

# **Empowering Society**

**An Analysis of Business, Government and  
Social Development Approaches to Empowerment**

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## Strand 3: Organising and Organisation

Empowerment can be an evolutionary or planned change. But the planned change is gaining centrality because the evolutionary change is not happening sufficiently fast. Organising as a process and the emergence of organisations as a structure is almost a precursor to empowerment as a part of planned change. This is what this chapter analyses as the third strand in our conceptualisation of empowerment.

The extensive literature on organisation theory and organisation management focuses on the dynamics and functioning of organisations once they have come into existence. There is very little emphasis on exploring the process of the formation of organisations. An attempt is being made here to explore the process of organising at the societal level in the context of organisation theory.

### **The Horizontal and Vertical Planes**

There are three spheres of organising, which constantly interact with each other at the societal level. These are:

Organising people, groups, teams

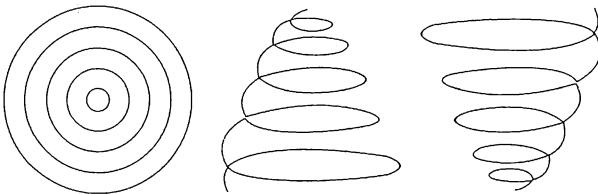
Organising work, production, output

Organising ideas, concepts, knowledge

These three spheres can be viewed as concentric circles which

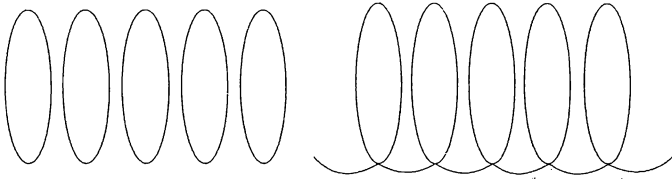
may or may not be linked with each other. When concentric circles are linked with each other they can form a spiral (pila like) or a cylindrical shape. When they are not linked to each other they can be understood as spheres of influence impacting one another.

The spiral shape emerges from the conventional placing (visualisation) of concentric circles as one circle within another circle and so on with a common centre. The innermost circle has the smallest diameter and the outermost circle has the largest diameter. These circles can be linked to each other with connecting loops from the innermost to the outermost circle. In a three dimensional image this takes the form of a conical spiral with a base and a tip. Depending on which circle – innermost or outermost – is being pulled out from the two dimensional form, the tip of the spiral is above the base or vice versa. This can provide a way to understand what is more important – the values, forces, entities depicted by the innermost circle or by the outermost. The relationship between the circles in this juxtaposition can also be understood as a hierarchy or in the vertical plane. This is shown graphically in Fig. 1.



**Fig. 1.** The vertical plane.

The cylindrical shape emerges when the concentric circles are of the same size and superimposed on each other. When the circles in this arrangement are linked to each other and a three dimensional image is created it takes the form of a spring. In this imagery the values, forces, entities depicted by each circle are of the same importance. The relationship between the circles can be understood as equal or in the horizontal plane. A graphic representation of this is given in Fig. 2.



**Fig. 2.** The horizontal plane.

The horizontal and vertical planes constantly interact with each other and both are important in understanding the process of organising and organisations. Organising the three spheres of people, work, and ideas leads to the emergence of various types of organisations in society. The horizontal and vertical planes define the relationships between people within an organisation and the relationships between various types of organisations. The forces of equality and hierarchy, represented by the two planes, also define the basic structure of any society.

