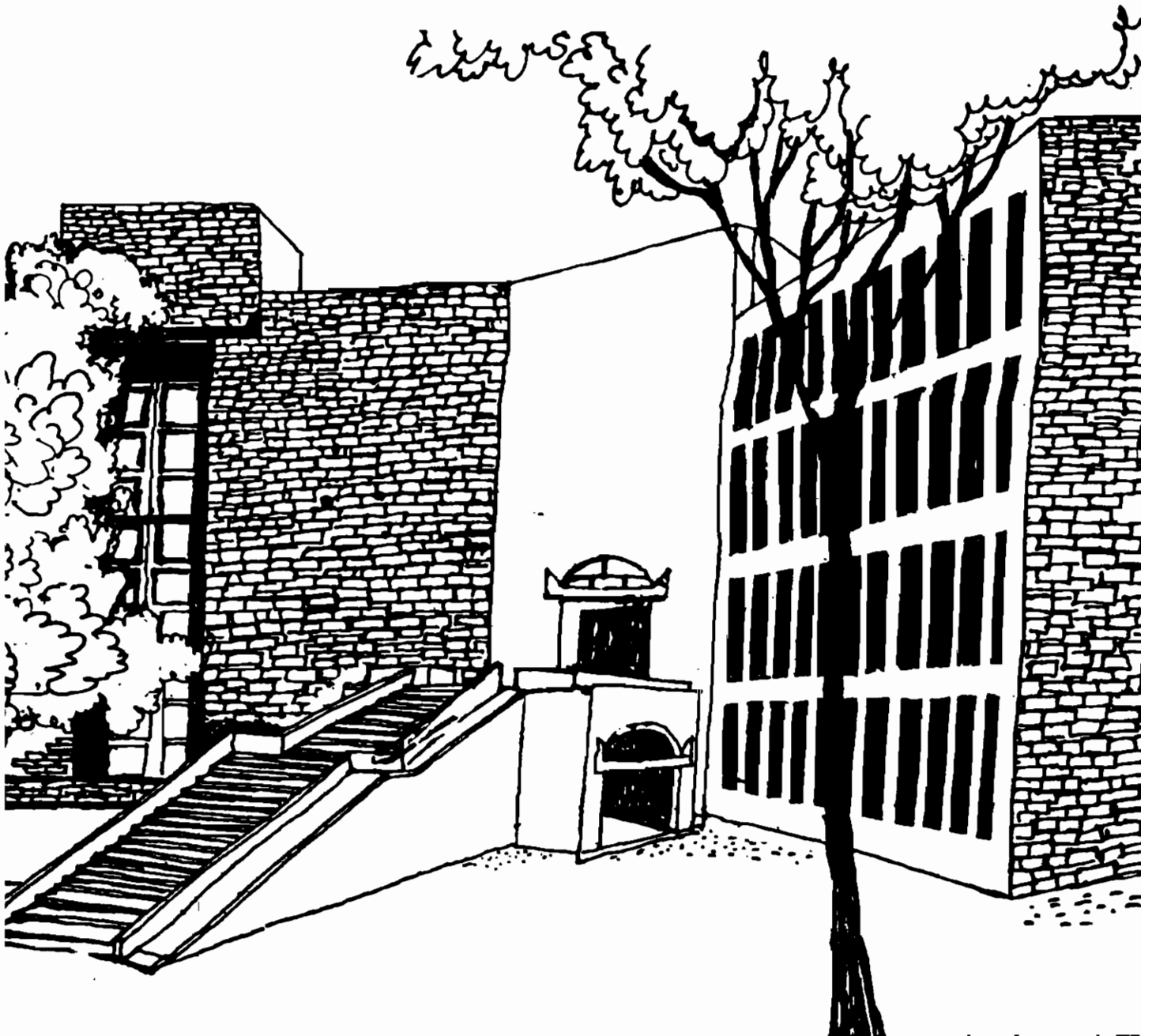




Working Paper



INDIGENOUS VOICE: THE REGRESSIVE EFFECTS
OF WESTERN MODELS ON ORGANIZATION
STRUCTURE, MANAGEMENT PRACTICES AND
RELATIONSHIP PROCESSES IN INDIAN
ORGANIZATIONS

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**Indigenous Voice: The Regressive Effects of Western Models on
Organization Structure, Management Practices
& Relationship Processes in Indian Organizations**

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Abstract

The decades of the nineties for the Indian organization have been both dramatic and traumatic. India has borrowed technology, organization structures and management practices from Japan and many countries of the west. The assumptions of how technology and management practices ought to work are anchored in their respective cultures. The operationalisation of the technology and organization structures are through human resources of the organization who are anchored in the socio-cultural as well as organizational structures, roles and processes. This paper "Indigenous Voice: The Regressive Effects of Western Models on Organization Structure, Management Practices and Relationship Processes in Indian Organizations" explores the historical antecedents of the growth of Indian organizations, the processes of borrowings and adoptions of and adaptations to technology and organizational models. It also explores their impact on organization structures, management practices and relationships, the present status of Indian organizations, the images of the donors of technology and organization models as held by the managers and other employees and the internal dynamics and the reality of Indian organizations and its people. The paper then identifies some of the functional and healthy processes of Indian organizations which could revitalise and reenergise these organizations.

**Indigenous Voice: The Regressive Effects of Western Models on
Organization Structure, Management Practices
& Relationship Processes in Indian Organizations**

**International Conference on "Muting Indigenous Perspectives on W/O
Psychology" at Continental Parlour, San Francisco
August 12, 1998**

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Introduction

The decade of the nineties for India and the Indian Organizations have been both dramatic and traumatic. Dramatic because for the first time the wish of the industrial sector, to have an open economy got fulfilled to have an open economy. The government began to liberalise its industrial and economic policies and there were opportunities for the Indian organizations to become global. The trauma came as a result of opening up, internationalising and globalising which created competition for the existing Indian industries. The hope and expectation of the Indian industries was they would go on as before with more opportunities and there would be space for the rest of the industries to enter the market. Most of the Indian industrialists as well as the existing MNCs were not prepared and did not anticipate the emergent scenario of the opening of the economy-hardly any one had planned for it. Most of the Indian organizations big or small were unprepared internally to respond to the new challenges and opportunities. The closed economy of the country had predictable policies, certainty of the markets, and restrictive processes to govern the organizations as well as the markets. Technology remained stable and an organization could continue to reproduce the same products with minor modifications. In such an economy, innovativeness was not important or encouraged and asking serious questions about the internal dynamics or directions of the organization was just not done.

