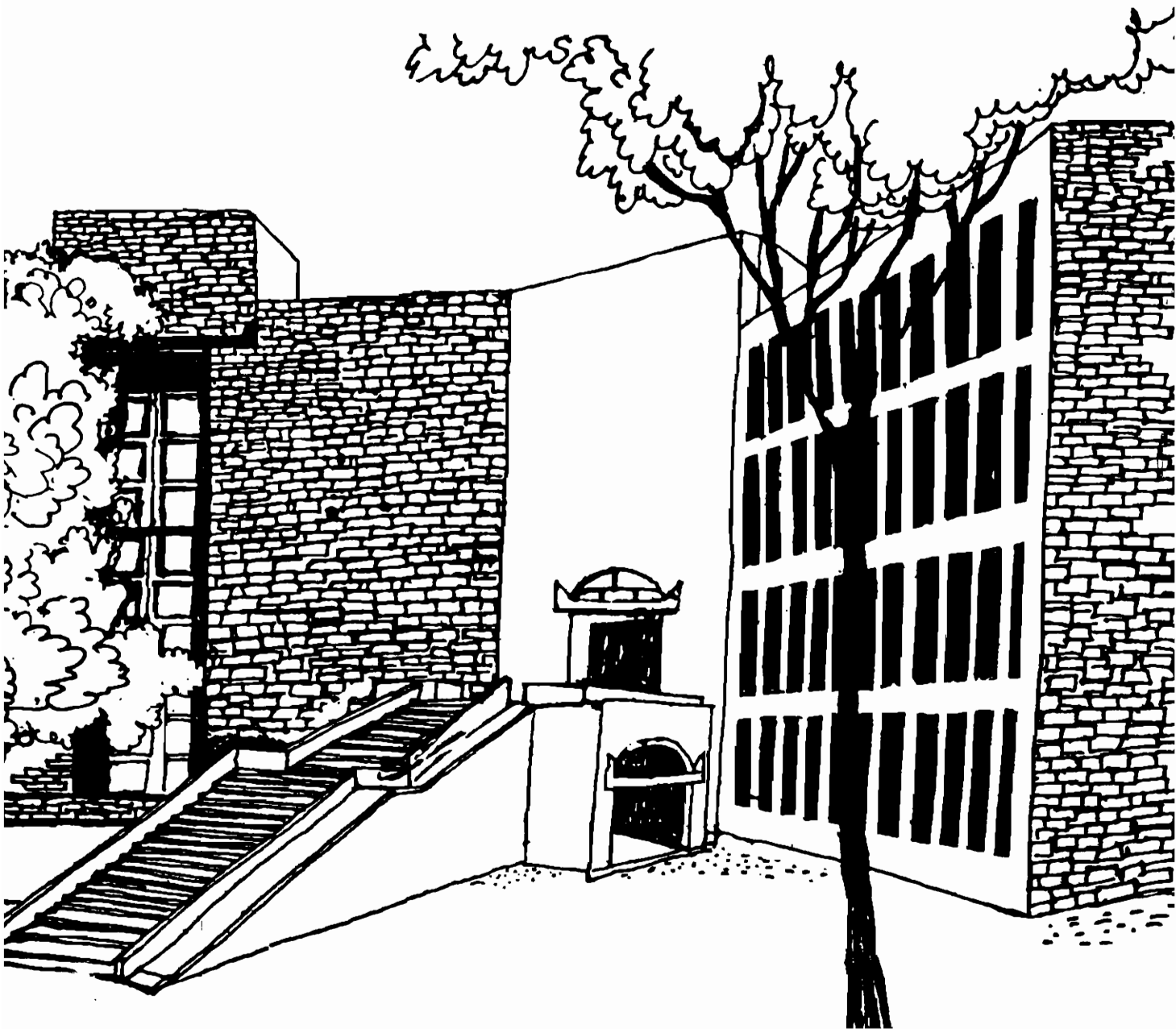




# Working Paper




# **IIMA Today - A Case of Depleted Networth**

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## **IIMA Today - A Case of Depleted Network**

**By**

**V. Raghunathan**

It was with a great sense of pride in belonging to the IIMA institution that I read the first volume of *Institution Building - The IIMA Experience: The Early Years*. I began to understand how a fine institution was conceived and built in a relatively short span by men of stature; what insight, vision and dedication had gone in to the creation of this pioneering institute. There are not many organizations in the country which can boast of so much preeminence achieved in as short a time as did IIMA. The creation of an institution like the IIMA in the early 60's must itself be regarded a man sized task. But to build a sustaining institution with values, norms and systems which would provide a strong foundation for years to come must have been a feat for giants.

