

Value Based Management Education: Corruption Issues and Indian Experience

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Abstract

The paper attempts to discuss the conceptual framework of values based management and its relevance towards private and public undertaking. The authors have categorically highlighted the recommendation of the Kothari Commission (1964) relating to moral, social, ethical and spiritual values and how these values can be incorporated in the private and public schools, colleges and universities. An attempt is being made to discuss business scam and value erosion citing the trend and examples of past and recent cases. The paper gives an account of various scams and scandals that have taken place in India along with projects name and amounts involved in these scams. In this paper discussion is made about corporate designs for value orientation and course design for value based corporate management education. The paper also categorically mentions about curriculum design for the value based management awareness and how value inculcation can be developed in incumbents life practices. The paper examines how value based holistic management can wipe out and salvage scam and scandal driven attitudes of Indian business organizations and government departments. The authors have also depicted the current scenario of Corruption Perception Index (CPI) of South Asian countries to specially highlight India's rank and Corruption Perception Index of India, 2017. This paper forwarded some suggestions as remedies to contain corruption. In concluding part, the paper emphasizes on the need for moral and character building through value based management of commercial organizations and government undertaking. Thus, from the above analysis the authors view that value-oriented corporate management is an effective instrument for the successful management of private and public undertaking in India.

Keywords

Value, Holistic management, Corruption, Corruption Perception Index, Scams.

1. Introduction

Human and ethical values constitute wealth of character. Values express dharma or divine nature as understood in the west. Integrity is wholeness, goodness, self-discipline to live by our inner truth. Dharma, on the other hand, is the law of right living the observance of which secure the double object of happiness in life and also the happiness in life of others. It shapes our character to become a member of good society. Dharma is Indian concept almost synonyms with integrity. It includes openly spirit, righteousness (goodliness) and fearlessness. These values and character are the invaluable assets of the credibility and goodwill of individuals, organizations and management.

2. Objectives of the Study

The paper has been designed with its focus on value based management in India. Its objectives can be summarized as follows:

1. To make an analysis of conceptual framework of values and value based management education.
2. To examine the incorporation of value based education in private and public sector, educational institution and business organization.
3. To find out and analyze the scams and scandals, those have taken place in India from time to time.
4. To study the trend of corruption in India due to value erosion.
5. To highlight the position of India's rank in South Asia in terms of Corruption Perception Index (CPI).
6. To suggest measures to contain corruption.

3. Research Methodology

The present study "value based management education: corruption issues and Indian experience" have been prepared by the collection of information from various secondary sources of data. Besides, the secondary data collected and used for further intensive study includes literature like journals, reports, magazines and books to find meaningful conclusions. Information from other sources like that of internet has also been found to be beneficial in the study.

4. Concept of Values

Values are beliefs upon which man act by preference. Eminent Sociologist Prof. R. K. Mukherji (1969) defines values as “*Socially approved desires and goals that are internalized through the process of conditioning, learning or socialization and that become subjective preferences, standards and aspirations.*” Alport (1969) has defined values as “*a belief upon which a man acts by preferences*”, values are pattern of choice guides persons or groups towards satisfaction and fulfillment. They are considered as a potential determinant of human behavior. They form the central pole around which people organize their desires and ambitions.

5. Concept of Holistic Management

Indian ethos for management means application of principles of management revealed in our ancient wisdom described on Upanishads and Gita. Holistic management is one of the principles of Indian ethos of Management. Holistic management is based on spiritual principle of Unity oneness non-dual or Advaita concept. Under this principle of unity, the universe is an undivided whole where every particle is connected with every other particle. The divine interpenetrates this Jagat like pearls on a string. Hence, entire Humanity is ONE. Management must recognize oneness of Humanity.

6. Concept of Corruption

According to Vito Tanzi, “Corruption is the intentional non-compliance with the arm’s-length aimed at deriving some advantage for oneself or for related individuals from this behaviour.” From the enforcement point of view corruption is a contract. It is an informal contract because it is illegal--no court in the world will uphold it if there is a problem with its enforcement.

