DECISION-MAKING IN INDIAN ENVIRONMENT

The thesis deals with determining the propriety of different approaches to decision-making adopted for the purpose of solving managerial problems.

Which type of logical or adhoc approach is relevant to decision-making in the context of a particular management problems would depend on the types of challenges faced by the management in the past and to be faced in future. Management has to be always results oriented without any excuse for inefficiency. It should also be solution-oriented and is not a matter of particular academic discipline.

If we accept the proposition that management is getting things done we should also be aware of the fact that most of the management problems are created by attitudes and approaches rather than by any logical system.

The different attitudes and approaches are the outcome of different facets of human personality.

The human personalities can be categorised as belonging to three basic characteristics:
1. Satva (सत्व) (Pious)
2. Raja (रज़) 
3. Tama (तमः)

Accordingly human beings have different approaches to life and various challenges in life.

(A) Satvick (pious) Approach: Where a person's effort is to serve his self interest without harming others interest.

(B) Raja Approach: Where a man pursues his self interest and is after material affluence (संपदा, कैप) and in this pursuit is not aware of the reactions and responses of other members of the society with whom he has to pull on. In other words, in his pursuit of self interest he does not care whether he is marring the prospects of other people. He is also not aware of the fact that in an Industrial Enterprise (which is a joint venture), he is serving his self interest without any regard of others self-interest. His only desire is to get prominance and reputation (प्रतिष्ठा) in Society by accumulating wealth. This greed (अधारी कृति) is endless and it is quite annoying to others whose self interest are relegated to background. Thus, he creates problems for others, who think of creating obstacles in his

* Division as shown by Chapter 17, 'Bhagwat Geeta'. 
pursuit of material affluence. This is how the concepts of justice or injustice (which are quite relative) emerge. These concepts are the basic cause of managerial problems.

(C) Tamas (गड्ढ): People entertaining Tamas Approach to life are after trifle achievements. They seek to achieve something by indulging in irrational and illogical behaviour. If circumstances do not permit Tamas people to achieve what they want they would not only indulge in malpractices but would also encourage negative approach to life and destruction. If leadership comes out of such people it would not only continuously create an obstacle in any constructive activity in which their settlement lies but would also be happy in a self destructive activity.

Thus, illogical, irrational and abnormal behaviour in any relationship is basically the outcome of the Rajas and Tamas approaches to life which are vicious, poisonous malignant.

It is said that theories or logical approaches should be developed to solve the management problems. However, it appears that for solving the present day management problems most of the consistent theories...
and organised knowledge on social sciences (like economics, sociology, management and other behavioural sciences) are at an impasse (dead lock). This is because in the dynamic situation human behaviour is not bound by any logical theory and is unpracticable. However, every human being has his own logic in his illogical behaviour. However, imperfect his own logic may be.

However, in the field of any activity related to material pursuits some basic fundamental and universal objectives governing human behaviour are discovered by social sciences like economics. Therefore, as pointed out by *Prof. Irving Kristol* "Economic Theory lives on surviving all the unreasonable or supra-reasonable demands that are made on it."

According to *Prof. Irving Kristol* Economic Theory survives because of the bedrock of truth about the human condition that were first comprehensively enunciated in "The Wealth of Nations" by Adam Smith. Among these truths are:

1) The overwhelming majority of men and women are naturally and incorrigibly interested in improving their material conditions.

2) Efforts to repress this natural desire lead only to coercive and impoverished politics.

3) When this natural desire is given sufficient latitude so that commercial transactions are not discouraged. Economic growth does take place.

4) As a result of such growth, every one does eventually indeed improve his condition, however unequally in extent or time.

5) Such economic growth results in a huge expansion of the property owning middle classes a necessary (though not sufficient) condition for a liberal society in which individual rights are respected.

The implication of these fundamental truths for decision-making in management is that in any rational and logical decision there should be a perfect blending of two opposite ends namely a decision should be taken in such a manner that it should not prove to be a disincentive to investment on which economic growth depends and at the same time the decision should not be based on a total disregard for self interests of those who are
economically disabled. In practice, it is very difficult to arrive at the golden mean between the two opposite means. Thus, the decision-making skill would lie in bringing a out harmony in industrial or for that matter any human relation by taking the most logical or optimal decision. Such a decision would improve most of the human conditions and would lead to a situation in which human individual rights are respected.

This basic knowledge of the theory which enunciates the fundamental and universal truths about human behaviour would enable us to understand the significance of the three basic theories in management namely:

(a) - X Theory of Management.
(b) - Y Theory of Management
(c) - Z Theory of Management Recently profounded.

Another important implication is that a particular management theory attempting to solve a management problem it based on certain assumptions about human behaviour and its success in solving management problems would depend on how far realistic its assumptions are for undertaking the relevance of a particular management theory are propriety of its assumptions must be analysed.
As assumed by the theory X of management.

