CHAPTER VIII

MANAGEMENT — STRUCTURE AND WORKING
OF PLURAL EXECUTIVES

Outline


(B) Structure of Managing Committees Constituted During 1966-67.

(C) General Back-ground of Executive Members.

(D) Participation by Members of Managing Committees.

(E) Reflections of Ordinary Members About Executives.

(F) Observations.

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The efficiency of an organisation depends on various factors. The size, composition and character of the managerial bodies, and the qualifications, training, experience, and executive/operational qualities of the individuals working in the organisation are indicative of the levels of administrative efficiency, without which economic viability does not become a possibility.

The managements of coops are in many ways different from those of joint stock companies and private limited
firms. In the case of the former, the principles of cooperation have to be observed. In cooperation, these principles and economics go hand in hand and none can be sacrificed at the altar of the other.

(A) Characteristics of Executive During 1957-58 to 1966-67

It is said that coming events cast their shadows before. Hence, before looking into the structure and working of the executives of the base year — 1966-67 — it is considered useful to make a historical review of the working of the executives as constituted during the earlier 10 years. Such an attempt inevitably is to know if the executives constituted during 1966-67 had sought any lesson from the experience of the past.

The managing committees of the K.V.I.coops had certain special features. Two of the important ones were those of (a) the tenure of membership and (b) the tenure of the office-bearers of the managing committee. During the period under review, 13 of the K.V.I.coops had 77 persons (i.e., 31.8 per cent) who happened to be on the managing committee for 5 years and more, while 5 K.V.I.coops had members who were with them for less than 5 years. There were persons who were on the managing committees consecutively for a period of 2 to 10 years and more. Societywise, the position of the number of members continuously
serving for different spells of time is exhibited in Table VIII.1. There were in all 243 members of the coops who worked for different spells of time on the executives. On an overall basis, 87 members worked for one year, 32 members for two years, 27 for 3 years, 20 for four years and 25 for five years. The number of such persons was further reduced from 13 for 6 years to 3 for 10 years. Thus, it was a case of inverse variation. It was indicative of the degree of 'controlled' democratic working of the K.V.I.coops.

Another characteristic of the executives was in respect of the degree of participation by the primary — artisan — members vis-a-vis the control exercised by the sympathiser members. From this point of view, the position given in Table VIII.2 reveals that, during the period from the registration of the societies to June 1967, 94 primary members had worked on the managing committees, and the number of sympathisers who had worked on them was 149. The position depicted in Table VIII.2, further shows that the number of primary members who worked for more than 7 years at a stretch was practically nil while the flow of sympathisers had continued for a period up to 11 years and more.

The number of 58 sympathiser members who had worked for one year was double to that of primary members. No coop was without any sympathisers on the managing


committee as against which 2 coops — Sonagad Vans and Choryasi Neera — went without any primary members, i.e., both of them were controlled throughout by the sympathisers.

Thirdly, there were instances of executives remaining unchanged for a number of years. The managing committee of Vaheval Neera had not changed during the period from 1962-63 to 1964-65 and only 2 ordinary members were replaced in 1965-66 and 1966-67; and, all the office-bearers had remained undisturbed throughout. The managing committee of Mandavi Suthar had remained unchanged for 7 years from 1960-61.

(B) Structure of Managing Committee Constituted during 1966-67

The strength of the members of the managing committee was not uniform for all the K.V.I.coops. The number of members varied from 5 to 13 in respect of 18 K.V.I.coops. The total strength of managing committee members was 145, consisting of 11 coopted, 17 departmental, and 117 elected members. Among the coopted members, 2 were primary members and the remaining 9 were non-members. From among the Departmental representatives, 6 representatives were from the Cooperative Department and 8 were from the other concerned Departments like Forest Department, Prohibition, Custom and the Board. There were also 3 representatives from the Central Cooperative Bank. The benefit of such Departmental
representation was made available to 7 K.V.I. coops, viz., Ambach Vans, Bhint Bhudrak Vans, Vyara Vans, Borakhadi Neera, Vaheval Neera, Vedchhi Neera, and Khadakachkhali Suthar. Except Vaheval Neera, the remaining 6 coops had representatives of the Cooperative Department on their managing committees. The Forest Department was represented on the management of Bhint Bhudrak Vans and Vyara Vans, while the Prohibition and Custom Department were represented on the management of Borakhadi Neera and Vedchhi Neera. One representative of the Board was on the managing committee of Vaheval Neera. Bhint Bhudrak Vans, Vyara Vans Suthar and Khadakachkhali were having one representative each from C.F.A. The remaining 11 K.V.I. coops consisting of 2 bamboo, 2 neera, 3 ghani oil, 2 carpentry and blacksmithy and 2 khadigramodyog coops were left without any representation from any of the concerned Departments or financing agencies. The representation of Scheduled Castes on the managing committees was found totally absent among the elected 117 members. The Scheduled Tribes had their 58 members on the managing committees; the number of non-Adivasis was 59 which consisted of 17 Muslims and 42 Hindus. Of course, all such Muslim representatives were found to be in the management of the 3 oil ghani coops. All the members of the managing committee of Poona Khadigram and Mandavi Suthar were exclusively non-Adivasi Hindus.

