

INTRODUCTION

This is a study of The Textile Mill and its critical organisational factors. In a sense this is a study of "Mill Phenomenon" perceived as a symbol of industrywide cynical indifference centred round the executives' relationship with the formal organisation of which they are the members. This is the reason why, at places in this Thesis, the distinction between a single unit and the industry or even the Ahmedabad society as a whole gets blurred. The Textile Mill is perceived as a microcosm of the managerial disorganisation, and malfunctioning across the industrial life of this country. The Mill studied represents, in a way, the industrial executives' striving to create a meaningful existence and establish a sense of human beingness in an industrial organisation where they are forced to experience themselves as sub-humans meant only to be used to achieve the organisational ends. The Mill Phenomenon can be seen as an arch-specimen of the spirit of the industrial executives attempting to restore to themselves security, dignity, self-actualization, freedom of choice of action and feeling while suffering from the festering wounds symptomatic of managerial disorganisation and functional disorientation. That the industrial executives are continuously facing conflicts between them as individual human beings and the organisational structure--whatever its stage of development and maturity--is accepted as valid. However, the view of The

Mill Phenomenon as manifestation of managerial disorganisation predominates the thinking of many persons in Ahmedabad. The lack of human concern and of managerial philosophy in a scientific spirit is found to be one of the main causes of this managerial disorganisation and its multiple manifestations. The industrial organisation characterised by restlessness and malfunctioning with concomitant low social values is also presented as an explanation for The Mill Phenomenon across the industrial scene in this country.

Two separate but inter-dependent themes are interwoven in the process of The Mill Phenomenon as I understand it:

(A) The industrial executive wrestles with the established order of organisation in order to retain a sense of totality and personhood of the situation instead of succumbing to a fragmentary existence in the action systems of organisational structure.

(B) The products of industrial executive--his practices and immature managerial structures by their very nature--have reached a point where, instead of helping industrial executive to unfold himself, they tend to lead him to wilderness and anonymity. This existence in a structureless situation, which itself is the product of executives themselves, forces most members of The Mill organisation to exist only in shallow realms of life. The industrial executive has always felt the need to arrive at and make the situation his own--in other

words, become the "person of the situation". It is only through this process of becoming "the person of the situation" that he experiences, in interaction with others, security, autonomy, and self-actualization and feels proud of being a human being. In the absence of such opportunity, he experiences himself as a creature rather than a creator of a situation, as a patient as opposed to a potent.

A low morale and poor motivation in an industrial organisation are best reflected in two possible trends that ensue:

(1) The cry for discipline and hard work for their own sake as reflected in the glorification of authority and in the emphasis on the letter rather than the spirit of disciplined work.

(2) Glorification of the past performance which we often find in every chairman's speech with the assertion that the only villains are the tax policies (See Appendix A), inept handling of economic policies and red-tapism of the Government. Such logic is reflected in the anti-intellectual stance of many chief executives.

This study is designed to evaluate different organisational factors which are deemed to be of critical importance in The Textile Mills Management. Two basic problems had to be tackled--one, various organisational factors had to be identified; two, it had to be decided as to which of them were critical. We have employed three methods in doing so:

(1) We gleaned through the existing literature and research material in the business management areas in order to identify the critical organisational factors in the management of all sorts of industrial organisations.

(2) We talked to knowledgeable people in the textile industry and pooled their views.

(3) We ourselves made an observation study in some of the textile mills and arrived at our own conclusions.

As a result we decided upon the following five critical organisational factors in The Textile Mills Management:

- (1) Organisational Structure
- (2) Social Framework
- (3) Executive Need-Fulfillment
- (4) Management Information System
- (5) Financial Management

The recent formulations in organisation theory point out that organisations have multiple goals and perform multiple functions. Is the effectiveness of an organisation to be judged by its performance of one function such as output or profit maximisation or by that of some integration of several functions? If we view organisations, as Warren Bennis suggests, as problem solving organic structures, the inference about effectiveness has to be made not from measures of output or profits alone but from the processes through

which the organisation approaches different problems.¹ In other words, the questions that need to be considered are: Does the organisation have the ability to solve problems and to react with flexibility to changing environmental demands? To what extent are goals understood and shared by the members of the organisation? Does the organisation have a mutuality among its various parts and dimensions? Organisational effectiveness, we suggest, is a multiple criterion. What we are, in effect, deducing is that, when we define organisational effectiveness adequately enough, the organisational structure and its characteristics do have a substantial bearing upon its effectiveness. This has been considered in Chapter II.

