

Gandhian Philosophy for Industry Management & Transformation

Introduction

As Managing Director and later Chairman of Hindustan Aeronautics Ltd., (HAL), I had made extensive use of Gandhian Philosophy in the management and transformation of HAL into an excellent world class and internationally reputed aerospace industry developing a work culture and core values with care for customers, employees, stake holders and the society. This transformation required committed involvement of all employees and significant changes in our attitude to customers, vendors, share holders, society and to employees ourselves. Within the limitations of the size of this short article, I have tried to present a summary of salient points briefly.

Customer: Gandhiji had told:

“A customer is the most important visitor on our premises.

He is not dependent on us. We are dependent on him.

He is not an interruption to our work. He is the purpose of it.

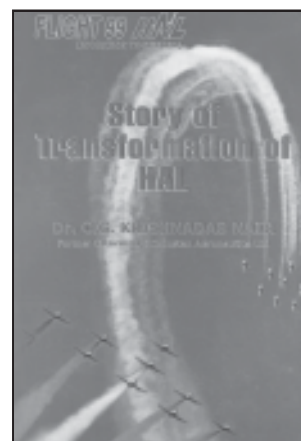
He is not an outsider to our business. He is a part of it.

We are not doing him a favour by serving him.

Dr. Chandrathil Gowri Krishnadas*

He is doing us a favour by giving us an opportunity to do so “

I printed several leaflets containing this message of Gandhiji and circulated to all levels of employees and emphasized the need to remember and practice this philosophy through awareness workshops for all in batches. Plaques with the message and Gandhiji's photo were exhibited in conference rooms, factories and office of all General Managers and Senior officers. It was also made a practice to review



‘FLIGHT 99 HAL’

published by Navbharath Enterprises, No. 10, Sirur Park ‘B’ Street, Seshadripuram, Bangalore-560 020 in association with Society for Aerospace Studies, New Delhi, Contains the full story of the transformation of HAL.

It can be obtained either directly from the publisher or from ‘Society of Indian Aerospace Technologies & Industries’ (SIATI), AeSI Building, Suranjandas Road, Off. Old Madras Road, Bangalore - 560 075.

* The author is Former Chairman of Hindustan Aeronautics Ltd., a Padmasree Awardee and Prime Minister's Trophy for sustained excellent performance, best Chief Executive and Life Time Achievement awardee in engineering from INAE, Chairman of a number of public and private sector industries and Research and Academic Governing Councils. He has authored 160 research and management papers and 17 books, E-mail: siatiban@gmail.com

customer satisfaction (in terms of quality, delivery and cost, innovations, productivity improvements etc) during Performance Review meetings and Union - Management meetings. The awareness of our dependence on customer and that the business and wellbeing of employees and share holders depend on customer delight helped to develop commitment at all levels in providing best service to customer.

Employee well-being and working together

Gandhiji's vision of freedom was not just 'Swarajya' (political independence) but developing 'Ramarajya' - a Nation with delighted citizens through wellbeing of all "Loka Samasta Sukhinova Bhavanthu". Taken this message to an industry, the leader must protect the interests of the employees, and develop an employees' caring organization (wealth, health and peaceful co-existence). Only delighted employees can enchant and create delighted customers. So we included in our mission and objectives employee welfare and opportunity for learning and growth and instituted several measures of employee recognition and rewards for customer service, quality, innovation, team work, suggestion awards, shop level/ plant level committees for participative management.

A person has to look after the health of each part of the body and nourish each part. If any part is affected with injury / illness, it affects the whole person, so is an organization whose body is made up of its employees. We need to look after all our employees, developing mutual trust, team spirit and respect for each other's wellbeing.

Disciplinary action for mis-conduct

Gandhiji believed in reforming people and not punishing. There was no 'tit for tat' in his philosophy. Being compassionate to the sinners / offenders and allowing them to reform was his message. Correcting system / procedures to

eradicate corruption and malpractices is more important and effective than mere punishment of the guilty. We used this in the industrial environment for disciplinary action and it helped to develop more positive attitude and teamwork.

Leadership

Gandhiji led India's struggle for independence. His weapons were Sathya (truth) and Ahimsa (non-violence), and emotionally bonded and committed people from all over India, he inspired them, radiating with 'Love' and confidence, whether it is Nation wide civil disobedience, 'Quit India' or any such other actions. He was a great leader with amazing ability to organize people turning 'crowds' to teams with goal.

But Gandhiji did not want freedom at the cost of dividing India. 'Such freedom is over my dead body' he had said. But the proponents of two nation theory succeeded and India was divided on the basis of religion and *it* was followed by riots, arson and misery to many sections of the people. Gandhiji was sad, but never blamed his followers. He took up the defeat on himself, and paid dearly by his own life for it. A true leader accepts responsibility for failures and passes on the glory of success to his followers.

A true leader through his actions commands respect, never demands it. For Gandhiji who respected all religions, 'truth was religion'. A leader must be truthful always and must walk the talk (no difference between words and deeds) by being fair and firm, uprightness and matching deeds & words, the CEO will gain confidence of his team of all employees. All managers must learn from this. As the CEO, I tried to build leadership qualities in myself and in my sub-ordinate managers, involving people in our vision and missions, inspiring them, loving them and correcting what is wrong, rather than punishing the wrong doers, unless when it is absolutely necessary.