Some of the past characteristics of the executives did feature in the managing committees formed during
the year 1966-67. Twenty-one of the 54 sympathiser members on the managing committees were office-bearers as against 5 from 63 ordinary members. In that year, out of the 18 K.V.I.coops, 15 had sympathisers as chairmen of the managing committees while the remaining 3 had chairmen from among the ordinary members. There were 7 persons working as vice-chairmen of whom 5 posts were held by sympathisers and 2 by ordinary members. The remaining K.V.I.coops had no vice-chairmen. Besides, it was noticed in one case that a sympathiser was holding the post of secretary. The frequency and tenure of such sympathiser members on the managing committees were more in respect of bamboo workers and neera coops.

(C) General Background of Executive Members

In any condition, it is the ability of a man which plays a decisive role in all walks of life — whether social, political or economic. The skill is the weapon to sharpen the ability. The acquisition of skill enriches a man's ability to deal with any given situation. It is thus evident that the development of ability is a process demanding long term investment in man and simultaneously controlling the surroundings concerning the development of man. The extent of investment and control over the surroundings decides the quality of man. This is equally applicable to member artisans. It is, therefore, considered desirable to see what was the contribution of all such factors in influencing the personality of the elected
members of the executives.

The majority of the members were drawn from 11 villages and the remaining hailed from 39 villages. Out of 117 members, 74 were elected from 16 villages. Thus, there was a concentration of managing committee membership in certain number of villages as presented in Table VIII.3

Table VIII.3

<table>
<thead>
<tr>
<th>Sr. No.</th>
<th>No. of managing committees members from one village</th>
<th>No. of societies represented</th>
<th>No. of villages from which members of managing committees were drawn</th>
<th>Total members</th>
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Total 50 117

Mandavi, Bhint Bhadrak, Borakhadi, Vedchhi, Poona, Mangarol and Khadakachikhali were the villages in which both the membership and the manage-
ing committee membership were mostly concentrated. This position was suggestive of its representative character.

The age, qualifications, experience etc., of the elected members have important bearing on the executives. The data collected revealed that 100 members fell in the age range of 26 to 60 years and they were all considered to be able-bodied persons capable of earning their bread. There were 15 persons aged 61 years and above and 2 were below 25 years of age. The information regarding their educational qualifications further brought out that the number of illiterates and those who had studied up to the primary stage was more among the primary members than among the sympathisers. In the case of the sympathisers, there were 11 who had studied up to S.S.C. and above as against 2 from among the primary members. Among the 11 co-opted members, 4 were S.S.C.pass. In respect of experience, all the members were experienced more or less in one field or the other — social, political, business or occupational. The number of persons having such experience of 6 to 10 years was the highest in all the three groups. Besides, the number of persons with experience longer than 11 years was higher among the sympathisers than among the primary members. Among the coopted members, 7 were experienced for 6 to 15 years. This position suggested that a larger number of persons with relatively better
education and longer experience came from among the sympathisers and to a lesser degree from among the coopted members. Twelve sympathisers had done some sort of social service. Forty-five of the sympathisers had leanings towards the Congress, the only political party that ruled continuously for 25 years since Independence. As against this, from among the 63 primary members, four had done some social service and 57 had leanings towards the Congress. The 11 coopted members believed in Congress and 2 of them had done some social service. This was reflective of the fact that intrusion of non-economic considerations could not be avoided.

