

The Downfall of an Institution - Atrocities of Power and Politics

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Abstract

The case is about an educational institution which went to oblivion because of the conflicting interests, power bases and coalitions arising out of organisational politics and poor leadership. An institution which was initiated by one of the best educational groups in Rajasthan which is running successfully many renowned educational institutions including a university had to eventually close down because of the errors in the thought and action in the politics of organizational life.

Pedagogical Objectives

- To examine and evaluate the effect of organisation politics and leadership styles on the organisational life.
- To distinguish and understand the importance and impact of leadership styles on the work culture in an institutional setting.
- To highlight the extent and persistence of damaging effects of politics and ineffective leaderships in the structure of an organization.

Key words

Organisation politics, Leadership, Coalition, Power base, hierarchy, power, Interventions

Introduction

Conception and creation of International Institute of Management Engineering & Technology in the year 2008 by one of the renowned educational groups in Jaipur was an attempt towards nurturing a professional institute where learning is all about enhancing expression, innovation and creativity.

Organizations are political structures which provide platforms for people to develop careers as well express individual interests and purposes. At higher positions development of career depends on accrual of power which paves way for transforming individual interests into activities that influence people. Human beings generally have a tendency to compare themselves with others and at times this forms the basis of one's self-esteem. A person may compare himself with other people and decide the erosion in his power base based on the complete loss or a shift in relative shares of authority. This psychology of comparison and scarcity takes over under two conditions. Firstly when individuals achieve power in absolute terms at the expense of someone else and secondly when there is a gain comparatively not at someone else's expense but due to a relative shift in distribution of power.

Institutions on one hand demand supportive effort and commitment to common goals while on the other hand experience conflicts of interest among people who ultimately

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share a common fate and are expected to work together. The overpowering conflicts of interest are what make a business more political and less ideological and rationalistic. The case is a story of an engineering institution which went into obscurity due to power and politics issues of the leaders in the organisational life. ABC the Engineering institution of the council which in spite of being launched and supported by one of the most renowned educational groups could not sustain itself. The case presents to its readers the dynamics of organisational politics and leadership.

About The Group

The group is one of the most renowned Educational groups in Rajasthan which runs an all-girls' school which has left its' impeccable imprint on the educational scenario of the country. The group also runs a deemed to be University accredited A by NAAC which has been able to reach out to students not only across the country but also at the International level. Accredited A by NAAC, the technical institution run by the group is one of the most sought after management and IT institutions in the state of Rajasthan. The group also has its own community radio station and is also known for its college of educational research and development which is one of its kind in the state to offer graduate, post graduate and doctoral programmes in education.

Background

With the process of AICTE approvals for the technical institutions going online it was much easy to establish new technical institution and increase the intake of seats. Rajasthan had also seen its share of growth in the technical institutions during this period with Jaipur mushrooming with many Engineering and Management Institutions. A number of technical Institutions saw its growth and many institutions came into existence for a period of almost 5 years since 2001 Many Existing institutions increased their student intake, had second shift commenced with intake becoming almost threefold and many new institutions saw its establishment during this period of time. (Annexure 2 - status of intake of engineering colleges in Rajasthan).

ABC was established in the year 2008 when the mushrooming had already begun and the number of seats in the institutions across Jaipur had crossed over 20,000. In spite of the timing of its launch the Institution had its seat full and was considered a threat to the existing players in the market. (Annexure 1 depicting the number of engineering colleges in Rajasthan)

Environmental Context

With the rise in the number of institutions from 1511 in 2006-07 to 3389 in 2014-15 and the corresponding increase in the intake from 6.59 lakh to 16.93 lakh there has been a huge disequilibrium in the supply and demand ratio of the seekers vis-à-vis the numbers of seats available in the various engineering college.

Almost 48% of seats of the AICTE approved technical institutions offering management, architecture, engineering, hotel management and pharmacy programmes are lying vacant with just 19 lakh takers against 27 lakh seats as of now. There are 10,361 engineering colleges in the country. Maharashtra has maximum of about 1,500 colleges, followed by Tamil Nadu (about 1,300), Uttar Pradesh (1,165), and Andhra Pradesh (about 800). Of the 37 lakh engineering seats, over 27 lakh have been lying vacant.

