

# NGOs AND STRATEGIC MANGEMENT

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*The objective of the paper is to discuss on the challenges of NGOs, need for strategic management to develop the NGOs through upshot of some practical examples.*

## 1. PRELUDE

Non-Government Organizations (NGOs), the segment of organizations that do not belong to either the government sector or the for-profit, provides services without seeking profit play an important role in bridging the gap between the government, its agencies and the society. NGOs involves in many activities like culture and leisure, social services, education, health, human rights, environment, economics and social development etc., to uplift the wider section of society.

In a broader perspective, it can be asserted that the organizations that pursue activities to relieve suffering, promote the interests of the poor, protect the environment, provide basic social services, or undertake community development are known as NGO's which provides an opportunity for citizens to participate actively in new ways, increasingly. NGOs.

In the present context the role of NGO has become more critical and more strategic as they play an active role in civil society development. Today NGO's have strengthened their role in meeting societal needs and interests through a socialistic approach such as developing activities to meet priority community needs like community development, health and social welfare services. The environment, citizen participation and mobilization, local economic development with particular emphasis on cross sectoral relationships, enhancing advocacy capacity, building policy development agencies to focus on strategic Republic policy issues. Thus, NGO's bridge the gap between the haves and have-nots in the society. They provide a platform for addressing and solving the needs of the community and play a vital role at all levels for development and to ensure effective and efficient civil

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society. Besides, NGO's can also work as provider of services indirectly by encouraging official aid agencies and government ministries to adopt successful approaches to serve as a conduit for new technology and practices, educate the public as to their rights and entitlements under government programs, provide efficient operational collaboration with government agencies and aid donors and help national and local governments as well as donors in developing a more effective strategy through strengthening institutions, staff training and improving over all management capacity.

## 2. CHALLENGES IN FRONT OF NGO SECTOR

NGO's has been facing many challenges and issues in cooperation, lack of transparency sharing information, etc. The following are the important issues that can be considered as challenges for NGO sector that need the strategic management approach to set-off.

1. Cultural and geographical issues
2. NGO's are worried about their individual reputation.
3. Lack of vision, mission, strategies and policies
4. NGO's are much more likely to prosper in a setting where there is free flow of information and broad parameters for public discourse, an unlettered and independent media is the key indicator of information freedom.
5. Lack of objectivity.
6. Due to the misconception many governments look NGOs suspiciously as dissident political forces rather than as complementary partners in development policy, planning and implementation.
7. Capacity building
8. No governmental support in institutional building activities that emphasize participatory decision-making and provide mechanisms to establish transparent operating systems.
9. Strategically, NGO's should be a source of innovation and experimentation testing new approaches to development problems and make a very important contribution 10 development by mobilizing productive energy and resources in the service of the community and its improvement.
10. Political and economic leverage is one of the most powerful measures of NGO empowerment., National associations of NGO's in key sectors such. as environment family planning and agriculture can often influence programs in developing economics country like ours has taken initiative steps and adopted policies that ascertain percentage of the budget is set aside for direct support of innovative NGO schemes.
11. Inadequate knowledge about techniques of communication

## 3. NEED FOR STRATEGIC MANAGEMENT IN NGO SECTOR

NGO's are indispensable part of civil society offering relief from disasters, nurturing creative aspirations caring for vulnerable people protecting health and bridging gap between haves and have nots in the society but these missions can be fulfilled only. by maintaining and

managing the trust of the public, achieving the missions, goals and objectives. It is possible with a continuous commitment through setting up standards and implementing practices that manifests its dedication to transparency and governance. So there is a need for strategic management in NGO sector to be innovative and remain effective. Not only that, as there is a great role for NGOs in most spheres of life such as social services, environment, health care, education, democratization, promoting active citizenship, economic development and perhaps most significantly in advocating public policy changes in many of these areas, NGOs should have a greater ability to assess the impact of their work through strategic management and to increase their skills need for enhancing ethical and value based organizational development. Not only that, as NGO community is extremely diverse and continuously changing, new organizations are being formed and going out of existence all the time. In such an environment an important component strategic management is required for an effective enabling environment for growth and empowerment.