Context of Industrialisation in India

Such has been the fate and destiny of India. India as the country has set up ideals and gigantic destinations borrowed from other countries and continents. The Indian organizations borrow technology from one country, management structures, systems and processes from another country and then discover that they are far behind. The organizations have to catch up and close the gap of centuries in a decade or less than a decade, compete with countries and industries with several decades or a century of experience in globalisation, vast resources, a well trained and equipped competent pool of human resources and well laid out structures, systems and objectives. These other countries have had the time to mature and grow into an industrialized state and an industrialized society. Indian organizations then take up these challenges and landmarks with their own human resource capital whose acculturation, socialization, role taking, orientation to relationships and assumptions about work and work relationships are quite different than the countries and cultures from whom adoptions and adaptations have been borrowed. (Adalakha, V., and Bellur, V.V., 1984, Baumgartel, H., 1983, Stahl, O.G., 1979).

Indian society for the last twenty-five hundred years has been dominantly an agrarian society. The path of industrialization goes back to fifty years and can be stretched back to about a hundred years. The first fifty years of those hundred years the country was intensely occupied in struggling for independence. The first thirty years of the next fifty years (from the fifties to the seventies) of independence, the country opted for a form of economic governance which would make the country self reliant and an industrially viable nation. The last twenty years (from the seventies to the nineties) there was a push for a different form of economic governance. With the opening up of the economy and the new competitors coming in the country the Indian industries and organizations went in for enthusiastic collaborations and joint ventures, partnerships, alliances and MOUs. The Indian organizations borrowed technology from Japan as well as many other countries. With the technology from other countries came the personnel, work culture, work ethics, and their ways of running an industry and modes of interfacing with the environment and work relationships. The impact of transfer of technology has

been the study of many researchers. (Baumgartel, H. 1983; Small, B.W. 1977). The Indian organizations also borrowed structures, management practices and systems from the West and superimposed them on the existing familial structures of Indian organizations. The Indian organizations invited western consultants from many developed countries to redesign the Indian organization structures, management practices, systems and national, international and global strategies. Both the borrowing of technology as well as the new organization vision provided the Indian CEOs and the organizations their dreams and new aspirations to chase.

The dreams and aspirations generated by the consultative processes mobilized the CEOs, the heads and senior managers of some of the most successful Indian organizations. They started to weave these dreams and aspirations into a personal vision, an organization mission, policies and strategies to be translated into results and targets dramatically different than the ones which had existed earlier. The HR and personnel function were mobilised to translate these into activities for each of the employee and the senior management waited for the results to follow. However the employees and the organization started to lag behind. The large number of employees and the rest of the organization could not follow, nor keep pace with the new vision, aspirations, expectations, and demands of the CEOs. Moreover a very large number of employees overnight began to experience a fall in self esteem, a lack of self worth and a feeling of being devalued by the same entrepreneurs and leaders who valued them earlier for their contribution to the growth of the organization. Studies on self attitudes and esteem of employees have drawn much attention with specific reference to cross-cultural implications (Burger, P.C. and Doktor, B. 1976; Deva, S. 1979; Arbose. J. 1982).

Growth of Indian Organization

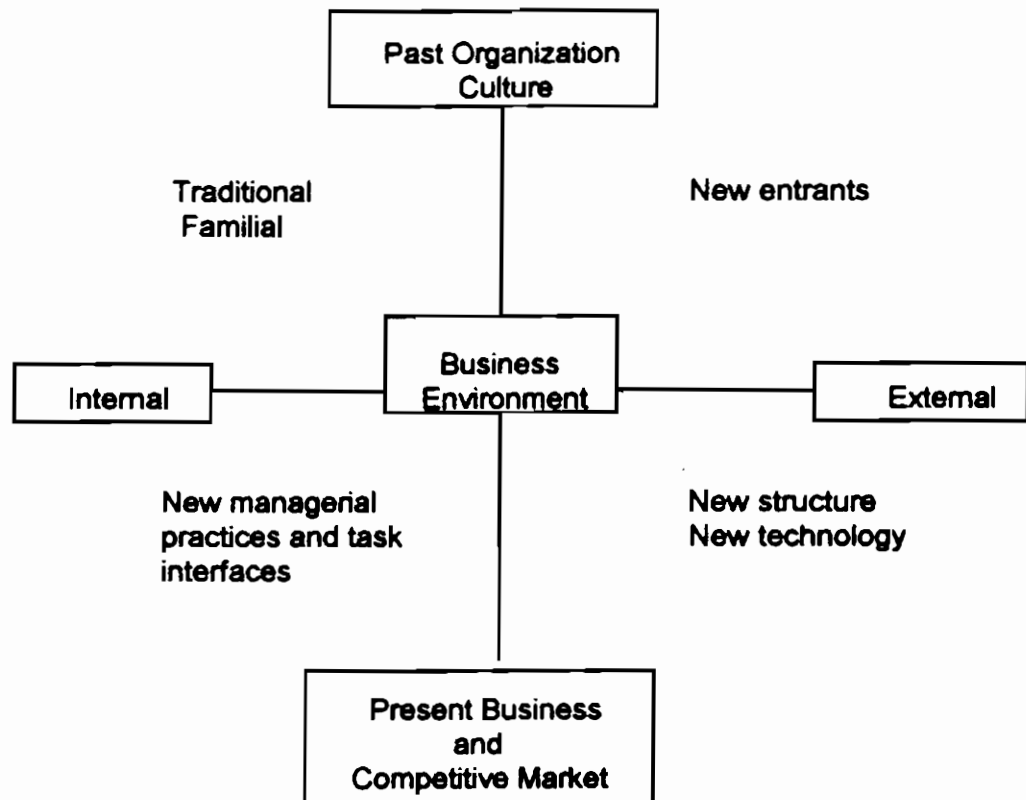
Indian organization began to experience and encounter flux and transition more significantly in the last decade (Boseman, F.G. 1975). In order to understand the nature of this transition we must look at the country's social as well as organizational context.

