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# **Creativity Needed in Non-Profits?**

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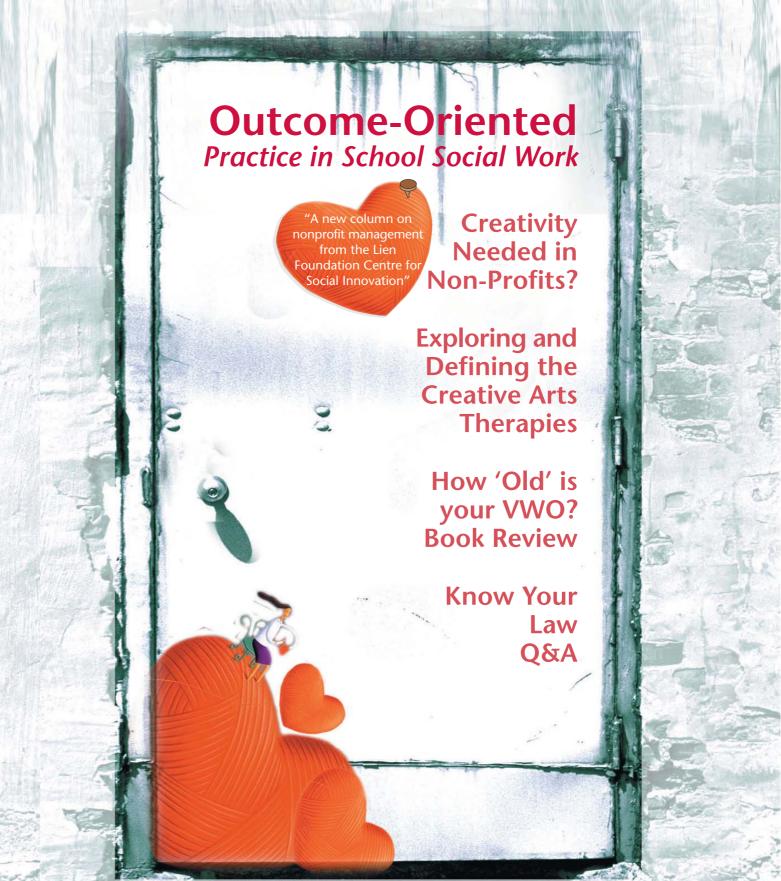
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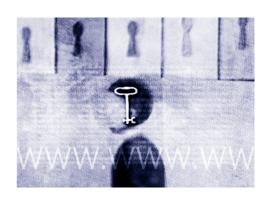


# SOCIAL SERVICE JOURNAL



# Creativity Needed in Non-Profits?

By Assoc Prof Tan Wee Liang, Faculty Director, Lien Foundation Centre for Social Innovation



Creativity is something that one might not associate with the social service sector. In fact, one might consider creativity something quite distant from the non-profit sector. "We in the social service sector have more important things to do - we serve our clients and beneficiaries; we don't have the time to fool around with fancy new ideas or projects." Yet such sentiments could be no further from the truth.

# Non-Profits Creatively Meeting Social Needs

First, many non-profits are the result of creativity in addressing social needs. The founders of many non-profits identified social issues and problems that they felt needed to be addressed. If there had been a government provision to address the need; if there had been quick and effective delivery of the needed assistance to the disadvantaged; if there were adequate resources or provision; then there would not have been the establishment of charities. The initiators, individuals, teams or groups sought new or innovative ways to solve the social problems.

Let us consider two examples: The Salvation Army and the Population and Community Development Association in Thailand.

The Booths started the Salvation Army in 1878 with the aim of missionary outreach. However, their desire to reach out to ordinary people brought to their attention that there was a social problem that needed to be addressed. That problem was the extreme poverty of the destitute in England. In 1891, William Booth

published a book where he presented his plans for a programme to help the poor and needy. Despite a lack of immediate funds, he put his plan into action by setting up a labour bureau to help people find work and purchased a farm to train men in certain types of skills. Just as the artist may create a work in a medium of his choice - be it marble, oils, acrylic or stone, the business entrepreneur does so through his vehicle called a new venture. The founders of nonprofits seek to address a social need through programmes, organisations or foundations that they establish. These are but tools to bring people together in order to draw cooperative forces and resources towards the urgent matter at hand.

