

## **Beyond Management: Some Conceptual Contributions of Professor Udai Pareek to the Modern World<sup>1</sup>**

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***"A man literally is what he thinks, his character being the complete sum of all his thoughts. As the plant springs from, and could not be without, the seed, so every act of a man springs from the hidden seeds of thought and could not have appeared without them"***

*James Allen*

Great Gurus like Dr. Pareek have spent their entire life time professing certain things by self example, and living in certain ways that spread desirable values for the good of the present and future societies. Dr. Pareek had done this for over 85 years. We are all fortunate to have had his presence and wisdom in this period from 1925 to 2010 and wish it was much longer.

I have taken a theme close to Dr Pareek's heart. The thoughts shared in this lecture are extracted largely from one of his books- Beyond Management. The thoughts expressed in this book are relevant not only for today's world, but also to the future of organizations (inclusive of public, private, governmental, non-governmental), to our country, other countries, the global society and the entire mankind at large. In my view what Dr. Pareek gave us through his books and writings, as well as his thoughts, and actions is of relevance and significance to the future generations of all - not only various organizations in this country but entire humanity at large.

For most of you who do not know Dr. Pareek, he did his B.A. from St. John's College, Agra (Agra University), 1944, B.T. Teachers' Training College, Ajmer (Agra University), 1945; M.A. (Psychology), Calcutta University, 1950; M.A. (Philosophy), Agra University, 1952 and Ph.D. (Psychology), University of Delhi, 1956. He also did his diploma certificate in Research Methods from Italy. As his biography would indicate Dr. Pareek widely travelled and experienced living in most countries representing the modern world ranging from the USA to Europe to Asian and South Asian countries like Thailand, Indonesia, Singapore and Malaysia. His students are spread across continents of the world; Australia and Africa to name a few. He admired all cultures and people from different countries and for the same reason he had very close friends in all parts of the world.

I met Dr Pareek in 1968 for the first time at the Administrative Staff College of India after his return from the USA. Then he joined the National Institute of Health Administration and Education (NIHAE) at New Delhi. I was in correspondence with him as a student of Osmania University and tried unsuccessfully to get a fellowship to work with him in the USA. I was already in employment at the Andhra University, Waltair and started the Department of Psychology and Parapsychology with Professor K. Ramakrishan Rao. The year 1968 was about half way in Dr. Pareek's professional life and was the beginning of my career. Since then, I am fortunate to have been associated with

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Dr. Pareek for almost 42 years which constitutes my entire professional life. In these 42 years we had co-authored or co-edited 15 books and also edited two journals (Indian Behavioural Sciences Abstracts and Indian Psychological Abstracts).

There are many contributions Dr. Pareek has made. For this lecture, I would like to take up the themes that are dearer to Dr. Pareek and his original contribution. The most important of them in my view are his concepts of Extension Motivation and Role Efficacy and his conceptualisation of Decision Making and Institution Building in Educational Institutions. Also are his related concepts of Dependency Motivation and other motives. His conceptualisation of the Principles Underlying HRD is more relevant even today and is certainly ahead of our times. I will deal with them one by one and draw implications for future emulation, action, research and dissemination.

### **Extension Motivation and Extension Values**

As early as in mid sixties Dr. Pareek proposed the concept of Extension Motivation in his seminal articles on the New Paradigm for Development published in the Journal of Social Issues and International Social Science Journal (Pareek, 1968).

To summarise, the concept extension motivation simply means a need or a desire to extend oneself or the ego to others and relate to a larger group and its goals. It means a motivation for helping others, working for larger goals that benefit larger groups or society. It also means an ability to sacrifice one's own comforts and desires for the sake of others. It is this powerful motivation that has led to many great people to make sacrifices for the good of the larger community. All great preachers and saints have led a simple life and taught people to lead simple life. Mahatma Gandhi said Earth provides enough to satisfy every man's needs, but not every man's greed- it elucidates that the nature earth has enough resources and means to meet the basic requirements of a man but it can't serve the endless greed of man. Here he also meant implied to help the needy people of the society. Dr. Pareek proposed that it is extension motivation that causes any given society to develop. "A super-ordinate goal probably arouses this motive. Such goals may therefore be important not only in developing harmony but also in sustained motivation of people in development" (Effective Organizations, Pareek 2002, p. 120).

#### **Box 1: Super-ordinate Goals**

*(source: Managers who Make a Difference: IIMA Books, New Delhi: Random House, 2010)*

Super-ordinate goals are not ordinary goals. They are meant to serve a larger principle. In creating and working towards these goals, a person derives satisfaction from the feeling that she is existing for a cause. Perhaps she was born for that. As one starts doing good work, others begin to appreciate them. With every good deed the person gets more power, appreciation and recognition and this has a tremendous force. Take the example of Sarath Babu, the IIMA graduate who decided to set up his own 'idly factory' immediately after his studies at IIMA instead of taking up a high paid, secure job. He has become a success story and a role model for many management graduates to emulate. Recently he narrated an incident about a troubled, young girl who was about to end her life. She came across Sarath Babu's story and was so inspired by his achievements that she decided to live and make something of herself. It is incidents of this kind that

help build one's determination to work for super-ordinate goals even though they may be weak at first.