1. India is experiencing growth and development simultaneously but at differential pace in industrial and social sector. The industrial sector is growing at a much faster pace than the social sector. The social sector with its deeply embedded attitudes, beliefs and values is brought to the work place by the people in the organization. This creates a process lag within the functioning of the organization. The society as well as the industries carry a historical baggage of 2500 years. Whereas the policies of industrial growth and development are designed and based on global and international considerations.
2. In India, there is diverse ownership of industry, size of organizations, complexity of technology and phases of growth.
3. There is an overwhelming powerful social cultural milieu which influences the family which in turn impacts the role taking of the individuals. The cultural and social structures are carried over to formal work organizations. The role taking in the organization is influenced by pulls and pushes of both the traditional relationships and the professional expectations of a task and work culture (Garg, P.K. and Parikh, I.J. 1986).
4. Socialisation process of the family fosters the emotive maps to be anchored in social structures whereas the socialisation of organizations fosters cognitive maps anchored in task structures (Parikh, I.J. 1988).
5. Socialisation from educational systems and work organization gives rise to a new set of emotive and cognitive maps anchored in aspirations of professionalism. Both these systems then pull and push the individual in opposite directions for role performance. The emotive and cognitive maps of the primary system viz. the family however, have more enduring roots (Parikh, I.J. 1988).
6. There is a simultaneous shift in attitudes, values, beliefs and modes of meeting life situations both at home and work. This creates a unique juxtaposition of the old and the new and the modern and the traditional (Garg, Pulin K, and Parikh, I.J, 1986).

Internal and external environment of Indian organizations: Impact of new technology and management practices

The business environment of all Indian organizations have changed significantly. Figure 1 presents the transformations in the business environment and its impact on both the external and the internal environment of organizations.

**Figure 1
Business Environment of Organizations**

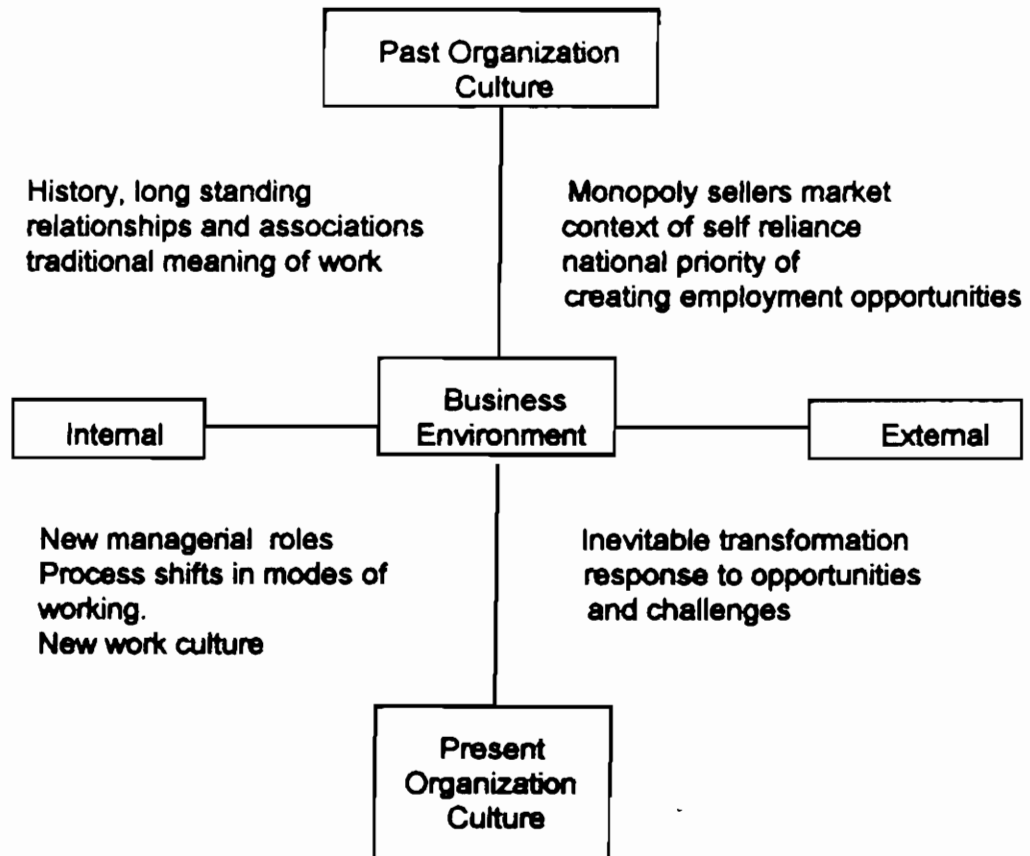


- Indian organizations have worked for a long time with family culture.
- The organization culture is influenced by external environment through new and/or younger people who reflect the transformations occurring in the culture and society.
- The internal environment is influenced by groups of people, management practices and task interfaces which have existed for a long time and the new processes resulting from growth.
- The external environment continuously transforms itself through competitiveness in the market and impacts the internal environment of the organizations.

Figure 1 suggests that both the internal and external environment of Indian organizations are simultaneously undergoing transformation. The pace of change has substantially accelerated in the last decade. This pulls and pushes the internal environment and people in many directions. What was once considered the asset and strength of Indian family owned and organizations viz. the family culture of a large joint family in an organization started to be considered a liability and a baggage (Pankh, Indira.J, and Rath, Laura, 1998)

Organizations introduced new technology, new organization structures, and management practices. However, the ground for planting these new processes was not prepared. Moreover, were the people prepared for these new initiatives to move from one context of a traditional, familial, personalised affiliation related work culture to a more task and function oriented formalised work culture. Somehow, it was assumed that the borrowed culture was good for the organization and so people must follow and would follow. However, this did not happen. In fact, most people in organizations nostalgically talked of the earlier work culture, the personalised relationships and accessibility of the owner-managers or leaders and a feeling of identification, belonging and ownership with the progenitors and leaders and the organization. This nostalgia in fact inhibited the shift of people to more formal, functional and task processes. Figure 2 presents the past and the present environment of organizations.

Figure 2
Business Environment of Indian Organizations



- Internal organization consists of organization culture history, cumulative past and long standing relationships and association and traditional meaning of work as duty and karma.
- The external environment of the past was of sellers' market and monopoly with the focus of self reliance as well as national priority of creating employment opportunities for large numbers of people.
- Internal environment of the present has new managerial processes and roles and changes in the mode of working. A new work culture of growth at any cost and at any price. Professionalism is one such mode of new work culture.
- In the present, change is inevitable both in the internal as well as external environment and the challenge is the survival of the fittest or biggest.

The interplay of the internal and external environment confronts both people and organizations to move from one kind of work culture to a new kind of work culture. The past provides stability whereas the present provides new challenges (Parikh, Indira.J, 1998).

Figure 2 suggests that the flux in both the internal and external business environment makes it necessary for Indian organizations and its leadership to respond to the transformation with clarity and directionality. The CEOs and the senior managers need to bring a new vision and design process is of foster a new work culture.

