

Institution Building in Higher Education: IIMK & AU Experiences

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India has the honor of establishing world-class institutions of higher education thousands of years ago. But this glory succumbed to the colonization. It is urgent to revive the past glory of our institutions of higher education. We need to focus on institution building processes and practices which can facilitate the shaping of the institutions of excellence. Institution building practices of higher education are different from the industry practices. The current paper examines institution building at two institutions of India: Indian Institute of Management, Kozhikode (IIMK) and Ahmedabad University (AU). The first author has been the former Director, IIMK & First Provost (Vice Chancellor), AU.

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Introduction

India has been the cradle of civilization and its early contributions to Science, Mathematics, Astronomy, Economics, Political Science and Governance have been legendary. The first known universities for higher education such as Nalanda and Takshashila were established in India more than 2500 years ago. These universities attracted attention of scholars from all over the world till they were destroyed by invasions. Their decline was followed by the emergence of universities in Europe over 800 years ago and they became the new centers of higher education. Excellence in higher education in American universities is a more recent phenomenon of the 20th century.

The decline of Indian universities has continued in the post independence era and there is an urgent need to revive the past glory of our institutions of higher education and to contribute to the well-being of society and development of the nation. Nevertheless, there are some educational institutions which stand out as islands of excellence in an ocean of mediocrity. Even though there is no una-

nimity on the notion of excellence in higher education, the moot question is: why do some institutions succeed and sustain their excellence, while others rapidly approach institutional menopause and then enter a stage of decline and oblivion? After all, as stated by Ravi J. Mathai, the first director of Indian Institute of Management, Ahmedabad and also one of its principal architects, "The building of an educational institution is often an act of faith and the expression of that faith is in a philosophy on the basis of which those who build such institutions act"(Kalro,1999).

Institution Building

The concept of institution building emerged historically in the 1950s and 1960s when the emphasis on international social development began to focus on technical assistance (Eaton, 1972; United Nations, 1983). Later, within academic institutions a select group of persons who had experience in foreign assistance programs and who also had an interest in the training of developmental specialists, began a more systematic study of institution building. The eventual result of this systematic focus on the study of institution building was the establishment of a consortium, the Inter-University Research Program in Institution Building. It was within this consortium that the basic elements of the institution building conceptual framework were formulated (Eaton, 1972)

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vision and have an abiding value system. Institutions are neither brick and mortar nor rules and regulations nor systems and procedures. They are organic systems; they evolve their identity, their personality and their traditions and values over time. The values are usually encapsulated in the vision and mission statement of the institution.

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Institution building, is defined as "planful establishment of new organizations to serve purposes which are judged by those in power to require autonomous administrative intervention and special linkages to the larger social system, different from those which can be provided by already existing administrative units" (Eaton, 1972:13). Hill, Haynes and Baumgartel (1971) state that institution building means to identify the process involved in deliberately forming a new institution or reforming an existing one. The idea of institution building is to fabricate organizations in environments needing and perhaps desiring change. Through accumulating necessary resources, persisting over time, and most importantly impacting its environment, these organizations are to be agents for change (Suttmeier, 1989). Blaise (1986) defines institution building as the planning, structuring, and guidance of new or reconstituted organizations which (i) embody changes in values, functions,

physical and/or social technologies; (ii) establish, foster, and protect normative relationship and action patterns; and (iii) attain support and complementarity in the environment.

The role of leadership in institution building is instrumental. Ganesh and Joshi (1985) mentioned: "Institutions are social arenas where unique strategies are pursued for inducing and maintaining values which satisfy societal needs. Organizations are formal, social entities which facilitate constant transmission of values. Leaders are key actors in these arenas embodying the values. The process of institution building is the energizing of people so that not only do they internalize values that transcend narrow self-interests but they also become infused with a sense of mission in their total life. What distinguishes an economic organization from an institutional organization is the intensity and the depth with which individual members of an institutional organization hold the core values which seem to suffuse their total being."

The concept of institution building is an approach to the understanding of induced social change. It is also an effort to identify operational methods and action strategies. Institutions are social, political and economic structures with a culture of their own. They embody protocols of governance and varying degrees of control over their members. Institutions validate and impose norms, practices and beliefs. Various aspects of institution building combined in some manner, provide a measure of success in institution building which Esman and Blaise

define as institutionality. The end state of institution building has been defined as "institutionality" by Esman (1967). He posits two conditions: (a) the establishment of a viable organization which incorporates innovations and (b) the acceptance and espousal of the organization and its innovations by relevant groups in the environment.

