

LEADERSHIP POTENTIAL OF NGOS

by

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I wonder whether I am the right person to be called upon to address a group of directors with a vast experience and understanding of the issues involved in running a great non- governmental organisation which the SOS Children's Villages undoubtedly is. Having accepted this invitation, albeit with some trepidation, I thought it might be useful to share my thoughts on the relevance of non-government organisations in today's troubled world - and how with effective leadership, their role and potential can be better realised.

What's in a name?

It has always struck me that social service organisations in the West, particularly in the United States, should be called non- profit organisations and, here in India, non-governmental organisations or NGOs.

The reason, as I see it, is that in India, government enterprises engaged in commerce and industry had - at least in the post- independence period - the additional mandate of serving a social cause as, for instance, development of backward areas; uplift of weaker sections; and even providing for social infrastructure such as water and health services in the immediate neighbourhood of the enterprise. In other words, profit was not the sole driving force of government enterprises and agencies. But with non-profit, non-governmental organisations coming to play an important part in providing social services, it became necessary to distinguish the role, size and character of effort of these two types of organisations. In contrast to government departments and agencies, the NGOs have come to mean foundations, trusts and societies engaged in furthering the cause of education, health, child care and other social services. While most NGOs are small and local, some are large and globally linked, whether for finance or organisation.

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In the United States, in pointed contrast, the roles and boundaries of government and business have always been clearly marked: Government's business is to provide and manage social services and business's business is to make profit. Government's intervention in business was perceived as a recipe for failure and, equally, business's involvement in social services was seen as a source of confusion and as blunting the engine of development powered by private enterprise.

Finding a name, therefore, for organisations which emerged to perform marginal social tasks more suited to voluntary private initiative and funded largely through private sources was easy and obvious: non-profit organisations. This label clearly distinguishes them from government organisations and agencies engaged in social services, on the one hand, and profit-seeking business organisations, on the other.

Quest for alternatives

Having dwelt at some length on the rationale for differences in nomenclature of social-service organisations in different societies, let us examine the real issues they have had to confront in the last few decades. Societies appear to be increasingly in distress. And areas thought to be falling outside the scope or competence of both government or business are becoming matters of great social concern. Environment is one such issue that readily comes to mind. Providing clear air, water, or the proper use of non-renewable resources did not, until recently, come under the ambit of social services. It was neither the responsibility of government nor of business. One can argue that an organisation - be it government or business - cannot address itself to distress signals emanating from areas beyond its currently defined responsibilities. Business would not do so unless they fit in with its profit-seeking orientation or is forced by law do so. And government will not respond, even granting they can do so effectively, unless it is constitutionally authorised and funded.

Apart from areas that fall in the middle, as it were, there is growing disappointment with the unintended consequences of the behaviour of organisations, whether of business or government. Destitute children and women or child abuse may fall in this category. You would know better about why and how these problems have grown.

Considerable literature has emerged and various concepts have been put forth over the last few decades on why organisations fail to respond to problems in their own areas of operation, on how gaps arise between them, and what can be done. These issues are being researched in theories of market failure and government failure, to explain the problems in depending on either market or government as an exclusive method of economic development may not work.

Societies which have leaned too much towards either market or government, are moving towards the other. One approach has been to find a new optimum role for markets and governments. The method adopted has been to redefine the roles of government and business. Where dependence on government has been seen as too high, some government activities have been privatised. And where dependence on markets has been considered too high, regulatory acts have been passed to restrain the market forces or to require business enterprises to do certain things which they would otherwise not care to do. Agencies are being set up for monitoring, and new investments are being made in equipment and people. Both government and business have had to bear the additional costs.

But still, neither sector is able to adequately fund the new activities designed to address social concerns. While government budgets are under strain, private business' profitability - and even viability - is under threat, albeit due to a variety of other factors as well.

In the meantime, social services appear to be in disarray. The social service responsibilities of government, such as children, women, the sick and the underprivileged, appear to be mounting even as its funding and organisational limits have apparently been reached. Compounding the grim situation, the private sector, under pressure of over capacity, changing technology and rising competition, is making increasing demands on the social services of government.

Can NGOs be an Alternative?

Not surprisingly, given the complexities of today's problems, there is growing realisation that dependence on these two alternatives, whatever the optima, is inappropriate and that what is required is to find better alternatives to both -- market and government, especially in areas of great social concern. The reasons, therefore, for the phenomenal growth of NGOs in India and NPOs in the United States over the last two to three decades are obvious.

But despite the growth in the NGOs and NPOs, research on the right role for them is meagre. Can NPOs and NGOs be a systematically superior alternative to government or business, at least under certain conditions and in some sectors of activity? Can they become effective instruments of society in responding in an institutionalised manner to some of the mounting problems that are increasingly going beyond the scope of the individual, single family, organisation or government?

I believe the potential exists. And I have reasons for saying so: NGOs or NPOs can combine individual values and initiative, organisation, financing, and societal objectives in ways quite different from either a business organisation or government.

I need hardly labour on the unique characteristics of NGOs to this enlightened audience dedicated to Dr. Hermann Gmeiner's grand vision of giving love and dignity to the child in place of abandonment and destitution.

