CHAPTER I

INTRODUCTION

Rapid industrial growth is an essential condition for accelerating the rate of economic development of any society, which in turn depends upon the success of manufacturing organizations. Entrepreneurs, managers and workers play a significant role in tackling the problems relating to the factors upon which depends the success of manufacturing organizations. Whereas the sociologists have shown deep interest in the study of workers and entrepreneurs, the role of managers in industrial growth has been relatively neglected. The role of professional managers for the growth of manufacturing organizations is still more important in the context of large scale organizations where the owner-entrepreneurs cannot tackle the multiple problems. The proposed study is a modest attempt to explore the commitment of professional managers to the work in the given manufacturing organizations.

The processes of bureaucratization and professionalization got impetus with the increase in the size of manufacturing organizations. However, there is a controversy on the interrelationship of these processes. Similarly, there is also a debate about the relationship between professionalization and commitment. The arguments are that bureaucracy impedes professional autonomy and that professionally skilled managers are more mobile, which is an
indication of the commitment to their own career rather than to the profession or organization. Similarly, there are number of controversies and complexities regarding the concepts of commitment, professionalization, bureaucratization and mobility. The scholars do not have consensus on the precise operationalization of these concepts and their interrelationship. It is worthwhile to put forth the various controversies in brief. This exercise is undertaken in the following discussion which provides a basis for identifying the objectives, and for precise operationalization of the above mentioned concepts.

Etzioni (1969) tried to merge alienation and commitment in one variable, i.e., involvement. The direction is either positive or negative. Some scholars may object to the merger of these variables, since in some sense their dimensions differ from each other. However, the proposed study is in agreement with Etzioni in merging them with some rational considerations, which are discussed in detail in Chapter II.

Professionalization was connected with the emergence of capitalism towards the end of the nineteenth century and in the beginning of the twentieth century, both in England and the United States of America. The concept and process of professionalization have been the focus of attention of both functionalists and conflict theorists. Functionalists claim that the professions form a part of
social stratification system within any society which differentiates people on the basis of their status and corresponding roles in a vertical arrangement (Davis and Moore, 1945). Professions have the traits through which the society's central needs are best served and, therefore, professionals need privileged treatment (Barber, 1963 and Parsons, 1968). Unlike functionalists, the conflict theorists view society as a collectivity of undifferentiated individuals (Friedson, 1970 and Gyarmati, 1978). Extra privileges to a category of people is simply a manipulation of resources for dominance over the under-privileged. The professionals are not automatically granted a privileged position by society for their altruistic orientation. Rather they make deliberate endeavour to attain this. Hence, the controversy over the process of professionalization and the attributes of profession. A detailed discussion of the same follows in Chapter III.

Another controversy is related to the professional status of management. Some view management as having intrinsic limitation to acquire the status of a profession, since the managers cannot have the orientation to serve the community which runs counter to the profit orientation of the employer. The other view is that some occupations are more professionalized than others. One can examine the extent of professionalization in management. So far
the researchers have laid greater stress on the study of professional managers rather than on the process of professionalization of management. This aspect, therefore, needs greater attention.

An important issue relates to the association between commitment and professionalization. The functionalists view a positive relationship between them. The managers with greater skill and autonomy will be more committed to their task. Also, the autonomy and monopoly at organizational level will generate conditions conducive to the service to the community. As against this, the conflict theorists would apprehend greater careerism and mobility among managers with greater professional qualifications. Hence, a lack of their commitment to organization. They will be careerists rather than professionally oriented. The greater autonomy and monopoly will generate a situation of arbitrariness rather than of social service. These contradictory assumptions need validation which is attempted in Chapter VI.

The concepts and processes of professionalization and bureaucratization gained importance in the West almost simultaneously. There are controversies regarding the direction of their relationship which are briefly highlighted here. The functionalists tend to believe that the professionalization and bureaucratization are not antithetical to each other (Weber, 1968 and Ritzer, 1975). For them,
these are two different dimensions of the same reality. Weber (1947) claims that bureaucratic organizations have grown purely because of their technical superiority over any other form of organization which proved to be instrumental to the development of the capitalist economy. Bureaucracy seems to be an indispensable aspect of modern society because of its growing size and complexity and differentiation of organizations which require some process whereby a stable and routinized administration permits the effective control and operation of the entire structure. In such organizations, the task of owner-manager is divided among a number of specified functions; such as personnel, sales and purchase, finance, production etc.

