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## **CHAPTER 4**

# **INITIAL EXPERIMENTS AND RELATED CASE STUDIES**

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## **CHAPTER 4**

### **INITIAL EXPERIMENTS AND RELATED CASE STUDIES**

#### **4.1 OVERVIEW**

In this chapter the researcher has documented real time management practices introduced during his working at various industrial establishments which he was leading. This chapter essentially focuses on the various experiments which the researcher had successfully conducted during his tenure across various establishments of a hydrocarbon company.

Also, there are two case studies of two production units of a hydrocarbon company that had diversified workforce and totally different geographical locations with challenges of new and peculiar nature. Here, the researcher introduced several new practices based on cultural fit of the location and Indian Ethos had been used to create an emotive bond with the employees. These had to be quite different from the harsh frame of hire and fire which is typical western management style. This pioneering way of management of units by application of INDIAN ETHOS, turned the units into positive frame of high productivity for the concerned company. These experiments and case studies are documented below under different sub-heads

#### **4.2 EXPERIMENTS**

In this section, the researcher has documented real time management practices introduced during his working at various industrial establishments which he was leading. This chapter essentially focuses on the various experiments which the researcher had successfully conducted during his tenure across various establishments of a hydrocarbon company.

## Work Site Experiments

When the researcher took over the reign of the units from its erstwhile leaders, the units were in bad shape. The researcher had two options:

- To go the traditional way of management by western concepts i.e. harsh frame of hire and fire
- To try and win over alienated workforce by introducing management practices based on the Indian ethos

The researcher who had firm belief in Indian ethos, decided to try the second approach and introduced various pioneering practices first on experimental basis, and then on war footage in units under his command. The experiments were in the form of quality circles with a difference, customised according to the types of units which he headed. Being an exponent of Management by Indian Ethos, many new concepts of involvement were introduced with very satisfying results. These experiments along with the underlying objectives behind these experiments, procedure and the results are described below:

### 4.2.1 “Karmayogi” at Industrial Unit

#### Karmayogi- relevance

Karmayogi is the word made by the combination of two different words “karam” which means work and “yogi” which means sage. Karmayogi is essentially a person who does his work or duty without any desire for the reward. This is essentially an Indian concept directly from all time best management text of India “GITA”.

#### Problem

Lack of willingness to work

Lack of security in and around unit campus

Problems related to general hygiene and environment in and around the unit

#### Objective

Propagation of Indian Ethos at grass root level

“Nishkam Karma” without aspiring for results

## **Orientation**

Initially the concept was introduced with the help of 11 core members and the researcher as the overall mentor of the core group. The people were chosen from various departments of the industrial unit. All members were exposed to important concepts of INDIAN ETHOS and 'value' orientation which brought a high degree of organizational transformation in terms of attitudes, ethical thinking and personal conduct. The group received this very well and decided to spread the message across the community by becoming role models.

## **Results**

Following contribution in work areas resulted.

- **Spread of human values started gaining ground**  
The most important impact of this experiment was recurrence of human values and beliefs among the employees who had become disillusioned to the same due to erstwhile conditions
- **Creation of 'Sahyogis' became a hot pursuit**  
The initial core group of eleven members spread the practices to their respective departments and started making their own departmental quality circles known as sahyogis.
- **Culture improvement got initiated**  
The typical bad habits of excessive smoking, drinking, gambling, absence from work were targeted by the group to initiate positive culture of "work is worship".
- **Security and safety received closer attention**  
The workforce started realising that their contribution of vigilance and concern can go a long way in ensuring safety and security.

Besides above tangible results, the researcher observed that:

- Health and Hygiene , Educational Improvement , House keeping and environment showed definite improvement

#### **4.2.2 “Deepshikha” at Corporate**

##### **Deepskikha- relevance**

The researcher observed lack of front-end leadership amongst officers and consequent lack of focus amongst employees. Deepshikha quality circle was formed in order to bring dynamism into the system. The literal meaning of “Deepshikha” is beacon of light which guides the travellers on correct way in night. Same is the role of any officer in an organisation i.e. to guide its employees, projects and ultimately organisation on the path of achievement and success. Thus, this word was selected by the researcher to christen the experiment which he launched in the project management department during his tenure.

##### **Problem**

Project execution was usually bugged with cost and time overruns.

The employees of the department did not realise their role and responsibility in as it was primarily believed that others such as vendors, suppliers, labour force, contractors and associated groups alone were responsible such delays.

##### **Measures taken**

A voluntary group of members met once in a week to share their beliefs, experiences and work done against various goals drawn in charter for self, Department and organization in its own humble way making efforts to nurture values in people’s minds so that it can serve customers, employees, stakeholders and country meaningfully.

##### **Belief**

Big mind discuss events

Great minds discuss ideals

Greatest minds act in silence

**Charter**

Following charter was laid down which had set targets on various levels of the organisation i.e. self, department and organisation.

