# Indian Institute of Management

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# CONVOCATION ADDRESS

BY

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(UNION MINISTER FOR EDUCATION, SOCIAL WELFARE AND CULTURE)

April 27, 1974



GOVERNMENT OF INDIA MINISTRY OF EDUCATION & SOCIAL WELFARE NEW DELHI

I am grateful to the authorities of the Indian Institute of Management, Ahmedabad, and particularly to the Director, Dr. Paul, for inviting me to address this convocation. This has given me an opportunity, which is as desirable as it is infrequent, to get away from the official chores and spend a pleasant day in the stimulating atmosphere of an educational institution in the midst of students and teachers. It has also helped me to study first-hand the valuable work which this leading institution in management education is doing in several important fields. The experience has been refreshing and stimulating. For me, therefore, this will be a day to remember.

#### II

On this occasion, I cannot but be reminded of a great son of India, and an extremely valued friend of mine, the late Dr. Vikram Sarabhai, who was the first Honorary Director of this Institute. It was he who laid the ground work of this institution, built up the essential and valuable contact with government and industry, and selected a competent faculty to give a concrete shape to the ambitious plans for its development. This institute, as well as many others in the country, owe a heavy debt of gratitude to his vision, sense of commitment, dynamism and academic leadership. I take this opportunity to pay my humble tribute to his memory and to the great services he rendered to the cause of scientific and technological development in the country.

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I must also refer to his successor, my friend Professor Ravi Matthai, who built on the solid foundations which Vikram had laid and with a faith, vision, and ability took the institution several stages ahead to the leading position it now occupies in the academic world. I also greatly appreciate his decision to voluntarily step down from the post of the Director, partly because of his faith that an institution must have a change of leadership after a certain period if it is to grow and partly because of his desire to build up a tradition that teachers should step down from headships and continue to work in the same institutions. Teachers like him are rare. But it is their presence in our midst that revives my faith in the future of our education.

#### III

I confess that I know very little about management education which is the central focus of all your programmes. It would therefore be extremely presumptuous on my part to talk on this subject of which every one present here knows far more than I do. But as one who has been and is concerned with educational reconstruction, I realize how important some aspects of management education are in the present situation and it is to these that I now propose to refer briefly.

Management education, as you know, has grown out of the problems of running modern industry in the private sector; and in the industrialized democracies of the West, it still largely subserves the interests of the private sector. But in a developing country like ours, even private sector has to play a different role—

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a role that has to subserve the cause of development with social justice. We have already decided, as a nation, that 'commanding height' in industry is to be assigned to the public sector. With the increasing responsibility of the state for bringing about social transformation management education has also a major role to play in public administration which stands greatly to benefit through the adaptation of management techniques for improving its structures and processes and for the training of its personnel. This becomes all the more significant because the administrative systems still continue to be handicapped by the vestiges of a colonial period. We will therefore have to evolve our own distinctive tradition of management education which will not only cater to the needs of the private sector in industry, but will also meet the equally significant and growing needs of the public sector and public administration. I am very happy to find that management educators in India have recognized these basic needs of our situation and that management education is steadily moving in this direction. In fact, in this regard, I might even say that the basic orientation of our system of management education is a step ahead of that in the West. I would like to refer specially to the valuable work you have done in the application of management techniques to agricultural development, to family planning and to several aspects of the public sector and to your laudable services in advising Government on the planning and implementation of a variety of developmental programmes.

No lengthy argument is required to highlight this need to enlarge the scope of management education beyond the limits of private industry and to cover therein, not only the public sector, but also the management of all sectors of national development. Everyone now knows that many of our plans which were basically

good did not succeed adequately due to faulty implementation. We are not always able to translate our 'plans' into 'performance'. In education, for instance, there is no dearth of challenging ideas and meaningful plans; and yet, so few of them have been successfully implemented in practice. That is why, when Dr. Zakir Hussain was asked to write an article on programmes of educational reconstruction to be included in the plan, he said : "I can give you the best plan in just three words : implement, implement and implement". I have referred to education because it is a field with which I am familiar. But the argument is equally valid for almost all sectors of national life. In spite of the formulation of food plans, we find that there are often considerable shortfalls in fulfilment; the gestation periods tend to be longer; the benefits often accrue, not to the originally targetted groups but to entirely different ones; the costs go up; the utilization is slow and inadequate; and the returns are often far out of proportion to the investments made. Hence the great urgency and significance of management education to all categories of of personnel engaged in programmes of national development.

This widening of the scope of management education is not merely a quantitative problem of 'extent' or 'degree'. It is basically a qualitative problem of 'kind'. The fundamental problems which the country is facing and which need urgent attention on a priority basis are in such sectors as rural development; increased food production, large-scale procurement and equitable distribution; guaranteed employment to all able-bodied persons; expanded production and fair distribution of basic commodities and services like cloth, fuel, education, health, family planning and transport; and the provision of a clean and efficient administration. These problems are far more complex

than those of the private industry. They need a far clearer conceptualization and the development of far superior and more sophisticated techniques. The development of effective programmes of management education in these areas is therefore an extremely complex, difficult and challenging problem which makes far more strenuous demands on the Institutes of Management and their personnel than the private industrial sector will ever'be able to do.