Super-ordinate goals give individuals a high sense of efficacy. Mahatma Gandhi worked for an independent India adhering strictly to the principle of non-violence. This was the driving force that enabled him to make several sacrifice and it was this ability to make sacrifices, not seeking power for him and leading a simple, immaterial life that made him the greatest leader on earth. He derived his values from his family and what he read when was young. He was most influenced by the stories of Harischandra and Shravana Pitrubhakti Natak. He experienced the power of Ahimsa in the way his father reacted to his confession that he stole.

Dr. V Kurien is another example of a supeordinated goal achiever. He worked single-mindedly to make India self sufficient in milk production and was the architect of Operation Flood, the world's largest dairy development programme. Mr. Narayana Murthy of Infosys started with a long-term goal of liberating information technology and generating wealth to be distributed among a large number of those who work for Infosys. After creating Wipro, Azim Premji started devoting his time to nation building and has been promoting education in rural India. They are all examples of super-ordinate goal seekers.

All organisations in the corporate or voluntary sectors are concerned about motivating their personnel to work for organizational or social goals, which go beyond an individual's own perceived interests, and to promote collaboration, and commitment to super-ordinate goals. Extension Motivation addresses itself to this. Extension Motivation is also reflected in co-operation with others for achievement of a common goal, faith and trust in members of a group, and involvement in goals, which concern not only oneself, but also large groups, community or society. Various dimensions of extension motivation may be: helping people who need it, collaborating with others, empathising, risking one's comfort or safety for others, sacrifice, patriotism, hospitality, etc. Experiencing, reflecting, hypothesizing, conceptualizing and experimenting are the chief ingredients of the process of learning in a laboratory setting. The EM Lab will utilize experience-based learning as the main training method. Dr. Pareek had designed and conducted a few laboratories using this concept.

I consider this as very appropriate in today's circumstances when both India, at macro level and at micro level, and the world at large is witnessing certain vents that threaten the mankind. These events include scams that have shaken the very basic fabric of a country, unethical and irresponsible dealings by some of the corporate sector leaders who sacrificed basic values and long term interests of the company or the country for immediate financial gains. Incidents like these result in confusion in the minds of people and loss of faith on professionals and professionalism. In my view the reason behind the scams and unethical activities like insider trading, fudging of accounts etc take place essentially because of **greed and selfishness**. This greed and selfishness is obviously on the increase. **In my view Extension Motivation and Extension Values are antidotes to such diseases.** They work both as antidotes to cure and even prevent selfishness and unethical exploitation of others for short term gains of a few.

In this context I must mention that his long term friend and colleague Dr. Prayag Mehta has been

doing a lot of work on similar lines. Dr. Mehta's conceptualisation of Social Achievement and Development Motivation are particularly relevant to note here (Mehta (1994 and 1995). Prayag Mehta has observed in his book on **Social Achievement** that the pace of development has been slow. "Studies emphasize that importance of organization, participation and motivation along with public action for achieving such development goals. People are motivated by the need for social achievement and for acting on the environment for obtaining better quality of life and work" (p 1, Mehta, 1994). I am not going into details but Prayag Mehta's writings are of great significance in promoting development motivation particularly among the government agencies and agents and social achievement among the poor. In both these concepts Dr. Pareek's Extension Motivation seem to be part, though Prayag Mehta's concepts go far beyond a single motive and have great implications for development interventions..

To give a few examples of persons who lived with extension values and motivation are Mahatma Gandhi and Mother Teresa and in recent times Abdul Kalam and Kiran Bedi also demonstrate extension values. See the box below:

### **Box 2: Extension Motivated Leaders**

We all know little bit of Mother Teresa. One incident that is narrated often is when Mother Teresa went to a bakery man for bread for her orphan children. The story goes that as she raised her arms, the bakery man just spat on her hand. Then Mother Teresa told him, I would keep this for me, but give me some bread for my children while holding her another hand. On that spot, the bakery man realized Mother Teresa's gentleness and become a main bread donor for her orphanage. She started Nirmala Bhavan to look after orphans and disabled, and now it is spread throughout India. All through her life she worked for the poor and destitutes.

Mahatma Gandhi lived a simple living and worked for the country following the principles of non violence. When Mahatma Gandhi was travelling on a train, one of his shoes slipped off onto the track, and he could not have picked it up, he promptly threw the second one also on to the track. When asked why he did that apparently he answered that when someone finds the first shoe the second one will help him to have both and use them. That is reflective of extension attitude.