The Indian organizations do carry a baggage of historical past of the socio-cultural context of Indian joint families (Garg, Pulin.K, and Parikh, Indira. J, 1986). However, this baggage also had its strengths from which grew large and mammoth organizations, from one man entrepreneur and enterprise to industries and industrial empires which created self reliance on indigenous products.

The transformation of an individual, system, organization, industry, society, family and culture are inevitable processes of life and living. The only difference is that in the agrarian tradition of India the transformation was slow and steady providing stability, and continuity to both the people and society. As such, the nature of work and social living were well integrated, punctuated only by natural or man-made disasters. In today's times however, the pace of change is so fast that obsolescence of both technology and management practices is a reality. Response to such rapid paced transformations requires a dramatic shift from the CEOs and the senior managers with a shift in maps and definitions held by people of organizations, its structures, tasks, relationships, role taking processes and interfaces in formal and functional work settings.

Similarly, the Indian organizations have grown by the competency and capabilities of these very same people. India as a country had grown into the seventh largest industrialised nation by the very same industrialists and by the very same employees and industries. Given the reality that this was not enough, sufficient or adequate does not overnight make a whole nation of people or employees in organizations become redundant in their experience, knowledge, capability and competency. Organizations do not become obsolete in all their technology, existing structures and systems, management practices, leadership styles and managerial orientations. There existed a

work culture, a work ethos, relationship processes, authority and hierarchy, interfaces and boundaries in Indian organizations which made Indian organizations grow.

The Traditional Strengths of Indian Organizations

The Indian organizations have had their own strengths which provided coherence and convergence of diverse elements within the organizations. The most critical asset of the organization has been the progenitor, the father figure and the leader. The quality of interface which he generated became the energising and mobilising factor. The role requires personal considerations anchored in social familial interfaces where the employees feel secure that in any personal crisis they would have support from the leader. On the part of the employee's role this expectation is anchored in the socio-cultural context of duty, obedience and conformity on the one hand which facilitates his multi job, multi skills and taking any role required by the progenitor leaders. The only dysfunctional aspect of this interface is that this role is not replaceable by any other formal role holder. Any other person taking this role is a proxy role and very often considered an usurper and illegitimate. This role is expected from the very top. Today these roles can be initiated through the organizational / institutional processes around celebrations and togetherness on traditional events where direct contact and accessibility is experimented by the employees (Parikh, Indira.J, 1995,; Singh, P, Das, G, 1977).

Indian organizations traditionally celebrated some organizational events which brought larger collectivities of people together. These events were around founders day or national holidays anchored in social and religious traditional celebrations.

1. Departmental celebration where workers worship their machines and their tools with the owner cum seniors. Sweets are distributed to all the employees.
2. At some point of time on a special day, families visit the plant. These are planned with great anticipation and festivity. This created opportunities for annual clean up of the plant and to decorate the plant whereby the plant acquired a festive look, looked clean and neat and the workers could proudly show the plant to their families. This created a sense of ownership of their work space.

3. Holi, Dashera, Pooja and such other regional festivals used to be celebrated in many organizations where the whole community used to get together. All the senior managers as well as the top leadership with their families were present. These events were anticipated with much enthusiasm. There was time and space for the employees to have direct contact and accessibility to the top people. Progenitors and their families were accessible to the employees and their families. Here the employees could share their personal life space, bring their children for the blessings and request help in terms of their social life space (Parikh, Indira.J, 1995 a, b,; Parikh, Indira.J, and Garg, Pulin.K, 1990).

In the phase of transformation and in the name of secularism many of these practices around festivals got discontinued and were seen as traditional and old fashioned. However, these traditions were quite precious to the employees. Discontinuity of such practices took away the joy in the organizations, personal touchability of the leaders and created isolation and distantiation across levels and amongst people in the organization.

In many organizations when all such events of social-emotional associations have been delinked from living practices the dysfunctionality and interface tensions have increased across levels in the organizations. This has happened more so when the owner managers, entrepreneurs and CEOs have delinked from these interfaces.

Let us look at how the Indian organizations grew in the traditional business context of India and what maps and definitions of people and systems, they brought to the organizations when they joined these organizations.

Let us also look at the historical past where the Indian organizations were rooted in traditional structures, familial work culture and management practices and the present where Indian organization are confronted with a competitive and business environment. After the turbulent seventies and formal consolidation of the eighties the Indian organizations began transforming the organization culture through introduction of new technology, into formally designed organization structures and a professional managerial orientation. Most of the Indian organizations truly panicked in the nineties.

Their internal unpreparedness and the external giant image of global organizations created in the leadership and the employees of Indian organization doubts about their own strengths, resources, fear of the mammoth and global MNCs and the ruthlessness of the MNCs in destroying and swallowing the small businesses. These apprehensions of the changing environment rekindled centuries old doubts and evaluations of the capabilities and competencies of Indian strengths. A comparative frame enveloped by ethnic prejudices and labelling people as natives governs the assessment of India's reality. These comparative frames do not acknowledge the history of a millennium of brutalisation, humiliation, exploitation and destruction of dignity and intellectual capabilities of millions in the nation as against a millennium of comparative and aggressive frame which governed India and the present half a century of autonomy and freedom in which the Indian organizations have grown and encountered the shifting sands of time. A country with such complexity and diversity which has consolidated its industrialisation and arrived at this cross-road is to be commended rather than given critical and harsh judgements. As it stands today, the Indian organizations and employees have the internal capacity to evolve new perspectives of management structures, systems and processes to respond to opportunities and challenges of tomorrows' organizations.

All that people require is to receive management education, tools and techniques and inspiration from the top leadership to take the destiny of the organization forward. Figure 3 presents the growth processes of Indian organizations.

leaders and the new and different assumptions of technology and work cultures of Japan and the assumptions of the western management structures, systems and processes. All of a sudden the Indian organizations were seen to be filled with mediocre and non-productive employees, the organization was lacking a work culture, and professionalism and work ethics. A whole lot of similar other evaluations and judgements about large number of Indian organisation as well as a very large number of its people began to surface. What seemed to have happened was that to the mass of the employees logically and rationally the borrowed technology and management structures were acceptable. What was not acceptable were the role models and leadership and authority relationship anchored in formal functional processes. When the leaders of the organizations responded to the growth and the new challenges and opportunities and got preoccupied largely with the external environment and created distance between the employees, the employees experienced dissonance and loss of personal contact. This was perceived as loss of interest and involvement in that unit, division, organization and as well as the people. This then contributed to inefficiency, lethargy, invisible wastage of resources, loss of emotional contact and direction from the leader and a feeling of being disowned by the leaders. This further created ambivalence toward developmental focus, direction for change and growth.

