

COMMENT ON MHRD NOTE

The MHRD note on “Public Private Partnership in School Education” proposes one kind of solution to the problem of widespread dysfunctionality in India's government schools. Its primary proposal is to enroll students into private schools and to vary the payment given to them with the number of students and the quality of teaching. There are many issues which need discussion in this proposal. I focus here on a specific theme: the organizational aspect of schools and how they can be improved. This can be the basis of an alternative to the market-centred way of improving public education in India.

We need to consider the organizational aspect of schooling because it is central to the MHRD note. The proposal is about using the market process alone to give incentives to schools. It opposes regular grants and sees government run institutions as being inherently inefficient. However, as should be clear from the brief outline given below, monetary incentives are only one part of the many processes which go to create a functional school (however one may define functionality).

The idea of using money as the main incentive for work efficacy is an old one but has been largely discredited in studies of organizations. It is of the same school of thought as Taylorism and the “Scientific Management” approach in factories and firms. This model has been long superseded even there by more sophisticated models which emphasize culture, meaning and human relationships. The market-based model of the MHRD note does not do justice to the complexity of communication and feedback in organizations. There has been a huge body of research on this question, and it would be rewarding to review it. Many organizations, including those in the corporate sector do not have a direct and immediate link between wages and productivity. Instead money is kept as an indirect factor, with a greater emphasis on processes like group-building and informal feedbacks. The present year's Nobel Prize has gone to Oliver Williamson whose work supports the idea that immediate and direct monetary feedback works well in some circumstances, but other kinds of feedback and control are more suitable for many other circumstances.

A SIMPLE MODEL OF ORGANIZATIONS

The external environment has an important impact on all organizations. However organizations also have a relative autonomy, which should not be underestimated. Very briefly, here are some of the important elements that go into how organizations function:

Leadership and coordination: the MHRD note suggests that leadership can be motivated only by the incentive for money. However, there is enough evidence to state that leadership of schools can also be inspired by cultural goals, by political goals, by professional cultures and so on. Indeed, it is doubtful whether most headmasters of the better private schools can be said to be driven primarily by the incentive of money. Wherever schooling has reached a satisfactory standard, the leaders and staff have a strong set of cultural and / or political ideals guiding them.

Motivation and goals: The key challenge is building that culture of dedication to educational goals. Replacing it with a monetary incentive may increase the level of some activities, but will soon hit a ceiling effect. The study of motivations and their connection with the official goals of the institution has many dimensions like self-actualization, power, self-esteem, etc. Motivations also seem to be connected with local cultures. Monetary incentives seem to be only one of a complex set of factors. More often than not it seems that increasing the monetary remuneration does not lead to higher productivity. Instead, it appears that less money or the perception of being paid less than

others may actually lead to lower productivity.

The building and maintenance of motivation seems to be a major aspect of keeping an organization going. People have cycles of motivation, with the focus of their goals changing from cycle to cycle. Part of the job of a good coordinator and a good organization is to provide people with fresh challenges and to ensure that the downturn of an individual is followed by a new upturn.

Power and Communication: The pattern of power and how communication takes place is of key significance. Getting organizations to function is in one sense an expression of power. However this power may take different forms. One is to hang a sword over every individual (e.g. through the threat of dismissal). Another form of power is to persuade an individual of the correctness of a task and the need to do it. The first form calls for continuous surveillance and suffers from losses due to cheating at every step. The second path calls for little supervision and creates the self-motivated individual. Much less cheating takes place. However it also calls for a dialogue and cultures which give legitimacy to that task. More effective organizations tend to privilege the second form of power over the first. Participatory management seems to work much better than trying to get an organization to function by remote control and by threats.

Legitimacy is crucial to organizational functioning. All individuals continually observe and judge what is transpiring and a sense of justice within the organization gives strength to its functioning. Justice in the organization's distribution of resources and also justice in the procedures adopted by it, both forms of justice matter to an organization's personnel. The loss of legitimacy of a leader seriously affects how much people are willing to follow him or her.

Resources: a basic requirement is the adequacy of resources. Thus at least a basic minimum of staff is required for any organization to do what it is intended for. Similarly, the staff must actually spend the required amount of time on the prescribed activities.

Organizational cultures: The belief, value and emotional system of an organization gives shape and context to everything else. Rituals reinforce certain values over others and give greater weight to certain meanings over others. The building of organizational cultures is a slow and laborious process, but it is that which gives a sense of meaning to many activities being done in any organization. Ultimately it is the culture that ensures whether any task is taken up with a sense of purpose or with a lethargic cynicism.

Clearly what gets organizations to function is a complex mix of many factors. Getting them to work smoothly calls for dedication and sensitivity. The market-driven model of organizations is a very one-dimensional approach. It may well lead to some increase in learning and in school efficiency in the short run. However, eventually the creation of a good school system will have no option but to look at the nature of organizational functioning itself.

In conclusion, I hope it is clear why it is incorrect to believe that the government system necessarily cannot create good organizations. We have enough of them in the government to believe otherwise. The necessary condition is sensitivity to human beings, not the profit motive.

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