached the number of 3,475. As the President of the courthouse confirmed, these details are relevant and up to date. Since this base population –because of its large number- is not published on the homepage of the Courthouse, we narrowed our search and focused only on registered organizations. There were 1,462 organizations in this category. Of a total 1,462 organizations, 667 are located in Debrecen, and the remaining can be found in other cities in the county. To acquire a more accurate sample pool, we created a stratified sampling method according to the distribution of the base population.

Based on our experiences so far, more consequences may be concluded about the methodology issues of civil organizations. The first –and maybe the most important result in many aspects – is that there are several problems related to the true activity and the existence of civil organizations.

Many of the organizations we searched were found amongst the registered organizations although they already ceased to operate. Beyond this fact our project approached the following obstructions:

- the organization can not be found at given address
- the organization is not known
- no one knows about their existence (relevant connection to a business association)
- moved, can not provide a new address, or may not give information to reach them (availability)
- does not respond.

These problems arise not only regarding the first addresses, but at the point of the subsidiary addressing procedure also.

The database on the courthouse internet homepage – contrary to the statement of the courthouse President- not only does not cover the relevant population but only shows the registration data of an organization. Additionally, our point of view is that the registration database is not up to date in all cases. The reason for this may be explained by the civil organization's not taking the courtal registration process serious enough, in their not fulfilling their announcement obligation or not providing accurate information in time.

Our previous results suggested that there are many problems with the legal conformance of civil organizations. In most cases, only a prosecution inspection reveals these legal problems. There were many lead managers who refused to answer, others alluded to the shortage of time. In the case of an unknown primary address, the commissioners continued with the subsidiary addresses.

Figure 2. shows how many questionnaires had been made at the address of a given serial number. Zero address shows the chosen organization, and implicitly 1-10 are the numbers of subsidiary addresses. According to these data, only 31 per cent of organizations were found at their original addresses, thus on 0-3 addresses, only 73% of the questionnaires were made. According to these details and our results, the number of truly functioning registered civil organizations are way less than what the data of the courthouse suggests.

Beyond these, the answers given for professional questions also give a really diverse picture. Apart from direct evaluation, many surveys were made where the respondent left spaces empty, either because they were unable to interpret the question or the question did not apply to his organization. It is still a question whether this sphere can be examined by following the methodology of related professional literature.

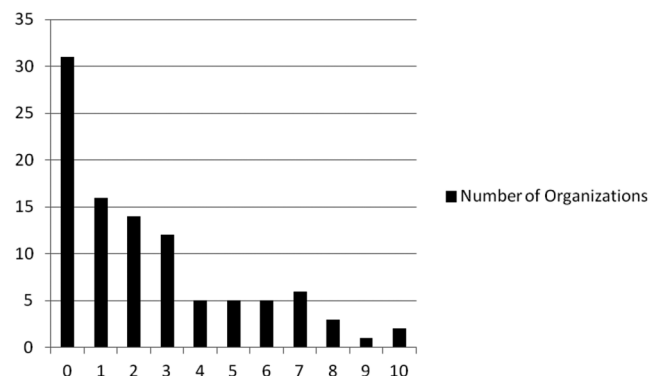


Figure 2.: Distribution of civil organizations regarding subsidiary addresses  
Sources: Own inspections, 2011

The answering willingness of civil organizations, as social self organizing units, deserves a different thought, since the level of such willingness is quite low. The inclination in giving these answers, or the lack of this willingness may be traced back to many reasons. Regardless of giving a full list, we just mention some, such as: distrust towards others, distance of manner, or autocratism.

The problems coming up under research brought up several questions, regarding organizations as primary subjects of this examination process. Obviously the problems connected to the registration of civils organizations, may not be blamed on the Court, although it is still questionable why those civil organizations are still in the registry if they have already ceased to operate. According to KSH registry, the number of organizations that operate without money country-wide is about 3–4 thousand.

Literature also writes about so-called sleeping organizations who only function nominally, without performing any real activity. We may even find estimations that evaluate the number of these organizations at about 10%. The new legislation and regulation will modify this substantially. The consequence of the absence of handing in reports (which allows a 1 year lapse in time) by May of next year is the prosecution procedure, based on Courthouse initiation.

Much more had to be done to gain the rank of public-benefit. We think that these new expectations will provide a means of acquiring a clearer picture about the sector. For us, at the same time, this means that only those organizations which really intend to accomplish something may remain registered as functioning civil organizations.

## Summary

Our results uncovered several contrasts regarding the activity of civil organizations in the county. Primarily, the problem may be traced back to the lack of any penalty in

cases of negligence, even though providing data is obligatory for civil organizations.

Legislators, data collectors and researchers expect some changes in this field with the enforcement of the new Civil law. In this manner, beyond lots of alteration, the obligation to file an annual report means the greatest change. With the completion and submission of such a report, the circle of active organizations will become obvious, since the negligence in completing this report will mean legal consequences.

Presumably, the changes brought by the codification will alter and affect the operation and management circumstances of such organizations.

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