

8.0 Indian Management Thoughts

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ABSTRACT

The present paper re-explores the contribution given by Indian Management thoughts like Chanakya Niti, King Shivaji Maharaj, C. K. Prahalad, Vijay Govindrajan etc. As far as the field of Business Management is concerned, the body of knowledge is dominated by management thoughts, theories, principles, practices and styles given by foreign contributors like F. W. Taylor, Henry Fayol, Max Weber, Elton Mayo, Koontz & O'Donnell from traditional school of management whereas Michael Porter, Peter Drucker from Modern School of Management. Nevertheless, the contribution given by Indian management thought leaders like C. K. Prahalad, Vijay Govindrajan, and Nitin Nohria is getting recognised at the world level.

Key words: *Arthashastra, Business Management, Indian Management Thoughts, Indian Knowledge System, Modern Management*

Introduction:

Today the Indian Management thoughts are recognised worldwide in terms of *Chanakyaniti*, King Shivaji Maharaj as a *Management Guru*. The formal introduction of management functions and principles found in '*Kautilya's Arthshastra*' the book written by Arya Chanakya who was teacher and guardian of Emperor *Chandragupta Mourya* in 3rd Century. The Indian Ruler *Chhatrapati Shivaji Maharaj* is recognised as Management Guru worldwide. His war tactics like Guerrilla Warfare, raiding, ambushing, surprise attacks on enemies are now transformed into corporate strategies. Indian management thinker C. K. Prahalad's concepts like core competence, competitive advantage, strategic intent, moral leadership, bottom of the pyramid contribute a lot toward body of knowledge of management. Vijay Govindrajan another management thinker having Indian origin coined the concepts like reverse innovation, three box solution etc.

Objectives of the paper:

- i) To re-explore the Indian Thoughts in the field of Business Management, Corporate strategies, principles and practices of management.
- ii) To highlight the significance and recognition of Indian Management thoughts word wide.

Kautilya's Arthashastra:

Kautilya also known as Arya Chanakya was an Indian Statesman and philosopher, chief advisor and prime minister of Indian Emperor Chandragupta Mourya. Arya Chanakya was a professor of Political Science and Economics at the University of Takshashila, ancient university of India. The thoughts of Kautilya are summarised in a book entitled '*Arthashastra*' which means Economics or the science of material gain. It was written on palm leaves. The book was about how to run an empire effectively. Diplomacy and war are the topics mainly dealt in the book. It also includes the literature on law, taxation, fortifications, coinage, manufacturing, trade, administrations and spies. Running an empire and running a business are similar things. The

practices given in this book today are applicable to business organisations to design corporate strategies. There was formal introduction of management principles and practices in this book.

According to Chanakyaniti the leaders possess the qualities like energetic and hardworking. The style of leader and his work will motivate all the employees. Leaders should communicate properly on all the occasions. Chanakya in his book says, "When in the court, He shall never cause his petitioners to wait at the door, for when a king makes himself inaccessible to his people and entrusts his work to his immediate officers, He may be sure to engender confusion in business, and to cause thereby public disaffection, and himself a prey to his enemies. It highlights the significance of effective communication in business organisations. Communication is considered as lifeblood of any business.

Further Chanakya quotes, *"Once you start working on something, don't be afraid of failures and don't abandon it."* A leader possesses the quality of stress management and lack of fear of failure. The leaders keep engaged them in the work without worrying about the results of their work. Regarding fear, Chanakya says, *"As soon as the fear approaches near, attack and destroy it."*

Leaders possess the quality of decision making. Regarding decision making Chanakya says, *"All urgent calls He shall hear at once, but never put off, for when postponed, they will prove too hard or impossible to accomplish"*. Chanakya emphasized quick decision making which is an essence of business.

Regarding employees' welfare, Chanakya says, *"In the happiness of the subjects lies His happiness, in their welfare, his welfare, whatever pleases himself, he shall not consider good, but whatever pleases his subjects, he shall consider as good."* This is one of the 14 principles given by Henry Fayol i.e., subordination of individual interest to general interest.