The process also generates many new anxieties. Some of the anxieties and apprehensions across the organizations reflect the following themes:

1. Introduction of new technology generates tremendous anxiety and apprehensions for people in the organizations. To a majority of employees introduction of new technology means streamlining of the organization and as such reduction in people across levels. The employees are intelligent and experienced to know that in order for the organization to be competitive and cost effective the numbers have to come down drastically. The nagging question confronted by most employees is what will the organization do with the additional people if they do not ask them to leave. Lack of answer to this question makes most employees uncertain of their location and jobs in the organization.
2. Redesigning of organization structure means reallocation of existing people in key positions. These decision are held back by the designers and the policy makers for

a long time and there is very little transparency in the decisions. This adds to the fear and anxieties at the staff and managerial level. The lack of openness and transparency in sharing this thinking creates gossip, speculations and inferences which create panic and unrealistic versions and meanings of reality. The process of articulation is held back as there is concern and apprehensions to throw out the loyal, dedicated and sincere employees who have truly become redundant.

3. Whatever is known of restructuring and redefining of managerial roles through the grapevine or directly suggests that some functions are bound to become redundant or non-existent. Those functional role holders become quite apprehensive of their status, location and position in the new set up. The lack of information uncertainty and ambiguity adds fuel to the fire in the organization. The management comes under great criticism for bringing change in the organization.
4. The hierarchical layered structure gets attention to be redesigned to a flat structure. This means removing or reducing the disparity which exists amongst level as well as across levels of management. However, this also creates anxiety around issue of redundancy and limited opportunities for growth of career path.

Perception of Development and Donors

Most of the time the evaluations and judgements of India, its industrialisation, employees and performance of work organizations are based on a comparative frame by the donors of technology and management structures. However, very little attempt is made by the donor countries to understand the perceptions and evaluations of the recipients of the technology and organization structures. The recipients of the technology and management structures cognitively accept the need of technology as well as new structures and management practices. However, the emotive responses which also exist simultaneously are neither articulated nor shared. Some of the following dimensions have surfaced during the various management workshops and training programmes with Indian organizations (Parikh, Indira.J, and Farrell, Pauline).

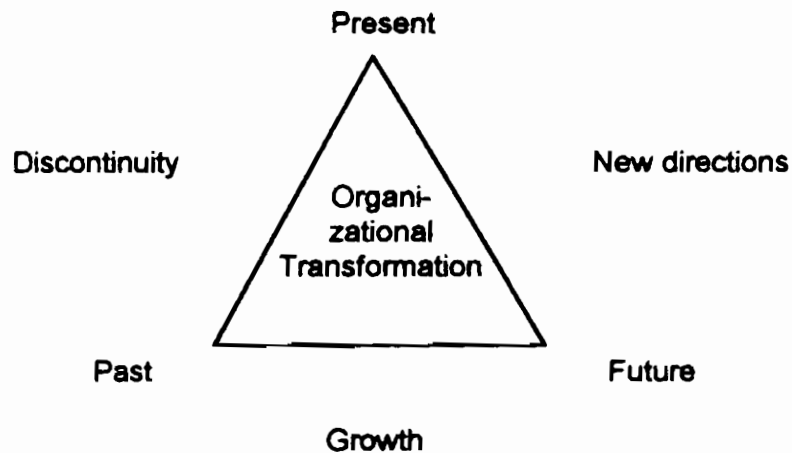
1. The third world countries hold in ambivalence images of Western society, organizations, management based on hire and fire policies and modes of relationships existing both at the social and work level. This evaluation does not

emotively permit the acceptance and adaptation of western management know-how to be operationalised and practised in Indian organizations. These get accepted at the cognitive and logical level alone.

2. There are already existing new role and organizational definitions operationalised by Indian employees. They are not congruent with the framework of western definitions.
3. Often the western know-how is brought to the third world countries as patronage, bestowal and / or to fulfil lacunae, scarcity or inadequacy and insufficiency. This overwhelming negative orientation is resented by the employees and managers of the organizations. Each society has strengths and positives in the cultural heritage as well as limitations and dysfunctionalities. To the outsiders Indian organizations are experienced as chaotic and filled with nepotism. They do not see the processes of realignment and recalibrations constantly taking place.
4. The third world countries anchored in social relational dynamics have created a social design where institutional processes fostered values, beliefs, rituals and traditions which provided coherence and convergence and fostered well-being for its people. Negative assessment or replacement of these through secondary processes anchored in formal work settings only create resistance. These new processes also do not take roots. Very rarely that joint explorations and sharing are done to arrive at relevant perspectives. New organizational and societal designs need to unfold and new paths need to be discovered.
5. Societies across the world have universal, cultural and organizational paradigms. A beginning can be made to understand and learn from universal paradigms, explore the uniqueness of each culture and design relevant processes for the organizations. Western know-how brings exclusively the universal paradigms or the western cultural paradigms without sensing the specifications of each culture. What needs to be also understood are the cultural processes of giving meaning to family and work, role-taking in social and work settings and action choices available to men and women of that particular society. In the absence of this process centuries of old attitudes, beliefs and stereotypes of both positives and negatives will continue to be reinforced.

Let us now look at the continuities and discontinuities encountered by Indian organizations in the last five decades. The history of many organizations reflect unparalleled growth of many Indian organizations in a short span of time. This process can be summarised in the following diagram:

Figure 4
Impact of History and Time on Organizations

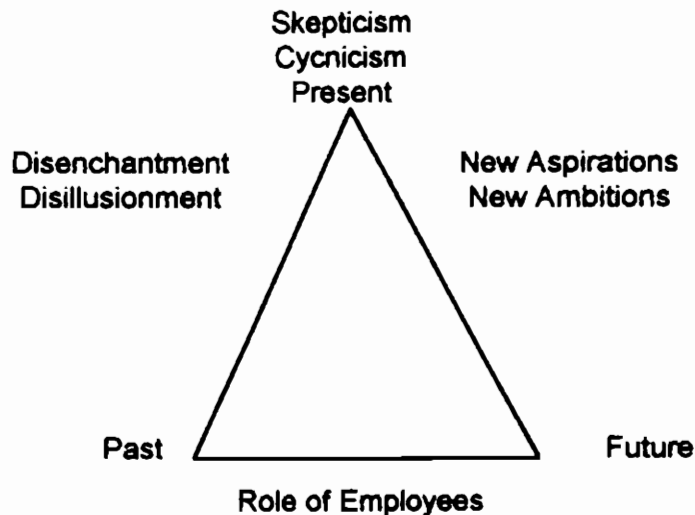


- The changes create discontinuities in the organizations.
- The present pulls the organizations to new directions for the future.
- The organization experiences unprecedented growth and creates new pressures for performance on its people.