I have had occasion to interact with the dynamic Mr. Bhagwandas Manipur, Director of the SOS Children's Village in Bangalore. I am impressed with the SOS pattern, the scope for initiative and leadership given to the village director, the set-up in Bangalore for communication with sponsors across the world, the range of skill-building and educational facilities provided to the children, and the familial culture of the Bangalore SOS Children's village.

In the larger context of my talk today about better and more economic alternatives for a troubled world and the leadership potential of NGOs, I would like to pose some questions for your consideration for realising the potential of NGOs to fill the void.

Just as the SOS Village is a model for child care, can we think of the SOS organisation with globally relevant ideals and local roots in many places all over the world as an alternative organisational model for other social services?

I do not know enough about how the SOS villages relate to one another and to the headquarters in Geneva. But I see in SOS Children's village many hallmarks of a pathbreaking organisation. As in the global corporation of today, its strengths seem to lie, in addition to vision, in its size, technology, financing, people, and organisation. I am, therefore, encouraged to ask whether we can think of the large NGO as an alternative to government social-services, or the scattered small, organisationally weak stand-alone local NGOs dependent on aid from governments or foreign agencies?

Today, even the large NGOs in India are but outfits with a portfolio of projects and dependent largely on international aid. Can they be developed as strong mission-oriented global organisations with specialised technical knowledge and fund-developing capabilities from a large clutch of donors spread across the world and interested in the particular mission of the NGO?

Obviously, one is not talking in terms of merely replicating one organisational model for all social concerns. That, in any case, would require many Dr. Gmeiners - at least one for each social problem we face. And we face quite a few. The leadership challenge would lie in the process of visioning, of fund development, and of learning how

to evolve a proven pattern for a chosen service - and of reaching that pattern to wherever it is needed world wide.

Could the development of methodologies for organisational alternatives be institutionalised in large global NGOs such as yours? I believe it can be done. It would require the NPOs or NGOs to learn from and adapt the systems and management practices that have contributed in no mean measure to the success of business organisations. For example,

- planning to reach a defined share of a service,
- to expand into related services,
- to innovate in the organization to develop a structure, systems and processes that permit widespread experimentation on problems at the local level while retaining firm focus on the central mission of the organisation.
- to evaluate diverse experiences in local experiments for selective adoption on a global scale,
- to develop the skills to measure and test the global viability of new missions, and
- to develop competencies in methodologies for replication, and perhaps eventually, spawning of an entirely new activity which could become the mission of a separate global NGO.

All these would require large, global NGOs to scan even more carefully the social concerns across the world, and bring together those who are in need of the services and those who can provide the financial and emotional support.

Can fund development be coordinated and costs reduced through cooperation among global NGOs? For example, an alliance among global NGOs could take responsibility for more efficient fund development that also gives the providers greater choice in allocating their funds to various missions and regions of the world.

Similarly, can the missions of several global NGOs or NPOs be combined at regional or field levels for more efficient regional or field operations? The possibilities for greater sharing of infrastructure and specialist services at various levels, among large global, mission-oriented, social-service organisations would be beneficial. Greater experimentation is required, with constant innovation under intense upward and downward communications within each organisation and among global NGOs and NPOs.

The challenge to leadership would be to devise more effective and efficient organisational patterns that combine functions and missions of various NGOs and NPOs. An organisation that retains the energy and clarity of its mission even while it forges functional or operational alliances with other organisations.

The process may be akin to mergers and acquisitions in the corporate world with signals and support of a capital market, where one NGO acquires parts of another NGO, or divests a part in favour of another NGO, adds layers or inducts specialists - perhaps quite in contrast to the currently overstretched global corporations where delayering and downsizing are the order of the day.

As inequalities among people and frustrations with the market or government increase, such innovations may lead to a better alternative. An alternative that addresses the growing social concerns with greater acceptance of both the providers and the beneficiaries and without the coercion of the state or the ruthlessness of the market.

I am sure some of what I have said is happening, perhaps voluntarily and without much of an understanding of their effectiveness, efficiency and sustainability. The large NGOs such as the SOS have a role in getting the world to understand the concepts of their organisations, the problems they face, and institutionalising the role they can play on a global scale and in many areas of increasing concern to modern societies.

As I said, simple imitation of successful organisations may not be the answer. All the plans are unlikely to materialise in any one way, or in one go. The newer initiatives may bear little resemblance to the SOS Children's Village pattern. The moot point is whether NGOs such as yours are innovating and experimenting organisationally to evolve such initiatives in other social services, besides moving in a planned manner to reach the desired extent of coverage for the SOS Children's care in your areas of operation.

I am sure you will be deliberating on many questions concerning leadership in your villages at various locations and their relationships. There would be many operational issues and others relating to strategies engaging your attention.

As a well-wisher and an outsider at the same time, I have tried to focus your attention today on the potential for growth and diversification that I see exists in you as leaders in child care and in providing better organisational alternatives to a world that seems to be increasingly in distress. I hope I have stimulated you to examine the issues of effective leadership with particular reference to child-care institutions in a broader perspective.