Journey of Institution Building

Institution building practices of higher educational institutions are different from the industry practices (Boyer & Crockett, 1973; Bennis, 1970). Bennis (1970), referring to the difference in the institution building of industry and higher education institutions, points out "Industries are self-contained, large, rich and where the product is identifiable and measurable whereas higher education institutions (universities) have more diverse goal structure, a much more pluralistic set of sub-systems, difficulty in measuring the quality of their products and are greatly influenced by, and in most cases, highly dependent upon external environment for survival". This article is drawn on the experience of the first author, with institution building at two institutions, the Indian Institute of Management Kozhikode and Ahmedabad University where he had a leadership role to play as the Director and First Provost (Vice Chancellor) respectively. First Author's association with the first institution began when it was one year old and with the second one from its inception. The first was the fifth IIM established by the Government of India and the second was promoted by the

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Ahmedabad Education Society which had a rich tradition of establishing a number of educational institutions. In both cases, there were complex legacy issues which had to be addressed in order to create and sustain an organization culture, develop traditions and promote excellence. There were several imponderable questions of what, why and how. In an earlier article some pre-requisites for institutional success had been mentioned (Kalro & Sharma, 2010). Firstly, the institution must respond to and fulfill a felt market need. It must be responsive to the market and should be able to meet the challenges of the market in a competitive environment. Secondly, the institution should identify a market niche and it must develop core competence in that niche. This could either be in terms of products, the educational process or even the system input. Thirdly, the institution requires financial resources, which it should be able to mobilize from the environment by marketing its products or through the goodwill it generates in the internal and external community. Fourthly, it must have qualified and competent professionals to pursue the institution's mission and objectives. It should be possible for the institution to attract, retain and develop the capabilities of these persons, for in the ultimate analysis, it is the "people who make it happen". Fifthly, the institution requires leaders who can create an ethos, inculcate values, promote a culture, and design structures which foster innovation and encourage creative expression. Last, but not least, due attention must be

paid to internal institutional processes in order to ensure that an appropriate organizational environment is created and individuals can achieve the desired outcomes as well as contribute to institution building.

In seeking answers to the above questions, it became abundantly clear that we would have to address some higher order concerns such as the purpose for which the institution was created, the values that we would simply not compromise on, the culture that would guide our behavior, the strategy that we should adopt to achieve excellence, the organization structure, the institutional processes to be followed, manage innovation and the governance model for the institution.

Purpose

Strategic Purpose is the critical dimension of the constitution of the organization (Zald, 1972; Lynton & Thomas, 1980). "Constitutional norms specify the focuses of collective action (that is, concerns falling inside or outside the zone of indifference of the organization and its subgroups). These include goals, target groups (clientele), and technologies (means). The clarity, specificity, and breadth of these focuses of collective action become involved in the on-going political life of the organization as groups contend for their actual definition" (Lynton & Thomas, 1980). Sawhaney (2002) believes businesses are living entities that should constantly evolve. He talks of evolving companies as those which, among other things, de-

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fine their purpose in terms that embrace the common good. They have corporate values that both reflect the collective values of all employees and align with individual values. Their leaders harness the emotions and spirit of every individual toward a common purpose that everyone understands while being authentic in their values and commitment to social responsibility. The main issues to be addressed are: (i) why do we exist and whom do we serve, (ii) develop a long term vision, (iii) define the mission and (iv) specify goals to be achieved in the short term and long term.

Values

Kluckhohn (1967) defines, value as “a conception, explicit or implicit, distinctive of an individual or characteristic of a group, of the desirable which influences the selection from available modes, means and ends of actions”. According to Schien (1990) in organizations values ultimately percolate from some individuals who later can be identified as founders or leaders. Their original values become espoused values of the organization when the groups start to share it at the explicit and implicit ways. Values at the unconscious level are able to predict much of the behavior that can be observed at the higher levels.

Value systems now increasingly seem to form an integral part of the chief executive’s statements about the organi-

zational philosophy and management style. Many organizations state their concern for fostering a culture conducive to human growth. Trust, openness, concern and respect for human beings, individual growth and well-being, freedom of expression, and concern for excellence are some of the commonly mentioned values. The theory and practice of organizational development have produced greater awareness of an organizational culture that can integrate the goals of organizational effectiveness and individual growth (Ahmad et al, 1980; Tannenbaum et al, 1969).

Sawhaney (2002) advocates that corporations must see values as the foundation upon which the edifice of value creation must rest. In the larger social context, they generally relate to concerns of morality and ethics. In the organizational context however, they relate to our beliefs, what we cherish, what we zealously safeguard and what we will simply not do; for example, an unswerving commitment to group decision making rather than individual decisions. At both IIMK and AU, we promoted the individual values of Dharma (duty), Karma (action-orientation), Gyan (knowledge), Nishtha (determination), Bhakti (devotion), Karuna (compassion) and Maryada (morality).