NGOs exhibit huge variation in size, focus, capacity and institutional organization their functions invariably vary, and they may be effective in only certain aspects of their operation, in order to have over all strategic development, the core values and purpose should properly conceived and remain fixed. The practices, strategies, structures, systems, policies and procedures should be open for the change and through the strategic management approach. The role of NGOs will be effective through strategic management approach to support growth as a whole and can build a high level of interaction among NGOs, local government and small business, for effective and efficient action on many social priorities. Hence, NGOs can pursue strategic management as a process of specifying their objectives, policies, plans and implement organizational strategy which can integrate their goals, policies, and action sequences into a cohesive whole. NGOs can fail despite excellent strategy because the world changes a way they failed to understand so strategic management should affect the entire concern by providing direction.

In NGOs sector the sociological approach should be a main goal in entire strategic management process and it should deal primarily with human interactions, it is the highest in the sense and broadcast, applying to all parts of the concern and it should give direction to organizational values, culture, goals and missions. An effective strategic management implementation requires active information gathering and active problem solving. Here the core issues and abilities of a strategic management approach in NGOs are 1) Ability to learn and adjust, (2) ability to build a community with personality; vision and purpose and (3) the ability to build relationships

In the overall process through strategic management approach NGO should be a learning organization. Finally it can be said that, as most NGOs do not have a focused mission, some operate more as private businesses and many others change their focus depending on the availability of funds and particularly the NGOs working in the social welfare field have a stronger

media and public presence because contrast, Organizations working on minority issues have low levels of visibility and recognition amongst the general public as well as with in the sector itself need strategic management as an essential component.

In order to see the over-all development in NGO sector through innovation, leadership, effective work practices can only be achieved by setting up strategic organizational values and missions .As far as financial management in NGO's, is concerned strategically there is a need to improve the understanding and application of reliable accountancy, auditing and financial management systems. So focus on professional development for NGO in specialized fields and not just in general management can increase the attractiveness of the NGO sector as potential employer as its image improves through increasing incentives, adequate salaries as well. as professional and personal development.

The NGO's have reached a great mile in ensuring to reach strategic (long term) goals. For instance, in the field of health, NGO's as the main advocates and distributors of condoms and mosquito net trying to reduce the threats of diseases like AIDS and Malaria on an ongoing basis. They also protecting against many water-borne diseases which threaten lives by helping communities to locate or build safe sources of drinking water. Similarly by making accessible technologies such as fuel-efficient stoves and solar cookers, NGO's help to prevent insecurities of deforestation and desertification on years down the road. With these long-term objectives, the works of NGO's go beyond stemming threats to human security to address the institutional changes and processes for social communities. Hence the strategic approach will place and increase the importance of local NGO's to participate in international arena in both economic and social developments. NGO's will typically have an overall strategy that tries to do many a things with too few resources, therefore it is very important to make strategic choices about what they can realistically hope to accomplish. The strategic choices made by the NGO's should be based on the vital areas with in the strategic plan, For example, the customer perspective is usually the most important one for an NGO because they represent the essence of NGO existence. Generally NGO's will have two customer perspectives; customer's who contribute resources to the NGO and customers who receive the services of the NGO (where they don't pay). Therefore the customer perspective for NGO is considerably different than commercial businesses. On the other hand, there is an immediate need to improve the public image and credibility of the sector in India to rival their international counterparts, this can be elevated through the tangible impact of NGO's, enlarging NOO support bases through membership and volunteering, improving skills in dealing with sensitive issues and encouraging media support for publicity to promote ethical, accountable and transparent practices .through a mission "Leading by example" NGO's can broaden non-profit activity by encouraging the development of informal community groups, increase transparency of their work regarding decision-making in the organization and financing beneficiaries and activities.

