

DG desk, August 09, 2010

There was a book which I possessed on the management of Non Profit Organizations (NPOs) authored by Peter Drucker. I used to read portions of that book quite regularly, and particularly some of the case studies of remarkable NPOs that Peter Drucker had provided. Unfortunately, I find that book is missing now, like so many others that I possessed. Most likely someone borrowed that book from me, and it never came back. However, the lessons of that book remain with me, particularly because they highlighted the need for enlightened management in organizations like ours. Indeed, those NPOs which really do well are driven by outstanding leadership at every level and management structures and styles that are far superior to those found in some of the best profit making organizations. An NPO firstly has to create a structure which is essentially flat, because that is the best prerequisite for tapping the initiative and ingenuity of talented people in the most effective way. Further, since an NPO does not get confined by its direct answerability to a group of shareholders, it must regard itself as accountable to a much larger universe of people and their expectations. It is also true that an NPO has a longer time horizon to drive its efforts than a typical profit making company, which spends far too much effort in maximizing profits merely in the next quarter. The fact that NPOs have to build up their activities and capacity by mobilizing financial resources from a range of sources also imbues it with an ability to market ideas and concepts, which in the process get refined and acquire much higher validity for societal needs than would be the case with a typical profit making organization.

I believe TERI as a large and unique NPO has to develop management skills of a superior variety, because we would otherwise decline in our effectiveness and relevance and end up as a failure. We, therefore, have to continue to succeed and build one success on top of the other on a continuous basis.

Recently, I found a very interesting article eulogising the virtues and strengths of non profits, which appeared in the Economist of July the 17th. I thought I should scan this article and put it on the intranet for the benefit of colleagues. This, of course, is only for TERIers to read and absorb, and perhaps to develop a sense of pride that we belong to an NPO which we are dedicated to and in which we should create conditions for even higher levels of pride to flourish.