Dr. Kalam took up academic pursuit as Professor, Technology & Societal Transformation at Anna University, Chennai from November 2001 and was involved in teaching and research tasks. Above all he took up a mission to ignite the young minds for national development by meeting high school students across the country. Dr. Kalam is an extremely simple man. He is above seventy and a bachelor. He is a strict vegetarian and teetotaler. He is a 'work alcoholic' who knows no holidays in the seven day week. He works 18 hours a day. He is fond of music and spends his leisure hours practicing the lute (Veena). He is a great lover of books. He is a voracious reader of both 'Bhagvad Gita' and 'Kuran'. Dr. Kalam quotes, "for great men, religion is a way of making friends; small people make religion a fighting tool".

Kiran Bedi has been devoting her life during her working life as well as now for social causes working with NGOs. While in service wherever she was posted she showed high concern for larger causes and tried to serve the people courageously and assertively.

If I analyse the people behind the scams, insider trading, fudging of accounts or cheating the public, that has largely come from those who were born in early independent India - in 1940s and 1950s and perhaps a few born in sixties. I believe those born around that time were born in an independent yet insecure India. They had high aspirations and a few of them perhaps did not have the patience to put in hard work. As an outcome of which, they started resorting to short cuts. They were perhaps born in a "subsidy" country, a country of reservations and a country where the government is supposed to "give" than "take". Their ambitions resulted in greed out of which they indulge in unethical activities. Such greed is not the property of some but unfortunately many. *If this greed characterised the youngest and upcoming generation (gen Y or Gen Z) then the country has no great future. To prevent this epidemic from breaking out, we need a strong medicine. Extension Motivation is not only a good medicine to cure but a great medicine to prevent. We need to inculcate the same right from childhood, through schools colleges and education and corporate training programs. I also like to propose the term "Extension Value" to be added to our list of desirable values.*

Dr. Pareek had written his book "Beyond Management" in 1981. He revised it in 1984 and again in 2002 and re-titled as "Effective Organizations". He dedicated the first volume to Ravi J Matthai, the second one to T V Rao and the third to Rolf and Ronnie Lynton a unique couple engaged in institution building across cultures. It is not unusual for Dr. Pareek to dedicate his books to his students. He dedicated one of his books to his disciples -Dr. Mahindra Singhvi and Dr. Narendra Dixit. This is something to emulate and speaks of the person.

In what forms do Extension Motivation figures out in Dr Pareek's writings?

Two articles of Dr. Uday Pareek "A Motivational Paradigm of Development" published in Journal of Social Issues 1968, 24(2), 115-122 (and also in Indian Educational Review, 1967, 105-111) and the second one on "Motivational Patterns and Planned Social Change" published in International Social Science Journal, 1968, 20(3), 464-473. Both appeared in the book on Effective organizations.

**In his article on Motivational paradigm for development, Dr Pareek gives simple formula that**

**Development = (Achievement Motivation X Extension Motivation) - Dependence Motivation**

**If you want socio economic development to take place increase achievement motivation and extension motivation and decrease dependence motivation.**

Motivation occupies an important position in the dynamic process of social change. The paradigm Dr. Pareek suggested is:

**"Motivation causes human Behaviour, and to that extent "causes" changes in a community, like increased entrepreneurial activity or adoption of new methods. But I don't view it as a primary cause of change in human society. Motivation is a strong and important link in the dynamic causal cycle of human evolution" (p 117).**

**"According to this paradigm, a specific societal system generates a specific pattern of motivation and system of values which strengthen it, sustain it and ensure its continuity. Behaviour of people in the society is caused by dominate motivation in that society which in turn has been generated by the social system. This is perhaps a mutually confirming or reinforcing cycle".**

Extension motivation is defined as the need to extend the self or the ego and relate to larger groups and its goals. A super-ordinate goal probably arouses this motive. Such goals may therefore be important not only in developing harmony, but also sustaining motivation of people in development.

**Poverty: Using this paradigm Udai Pareek explained poverty as a consequence of low achievement motivation, low extensional and high dependence motivations. He explained further to say that low achievement results in disproportionate risk taking, interest in chance and not control, lack of interest in feedback, high interest in friends and not experts, and low activity and initiative. Similarly low extension results in lack of regard for others, lack of trust and faith in others resulting selfishness or self centeredness, and lack of cooperation. High need for dependency results in avoidance, fear of failure, seeking favour from supporters, and aggressively rejecting authority.**

### **Lessons from Dr. Pareek's Extension Motivation for Future of Nation Building and Institution Building:**

- We must create an extension culture in India where (a) people value sacrificing their own conveniences for the sake of others and the larger goals; (b) they are willing to sacrifice short term gains for long term good; and (c) they become considerate about future generations and leave the planet for their safety and healthy living of future generations.
- We make policies that are driven by extension motivation and future.
- Extension values and related family of values should be promoted and taught in schools, colleges, families everywhere.
- Extension motivation and value based films & stories that promote the work done by social reformers and others should be made available to the public at large. Some industry groups are already making efforts in this direction.
- Corporate sector is genuinely motivated by concern for the welfare of the larger society and undertake CSR activities out of such genuine concern and values than as a business strategy.
- The government and various ministries make policies that truly reflect concern for the welfare of the society and long term thinking rather than short term goals. For example the Finance Ministry may look at the extent to which tax laws are promoting development of the country than merely increasing tax collections in a particular year somehow to meet immediate needs. Other governance systems are made extension friendly.