## **Human Organisations**

The process of organising people, work, and ideas continues uninterrupted and leads to the emergence of various types of organisations. The largest form of organisation is society – national and global. An organisation is a structure where the relationship between the people it engages with, the work it engages in, and the ideas it engages for its purpose are defined. A fitting concept to define an organisation is contained in the ‘systems approach’ put forth by Bishoprick and Rice (1971). According to them, ‘A system consists of a patterned functioning relationship between components’. Rephrasing this we can say a system is a set of mutually interactive elements functioning in a dynamically patterned relationship. The nature of the elements – either mechanical or organic – determines the nature of the system. All living systems, which include both biological and social organisations, constitute the organic systems. Human organisations are organic systems in this sense. The individual human body is a biological system but individuals in their

collectivity form social systems. Human organisations span from a dyad to a complex large organisation such as society. The definition of a system needs to be extended in order to be applicable to social systems by adding one more clause to the concept suggested above, viz., 'to achieve specifically defined objectives'. ('objectives', 'goals', 'purpose' are being used interchangeably for the sake of simplicity of the definition). This is a critical clause for human organisations because the nature of objectives determines the various kinds of organisations that have been existing all through human history – family, work groups, clans, tribes, kinship groups, religious organisations, business organisations, educational and academic organisations, clubs, forums, associations, professional bodies, political parties, government organisations, defence organisations – in fact the whole panorama of human society.

All these, however, can be placed in three basic categories – social organisations, work organisations, and political organisations. Organisations emerge through the continuous process of organising. Organising, thus, can be defined as a slow continuous process of enabling a group of people to perceive common interests and act collectively to achieve social, economic, or political purposes (objectives, goals).

The reality of being organised and unorganised therefore constitutes two ends of a continuum which can be applied to people, work, ideas. When all three are at the organised end of the continuum, the organisation which emerges is vibrant and effective in achieving its objectives (goals, purpose). When all three are at the unorganised end of the continuum then no organisation emerges. At least one of these three spheres has to be well organised for an organisation to emerge which may then move towards the end of the continuum where all three spheres are well organised.

Seen in this fashion, the individual and the collective (collectivity of individuals) are the two foci which are relevant for understanding ourselves and the world around us. The collective takes the form of one or other kind of organisation – formal or informal; amorphous or morphous (crystallised); nascent or developed, transient or permanent; finite or infinite – engaged in some kind of societal transaction.

## **Societal Transactions**

Societal transactions can be viewed in a mosaic of three interfaces:

- i. Individual-to-individual transactions
- ii. Individual-to-organisation transactions
- iii. Organisation-to-organisation transactions.

In ancient times when technology and societal structures were simple, the social environment of human collectivity was stable and the pace of life was slow. The human population was smaller and the equilibrium of the field forces of society was anchored in stability. The individual-to-individual basis of interaction was manifested more visibly and obviously. Many individual needs were met in interacting with other individuals. The individual-to-organisation basis of interaction was manifested only in limited activities. Organisations being fewer, the organisation-to-organisation basis of interaction was very invisible. As such, individuals were the operational unit of society. Change as an evolutionary phenomenon occurred very slowly. At few and far apart junctures, change occurred suddenly and drastically as a revolutionary phenomenon. The limited and homogenous organisational forms of the earlier times, the comparative stability of societal processes, and the repetitiveness of modes of living provided individuals and organisations an opportunity to synchronise and stabilise the individual-organisation interface. The slower pace of life allowed integrating mechanisms to be instituted at the individual-organisation interface which were stable and had a built-in quality of endurance over a long period of time.

Over 4000 and more years of human transaction with the environment, human inputs have made technology more complex and have advanced the boundaries of society, making it more differentiated and heterogenous in the process. Science and technology, communication and transport, physical mobility, ecological resources, and political boundaries have all contributed to making life and society more complex and turbulent. The sheer increase of human population and consequent human interaction has generated forces of size, complexity, and growth in human organisations. Today, uncertainty and change have become the propelling forces in human existence. The multitudinous upheaval

ushered in by the industrial revolution and urbanisation has shifted the field forces of society from stability towards transience and change. The communications and information technology revolution in the era of post-industrialisation has only reinforced the shift towards transience and change.

With the greater complexity and heterogeneity of societal structures prevalent today, individuals are increasingly interfacing with organisations for every facet of human existence. Now, organisations have become the operational unit of society and individuals, in turn, have become the unit of organisations. The focus of society has shifted from the individual-to-individual basis of interaction towards the individual-to-organisation and the organisation-to-organisation basis of interaction. Today, the individual-to-individual basis of interaction, though very important and necessary, has been relegated to the background of human existence.