**Self**

- Be a Karmayogi
- Be a patient listener
- Respect others
- Adopt stress free attitude

**Department**

- Support and develop colleagues

**Organization**

- Act Positive

**Important topics discussed**

- How to inculcate ownership at workplace
- Gayatri Mantra
- Breathing exercises
- Stress Management
- Importance of physical exercises
- Seven habits to become effective
- Safety in daily life
- Project Management: Best Practices
- Information Technology
- Use of Software for project monitoring

**Talks by Experts**

- Value Systems
- Managing life with peace and productivity
- Human Values

- Positive Attitude
- Meditation
- Healing through Accu-pressure technique
- Life Style Management

### **Result**

Project execution improved and world records were created in respect of completion of projects much before scheduled time. Involvement of all groups was achieved by making special presentations on personal DHARMA concepts of all, alongside their obligations towards KARMA. It really transformed the entire team into a vibrant quality force .

“NA KARMANA, NA PRAJAYA, DHANENA, THYAGENAIKE AMRUTATWA MANSHU”.

(Not by action, not by progeny, not by wealth but by sacrifice alone can immortal goal be achieve

### **4.2.3 ‘Sadbhavana’ In a Subsidiary**

#### **Meaning**

Sadbhavana is combination of two words- ‘sad’ means ‘good’ and bhavana means ‘will’, thus giving the word meaning ‘goodwill’. This was exactly what was required in the employees of the subsidiary unit of the organisation which the researcher headed, thus the experiment was named as ‘Sadbhavana’

#### **Problem**

The employees were under stress due to a very high demand for a fast moving hydrocarbon product forcing them virtually into a **master - slave** relationship where no body cared for their problem areas and work related issues. Also, being a subsidiary company the group always remained under tension as they felt overlooked in day to day working.

#### **Objective**

- Stress Free Work Life

**Activities**

- Meditation
- Discussion on value system
- Personal Experiences
- Talks by Outsiders

**Result**

Improved product quality and ensured timely supply. The plant was modernised. Last but not least employees did not live under stress anymore which also contributed substantially in the improved productivity of the plant.

**Future Plans**

- Adoption/Help to needy children
- Spreading similar culture to field locations

**4.3 CASE STUDIES**

The case studies presented have meant to substantiate the fact that it is management by Indian Ethos only which can help in bringing about an organizational turnaround. These are actual cases handled by the author during his service span and reflect in totality the scenarios 'before' and 'after' the initiation of Change Management. Generally, there are several factors of discontent and no amount of investigative work can give true picture when human mind needs to be explored. Unless real time efforts are made to remove doubts existing in the minds of employees about getting singled out for giving true and fair responses, the picture does not become clear. It is necessary to understand the situational factors that lead to such alienation. Broadly these could be classified in three categories:

- **Unit Specific**  
This could cover all issues relating to unit infrastructure, deficiencies, state of art features and such other concerns affecting employee morale.



- **Employee Specific**

Such like cases where employees start drawing to a shell, could be discussed under the head.

- **Neighbourhood Specific**

The impact of surroundings and social factors can get clubbed under this head.

Sincere efforts were needed to delve into each category convincing the workforce to work productively for a cause.

### 4.3.1 Case Study 1 (Unit A)

#### Background

The unit was constructed in early sixties with aid from one of the erstwhile soviet block countries. The technology gap was obvious even at that time viz -a -viz western technology but there was no alternative to the company being a case outcome to Govt agreement. Some of the points that become obvious over the years are listed below:

#### Unit Specific

- *Old equipment:* There was no scope for repairing or replacing some inefficient and outdated equipment as there was no other alternate available to the company, procurement having to be made from the donor country only. Moreover, there were limitations in obtaining spare parts from indigenous sources for such equipment leading to long break downs and idling of workforce during such situations. This is not to speak of loss of capacity and non-availability of products resulting from such unplanned shut downs. Employee frustration on such occasion became too pronounced with skeptic remarks like “See we have been asking for replacements. No body bothers”.
- *Low profitability* due to poor design: Employees become indifferent and virtually immune to repeated management demands to improve profitability as also cost reduction. It was believed that unless new

investments are made to improve the equipment and its working, nothing better can be achieved.

- No systematic attempts were made to justify the requirement because of common belief that nobody will listen.
- Poor on-stream factor: Due to increased frequency of breakdown caused by aging, the operating personnel become wary of unit operations and started assuming that “Yeh, aisa hi chalega”. This obviously lowered the morale of even good employees.

### **Employee Specific Issues**

One of the most common observations in case of such older units was that aspirations of all employees in furthering their career growth got chilled with passage of time and they became somewhat indifferent to day to day operations. One of the prime reasons was that at intake level lot of emphasis was given to experience of the candidates in similar type of operation which at a later stage was not enough for their advancement to higher positions in absence of necessary academic qualifications. This naturally dampened the spirit of employees and generated IR issues leading to strikes which at times became difficult to handle.