The increase in the division of labour vis-a-vis specialization, in fact, enhanced the importance of professionals and became a basis for privileges to them. Bureaucracy, thus, stimulates the claim of expertise and grants privileges for expert judgement and autonomy of the activity of the professionals.

Weber seems to have assumed an integration of the interests of the administrative personnel and technical personnel and the organization and the client, which may not hold good empirically. Blau and Scott (1962) have shown that although professionalization and bureaucratization share some principles in common, yet they rest on conflicting principles as well. Kornhauser (1962)
concluded that such principles are those of autonomy and integration. Dalton (1950) is of the opinion that professionals create problems for the authority system of bureaucratic organization by according priority to professional goals and activities. Thus, the conflict of interests between the organization and professionals, and between the administrative and technical personnel hampers the effectiveness of the bureaucratic organizations. The professionals want authority and autonomy to exercise their expert judgement but the nominated or elected heads are more interested in coordination and administration and they enjoy more discretionary power than professionals which leads to tension between the two. This counters Weber's thesis on positive relationship between bureaucratization and professionalization.

The above discussion raises a controversy regarding the professional status of management and the nature of relationship that prevails among the variables, such as professionalization, bureaucratization, commitment and mobility. However, the arguments provided by various scholars are presumptive and conjectural. Therefore, the present study proposes to examine these controversies on the operational level. The specific objectives of the study are:

1) To examine the extent of commitment and mobility of managers;
ii) To assess the professional status of management;

iii) To ascertain the nature of bureaucratization in which the managers operate; and

iv) To examine the interrelation of commitment, bureaucratization, professionalization and mobility.

The present study has been conducted in the state of Punjab. Selection of this state was not based on any specific criterion, except that it is very prosperous agriculturally, and is now heading towards heavy industrialization. The central government has established or taken over many plants and a few private business houses have come up during the last two decades in this state.

The study is confined to large scale manufacturing organizations, both in the public and private sectors because the problem of bureaucratization, professionalization and commitment are crucial in them.

In order to draw a sample, a list of large scale organizations was obtained from the Directorate of Industries, Punjab. The list indicated nine public and 20 private sector units. Further scrutiny of these units revealed that none of the public sector units had an investment of less than rupees ten crore and it ranged up to rupees fifty crore in some units. The private units which had an investment in this range numbered eleven only. A large number of them had investment below rupees ten crore. Keeping in view the comparability of the sample units, it was decided to select six units each from the public and
private sectors, which had an investment over rupees ten crore. The selection of the units was on random basis.

The units of analysis in the present study are managers. Broadly speaking, a manager is the person who takes decisions, manages the people, machines and material and coordinates them to implement the decisions to achieve the set goals of the organization. There are multiple managerial functions which are performed by managers of different cadres in the industrial organizations.

Keeping in view the comparability it was decided to confine the sample to four cadres, the general manager, the deputy general manager, the branch manager and the deputy branch manager. The number of branch managers and deputy branch managers depends upon the number of branches (departments) an organization has. There was a lot of variation in this regard. The sample of this study was limited to six branches of each unit, viz., finance, production, sales and purchase, personnel, research and development, and material goods. The originally proposed sample consisted of 168 managers (Table 1 Appendix I).

However, the actual number of the managers in the sample was only one hundred. The distribution of the respondents according to the cadre and the type of sector is shown in Table 2 Appendix I. The reasons for the variation in the proposed and actual sample have been explained in the footnotes of Table 2 in Appendix I.
The data were collected personally by the author with the help of an interview schedule. Construction of scales, and operationalization of variables are discussed at appropriate places in the text of the following chapters. The interview schedule and the statements of the scales are appended (Appendices II-IV). Two tests of significance are applied, viz., chi-square and Pearson's product movement correlation.