

CREATING, BUILDING AND SUSTAINING AN INSTITUTION – A MOMENTOUS JOURNEY OF INSTITUTE OF PUBLIC ENTERPRISE

Book Review By Sameer Lama¹

Institutions are created, led and sustained by visionaries. The process of creation takes time, energy, dedication, discipline, and determination. India has created many institutions during the last 75 years of its independence. Among the many institutions that India today takes pride to own and sustain, the Institute of Public Enterprise commonly referred by its acronym IPE is one such institution which has carved a niche for itself in systematic and sustained study of issues relevant to the formulation, implementation, review, monitoring and assessment of policies and programmes concerning public sector enterprises. With its unflinching contribution towards nation building and facilitating better public sector enterprises in India, the IPE today stands as a distinct and a quality institution having been awarded ‘SAQS Accredited’, the International Quality Assurance label by AMDISA.

The book titled, “Creating, Building and Sustaining an Institution – A Momentous Journey of Institute of Public Enterprise” is authored by two distinguished faculty members, Prof. R K Mishra, ONGC Subir Raha Chair Professor on Corporate Governance who is also a Senior Professor and Director, IPE and Prof. Geeta Potaraju, Head, Centre for Governance and Public Policy at the IPE. The author documents the golden journey of IPE of more than five decades in a very intriguing and lucid manner. The book provides interesting insights into the functioning of the IPE, the journey since its inception in 1964 as a think tank for research and capacity building, and critically illustrates its contribution towards the overall growth and development of the public sector enterprises in India. Evidently, the book is a tribute to the glorious history of IPE since its inception till date.

Today, the IPE stands proudly as one of the distinguished institution of its kind in higher education system in India and is also reckoned as a unique bschool which initially was established as a think tank for research and capacity building but later evolved as a quality bschool. Since its inception till date, the IPE has been led by visionaries and distinguished individuals in the field of academia,

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civil services, science and technology, and industry. The IPE in its journey of over five decades have been fortunate to have visionaries on board like Late Prof V V Ramanadham, Late Mr. S S Khera (ICS, Retd.) and Late Dr. D S Reddy, former Vice Chancellor of Osmania University (and many other eminent individuals) for having a vision to have an institute which would cater to the research and training needs of the public sector enterprises, setting up the Institute and sustaining the same with pride and glory.

The book consists of 7 insightful chapters which thoroughly bring forward the need and rationale for having an institution like IPE, the contribution of IPE to social science and management research, the need for management development and training: adapting to changing trends, consulting arm, nurturing management education, financial sustainability and transparency and creating a shared future. The book also presents the reader a perspective on financial sustainability and the role played by governmental organizations like the ICSSR and other State Government Agencies towards institution building by actively providing financial assistance to the IPE in order to prioritize on high quality research which could promote original thinking leading to the creation of a forward looking society.

The author describes the four phases of the journey of IPE comprehensively in the first chapter of the book which is broadly classified as follows. Phase I, i.e. the evolution phase (1964-1980), Phase II, the growth phase (1981-1993), Phase III, the phase of volatility (1993-2004) and Phase IV, the transformation phase (2004 onwards). The IPE had great fortunes in all its various phases to have institution builders and visionaries as leaders managing the affairs of the Institute and taking it forward. During the first phase the Institute gained considerable visibility by organizing knowledge events such as seminars, conferences, and memorial lectures which provided forum for exchange of ideas, dissemination of cutting edge research and building awareness on future trends in public sector policy and management. The prominence that the Institute gained during this phase is credited to the dynamic leadership of Prof. V V Ramanadham, a renowned economist from Andhra University (trained at the London School of Economics & Political Science), who was ably assisted by the founding Chairman Mr. S S Khera, ICS, the Cabinet Secretary to GoI and Dr. D S Reddy, the then Vice-Chancellor of Osmania University.

During the second phase (1981-1993) i.e. the growth phase, the Institute shifted its focus on research and consulting activities at the state level apart from focusing on the national and international issues. The author accentuates that the growth phase began with Mr. T L Sankar,

from the Indian Administrative Service belonging to Andhra Pradesh cadre who joined the Institute as its Director. During this phase, networks were developed with various Government departments, thereby expanding the clientele base. Moreover, it was during the third phase (1993-2004) that marked the beginning of the Institute getting due representation in the Committees formed by the GoI, for revamping the Public Sector Enterprises. During this period, the position of Dean, Research was created and Prof. R K Mishra, another stalwart in the IPE fraternity became the first Dean Research at IPE. Gradually, during this period the focus of the Institute shifted on the long term education programmes in a big way. The fourth phase (2004 onwards) witnessed some very new and path breaking initiatives in all the four major activities of IPE including research, consulting, training and long term education programmes. During this phase (2004) Dr Palle Rama Rao, a renowned scientist took over as the President of the Institute and Prof. R K Mishra as its Director. Under their vibrant leadership, various measures were taken up to improve the academic ecosystem on par with the leading higher education institutions in India. The institution became more diverse in terms of faculty specialization. Gender diversity became a priority.