## **4. DEVELOPING STRATEGIES**

In order to mitigate the problems and challenges, NGOs are supposed to work on the following strategies for their betterment through strategic management approach.

### **1. Setting organizational values**

Organizational values cannot be set, but they can be discovered and installed into people. Through core strategic management approach NGOs should install the values and find people who are already predisposed to sharing organizational core values attract and retain them.

### **2. Mission statement**

Creating an organizations mission statement is a process of gathering ideas and suggestions for the mission and having them into short and sharply focused phrase that meets specific criteria. The NGO partners can create best mission statements which should provide direction for doing the right things, which addresses the opportunities and matches the core competence and which inspires the commitment. The best mission statement of the international Red Cross "To serve the most vulnerable", says very clearly about their objective.

### **3. Core Competence**

NGO's should build core competencies to stand on their own and compete with the government and profit sector through engaging themselves in strategic alliances.

### **4. Effective and strategic Implementation**

The capacity of NGO's to plan, evaluate, build teams, develop leadership, structures and manage their organizations varies considerably. NGO's should possess high levels of expertise compared to other sectors in project planning such as setting objectives, identifying clear target groups, organization of activities, fixing time lines and assessing resource needs.

### **5. Leadership**

To improve NGO leadership in democratic practices and strategic development through enhancing ethical and value based organizational development and enhancing transparent and effective communication systems externally and internally especially the skills and motivation for sharing information and also developing strategic thinking and acting accordingly will definitely prove the NGO leadership achievements.

### **6. Strategic Empowerment**

Viewing staff as the 'people with Ideas', NGO's should see themselves as 'Professional helper's and people with Ideas and viewing staff as the experts to address the best.

### **7. Strategic human resource and management**

The majority of NGO's acknowledge the centrality of effective human resources in sector development, but very few act on with clear strategies for attracting competent staff or

for further enhancing the skills of existing staff. NGO's should approach HR functions strategically to retain qualified staff with raising career development opportunities. It should be done through the involvement of managing process, which includes monitoring results, comparing to bench marks and best practices, evaluating the efficacy and efficiency of the process, controlling for variances and making adjustments to the process as necessary. Even NGO's should encourage staff creativity and innovative initiatives which can be viewed as a desirable shift in convergent type of thinking.

## **5. STRATEGIC MANAGEMENT AT PRACTICE**

1. APSACS (Andhra Pradesh state aids control society) has been relentlessly working towards an AIDS free Andhra Pradesh to realize this objective they have come up with "BCC material" to target thematic high risk groups who are vulnerable to this deadly disease compared to general population. A majority of illiterate women have appreciate these kinds of Initiatives, and they accept that this material has definitely helped them to know the difference between regular white discharges when affected by STD's (Sexually Transmitted Diseases ) and about personal hygiene during menses period.

2. Jeroobillimoria the founder of "Child line" NGO in our country servicing as the country's first 24 hour helpline for street children in distress has developed a strategic plan to build resources and broke down the conventional function as a central head office modand launching a franchise model which is a unique approach. The child line franchise includes the organizations name, use of its toll free helpline number, a specially designed software package to record and track calls, training and a small amount of start up capital. The franchise model has allowed child lines service to spread over nationally in relatively little time and at low cost.

## **6. CONCLUSION**

It is beyond doubt that there is a greater need and essentiality of implementation of strategic management in the NGO sector to improve its transparency and accountability as well as public credibility through shared vision and commitment to create effective relationship both inside and outside the sector. For which the sector has to move toward effective needs assessment practices, participatory working, financial transparency, ethical practices developmental impact evaluation, strategic thinking and acting human resources development strategies and stimulation of volunteering. Hence by doing so through strategic management the sector can emulate the profit sectors and multi-national corporations both structurally and strategically in the days to come.