

Disruption a must to emerge as a premier global B-School: IIM-C director Anju Seth

Synopsis

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Mumbai: Indian Institute of Management-Calcutta director **Anju Seth** said she will carry on with her efforts to reform the institution despite opposition from those “unwilling to leave the comfort zone”, as disruption is a must “if the institute is to emerge as one of the premier management schools in the world. Being a woman and an “outsider”, it is easy to be a target for charges of autocratic or arbitrary behaviour, she said.

“If we do not transform and reform, we will be left behind. We lost the opportunity of a gradual yet consistent change long ago,” Seth told ET in an interview. “When old and established ways of functioning have outlived their usefulness and ought to be changed, that is the essence of disruption.”

According to Anju Seth, “There has been a longstanding reluctance to proactively seek out new talent combined with a tendency to hire only those who could be relied on to not ‘rock the boat.’”

Seth has been tackling simmering tension between the management and the faculty at **IIM-C** for several months now. In December, the faculty sent a letter to Amit Khare, secretary at the Ministry of Education, expressing “grave concerns about the current state of affairs at the institute, accumulated over the current director’s tenure, the result of a style of functioning that is arbitrary, discriminatory and having a very narrow vision”.

The letter alleged that the institute had seen drastic faculty and staff shortages and reduction in spending on research, which had resulted in a deterioration in the academic and research environment.

Seth, who was Pamplin Professor of Management at Virginia Tech in the US before she joined IIM-C as its first female head in November 2018, said she is tackling and resolving fundamental issues of good academic governance practices at the institute for transparency, accountability and meritocracy.

Around the world, a strong academic environment is one that delivers impact in all areas of our mission, be it teaching, research, or executive education. My aspirations for IIM-C is that we are renowned for thought leadership of our faculty members, our ability to prepare students and participants in our executive programs for leadership positions that are future-proof, for our entrepreneurial approach to institution building, and for our outreach contributions to the community, state, and nation.

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“When I first arrived at IIM-C, I found numerous thoughtful consulting reports had been prepared over the last decade with sound recommendations to strengthen our strategy, but only a few implemented. We have some incredibly entrepreneurial faculty members ready to pick up the ball and run with strategic initiatives to deliver the goods,” she said. “But it is also easy in a legacy committee-driven culture of IIM to sabotage change with the demand that any change must carry everyone along. I am questioning what everyone has taken for granted – but with an open mind. A process seeking accountability and transparency is bound to face resistance.”

According to her, facts indicate that IIM-C faculty legacy “work norms” have for several years been lax and far less demanding than the other top-tier IIMs. About a decade ago, faculty members at IIMC raised a publicly reported ruckus in protest of the Ajit Balakrishnan Committee’s recommendation to increase faculty work responsibilities to 160 hours... and won. At that time, other IIMs too faced faculty resistance, but nonetheless bit the bullet to commence the process of change to sustainably position themselves for the future.

“Several legacy issues have created high entry barriers for the recruitment of talented potential faculty members. As Director, I encourage the growth of all members of my team and in empowering them. I consult with many to seek their advice and guidance,” she said.

At IIM-C, there is a legacy style of working where we pat ourselves on the back while sticking to ‘business as usual’. There is always going to be resistance to change from those who benefit from the status quo.

A challenge has been to negotiate the minefield of different expectations and interests of different stakeholder groups in the legacy environment of IIM-C. From my own research, I am a devoted believer in the tenet that when all stakeholders cooperate and coordinate with the organization’s interests being paramount, the size of the pie is increased, and everyone benefits” she says. “So, it is a good idea to identify interests common across stakeholders. At the same time, when a culture entails shirking (“someone else’s problem”), or disdain (“not invented here”), or bargaining (“what’s in it for me?”), the size of the pie will inevitably shrink.

When the Institute was first accredited by the Association to Advance Collegiate Schools of Business in 2014, this was granted based on the promise that processes would be adopted for continuous improvement of academic programmes, as well as for strengthening faculty research quality and performance measurement. "In its recent continuous improvement review for the period 2014-2019, the review team found IIM-C's accomplishments in these areas to be below expectations," she said, adding that the institute will "persevere to resolve the root cause".

On accusations that only one additional faculty member has been recruited to a full-time position in the last two years and has fewer faculty members than IIM-Ahmedabad and IIM-Bangalore, Seth said IIM-C has fewer academic degree programmes and lower revenue than these two institutes. "There has been a longstanding reluctance to proactively seek out new talent combined with a tendency to hire only those who could be relied on to not 'rock the boat'," she said.

In 2019, the recruitment process was put on hold. Seth said there was no proper allocation of the number of faculty for each discipline based on teaching needs, with the result that there was an imbalance of workload per full-time faculty. "Our focus is now on the strategic needs of our research, teaching and service missions, disruptive though it is."

There have been outstanding research achievements by some strongly self-motivated faculty members, she said, adding: "At the same time, the institutional benchmarks for faculty research impact and productivity are lower at IIM Calcutta than our peer institutions in India".

"It would be only logical that I would focus on accelerating the impact of IIM-C with a ground basis in factual data. The Institute continues to provide generous funding for research grants, recognizing that research endeavours have uncertain gains and often long lead times. An examination of the data over the last decade vis-à-vis our research grant programs revealed room for improvement: about half of the total funding was linked to unfinished projects with overdue research outputs, the impact of the other half unclear, and the use of grant funds opaque. In 2019-20, the Research Committee rejected five internal research project proposals. I rejected none.

It is disruptive to encourage completion of unfinished research projects, to require accountability for research fund usage, and to call attention to the impact of scholarly work. Our case research grant program offers generous funding to write cases, but now we ask faculty to use the cases in their teaching. Our international conference travel program encourages participation in conferences that facilitate the research goals of the faculty member and of the Institute. But that is the key to the culture change -- moving from complacency and entitlement to a high-performance work culture with responsibility and accountability.

She said the changes towards improved processes and governance have been communicated and the rationale has been explained to faculty members and staff.

Nonetheless, some "concerns" unaccountably persist. For example, one complaint is that library access to international journals has been abruptly cut. The fact is that the library budget for procurement of journals, books, and databases for the current year (2020-21) is about 25% higher than actual expenditure in 2019-20. But, we will seek efficiency and

effectiveness as per best practice. A data-driven exercise I requested revealed that IIM-C had been subscribing to numerous duplicate journals and databases as well as those with almost no usage. These were cancelled, with an alternative arrangement put in place that articles from low-usage journals would be arranged.

“In addition to encouraging a more performance-oriented culture, we have made progress with strategic initiatives. We have deepened the strength of our entrepreneurship ecosystem and are launching an important strategic initiative for blended online education including an asynchronous component with the help of strategic partners,” the II-C director said. “We are also now poised to launch an online MBA with various specialisations and aspirations to extend our international reach.”

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