However, institution building is only one phase of the institutional life cycle. After an institution is built, it must grow, and mature with a healthy long life. Thus, aspects of institution maintenance, and arresting of institution erosion, and institution decay for sustained excellence become increasingly more important as an institution grows older. True, some degree of building process always goes on in any institution, no matter how old. But the total emphasis on this task in comparison to the task of maintenance becomes smaller as an organization grows older. It is our peculiarity in this part of the world that excellence in organizations has a rather small life. While a Cambridge and an Oxford may boast of centuries of sustained excellence, excellence in India seems to have a typical life span of some 15 years. Again and again, we seem to have thrown up giant architects, thinkers and planners, whose works and grand designs could not be maintained for any length of time. We have built impressive multi-purpose dams and enormous manufacturing facilities, only to see them huff and puff to operate at a fraction of their capacity. We build big buildings, roads and canals, only to let them become decrepit. We build giant research labs and power stations, only to let them become equally big overheads.

Is IIMA being different? Is it being successful in elongating the growth and maturity phase of its life cycle? Does it show the symptoms of emulating, even if to a limited extent, its more long lasting internationally reputed cousins? As the first and second round runners passed down the baton, did the third and the fourth set of runners continue to build over the strengths of their predecessors? Are we maintaining our cherished values, norms and practices - in short, the institutional culture - dreamt and built assiduously in the past, with some care and concern? Or, are we, wittingly or unwittingly, losing appreciation of the excellent legacy we have inherited and are squandering away the wealth, like foolish elder sons of great tycoons? Anyone who is interested in the continued well being of IIMA is bound to be asking these questions.

I was, therefore, very happy when Prof. Ranjit Gupta invited me to contribute to the forthcoming second volume of IIMA's institution building experience to cover the later years. In his letter of invitation, not only was Prof. Gupta gracious enough to allow me complete freedom of expression, he also enclosed some very useful material to help me with my understanding of the very processes of institution building.

In what follows, I would place emphasis not on aspects of institution building but on institutional maintenance. Towards this end, I intend to make good use of the check-list on institution building and self renewal provided by Prof. Gupta and try to answer if IIMA is preserving and extending the life of its excellence. And this I shall do, as far as possible with some examples.

### **Institution Building at IIMA in 1993: Tick Offs Against A Check-List**

The Check-list of Rao and Shah<sup>1</sup> seeks to assess the institution' building and self renewal efforts of an institution on several dimensions. Some of the more important dimensions and their answers as I see them through my twelve years at IIMA follow.

**a. Goals and Missions:** Are goals, missions, and objectives of the Institute clearly defined and clearly understood and accepted by all the employees?

The answer in all reasonableness appears to be "no". In justification, let me cite the institute's standardized format issued by the Dean for the "Proposed Plan of Activities: 1993-94", which has the following to say on the Institute's mission:

"Please indicate below the contribution you plan to make to the missions of the Institute, namely, International Management, Industrial Policy Management and Entrepreneurship and Strategic priority sectors needing greater professional management inputs."

The above statement underscores the gross misunderstanding of the Institute's mission even on the part of those who should know better. Surely the mission of IIMA is not to manage international business or manage industrial policy? Again, with respect to entrepreneurship, exactly what is the mission statement? To develop an entrepreneurial spirit in the country? To train entrepreneurs in management skills? Or to research on what entrepreneurship is all about? Or all of these?

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1 Rao, T.V. and Shah N., "Institution Building Experiences" (mimeo), IIM, Ahmedabad, 1992.

Again, let us assume that these areas indeed comprise the institute's "missions". One would expect that if this were so, the new activities like international management, industrial policy management and entrepreneurship groups would not have been structured merely by moving faculty from existing areas into the new areas, even though they had little or no expertise in the new areas. Nor was any bank of activities built up in these areas to prove or consolidate the existing strength of the Institute in these areas. Little experience in these areas were built up in the form of short duration programmes. In the absence of such accumulated work, these groups could not mobilize any significant resources for carrying on their activities, with the result that today, most of these new groups are threatening to become big overheads at the hands of the Institute. Allowing random movements of faculty into new areas in itself gave rise to a veritable cascading of movements to and from areas, not unlike a random brownian motion, destabilising many of the existing areas, without aiding any development of the new areas. The exercise appears to have done more harm than good, since the resources seem to have been spread rather thin over the areas, both new and old.

Consider again the Chair in International Finance and the Chairmanship of the Industrial Policy group. These were vested in the same person to begin with. The problems of dividing the time of a faculty between two important and new activities is self-evident. Further, one would expect the Institute to ensure some continuity in these positions, at least in the initial stages, and not leave both the important positions bereft of the occupant within months of filling them up, leaving the fledgling activities floundering. Did the Institute understand its missions well? Did the individual understand and accept the importance of the Institute's mission while accepting the onerous responsibilities of the positions vested upon him? Perhaps the answers are obvious.