Theoretical Framework

As one moves in the hierarchy there are scarcity of positions as organizations are pyramids and this scarcity coupled with inequalities needs to be recognized in an organizational setting. The strong desires of equally abled people for positions at the top which are scarce in number means that someone will have to face the state of unfulfilled ambition or might have to shift his interest to another organization (Zaleznik, 1967).

Yet another factor which heightens the competition of power is the never-ending need to use whatever power one possesses. Corporations have an evident 'banking' system when it comes to power transactions. The preliminary 'capitalization' which constitutes the power base has basically three elements. The first one being the amount of formal authority that rests in his position in comparison to other positions. The second one being the authority that rests on his reputation and expertise for competence which is weighed on the basis of how important is the expertise area for the growth of the corporation as against the traditionally established areas of its business. The third factor is the attractiveness of his personality which is a combination of respect and liking for him though these two sources of attraction conflict one another (Zaleznik, 1970).

The Case

Being a venture of one of the most renowned educational groups in Jaipur the project was foreseen as a kind of threat to other players in the market. The institute did not make many investments in marketing through advertisements or other promotional campaigns. In spite of the same the institution had its name even before its launch as it was a part of the well-established group, which had made a place for itself not only in the primary and secondary education but also in technical and allied programmes. The deemed to be University which was run by the group was NAAC A+ accredited and attracted students not only from different parts of the country but across the globe.

The admitted students to the first year had a good academic record and many of them were either who were a product of the school run by the group or had sought admission because of the group. While many of the engineering institutions found it difficult to fill in their seats, the institution had all its seats filled and there were almost three times the number of applicants against the four branches of engineering against an intake of 240 in the first year of takeoff.

The project proposal was framed by Dr. Nair who was professor in the Institute of management a sister concern of the institution. She was involved initially in all the decisions with regard to staffing, infrastructure, Inspection, affiliations etc as she was aware about the norms of the affiliating University. She had her interventions off and on when ABC was in crisis.

Mr. Agrawal, the nephew of the founder of ABC was responsible for overseeing the construction work of the project. Being one of the close relatives of the founder of the institution he enjoyed a good status in the organization. He was given the designation of CIO once the institution was functional. The founder did not place much trust in him but felt that since he would not be able to give much of time because of his busy schedule, Agrawal might as well give him a feedback on a regular basis.

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Defective combinations and unconscious conspiracies are the outcome of defensive needs of a chief executive. These needs regularly appear as a demand on coworkers to boost the self-esteem of the chief executive. It is tolerated to a significant extent and persists for a long time before harmful effects become apparent to the top management which ultimately controls the distributions of power in organization.

Mr. Sharma was also one of the early appointee who was involved in assisting Dr. Nair in the project proposal. He joined in the capacity of faculty but was more of a coordinator who would assist the management in day to day functioning. An enterprising ambitions and competent young man, Mr. Sharma has his own weakness too. He would try to overpower the principal. He would highlight across the employees that he was the one who was managing the show as principal himself did not have the experience of running an engineering institution. His need for power and recognition was quite high. He was more of employee who portrayed the predominance of a paranoid thinking displaying distortion of reality, stripping the power of a parental authority and compulsive behavior as an outcome of power issue at the cost of real problem solving and work.

The staffing was done as per the norms of the approving body and affiliating University, while the principal who was appointed was not an Engineer. The management had made an earnest effort to recruit an Engineer but couldn't find a right candidate. The team was a young one with both males and females.

The principal Prof Singh (April 2008 - Jan 2011) who though didn't have an engineering background was a very honest and hardworking man. He made an earnest effort to put systems in place while entrusting people responsibilities for specific functions. Not having a background from engineering made him dependent on Sharma on certain decisions.

Leadership Issue or Organisational Politics

Prof Singh's leadership style involved participation of employees, encouraging feedback and suggestions for improvement of the systems. He formed committees for various tasks and functions. As a principal he placed special focus on academics and results. Being an academician himself he made an earnest effort to develop a full proof system which looked into improving students' academic performance and ensured focus on overall development of students. He would take classes himself and ensured that the faculty prepared their lesson plans and completed the syllabus well in time. The faculties were encouraged to develop Question banks and also identify weak students who were given special attention. During his tenure he ensured a good academic environment in the institution.