Source: Parikh, Indira . J, 1995 b.

From the turn of the century to the fifties and from the fifties to the nineties the Indian organizations have experienced significant discontinuity from the past organization culture, modes of working and performance to the present growth compelling restructuring. Restructuring is a need of the hour as the organizations grew rapidly. Future requires new directions as both the internal and external environment are undergoing transformation. To the processes of continuity and discontinuity, the employees respond differently. The discontinuity creates disenchantment and disillusionment as well as skepticism and cynicism in one group of people and creates new aspirations and new ambitions in another group of people. This process is presented in Figure 5.

Figure 5
Response of Employees to Growth of Organizations

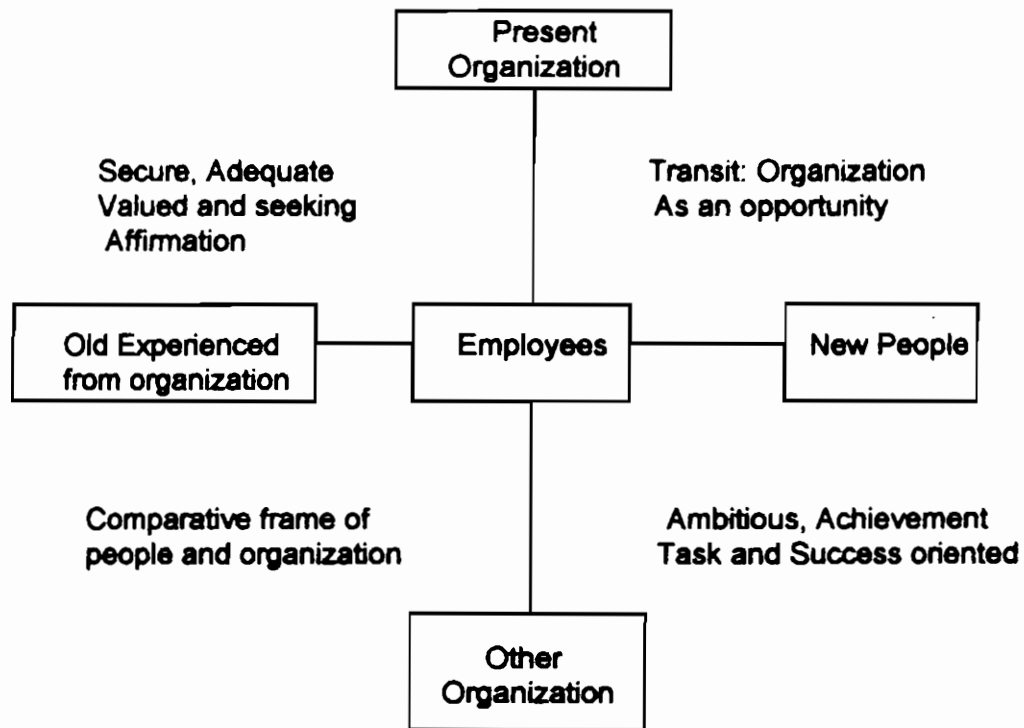


- The past was stable in terms of relationships. Present creates disenchantment, disillusionment and skepticism and cynicism in the loyal and duty bound group of people.
- The new employees are full of aspirations and ambitions.
- One group searches for being valued and continuity of past modes of relationship while other group searches for its own career paths.

Source: Parikh, Indira.J, 1998.

Most Indian organizations started three to four decades ago. Most of them began as a small organization and grew to its present status. For the eighty percent of the people who joined these organization it was their first job and the only organization. The individuals grew in their career and social status as the organization grew. They prospered as the organization prospered. Their quality of life improved, their aspirations changed, ambitions changed and the employees attributed the security of their life styles to the growth of the organizations they were in. The organization worked with a policy to pick up people and train them to the requirements of the organization. The organization provided security, stability, opportunities and prosperity. Over a period of time the people profile in Indian organizations started to acquire certain characteristics and patterns. There were a large group of people in the organization who were dedicated, loyal and sincere. They flourished and worked in the traditional management style and took pride in their years of service in the same organization and with the same people. Soon new people were recruited who were professionally trained and qualified. Both groups of people were dramatically different from each other. The people profile and the transformations occurring in the people profile are reflected in figure 6.

Figure 6
People in Organization



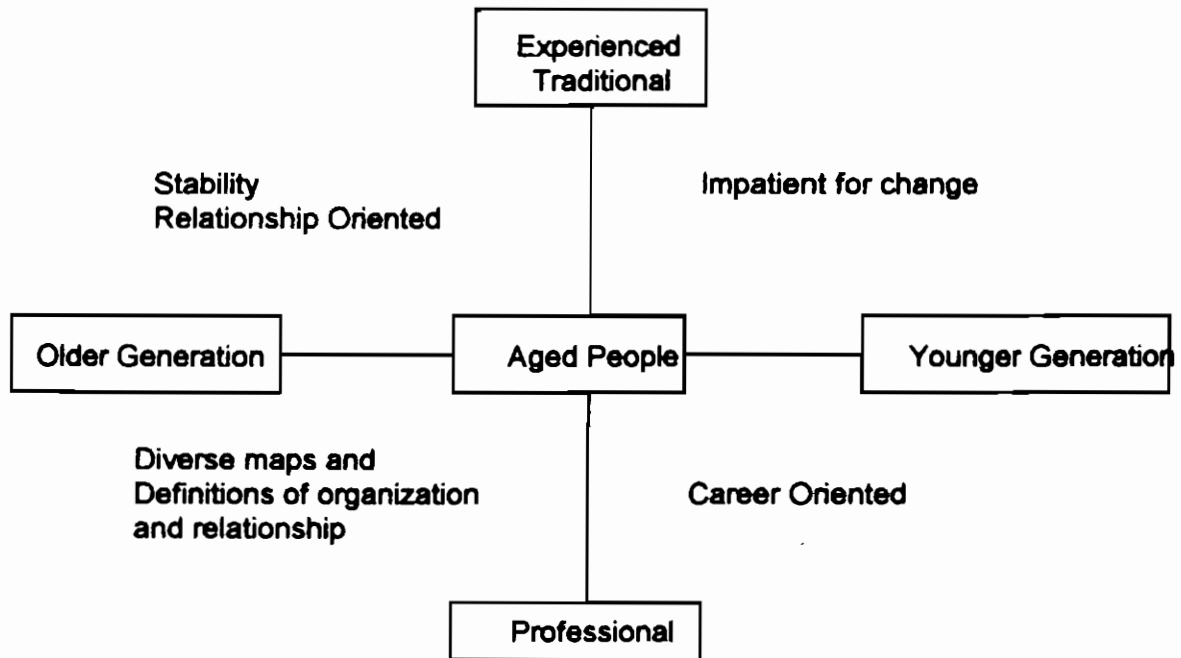
- Most organisations have a large number of old (years of service) and experienced employees / managers who have felt secure, valued and affirmed in the organization, by the significant people in the organization. The transformation pressure generates insecurity, inadequacy, a feeling of being devalued and lack of affirmation from the very same significant people.
- New people are not stable in the organizations and use the organization a stepping stone and an opportunity. They have the opportunities to be mobile.
- The mix of old and new generates a comparative frame and the loyalists always feel at a disadvantage.
- The new entrants are task, achievement and success oriented. Their ambitions and aspirations are quite different from the people who have been with the organization for many years who are loyal and rôle and duty bound.

