

Rural Management Education in India: A Retrospect

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I feel greatly humbled and extremely honoured to deliver the Kuchibotla Vasanthi Foundation Lecture. I do not think I deserve this honour going by pure merits, but I have accepted this invitation only out of my deep respect for Dr.Kameswara Rao and Jyotirmayigaru. Vasanthi was my student when I was teaching at the Institute of Rural Management, at Anand (IRMA). She was a very sensitive student, eager to make a difference. Unlike many students of management, she maintained a very low profile and was hardly seen. However, she was a strong girl of convictions and this was clearly reflected in her choice of projects and later a job in remote Orissa, with a leading developmental organization Gram Vikas. I first met Dr.Kameswara Rao when Vasanthi was on her field work at Madanapalle with the then National Tree Growers Co-operative Federation. But I really got to know him and his family much better after the passing away of Vasanthi when I also shifted to Hyderabad in search of a break from my academic pursuits. It was then that I realized how much of an influence parents could have on a young child with convictions. They have borne the loss of their daughter constructively and with courage. They have unfailingly kept in touch with her contemporaries, organized academic events and are living her memory in a very constructive manner. It is this commitment and love that brings me here much more than my own intrinsic merit.

While it would have been simpler for me to talk about a subject that I am involved with - microfinance, I thought I may do a greater justice to the memory of Vasanthi if only I talked about the context in which I came to know her - rural management education. I know that talking about this may not be

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possible with the academic rigour I would have liked to, but nevertheless, I thought I would bite the bullet as one who chose this path earlier than Vasanthi, have lived through the joys and frustrations of having had rural management education and have also interacted with many youngsters in whom I see my own youth, Vasanthi's memories, and a dream to make a difference. Thus this lecture is as much a talk about my own personal journey in this field as it is a commentary on my perceptions on where we are headed. Obviously I have only questions and no answers for several of the issues that I raise.

Background of Rural Management Education in India

There have been several programmes that address the needs of development in the universities and other academic institutions of excellence in India. Tata Institute of Social Sciences [TISS] has for long had a programme on social work and has sent several batches of committed students on to the field. Several university departments such as those of Delhi University and the MS University in Baroda, have had social work as a part of the Masters programme. Most of these programmes provided the students with skills that were essentially “developmental” in nature. These programmes were oriented towards the social sciences, particularly with sociology, political science and social anthropology. While they had their own intrinsic merits, most of these programmes disregarded markets in their orientation. They were oriented towards addressing the failure of the state in delivering development programmes and helped create newer and more effective alternatives of addressing the issues of poverty and other social deprivations. The graduates generally joined the non-profit sector and in many cases took to activism.

While that was an important aspect of developmental field to be addressed, another important aspect for which formal education was not available on a focused manner was actually addressing the issue of market failures. The

developmental interventions were powerful, but there was a question on what drives such programmes. The answer was to be possibly found in the internal commitment of the people working in the field. At that point in time we had a large number of institutions that had emerged in response to market failures that needed an army of people with special skills to staff them. The need was peculiar - we needed managers who had their heart in the right place [left of centre, if I may say so], but could also understand the world of commerce. A large number of co-operatives in the country were crying for human resource support. A co-operative as a form of organisation actually addressed the issue of market failures in an effective and commercially viable manner. However co-operatives were complex organizations to run and while technical people did join the sector not many who had the managerial skills were willing to look at these organizations as a career option. It was difficult for English educated sophisticated and urbane youth to see unlettered masses as their masters. There was a cleavage between the type of management graduates the country was producing at that time and the needs of the quasi commercial sector addressing market failures.

It was at this time that the Institute of Rural Management [IRMA] was thought about. We have to remember that when IRMA was set up in Anand in 1979, there were only a handful of institutions of repute offering any type of management education. Apart from the Indian Institutes of Management at Ahmedabad, Bangalore and Calcutta we then had Xavier Labour Relations Institute, FMS Delhi, Management Development Institute Gurgaon and Jamnalal Bajaj Institute at Mumbai. There were hardly any other centres of excellence for management education. Admittedly none of the above Institutes with the exclusion of IIM Ahmedabad [IIMA] had anything to do with rural management. IIMA had at that point a Specialization Package in Agriculture [SPA], where participants from the discipline of Agriculture, Animal Husbandry, Dairying, Veterinary and allied disciplines were admitted for a management programme. The idea was that they would go out and serve the agribusiness companies and

having the technical knowledge of agriculture and an orientation of management would help them to be effective managers of such specialized firms.