King Shivaji Maharaj's Management Wisdom:

The war tactics of King Shivaji Maharaj are today recognised and widely applied in the field of corporate strategies. We define management as an art of getting things done by the people, creating an internal environment where individuals can work together effectively and efficiently. King Shivaji exactly followed these practices. Any war, fight or battle involves lives of thousands of soldiers, plunders, loots and transfer of treasures. King Shivaji devised his own fighting techniques like Guerrilla Warfare which was unlike any regular battle often resulted in minimum mortality ratio. His mission was maximum prowess with least number of soldiers in least possible time.

Management is a process consisting planning, organising, directing and controlling the resources. It is about developing relationships amongst the people and inspiring them to contribute towards the goal. Under the leadership of King Shivaji, the entire Maratha army and civilians were united with a common dream of Swarajya which means independent state. Management is about integration of resources. King Shivaji used to put small group of combatants such as paramilitary personnel, armed civilians or irregulars to use military tactics.

Today we often talk about code of conduct or business ethics. King Shivaji had his own set of rules for the army. Women and children were treated with special care and respect. There were valid rules of behaviour that the armed forces had to observe with civilians and even with the enemies. Even in the enemy land, his forces had strict instructions not to cause any damage to

crops and cattle that were the means of livelihood for the common people. He used to follow the social obligations.

King Shivaji had a structured organisation with 8 ministers known as 'Ashtapradhanmandal' dividing work among them. He took care of trade and business also. He provided employment opportunities to youth.

C. K. Prahalad's Management Theories:

C. K. Prahalad worked with business leaders all around the world but his primary aim was to strengthen an entrepreneurship spirit in India by shaping corporate strategy and leadership. He coined the concept of Core competence which means a bundle of skills and technologies that enables a company to provide a particular benefit to the customers.' It is the unique capability which cannot be imitated by its rivals. He advocated that companies should stick to those businesses in which their core competence is relevant so that they can generate competitive advantage at the market place.

Strategic intent envisages a desired leadership position and establishes the criterion which the organisation uses for its progress. It includes an active management process that focuses on organization's winning and motivating people towards it.

Prahalad and Hamel have emphasised strategic stretch and leverage in strategy formulation. Strategic stretch implies stretching organisation's resources beyond the desirable level. Strategic leverage refers to concentrating, accumulating and conserving resources to that extent which meets organization's aspirations.

C. K. Prahalad introduced the concept of co-creation refers to joint problem solving. It furthers aims at accepting customer-centric approach. He also proposed the concept of bottom of the pyramid. By this He wanted the poor to have real power in the marketplace.

Vijay Govindrajan's Management Contribution:

Vijay Govindrajan is an authority in corporate strategy having Indian origin. He is a leading expert on strategy and innovation, teaches how to facilitate and execute break through ideas to generate growth. His three-box solution addresses the problem of innovation faced by many organisations, how to you re-invent while still meeting the performance requirement of the current business. It describes the framework for managing a business's responsibility to take action in three time-horizons at once, executing the present core business at peak efficiency, taking steps to avoid the inhibiting traps of past failures and preparing for future built on break through innovations.

Govindrajan has introduced the concept of reverse innovation. Generally innovations take place in developed countries and those technologies are sold to the developing nations. Reverse innovation concept refers exactly opposite of this. Innovations should take place in developing nations and then sold to the developed nations. Further he has guided what are the conditions in which reverse innovation can be done? How to develop new products in poor countries? How to design strategies for reverse innovations?

Conclusion:

Indian knowledge system has a rich legacy in itself. We have been teaching management thoughts given by foreign management thinkers. But the time has come to re-explore the management thoughts of India in the view of National Education Policy, 2020 which

emphasizes on Indianisation of higher education. The concept of management whether from classical schools of thought or modern, already exist in the ancient Indian knowledge. Today different concepts like corporate social responsibility, sustainable development, environmentalism, consumerism, employees' welfare, business ethics, corporate strategies, intelligence system, succession planning etc. have become so popular. But the roots are there in Indian Knowledge System that needs to be re-explored, and highlighted. Despite teaching management thoughts of foreign thinkers, we can add it to the curricula.

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