7. Recent Scenario of Scams in India

In India, we are observing that the scams and scandals are taking place very frequently which has vitiated the whole image of our country so far value erosion is concerned. Moreover, there are many major and minor scams which had taken place in our country are listed below in Table No. 1:

Table No-1
Recent Scenario of Scams in India

S. No.	Project Name	Amount (in Rs.)
1.	Harshad Mehta Stock Market Scam	3,500 Crores (1000 Crores)
2.	Sugar Scam	650 Crores
3.	Bofors Scam	65 Crores
4.	Hawala Scam	65 Crores
5.	Housing Scam	18 Crores
6.	M.P. Trading	32 Crores
7.	Fertilizer Scam	133 Crores
8.	Medicine Equipment Scam	5,000 Crores
9.	Telecom Case	1,200 Crores
10.	News Print Case	20 Crores
11.	Indian Bank Scam	1,336 Crores
12.	Fodder Scam(Bihar)	1,000 Crores
13.	Land Scam (Bihar)	400 Crores
14.	Bitumin Scam (Bihar)	100 Crores
15.	Medicine Scam(Bihar)	100 Crores
16.	Forest Scam(Meghalaya)	300 Crores
17.	Ayurveda scam (UP)	32 Crores
18.	Dhoti Scam(Tamilnadu)	11 Crores
19.	Coal Scam(Tamilnadu)	750 Crores
20.	Forest Reserve Scam (Meghalaya)	75 Crores
21.	Wakf Scam(West Bengal)	1,600 Crores
22.	Dental College Scam (Karnataka)	50 Lakhs
23.	Veterinary(LOC) Scam(Assam)	500 Crores
24.	Abdul Karim Telgi Fake Stamp Paper Scam (Maharashtra)	35,000 Crores
25.	2G Spectrum Scam	1,76,000 Crores
26.	Coal Gate Scam	1,70,000 Crores
27.	Karbi Anglong Dist. Autonomous Council Scam	1,000 Crores
28.	Sharada Chit Fund Scam, Kolkata,2015	10,000 Crores
29.	Adarsh Housing Society Scam in Mumbai,2011	4.70 Crores
30.	Mining Scam in Karnataka	2,500 Crores
31.	The Commonwealth Games Scam, New Delhi, 2010	2,342 Crores
32.	Vyapam Scam Madhya Pradesh, 2015,	1,40,000 Crores

33.	Commonwealth Games Scam,2010	70,000 Crores
34.	Satyam Scam, 2009	14,000 Crores
35.	Delhi Power Scam,2016	8,000 Crores
36.	NSE Co- Location Scam	50,000 Crores
37.	PNB Scam	13,600 Crores
38.	Abhishek Verma Arms Deals Scandal (Defense Sector)	80,000 Crores
39.	Indian Coal Allocation Scam	1,85,591 Crores

Source: Internet and various websites.

From the above table, we have seen that the magnitude of scam and scandal in our country is in increasing trend and which exposed very dangerous picture in the growth and development of the country, in one hand and depriving the mass people to enjoy the benefit to be delivered by the government projects, on the other.

However, there may be many more which we never come face to face. According to one estimate if this money involved in scams has been spent for infrastructure then Indian infrastructure would have been equivalent to the one of the developed countries.

8. Corruption Perception Index, 2017 in South Asian Countries

According to the 2005 corruption perception index CPI India rank 81 out of 156 countries. The least corrupt was Finland and the most corrupt country Bangladesh and China figured at rank 78. The fate of people in these scams and that of the organizations involved need no mention here. The cost of neglecting values development surfaces through these scandals and hostiles public reactions. The trend is simply indicative of illegal shortcuts, corruption, rat race and so on. India's position of CPI ranking among South Asian Countries can be seen from the following Table:

