

IIMB—Contributions and Achievements The First 10 Years

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Management education in India started just 50 years ago. During the last 25 years, IIMB has added new dimensions to management education. On the occasion of celebrating its Silver Jubilee, it will be worthwhile to recall its birth and growth, as well as achievements and failures so that the future can be planned taking into account the emerging situation and new challenges to management education.

At the Ravindra Kalakshetra on 23 October 1973, Sri Devraj Urs, then Chief Minister, Mr. T.A. Pai, Chairman and board members of IIMB, its director, faculty and staff and a packed audience of VIPs and well wishers were anxiously waiting for the Prime Minister, Mrs. Indira Gandhi, to come for the formal inauguration. Leaving a stormy meeting of the Congress Party in Lal Bagh, at noon, she arrived with a tense face, perhaps worried over the decisions taken a few minutes earlier. The melodious music of the *nadaswaram* welcomed her, and she wanted it to continue for a few minutes more. Parvathi Mahadevan rendered an inspiring invocation to bless the institution. With closed eyes, PM listened with rapt attention; and her face became serene. She began her inaugural speech by appreciating the culture and ethos of IIMB. She expressed her happiness that IIMB had planned management training programmes for public systems, which needed management input most.

Thus, IIMB ventured into the various sectors in public systems—enterprises and undertakings, utilities and services, central-state-local administration, agriculture and rural development, ecology and environment, non-organised sector, human settlement, livestock and animal power, appropriate technology and so on, sectors which were till then not covered well by the management education system. It

was an adventure into uncharted fields. The lack of experience and expertise, shortage of trained faculty and indifference of these sectors to management training hampered progress. Further, these government controlled sectors did not respond to IIMB's initiatives. Nevertheless, the IIMB went ahead on the understanding that it was better to make some improvements in these crucial sectors, which were neglected, than to concentrate on business and industry sectors which were already doing well. Looking back, we feel that it was a worthwhile effort, though success was only marginal due to internal constraints and conflicts, and lack of support from these sectors.

During those 25 years, many things have changed for the better. The environment is more supportive. Liberalisation and globalisation and computerised information systems have brought in new challenges, which IIMB is meeting magnificently. The institute now enjoys public esteem in India and international recognition.

Management science is still young. It is secular and largely based on conventional social science disciplines. If it could incorporate ethical, moral, philosophical and spiritual values, management can bring about more progress and happiness. IIMB has made a beginning towards such integration.

The Beginning

Management training had its humble beginnings in the early 50s. An organisational form and seriousness came into being, with the campaigns of the ILO Mission on Productivity, the establishment of the National Productivity Council and the All India Management Association as well as their regional organisations, and short training courses in a few professionalised business houses, such as Burmah Shell and Hindustan Lever. The Bombay and Osmania Universities started post-graduate, part-time diploma and full-time degree courses in management. The Administrative Staff College in Hyderabad brought respectability to management training. Government officials and senior managers from the corporate sector attended its prestigious 10-week programme in management.

Most of the training then was on industrial engineering techniques, with a sprinkling of organisational behaviour, human relations, management principles, etc. Faculty had to depend heavily on British and American books, containing excellent management solutions to problems and situations, which did not exist in India. At the other end, we had no feasible solution to India's perplexing problems, which were complicated with government intervention, caste and linguistic prejudice, etc. Graduating students got starting salaries three times that of university teachers. It was difficult to attract good faculty.

Captains of industry were then sceptical of management training. They thought that managers were born and not made. Government officials openly ridiculed management programmes as mere jargon and humbug, and dubbed them foolish and futile. In the 80s, however, some of them developed interest and respect, when they found their children, as fresh MBA graduates, earning salaries far higher than they had done after several years of service.

The IIMs

In the early 60s, the IIMs at Ahmedabad and Calcutta, and NITIE at Mumbai brought academic rigour and public esteem. These institutions were given autonomy, unlike universities, which were bogged down with traditions and rules, where management education could not flourish; unfortunately, the situation remains the same even now. The IIMs received adequate funds from the government for providing generous infrastructure, qualified faculty and competent administrative staff.

Other IIMs came into being later—Bangalore in 1973, Lucknow in the 80s and Calicut in the 90s. Recently, the All India Technical Education has sanctioned 600 institutes of management in the private sector. India now has perhaps the largest network of management development centres. While IIM programmes are comparable with the best in the world, most private institutes and university departments are operating with very few faculty and poor infrastructure.

Permeation of Management

India's workforce is about 310 million, out of which 30 million are in the organised sector, consisting of 22 million in various government controlled organisations and eight million in the private sector. Management education, training, research and consultancy are largely confined to the organised sector, that is, 10 per cent of the workforce. IIM graduates are largely working in the better managed business houses. Thus, management covers only organisations with 3 per cent of the workforce. Management has not made any inroads into the unorganised sector of 280 million.

