

PRESS INFORMATION BUREAU
Government of India

Prime Minister's Address to the Third Annual Convocation of the
Indian Institute of Management, Ahmedabad -- 13.4.1968

In the last years, Ahmedabad has earned a reputation for dynamism. The special attention which architecture and modern management have received in this city is evidence of its forward outlook. I am particularly glad to participate in this convocation of the Institute of Management. I consider it one of our important national institutions for the finding and fostering of a talent which is of critical importance to our nation -- the management talent.

All over the world, regardless of political patterns growing importance is being attached to managerial training. A technological society needs managers as much as technologists. The old concept of an entrepreneur-owner hiring a few technicians for his plant but running it himself, became obsolete long ago. As technology has grown increasingly complex and, as the size of operations has expanded, the manager with leadership qualities has come to the fore. Ownership of capital and the managerial function are seen as two distinct entities. The manager may or may not be a technologist himself. He may work for a capitalist or he may serve a socialist society. Whatever his background, the same set of qualities is required and the same results are expected. He has to run his plant efficiently. He has to command the respect of a large number of different types of people. He has to keep a

look-out for advances in his field of technology, so that he can meet changes half way. In a developing society such as ours, management has an ever greater contribution to make. Development is a process of moving from a primitive or traditional technology to a scientific, modern technology. In every sector of the economy, whether it is agriculture or industry, whether it is transport or even public health, development consists of locating, processing and harnessing latent resources. In a study of "America's Needs and Resources," I found a chapter entitled "Technology: A Primary Resource." Here is an obvious truth well put, for no resource, natural or man-made, is usable without technology. Oil must have existed in this part of the country long ago when the Narmada and the Tapti first began to flow. But it required modern technology to discover it and put it to the service of this State and the Country. The will and ability to spot a resource and convert it into wealth is generally termed entrepreneurship. Entrepreneurship cannot exist without managerial talent. At every stage, when choices are to be made from among numerous alternatives, each with its own implications of capital, personnel, time schedules and social impact, decisions cannot be left to instinct. They need the trained managerial mind.

The managerial mind has special appreciation of cost and benefit. With the right kind of training, it will count not only the economic cost and benefit, but also the social cost and social benefit. The managerial mind is attuned to change. The advice of

- 3 -

the professional manager should, therefore, be of special value to the government. The decisions of government affect the future of millions, so it is important to take advice from those who look towards the future. The general administrator is basically a status quo man. He lives by rules which are the outcome of precedents and past experience. The scientist, on the other hand, is an agent of change. The future has no precedents. Scientists and managers and, indeed politicians, must have a keen perception of the future and be sensitive to change. Expert knowledge provides the necessary means for informed governmental decisions, especially when they deal with the increasingly complex process of industrial and economic growth. Most people still tend to judge government by the static norms of the revenue-dominated and law and order administration of the olden days, little appreciating how complex the process government has become in the last 20 years.

The need to bring about planned and accelerated change has compelled government to assume direct responsibility for a large number of productive and distributive functions. It needs less time to put up a factory than to train men of competence to run it. When we embarked on planning there was a general shortage of trained executives. But the assault on poverty could not be delayed, and the so drilling and the fighting had to be taken up simultaneously. The management of public enterprises is a relatively new and important part of administrative practice. It involves not only the skill of production and maintenance, but of bringing projects to fruition within stipulated time schedules and monetary allocations. It

involves a knack for forward planning and a heightened awareness of social responsibility. Each project manager in a sense acts on behalf of the nation. As the Third Plan document observed even seven years ago, there is considerable under-estimation of the management implications of development. It was recognized that one of the key tasks of planning was the training of competent managers with the ability to lead.

