

# REVIEWS

**What Young Manager Think, Vol. II, New Delhi, All India Management Association 1979.**

The book under review is a collection of prize winning articles selected from entries to the first Asian competition for young managers held in Singapore in 1977 and the fourth and fifth national competitions held in New Delhi in 1977 and 1978.

The first article entitled "Towards the Development of Entrepreneurial Management" explores the role of entrepreneurship and management in programmes of socio economic development and identifies the need for bringing about a qualitative change in the thinking and life styles of individuals. The authors contend that the focus of developmental efforts should be people-oriented and should prepare individuals for shouldering the onerous responsibility of the entrepreneurial role. Developmental programmes which are assistance-based heighten the dependency of the people on government subsidies and aids. The research project on entrepreneurship and experiences in conducting achievement motivation training programmes in Malaysia are discussed and data relating to these are provided in the appendix. The authors call for popularising entrepreneurship through the use of media and literature. Also, a restructuring of curricula, text books and teaching methods at the school, college and university level is suggested to accommodate entrepreneurial objectives.

The authors argue that the need for developing countries is not only entrepreneurs and managers, but a new breed of 'entrepreneurial manager' who is able to combine the best of these two worlds (p2). However, the paper glosses over and oversimplifies the difficulties involved in creating this new breed. While it is not unthinkable for a society to develop people who can combine the qualities of an entrepreneur and manager, it has to be recognised that managers and entrepreneurs are basically different types of people and the conditions favourable for the growth of one may be inimical to that for the other. Managers and entrepreneurs are also known to have different attitudes towards their goals, careers, relations with others and themselves.

The authors point out that 'Entrepreneurship is not a mathematical sum total of traits — neither it is an equation that can be systematised' (p7). The discussion on Entrepreneurial development programmes that follow heavily emphasize the development of traits and attributes. The paper argues that traits and attributes are trainable and makes the simplistic assumption that entrepreneurial managers can be trained by developing entrepreneurial skills in managers and vice versa. The influence of varying socio-economic backgrounds, child rearing practises which influence the life styles of entrepreneurs and managers is not adequately dealt with.

Chapter 2 on 'Management and Licensing'

reviews the contribution of licensing to postwar economic growth of Japan. The authors identify the role of top management as a critical variable which contributes to the success of technical licensing. Many inherent strengths of the Japanese economy and culture which make technical licensing successful are discussed.

The unique experience of Japan and the strategy adopted by Japanese management provide lessons for the developing countries. The emphasis on market-oriented business behaviour, even if it involves borrowing both technology and money and R & D efforts, sometimes involving as much as eight to ten times the expenses paid to licensors, are two aspects of business strategy that Japanese managements have followed. This helps Japanese managements to reduce their dependence on imported technology, while at the same time pursuing its own R & D efforts systematically and actively. The paper also indicates some of the efforts being made by Japan to share its experiences in successful technical licensing with other developing countries in the Asian region.

Chapters 3 and 6 have the same title "Young Professional Manager — Profile, Problems and Attainments" but cover different ground. The two articles taken together provide useful insights into the background, preferences and performance of a new breed of professional managers who appeared on the management scene only about a decade back and are now making their presence felt in Indian Organisations.

The study reported in Chapter 3 is based on a sample of 250 young professionals drawn from 29 organisations which include public and private sector, family owned businesses and multinational corporations.

The study is well designed and the findings are based on statistical analysis of data. The analysis indicates that Young Professional Managers (YPMs) who are Engineer — MBAs are highly paid, stay on their first jobs for a short duration (average 2 years) and have preference for marketing jobs. The entry of YPMs with high expectations in terms of career growth, designation, responsibility, and salary create major problems of adjustment in organisations. The authors present a cogent analysis of these problems. The paper also deals with the issue of performance of YPMs in various functional areas and the contribution they have made towards professionalisation of management. The authors offer a number of constructive suggestions for YPMs employing organisations and management institutes which deserve serious consideration.