IRMA was pioneering in many ways. I myself joined IRMA as a student way back in 1982 in the III batch, when it was relatively unknown. I joined IRMA because I could not clear the IIM admission test that year and thought that this provided an interesting option. I was not greatly enamoured by “development” or “service” but certainly looked at the concept with curiosity. I am sure several of my contemporaries were fence-sitters like me, who were not very sure where this would take them. All we were looking for was a decent job at the end of the programme, and IRMA seemed to assure us of that. Moreover, IRMA also promised financial assistance, and I tasted my first freedom.

This possibly was the first time that there was a full fledged institute that catered to rural management. The background of why IRMA was set up is fairly well known, but let me briefly recap. Dr. Kurien the then Chairman of National Dairy Development Board [NDDB] was looking for manpower to replicate the Anand pattern co-operatives across the country under the Operation Flood programme. He found that people with skills in management were not abundantly available; that IIMA did not orient its graduates to take up jobs which intervened in a failed market, the graduates were usually unwilling and if I may say so unfit to work in the co-operative sector. He was advised by Ravi Matthai, the first full-time director of IIMA that looking for managers with exclusive rural management skill sets would be a tough exercise and it would be a good idea to have an institution that actually trains specialized managers. Thus the idea of IRMA was conceived, more as an in-house training unit of NDDB. However very soon the realization came that an in-house training unit would not attract the type of talent that was expected to serve the sector and IRMA quickly broadbased it's offering. The original design of a one year programme was quickly converted into a two year post graduation and in

formatting it looked like any other post graduate programme offered by the existing business schools.

IRMA had the unique advantage of being proximate to IIMA and this helped in getting the Institute off the ground quickly. With Ravi Matthai on the board of IRMA and a large number of faculty members recruited from the graduates of the doctoral programme of IIMA, it was quite easy to start off the programme with existing courseware and other material. The broad structure of the programme in terms of class room offerings, the pedagogy and design was borrowed from IIMA. Though there was no formal agreement between the two institutes, there was fair amount of informal collaboration. The unique feature of IRMA as against the existing business school curricula was the amount of off-classroom field based experience that the Institute would give.

The rural element came from the field placements and this is what gave the unique “rural” identity to the course as against other institutes. Since IRMA was closely associated with NDDDB, it was also possible to pull off the field segment effortlessly. The wide network of diary co-operatives across the country gave access to villages across diverse geographical regions. In retrospect when we look at successful rural management programmes, we find that this is an element that differentiates the graduates of IRMA from similar other schools. When we look back we find this replicated in other places and used as a defining feature of rural management education in India. Given that IRMA was proximate to IIMA, and most of the curriculum and teachers were from there, we - as students - constantly benchmarked ourselves with that Institute of excellence and prided ourselves as people with the same skills but a better heart!

If I reflect on the difference between a mainstream business school education and that of IRMA, I can really bring out one very strong distinguishing feature. Every graduate of IRMA would have stayed in a village for anywhere between

10-12 weeks. This stay is not undertaken as a tourist; nor like the NSS camps with an activity in view; nor is it undertaken to provide technical assistance to the farmers like the agricultural universities. What is important to note is that it is stay and not visit or a series of visits. More often IRMA faculty tried to ensure that the villages selected were in difficult areas. Faculty themselves would visit and often spend a few days in the village. This signaling ensured that the village stay was taken seriously. When I was teaching at IRMA, we used to have something called an induction field work - a 2 week trip to a remote village in Gujarat with the assignment of just a daily journal to be maintained. The induction field work would be in difficult areas, monsoons would just have started and it was not the best of times to venture out to the villages. The offer to the students was that they could decide if they wanted to stay on in the programme after the field work, and could expect a full refund of all the deposits they had made. This was one way of signaling to the students the type of issues they will have to grapple with, as students, and later, as a rural manager. These were strong symbolic measures that gave the education that was to follow, a proper introduction and an appropriate perspective.