Culture

Schein (1985) viewed culture as the accumulated learning of a given group, covering behavioral, emotional, and cognitive elements of the group members’ total psychological functioning. His for-

mal definition of culture is: a pattern of shared basic assumptions that the group learned as it solved its problems of eternal adaptation and internal integration that has worked well enough to be considered valid and therefore, to be taught to the new members as the correct way to perceive, think and feel in relation to those problems. Schein (1990) analyzed culture at different levels. According to him level refers to the degree to which cultural phenomenon is visible to the observer. These levels range from tangible manifestations that one can see and feel to the deeply embedded, unconscious basic assumptions.

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Organizational culture therefore determines the way the organization members perceive and interpret the surrounding world, as well as the way they behave in it. The cognitive content of organizational culture ensures a unique manner of assigning meaning and a unique reaction to phenomena within and around the organization. Hence, if a strong culture exists in an organization, all the members of the organization will make decisions, take actions, or enter interactions in a similar and foreseeable fashion. Symbols are a visible part of the organizational culture, and they manifest its cognitive component. Semantic, behavioral, and material symbols strengthen, transmit, and also modify organizational culture (Alvesson, Borg,

1992; Dandridge, Mitroff, and Joyce, 1980). The culture of an institution sustains it in the long run. The process of institution building may be achieved through the sharing of common values, beliefs, and assumption of the members. The institution building process tries to create and distribute only those values in the society which have been shared among the members at the unconscious level. Moreover the proactive role of the organization in the process of institution building must be manifested through the behavior adopted by the members in the organization. Institution building, on behalf of the organizations, may be viewed as a proactive process of creation, transmission, and distribution of values to the society. (Kundu,2009). Culture in its broadest sense is cultivated behavior. In our context, it translated into the following: how do we do things, what guides our behavior and what attitudes do we nurture. Some of our paramount beliefs related to issues of transparency, democracy, meritocracy, equity and inclusiveness.

Strategy

Strategy is the determination of the basic long term goals of an enterprise and the adoption of courses of actions and the allocation of resources necessary to carry out these goals (Chandler, 1962; Schendel and Hatten,1972; Gleuck,1976). Drawing on the literature from business policy in their discussion of planning for institution building, Hill, Haynes, and Baumgartel (1971) define strategy as the pattern of objectives, purposes, or goals and major policies and plans for achieving these goals stated in such a way as

to define what business the institution is in or is to be in and the kind of institution it is to be. Subsequently, the key elements of institutions' strategic planning are defined as: (1) identifying and evaluating need; (2) forecasting the institution's capacity to fulfill the need; (3) determining the institution's mission; (4) determining the time dimensions of the development plan; (5) selecting the top leadership; (6) determining leadership style; (7) designing the internal organization; (8) determining the institution's doctrine, especially selecting a model; (9) planning enabling linkages; (10) planning functional linkages; (11) planning relations with similar institutions; (12) planning for coping with environmental constraints; and (13) selecting a site and constructing a plant. In their subsequent discussions of strategic planning of international management education projects, the authors direct their attention to the influence of the agency that is granting financial aid, the technical assistance plan, collaborative relationships, choice of an educational model, a plan for faculty development, participation of faculty and students in major decisions, and planning the product mix. Hence, a clear strategy (road map) is required to gain competitive advantage. This included answers to questions such as: (i) how will we be better, (ii) how will we be different, (iii) what will be our core competence, (iv) what capabilities do we build and (v) institutionalizing the management of change

Organization Structure

Organizational structure area includes set of decisions that are made re-

garding a variety of organizational aspects such as the amount of specialization present in tasks, the amount of autonomy or the type of interdependencies present. Organizational structures adopted by organizations exert influence on the development and execution of innovation (Menguc & Auh, 2009). Presumption of congruency is fundamental for the concept of organizational structuring (Miller, 1990; Mintzberg and Miller, 1984; Mintzberg, 1979). It assumes that congruency or harmony as dimensions of the organizational structure leads to better performance of the organization.

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Owing to the high degree of change or uncertainty in the business environment, it is advocated that one should create the culture that supports the matrix structure (Atkinson, 2003). Matrices are complex models of organizations that demonstrate the inter-relationship that exists between people who deliver a particular service to each other. Traditional model of hierarchy based upon the classical school of organizational design focus primarily on reporting relationship within functional entities. Matrix organizations focus upon multiple relationships.

Hence, in both cases, we chose to create flat rather than multi-layered hierarchical structure, which facilitated easy access to the top management, eliminated bureaucracy and empowered

people. It also facilitated agility and fast responses on various matters relating to institutional management. Positions, roles and responsibilities were defined accordingly. A committee structure for decision making was also designed to encourage participative decision making and encourage commitment.