**b. Values and Norms:** Does the Institution have clear values, norms and culture of its own and are these adhered to?

According to Ravi J. Mathai, the basis of IIMA culture and standard of excellence and integrity was built around individual freedom and not thrust upon the faculty by hierarchial authority<sup>2</sup>.

These norms and values evolved over the years are rapidly eroding today. There was a time when the faculty's role in all the major decision making processes of the institute was taken for granted. On faculty's role in the Institute's governance, Samuel Paul comments:

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2 a) The Underlying basis of IIMA Organization, and b) Prerequisites of Institution Building, Institution Building: The IIMA Experience - The Early Years, Vol. I.

"There was nothing in IIMA's charter or its formal rules that granted this role (institute's governance) to the faculty. Rather it emerged from a consensus among those who initiated and supported this venture that it is the proper thing to do given the mission of the Institute. Strictly speaking, all major decisions on policies, programmes and standards belonged to the Board and the Director. But de facto group that dominated these decisions was the faculty"<sup>3</sup>.

This role of the faculty stands totally marginalized today. Several significant examples can be cited to highlight the marginalized role of the faculty in today's IIMA.

A master plan for mobilizing a corpus of Rs 30 crore was put in place over a couple of years ago. The plan contained several unusual proposals such as naming the 18 odd dormitories on the campus after the sponsors for a payment of Rs 40 lakh per dormitory. This move alone was to mobilize Rs 7.2 crore. When the proposal was sought to be discussed in the faculty meeting, with many faculty members expressing grave concerns at the practicality and desirability of such a plan, the faculty was categorically told by the Director that mobilization of financial resources was no concern of the faculty. This alienated the faculty totally from the institute's effort of fund mobilization, and three years down the road, the achievement against the target of Rs 30 crore is not even 1%. Nor was the Institute able to get a single sponsor for naming a dormitory after him. Had the faculty's counsel been respected and faculty involved with the fund mobilization effort, the results could probably have been more encouraging. Anyone who has been associated with the institute for any length of time would recognize that at any point of time, the Institute has at least 15 to 20 faculty members with sufficient ability, goodwill and wherewithal to generate a crore each within two to three years, provided appropriate conditions of freedom and initiative are created. Today, a grand vision stands reduced to a nought of performance.

Having failed to raise the targeted corpus, the institute succumbed to the temptation of resorting to the easier option of hiking the PGP fees (including messing charges) to almost Rs 35,000 per annum<sup>4</sup>. While in principle, most would have agreed that there was a strong case for a fee hike in the PGP, many faculty members have had serious misgivings as to the extent and the pace of this fee hike and the consequent effect the hike could have in IIMA's continued ability to attract the best of the students from the society. There have been concerns that IIMA could be losing the brightest students to other IIMs. Concerns have also been expressed as to IIMA's history of social obligations and the economic reality of the masses in India, notwithstanding today's free market ethos. Faculty has also been of the

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3 Building on a Solid Foundation, Insitution Building: The IIMA Experience - The Early Years, Vol. I.

4 Slated to be increased to about Rs 50,000 by 1995-96.

view that any exercise in the PGP fee hike must be a part of a more comprehensive exercise which would take into account the revenues and expenses of all the major activities of the Institute, as failing to do so could result in a situation where the PGP may be subsidizing other revenue generating activities of the Institute like the management development programmes or even consulting - clearly an untenable situation. Given these circumstances, the manner in which the PGP fee was hiked steeply in 1993 presents another example of the total marginalization of the faculty's role in institute's governance today.

According to the institute's norms, traditions, and even the PGP manual, the PGP fee issues are the concern of the PGP Committee, the membership of which enlists the entire faculty body. The steep hike in the fee to about Rs 26,000 per student, plus the messing charges for 1993-94, however, had been decided by the Director and the approval of the board obtained without any discussions on the matter by the PGP. The PGP Committee took strong exception to the manner in which the hike had been brought about, calling it "unfair and inappropriate". It was also noted formally by the PGP Committee that the Director had given an impression that the hike in the fees had been effected as per the recommendations of the PGP Committee, which had not only made no such recommendation, but had in retrospect opposed the decision for several reasons.

The Committee wrote to the Director stating:

"The PGP committee [holds] serious concerns about the way the Director took the decision about the PGP fees. According to PGP Committee this [is] a violation of the institutional processes.