My teacher and now a friend Sanjiv Phansalkar indicated that the central dilemma of rural management education is between explicit value orientation towards the betterment of the poor and the value neutral optimization approach of conventional management. While the classroom interaction segment actually provided the optimization approach, the field segment actually set the context for value orientation. Obviously this approach is fraught with risks. This is because one is providing a value context only in the choice of forms of organisation - co-operatives, non-profits, non-commercial oriented organizations. However, if the contextual experience of a student who goes into an organisation does not provide the right signals, it is possible that several would come back being cynical. I guess it indeed happened to some extent with the graduates who joined the co-operative sector in the short run, and some graduates who joined the non-profits in the medium run, when they

saw through the hypocrisy of some of the non-governmental organizations; when organizations did not walk their talk. But this leakage because of disillusionment was possibly small in numbers, and certainly did not outnumber the positive value orientation. The nicer part of it is that even those who were disillusioned did not become as bitter as to harm the sector in any manner.

We also have to remember that the induction, the 10 week field stay and organizational attachment, was being undertaken by fairly mature adults who were keen to apply the formal knowledge of management for solving the problems. As the class curriculum always reinforced the big picture, it was expected that a larger perspective would be developed, even if the problems identified in the villages and in organizations were very local. This experience in my opinion has shaped the careers of many graduates. Many have gone to the field for the first time and returned as more empathetic human beings. That is the reason why you would find a sudden bonding amongst IRMANS irrespective of when they passed out and where they work. The stay ensured that there was always a soft corner in the heart of the graduates for the underprivileged [including themselves!!]. I remember that one of the assignments given to us for the field work was to write ten case histories of poor families in a village. In the process of interacting with these families, we were able to understand their state, their relationships with the others in the village, the markets, the spatial organisation of the village and the interlinkages within the village and with the nearby towns.

These experiences in the field were interspersed with concepts given in the class room, making this programme unique in many ways. The second most important aspect at that time in the history that provided legitimacy to an education such as that of IRMA was in the placements. From the perspective of the students, there was an assured job. We have to remember that in early 80s a job for a graduate or even a post graduate was difficult - and the most sought after options apart from the civil service was with a nationalized bank. [Indeed

one of my batchmates dropped out in the first term as he had got a job from State Bank of India!] From the perspective of the organizations that hired the graduates there was appropriate training and an assurance that the recruits would work with an organisation for a decent period of time. Thus both elements were delivered effectively by IRMA. It was done through a system of incentives to join the course - a stipend to take care of the education expenses against a bond to work for a minimum of three years - and decent quality placements.

I will continue to talk about IRMA a little more, before I proceed to look at the other issues pertaining to rural management education in India. This is because as a first, it established several practices which were never replicated by others - possibly it was not necessary to replicate these practices - but still were necessary to create a market for the discipline of what then used to be called as “bare foot managers”.

One other thing that was unique to IRMA and possibly replicated to date only by Indian Institute of Forest Management [IIFM] was the fact that it had two projects that were based in the organizations. IRMA used to call it Management Traineeship Segment I and II [MTS] in early days. The nomenclature used by IIFM is OTS. This attachment, during the early days helped the organizations to sample the IRMA students again and again. Not only did it help the organizations to sample the students, it also gave the students a reality check on the type of organizations that they would ultimately work with.

I myself did one of my projects with an organisation that was then called Samakhya. The two months I spent in Samakhya gave me immense insights into how effective an organisation could be and how taking some essential lessons of discipline, frugality and commitment would give so much contentment. The feeling of being empowered in a small organisation and also see that your work made a difference gave immense satisfaction. It gave me so much satisfaction,

that I ultimately decided to join that organisation eventhough I turned out to be the least paid in the batch. I would reckon that the pay was more to recognize the fact as to how I would fit into the organizational hierarchy in Samakhya than an indication that I was the least meritorious of the batch. This “conversion” from mercenary instincts to that of looking at a larger picture was what IRMA provided as a philosophy. The “conversion” was done with an evangelical zeal, but without the trappings of rhetoric. Rhetoric was replaced with reason.

We have to remember that the segment of organizations that IRMA was working with were not used to professional managers and thus sending out students on a project on a regular basis possibly opened their eyes to the potential contribution that these youngsters could make, without the obligation of a long term employment contract. In the process, some organizations saw merit in the graduates, while others thought that these youngsters were possibly too elitist and went away. Thus it helped to minimize the heartburn that could have been caused later.