- Award ceremonies to felicitate those who help others to be organized.
- Extension motivation and extension value to become a core value of the country and the education system.
- Recruitment to teaching, health and other social service professions is based on extension value.
- Scholarships are instituted for that exhibiting extension motivation.

## **Institution Building**

In his book *Beyond Management*, Dr. Pareek postulated, while tracing the history of management and differentiating it from Institution Building, the following: Administration was replaced by Management. Management should be replaced by Institution building. Administration has been concerned with successful maintenance of an organizing, and its running according to laid down rules and regulations.

Management brought in changed emphasis and is primarily concerned with efficiency, i.e. accomplishing tasks with minimum resources. In recent years, in addition to concern for efficiency, organizations are striving for two other aspects: continued growth and development (self renewal) and creating a larger impact on a segment of the society or the entire society. For public systems the importance of both these aspects is too obvious. The first edition of the book had 13 chapters, the second edition had 36 and the last one expanded to have 43. The intention of the book is to help transform organizations into institutions. While Management is concerned with getting results, stability, quality, effectiveness, strategy, achievement motivation and competence; Institution building focuses on vision, future, trend setting, networking, culture building, mentoring, extension driven and empowering.

Dr. Pareek differentiated Institutions from Organizations. To him "Institutions are distinguished by their mission, values and impact on society".

**Institutions should be agents of change in the society and the community. Knowledge utilisation is a focal point of Institution impact on the community. Institutions have self renewal process.**

One main contribution of an institution is to generate new values in the society or into the field of its operation. The nine criteria suggested by Dr. Pareek for Institution Building are:

1. Attention to process
2. Significance of goal or uniqueness of the filed- urgent social needs
3. Innovative nature
4. Autonomy
5. Generating new values
6. Impact
7. Multiplication of know how

8. Linkages
9. Development of people

**Udai proposed a new value framework as:**

1. From elitism to populism
2. From Percolation to growth
3. Centralism to decentralisation
4. Isolated professionalism to dialogue

**Udai identified the following frameworks for decision making:**

1. Feudal framework which is based on ownership by a few. Dependency is the main motivation.
2. Bureaucratic framework which is based on rules, procedures, control and the likes. Main motivations are control and affiliation; and relationships are political and clique formation.
3. Managerial framework is focused on efficiency. Relationships are task driven; motivations are achievement and power driven.
4. Institution building framework where health and organization's growth are primary concerns. Collaboration, extensions and creativity are the motivation patterns.

**Box 3: Institution Builders**

In my view the physicist and founder of ISRO (Indian Space Research Organisation), Vikram Sarabhai, and Ravi Matthai, the founder of IIMA, are two great institution builders. Sarabhai built a number of institutions in different fields, most importantly in space and management. Ravi Matthai promoted his belief of professionalizing management and actively demonstrated in his own life how management should enter all sectors.

Take IIMA. The symbols that differentiate people are minimal here. Every faculty member gets the same-sized room and each one, irrespective of their designation, shares the same secretary and privileges. You charge the same consulting fee irrespective of the designation. You are addressed as professor, irrespective of whether you are a professor or assistant professor. There are no departments and there are only areas. The term 'area' signifies a broad categorization. You may be a member of more than one area, group, or centre. You may also change areas. All these are organizational mechanisms to create a larger identity and bring down the overheads or transaction costs associated with management of the system. IIMA follows most of the principles Udai enumerated.

(Reproduced from T. V. Rao. "Managers who Make a Difference": IIMA Books: Random House, 2010. )



## Lessons for Future:

Heads of educational Institutions, Vice Chancellors, MDs, CEOs, Ministers and all those heading Government and Non-Governmental agencies should understand these principles of Institution building.

First they should respect and imbibe this Institution building role as a part of their role. Their appointments, socialisation, performance reviews, incentives and continuance in office should be subjected to a review of the extent to which they understand and follow the above conceptualisation and values of Institution building.

They should be super ordinate goal driven, less dependency driven, and more achievement driven. Then only will we have great Institutions built.