### **Neighbourhood Specific Issue**

No entity can claim to remain immune from Socio-political effects affecting the society at large. All such issues generally lead to social boycotts, dharnas, mass movements and such other related side effects which sometime have a crippling effect on industrial output. No amount of relief measures and remedial arrangements can help in removing the mistrust alienating employees from management on issues of personnel safety.

The case under discussion was affected by all such factors and it was a Herculean effort to bring in turnaround attitudes.

### **Corrective Steps**

An analytical approach had to be taken to revive the employee morale after studying the total situation by establishing contacts with groups, individuals,

opinion makers and such other representatives who could influence directly or indirectly the employee's thinking towards acceptance of ownership attitude considered so vital for the organization. Some of the measures launched are listed below:

- **Joint Management Council**

One of the first steps towards removing mistrust was to engage all representative elements belonging to unionized category, and officers along with all the Heads of Departments in regular dialogue made. Formal local management meetings chaired by top management were introduced. This step proved quite effective in removing the misgiving generally prevalent that nobody was bothering about them. All such measure that could help streamline and also improve day to day functioning were discussed and action decided in such meeting.

- **Company Song**

A few talented employee were drawn from different departments and a company song was composed in local language and dedicated to improve organizational culture. A new bind was created amongst all the employees by this song.

- **Developmental Plans**

Each department was asked to generate a departmental plan to be accepted and adopted as a self commitment plan. Each departmental head was asked to put his deputy (second in command) in charge for one month as departmental head and himself utilize that time to move around in the departments interact with employees, find out areas of deficiency, motivate personally the departmental employees for enhanced productivity. After collecting all the base data, the second in command was given a full brief and asked to formulate a detailed action plan to be adopted by the department for implementation. This had a good chance of success for growth of the department as the plan was conceived by the department itself.

- **Departmental Pass Books**

In order to ensure effective cost control, All HODs were given pass books with proper entries about the fund allocation and time schedule to have a first hand check on expenditure and complete targets. It was compulsory for all departments to get monthly endorsement of finance department to give realistic feeling of expenditure, plan vs. actual to the HOD for ensuring proper corrective steps. This brought in a marked improvement in Budget compliance and gave a sense of feeling to the employees about their accomplishments.

- **Community Development Plans**

Plans were developed including the cost estimates for approval by competent authorities for helping the community around to improve sanitation, drinking water facility, health aspects and building of community centres. This brought in a salutary effort on the neighbourhood and helped in gradual change of involvement by employees for improved productivity.

- **Emphasis on Employee Training**

Religious attention was given to this aspect of work culture by exposing all employees to minimum number of classroom training days. Even HODs were deputed to some of the leading organizations for a week or fortnight to study the general areas of improvement and adopt the same or some of those in his own area. This brought in a very healthy change in departmental outlook and a new sense of pride in belongingness.

In addition to above measures, daily review meetings with HODs and open door fixed time meeting for any and every employee were started to have close check on the progress of work assignments to different departments.

- **Security Reviews**

Daily reviews were initiated with security department and all weak areas were plugged. Entry to operational area was strictly regulated on the basis of valid security pass. Identification and verification for contract labour was ensured to insulate the unit from unauthorized entries. This brought in a good sense of security amongst employees.

## Results

All these measuring made a marked chapter in the attitude of employees. Everyone starting owning the place as his own. Several programmes were organized to bring in a cultural shift in terms of aligning with the holding company culture. Each department set up one or two quality circles to analyse and solve some of the long standing problems. Responses to Job exigencies improved significantly. Every employee started exhibiting ownership and concern for the unit growth. This period was recognized and a turning period of the unit when performance evaluation on all parameters was par excellence.

**Table 4.1 Performance of the unit A**

I	Feedstock processed (million metric tonne) primary unit	1993-94	1994-95
		0.91	0.88
	Secondary units	0.346	0.343
II	Distillate field %	82.6	83.7
III	Fuel & loss - %	6.9	7.5
IV	Activity highlights	Implementation of ISO-9000/TQM launched	Groups exposed to training on ISO-9000
		Gas leak detection system in LPG were commissioned	Mutual aid scheme sight with NE Railways for fire fighting
		16 nos. additional quality circles formed in various departments. The unit begged two awards at national convention	
V	Awards won	Divisional award on energy conservation	Won national award (Jawaharlal Nehru centenary award) for best improvement energy convention
VI	Manpower	1.4.93 - 1347 1.4.94 - 1313 1.4.95 - 1295	