The second example received significant press coverage recently. Mechai Viravaidya, better known as "The Condom King of Thailand", founded the Population and Community Development Association in 1974 as a response to the extremely high population growth rate then, particularly in the rural sector. It used unconventional approaches typically involving humour to spread the message of "safe sex" to the nation. Volunteers handed out condom key rings at official dinners and functions, held "vasectomy festivals" in honour of the King's birthday and armed the entire police force with condoms to distribute for a "cops and rubbers" project. These creative tactics have met with resounding success as the current population growth rate is an average of two children per family, as compared to seven per family some 20 years ago.



In the for-profit sector, such new ventures are called acts of entrepreneurship. These acts that occur in the non-profit sector are similarly acts of entrepreneurship - social entrepreneurship. The creativity that manifests itself is in addressing the social need. This creativity shows itself in providing goods and services to address unmet needs.

# Changing Environments Compels Creativity in Non-Profits

The second reason creativity is needed lies in the fact that the non-profit sector is not immune to the same vagaries that inflict business enterprises. Some examples of the change that could affect the non-profit sector are through:

- Global trends,
- Changing demographics of beneficiaries, future beneficiaries and other stakeholders, including donors,
- Changing public perceptions, values and culture,
- Changing public policies.

These changing trends have major implications for non-profits, they too need to move with the times to adapt to the changes. The changes will invariably affect their mission, stakeholders, strategies and operations. There are few options available to non-profits:

- Do nothing and become irrelevant,
- Opt for incremental changes that lag behind the movements around them (not very much better than sticking their heads in the sand),

 Adapt to changes and seek new and innovative ways forward.

Creativity is necessary as there will be a need to consider new approaches and programmes.

# Creativity is Key to Sustaining Efforts to Meet Organisational Mission

The third reason creativity is needed is that it is the key to non-profits continuing to meet their mission. The purpose for their existence calls for new and innovative ways to fulfil their missions. Part of the expectations comes from their stakeholders. As the donors and volunteers become increasingly enlightened, there is a need for greater accountability on how the funds and resources are utilised. Unless non-profits are so assured that their time-tested methods are not surpassed by other means less costly or more effective - it only makes sense for them to be seeking new approaches and innovations.

# **Demand for Transparency Drives the Need for Creativity**

The current trend on the part of the authorities to apply modified governance principles on non-profits also implies that stakeholders like their corporate shareholder cousins will be able to compare across the various non-profits. This comparison is made possible as the nonprofits are compelled, if they wish to enjoy certain government benefits such as special tax status or funding, to be transparent about their practices, plans or financials. In the corporate arena, companies have annual reports. In the non-profit sector, one increasingly sees more stakeholder reports or accountability statements. The publicity surrounding questionable practices has increased as a few Singapore charities have sensitised the donor public to the need to scrutinise non-profits. The increasing need for transparency and the possibility of comparison gives rise to the fourth reason for creativity. One should not be surprised if greater support flows to organisations demonstrating greater dynamism, energy, drive and passion. How does one non-profit create and deliver greater value? What easier way to demonstrate these qualities than by being creative and innovative - something one least expects from non-profits.

### What Needs to be Done

Being creative and innovative is by no means easy even for the for-profits. In corporations, the Holy Grail has been to seek ways to make the large corporations nimble. To teach the elephant to dance has been a great challenge. The rubric under which these efforts are grouped is corporate entrepreneurship. How does it begin? If non-profits wish to be creative and embark on this track, it must start at the top. Top management must believe it is needed. They must put in place the 'S's needed: Strategies, Structures, Systems and Skills. They need to demonstrate commitment to the call for creativity and thus, resources have to be set aside to allow for this. Patience and seeding of projects are not the things that managers who are accustomed to getting, going and achieving

in their current areas of involvement are used to. Patience on the part of the non-profit leaders is called for as new projects, programmes and ideas may not be met with success overnight. A learning process is involved and there will be projects that do not take off and soar. Also, experienced managers may find that seeding new projects go against their conditioned disposition and be compelled to return to familiar grounds. In the arena of creative ventures, there will be adventures, successes, falterings and failures.

This article, the first of a series of non-profit management articles written by the team at the newly launched Lien Foundation Centre for Social Innovation seeks to point to the need for creativity. For the how-to, please stay tuned for the next instalment.

The Lien Foundation Centre for Social Innovation at the Singapore Management University focuses on supporting non-profits through three main activities: research, outreach and training in non-profit management.

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www.smu.edu.sg/LienCSI and you can contact them at LienCSI@smu.edu.sg.