As recommended by Dr Pareek, Institution builders and heads of Institutions should be assessed and trained on the following roles and the extent to which they are discharging their roles:

1. Identity creation role or the extent to which they promote unique identity for their organizations and at the same time ensuring societal contributions of the institution;
2. Enabling role in which they develop a variety of resources in the institution including human resources;
3. Synergising role in which they ensure collective contributions and collaborative culture make the organization integrate various resources systems and achieve more than the sum of its parts;
4. Balancing role where they balance conformity with creativity and short term with long term goals and activities;
5. Linkage building role where the CEOs create linkages required with external agencies and subsystems;
6. Futuristic role where they develop the capability to anticipate the future and future changes and prepare the institution to meet these needs or creates its own future;
7. Impact making role where the institution makes both internal impact through its achievements and climate it creates as well as the external impact in terms of influencing the policies in the field in which it operates; and finally;
8. Super-ordination creating role where the top executive gives a sense of fulfilment to its members by deeply connecting what they do to the larger good of the society.

## Role Efficacy

Extending the concept of Sense of Efficacy to the role Udai Pareek formulated a term called "Role, Efficacy" (Pareek, 1983). According to these formulation individuals with high degree of role efficacy, carry with them different perceptions and feeling of their role. Role efficacy is defined as the potential effectiveness of an individual occupying a particular role in an organization. It consists of making your role the way you like (role making), feeling important and central in the organization through

your role (role centering) and linking various aspects of the role to make it stronger (role linking). The various dimension of role efficacy include:

1. Self Role Integration: Where the role provides individual with greater opportunity to use his/her special strengths. Integration between Self and the Role leads to higher role efficacy while distance between the Self and the Role leads to low role efficacy
2. Proactivity: Proactive Behavior (taking the initiative) contributes to higher efficacy. While reactive behavior (merely responding to the expectations of others) contributes less to efficacy. Lack of opportunity to take initiative leads to low efficacy
3. Creativity: Opportunity for creativity and innovation increases role efficacy while performing only routine tasks becomes harmful for high role efficacy.
4. Confrontation: Confronting problems and reaching a relevant solution contributes to higher role efficacy while avoiding problems or shifting problems to others leads to low role efficacy.
5. Centrality: A person's perception of the role as central to the organization contributes to high role efficacy while a person's perception of the role as peripheral is likely to lead to low role efficacy.
6. Influence: The more influence/power a person is able to exercise in the role, the higher the efficacy.
7. Personal Growth: Person's perception of the role as providing opportunity to grow and develop leads to higher role efficacy while a perception that the role does not provide the opportunity to develop contributes to low role efficacy.
8. Inter-Role Linkage: Linking one's role with others' increases efficacy. Joint efforts in identification of problems, problem solving etc, increases role efficacy
9. Helping Relationship: Person's perception that help is available when needed, leads to higher role efficacy. while a perception that respondents are hostile leads to low role efficacy
10. Super ordination : Opportunities to work for super ordinate goals have the highest role efficacy while a perception that performance in a role is of value to the organization, leads to higher efficacy

Factors contributing to role efficacy include: A participative climate, higher job satisfaction, climate promoting concern for excellence, use of expertise, and concern for larger issues and an innovation-fostering environment.

Consequences of high role efficacy are: Less role stress, less anxiety and work related tension.

Persons with high role efficacy tend to rely on their own strengths to solve problems, use more purposeful behavior, are active and interactive with people & environment. They persist in solving problems, inclined to growth, exhibit attitudinal commitment while adopting a positive approach.

They have a high degree of satisfaction with their jobs and role in the organization.

Of all the things that make a manager successful is the self image the person carries with him/her. The self image is like a shadow. It is known by different terms and ways. The related concepts are self respect, self confidence, ego, sense of efficacy, self concept, self worth, sense of inner worth etc. People with high sense of values and super ordinate goals share a feeling that they exist for others etc.

#### **Box 4: Efficacy**

*(Source: Managers who make a difference by T. V. Rao: IIMA Books: Random House, 2010)*

Consider the following responses by two of IIM graduates, both IITs toppers and IIM rank holders. Both were employed as executive assistants to the marketing director of two different organizations in two different cities. Both of them were working in similar companies. When the author visited them six months after they were employed and asked them to describe their job and how they were enjoying it, the conversation was something like this:

**Person A:** I am not sure what to say. I must admit that I am not at all comfortable doing what I am doing. I am not doing anything significant. When the HR head and one of the line managers came to the campus for recruitment they drew a great picture about this company and my job. I was promised a number of things and none of that has happened. I came here with the expectation that I will have an opportunity to use my talent. Being an IIT topper and IIM rank holder I came with eagerness to participate in strategy formulation, making marketing policies, influencing pricing, deciding marketing budgets, and helping the company and the director of marketing implement them. I was given a nice office next to the senior vice president (SVP). It was a good cabin and had all facilities. I was happy in the beginning but soon I was quite disillusioned to discover that my job has nothing to do with policies and strategies. I sit next to the SVP to act more like his secretary than as a manager. I am supposed to maintain his appointments though a secretary assists him, and it almost amounts to my doing the job. I am supposed to coordinate the visits of various customers and vendors. You know what that means. It means booking their hotels, arranging their transport, making their appointments, arranging their meetings, settling their bills, etc.-all clerical jobs. Then I am supposed to arrange the weekly and monthly marketing meetings for the department as well as the other departments. It means booking the meeting rooms, setting the agenda, circulating the agenda, taking down the minutes, getting them approved by the boss, ensuring that coffee and tea are served during the meetings and incurring the wrath of the boss in case of delays, etc. There is no strategy and there is nothing here to learn. I get my salary on time which is of course a great thing. However, Professor, I am wasting all my talent and keep feeling what a gap there is between what you all taught and what we are doing here. I feel that I should get out of this place after a year.