According to the PGP Manual Section 9 on Academic Administration, point no. 9.2 of PGP Committee and 9.2 (e) states that

'The PGP Committee decides the amount of tuition fees, the total budget for books and case materials, and other dues payable by PGP Students' <sup>5</sup>

It is worth noting in this context that the question involved was not one of the Director and the faculty body (the PGP committee) disagreeing on the fee issue. The question was one of the PGP committee totally being marginalized on the issue. It may also be noted that the above sentiment formally communicated to the Director by the PGP Committee is strong indeed and such notes from a

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5 PGP Chairperson's note of 28.6.93 addressed to the Director on behalf of the PGP Committee.

Committee of the faculty to the Director are rare. It must be seen in the context that the Director's action undermined the faculty's traditional role in such matters, a role highlighted by Samuel Paul as mentioned earlier. The faculty's misgivings were further accentuated by the Director's refusal to meet the PGP Committee in person, despite several formal requests, to sort out the unseemly issue with dignity.

Another instance concerns the most unusual initiative of the Director in monetizing an alleged but serious academic impropriety. The extent of marginalization of the faculty may be gauged from the fact that even when about 30 faculty members wrote to the Director to bring the issue of monetizing academic improprieties for discussion in the faculty council, the request was totally disregarded. In the earlier years of IIMA, even a request from a single faculty member was adequate to bring an issue before the faculty council on the strength of its own merit. The final drama surrounding the issue continues to be enacted in the court rooms and the press today, with tapes of the Director monetizing the impropriety being available for anyone who would care to listen to it.

Yet another instance of the same process of faculty marginalization is apparent from the fact that the faculty recommendations based on purely academic considerations of academic norms and proprieties in the PGP and even doctoral programmes have been summarily reversed by the Director without any credible reasons. No one will dispute the fact that in principle, the Director may be the last court of appeal for a student. And yet, the institute's traditions and norms bind the Director to respect the faculty sentiments, so that he may deviate from it only in the rarest of rare cases and not as a matter of routine. Imagine every capital punishment of the supreme court being routinely set aside by the President of India, merely because the constitution vests in him the power to do so.

Even in terms of the institutional processes, one is beginning to witness changes, which the early Directors of the Institute did not intend. Observes Samuel Paul, that in the 70's when the office of the Dean (Planning) was introduced, there were various apprehensions from many quarters, including the fear that the creation of the position may restrict one's access to the Director. "To allay the fear among the faculty that the Dean may usurp more powers", Paul states "it was useful not to create the impression that the Dean was his deputy and might act for him in his absence"<sup>6</sup>. Today, it is routine for the Dean to act as the Acting Director in the absence of the Director.

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T.V. Rao drew attention in August 1992 to the "eroding institutional processes and emergence of new power centres"<sup>7</sup>. He observed: "In the last one year we have witnessed a significant difference in institutional processes (underlining by Rao). Unfortunately, the office of the Director, Dean, the Institutions of PPC and FDEC seem to have emerged or at least perceived as new power centres creating a lot of discomfiture in the minds of several faculty."

Another example of insensitivity to faculty sentiments, even in their personal lives, was in evidence when central authority was sought to be imposed in denying access to Cable TV within the campus in an organized manner (at no cost to the Institute) in total disregard of the sentiments of a very large section of faculty community. The question of whether the Director could impose his personal will upon not only the employees but also their families in their private lives was never addressed. The issue sparked off a spontaneous and strong expression of sentiments from a large section of faculty, leading one of them<sup>8</sup> to paraphrase Voltaire (?): "I disagree with what you are watching but I will defend to the death your right to watch it". A complete compilation of the sentiments expressed by the faculty body would have done credit to the spirit of "Rights of Man" as enunciated in the French Revolution. At the very least, the episode showed considerable ineptitude in handling of a relatively simple matter, even as the matter ended up in the law court and press.

Repeated instances show that the interaction between the management and faculty is no longer based on mutual respect and trust. It is not unusual for the Director not to be on speaking terms with several faculty members. It is not unusual for a faculty member not to be able to meet the Director for months.

Ravi Mathai envisaged "a self regulating community rather than having large volumes of rules and regulations which would constrain individual behaviour"<sup>9</sup>. Those who have been in the institute for long will testify that situation when the earlier Directors might have been suspected or accused of using this flexibility for partisan decision making were rare. Today, this very flexibility has come to be regarded as an institutional liability because of the manner in which it has been used.

The demand for a transparent set of rules, regulations and service conditions is already beginning to be heard as more and more personnel perceive themselves as victims of unjust discrimination. As the

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7 Professor T.V. Rao's note titled "ARE WE MISSING THE BUS AGAIN?" addressed to the Director, circulated to the faculty on August 31, 1992.