Attempts to know the annual income of each of the members did not bring out the exact position, mainly because of the supply of inadequate information. The available data showed that the 54 sympathiser members had an annual income range from Rs.600 to Rs.6,000 and were mostly represented in all the income ranges. The 63 primary members fell between the income of Rs.600 and Rs.4,000 and had the highest concentration of 45 of them in the income range of Rs.300 to Rs.2,000. Eleven coopted members were evenly represented in each of these 3 income ranges — Rs.600 to Rs.6,000, Rs.600 to Rs.4,000, and Rs.300 to Rs.2,000 — and 3 were in the income range of Rs.4,600 to Rs.5,000. It was observed that some of the sympathisers came from the income range of Rs.4,600 to Rs.6,000, as against none of the primary members. During the period of 10 years from 1957-58
to 1966-67, there was no instance of any office bearer changing his occupation during or after his holding such post or office. This can be considered to be a positive sign of the role played by the office bearers.

(D) Participation by Members of Managing Committee

With the background conditions as stated earlier, the managing committee members were placed to work in a cooperative structure. The way they worked and the spirit of cooperation they evinced are discussed hereunder.

To measure the interest of the management, the frequency of the meetings of the managing committees held since registration was considered as a useful scale. The data collected revealed that such important records were preserved completely by 9 K.V.L.coops for the entire period and the remaining coops preserved them for the major periods of their working. The highest frequency of such meetings was 11 per year on an average in case of Surat Ghani which had maintained this regularity since registration in August 1958. Next came the Ghantoli Neera which maintained the average of 8 meetings a year since December 1960. By and large the frequency of such meetings was higher among neera and ghani oil societies but with variation from society to society in different seasons of the year. The frequency of meetings was higher from August to January in the case of
bamboo societies, August to March among the neera societies, April to July among the ghani oil societies, May to August among the carpentry and blacksmithy societies, and August to December among the khadi gramodyog societies. March to May was the leanest period for the holding of such meetings. These trends persisted during the last five years between 1962-63 and 1966-67 with a lesser degree of variation. There were two occasions in 1966-67 and once in 1962-63 with Vedchhi Neera postponing the meetings for want of quorum. During 1966-67, 13 K.V.I.coops held general body meetings with the exception that the Ambach Vans held it twice.

The managing committees on various occasions took decisions about entrusting to a member or a group of members specific work to attend to either for short time or for his tenure of office. The chairman, vice-chairman, secretary and the employees were mostly the persons to whom such work was allotted with specified powers. The vice-chairman was the person who was given the least work and powers. The important work like purchase, withdrawal of money, fixing the rates, etc., was usually vested in the chairman. The secretary was mostly given the work of maintaining cash, running the office, maintaining the required records, attending to bank work, etc. However, the paid manager and the secretary, appeared to have been given more work and often powers were given for important work like purchase,
banking and selection of workers. Attendance was marked by the chief or the agent of cooperatives in the case of three bamboo workers societies. The secretary and depot clerk in other two societies called the muster roll. These persons were not attending to any other work of the societies. In respect of three neera societies, Forest Supervisors — and in the other three, managers — were entrusted with the work of marking attendance of the members and the wage earners coming to work. Technical guidance was given mostly by the chairman or the secretary. All neera societies followed such division of work except Vaheval Neera where the manager attended to all the work pertaining to muster, technical guidance and others. All the oil ghani societies and carpentry-blacksmithy societies were having secretaries to attend not only to the muster and technical guidance work but also to the supply of raw material for processing. They were also responsible to maintain the required quantity and quality of products. The manager and the secretary of khadigram societies looked after only the attendance of those who came to work. Barring neera societies, by and large, it was the one man, secretary or the manager, who attended to the day-to-day work of control, guidance and management. After all, control and guidance are different from management and they do not always in themselves bring income.
It was considered equally important to know about the time devoted by the executive members in attending to the activities and the routine work of the coops. The inquiry revealed that the time shared by the office-bearers and the members of the managing committee varied from 1 to 20 days in a month. The time devoted by the primary members of the managing committee was on an average much more than the time given by the sympathiser members, who were mostly holding posts or offices in the managing committee. The sympathiser members were, thus, less interested in the day-to-day work than the primary members.

(E) Reflections of Ordinary Members About Executives

As mentioned earlier, several members of K.V.I. coops were contacted to obtain supplementary information about the working of the societies. The views recorded from 98 such members — most of whom were outside the management — about the working of the managing committees and the management of industries are summarised in the few paragraphs that follow.