**Person B:** Thank you Professor. I am quite happy here and am learning a lot. I sit next to the SVP Marketing. He is a person with twenty-five years of experience and has worked in three companies before he joined here. He is not an MBA but more than an MBA in terms of his experience and thinking. However, he is not exposed to systems and I help him a lot. For example, I am required to maintain his appointments. He does not have a secretary but I help him as his executive assistant. I have developed an electronic diary on Google and after two months, began to help him to analyse the way he was spending his time. It helped him a lot. He discovered that 30 percent of his time goes into unplanned activities. He now regularly consults me and asks for my feedback on how to make his role more effective and strategic. I have also begun to mentor some junior executives which he requested me to do after my analysis of his schedule.

I manage the customers and other visitors to this company. It was a little difficult in the first two weeks as I was new to this company but it gave me an opportunity to learn about it. I went to each HOD and asked them to give me a brief so that I could brief the customers who visit us about the various functions of the company. Now I know the company perfectly. I book the hotel accommodation and transport for the visitors and customers. Each one has their preferences. I have explored all the hotels in the city and now have all their details, the concession they give, etc. I also know the customers' preferences of hotels and have knowledge about the taxi system and various vendors of taxi services. This task of arranging their transport and hotels gave me an opportunity to explore the city. I am supposed to book the meeting rooms and ensure that the discussions are minuted. I kept quiet and observed for the first three weeks. After the fourth meeting I pointed out to the boss that the decision taken at the meeting is problematic as the pricing they decided on, ignored some variables. My boss appreciated my input and started involving me in the discussions. Now he consults me on the agenda and also relies totally on me to maintain and manage the minutes and follow-up of the decisions taken. I have also gained a lot of his confidence. This company gives me a great opportunity to learn and use my capabilities. I am happy and am learning and almost feel that I am the SVP Marketing.

Which of them is likely to be more effective?

The answer is obvious. Person A views everything negatively and expects learning to come to his doorstep while person B takes initiative and sees an opportunity to learn in everything including administrative tasks. He is confident, takes initiative, applies his knowledge anywhere including minor issues like maintaining the schedule of his boss, booking hotel and transport for customers, and managing minutes of departmental meetings and booking meeting rooms and support services. The first one has a fixed mind and treats everything as a burden. Obviously the second person is likely to be more effective.

## Lessons for action:

Corporations and Institutions should relook at the role efficacy of their employees to ensure that their role efficacy increases in order to create the right atmosphere in the organization. Particular attention should be paid to the dimensions of "Super-ordinate goals" and "Helping", "Growth" "Proactivity" and "Creativity" parts of role efficacy.

As Robin Sharma in his recent book on Leadership observed organizations should link pay cheque with purpose. Organizations should interpret their goals and objectives properly and highlight for the benefit of their employees the larger impact they are trying to make on the society.

## Human Resources Development and OD

Udai Pareek identified the following Principles underlying HR Systems (conceptualised in 1975 and I had the good fortune of doing this with him jointly for Larsen & Toubro)

1. **Focus on enabling capability:** The main focus of HRS should be to help the company increase what may be called its "enabling" capabilities. These capabilities would include development of Human Resources in the company, development of total organizational health, improvement of the problem solving capability, developing diagnostic ability so that the problems in the organization can be quickly, timely, and effectively located and solutions attempted without dependence, and developing a healthy open system so that maximum commitment of the employees can be obtained. HRS, in this sense, becomes an important system underpinning various other functions and strengthening them through its programme.
2. **Integrating the development of people with organisation development:** Any HRS should aim at the development and multiplication of Human Resources. Every human being has certain capacities and potential to do certain things. Human beings are not very often aware of their own strengths. It requires another human being to point out one's own strengths. HRS should provide enough opportunity for each individual to become aware of his potential and thus make maximum possible contribution in his various organizational roles. It is certainly not possible for any organization to provide scope for complete exploration of individuals' talents and potential. However, HRS should offer maximum opportunity through appraisals, feedback, counselling and experimentation in various roles. An organization like L&T offers enormous such opportunities.
3. **Maximising individual autonomy and growth through increased responsibility:** Learning experiences get maximized when individuals have opportunities to experiment and also hold the responsibility for outcomes. Such learning experiences on the job have a great value for the individual and the organization. Employees start enjoying their jobs more and develop themselves better if their jobs offer them some flexibility and autonomy to innovate. HRS should attempt to help employees assume more responsibility through autonomy in decision making and experimentation.
4. **Decentralisation through delegation and shared responsibility:** People who work together or close to each other know each other better than those who do not have such opportunities to be together. HRS should be based in such a context. Identification and

development of human resources becomes an integral part of every manager's job. The system can only maximize opportunities for managers to take this responsibility. In fact, the central office can only perform monitoring and service functions, and identification and development functions should be shared by every employee/ officer in the organization. The units/ regions should increasingly take the initiative in these matters, with the central office providing necessary monitoring, policy making, and system development facilities.