MBAs are not allowed entry into public administration, railways and road transport, irrigation and power, AIR and Doordarshan, telephones and postal services, municipal administration and services, and so on. This is even though some of them make use of management training centres and consultancy services. Government organisations are still functioning under the traditional public administrative systems, which are not amenable to managerial style and culture. Consequently, their performance is poor. Even now,

these sectors are not doing anything to improve their low level of efficiency and poor service consciousness. In one electricity board, 14,000 engineers had not listened to even one management lecture.

Meanwhile, well-managed business and industry houses are unable to perform to their potential because of poor physical infrastructure. A highly politicised public administrative system looks at business with an attitude of suspicion and hostility. The people's faith in the government is declining because of the poor performance of utilities and services. It is against this background that the IIMB developed its perspectives and programmes.

Institute Activities

Management of Public Services

The orderly progress of society depends on how well utilities and services, which form the cutting edge between the government and the people, satisfy the needs of the people. I had, therefore, organised a series of management programmes for the officials of the Bombay Municipal Corporation, which raised their morale and efficiency. NITIE organised studies and training for municipal officials and corporators, and established an urban development centre. Research and training were conducted for sectors such as transportation, power and hospitals.

Business and industry can perform better with good infrastructure. These experiences led to the evolution of the mission of IIMB. It was also decided then that it would give special attention to South India in general, and Karnataka, in particular, as these were its immediate environment. A majority of the institute's sponsored studies were in the South.

The first three-day conference in 1973 was on urban development and management, which was attended by 1,000 officials—mayors, municipal commissioners and other officials of all the municipal corporations in Karnataka. IIMB also organised a conference of electricity boards, which was attended by the chairmen and senior officials of five state electricity boards.

Recognising that the public sector was to occupy commanding heights of the economy, IIMB conducted two-day seminars in all major cities on the management of public enterprises, which was attended by many CMDs and directors. Also, a large number of management programmes—both inter-company and organisation based—were conducted all over the country in order to increase the professional management content of (Public Sector Units) PSUs. These courses elaborated the philosophy and special problems of PSUs.

With the support of the Government of India, IIMB organised research, consultancy and management development programmes for sectors, such as irrigation and power, airlines and road transport, education and health, customs and excise, banking and insurance, agriculture and rural development, drought prone area programmes, police and income tax. It was a major contribution of IIMB to take management science to these hitherto neglected sectors, proving the relevance of management to all areas of human endeavour. There was criticism that IIMB was not academically equipped to conduct sectoral programmes. But IIMB was convinced that even an average level of input would improve infrastructure substantially, the beneficiary of which would be the business and industry sector.

By researching on improvements to bullock carts and slaughter systems, IIMB showed the important role of livestock in increasing agricultural production, improving rural development and protecting the environment. India's 450 million livestock contributed 10 per cent of the GNP. In spite of this, the livestock sector was neglected. IIMB also conducted research on ecology and environment, and produced policy papers for the central and state governments.

There was severe criticism of IIMB dabbling in bullock cart and slaughter systems. IIMB's studies showed that animal power ploughed 60 per cent of the area cultivated and hauled 25 billion tonne kilometres of freight in 15 million carts. Animal power annually saved 6 million tonnes of petroleum, valued at Rs. 60 billion in foreign exchange, and was valued at Rs. 100 billion per year. The meat sector involved Rs. 200 billion and 20 million workers. Thus, IIMB contributed to the upgradation of the unorganised sector.

PGP in Sectors

In the post-graduate programme, IIMB allocated half the number of seats for sectors, such as transport, power, agricultural and rural development and habitat. The PGP on these sectors was not popular with students, since their prospects in these sectors were poor compared to those in business and industry.

India had expertise in planning, but implementation was poor. The responsibility for implementation was that of the state governments. Therefore, in order to train state government officials in management, IIMB helped Tamil Nadu and Kerala governments in the establishment of institutes, exclusively to give management training to their officials in various departments. Officials from agricultural and rural development, education and health, transport, power, and so on, were given a two-year faculty development programme, which equipped them to become faculty members in the Institute of

Management at Trivandrum and the Anna Institute of Management in Chennai.

Fellowship

The fellowship programme in IIMB, equivalent to the PhD of the university system, was assigned exclusively to develop researchers, teachers and consultants for sectors like transport, power and agriculture, with special emphasis on preparing policy papers and training faculty for the sectoral institutions started by the central and state governments.