**Table No-2
Corruption Perception Index, 2017 in South Asian Countries**

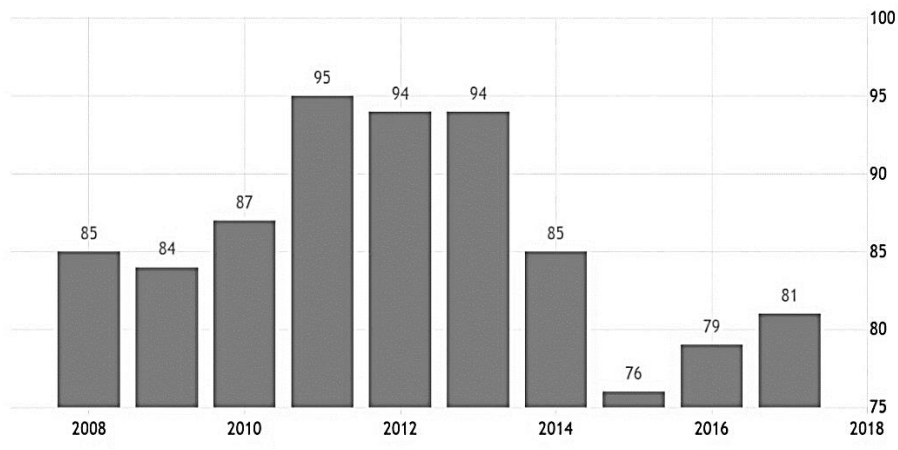
Country Rank	Country/Territory	CPI Score 2017
26	Bhutan	67
77	China	77
81	India	40

91	Sri Lanka	38
117	Pakistan	32
122	Nepal	31
143	Bangladesh	28

Source: www.transparencyinternational.org

From the above table, we have seen that India ranked at 81 and CPI is 40 which is still very high in terms of corruption is a matter of serious concern for our country. Thus, the above table reveals that even after making stringent policy by the govt. the CPI rank of India in South Asian Countries has not been satisfactory.

India’s CPI Ranking from 2008 to 2017
Diagram

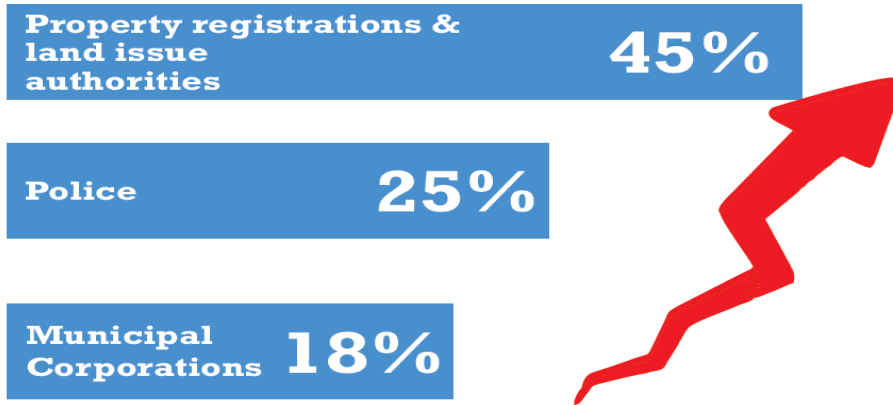


Source: Transparency International

Fig-1 India’s CPI Ranking from 2008 to 2017

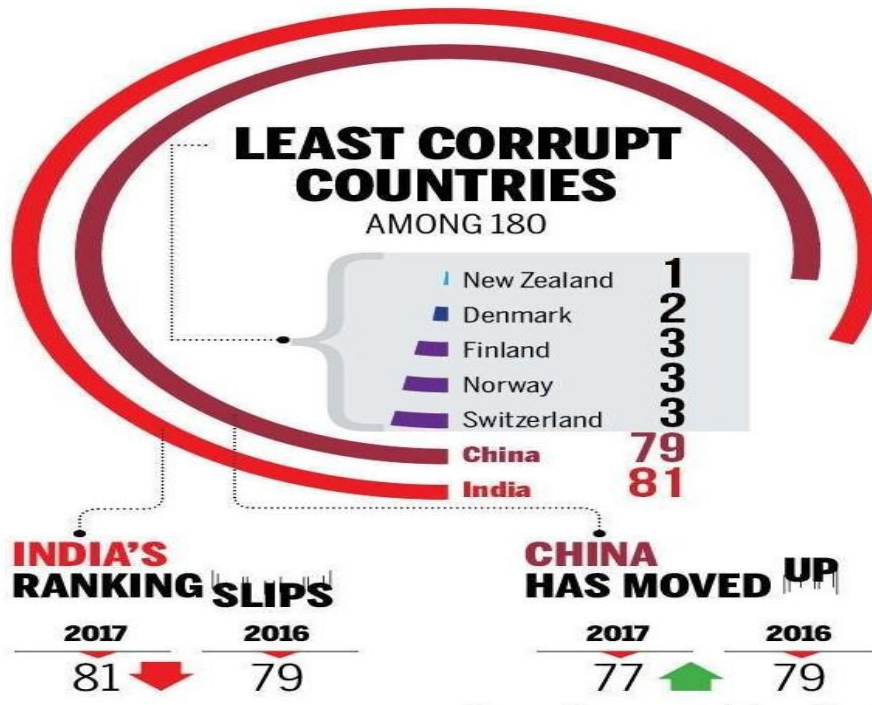
The above diagram reveals that India’s CPI ranking is the worst in 2011-2013 and it marginally improved in 2015 but now it is again deteriorating.