The IPE since its inception has always prioritized on quality research and have significantly contributed to the Social Science and Management Research during the last over five decades of its existence. The note from the founding members of IPE succinctly narrates the purpose of IPE as follows, ‘Since the very purpose of IPE was to develop a proper review of the activities of public enterprises rather than jump towards an adherence to the cult of public enterprises, there was a special emphasis on activities that bore the stamp of research-minder enquiry’. This note clearly demonstrates that research and management education has always been a priority for the Institute. The vision and the mission statement of the IPE further accentuate the rationale behind its establishment and its march forward on a constructive path.

Vision of IPE: To become an Institute of choice for social science research and management education and contribute to the excellence of organizations and society.

Mission: To anticipate and respond to the needs of the corporate and social sectors through its multi-disciplinary competency in social science research and management education.

The vision and mission statement of the IPE conspicuously illustrates the overwhelming journey of the Institute since its inception. The phenomenal growth of the Institute discerns that there is a direct correlation between culture, engagement and balance sheet. IPE’s culture so far has been entrepreneurial to the core based on far-reaching performance. Initially, the IPE was conceived as

a research institution and therefore constant efforts were made to explore the possibility for instituting research fellowships at the Institute by public enterprises or the government in order to conduct meaningful research. Based on the recommendations of Malcolm Adiseshiah Committee in 1972, ICSSR admitted IPE to its grants-in-aid scheme. An initial recurring grant of Rs. 50,000 per year was sanctioned by ICSSR. A new chapter began when ICSSR recognized IPE as a Centre of Excellence in research, and since then, financial support was provided to research activity at IPE and the institution got the much needed confidence and focus to march ahead. With a modest amount of Rs. 50,000 in 1974-1975, the grant enhanced to more than Rs. 10 lakhs in 1991-1992. By early 2002-03, ICSSR enhanced the grant of Rs. 54 lakhs to IPE and there is no looking back since then. Recognizing this long association between ICSSR and IPE, Prof. P. Kanagasabapathi, Chairman in Charge, Indian Council for Social Science Research, Ministry of Education, Government of India, New Delhi remarked the following as foreword note of the book: “Institute of Public Enterprise is a unique institution nurtured by eminent stalwarts. ICSSR has a very long association with it, providing all possible assistance. This book presents the journey of the Institute lucidly.”

Another intriguing dimension of IPE is its research outputs. The research outputs produced by IPE were very timely and utilized by a wide range of national institutions such as the Committee of Public Undertakings, several ministries of the GoI, Planning Commission, Finance Commission, Standing Conference on Public Enterprises, Department of Public Enterprises, Comptroller and Auditor General of India and pay revision committees. Further, to bring in the required rigor and focus and to create a mark for itself, under the leadership of the Director IPE, the institute set up specialized centres to cater to the specific areas of work and hence the following centres were created with expert faculty both in-house and visiting to support the work at the centres.

1. Centre for Corporate Governance (CCG), 2009
2. Centre for Corporate Social Responsibility (CCSR), 2011
3. Centre for Governance and Public Policy (CGPP), 2011
4. Centre for Sustainable Development (CSD), 2012

While IPE has traditionally worked on the areas of public enterprises and public sector at large but with changing times, the Institute is quickly moving into areas useful to a larger audience including the private sector and the civil society at large. Appropriate strategies are being developed to strengthen research through critical assessment of existing work and identifying new and emerging

areas of work. Further, dissemination of the research work to various stakeholders within the country and outside has been the primary mandate of IPE. Seven research journals are brought out by the institute, these are, The Journal of Institute of Public Enterprise which is the oldest journal of IPE started in 1978, The Journal of Economic Policy and Research which started in 2004, is a bi-annual publication, The Indian Journal of Corporate Governance, started in 2008, is a bi-annual publication, The Journal of International Economics started in 2010, The Journal of Marketing Vistas started in 2011, a bi-annual publication, The Journal of Management started in 2011, and the Journal of Governance and Public Policy started in 2011. The IPE Journals are well received within the country and outside and many reputed researchers, academicians, policy makers and practitioners contribute their work to IPE journals.

Since the very beginning, management development and training has been one of the core areas of the Institute. In fact, the Institute was set up with an objective to promote excellence in management through training and capacity building for public sector enterprise personnel. The innings started in 1964 with three seminars and one Management Development Programme (MDP) and the number has steadily risen to twenty three MDPs and eight seminars by 2019. During 1985-86, besides conducting the training programmes for senior public sector managers, IPE agreed to conduct courses of one week duration for officers of the Indian Administrative Services (IAS) with a seniority ranging from 1 year to 30 years of service. Based on the feedback from the participants, IPE was offered to conduct another set of Four-week programmes for Officers of the Indian Civil Services based on their seniority levels. These programs were very well received, and this was reinforced by a survey conducted by the Department of Personnel and Training (DoPT), Government of India between 1983-1989 about the best training institutions and faculties in India involved in training for the DoPT sponsored programs. IPE shared the top position with Administrative Staff College of India, with six of its faculty declared as the best trainers.