Graphical analysis of the results

a) Feed Stock Process

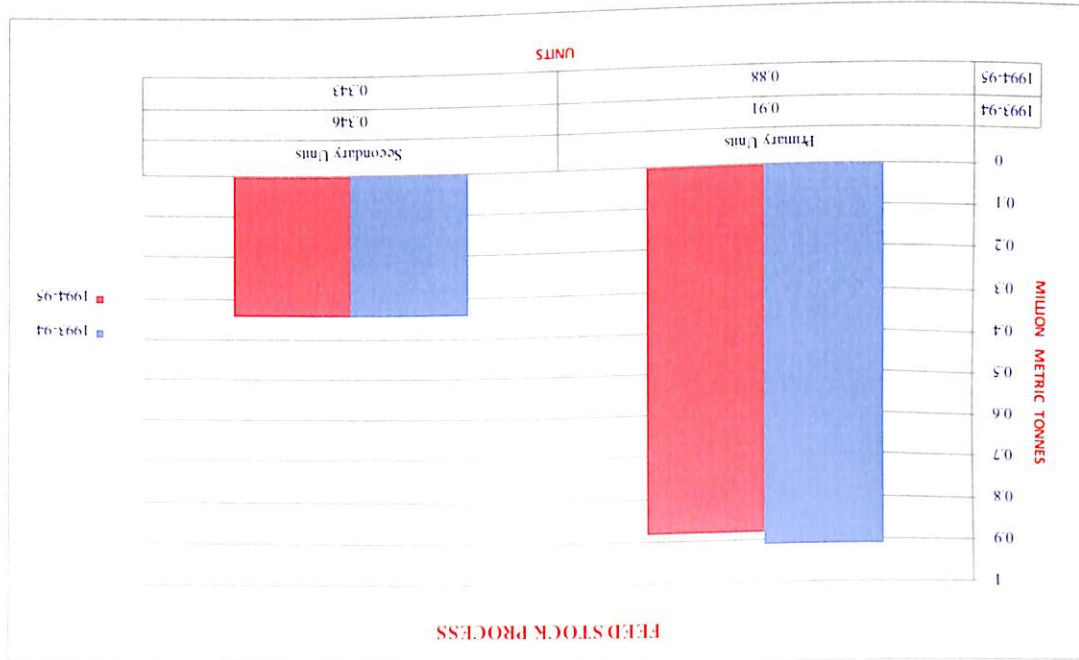


Fig. 4.1 Feed stock process of unit A

As clear from the above graph, feedstock process for both primary units as well as secondary units decreased.

b) Distillate Yield

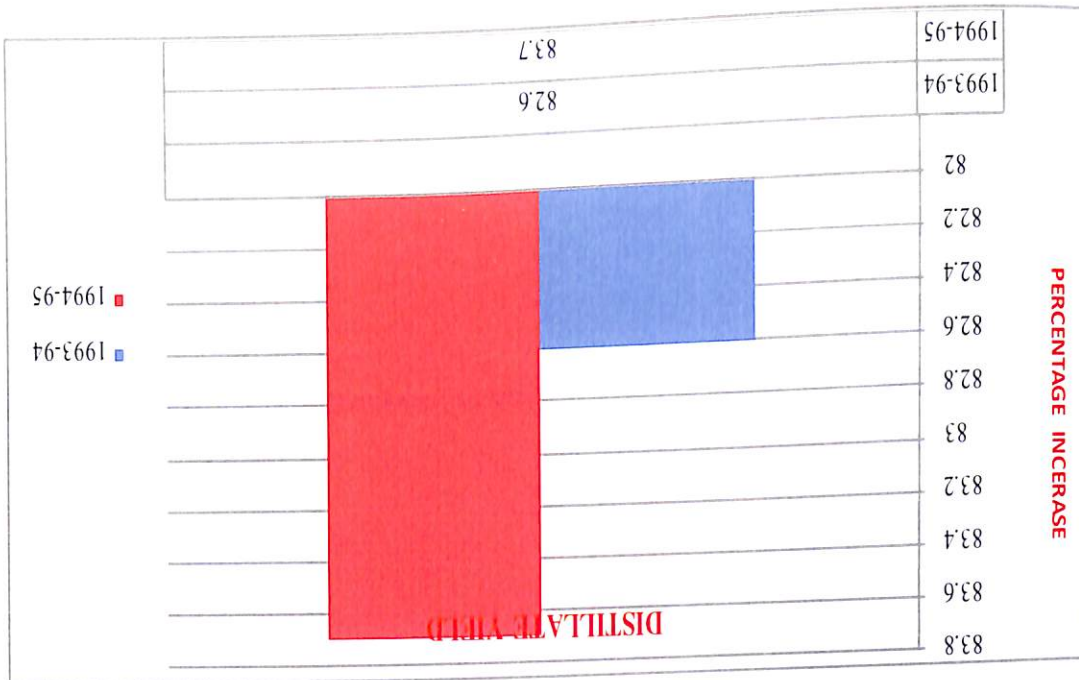
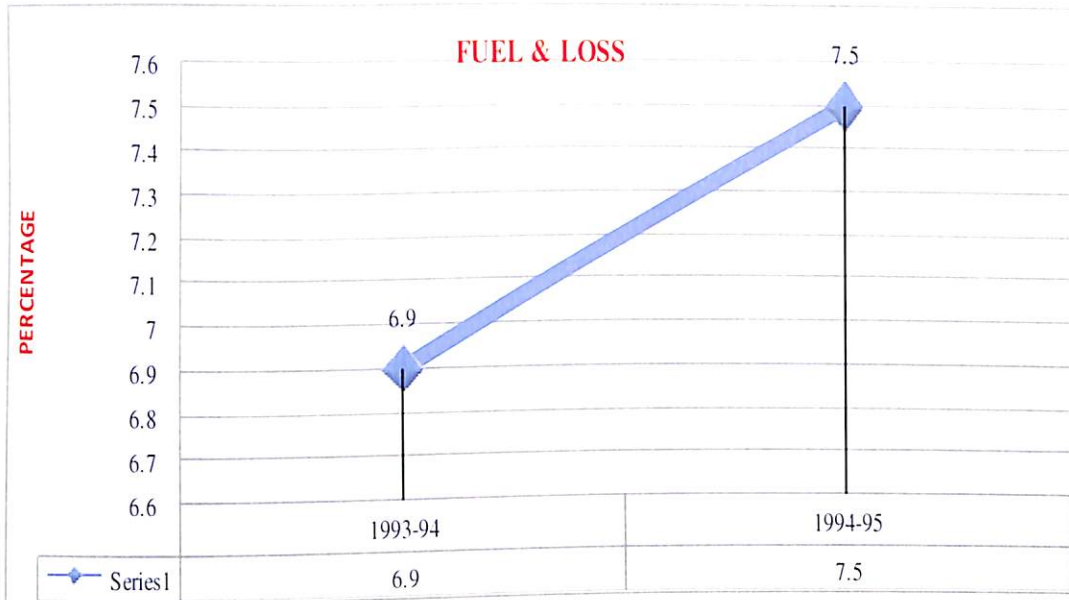