PGP and Social Involvement

The PGP was similar to that of the other IIMs, with an additional feature, worth mentioning here. One compulsory project on 'Social Involvement' was introduced, which compelled all PGP students to study situations in police stations, judicial courts, orphanages, hospitals, railway stations, and other fields in which citizens suffered due to the inefficiency and insensitivity of the authorities. This project inculcated awareness of the genuine problems of society, for which management had solutions.

Faculty Development

I had proposed that IIMB should concentrate on research and training programmes to produce teachers, research scholars and consultants for manning faculty positions in university departments of management, state institutes of administration, sectoral management institutes, etc. Even now, a need exists for providing faculty to the 600 management institutes.

Funded Research

IIMB conducted large-scale research projects on public systems. An international project on the performance of public enterprises, funded by IDRC, Canada, covered nine developing countries in Asia. I conducted several studies on animal power, including a one-year study in 30 developing countries on the role of animal power. National and international conferences were organised on animal power with UN assistance. The first-ever documentation and a photo album on India's animal-drawn vehicles was produced. Bullock carts designed by IIMB, were kept side by side with the satellite in the International Trade Fair in London. Other studies and training were on plantation, drought prone areas development, Himalayan ecology, rural communication, primary health care, etc. An international delegation of management teachers from prestigious American and UK Universities expressed its appreciation of IIMB's perspectives and programmes as being

eminently suitable to the Indian situation. Another group remarked that in conducting such programmes, IIMB was years ahead of other institutions.

Appraisal

A few years ago, a business magazine compared the three IIMs, and ranked IIMB below the other two institutions. But they appraised only the post-graduate programmes in management, comparing the performance of the graduates in business and industry, which formed only 10 per cent of India's economy. Moreover only 15 per cent of IIMB's faculty time was spent on the post-graduate programme. The institute's work in several sectors was not covered in that study.

Difficulties

Such deviations from conventional management thinking were difficult to implement. Trained teachers, with proven track records in academic excellence, were not available for the sectors. Therefore, teachers had to be developed. Knowledge in the specialisation had to be integrated with expertise in the functional areas of management. Senior officials in these sectors were not responsive. The government did not depute its officers to undergo training. A World Bank funded management programme for the irrigation sector did not attract even 10 engineers, though the programme was conducted in a five-star hotel. This shows the apathy of the centre and the states towards management training. The situation even now remains as bad as ever.

Improvised Buildings

Since there was delay in getting land, IIMB had to conduct programmes in improvised buildings and hotels for six years. Nearly 25 faculty members who had opted for IIMB, leaving high academic positions in the US, had to sit in one big hall. In spite of such handicaps, morale was high, partly because of the missionary zeal of IIMB. The faculty deserve credit for performing well under difficult conditions. The Ford Foundation gave financial assistance to train faculty abroad in transport and energy sectors.

Campus

IIMB's beautiful campus has been appreciated by architects and eminent citizens in India and abroad. Four eminent architects cooperated in the project. In 1972, we planted 50,000 saplings and 1,000 10-year, old trees. Thus, the campus was already green when we moved in 1979. We kept in view that "trees and teachers take time to grow."

Directorship

When I was director of NITIE, I was asked in 1972 to develop IIMB. Later, as director of IIMB, I looked after NITIE. Thus, I was director of both for over two years. Throughout my tenure, there was tension within, and criticism in the Karnataka Assembly and a segment of the press, which dubbed the institute as mismanaged. Even a senior government official declared that I was a poor administrator, though a good institution builder. From 1981, a segment of the faculty and the staff union, with support from outside, created conditions where I could not discharge my responsibilities effectively. Therefore, in the interest of the institute, I relinquished charge as director in July 1983, and took sabbatical leave for two years, during which time I completed a major government-funded project on animal power. Finally, I retired on 31 March 1986. For the next 12-years, I had no opportunity to visit the campus. But the present director has invited me, for which I am grateful.

I must express my indebtedness to Dr. L.S. Chandrakant, who is the father of technical and management education in our country, for the great support he extended to me and the institute. The chairman and the Board of governors stood by me all through and encouraged me in all my endeavours. Many faculty and staff members consoled and helped me in times of distress. I am indebted to all of them.

Acquiring land for the campus, obtaining power, water, phones, roads and other facilities, getting sanctions for a stone building, obtaining funds, getting the master plan approved and constructed, involved herculean efforts to overcome obstacles and opposition. There was then only one building on the Bannerghatta Road, which is now bustling with activity. Programmes and people are bound to change, and may be forgotten. But the elegant campus will stand as an achievement. Its unique beautiful stone buildings, pergolas, water tank and open spaces, embraced by plant life, will now continue unchanged, a glorious temple of learning.