The second differentiator was that unlike the programme at IIMA which really did not worry too much about where the graduates were placed, IRMA went to great lengths to ensure that most of its graduates worked in the rural “sector”. In a way this was largely instrumental in establishing the identity of IRMA in the market. This identity was seen as distinct from the others who came from the social work discipline and in several places seen with awe or disdain. Nevertheless, it was clear that the rural management graduates were different when they went to rural areas, and they were even different when they went to commercial institutions that use mainstream management graduates. Over a period of time the question of whether one is working in the “sector” - a euphemism for organizations that IRMA approves of - or out of the “sector” was a regular part of an identity creation of an IRMA alumnus. I am not sure how

many of the later institutions offering rural management courses were ever so obsessed with where their “products” worked.

While on the topic, I should actually bring in one more aspect that provided a boost to professionalizing rural management education in the country. This was partially achieved by an organisation called Professional Assistance for Development Action [PRADAN]. PRADAN was a brilliant idea that provided an excellent base for professionals to the developmental sector in the country - in particular to the “non-commercial” segment of the organizational market that we were serving. The idea of PRADAN when it was originally conceived was to be a base unit for professionals to try out work in the developmental sector. It was a group of like minded professionals who wanted to make a difference in diverse sectors, but at the same time have a platform to share their ideas, frustrations and joy. A large number of rural management graduates were able to continue working in the development sector, thanks to the back up support that was given by PRADAN at that time. Not only did PRADAN take under its fold graduates of IRMA and graduates specializing in agriculture from IIMA, but also graduates from other institutions; from other technical fields not formally trained in rural management to work in the sector. The contribution of PRADAN in fusing people of diverse backgrounds and retaining them within the developmental sector, where their skills were greatly valued cannot be underestimated. I am thus, arguing that the relevance of the starting of formal education in rural management should be seen in the larger perspective of the other happenings in the rural sector at that point in time.

Following the establishing of IRMA in 1979, several other institutions have started programmes in rural management. Prominent among them are the IIFM [which was designed by IIMA, but largely on the lines of IRMA], IIM Lucknow, Xavier Institute of Management Bhubaneswar’s [XIMB], XIDAS Jabalpur, Rural Management Programme, MANAGE in Hyderabad, Indian Institute of Rural

Management at Jaipur, VAMNICOM, Pune and a new Institute that will start this year - Kalinga School of Rural Management.

Before we move on to reflect the relevance of rural management education in the current day, we also have to recollect a little bit of the historical aspects of that time. Politically the world was not unipolar at that time. The Soviet Union was still a great force to reckon with. We had just come out of two years of emergency followed by two years of rule by a coalition that had not lasted. It was still fashionable [or cool] to carry a Jhola, smoke a cigarette and use leftist rhetoric. In one sense, it was not seen out of the way to kick a corporate job, and work in the alternate sector. The remuneration at the start between a corporate job and a developmental job was not significant [though the growth trajectory could be significantly different]. It was not normal for employees to take a flight; that luxury accorded only when one had “arrived” in life. Waiting for a telephone connection for years was not shocking, waiting for a telephone call across cities for a day was not unheard of and letters were being written for communication, with telegrams for urgent communication. The country had not tasted the benefits of markets yet. Thus it was possible for somebody to be considered an idealistic and at the same time sane. Historically the relevance of starting an educational programme in rural management has to be located in this context. The fact that it took quite some time before more institutions started offering rural management education is a good enough indication as to how integrated it was with the markets in the country. Therefore running a rural management education programme was possibly seen more as an obligation than as a mechanism for generating revenues to the educational institutions.

Problems in running Rural Management Programmes

Today we have several institutions offering rural management education. As we can see, apart from some institutions like VAMNICOM, Manage and IIRM which

have a focus on rural management, in most other places it is offered in addition to an existing mainstream programme, or as a specialization stream alongwith the business management programme. There are some problems with this design. While it is possible to leverage on the mainstream management faculty to teach the programmes, invariably the rural management programmes are treated as poor cousins of the main programmes and do not get the strategic attention that they deserve. It is also difficult to filter out students who might be genuinely interested in taking up rural management as a career. Thus one is always operating in a market where one is not sure if the graduate is actually oriented to serve the segment s/he is meant for or whether there would be a leakage.

When IRMA was set up, Dr.Kurien had indicated that he would be happy even if 5% of the graduates actually worked in the “sector”. The strike rate of IRMA has generally been much more than that number, but still one senses that there is disappointment. In case of the other Institutes one really does not have a control on the final placements. The eternal dilemma is whether an institution offering such specialized programmes should be bothered about the type of placements that the graduates take up or just focus on delivering a good education and leave the rest to the market forces. This dilemma is not easy to overcome.