Fig. 4.2 Distillate yield of unit A



Distillate yield also increased during years of researcher's reign in the unit.

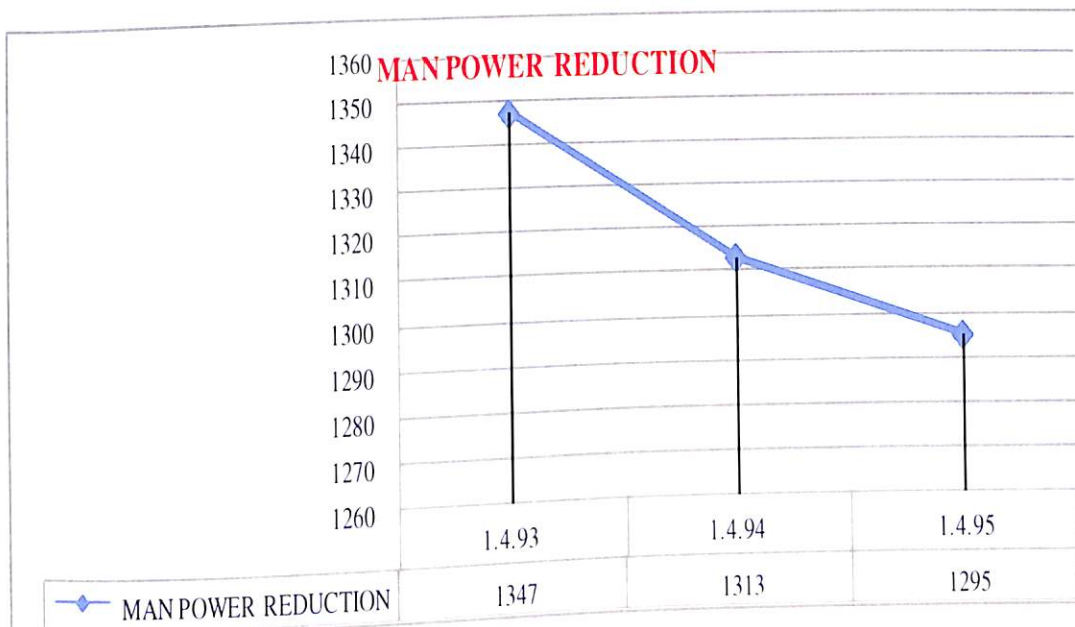
### c) Fuel and Loss



**Fig. 4.3 Fuel and Loss of unit A**

Although the graph suggests that fuel & loss increased during the researcher's time, the reason behind the increase is that new units were installed and also the plant was modernised which ultimately increased the productivity of the plant.

### d) Man Power Reduction



**Fig. 4.4 Man power reduction of unit A**

Another pioneering achievement during researcher's tenure was continuous hassle free manpower reduction without effecting productivity and profitability of the unit which is rare feat considering the conditions that prevailed at that time and specially in public sector companies,

### 4.3.2 Case Study 2 (Unit B)

#### Background

Company C, one of the chain units of a holding corporation, had been set up in late seventies and formally commissioned in early eighties. Over the years, the shadows of inefficiency, ineffectiveness, low quality products, poor work ethos and inadequate overall performance had slowly crept in amongst the employees and improving organizational performance and productivity was a real challenge. There was no vitality and synergy and it appeared that workforce and workplace problems were simply insurmountable. The lethargy in the organization was attributed to lack of, industrial culture as there was no other industry set up in the area prior to company set up in late 70's. Moreover, because of typical hierarchical nature of company management, no encouragement was given to encourage initiative from subordinate levels. In short, there was total lack of congruity between cultural ethos and modes/methods of management.