Moving forward, the public sector enterprises in India entered a turbulent phase by mid-1980 and there was an increasing emphasis at the Institute to secure more consultancy studies. During mid-1990s, a very important assignment was offered to IPE by the Asian Development Bank to study the Restructuring of Public Enterprises in Madhya Pradesh. IPE invested a lot of time and resources on research related to public enterprises and public sector in general which was widely utilized by various institutions like Committee on Public Undertakings (CoPU), several ministries of Government of India, Planning Commission, Finance Commission, Standing Conference on

Public Enterprises, Department of Public Enterprises, Comptroller and Auditor General of India and pay revision committees set up by Government of India from time to time.

The author documents the importance of nurturing management education and the various initiatives that the IPE has taken since the mid-1990s in Chapter 5 of the book. Further, the author remarks that entry into a long term management education was a landmark step in the life cycle of IPE. In the year 1995, IPE launched its two –year full-time Post Graduate Diploma in Business Management (PGDBM) program. The program received approval from All India Council of Technical Education in 1995. The programme started with 60 students, which was later enhanced to 120 students in the year 2015. The PGDBM programme received equivalence to MBA (Master in Business Administration) from the Association of Indian Universities (AIU) in the year 2002. After the success of the flagship management programme, the IPE launched two new programmes– PGDM Retail Marketing (RM) in 2007 and PGDM – Banking Insurance and Finance (BIF) in 2008. Further, to cater to the requirements, IPE launched an AICTE approved, two-year full time Post-Graduate Diploma in Management – International Business (PGDM-IB) program in 2009. The program includes optional foreign study tours, aimed at providing global exposure to the students. The program was given accreditation by NBA from the batch of 2014-2016. In the year 2012, another new program was commenced. Post Graduate Diploma in Management – Human Resource Management (PGDM-HRM), which is a two-year full time program. This program provides a platter of industry driven specialized HR elective courses along with other functional area core courses.

Over the years, the management programmes of the IPE have succeeded in drawing students from across the length and breadth of the country. IPE has a comprehensive curriculum, a robust programme structure and a well-defined pedagogy that is not only relevant to modern times but also internationally competitive. IPE follows an interactive and participative teaching methodology which helps in the holistic development of the student. Some of the teaching pedagogies followed at the institute are Case Study method, Experiential learning, Guest lecture, Blended learning, Workshops, Simulations, Team based exercises. Further, there is regular updation of course curriculum which would cater to the needs of both industry and academia. Various events like Summer Internship, Sanskriti: Annual Management Fest, Alumni networks, Startupedia, placements are organized at regular interval in order to improve the visibility of IPE.

A very interesting chapter on financial sustainability and transparency follows the chapter on nurturing management education. Financial activities are often considered as one of the most important activities for any organization. A small lacuna in this activity generally creates havoc. Particularly, for an Institute which is engaged in training the young minds on curriculum related to governance, it becomes even more important and critical for the institution itself to create a benchmark for financial activities and its transparency. As NR Narayana Murthy, Co-Founder, Infosys Ltd. rightly points out that good Corporate Governance is creating sustained competitive differentiation in the marketplace to maximize the shareholder value legally, ethically and on a sustainable basis while ensuring fairness, transparency and accountability to every stakeholder of a company.” This definition of good Corporate Governance indeed provides the foundation for the smooth functioning of any company/enterprises. The IPE being one of the torchbearer in the field of quality management education and research and training has been vehemently focused and careful in dealing with financial sustainability and transparency. It is intriguing to note that the IPE is the only institute of its kind in higher education system in India which has been largely self-financing its activities from its very inception. IPE follows the principle of self-reliance in letter and spirit. It meets all its financial obligations mostly through its own earnings through its human capital.

One critical aspect of the Institute is its focus on achieving diversity in all aspects which includes diversity in the courses being offered gender diversity, networking diversity, diversity of activities and diversity in the intake of all hues. However, some data pertaining to the intake of students in the IPE from the marginalized section of the society seems to be missing from the book, which could have been incorporated. It is also commendable to learn that adequate measures are taken by the administration from time to time to make the campus a safe place for students.

Finally, the book emphasizes on creating a shared future for one and all. The Institute looks forward to strengthening research, consultancy, training and management education in its forthcoming times. Further, sustained efforts by the administration are likely to be on strengthening and upgrading the institutional ratings of the management education programmes run by the IPE. The book also provides a comprehensive list of working papers produced by faculty members of IPE, prominent recruiters, financial statements and all relevant details of the Institute in the form of various annexures. All such data, facts and figures will convincingly reassure the rationale and

the role played by the Institute in facilitating the public sector enterprises in India and conspicuously aiding in the nation building process.

The sequential interweaving of events, lucid narration, and engaging depiction of anecdotes, makes the book a “must read” for all students, academicians, professionals, policy makers and all stakeholders directly or indirectly related to administration, governance, and policy making. In a nutshell, the book is a ‘must-read’.