8 Prof. J.R. Varma's note of October 6, 1993 addressed to the Director.

9 op cit

list of such grievances mounts without any opportunity for internal redressal mechanism, more and more cases are finding their way into law courts. An increasing number of faculty is already beginning to wonder if the faculty body also should not fortify itself in the form of an association, like their counterparts in other IIMs to protect itself against arbitrary decision making of the administration. One important question beginning to be raised is why the negative decisions of the Director vis-a-vis promotion, long leave, etc. should not be ratified by the Personnel Committee of the Board, even as this committee ratifies the positive decisions of the Director. After all, in IIMA's context, granting of promotions and long leaves are more routine than refusal of the same. Also, the negative decisions probably affect the career paths of the individuals more seriously than the positive decisions. Will it not be appropriate for the Personnel Committee to ratify the negative decisions of the Director and also hear out the aggrieved cases? Unless the board takes a serious cognisance of this aspect, the office of the Director is bound to come under an increasing accusation of arbitrariness.

No longer are the signals from the Director perceived as those coming from a first among equals. Nor does the Director seem to be concerned about this perception. In fact he appears to encourage this perception. Tough talk, threats, arm twisting, punishments, penalties, dismissals and such are the institutional languages today. Comments Prof Shastry in the context of faculty at IIMA in general, "...they always have a vague feeling of uneasiness that they would be hauled up for some imaginary mistakes: it is the atmosphere of selectively granting leave, selectively granting large projects, denying retiring professors basic dignity, some of the appointments to key positions and so on which gives rise to all this"<sup>10</sup>.

Again, while on the one hand the Institute suffers from a total lack of transparency with regard to the basis on which various decisions are being taken, on the other hand, the new rules which are created often reflect a lack of application.

For example, the "New Consulting Rules" released on April 30, 1993 state, inter alia, in the context of foreign assignments,

"if full hospitality is provided by a host institution, friend or relative etc..." the per diem rate will be 20% of the admissible per diem rate! One will be hard put to find an administrative parallel anywhere which treats hospitality by a host institution at par with hospitality by friends and relatives. Is this rule capable of being implemented? Perhaps not. Unfortunately, many perceive the rule as being sufficient to harass a persona non-grata.

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10 Notice put up by Prof. T. Shastry, dated April 14, 1994, on the electronic notice board.

Another stipulation in the same document states, "for computing income [from a consulting assignment] to be shared, any per diem paid to the faculty will be added to the fee paid to the faculty..."! That nowhere, even for income tax purposes, the per diem amount is treated as "income" is lost upon the institute.

What is worse, no attempt at correcting the situation was made even when the comical rules were brought to the Director's notice in writing.

**c. Self-renewal Exercises:** Does the Institute conduct internal renewal exercises periodically, say a SWOT analysis, and whether all staff are involved and whether activities are added or dropped or modified as a consequence of these exercises, and whether organizational health surveys are conducted and used to improve organizational health periodically?

While the last concerted work on the future directions for IIMA's activities was carried out only in the early eighties, over 40 committees involving a significant number of the faculty and administrative staff were set up during the last three years to look into various aspects of the Institute's activities. The scope of the exercise was wide enough to have provided the necessary overhaul to the myriad activities of the Institute. Consequently, some new activities were reinforced or added. But since no existing activity or focus was dropped, the exercise merely spread the existing resources thinner over all the areas. Also, the impact of the exercise was considerably lessened as many of the reports never got translated into action.

Today, for servicing a population of about 425 doctoral and post graduate students and about 100 odd executives on campus at any one point of time, the institute employs about 80 faculty, about the same number of research staff and about 600 administrative staff! Even today, the Institute has no organized long range plan to improve the students to faculty and faculty to administrative staff ratios. Clearly, self renewal must remain difficult for some time to come.

**d. HRD Systems:** Is there any systematic attempt at developing the human resources at various levels, including in-house training programmes for upgrading the skills of academic and non-academic staff?

There has been considerable upgradation in the computer literacy at all levels at the Institute. This, among other things have been achieved through considerable in-house training. On other fronts, however, the record is less impressive. For example, several young faculty without any background in management education whatsoever, have been recruited under many of the new research groups, which have at best only a tenuous link with management education. These faculty members have very

little, or virtually no potential for teaching in the post graduate programme of the Institute as it stands. Assuming that the Institute needs to add to the strength of its non-teaching faculty in such areas, it would have been desirable to depute each one of them formally into the Institute's own Management Education Programme (a four month general management exposure) to get them a managerial orientation. In the absence of such a policy, many a bright young faculty is left trying to justify their existence in an alien environment, with little scope for any teaching, resulting in severe demotivation.