The organisational culture during his tenure though had been built academically it lacked teamwork. There was lots of politics within the organization as employees realized that there were different power centres which had emerged within a span of two years. Agrawal though didn't have much of the trust of the top management had made a different impression to the employees. As he stayed in the house of the founder he projected an image of closeness and perception of sharing feedback with the founder. Sharma with his craving of power would show his supremacy by highlighting the principal's weakness.

With Sharma trying to show his superiority and competence and Agrawal trying to show off his authority and power the culture in the institution was on its way to negativity and politics. There was negativity around with low commitment and many of the employees tending to detach themselves either physically or mentally from the workplace and people though present at the workplace had their minds elsewhere.

Dr. Patel finally put in his papers when he felt humiliated after he got into an argument with Mr. Agrawal.

Meanwhile the top management decided to entrust Dr. Nair for managing the administrative issues as a stop gap arrangement for the smooth functioning of the institution. She had been handed over this as an additional responsibility over and above her charge as the principal for the Management institution of the group so as to manage the approvals and affiliation formalities of the institution effectively. Meanwhile the management was on the lookout for a full time principal when they finally selected Mr. Bhardwaj who had good number of experience as a principal in an engineering Institution in Rajasthan.

Mr. Bhardwaj (March 2010 - August 2011) seemed to be ideal for the job with his competence and an engineering background as well with the experience of principal in an engineering Institution of Rajasthan. His style of functioning was different from what kind of leadership prevailed in other institutions of the group. He believed in having full autonomy in managing the institution and didn't want any kind of interference from the top management. His leadership style was more of an autocratic one with little or no faith in his team. He believed in taking decisions on his own and to an extent was subjective in evaluating his team. During his tenure Agrawal became more powerful as people who found it difficult to give support and cooperation to Singh would go and gossip with Agrawal. Singh viewed Agrawal as his rival and the organizational politics had started to mute and twist the voices and opinions of people, facts that brood defence mechanisms and uphold uncertainty. Within the organisation, employees felt threatened by the uncertainty, ambiguity and the self-interest actions that occurred with individuals. Singh's autocratic style probably created pressure and fear for some of the employees who were not in his good books with some of them indulging in eye service, lateness to work, reduction of work output, sabotaging and damaging the work. There was a climate of distrust that prevailed in the organisation.

During this period the environmental scenario in which the engineering colleges were working had become quite challenging. The institutional culture in many of the institutions had become more of a business. With the deteriorating number of admissions the faculty role had also transformed in most of the engineering colleges in Jaipur where they were responsible for generating admissions. The faculty were now more of admission agents who were paid commissions on the number of admissions generated. This in turn made the work culture at ABC even challenging since the management felt that many of the faculty at ABC were agents to other engineering colleges in Jaipur. The management was very clear that it would not adopt this model for generating admissions and hence some of the faculty were lured to become agents by other engineering institutions in the vicinity. This in turn increased a climate of mistrust amongst employees who had started back biting each other to show the management that they can be trusted.

The crisis

Meanwhile many policies, procedures and systems evolved which were not in line with line of policies of top management. A different culture had started evolving in the Institution which was more of a climate of mistrust. There were power centers which had started emerging. Sharma was quite comfortable with Bhardwaj and was also one of the reasons for Bhardwaj to join ABC. Agrawal who was thought to be the representative of the owner though the owner never trusted him believed in showing off his status. Bhardwaj always viewed Agrawal as his opponent and tried to show him down. On the contrary Agrawal would show to the employees that policy decisions were in his hands that made employees see him in a different limelight.

Organizational life is highly susceptible to the effects of suspicious thinking because it arouses comparisons while inducing expectations of added power or fears of diminished power. Complicating the matters even more suggesting how ambiguous organizational decisions become, there can be some truth and substance in back of suspicions, distrust and jealousies which enflame thinking. The suspicious thinking can go beyond distrust and jealousy and can take the form of magnificent ideas and over justification of one's power and control. This form of misrepresentation results in to swings in mood from delight to despair, from a sense of authority to powerlessness. The search for complete control creates the tragedies which the original misrepresentations attempt to overcome.