On enquiring as to why the remaining artisans, if any, in the village did not join the society, it was stated by 46 members that mostly all artisans had joined the society and 14 members had mentioned that societies had no work for more persons. Seven members had opined that the societies had insufficient raw materials to
supply to more persons and one had stated the reason for more artisans not becoming the members as difference of opinion with the executives. Sixteen members explained that the non-member artisans had their own work sufficient enough and profitable to them and hence they did not see any prospects in joining the societies.

About the prospect of the occupation followed by the member-artisans of the coops, 49 members had expressed their concern about the prospects and did not favour their children following the same occupation. Some of them thought they had better avenues of earning available elsewhere. Forty members had favoured their children following the same occupation. The remaining 9 members did not give any opinion.

An attempt was made to know whether K.V.I. societies worked on the principle of equality and provided work and facilities to all the members without discrimination. Forty-two members had reported favourably to the societies, while 24 members had expressed in clear terms that discrimination was exercised by the management. Fourteen members had stated nothing about the management and 18 had said the societies had no work to offer and, hence, the occasion for discrimination did not arise.

With regard to acceptance of new persons as members of the coops, except 9 members, the others had an open mind about this general question and they had not responded negatively either. Thirty-four members favoured open
membership and saw no objection in allowing others to
come. The remaining 55, however, were conservative to
the extent that they would better like to adhere to the
current practice in vogue to manage with the existing
number of members in order to avoid further inter-member
competition and reduced earnings.

About the manner of conducting the meetings of
the managing committees, the members thought that all
enjoyed freedom to express their views without any fear
or pressure. Fifty-four respondents stated that members
generally agreed and subscribed to the views expressed
by the office bearers of the societies and had the least
to contribute independently to the affairs of the socie-
ties. Three of them did not mention anything as they
were unaware of any such situation in the meetings of
the managing committees.

Out of the 98 members, only 8 have expressed an
unfavourable opinion about the leadership and the
working of the societies. It can be said that most of
the members were satisfied with the office bearers.
Thirty-four of them had joined the societies with a
view to supporting the movement of cooperation while
6 were interested only in getting the raw materials.
The remaining 58 had become members mostly to earn
income and get work. Thirty-nine members had reported
to be knowing something of cooperation, while most of
the members had no definite suggestions to make for
improving the working of the societies; 22 stated the
provision of more work, 10 having stated the supply of raw materials, 16 stated employment, and 38 did not mention anything as the goals of the cooperative effort. The suggestions from the remaining 12, though of varied nature, were important. One mentioned the improvement of management and the other stated the getting of licence for Meera from the State Government as the aim. Three of them suggested that societies should give all facilities for sale and purchase, while 2 suggested that profit distribution should be made so as to sustain the interest of the members in the coop. One was of the opinion that the executive members must show greater interest in work and four were not satisfied with the present wage-rate policy followed by the societies.

(F) Observations

In regard to membership the number of the sympathiser members was smaller, compared with that of the artisan members. The past records of the executives clearly indicated that the sympathisers were exercising full control over the functioning of the coops by virtue of holding most of the posts and offices for considerably long time. The participation of artisan members was limited to unimportant matters though they devoted more time to the affairs of the society. Their membership in the managing committee was for short duration. All the important functions and special powers were enjoyed by the office bearers.
In certain cases, the same executive, once elected, was continued unchanged for a number of years. It was an example of a democratic set up controlled by sympathisers. This was the legacy of the past executives. The various managing committees constituted during 1966-67 were not in many ways different from the earlier executives. The control of coops had remained with the sympathisers. In 7 coops, where one or more departmental representatives were posted, the number of artisan members was kept down to a simple majority only. The majority of the artisan members on the managing committee were drawn from a few villages even though the artisan membership was spread over to so many villages. This, truly speaking, cannot be said to be representative managing committees.

In many cases actual elections never took place but the suggestions of one or two dominant personalities were just carried through in a hush hush. Where the vast bulk of the members were satisfied with the affairs of their coops, such a unanimous decision reflected facts, but where it amounted to domination by the existing ruling local group, conditions were far from satisfactory. This was one of the major factors responsible for the continuation of the same elected members on the managing committee for years together and for the stagnation of many of the coops.
In a few coops, the dominating members were representatives of the Government, district bank, the Board and similar bodies which had financial stake in the respective coops either through capital participation or through grant of loans. The major purpose of theirs being on a managing committee was to safeguard the finances advanced. However, this was only a limited objective. The Government and other bodies claim to be vitally interested in the economic regeneration of the rural areas through the efficient functioning of coops and their nominees are expected to function with personal interest, responsibility and technical expertise through active participation in the committee meetings and the follow-up work. In practice, however, those expectations remain mostly unfulfilled; for, some of the officials consider their nomination on the managing committees more as status symbol than a regular job-responsibility and frequently the nominated Government employees are too overburdened with their routine jobs to spare more time and energies for the coops with which they are connected.