1. The average human being has an inherent dislike of work and will avoid it if he can.
2. Because of this human characteristic of dislike of work, most people must be coerced, controlled, directed, threatened with punishment to get them to put forth adequate effort towards the achievement of organisational objectives.
3. The average human being prefers to be directed, wishes to avoid responsibility, has relatively little ambition, wants, security above all.*

On the other hand, the assumption of the theory Y of the management are as follows:

1. The expenditure of physical and mental effort in work is as natural as play or rest. The average human being does not inherently dislike work. Depending upon controllable conditions, work may be

a source of satisfaction (and will be voluntarily performed) or a source of punishment (and will be avoided if possible).

2. External control and the threat of punishment are not the only means for bringing about effort toward organisational objectives. Man will exercise self-direction and self-control in the service of objectives to which he is committed.

3. Commitment to objectives is a function of the rewards associated with their achievement. The most significant of such rewards, e.g. the satisfaction of their ego and self-actualisation needs can be direct products of efforts directed to and organisational objectives.

4. The average human being learns under proper conditions, not only to accept but to seek responsibility. Avoidance of responsibility, lack of ambition, and emphasis on security are generally consequences of experience, not inherent human characteristics.

5. The capacity to exercise a relatively high degree of imagination, ingenuity and creativity in due solution of organisational problems is widely not narrowly, distributed in the population.
6. Under conditions of modern industrial life, the intellectual potentialities of the average human being are only partly utilised.

It is quite obvious that many of the assumptions underlying the above theories of management are not always realistic. In typical situation in which management problems are created. Therefore, contributors to management theories or managerial economics wish to profound theory Z in management which is based on the following premises:

*1. An industrial enterprise sooner or later (sooner for private sector, later for public sector) requires some output to support the workers, clerks and various cadres of managers employed. Thus, some concern for output has to be shown by some Managers some time.

2. In order that the employees do not spend all their energies in internal conflicts (e.g. Workers Vs Supervisors, Clerks Vs Head Clerks, Managers Vs Managers, Managers Vs Everybody else) and do spend some effort towards meaningful output, it is

necessary to maintain some degree of morale in the organisation. Thus, some concern for people has to be shown by some managers some time.

3. Since everybody is in the game for himself, most of the times most of the people will seek to grind their own axes and show a lot of concern for self.

Accordingly, Mr. Sharu Rangnekar cites different typical management styles which are evolved for solving the management problems. The implications of the various styles as given by him are:

**Style First**: Negligible effort to get output or maintain morale or promote self which is typical of private sector.

**Style Second**: Emphasising output results in arranging conditions of work. In such a manner that interference of human element is avoided. This would naturally imply that promotional chances are adversely affected. This style is very crazy.

**Style Third**: which attempts at reconciliation of contradictory views and situations and which has regard for creating friendly atmosphere by maintaining good relations with all around.
**Style Fourth**: which aims at achieving a balance between output and concern for the people. If this style is adopted, a manager may fail to maintain a very favourable image of himself with the proprietors or owners. This is a typical middle management style.

**Style Fifth**: in which the fundamental belief underlying any management action is that the merit or performance will speak for itself. As a result, there is maximum effort on maximising output and improving morale. If this style is adopted a Manager has no interest or time, to play company politics to look after himself.

**Style Sixth**: When this style is adopted there is a deliberate effort on the part of oneself to spend his time and resources only for playing company politics to promote himself. He cares neither for output nor for other people. His only hope is to get ahead by winning the favour with the top management. Under the circumstances a manager is reduced to a position of a parasite such a style is not supported by any logic.

**Style Seventh**: Under this style management is by 'Clique'. An exclusive group of persons a faction. The attempt of the person is to create a group for himself
to back him with a belief (which is quite irrational) that his self-interests and those of persons belonging to his group are, and shall remain the same. In the process, the manager creates limitations for himself because other cliques are also created and correspondingly less attention is paid to output or results desired by the management.

**Style Eighth**: This is a style in which manager seeks to promote his self-interests by giving high output and thereby attracting the attention of the top management. This is a ruthless managerial style of "Tough-minded Management" as described by Prof. J.D. Batten. Though this style is apparently result oriented, it succeeds at the cost of various other people and any attempt to solve a management problem by adopting this style would end up in an explosion or catastrophe because there is always a resentment to any action based on this management style.

**Style Ninth**: This is a typical Indian style where a Manager tries to extract maximum efforts (for maximising output).

From the people committed to the organisational objectives. A manager is all the while cautious to maintain continuous communication with the top management so that he is not deprived by the company politicians of the legitimate credit for his achievements.

The propriety and relevance of any management style or a combination of styles adopted by solving management problems cannot be understood unless we know what kind of logic (Inductive or Deductive) supports the style. It is also necessary to know at what stage the problem has cropped up and what kind of problem the whole organisation is facing. The relevance of a particular logic would depend on the interests of the parties involved in the various stages. Such interests would vary depending upon whether an enterprise is facing the problem of survival or growth and whether such survival or growth is in the interest of an individual or a group of individuals or the nation at large. Accordingly, the priorities would be changed and the different logics would be subject to thorough examination.
Therefore, my thesis aims at the examination of various types of logical theories which are at the basis of managerial actions and the managerial decision-making processes as they are in vogue under the present conditions. Such an analysis would certainly go a long way in not only creating an insight into the proprietary of a particular style or strategies in management adopted by solving managerial problems, created by human relationship in creative, constructive or destructive activity and the resultant challenges in industrial management.