#### Tell-tale indicators

- Workforce was completely demoralized
- Discipline was at its worst. Several disciplinary cases had piled up
- Job accountability was absent
- Rowdy behaviour was prevalent
- Strong union activity was acting as growth retardant
- OT working was order of the day
- Plant outings were frequent and maintenance was poor
- Absenteeism from work was common



All this was a daunting picture and needed Herculean efforts to restore semblance of order. It was felt that only a culture-fit in managerial philosophy can bring in organizational synergy and turn low morale workforce into high-performance and high-commitment employees. A feel-good climate was possible to be generated if the management could develop a gut-level insight into acting and behaving in ways that are Indian so that the workforce could easily accept them, trust them, invest commitment and, unleash their energies. No other technique could infuse 'spirit' and 'soul' into them for better vitality and synergy thereby eliciting higher commitment for paving the way to enhanced performance, productivity and satisfaction at organizational level.

### **Plan of Action**

- Focus on value based management.  
IT was felt imperative to launch a movement of involvement of all employees by giving lot of emphasis on quality work as it was considered the most essential prerequisite for survival and growth.
- Protection of Environment  
It was decided to launch a concerted movement to organize the work force into a mass movement concept as the environment was considered as essential as the Business.
- Development of Human Resource  
No resource was considered more precious than human resource. Any investment in HR would result in value addition to the organization.
- Development of Good Business Ethics  
This could help in sustaining the business more than anything else.

In order to initiate action on all these points, it was necessary to bring about a mind set change through regular formal/informal meetings/interaction with

different groups of employees for bringing about improved multi-way communication and information sharing as well as cohesiveness within the set-up. In addition, regular mind stilling exercises were held which helped in de-stressing the employees. This helped in bringing the influence of higher-order thoughts into peoples minds.

Feedback generation was another area which was highlighted to all team members. Issues of personal growth and difficulties in changing mindset were discussed in detail. Special training sessions were held on human values. The result was great improvement in attitudinal behaviour of employees which led to better work environment and higher productivity.

A novel method of focusing attention of employees towards higher values and business ethics was developed in the form of series of workshops highlighting important issues leading to self development. General feedback at the end of workshop from the participants was very encouraging. The workshop enabled employees to know ourselves. It has made them aware of how small acts can lead to big gains. It nudged them in the direction of knowing themselves and thrown light on 'what is life' and 'what is time'. It has made them see their colleagues in new light.

A satisfying sense of elation amongst the employees leads to marked change in job involvement of the entire work force thus enabling the organization to achieve great Heights of performance.