TOP 3 CORRUPTION PRONE DEPARTMENTS



Source: Transparency International

Fig-2 Top Three Corruption Prone Departments



Source: Transparency International

Fig-3 Least Corrupt Countries and India's Positions

From the above data, we can say that India's ranking compared to China is moving down in terms of CPI rank.

9. Relevance of Value Based Management Education

Kothari commission appointed by the government of India in 1964 under the chairmanship of Prof. D.S. Kothari and eminent scientist and educationist observed that the weakening of social and moral values in the younger generation is creating many serious social and ethical conflicts in western societies. Hence, it is important to give a proper value orientation to our educational system and for that emphasis should be laid on inculcation of right values in the students at all stages of education. With that point in view the Commission recommended the following:

1. The central and state government should adopt measures to introduce education in moral, social and spiritual values in all institutions under direct control on the lines recommended by the University Education Commission on religions and moral institutions.
2. The privately managed institutions should follow the suit.
3. Apart from education in such values being made an integral part of School Program, some period should be set apart in the time table, not to be taken by specially recruited teachers, but by general teachers from different communities.
4. The university department in comparative religion should be especially concerned with values may be taught wisely and effectively.

Thus, commission emphasized the need and relevance on the study of different religions of the world at first degree courses with a graded syllabus and also laid stresses on importance of encouraging in students to meet in groups for silent meditation.

The Relevance of value based holistic management education in today's scandal driven business world is being realized in a more pertinent way. Now we are passing over days in a society where we have seen the misdeeds and malpractices that are done by businessman, industrialist, politicians to fulfill their physical needs demoralizing the society in general and country in particular.

10. Corporate Design for Values Orientation

Corporate houses are now globally spending large sums of money on motivational workshops down the line relearning management techniques and are ought to become better human beings. Major

companies like Coca-Cola, Pepsi, Bank of America Xerox Business India, Lufthansa, Standard Chartered Bank, Infosys, Airtel Nestle and thousands of other large, medium and small sized corporate houses, regularly invite motivational teachers to conduct workshops for their management staff.

Mr. Azim Premji Chairman of Wipro his recipe for building a successful company is “to build it on a bedrock of integrity.” This is true for any public enterprise. There are so many Indian success stories like Narayan Murthy, TATAs, Mittals group by value based management exposes its excellence.

The international corporate like Australian state owned Power Company Mitsubhusi Corporation, Coca Cola, Siemens AG has taken Self-Managing leadership program from Brahma Kumari’s World Spiritual Organization of Mumbai in terms of Practices like Yoga Laughing Exercises, Meditation and spiritual intelligence which are rapidly gaining fans in the life practices of corporate executives.

Examples of arranging similar value system workshops for their executives in corporate sectors are found abundantly such as IPCL, IOC, Bharat Electricals Limited, Godrej, Boyce and TELCO. Motivational speakers like Norman Vincent, Peale, Shiv Khera, S.K. Chakraborty, Arindam Choudhury, Dale Carnegie, Debasish Chatterjee and Dr. Subhas Chandra have been frequently invited by the corporate sector to design and conduct such workshops.