Even as non-teaching faculty strength is being increased, participation in international seminars and conferences is being discouraged on account of financial crunch, restricting international exposure of the more research oriented faculty.

Over the years, the development of research associates seems to have been singularly neglected. In its earlier years, the Institute had an unwritten career development path which enabled many of the research associates to develop into faculty members at the Institute itself or elsewhere through appropriate self development. Consequently, the overall quality of the research associates which the Institute attracted was of high calibre as is evidenced by the fact that several faculty members at IIMA today and other good business schools were research associates at the Institute at one time.

It would have been desirable if the Institute had kept up this tradition and ensured that only the very best would be allowed to continue on renewed contracts and had given appropriate notice or indication to others.

Unfortunately, by renewing the contracts of research staff without discrimination, the institute also managed to demotivate the promising staff when, suddenly coming alive to the problem of an increasing population of research staff, it attempted to terminate the services of all contractual research staff, even those with outstanding track-record of several years at the Institute. Such an abrupt course of action without having given appropriate messages to those concerned was indeed lacking in sensitivity and understanding.

Having been given to understand that their services were good enough to be renewed year after year for several years, the research staff had come to take the renewal of their contracts for granted. In addition, the institute had some research staff on permanent rolls, giving an impression to others that if their services had been retained long enough by the Institute, they could hope to be absorbed on permanent rolls in due course. Many of the staff were well past the age which would entitle them to participate in competitive public examinations. Over the years there was little monitoring of the self development of the research staff. Thus, when the administration decided to stop the renewal of

contracts, the staff which had been with the Institute for several years promptly, and with some justification, went to court.

In retrospect, could something have been done to provide a serious career path to this section? For example, in some other IIMs, research fellows are expected to take courses in their own field (as against the entire spectrum of courses) and work towards their doctorate (fellowship) in their respective fields. Under this system, a research associate in the Area of Economics works towards a Fellowship in Economics, as against the Fellowship in Management, which a full time doctoral student works towards.

Not only was such a path not worked out for the research staff, the only route they had for their doctorate through being registered with the Gujarat University also got closed to them by the Institute, without a viable alternative being offered. In recent times a committee was set up to look into the issues concerning the research associates. The outcome of this committee's work seems to be restricted to figuring out ways and means of structuring the assignments of the research associates in such a way that they do not have a claim to a regular appointment with the Institute. The basic need to regard the development of the research staff as an Institutional responsibility has been provided a short shrift, except for encouraging them to attend some courses, without leading to any formal diploma.

In its initial years, the development of the class 3 and class 4 staff was mostly informal. The then Director's personal care for details of maintenance, sanitation, cleanliness of campus as exemplified by the Director picking up a piece of paper on his walk to work or a casual talk with the maintenance supervisor about a non-functioning street light etc. used to suffice to enthuse the then informal and smaller organizational staff to perform to the desired level of standards. However, over the years, the Institute has grown considerably and become far more complex. But commensurate development of skills of administrative staff as professionals is virtually non-existent. For example, for decades now, the sensitive position of Admissions Officer has been held by one person, and his appreciation of the sensitivity of his position is legendary. While this official is barely a year from retirement, there is no move to develop an alternative to this sensitive position.

In fact, the only "developmental" path for many of the administrative employees seems to be creation of some more tiers in between so that, earlier while the plumber, electrician or the carpenter carried his own tool-kit to work, today his bag is carried by an assistant, creating an illusion of professional development at a high cost.

At another plane, one of the most neglected areas appear to be towards what might be referred to as the social responsibility of the Institute towards its own employees. Despite the presence of a large elite class on campus, little organizational attempt has gone towards educating the class 3 and class 4 administrative staff to the benefits of family planning; towards ensuring that no child of the community goes without basic schooling, ensuring that retired employees (especially those from the administrative staff) will have a house of their own to retire in; proper indoor recreational facilities for the occupants of sedentary jobs; a safe play ground for the children and so on. While for paucity of funds the Institute does not provide any housing loan to its employees, there is no institute sponsored private housing complex either, which an Institute like the IIMA, given its clout, could easily have promoted. Nor have suggestions for linking the institutional entitlement of housing loan with HDFC's loans been thought of, despite suggestions made to that effect. Notwithstanding the serious problem of schooling for employees' children, no attempt has been made for promoting a central school on campus, even though about 60 acres of land remains unutilized. Given IIMA's own and the surrounding population and given that Ahmedabad as a city is short of adequate schooling facility, the viability of a full fledged school is a foregone conclusion. Other IIMs (for example, IIM, Calcutta) and the IITs do have central schools of their own. Even today, IIMA is nowhere near addressing this issue seriously. What is worse, even when overtures have been made by other institutions (like ISRO) or faculty members to help in the matter, the Institute's response has been singularly lukewarm.