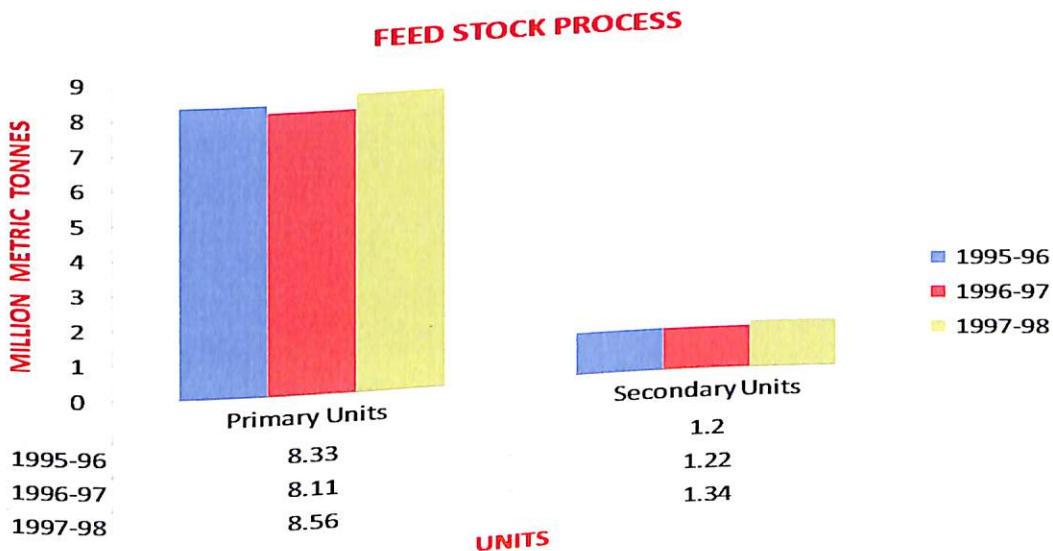
Table 4.2 Performance of the unit B

		1995-96	1996-97	1997-98
I	Feed Stock Processed Primary Units (Million Metric Tonnes)	8.33	8.11	8.56
	Secondary Units (Million Metric Tonnes)	1.20	1.22	1.34
II	Distillate yield %	71.8	73.14	74.6
III	Fuel & Loss	4.48	4.47	4.37
IV	Activity Highlights	Achieved - ISO-9002 certification for all beltary area units	-ISO-9002 for all support service departments achieved this becoming the complete ISO Certified Unit	-Five 5 s Concept launched (Structurise, Systematise, Sanitize Standardise Self Disciplines) Launched
		-The unit was accorded standing ovation In industry meet in July'95	Use of Natural Gas in process unit furnaces and thermal power station started to improve environment...	- 590 visits to nearby villages under Rural Health Scheme Undertaken
		Propylene Unit Commissioned	Total Unit became a DDCS operated unit	Supply of unleaded Petrol started to improve environment -Low Sulphur diesel supply started to national capital -Laboratory information management system (LIMS) Launched
		High Volume Long range foam monitor commissioned	New Value Added products launched viz priopylyene	General Information Management System (GIMS) Launched

		1995-96	1996-97	1997-98
V	Awards	<ul style="list-style-type: none"> <li>- Awarded maximum reduction in Energy Consumption (Anil Raj Trophy)</li> <li>- Awarded ogle shield for fire prevention and safety</li> </ul>	<ul style="list-style-type: none"> <li>Became 1<sup>st</sup> in Asia and 3<sup>rd</sup> in the world to be awarded ISO +4001</li> <li>-Bagged first prize in National Energy Conservation</li> <li>-Received Golden Peacock National quality award</li> <li>-Won British Safety Council Award</li> <li>-Best performances in Steam leaks</li> </ul>	<ul style="list-style-type: none"> <li>-Golden Peacock National Quality Award</li> <li>- Rajiv Gandhi Quality Award</li> <li>-National Safety Award</li> <li>-National Energy Conservative Award</li> </ul>
VI	Manpower Reduction	1-4-95	1667	
		1-4-96	1654	
		1-4-97	1623	
		1-4-98	1622	

## Graphical analysis of the results

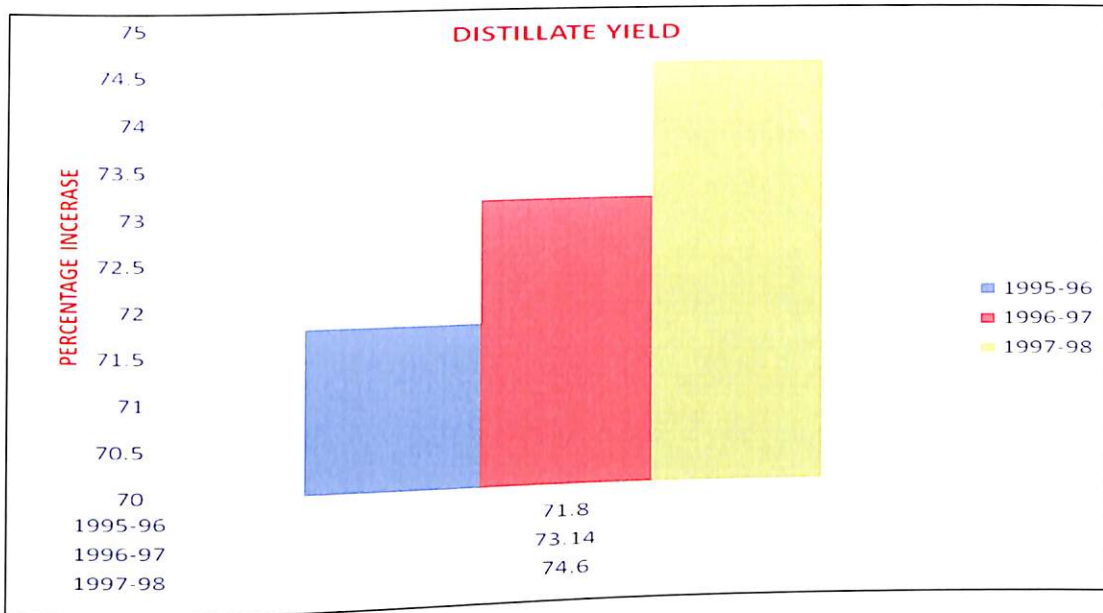
### a) Feed Stock Process



**Fig. 4.5 Feed stock process of unit B**

The feedstock process overall increased in primary and secondary units during the researcher's tenure in the unit.

