CHAPTER-1: INTRODUCTION.

1.01 Management in India and West.

Increasingly the need for research on topics of concern to management in India is becoming evident. We are moving rapidly away from the stage of "Transfer" of western concepts and approaches to the second stage of "Developing" concepts and approaches derived from Indian experience as applicable to the Indian situations. This is an essential step in the development of the Indian Management movement. The study of managerial elites has in general received less attention than the working class possesses and it is necessary to correct this situation at the earliest.

In the industrially advanced countries of the west, in the case of big and giant size companies or corporations, the management has passed into the hands of professional managers some of whom while being whole-time executives of the companies also take their seats in the Board-room.

The mechanism of the managerial revolution is at work and as it happened in countries like USSR, Yugoslavia, Poland, etc., ultimately the operating technicians/managers would become the dominant class in the organisation. The power of
the managers which at present is subordinate to that of the big capitalists or finance-capitalists will then increase tremendously.

1.02 **Changing Scenario in Indian Management.**

The passing of the management of organisations into the hands of executive class from the hands of those who provide financial wherewithal has been of the greatest significance for the industrial enterprises. The managerial policies initiated and pursued by this new class are 'enterprise-growth' oriented. Such a management puts emphasis on conservation and harnessing of self-generated surplus funds to further development and growth. Profits are made not as a result of price fixing to the detriment of the users' interests or advantage being taken of market conditions or in collision with other producers but by achieving economies in 'inputs'. Also the executive-management strives to keep the enterprise in step with the current technological and other developments which very often are lost sight of by the capitalists or finance-capitalists class whose entire attention is directed towards intensive use of existing plant and machinery to yield returns till it becomes scrap. The cumulative impact of the policies of executive management is that the growth rate of the enterprise individually and that of the
industrial economy is considerably accelerated. The management of the enterprise is given a scientific basis and bias. To a certain extent, impact is felt on the society as well in so far as such a management is responsive to demands of social and cultural institutions engaged in civic amelioration programmes which got scant attention from the other type of management. The deal given to the approach to labour is more realistic and helpful for the obvious reason that the executives too cover the employees of the companies. For the various managerial responsibilities that the executives have come to yield, they are paid handsome compensations by way of fixed salaries, bonuses and non-monetary perquisites. Obvious reasons for higher remunerations paid to the salaried executive is that they have no other compensating gains from the corporation and that they have acquired higher skills and technical expertise through attending special technical courses and through the grinding mill of experience.

1.03 Management in India

In contrast to the experience of the industrially advanced countries of the west, the managerial revolution has not yet had its initial beginning to any significant degree in India.
Excepting for a few companies, all others are under dynastic managerial control, with professional executives and managers working as departmental and plant heads. But position in the public sector enterprises is different. In these enterprises, the financier being an 'abstract' person called the State, the top managerial positions are held by career executives and professional or technical experts. Strictly speaking, therefore, it can be said that the counterparts of western enterprises which have professionalised management are the public undertakings in our country. This is also the case of large number of Board managed companies in Private Sector.

1.04 Need for performance appraisal of Managers.

One of the important central issues which is likely to become increasingly more crucial is the manning of top and below-top managerial positions in the Public Sector and Private Sector enterprises and the building up of cadres of professional managers from the entry level and upwards. The lack of a proper and scientific policy in this regard has to a great extent contributed to the poor performance results given
by many enterprises. The solution for this managerial problem would be to develop proper succession plans and promotion schemes aided by 'Performance Appraisal of Managers' that would open up opportunities to take the personnel to threshold of top and below-top level managerial positions. This goes to recognise the paramount importance of 'Performance Appraisal of Managers' (with particular reference to Semi-Government organisations in Maharashtra) which is the theme of research work which the author has undertaken, the only difference being that the managers in Government and Semi-Government organisations are called officers. The ambit of managers covered by this thesis is top level and middle level managers.

The significance of 'managerial role' is brought out in the chapter which follows.