Source: Parikh, Indira.J, 1993.

Both groups of people bring their capabilities and competencies. However, the organization experiences fragmentation as the two groups pull and push the organization and the leadership in different directions.

A myth gets developed that in the life cycle of growth of the organization and the changing environment, the traditionalists and the loyalists are the old fogies whereas the new ones, the educated, trained, and the professionals are going to take the organization forward. The strengths of the loyalists and the dysfuntinalities of the new and younger people are not examined at all. Figure 7 presents the generational dynamics in India organizations.

Figure 7
Generational Dynamics



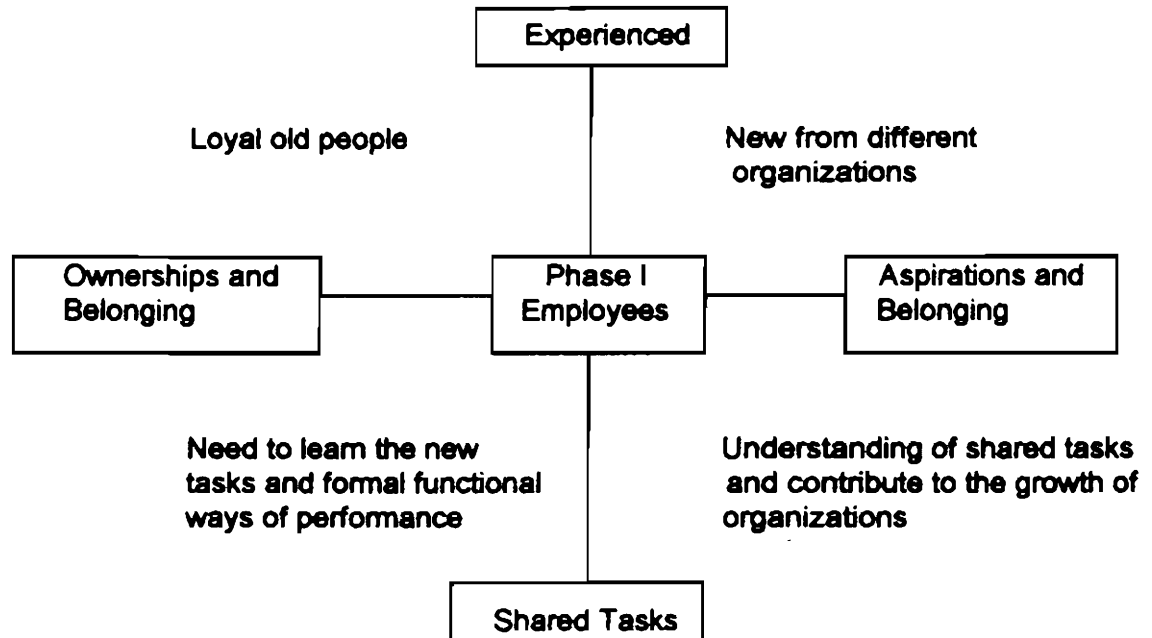
- Older experienced generation has been brought up in slow and stable environment. They work with practices of traditional management which focuses on personalised relationships.
- The younger generation is impatient for change and is largely concerned with actions and results.
- The organizations have people with diverse maps and definitions of roles and systems from its older employees and new professionals.
- The younger group is ambitious and career oriented and this leaves older people lost, sometimes, confused and angry.

Source: Parikh, Indira J, 1993

The two groups of people carry silent evaluations of each other. The older and experienced group of people expect valuing of the social traditions such as respect of the leaders while the younger expect recognition of their abilities and merit in their

performance and expect freedom from captivity of social authority of age and hierarchy which freezes them. The new technology nor the introduction of formal structure and management practices deals or addresses this issue which then leads to a work culture of non co-operation and non collaboration amongst the various group of employees which results in impacting the bottom line. Figure 8 presents the employee orientation and interface with the organization.

Figure 8
Employee Orientation and Organization Interface



- The old and the experienced have an ownership and shared belonging in the past history and growth of the organizations.
- The experienced and the new also want to create a belonging and have aspirations for their own growth.
- The old wish to learn the new tasks but require support, investment in them and education.
- The new carry the ownership of the shared tasks and want to make an impact.

Source: Parikh, Indira J, 1995 a.

Most Indian organizations after a decade or two inducted young and professionally trained people in the organizations. This created a love-hate dynamics between the earlier employees and the new entrants. Indian organizations have four generations of

people working under the same roof, and each generation brings a very different set of attitudes, values and belief and expectations of systems.

Role of Leadership in the Context of Flux and Transition

The role of the progenitor / leader is of critical significance in the Indian organization. During the Phase I and II the leader is personally accessible to people. He, by his charismatic personality and identity profile, commands personal loyalty, commitment and dedication. He generates a set of people who swear by him and to them he is the organization. His leadership style generates very personalised and direct linkages with people. There is direct interaction amongst the role holders. There is also a competition among key role holders as to who has more functional and personal access as well as linkages with the leader. Phase I of organization's growth contributes to a leadership style which is people related.

The Phase II of organization's growth pushes the leadership to a more focused task orientation and a more cohesive interface with the external environment. The leadership tends to arrive at some short and long term strategies and formulation of policies. A resemblance of formal structure emerges and there is increase in the number and quality of people. However, the leader needs to maintain the personal contact and his accessibility with this employees.