The application of these concepts of organising and organisation to the Indian context is elaborated next to understand their linkage with the empowerment process.

## **The Indian Context**

The Indian population is highly organised on social and religious lines in the form of caste/tribe associations, occupational guilds (often overlapping with caste/tribe), religious bodies, linguistic groups, and so on. However, a large proportion of the population in India (the poor, the underprivileged, the disadvantaged, the marginalised) is excluded from the organisational framework that characterises the modern world of work, finance, trade, communication, governance, education, health, insurance, etc. This world is typified by large sized, formal organisations that function within a written, legal, regulatory framework and are held accountable to designated authorities of the State. The modern world is conspicuous by its organisational fora and the predominance of individual-to-organisation as well as organisation-to-organisation transactions on practically all facets of life. These type of transactions vis-a-vis the modern world are thus a reality for a very small section of the population in India. It is the modern world which is defining

the mainstream of progress and development globally and nationally. Individually and on their own, a large majority of the people in India are not able to be integrated in the larger development processes of the modern world unfolding around them. Their ability to improve their situation in life, consequently, is handicapped considerably.

Political parties in India are one modern organisational entity which effectively utilise the social and religious affiliations of the people on a large-scale for political mobilisation and vote bank calculations. Hence there is a very skewed scenario where the population is affiliated to political organisations of the modern world but is not yet able to deal with the handicaps arising from being underprivileged, disadvantaged, and marginalised because of lack of organisational affiliations with other modern organisational fora. What it means then is that all people and groups in the population need an organisational umbrella in the modern world to be able to interact as equals with other people in the world around them and to pursue, protect, and promote their interests. To create such an umbrella is a major societal need in India and also the major development challenge. The type of organisations which can meet this challenge become an important element of the empowerment process.

For computation of national accounts statistics and for describing the nature of the economy, the legal and regulatory frameworks in India draw an arbitrary, dividing line between the two ends of the organised – unorganised continuum. The result is that who or what is to be considered as the ‘organised’ segment on this continuum is based on an arbitrary yardstick. The term ‘unorganised sector’ is used very loosely as an umbrella term to refer to the rest of the continuum. The majority of the population which is poor, underprivileged, disadvantaged, marginalised thus gets labelled as the ‘unorganised sector’. The use of the term ‘unorganised sector’ to refer to a whole country or a whole economy is very misleading. It is possible to have unorganised workers in an economy, unorganised production, unorganised trade, unorganised services, unorganised markets vis-a-vis organised workers, organised production, organised trade, organised services, organised markets. It is difficult to visualise an ‘unorganised sector’ per se, that carries the

connotation of being unorganised on every facet. As elaborated earlier, the collectivity of human existence is intricately woven into the fabric of organisation. Every collectivity of people has some basis and some form of organisation, though this may not be understood or valued by external interventions/interveners. The reality of any population of being organised on some basis does not get undermined because of the limited understanding of external forces themselves. The basis on which the majority of the population is organised has to be understood in greater detail by policy makers and the use of the term 'unorganised sector' has to be far more judicious to avoid such distortions.

This point becomes even more relevant in the Indian context when the organised-unorganised continuum interacts with the formal-semi formal-informal systems of work continuum based on the extent of written and verbal transactions. This gives rise to six types of combinations in which people in India can be classified. The informal system has organised and unorganised groups of people; the semi formal system has organised and unorganised groups of people; and the formal system has organised and unorganised groups of people. The ease with which government departments can collect data on employment status and other criteria for people in the formal system of work has created a situation where the organised groups in the formal system are referred to as 'organised sector' and all the rest get clubbed as 'unorganised sector'. This also leads to distortions in estimating the size of the different categories of people. The lack of adequate systems to estimate the size of the organised groups in the semiformal system and the organised groups in the informal system is the underlying cause of such clubbing and distortions. The proper estimation of the size of the different categories has relevance for the policies and measures initiated for improving the lives of the people.