5. **Participative decision-making:** Dealing with human beings is a sensitive area for any organization to handle. No matter what innovations are made and what opportunities are provided there are likely to be frustration. People tend to feel frustrated when they are not consulted in matters in which they have enough knowledge and information. Design matters in which they have enough knowledge and information. Design of HRS or any of its sub-systems must give adequate weightage to the ideas and existing resources of people. It should attempt maximum participation or representation of people who are likely to be involved in its implementation or are affected by it.
6. **Balancing adaptation to and changing organizational culture:** HRS does not have any standard form and has to be evolved for each organization according to its nature and its culture. While designing HRS, it is necessary to take into consideration the nature and culture of organization for which it is being designed and at the same time it should be designed to suit the prevalent culture of the organization and the intended direction of change. The role of HRS is not only to perpetuate such culture but to modify it for increased effectiveness. There has always been a controversy between those who believe that HRD or any parts of HRS like appraisal system should be designed to suit the culture and those who believe that such systems should be able to change the culture. Both extreme positions seem to be less functional. HRS should not make the company stay where it is; it should take it forward. However, this can be done only if its design does not severely conflict with the prevalent culture, but at the same time has elements of change and evolution towards the future.
7. **Balancing differentiation and integration:** With increase in expertise in HRS, the three distinct functions need clearer identity. These functions are: personnel administration, organization development and training, and industrial relations. Putting these three functions under one person may not do justice to them since there is a distinct identity of these three functions. Time has come that this differentiation is not only recognized but is built into the design of HRS. However, integration of these three functions is also necessary because they have inter-linkages and may require mutual support. This can be done, as we state in another principle, at a fairly high level. Such integration along with necessary differentiation would be necessary to make the function effective.
8. **Balancing specialization and diffusion of the function:** While HRS is a specialized function and should be treated as such in the organization, its special identity should not result in lack of involvement of line people in various aspects of HRS. Since action is the sole responsibility of line people, HRS should strengthen their role. This can be done by diffusing part of HRS amongst the line people. For example, simple personnel administration like sanctioning of leave, disciplinary action, dealing with conflict problems, etc. should be handled by the line people themselves. If necessary, they may have help from a personnel man. Without such diffusion,



the personnel function may only be used for escaping the responsibility of administering personnel effectively. Certainly, specification of systematic practices would be necessary but this has to be supplemented by the participation of line people in some of the HRS activities.

- 9. Ensuring responsibility for the function:** Unfortunately, in most companies, HRS does not have much credibility for several reasons. One main reason is that this function is at a very low level in the organization. Unless the HRS is introduced at a high level in the organization, its respectability will continue to be a very low. Moreover, unless a very senior person is in-charge of HRS, the insightful and creative leadership, which is required to make the function effective, may not be provided. For this reason, it is necessary that HRS be instituted at a very high level in the organization to increase both its visibility as well as its usefulness.
- 10. Balancing linkages within and with other functions:** HRS should be designed to strengthen various functions which are important in the company. For example, it should have linkages with the budgetary and other information control systems. It should have linkages with long-range corporate planning, with marketing finance and production and other functions of the company. Such linkages are extremely important. On the other hand, linkages amongst the various sub-systems of HRD are also necessary.
- 11. Building feedback and reinforcing mechanisms:** The various sub-systems in HRS should provide feedback to strengthen one another. Systematic feedback loops should be designed for this purpose. For example, performance and potential appraisal should provide necessary leads for training and work redesigning etc. A systematic plan of flow of one subsystem to the other should be properly prepared.
- 12. Balancing quantification and qualitative decisions:** While quantification of various aspects in HRS is necessary, everything cannot be completely quantified. This applies as much to selection and recruitment as to performance and potential appraisal. Attempts should be made to continuously improve and quantify several variables and even to design computer storage of various kinds of data. But the qualitative and insightful decisions will always be necessary and desirable. For example, while promoting people, various quantitative data may be useful. These may be used as necessary inputs, but some other factors which cannot be quantified will have to be taken into account while taking the decisions. Such a balancing is necessary.
- 13. Balancing internal and external help:** HRS would require development of internal expertise and resources. However, the company should see the optimum pay-off in terms of employing their internal or external resources. Some highly rare expertise which may be available from external resources has to be used only occasionally in the organization. Thus may not be developed internally in the system. Such a balance is necessary. Similarly, the use of external resources in terms of training should be used minimally, but cannot be completely ruled out. A judicious planning for the use of both is necessary. A company which is completely closed to external resources and is doing everything internally may not be able to benefit from some of the latest developments in the field. On the other hand, a company which is merely relying on external help either in training or on other aspects of HRS cannot develop itself effectively.