11.Course Design for Value Based Management Education

Indian Institute of Management (IIM) Kolkata and some excellent Private Management institutes offer courses to give students abreast with the latest development in management techniques and practices. IIM Kolkata started a full term second year optional course on human values for the participants of its management program since 1982-83, besides six days residential workshop at IIM campus for top managers. Ahmedabad Management Association has Management Development Programme (The India Way). It deals in details Indian wisdom for management. It is conducted by Swami Someshwarnanda, Director, Vivekananda Centre of Indian Management, Indore. Sri Sharada Institute of Management, Shankar Vidya Kendra, Passimi Marg, Vasant Vihar, New Delhi is offering two year MBA course based on Indian Scriptures (Application of Vedanta in Management). FORE Schools of

Management includes classes in Vedic Stress Management. Subjects like “Business Ethics and Values” has been included in the syllabus of many Central and State universities in India. Moreover, S.P. Jain Institute of Management organizes “Gita Shibir” for its management students.

Not only the above, a number institution in India is playing a proactive role to motivate and imparting value based management awareness education. Organizations like Central Advisory Board of Education (CABE), UGC, NCERT, New Delhi. State Board of Secondary Education and religious Study Centre are working to design syllabi and training to uphold value based education.

12.Role of Great Indians’ in Value Inculcation

Value based education as change agent through value transmitter (the teacher/trainer) who is not only analyzer but also an exemplar. Gandhiji, Swami Vivekananda, J.R.D Tata are historic examples of value-based lives, the true transmitters of values. The best teachers in this regard will not give the students something to drink rather they will make students thirsty.

For getting elevation from God, in life of incumbent/ individual let us note a famous proverb the summary of which is “Start the day with God, fill the day with God and end the day with God, this is the way to God.” If this is inculcated by the individual in their mind value will derive from them and thereby they will not go for corruption.

13.Suggestions to Overcome Corruptions

To overcome the corruption it is an urgent need to empower the people of our country with the information they need about their entitlements, rights and remedies and government should take halting steps in this direction. Government should take a balanced approach and transparent contract between citizens and service providers to reduce the gap between them. A robust technological system should be introduced in each and every government departments where corruption exists for effective grievance redress mechanism. Government should gather periodical systematic feedback from citizens on the services provided by the service provider for the improvement of the quality of project implementation. The voice of the influential people like Anna Hazare, who work for awareness to reduce corruption and aware the people to fight corruption should be given due importance by the government.

There should be swift and severe penalties for those found guilty of corruption. A strong LOK PAL institution could make a difference in this direction to fulfill expectations. Government should take stringent measures for those corrupted officials and businessman who deposited their black money in the banks of foreign countries and must take immediate legal action for those who found guilty of corruption. Steps must be taken for those who, after committing corruption fly away from our country to take shelter in foreign countries. People must use Right to Information Act, 2005 to trace the unholy alliance between businessman and government for election expenditure. There must be proper audit against political leaders about their involvement in crimes and corruptions and if they found corrupt they must be denied ticket by concerned political party in next election. Last but not the least “Value Based Holistic Management Education” should be arranged in all educational institutions to inculcate values in the minds of each and every student who will be in charge of future administration and management of private and public commercial undertakings of our country.

14. Conclusion

Value based management education and holistic management, as discussed and analyzed above through its various dimensions and use, has become more relevant in India. When globalization and liberalization has made us all raise the standards of service expected, at the same time we should not forget the integrity, dignity, commitment, excellence, teamwork based on value based concept of management. Issues related to corruptions and scams as analyzed in the paper has depicted the scenario of India’s deteriorating position and rank over the years. The suggestions offered in the paper will help in removing the demoralizing elements like corruption, exploitation, double dealings, shady behaviour etc. from among the corporate executives, politicians and businessman. Scam and scandal driven Indian organization can get relief if various business organization rightly designs and implements their plans and policies incorporating the concept of value based management. Moreover, ‘Justice Delivery System’ for punishing the offenders is very slow and which should come under fast track ‘justice delivery system.’ According to Mahatma Gandhi, two deadly sins are "Knowledge without character" and "Commerce without morality." Therefore, moral and character building thought and value concept is necessary in managing

the commercial organization. We need to study Gandhiji's ideas and tactics and apply these to the way of doing service in order to make the world a better place.

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