Gandhiji's adherence to truth and non-violence, compassion and love and his life dedicated to service and sacrifice made the whole world respect him as a saintly person. While, we realized these qualities are important for CEOs and Managers to adhere, we also understood Gandhiji as a great thinker, dynamic organizer and leader with passionate commitment to the goals with unsurpassed courage, integrity and humility. Gandhiji involved the masses of people in the struggle for freedom through many innovative processes founded on the basis of Ahimsa, non-violence and Satyagraha (search for truth). CEOs can learn many lessons from Gandhiji's personality and life and apply these successfully in their planning and reaching organizational goals with committed involvement of all employees of all cadres. We advocated in HAL that managerial position is to be understood not as a position of power and prestige, but as a position of responsibility and service to employees, customers, environment and society.

Work Culture

It is well-known that the Mahatma used 'Gita' as his guidebook for 'Dharma' (one's duty). To him doing one's duty with commitment was equal to serving God. Work is workshop.

*Na karma namanarbhyan Naiskarmyam
purusosnute*

*Na ca samnyasanadeva Siddhim
samadhigacchati*

By abstaining from duties no one will obtain freedom from bondage, by renunciation alone it is attained. The moral is that managers should work with devotion and commitment in a mission mode.

**Karmanyevadhikaraste Ma phalesu
kadacana**

**Ma karmaphalaheturbhurma Te sango
stvakarmani**

One has every right to perform one's duty, should not claim the fruits of action for personal gains, never consider oneself as the sole cause of the result / achievements. There would have been many in the team to work along with, to achieve the goal. Great leaders give the credit for success to their team and always accept responsibility themselves whenever there are failures.

Managers are traditionally taught that man is basically lazy and needs to be motivated to work through incentives. Workers and managers have to face many conflicts such as work content, work environment, adequacy of monetary compensation and other incentives etc. While motivational techniques such as higher wages, monetary incentives, power, perks etc are important, these are neither lasting nor sustainable as the expectations keep on growing. Such conflicts disappear only when there is an emotional involvement, a commitment for a higher purpose. Work becomes worship when it is done as a mission

So we made all employees aware of the importance of their work, by showing them (in batches) the final product such as a Jet Engine, an aircraft, a helicopter, satellite, launch vehicle etc, which HAL was manufacturing for customers, and showed the components, assemblies etc. each was contributing, and how important their work was to the Nation. This made them proud of their work and got emotionally bonded to their work. Our effort was to turn every employee into a 'Karmayogi' who will not only complete the task assigned but also endeavour to be innovative and improve with pride and emotional commitment.

Gandhiji had advocated the power of silent meditation for harmonizing thoughts and actions. We, therefore, made a practice of silent meditation for a few minutes at the beginning of each meeting whether it is on the shop floor or office, whether it is a Union Management meeting or a Board meeting, to harmonize our

minds, think, plan and work together. It helped us to avoid conflicts during discussions and to reach wise and unanimous agreements.

Gandhiji practiced austerity and advocated 'Thrift' (carefulness and economy in the use of money and other resources). India had then and even now a sizable percentage of poor people living below poverty line with inadequate food, clothing and shelter. It is said that Gandhiji used even scrap papers to write letters, and often the inside of postal covers in which he received letters. Conservation - reduced consumption, recycling and reducing waste is essential for sustainable development. In the industrial environment we adopted this philosophy of conservation of materials, water, energy, labour etc, through techniques such as value analysis, value engineering and lean management and by introduction of appropriate technologies for manufacturing, energy and water conservation, recycling, waste management etc. This enhanced HAL's productivity with conscious involvement of employees and made our products and services more cost effective and increased profits also.

Vendor development & Supply Chain Management

Vendors must be seen in Gandhiji's vision of customer as God. So vendor is our partner in the service of customer (God). Quality of our products and services to our customer depends on the quality of supplies and services from our vendors and sub-contractors. Organizational performance in delighting the customers depend on our developing and managing an efficient supply chain of reliable cost effective quality and schedule conscious suppliers, developing positive partnerships. We must provide technology and training and financial support wherever necessary to our vendors and sub-contractors. Some of us may become envious of their prosperity and may lead to

negative attitudes and practices such as non-cooperation, corruption, coercion, withholding information vital to successful development of a process / product for us. We need to remove such impediments and remember that those entrepreneurs take risk, spend their money, time and other resources unlike the comfortably salaried employees like us. They provide employment for many, sustaining many families. We conducted several and repeated awareness workshops on these for our managers in finance, purchase, quality, production etc. We prepared a transparent and proactive policy towards vendor development and outsourcing of work. Thanks to these efforts, we encouraged and nurtured a large number of private sector industries working in partnership with HAL and R&D Institutions and enhanced self-reliance and percentage of indigenous content in our aircraft, helicopters, engines and equipments, reducing costs and supply lead time to our customers.

Concern for the less privileged

Gandhiji fought fiercely un-touchability and social backwardness. He stood-up for affirmative action for uplifting the down trodden and oppressed. He advised all and in particular the powerful and elite to educate and empower these sections of the society, and bring them to the main stream of nation builders. Taking this message to the industrial environment, HAL made conscious efforts to employ, train and develop socially and economically backward sections of society. HAL's associations for backward communities were actively supported not only for helping our employees, but to reach out to villages and help the young and under privileged children, with books, clothing, medicine and drinking water, sanitation, health care etc. HAL established schools for the blind, physically handicapped and mentally challenged, and in addition to school education, they were given vocational training for gainful employment so that they can become proud citizens.