The age groups of a large majority of the members is suggestive of the following: (a) Late admission of young persons into hereditary occupation could be due to the longer time required to be proficient in the occupation. (b) Continuation of work by 12.8 per cent of the members beyond the age of 60 years could be due
to insecure economic conditions of the family. (c) There was a general unwillingness on the part of both — the youths and their parents — to enter into their traditional occupations. The last one appears to be more acceptable reason if viewed from other related conditions, and surroundings of the industry and members' families.

The educational standards and the nature of the experience gained by the elected artisan members of the executives are suggestive of the unawareness of the artisans about the art of management. Although most of them were skilled in their traditional crafts, there was none trained, educated or experienced in any other extremely diverse skills that characterise modern commerce, industry and even agriculture. The limitations to growth arose primarily from the lack of expertise and awareness of available concepts, techniques of contemporary organisation and management on the part of the executives. The opinion of the members about their executives in general suggests that they were not satisfied with which the latter were discharging the functions.

Again, it is not merely the structure of a top body that makes for the efficiency of an organisation; it is its operational part which is more vital. It was found that, in many of the smaller units, meetings of the managing committees were held, but decisions were taken by one or two leaders and assent was taken by
circulating the minutes books as if they were a record of the proceedings of the discussion and the resolutions passed. This approach strikes at the very root of a democratic plural management. Of course, the disinterestedness or apathy of the members in the working of their societies or their blind faith in the de facto leaders also must share the blame.

(G) Suggestions

The management of coops suffers from two major deficiencies. One. It is controlled by sympathisers. Two. Each coop needs, so to speak, a well rounded individual having certain human attributes which cannot be easily measured. This can be remedied by adopting a long term package approach — as a whole. To start with, constitutional provisions in the bye-laws of the society should be made to eliminate the entry of non-artisans in the coops, progressively. Simultaneously, with the help of experts, a few promising youths from among the local artisans should be selected and brought up suitably by providing them full opportunities of training and work with necessary incentives, in order to develop their abilities to take the reigns of societies in their hands, in course of time.

To make the departmental representatives serviceable, a job-load rationalisation by the Government and a greater awareness of the administrative responsi-
bilities by the officials are required. Such an arrangement alone can ensure improvement in the existing working conditions of the coops.

A satisfactory harmonious relationship amongst the members of a committee is a must if operational efficiency is to be maintained at a high level. A disharmony would corrode into this structure. It would manifest itself through a lack of or slow decision-making, faulty execution of the decisions taken, the operation of counter pulls, impediments or sabotage. It must not be forgotten that in all cases it will be the integrated personalities of one or more persons working singly or in a group that will determine the degree of managerial efficiency of a coop as of any other type of organisation.

The chairmen should have a general business acumen and insight into the problems of the particular trade. When they get elected their limitation comes in the way of the coop's business vitality and expansion. Again, one of the main goals of a coop should be to upgrade local leadership of craftsmen and to build up and ensure a continuous stream of business leadership from the ranks of the respective working class sections. Cooperative organisations must be managed purely as business units maintaining their internal working based on democratic principles.
The major problem is to convert the inert general membership into an enlightened and assertive one in order to participate in its democratic management effectively and to keep the whole process expanding. The coops, though they are economic organisations like private limited firms and public limited companies, have a distinct character in respect of social ethics and have added/extra burden in the form of the practice of social ethics on the shoulders of the artisans. In fact, these artisans are in need of support from outside and it is the society and the better-off persons in it who have to preach and practise social ethics which would inspire the artisans to emulate them. However, prospects of this to happen are dim indeed at present. The difficulty, as J.M.Keynes has tersely said, 'lies not in new ideas but in escaping from the old ones'.

At present, the management of these K.V.I.coops works from top to bottom and is based on the decision-taking technique. Instead, each of the coops should, in a way, arrange its work whereby the performance of the individual artisan can be improved in the process of management thinking. In production or in service the process of integrating the objectives of the

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individual artisans with those of the coop can bring about a fair degree of efficiency at the operational levels. Thus, this process works from bottom upwards. This will raise the morale of all those who are involved in the progress of the coop society and fix the work in quantitative terms for each of the member artisans.