

Not all contributors to the Hoenack and Collins volume choose to wrestle with the paradigms of their disciplines in the seemingly inhospitable domain of higher education. Balderston, for example, provides a broad and practical survey of research management problems and topics in the university without attempting to explain such matters in terms of management and administration theory.

For Australian education economists and university administrators these two books provide much stimulation and, in the case of Rosovsky, diversion. As the Australian university system continues its migration from British traditions towards the American, books such as these provide useful counters to policies and thinking based on oversimplification and exaggeration. In particular, they indicate: the importance of the private sector as a source of alternative approaches, and funds, in the American tradition; the seriousness of the gap created in Australian education by the abolition of the binary system — a gap filled in America and other countries by the community college and its equivalents; and the heightened importance to Australia of American university traditions because of the influence of American university models in many Asian and South East Asian countries, to which Australian universities must increasingly relate.

L. Roy Webb
Griffith University

Managing the Non-Profit Organisation Principles and Practices by *Peter Drucker* (Harper Collins, New York, 1990), pp. xiii + 221, \$US22.95, ISBN 0-06-016507.

Peter Drucker has been a prolific and highly respected writer on management, economics, politics and aspects of sociology. Having read and appreciated some of his work it was with a pleasant sense of anticipation that I started on *Managing the Non-Profit Organisation*.

My expectation, reflecting my own biases and experience, was that non-profit organisation would include research organisations, universities, voluntary organisations such as youth groups, and perhaps government departments and agencies — inarguably non-profit organisations. But Drucker defines them as organisations where the product is a changed human being and he eliminates in the preface anything to do with government, on the grounds that the business of government is policy and control. This indicates a clear difference between the way they see things in the USA and the way we see them in Australia, since although policy and control are very much the business of Australian governments, many departments and agencies are also charged with the delivery of service. Whether they achieve this is often arguable, and some of the ideas in the book could profitably be considered by those who manage these groups.

The non-profit organisations used as examples in the book include hospitals, schools and colleges, churches, youth organisations and the American Heart Association. The approach advocated for their management is strictly business-like; the book is filled with discussion of goals, mission statements, markets and strategies, planning for performance and effective decision-making. There are five main parts: The Mission Comes First; Managing for Performance: People

and Relationships; Developing Yourself. Each part consists of two or three short chapters, followed by interviews with prominent persons who are successful managers of non-profit organisations. These interviews are clearly intended to illustrate and reinforce the points made earlier in each chapter. The people interviewed include the National Executive Director of the Girl Scouts of America, several clerics, the Chief Executive Officer of the American Heart Foundation, the President of the American Federation of Teachers, the corporate vice-president of a chain of non-profit hospitals and several writers on managing non-profit organisations. The interviews are presented in a narrative fashion; For example:

PETER DRÜCKER Were your Councils enthusiastic about the change?

FRANCIS HESSELBEIN I'm afraid that only 70 of the 335 were enthusiastic, wanted to move right then. We had another thirty in the wings thinking positively about it. But we began with one third of our Councils on board.

PETER DRÜCKER Am I right that you can't order your Councils to do anything? (p. 30)

And so on.

My personal reaction to these interviews was unfavourable. I did not like the contrived format and felt they added little to the points being made. This antipathy was probably exacerbated by slight irritation caused by the generally folksy and conversational writing style used throughout the book. However, style is a matter of taste and habit, and the book contains a great deal of useful advice and counsel which, even if not directly applicable to Australian non-profit institutions is certainly pertinent and can be adapted.

Drucker discusses the need for leadership and the characteristics needed in leaders of non-profit organisations, making the important point that the organisation and its goals must be the first priority. Any organisation, he says, must be results-driven, and he places strong emphasis on marketing and resource allocation. Decision-making, conflict resolution, performance analysis and people development are all management tools, and they are all discussed and placed in context. The particular problems of people management, when the people concerned are largely volunteers, are considered in some detail.

The business-like approach may, at first sight, seem incongruous when applied to churches, scout groups or hospitals, but it is really quite rational: resources must be allocated in such a way that they lead to the desired results, even though those results may be defined in terms of attendance, activity, successful treatment, or whatever is defined as the product, rather than as profit. If any organisation is to function successfully it must have some vision of where it wants to go — it needs goals. It also needs some way of measuring progress (performance criteria) and a clear view of how its hierarchy should work to reach the goals. Fund-raising (building the donor constituency) requires market research to find out who will support the organisation, how much are they likely to donate and what approach is most likely to separate various potential donors from their money. In other words, what strategies should be developed to build the donor base.

The value and interest of the book lie in considering how the ideas put forward can be applied to some of our own familiar situations and non-profit organisations. What services are they offering? What is the product they intend to deliver to the market? What is their market? Do they have an annual plan and how is performance measured? Widening the definition of a non-profit organisation beyond that adopted by Drucker, to include any organisation that purports to deliver some sort of service, to change things, or to make things

happen — whether its funds have to be raised or come from the taxpayer — these seem sensible questions to ask. Having asked them, it becomes difficult to escape the impression that they have not crossed the minds of many of our bureaucrats, whose idea of their product — even if it is supposed to be a service — often seems to be restricted to papers, briefing notes and reports, endlessly massaged into politically acceptable form, going nowhere and unlikely to change anything. There are also institutional managers more concerned with the regulations than the product, with procedure rather than achievement. To all of these, and to others who are simply interested in improving their own performance and that of their organisations, I would commend Peter Drücker's book. It should be read with healthy scepticism — not everything can be run in quite the clean, logical business-like manner he would have us believe can be achieved, and there are all sorts of messy situations that neither he nor his proxies discuss — but with a flexible mind, seeking the ideas and approaches that can be applied in situations other than those discussed directly. Some of what the book says is trite and some seems obvious, but *Managing the Non-Profit Organisation* is worth reading and thinking about.

J.J. Landsberg

Murray-Darling Basin Commission

Telecommunications Policy for the 1990s and Beyond by *Walter G. Bolter, James W. McConnaughey and Fred J. Kelsey*
(M.E. Sharpe, London, 1990), pp. xvii + 426, \$US75.00, ISBN 0-87332-586-9.

Productivity improvement in the telecommunications industry has been a major force in post-war economic growth. This is a book about the US telecommunications industry. It covers the evolution of the industry from basic telegraphy to the multi-dimensional information technology industry of today and beyond. Topics include the transition from public to private ownership, regulation and deregulation, monopoly and competition.

Ch. 2 explores the rationale for government intervention in terms of microeconomic theory and industrial organisation. Economic models of competition: perfect competition, pure monopoly, monopolistic competition and oligopoly are comprehensively but briefly outlined. The resulting potted treatment of basic microeconomic theory will probably be off-putting to many economists. At the same time non-economists will have difficulty in coping with the economic jargon. The discussion is diagrammatic, however the diagrams are missing. Diagrams are introduced later on in discussing natural monopoly and the control of monopoly power. My impression is that the authors have got price determination under monopoly wrong. The authors would have been better advised to refer the uninitiated reader to a basic microeconomics text and to leave this chapter out. In the end this very quick and taxing survey of price theory comes up with the rather disappointing result that no one theory has emerged as the standard. This, if anything, is a damning indictment of applied economics.

Globalisation as a counterforce to antitrust laws is discussed in the very last paragraph of Chapter II. I think that this is an important point that cannot