In the Indian context, therefore, the combination of the traditional basis of organising and the informal systems of work create various categories of people with differential linkage to the modern world and with differential organisational strength to pursue, protect, and promote their interests. We take the concept of organising and organisation still further to understand the modern world, from which the majority of the people in India are excluded, as the corporate world.

## **The Corporate World**

The term ‘corporate’ refers to that which is incorporated or a body incorporate. The literal meaning of the term is that which is combined as a whole or collective and relates to a corporation. The term ‘corporation’ in turn is defined as a body of persons recognised by law as an individual person or an entity having its own name and identity, and with rights, privileges, and liabilities distinct from those of its members and refers to any group of persons acting as one body.

Today, the world of large companies engaged in business is commonly referred to as the corporate sector. The fact is that companies constitute only the corporate world of business. There are bodies incorporated under legislations other than The Companies Act, in various fields such as health, education, entertainment, childcare, civic amenities and utilities, social work. All the registered bodies under various legislations are also part of the corporate world and constitute the corporate world of healthcare, education, entertainment, childcare, social work, etc. Viewed in this way, the corporate sector is very diverse and complex.

Corporate is the opposite of individual. The law recognises only two kinds of persons – natural persons and legal persons. All entities/bodies created under various legislations are legal persons and constitute the corporate sector in its totality. Companies are but one type of legal person. So to refer to the corporate sector as comprising of companies only is to take a very narrow and limited view of the term. When the corporate sector is understood in its broad view then performance norms, values, governance, codes of conduct are relevant to all the components of the corporate sector as much as they are to companies. Corporate power can be visualised in all these types of bodies/entities.

The corporate world is spread over all the three institutional anchors of society – the state, the private sector, and civil society – which have complementary roles to play to make the lives of the people better. Government organisations are the mainstay of the state, business organisations are the mainstay of the private sector. Various associations and forums, other than the government and business organisations, form the mainstay of civil society wherein NGOs constitute one component.

These three types of organisational systems also have relatively different capacities to organise people, work, and ideas. Social development organisations (a part of civil society) are more active in trying to organise people. They are not yet so effective in organising work or ideas. Business organisations are primarily active in organising work. Corporate forms of business organisations are able to organise their own workforce – i.e. people, on a limited scale – as well as organise work. Government organisations are active in organising work and their employees. They also have to organise people – the citizens whom they govern. Academic organisations are organising ideas and concepts – pushing the frontiers of knowledge. Thus all the three institutional anchors of society have mechanisms for providing an organisational umbrella to different sections of the population.

As discussed earlier, business organisations are expected to be socially responsible and a social audit is considered necessary for a business organisation to establish its social responsibility. The reverse can be made to apply to social organisations. They also need to stand on their own feet and establish a direct link with the economy for long term sustenance. Thus they have to be commercially responsible. A business audit can be applied to social organisations for them to establish their commercial responsibility. Over a period of time such a measure of performance will create a critical mass of organisations which are effective on the business front as well as on the social front – each such entity being commercially and socially relevant. The concepts of topline meaning revenue flows, middleline meaning expenditures, and bottomline meaning profits/surplus as a net of revenues and expenditures can apply to all such entities which are successful in organising people, work, and ideas in a direct interface with the economy and with society. Such an interpretation of the corporate world leads us to the concept of people's organisations.

## **People's Organisations**

When a set of people form their own organisation to pursue, protect, and promote their interests in any sphere of life; manage their organisation themselves; and take responsibility for it; then a people's

organisation comes into existence. There are traditional and modern people's organisations, there are spontaneous and induced people's organisations, there are voluntary and mandated people's organisations. The state, business, and civil society all have examples of people's organisations. They may emerge from people's own initiative, from state sponsored programmes, from donor funded development interventions, and from business funded development action, to mention only a few ways of their coming into being. The centrality of people's organisations is not yet fully acknowledged by any of the key players in the development process.