Under the leadership of Bhardwaj a divide and rule policy was prominent in the organization but he was able to manage the show and run the institution in spite of the decline in the admissions which the management attributed to the changing environment.

There was increased expenditure, decrease in faculty stability which the management overlooked. Overall the project of ABC didn't sound quite appealing to the management but being an educationist and visionary himself, the founder didn't think twice while investing further in terms of money into the project to sustain it. Agrawal was seen as a threat by the Principal who felt that he didn't have any constructive role or contribution towards the organization other than spreading grapevine and politics. Meanwhile Sharma left the institution to join another engineering Institution. Eventually Bhardwaj after two years of his tenure also submitted his papers to join the institution as he realized that Agrawal was here to stay and the off and on arguments and confrontation with him was making his status amongst the staff a questionable one.

The top management once again seeing that the Institution in turmoil with no principal had Nair as the stopgap arrangement. Meanwhile the institution was running into losses with many seats vacant and students and parents feeling dissatisfied. (Annexure 3 - Reflecting the status of admissions)

The search for a new leader

It was the turn for another Principal to be appointed now and the management expanded its search across the country by interviewing candidates at the National level. It was now Srivastava's (September 2011 - December 2011) turn to take charge as the principal. His leadership skills didn't align a bit with the management philosophy and moreover the employees at different levels were also a source of information for his

incompetency to the management. He was asked to leave within a period of eight months as he turned out to be a disaster. It didn't take management much of time to realize that he was taking advantage to achieve his own ends and his position was an excuse not to follow the ethical codes that were binding on others. He relished the position of power which had been overtaken with a lust for more as he craved glory, success and recognition. His lack of competency, initiative and leadership skills made him a failure and it took management no time to ask him to leave even before his completion of three months in the organization.

Meanwhile in the whole process the management had groomed one of the female faculties who was initially recruited as a faculty and now was designated as the Vice Principal. The top management took feedback from Ms Sharma on a regular basis and various committees and small task groups were formed for the smooth functioning of the institution. Things were still not in good shape in spite of empowering staff through various taskforce and committees. Her acceptability in the team was not too good as there were a group which was ready to identify with her while another which would not give their best.

Any collective involvement with its ability to charge the atmosphere in the images of power conflicts can be target to rigidities. The rigidities are mainly the creation and expansion of structures, procedures, and other rituals which create the illusion of solving problems but actually they only give people something to act on to discharge valuable energies. It was more of a ritualistic approach that was adopted here as a solution to the real problems by bringing together people in a committee on the grounds that the exchange of ideas are bound to produce solution. Problems were still evident because of the severe jealousies as well the difference of opinion of people.

There is a new leader Again!

Meanwhile a new principal had to be appointed and Nyati (February 2012 - January 2014) an industrialist and an engineer himself with immense experience in industry was the next choice of the management. The management had left no stones unturned now to revive the institution. The founder would make it a point to visit the institution daily. The stage of ABC was not very promising and management anticipated that Dr. Nyati will bring about a turnaround. Nyati tried to consolidate by closing certain branches and expand by adding new branches. His style of leadership was more of a democratic one which did not prove to be very effective as the team was neither willing nor able to participate effectively in the decision making process. Nyati failed to be equally directive thereby following up closely to see that the directives were implemented properly. He explored new possibilities to revitalize top line growth but lacked focus on the cost structure. The investments in the building saw a big escalation and the cost was going too high.. The management realized there were unnecessary expenditures and that everything cannot be left to Nyati and hence Nair also had her interference through meetings with Nyati to keep the top management posted.

Nyati also had been affected by Agrawal whose status in the organization made him insecure. He would leave no stones unturned to show Agrawal down meanwhile Agrawal would also play back petty politics.

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Nyati did bring about interventions which he felt was right. He practiced ritualism while being unsure of the bases for exercise of power as well failing to understand the structure and potential of the power coalitions of the task force he created.