- 14. Planning for evolution of the function:** HRS cannot be established overnight in a company. Some aspects can be introduced depending on the state and sophistication of the company. Some other aspects would require longer preparation before these are effectively introduced. Rushing the introduction of all the aspects of HRS may only result in ritualism rather than effective introduction of the system. Introduction of HRS, therefore, should be properly phased, and there should be enough thinking about how these phases will be completed and build one over the other.
- 15. Continuous review and self renewal:** The environment and the organizational culture keep changing with time. However innovative a system may be, there is always a danger of it becoming ritualistic and dysfunctional after sometime. Therefore it is necessary to plan any system in such a way that it has mechanisms of self renewal. HRS should provide in it mechanisms for continuous review and change.

### Greed and OD

*(Excerpts from a key note address at the M. S. University Baroda, February, 2011)*

Divisiveness continues. It spreads from caste and religion based divisiveness, to political divisiveness to linguistic, regional, colour, education, health, batch, sector, section, department etc everywhere. Some divisiveness for improving the disadvantaged is fine but divisiveness leading to self destruction of a large part including that of the Nation is not acceptable.

We seem to live today in a scam driven world. Every day morning you wake up to hear what new scam has been unearthed. Starting with Satyam in the corporate world to CWG, 2G, Adarsh Housing, Mining and Land grab to everywhere. The nation's time is taken away for protesting against MPs, MLAs and various other agents who should be spending their time in Nation Building.

Are the Indian corporations safe from this? Has OD brought in certain amount of integrative outlook in our corporations? In a world where organizations are built and developed to sell than to build more, has OD done some good? Organizations built by the sweat capital of many people suddenly get sold and the employees discover that they belong to a new management and a new organization that they have not heard before and they need to learn a new culture. . This has become the world order and India is no exception. Sometimes it appears that we are truly in the business of business and not that of service. In the past organizations used to be set up to serve others and in the process make some money to sustain themselves and grow. Today it appears that some organizations are being set up to make money and money alone. Even hospitals performance is being measured by the numbers in monetary measures rather than patients served and benefits to society. Government performance is also being measured by the numbers of schools and hospitals set up rather than what they are doing after they are set up.

In other words short term orientation emerging out of greed has become the order of the day. The concept of service to society and working for larger cause is being

forgotten except occasionally, when we talk of corporate social responsibility. Even this CSR gets reduced to projects to take care of the neighbourhood rather than getting integrated into everything that we do in our corporations.

I have argued that Udai Pareek's OCTAPACE (Openness, Collaboration, Trust, Authenticity, Proactivity, Autonomy, Confrontation, and experimentation) values should now be expanded to include Extension Value. And all HRD and OD work should be reoriented to this in view of the need to build a strong and healthy world for our future generations.

### Lessons:

It is high time that organizations of all forms conduct an HR Audit or Social audit of themselves, and their programs to renew themselves. This may extend to the political parties and particularly youth wings of political parties and various government agencies and nongovernmental development agencies and agents.

It is also high time we understand and assimilate the OCTAPACE values always so intensely promoted by Dr. Pareek.

*In the end I like to conclude from a quotation from James Allen, "Man is made or unmade by himself, in the armory of thought he forges the weapons by which he destroys himself; he also fashions the tools with which he build for himself heavenly mansions of joy and strength and peace. By the right choice and true application of thought, man ascends to the Divine Perfection; by the abuse and wrong application of thought, he descends below the level of the beast. Between these two extremes are all grades of character, the man is their maker and master".*

Let all noble thoughts descend on us characterise our being with inspiration from the writings of great Gurus like Udaiji.

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## Author's Profile

**T. V. Rao** is currently the Chairman of TVRLS, Ahmedabad and an Adjunct Professor at IIM Ahmedabad (IIMA). He was a Professor at IIMA for over 20 years. He is the Founder President of the National HRD Network, and the First Honorary Director of the Academy of HRD, India. He was also President of the Indian Society for Applied Behavioral Science (ISABS). Dr. Rao has worked as a HRD Advisor to the Reserve Bank of India, assisted the Administrative Reforms Commission in reviewing the personnel management practices for civil services and also served as member of the HRM Review Committee of Nationalised Banks set up by the Ministry of Finance. Dr. Rao worked as a short-term consultant to UNESCO, Ministry of Health, Indonesia, National Entrepreneurial Development Association, Malaysia and the Commonwealth Secretariat, London. Dr. Rao has designed and assisted in implementing performance appraisal and other HRD Systems for a number of organizations in India and abroad.