Institutional Processes

Institutional processes contribute in large measure to institution building. The challenges were to encourage autonomy and decentralization, tempered by accountability, provide a role for faculty in governance, encourage group decision making, be transparent, provide for checks and balances in the system which inhibit the concentration of power in only some individuals or groups. Group decision making per se does not necessarily fully guard against arbitrariness and anarchy, for individual whims and capriciousness could get substituted by collusion of group members who act against the larger institutional interests. Checks and balances are required against such group behavior as well. Such processes can be time consuming, but this is a conscious trade-off that has to be incorporated in the system to preserve the integrity of the process and the quality of decisions. As change may sometimes be forced on an unwilling organization or at other times is openly embraced and sought, it is important that conscious efforts are made by an institution to use processes to review periodically its objectives, goals, policies, programs and institutional processes to respond better to environmental changes, market opportunities and

competitive compulsions. Such processes of review foster an internal environment that promotes innovation and experimentation. Only such a self-renewing culture can promote and sustain excellence.

Institutional processes in institution building are the equivalent of the structural supports that are provided in a building to give it strength. Poorly designed structural supports weaken the physical structure itself, and reduce its capability to withstand environmental shocks. When structural supports are changed or removed, the building can even collapse. The same holds true for institutional processes in institution building. Institutional processes must therefore be carefully crafted and constantly nurtured if institutions are to be built to achieve and maintain excellence.

Innovation

Innovation has been believed to be a strong key to maintain worldwide competitiveness for any firm. It fuels organizational growth, drives future success, and is the engine that allows business to sustain their viability in a global economy (Gaynor, 2002). The process perspective on innovation asserts that knowledge is not transferred but must be continuously created and recreated through networking as individuals come to share a common understanding or a common frame of reference (Swan et al., 1999). This is a never ending exercise in problem solving and creative responses to the continuously changing environment. As described above, it is imperative that change is engineered and managed.

Governance Model

Governance is the system of values, policies and institutions by which a society manages its economic, political and social affairs through interactions within and among the state, civil society and private sector. It is the way a society organizes itself to make and implement decisions — achieving mutual understanding, agreement and action. It comprises the mechanisms and processes for citizens and groups to articulate their interests, mediate their differences and exercise their legal rights and obligations. It is the rules, institutions and practices that set limits and provide incentives for individuals, organizations and firms. Governance, including its social, political and economic dimensions, operates at every level of human enterprise, be it the household, village, municipality, nation, region or globe (UNDP Strategy Note on Governance for Human Development, 2000).

Good governance is the elixir which sustains institutions.

Effective and responsive governance is vitally important during times of change in higher education. Sharing governance in the face of sweeping and transformative change can help shift the thinking of boards, faculty, and staff from protecting yesterday's parochial interests to aligning efforts to address tomorrow's realities. When efforts are aligned, solutions are often more thoughtful and implementation time is faster. Good governance is the elixir which sustains institutions. As both institutions were governed by a Board of

Governors, careful attention was required regarding its composition, active involvement in policy making and due representation of various stakeholders in its deliberations. At AU, a four-tier governance system was designed. At the highest level, the Board of Governors chaired by the President and Chancellor of the University was responsible for all policy decisions, allocation of resources, providing financial support, and review the performance of the institution. It is essentially the superintending board of the institution. At the second level, there is the Board of Management which is essentially the operating board and is responsible for implementing BoG policies and exercising oversight on all academic matters of the University. At the third level, the Academic Council approves new programs, reviews regularly existing programs and academic activities, deliberates on strategies to promote academic excellence and create competitive advantage. Both the BoG and BoM has eminent external members from industry, research institutions, government, society and academia, as well as faculty representatives. Heads of all institutions are members of the Academic Council. Every institution has a Faculty Committee comprising all faculty of the institution. In addition, every institution has an Advisory Committee to review programs, critically comment on proposed new initiatives and advise on future directions. The minutes of the meetings of all Advisory Committees are shared with the BoG and BoM. This governance system is unique and has been specially designed to bring about transformational change in a legacy institution. It also helps us to manage two different cultures, the old and the new.

Conclusion

Institution building can be metaphorically likened to constructing a building which is simultaneously a work of creative expression and a model of functionality. Such a building requires an artist's vision, a designer's skills, a strong foundation, good materials and excellent workmanship. The strength of the building and its resilience to withstand a variety of shocks depend upon the quality of the structural supports it has. In the context of institution building, the structural supports are its values, culture, institutional processes and governance system. The structural supports reflect the architect's vision and hence visionary leadership is vital to encourage and motivate people to attain the mission and vision of the institution and hence is instrumental in robust institution building

In this article, a brief overview has been provided on each of these aspects from the insights on institutional building in the context of two institutions, IIMK and AU, that the authors had the privilege of being associated with.

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