One of the significant findings of this study is that YPMs are unwilling to work in Core sector industries like mining, steel, jute, heavy engineering and textiles. It is not a co-incidence that organisations in these sectors are also the ones which have traditional compensation systems and we do have instances where some organisations in the Core sector which have followed a flexible policy in regard to compensation have been able to attract and retain quite a few of YPMs.

Another interesting finding of the study is that engineers lag behind considerably on total emoluments and their stay in an organisation is much longer (average 4 years). This partly explains why a large number of them, both with and without work experience seek admission to the management institutes. By developing sound management training schemes and career planning systems organisations can use this to mutual advantage.

In chapter 6, the definition of a YPM is much more broad based and includes "every knowledge worker not far advanced in years or experience in any modern organisation if by virtue of his position or knowledge he is responsible for a contribution that materially affects the capacity of an organisation to perform, execute and to obtain results" (p134). Although the definition is imprecise, it is much more broad based and one would have expected the study to cover YPMs from different spheres of activity such as self-employed professionals, government officers etc. However, the list of organisations which has been indicated in Appendix A shows that the sample is biased in favour of company executives from large organisations in the public and private sectors.

While the paper attempts to discuss the profile of a YPM, there is no indication about the traits or characteristics on the basis of which the profile is built. The authors draw a number of conclusions about the behavioural patterns of YPMs but provide no data on the basis of which these conclusions have been drawn. The paper provides instances where data are interpreted to fit the preconceived notions of the authors. It is stated that "38% of the managers interviewed felt that the right age of a chief executive officer should be 35-40 years and 50% felt it ought to be 45-50 years. In fact an equal number of young professionals also expressed a feeling that they would consider themselves as failures if they did not make it to the top by the age of 45" (p142). This data are interpreted by the authors as confirming the delusions of grandeur and exceptional ability that the YPMs have. An equally plausible explanation that YPMs have aspirations and self confidence is ignored by the authors. Expressions

like "operative relationships", "qualification equation" are used without specifying the meaning or the context in which they are used. In spite of some of these limitations, the paper throws up some interesting hypotheses for further exploration. For example, the relationship between a firm's profitability and retention ratio of YPMs is an area for further research to be pursued seriously. Research in this area would be a welcome contribution, but at the same time one has to be aware of methodological problems in isolating the contribution of YPMs to a concern's profitability — knowing as we do the multiplicity of factors, quite often not within the control of management which influence profitability.

Chapters 4 and 7 "Improving Management of Small Enterprises" and "Sickness in Industry — Problems and Solutions" cover the same ground, though the sample and the methodology used are different. The findings in the two papers taken together provide interesting insights into characteristics which distinguish successful from unsuccessful entrepreneurs. A weak equity base and lack of long term planning on the part of the entrepreneur generally leads to a unit becoming sick. The need for setting up a data bank for providing information to entrepreneurs, equity fund at the state or national level, centralised marketing assistance and services for statutory documentation are some of the common issues to which both the papers have addressed themselves.

In Chapter 4 the authors recommend the setting up of ancillary units and the need for bringing in legislation requiring large industries to purchase products amounting to a particular percentage of the total cost of their end-product from small industries. A similar

argument in favour of ancillaries is presented by the authors in Chapter 7. The common assumption seems to be that the ancillary status enhances the prospect for the viability of the unit. However, empirical evidence (Shaligram, 1978) indicates that the performance of ancillaries is no better than that of other small scale units.

The emphasis of government policy on the "tiny sector" raises issues about the optimum size of units in different industries. Further studies on relationship between size and performance can resolve the issue regarding relative advantages that small units have vis-a-vis large ones.