Phase III of the organization arrives when all that has worked in the past is no more adequate and sufficient. The organization has already grown from small to medium to large. At this phase professionals are recruited whose focus is on tasks, targets and results. The organization is pushed to focus on quality, tasks and excellence in performance. It has to focus on competitive strategies of expansion and diversification. There is a need for creating synergy amongst different functions and evolving a corporate structure, corporate roles and processes. When the leadership attempts to do this the people variable in the organization generate a dynamics which becomes the core issue of the leadership. Figure 9 presents the role of leaders in Indian organizations in the context of different phases of growth (Parikh, Indira.J. and Rath. L. 1996).

Figure 9
Role of Leaders in Indian Organizations



- Phase I had people who entered as trainees and grew with organization growth.
- Phase II saw functional and formal evolution of organization structure, roles and processes and emergence of functional leadership roles.
- Phase II experiences the pull of future which is fast paced growth and movement towards inter-functional and collective leadership.
- Globalisation requires dimensional leadership with integration of traditional charisma and collective leadership.

Logically and rationally the employees across levels accept the growth as well as the changes required in the organization and their role in it. However, operationally there is a strong pull to refer all decisions to the top or the senior-most managers and accept his reflections, and views or suggestions as his decisions. The deeply embedded coding to refer or take advice for decisions upward is very strong. Just saying that delegation is important and decentralisation is essential is cognitively accepted but not necessarily implemented. This process requires differentiation of and clarity between primary and secondary system (Parikh. Indira. J. 1990). The need for the senior

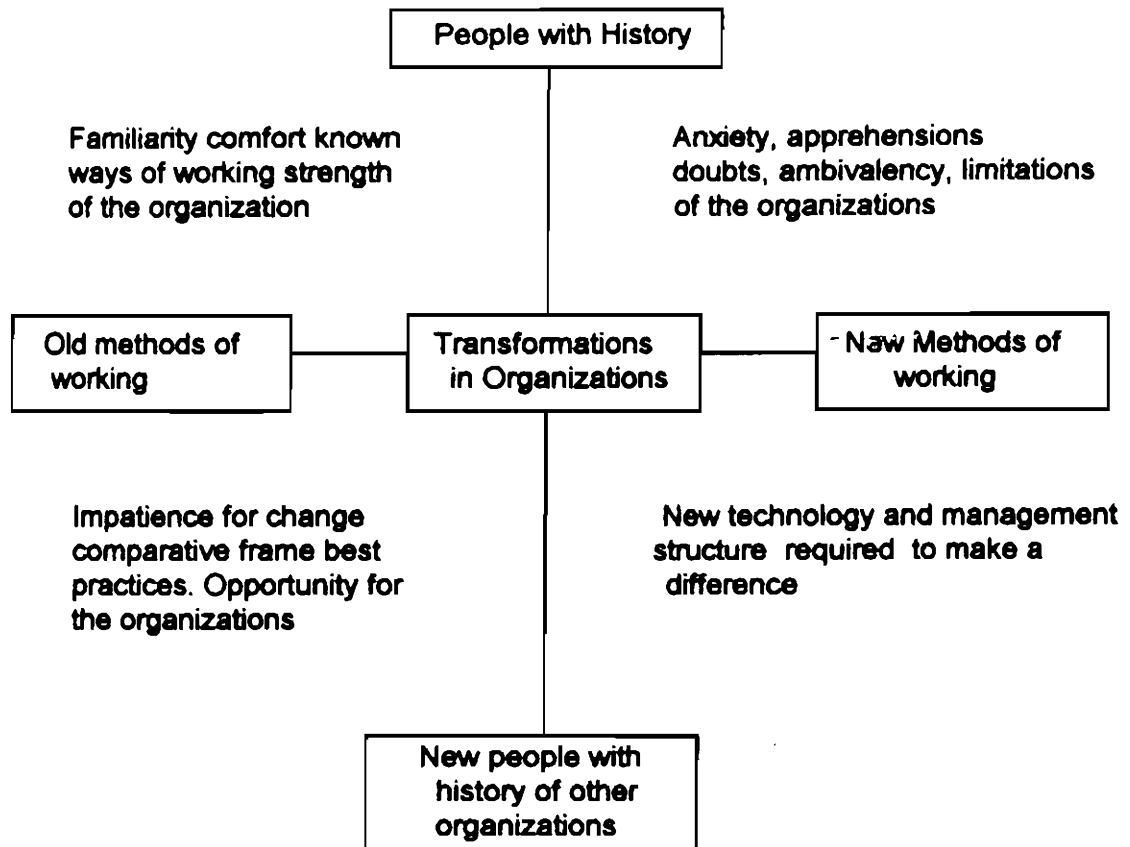
managers to take managerial leadership roles becomes essential in this phase of Indian organizations' growth and environmental context.

The role of leadership to integrate and harmonise the traditional leadership interface with the employees and evolve a new interface which mobilises the employees and the organizations to energise itself for revitalisation and renewal (Parikh, Indira J, 1998).

Processes of Integration in Indian Organizations

The Indian organizations today are grappling with the simultaneously old and new methods of working and old and new people with a past history, a new direction and a dynamic future. The choice, that the Indian organizations and its leadership make, will contribute to the quality of transformation of the organization as well as its people. Whether the Indian organizations would acquire and retain its strategic and competitive market leadership or struggle for survival is to be seen in the way the Indian leaders and organization respond with their strengths or adapt and adopt borrowed technology and structures. Figure 10 depicts the processes of transformation required in Indian organizations.

Figure 10
Process of Transformation Required in the Indian Organizations



- The older group with history in the organizations are comfortable with known and familiar ways of working. They will respond with personal inspiration and support from the leaders and senior managers.
- The new methods create stress, anxiety and apprehensions yet the old loyalists would be willing to learn more so when they see the shadows of survival and crisis looming large.
- New people are impatient with the slow pace of the organization and want to bring other practices. This energy can be mobilised for organization growth but with a realistic perspective.
- New technology, emotional and task infrastructure is one way to accelerate change in Indian organizations.

What I am proposing is that the Western know-how both in technology and management structures anchored in tasks and results and performance are necessary but so is the understanding of the social structures, cultures, processes, values, beliefs

and attitudes. There is a need to understand the role models adopted by the managers from the socio-cultural context and how they are enacted in the work settings. The clarity of understanding of both the social and the formal work organizations and the integration between the two is essential so that relevant organization structures, their operationalisation and values, beliefs and attitudes can be generated and fostered.

Only borrowings and adoption and adaptation will lead to dead ends and the organization employees will be lost in the mazes of logical rational structures and processes. Indian organizations and their employees need to work with pride of their capabilities and competencies and respond to the competition with trust and faith. The work culture and work ethos needs to be redesigned in an entrepreneurial mode which suits the Indian mind and the Indian psyche.

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