In most of the text books on management and human relations the approach one often comes across is: materials and machines are available to all organisations with equal accessibility and all organisations should obtain the same advantage from them; if organisations still vary in effectiveness, the crucial factor is the human factor. Among the human beings working in an organisation, it is the executive/managerial class which controls the use and effectiveness of the usually over 90% of the working class. It is in this context that the executive class is considered to be critically important. The study and evaluation of

¹Warren G. Bennis, Changing Organisation (New York: McGraw-Hill Book Co., Inc. 1966).

the textile executives have been presented in Chapter III and IV. The study presented in Chapter III was conceived independently in which a participant observer study of textile industry crises was made, evaluating the social framework and the executives who were interacting in such crises. It points out the healthy signs. In the study presented in Chapter IV, an evaluation was made by administering questionnaires to executives at all levels on various factors such as level, technology, and decision-making authority that affect the need-fulfilment of the executive class in textile industry on Maslowian lines. This helps us understand the mutual compatibility of the textile organisation and the textile executives in making and keeping the former healthy and effective.

The organisation as a system is composed of various components which are interlinked with one another. Just as the living organisms have various limbs which are biologically interlinked and in which the blood stream runs through each and every vein to keep them and the whole body alive and healthy, the industrial organisations have various levels, areas and segments that are linked with one another and in which the information systems run through them all, rendering possible the use of authority, responsibility and accountability to enable them (a) to achieve their goals, aims, objectives and policies with unison, and (b) to maintain themselves in a balanced, healthy, active and dynamic state. The Management

Information System as a critical organisational factor has been evaluated in Chapter V.

Human organisations--business or charitable--have to run on economic assumptions to conduct themselves. Each organisation has got certain economic resources available to itself for its continued physical existence. This is especially so for business organisations. The financial system and the way it functions assumes critical importance. Chapter VI deals with this factor.

To evaluate the criticality of the said five organisational factors, vast amounts of information and data were collected in every possible situation through participant observer study, interviews, questionnaires, etc. Representative samples of such data have been presented in Chapter VII which help to explain The Mill Phenomenon and also, in part, my Model of Evolutionary Theory of Organisation that emerged, as presented in Chapter VIII.

Finally: Appendix A gives an overview of the textile industry and the analysis is based on secondary data derived from various sources. This will serve as an environmental view for those who are not so familiar with the Indian textile industry. Appendix B is the extension of Chapter VII wherein the concept of Primitive Ad-hocism has been substantiated with further illustrations. The cases have been reproduced with permission of the Director.

Indian Institute of Management, Ahmedabad. These cases pertain to the same mill where the author conducted most of his field work for this study and for which the name "The Textile Mill" or "The Mill" has been used to conceal its identity, for obvious reasons.

The Textile Mill is a single unit. (Vide: Chapter I). However, at places it does become a typical symbol of the textile industry as well as of the Ahmedabad Society. For a city, where 80% of the population directly or indirectly depends upon the textile industry for its sustenance, such a treatment is considered valid.

It will be clear from the research design introduced that the study covers economic, financial, social, psychological and managerial aspects in evaluating the critical organisational factors in Textile Mills Management. The approach is interdisciplinary. An attempt was made in seeing through management literature and research material to find out if the sociological-psychological and economic-financial approaches could be reconciled to make possible the use of a composite criterion for evaluating the critical organisation factors. No such criterion was yet available. Hence in the absence of a composite measuring tool, which could measure the behavioural phenomena in business terms, we had to employ independent measuring tools for each approach and present the data over a prolonged--though

essentially the same--period for dependable broad comparison and analyses. Further details of the methodology of the Study are presented in the immediately succeeding pages, under the same caption.

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