The fifth chapter entitled "Meeting Challenges of Industrial Relations in India" identifies management, workers, trade unions and government as the four principal actors in the industrial relations situation, and analyses the problems and challenges faced by each group. The authors argue that search for quick profits and total disregard for development of industrial environment on the part of private business, and lack of clear cut goals on the part of government as owners of public enterprises has contributed to the present unsatisfactory state of labour-management relations in the country. The authors argue that professionalisation of management and trade unions can improve the industrial relations scene in India. The paper also touches upon other issues relating to wage policy, machinery for settlement of industrial disputes and labour legislation.

The tone of the paper is normative and contains many prescriptions which are based on a superficial analysis of the industrial relations scene. The authors bemoan the lack of professionalisation of management and recommend in the same breath participative

management at the worker level and the setting up of joint councils at the shop floor level. The authors also exhort workers and trade unions to identify with the economic and social values of an industrial culture.

The paper contains a number of opinionated statements. For example, in discussing the industrial work force it is stated that "the mass of these workers have the grass roots as agricultural labourers" (p121). This is contrary to the findings of other researchers who have found that the industrial worker in India is predominantly urban, educated and has prior industrial experience (Sharma, B.R. 1970).

While the authors emphasise that need for disciplined work force, the suggestion that army Jawans should be inducted into the work force is, to say the least, fantastic. It is the extension of the same logic which led many private and public sector organizations to recruit army officers into managerial positions to discipline the work force and the experience in most cases has not been entirely satisfactory.

Chapter 8 entitled "Manager's Concerns in the Next Decade" is divided into two parts. In the first part the authors present their viewpoint on the role and functions of the Indian Manager in the next decade. The second part reports the findings of an opinion survey conducted on a sample of twenty three managers drawn from the public and private sector. The authors identify nation orientation and productivity as two major objectives which the Indian manager will have to achieve. A discussion on the ways and means by which this can be achieved follows.

The opinion survey brings out a number of disturbing features. The resentment expressed by managers on corporations being

called upon to undertake socially relevant activities is a case in point. Managers can no longer rest content with the view that "the best that corporations can do is to contribute financially and this is already being done through a high incidence of tax" (p207), Managers will have to re-examine their assumptions and reorient their thinking if they have to face up to the challenges of the next decade. The concern expressed by managers about having to face unenlightened political leadership is also illfounded if we take into the account the large number of young and educated people entering the political arena.

The authors have a tendency to introduce subtitles very often which is quite unnecessary. This is not only irritating to the reader but also leads to lack of continuity in the point being discussed. The paper is illorganised and many of the points have been repeated again and again.

Chapter 9 "Changing Profile of the Manager — 2000 A.D." is a highly readable paper written in a journalistic style. The paper discusses the changes in the macro and micro environment, and then draws a profile of the manager which the authors believe is consonant with the demands of the environment. The four leaf clover approach explains the methodology of the study. Trends in population, political and economic developments, changes in science and technology, availability of natural resources, industrialisation and agriculture are discussed as aspects of the macro environment. The discussion on micro environment is divided into business connection, office connection and emotional connection. A discussion on the role, knowledge and skills, motivations, values and expectations of the manager in the light of changes in the macro and micro environment

follows. The profile of the manager that the authors have drawn is based on an exhaustive analysis of data presented in the appendices. The authors argue that management education will have to be reoriented so that one of the aims becomes aiding students in understanding, the nature of change the future will bring. The paper is full of optimistic predictions of what work will be like to managers by the turn of the century. The distinction between work and non-work activities will blur as work activities will become more intrinsically rewarding and leisure activities more constructive and growth producing. The implications for family life of greater opportunities being available to the manager for recreation and entertainment has not been adequately covered.

The organisation of chapters in the book leaves much to be desired. Papers dealing with similar topics have been scattered and gives the impression that it is a loose collection of articles. It would have been helpful if AIMA had attempted an introductory article linking the various papers in the book.

Overall, the book is a welcome addition to the literature on management in India. The serious student will find the papers thought provoking. I suspect the book will have several lives as different audiences discover its usefulness at different times.

#### References

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