I believe in efficiency which is the avowed objective of scientific management. But life is not lived in compartments and efficiency which is divorced from the facts of life around us can create new problems. Anyone who wishes to be effective as well as efficient must develop a social conscience and sensitivity to the needs of our people as a whole. It is an uncomfortable fact that technological development has increased the disparity between nations and disparity within our society. The industrial worker improves his skill and earns more, but the landless labourer remains where he is. The farmer whose land is irrigated avails himself of the credit and commodity facilities and uses the new inputs, but the 'dry' farmer continues to look to a stern sky. It takes time for skills to cover a substantial part of the population. Our limited capital resources have perforce to be devoted to projects with assured results, rather than to the equalization of handicaps.

Modern science and technology are the outcome of successive Industrial Revolutions of Europe and America. We have adopted them, yet have not wholly learnt to adapt them to our own circumstances.

We must evolve approaches to technology which suit our social milieu. The problem is not a new one. We have been discussing this since the beginning of our planned development. In practice, however, many of our decision-makers automatically carry over the prevalent norms of an advanced society. They are mesmerised by modernity and forget that they have to plan for India and work for India. We cannot afford to help a small number to the detriment of the vast.

Jet travel, international seminars etc. may increase the peril of too much internationalism. International living and the understanding in depth of the problems of others create sympathy and friendship and takes us towards our goal of One World. But mere speed may mean skimming over the surface and taking a superficial view or searching for short cuts. In India the need is not only to go fast but to see that each step is a strengthening one, leading to self-reliance.

Our executives must certainly see what goes on in the world, but their feet must be firmly planted in the soil of India. We have so many castes -- let us not create a new one. You have a special obligation to pull down the old walls which separate one Indian from another. Your training and skill should be used to integrate society and to promote social mobility.

I note with special pleasure that one of your activities is to train people for the managerial needs of agricultural cooperatives. I should like you to take special interest in the unskilled employees under you -- and help them or their children to acquire technical

skills. In your recruitment policies also you should strenuously reject parochial considerations. The whole of India should be the home, as well as the workshop, of every Indian.

All over the world a certain glamour is attached to things from outside and foreign brand names are more in demand. At one time or another, almost every country has felt the need to popularise its own products. I remember the 'Buy British' campaign in England with its slogan British is Best. In India the craze for foreign goods may be one of the side effects of our old colonial past. This psychology of inferiority is an obstacle in our rise to the top. Gandhiji put us on the right track when he introduced the Use Swadeshi movement. We have all certain common tasks and imperatives. The foremost of them is to develop greater pride in Indian products and Indian skills. Inventiveness and the use of indigenous materials and skills must be encouraged. With a little more confidence in the proven abilities which have been developed in the country, there would be less need for collaboration. We cannot do without importing know-how and technology, specially in the comparatively new industries, but dependence on collaboration is bad, for it diverts us from our own effort and encourages people to take the easy road.

The public and private sectors have complementary roles. Each has equal need to use indigenous materials and skills extensively, to save foreign exchange, to secure economies, to explore export possibilities to the maximum, to improve methods of maintenance, to enforce

the highest standards of product, to improve in-plant training and to secure greater worker-participation. These tasks rest on the shoulders of the executive. Many of our factories are as good as any in the world, but we must confess that many are slovenly. We do not always give the attention necessary to details. The floor of a factory sometimes ^{can} reflect the efficiency of the manager.

I am glad to have this opportunity of participating in this convocation and of meeting the young executives who are on the threshold of the adventure that is life. During the years of training, you have learned to wield new management tools. You must keep abreast of further technological and managerial developments. At the same time you should develop sympathy and a sense of identification with the common people amongst whom you will work and live. In the years to come, large sums of money, and the lives and hopes of a large number of people, will be entrusted to you. If you keep growing, and if you blend efficiency with social conscience, you will earn the best rewards of your profession -- not merely money or the sense of power, but the gratitude of the people.

I have talked of the future. We are concerned with the future we make for our children and their children but we should be equally concerned about what these coming generations will think of us. Let us so live and work as to leave behind shining memories. As Dr. Martin Luther King said of his people we hope history will say of us -- there lived a great people who put new meaning in the veins of civilization.