In an earlier chapter we have already indicated that people's organisations are not the same as NGOs. NGOs are self-appointed individuals or group of people working for the benefit of other deprived or disadvantaged groups of people. People's organisations work for improving the life situation of their own group members. Membership is a critical feature of people's organisations. The distinguishing factor is that people facing a particular issue come together as members of a group to solve the issue themselves. They may take the help of others outside their organisation but they themselves are in charge of their organisation. When leadership is from within the group itself, when resources and assets are owned by the group, when governance and office bearing is taken care of by the group, when management and responsibility of the organisation is taken by the group itself, then a genuine people's organisation emerges.

In some cases NGOs have a membership based structure by design, where the people they work for pay a membership subscription to qualify for receiving the support and assistance of the NGO. This membership basis is used as justification for calling such NGOs as people's organisations. The term 'membership organisation' is also prevalent to refer to such NGOs. It is important to differentiate between genuine people's organisations and NGOs projecting themselves as people's organisations. Whereas people's organisations are necessarily membership based, all membership organisations are not necessarily people's organisations. Holding elections for the positions of office bearers in such kind of membership based NGOs is also projected as a qualification for calling themselves people's organisations. Often, the

NGO representatives in these forums hold honorary but lifetime membership as a special category of members, whereas the people for whom the NGO works are time bound members. These are some of the pitfalls that the people's organisations have to recognise and insulate themselves against.

People's organisations are self-organising, self-governing, self-managing, self-regulating, self-controlled and self-led. When they become self-reliant in material terms also then their strength increases immensely. Community based organisations, youth clubs, cooperatives, self-help groups, professional associations, trade guilds, user groups, residents associations, panchayats, caste associations, chambers of commerce, industry associations are all examples of people's organisations. In the Indian context, empowerment which can be sustained is linked to the strength of the people's organisations which develop. People's organisations are the norm in a culture and economy where the majority of the population is self-employed and is engaged in informal systems of work. The following equation highlights the various strengths which people's organisations have to develop if they are to lead to sustained empowerment of their members.

$$\begin{array}{ccccccc} \text{Sustained} & = & \text{Numerical} & + & \text{Financial} & + & \text{Organisational} \\ \text{Empowerment} & & \text{Strength} & & \text{Strength} & & \text{Strength} \end{array}$$

## **Empowerment and Organisations**

It is possible to understand empowerment in the context of the interplay between the individual and the collectivity. True and sustained empowerment of people is directly related to the organisational strength of the organisations/agencies/forums they are a part of or are associated with. Strong and effective organisations therefore need to be built for all segments of the population. Empowerment interventions by all the three types of systems – business, government, and social development – visualise some form of organisation for improving the lives of people. The effectiveness of their interventions and the impact they achieve is related to the strength of the people's organisations which evolve from their efforts. Interventions which make it possible for people's organisations to develop all the three types of strengths listed

above will be the ones which will have lasting impact. It takes time for these different strengths to develop and it is only the clarity of purpose of the empowerment intervention which can facilitate the growth of genuine people's organisations. The people's organisations emerging from the initiatives of social development organisations and NGOs are most vulnerable to being captured by forces outside the organisation. This is because the NGOs mediate the flow of funds and resources to the people's organisations.

There is a stratification of the grassroots, national, and international contexts of the world today where players at the grassroots level are organising people, players at the national level are organising work, and players at the international level are organising ideas and concepts. Such a stratification has encouraged a relationship between the three levels such that the international level is superior to the national level, and the national level is superior to the grassroots level. And there is an international context to every facet of life today. This is another manifestation of the spiral form, or the vertical plane, at the global level which reflects the hierarchy of relationships between the grassroots, national, and international levels. So the struggle for equality also has to deal with these forces of hierarchy.

If all organisations can be enabled to become skilled and effective in simultaneously organising people, work, and ideas then the relationship between the grassroots, national, and international levels can move towards a horizontal plane. This will be true empowerment at the societal level. Each organisation becomes strong and effective in its own right and can contribute to sustained change and sustained empowerment of its members. Organising and organisation thus are an important strand of empowerment to enable people to become more and more in charge of their own lives leading to sustained empowerment. Transient empowerment, which is quite visible in many developmental interventions, has to grow into sustained empowerment through organising and organisation.

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