**e. Activity Plans and Performance Appraisals:** Does the Institute have a participative annual plan and a performance appraisal system at all levels?

The Institute has over the years developed a system of preparing its annual plan of activities, which is perhaps a little more serious in academic activities as compared to administrative activities. For that matter, the Institute also has some norms of outputs in terms of teaching, research and management training for the academic staff. However, there is absolutely no system, formal or informal, by which those erring in quantitative and qualitative terms of output year after year are asked to modify their work pattern.

As far as the performance appraisal and development aspects of faculty members is concerned, this task is supposed to be done by the Faculty Evaluation and Development Committee (FDEC).

In the earlier years of the Institute, "in response to the faculty's concerns, the Director's appointments to the evaluation committee took into account the confidential views of the faculty thus legitimizing

its role more than ever before<sup>11</sup>. This tradition has been reduced to a mere formality of inviting the faculty suggestions, though it is well known that the faculty suggestions and opinions have no bearing with the actual appointments, especially since even open and non-confidential reservations expressed by the faculty about certain appointments to the FDEC are disregarded by the Director. Many of the problems with the real or perceived functioning of the FDEC may be traced directly to the violation of the time tested norms of appointments to this sensitive committee.

As a consequence, today the institution of FDEC has lost all credibility as members rated among the poorest of teachers, or those without any publications for several years or those shown to have omitted referencing of others' works in their own alleged works have been appointed to this august body. There have also been instances where vacancies in the committee have been left unfilled for several months.

As a consequence, in recent times the Committee has come under taint with feelings of unfairness and bias in performance appraisal and related issues in many quarters and at least one seriously aggrieved faculty member has had to resort to legal remedy. In this particular instance, the committee gave the concerned faculty member no feedback whatsoever concerning his appraisal for promotion from Associate to full Professorship for over sixteen months.

That, a faculty member had to resort to legal remedy is a sad commentary on the internal grievance redressal processes of the Institute. The feeling that performance is no longer being measured in terms of the quantity and quality of professional work done in the Institute is fast taking root.

#### **IIMA's Excellence:**

Does that mean the Institute is bereft of any strength today? Isn't IIM still regarded a premier institution and doesn't its name still command respect among even those who matter? Yes. But we are fast eating out of our capital. That we may still be the best management school in the country can be of little consolation. This may be a greater commentary of the generally low standards prevailing in other institutions in the country than a feather in our cap. As an institution whose budget in purchasing power may be comparable to the best in the world, the comparison of its strengths must necessarily be at a global level.

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11 Samuel Paul: *ibid.*

The major strength of IIMA today is that its strength is still salvageable, with a little tact, a little imagination and a little re-dedication to the original value system which have been diluted considerably over the years. On the whole, the work culture at the Institute, both at the faculty and the staff level, is still healthy.

Also, it is not as if IIMA has not built newer strengths. Today, in terms of applied information technology, IIMA stands head and shoulder above all other business schools in the country and is perhaps comparable to any top business school anywhere in the world. This technology has also been responsible for making up for the rapidly diminishing institutional transparency in decision making through informal exchange of information through the electronic notice board media.

Are we still excellent? The true test of whether or not we are an excellent institution is to be tested out at the market place. While it is routine for a leading American business school to bring in millions of dollars towards their corpus, we are unable to touch a figure one hundredth of the targeted Rs 30 crore over a three year period. While some degree of this failure might be attributed to the Indian corporate culture (even if we disregard the fact that it is for institutions like ours to instill that culture in the Industry by the dint of our work), we cannot abdicate all responsibility from the implicit failure on our own part. If our early patrons structured the Institutional growth through governmental funds in the early 60's, it was in keeping with the ethos of those times. Surely one will find it difficult to believe that had those men been alive today, they would not have been able to raise any resources from the industry in keeping with today's ethos, especially armed as they would be with the results of the Institute's 30 years of operation.

Our founding fathers evidently built a world class institution of excellence, never once calling their efforts "world class" or "excellent". In contrast one of the recent leaflets of the institute aimed at mobilizing financial resources was titled on the leaflet's backside (sic) in illegible and blotched ink, "IIMA's Quest for Excellence" and the leaflet signed-off with: "IIMA is World Class - Help Us Keep It Great. The implicit humour in the situation wasn't funny. Calling ourselves world class, or excellent neither spelt class nor excellence. Needless to say, we didn't carry much conviction with those whom we meant to target.