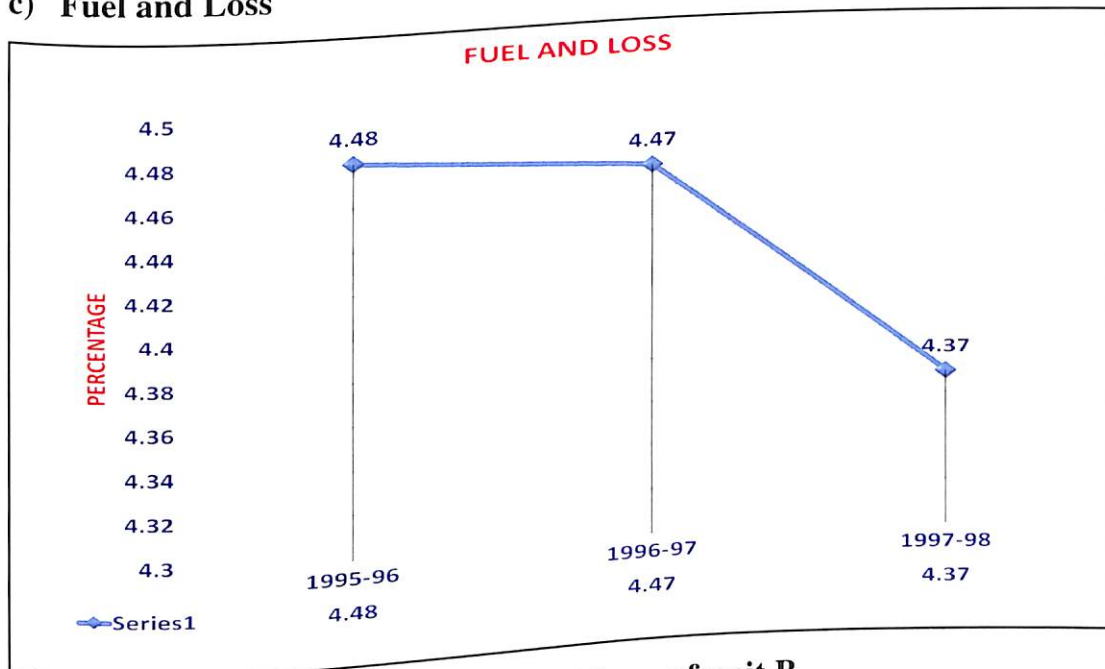
**b) Distillate Yield**



**Fig. 4.6 Distillate yield of unit B**

Distillate yield of the unit increased continuously during the researcher's tenure in that unit

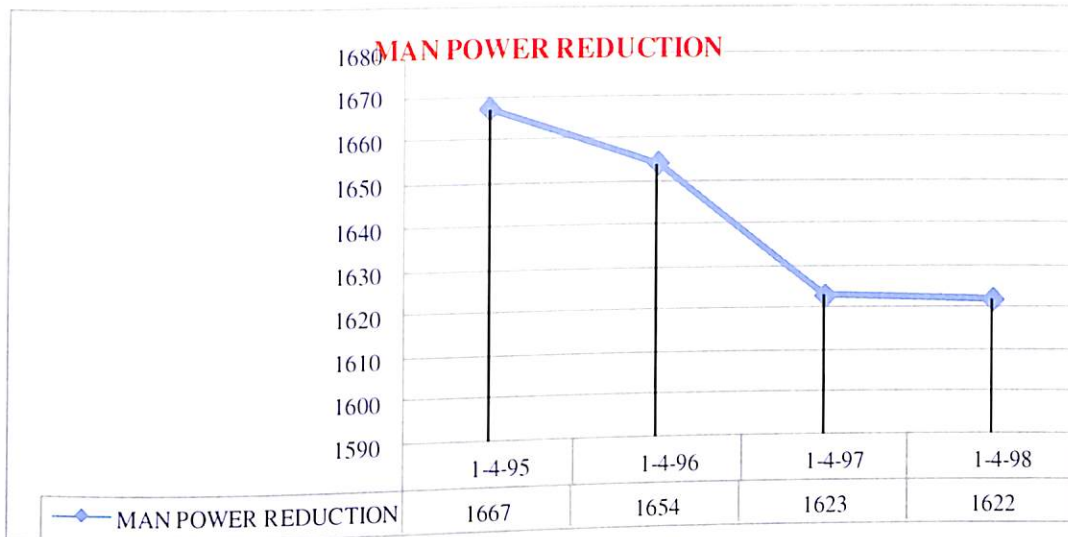
**c) Fuel and Loss**



**Fig. 4.7 Fuel and Loss of unit B**

Fuel and Loss in the unit decreased during researcher's tenure in that unit.

#### d) Man Power Reduction



**Fig. 4.8 Man power reduction of unit B**

Manpower reduced continuously during researcher's tenure in that industrial unit.

#### Findings

The above results and the graphical analysis of the result clearly indicate that with leadership based on value system and Indian ethos, dormancy can be converted into a highly productive team spirit. With sincerity of purpose and good leadership based on value system, the same team could excel and make all round progress. This also shows that the central perspective of **Indian Ethos** does have a great influence on individual traits such as honesty, work ethics, thrift, good lifetime behaviours which ultimately contribute to higher productivity. Western concepts provoke a person to work for his personal gain or profit motivation but Indian perspective is based on '**Vasudev Kutumbkam**' or 'togetherness' while maintaining the individual 'SELF' improvement for advancement.