How well are we equipped to perform these challenging tasks, what progress have we made in this direction so far, what are the the problems and difficulties facing us in this field, and what measures are we adopting to overcome them—these are some of the issues that are relevant in this context. I do not know the answers to these questions. But I raise them here because it is you, the staff and alumni of this and other institutes of management that will have to grapple with them and find their solutions. However, as a layman, I wish to invite your attention to one or two aspects of the problem which generally tend to be ignored.

#### IV.

The first and foremost is the development of a proper value system. Education is essentially a process of inculcation of values, the basic values of equality, of social justice, of tolerance and goodwill to others, of rationality, and of commitment to the pursuit of truth and excellence. In a hierarchical and a poor society like ours, with all its shocking inequalities, a commitment to national development and to amelioration of the condition of the masses who mostly live below the poverty line, becomes a value of supreme significance. We must make every effort to see

that these values are assiduously cultivated in all our institutions, and especially in institutions of high quality whose alumni are likely to occupy positions of leadership.

Management education and management institutions are not an exception to this general policy. In fact, it is more applicable to this sector and to this group of institutions than many others. First of all, the goal of socialism which we have adopted implies that production would sub-serve, not the narrow profit motive, but the good of the community as a whole. All producing agencies in the country, including the private sector, therefore, have to so organize production that the resources of the community are best exploited in public interest and workers get involved intimately and responsibly in the processes of production. They have also to ensure that production is aimed principally at areas which form the basic consumer goods of the people and that the produced goods are distributed in an equitable and just manner. The managers of the private industrial sector, which is the group which your alumni will largely join, will not be able to discharge these responsibilities unless they are committed to social justice, and unless they emphasize the social responsibilities of industry in all that they are called upon to do. And the need for these values becomes equally urgent if they join the public sector or public administration. Let us not forget that management education, imparted in a routine fashion, may give a person only the knowledge and the technical skills for decision making. But if the manager has to fulfil his social responsibilities, this technical know-how is not adequate. He needs a proper vision of the future development of his country, a proper sense of values, a social commitment to assist the weaker sections of the community and

a moral courage to implement the decisions which he considers right. These intangible aspects of decision-making are extremely significant. The value system they imply should receive adequate attention in management education if we desire to create a competent and committed leadership for the tasks of national development.

I would also like to refer to another question of almost equal significance, namely, the broad socio-economic background of the groups that currently have access to programmes of management education and who will eventually come to occupy leading positions in different fields. I must congratulate your institution for showing an awareness of the problem and for having carried out a good study of admissions to your own institution to find out the socio-economic factors that tend to influence and facilitate access to management education. If I remember correctly, one finding of this study of Dr. Sharma was that the wealth of the family does play a decisive role in the matter of access and that money has no small part in the making of the future managers. I think that this is a finding that should cause us considerable concern. Persons with such social backgrounds are not likely to be attracted to those fields of development which stand most in need of managerial skills at the moment. They are also less likely to bring those attitudes of identification with the masses and commitment to their service which are essential for the proper development of these vital sectors. It may perhaps be desirable for us, therefore, to make some deliberate efforts to see that talent from a much wider social spectrum, and especially from those sectors which present the most difficult problems of development, is brought within the Institutes of Management. I am afraid I cannot suggest how precisely this can be done. But

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I do wish to highlight its significance and place it prominently before the authorities of the Institute. I am sure that this is a problem to which you will be able to find a solution very soon if you were to take it up for intensive study; and that, indeed, would be a major contribution to help the process of national development and of equalizing educational and economic opportunities.

Finally, I would like to refer to the bridges that have to be built between management education and specialized administration in the different sectors of national development. There are very few tools, within the administrative system itself, to remedy this situation and to create a new dynamic system of developmental administration to meet our needs. From this point of view, it will be necessary to develop three complementary programmes side by side. The first is to create, within the administrative system itself, some new institutions whose objective is to build up the body of knowledge required for developmentoriented administration and to train the personnel needed, at different levels, for the proper management of the different administrative systems such as education, health or maintenance of law and order. This will imply the creation of a group of administrators who are familiar with management techniques and who are continually grappling with the problems of developmental administration. The second is to build up a similar expertise, within the system of management education, for the new developmental administration of different sectors. This will create a complementary group of management experts who will be continually trying to wrestle with problems of different aspects of public administration. The third and an equally

important measure would be to bring these two groups together so that their ideas and experiences can cross-fertilize each other and not remain discrete and isolated. In other words, what is needed is the development of suitable programmes for improved management, both within management education and the administrative system concerned, and the construction of proper bridges between these two sets of efforts. This will be the most effective way to improve the machinery for development.

### V

To the young friends who have earned their distinction today, I extend warm felicitations. I wish them a happy and succesful career in the cause of service to the country. We are now passing through a difficult period of stressess and strains which will call for a planned, disciplined, concerted and vigorous effort at national development on all fronts, and especially in increasing production and securing more equitable distribution. In this supreme national endeavour, I am sure they will play a role worthy of the traditions of this great Alma Mater to which they had the good fortune to belong.

## Jai Hind.

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