#### **In Conclusion:**

I have evidently been quite critical of IIMA as it stands today. Financial problem is the least of the problems the institute faces today. If one is willing to accept that something is seriously and rapidly eroding IIMA's excellence today, there is enough strength left within the institute to bring it back to



its glory with a little tact, willingness and trust in its faculty and staff. The situation of IIMA today can be summed up with an anecdote which depicts how a client's brand new Rolls Royce stopped a mere kilometer from the show room, much to his chagrin. It was found that the dealer had forgotten to fill any gasoline in the car before the client drove the car away. It ran the kilometer merely on its past reputation. We are on that kilometer. Our past reputation is still standing by us.

What can we possibly do today to try and restore IIMA's status as a vibrant, self regenerating and a liberal institution? Following are a few suggestions:

**a. Goals and Missions:**

a. The last Committee for Future Directions (CFD) of IIMA was set up in the early eighties. The Institute should set up another CFD to take a comprehensive look at IIMA's intended missions, the need for change in its mission if any in the new emerging environment, current portfolio of activities, the directions its old and new activities have taken or need to take, their performance, the competition the Institute faces today and activities that need to be jettisoned.

b. The CFD could also develop a comprehensive manpower plan for the next five years to improve the faculty/student/staff ratio at the institute, with due regard to necessary infusion of higher technology in future.

**b. Values and Norms:**

a. The institute has operated in relatively informal environment, that is an environment free from too many rules and regulations, in the past. Due to the increased institutional complexity arising from growth, there is an urgent need to give a comprehensive look at the various aspects of service conditions at the Institute and develop a transparent and a workable set of service conditions which could mitigate the feelings of real or perceived arbitrariness of decision making.

b. Restore the culture of faculty involvement in decision making, not only in letter, but in spirit.

c. Appointments to crucial positions such as the FDEC and faculty members on the board should be based on faculty consultations in spirit. It may also be desirable if the recommendations to these positions are sought non-confidentially so that the appointments are more transparent. The faculty

members so appointed could also help the situation by bringing about a degree of faculty consultations themselves. For example, several legitimate but unaddressed concerns of the community do rounds of the corridors without finding a dignified hearing in a suitable forum. It might be helpful if the faculty representatives on the board take an initiative to feel the community's pulse on the more important issues and be a bridge between the IIMA Board and the faculty/IIMA community. Once at least the genuine concerns of the community reach the highest forum in the institute, the incidence of litigation etc. may drop significantly. The FDEC and faculty board members could also attend a few meetings of the important forums such as the PGP or the FPM etc. to get their fingers on the faculty sentiments.<sup>12</sup>

d. Set up an internal grievance redressal forum comprising of some board members to hear out the legitimate grievances of the members of the community against the administration. To ensure that every negative administrative decision does not become a grievance, the above forum itself may be empowered to reject an appeal for a hearing based on the prima facie case. Again such a system will greatly reduce litigations public washing of the institute's linen.

#### **c. HRD and Appraisal Systems:**

a. Design an appraisal system which will be in keeping with the spirit of today's market forces. There should be clear signals to performers and non-performers through appropriate rewards or the lack of them (which is not the same as "carrot and stick" approach). Unless a clear premium to performance is attached, we are unlikely to get out of a system which is weighed in favour of non-performers.

b. Bring about greater transparency in the performance requirements, whether for purposes of appointments, confirmation, promotion, change of Area or just annual appraisal.

c. Create a general atmosphere of good will and restore the community's trust in the fairness of the institute's processes by undertaking an immediate review of some of the vexing cases relating to performance appraisal. While an agonized and an outstanding member of the faculty member, in the total absence of any internal grievance redressal mechanism may go to court contesting a decision of the institute, there is no reason why the Institute cannot show the grace and goodwill to review the

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12 The PGP records show that during the past one year, while there have been about a dozen odd meetings, only one meeting was attended by one member of the FDEC and faculty members of the Board put together.

case on its merits, especially when the institute, if nothing else, was guilty of not giving any feedback to the concerned member for almost a year and a half.

d. Allow a specialized doctoral programme in specific areas as against a doctoral programme in management for the benefit of the research staff. Once such a programme is initiated, the research staff's term of appointment, like the FPM, could be treated as over as soon as the doctorate is completed, or 4 years, whichever is earlier. Apart from giving a fair deal to the research staff, such a programme will have a considerable value addition to the Indian academia in general.

e. Develop a comprehensive career and skills development plan for the administrative staff add value to their skills, so that over a period of time they can also find alternate employment. For example, today, many of the IIM's secretaries find good employment outside. There is no reason why the mess or MDC staff's skills cannot be upgraded to a level where their services will be at a premium with major hotels, apart from the institute itself benefiting from their upgraded skills while they are still here.