But things seemed to be no different in spite of the strategies, processes and systems Nyati set up there were no outcomes. The expenditure was quite high while the admissions continued to be low with not even forty percent of the seats being filled and many remaining vacant. It was high time for the management to take a call. The founder had applied to the University for closure and the documents w.r.t the same were submitted and ultimately the institution was closed down in 2015 which in spite of the brand image of the group couldn't sustain.

Conclusion

The problem solving approach had to be implemented by the management long time back as the structure of the organization is an instrument rather than an end which would mean that the structure had to be modified quickly instead of easing out deliberations as though there exists only a single best solution to the problem of allocating power. Here Agrawal did more of harm to the system than build the system. The structure of the organization cannot be tinkered with and as leaders of the organization one has to rely on a structure that has to be implemented without uncertainty which comes from the constant modification in the job profile and hence the organization chart.

The structure of the organization represents the working association attached to the chief executive or in other words the working coalition has to be established de facto for the structure to depict anything. If there is no coalition that exists what is the purpose of putting it in a chart of the organization as it happened to be in the case of this institution. The priority of an organization has to be describing the structure to accommodate competent people but here the structure just represented a blend of people and job definitions.

Competent resources are hard to find and so the management as an action principle should have ensured the effective use of this scarcest resources rather than conform to best versions of power relations. The fact that the organization structure is a byproduct of negotiation and compromise among executives who hold semi-autonomous power base cannot be overlooked as higher the power base of an executive is his proven competence, higher is his autonomy of power and therefore the capacity to determine the results in the distribution of power.

Source: The case has been written by an employee of the sister concern of ABC. She had been associated with the institution as a coordinator.

Discussion Questions

1. Evaluate the effect of politics and leadership on the life of ABC.
2. Highlight the various leadership styles thereby distinguishing one from another in the context of the institution.
3. What according to you should have been the strategy adopted by the management to sustain the institution?

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**Annexure 1
Number of Engineering, Technical and Architecture Colleges**

State	2000-01	2004-05
Punjab	15	27
Rajasthan	7	39
Himachal Pradesh	2	3
Haryana	20	69
India	680	1302

Source:AICTE

**Annexure 2
Educational statistics reflecting the number of seats available in engineering institutions**

State	1995	2005-20
Rajasthan	355	16198
Madhya Pradesh	1818	29750
Haryana	2154	14132
Gujarat	1934	14336
India	194700	418221

Source: AICTE

Annexure 3
Admission status at ABC since its inception

Year	Branch wise students Intake						Total Intake	Branch wise students actually admitted						Total Students Admitted
	CSE	ECE	ME	IT	-	-		CSE	ECE	ME	IT	-	-	
2008	CSE	ECE	ME	IT	-	-		CSE	ECE	ME	IT	-	-	
	60	60	60	60	-	-	240	60	60	60	60	-	-	240
2009	CSE	ECE	ME	IT	-	-		CSE	ECE	ME	IT	-	-	
	60	60	60	60	-	-	240	60	60	60	60	-	-	240
2010	CSE	ECE	ME	IT	-	-		CSE	ECE	ME	IT	-	-	
	120	120	60	60	-	-	360	49	120	60	0	-	-	229
2011	CSE	ECE	ME	IT	EE	-		CSE	ECE	ME	IT	EE	-	
	120	120	60	60	60	-	420	33	61	59	0	62	-	215
2012	CSE	ECE	ME	IT	EE	CE		CSE	ECE	ME	IT	EE	CE	
	120	120	60	closure	60	60	420	15	14	30	-	45	53	157
2013	CSE	ECE	ME	EE	CE			CSE	ECE	ME	EE	CE		
	60	60	60	60	60	60	300	2	1	19	13	41	76	
2014	CSE	ECE	ME	EE	CE			CSE	ECE	ME	EE	CE		
	60	60	60	60	60	60	300	28	28	28	36	40	160	
2015	CSE	ECE	ME	EE	CE			-	-	-	-	-	-	
	0	0	0	0	0	0	0	-	-	-	-	-	-	-

Source: Admission Data of the Institution