As I stated earlier one of the most significant differentiators of the IRMA programme was possibly the field orientation. Most Institutes offering rural management programmes have a curtailed village stay component, more class room segments and are designed very similar to the mainstream MBA programmes with around 4 semesters or 6 terms of class room segments with a summer job thrown in at the end of one year. This design would possibly delight the corporate employers, but it may not create the right sort of empathy and appreciation to the micro level problems which a design like IRMA might create. Even IRMA tried to tinker around with its project component

once, but decided that one field work and two project terms is what was working well.

Another issue that faces these institutes is the level of sophistication and the range of electives that could be offered to the students. Most often this gets dictated by employability of the graduates and the interests of the faculty members. In a specialized institution like IRMA, the faculty somehow gets bound by the type of organizations they interact with and therefore the research over a period of time tends to orient itself towards pure social science streams rather than management disciplines. The faculty representing the management discipline also find the environment restrictive and tend to leave for more mainstream assignments over a period of time. Thus the bouquet of electives to be offered in such institutes is always a mixed bag with a lot of mismatch between the expectations of the students and the offerings of the Institutes.

Is there a Market for Rural Management Graduates?

This is an important question to be answered, but apparently the answer seems to be Yes. However, we need to extend this question further to find out where the current rural management graduates are being employed. The answer to this is a bit intriguing because as we deconstruct this aspect we may actually end up questioning the basis on which IRMA was set up at the first instance. I base this on my judgement of the people I meet in my travels to the field and the discussions we have on the alumni networks. In the field - particularly with developmental organizations which were at one time heavily manned by graduates from management schools like IRMA and IIFM we do not see fresh stock coming in. Yes there would be a few graduates from the earlier batches in the NGO sector. Similar would be the story with the co-operatives - particularly with the milk co-operatives. However, we do find such graduates in banks, food businesses, agri-businesses, insurance companies and retail chains.

So yes, there is a great demand for people who have gone through rural management education, much more than there was when it all started, but the segment for which some of these Institutes were set up are no longer served in large numbers.

There is an increasing interest getting the poor involved in the markets, after the seminal book by CK Prahalad talking about the bottom of the pyramid. We may have serious issues with Prof. Prahalad's postulates, but that does not take away the fundamental change that has been brought about in the way the deprived segments are seen. Thus, in order to understand this segment, it would be useful to get people who not only understand mainstream management, but also the rural people. With this increased interest do we then assume that the argument of market failure no longer stands and therefore it does not matter which form of organisation operates in the market? Possibly that is not true, but this area needs to be looked into more seriously than is being done.

Two most important segments that seem to be opening up for rural management graduates are the agri-business sector, with organized retail as a sub-segment and private sector banking. I shall engage with the agribusiness sector for a moment and then move on to banking.

The agri-business sector has two sub-elements to it - the first being sourcing of materials from the rural areas and the second selling to them. On the sourcing front, the most important initiative that is much talked about is the e-choupal experiment of ITC. It is no surprise that the spearhead of the e-choupal movement is also a graduate of IRMA - Sivakumar. Sivakumar not only studied at IRMA as a preference over IIMA where he had got an admission, and also worked for a while with the co-operatives, before he moved on to the corporate sector. Sivakumar possibly represents the difference IRMA made to us in our lives and thought processes. Even though he was in the corporate

context, he did not drift in his thinking about how to serve the farmers more efficiently.

Let us for a moment look at e-choupal as a case in point. At the time in which IRMA was set up, the marketing options for the rural produce were few. In places where co-operatives had been organized and working, people sold their produce to the co-operative. This happened to a large extent in the milk and oilseeds sector, with greater degree of success in milk than the latter. The other alternative was to take the produce to the Mandi. Mandi was populated by commission agents and they were expected to operate under an agricultural produce marketing committee, which had its own legal status. Markets functioned efficiently where the APMC took pro-active and progressive measures. What e-choupal tried to do was to try and find a market-led solution to this issue, rather than look at a regulation led solution. Since co-operatives were also trying to find a market led solution, e-choupals broadly operated in the same space of creating and offering alternatives to the farmers. I would not as much say that e-choupals directly competed with co-operatives, but they were operating in the same conceptual space that triggered co-operatives to be set up in the first place. By offering price data, making quality parameters objective, they tried to bring in some fairness into the market place. This is the power of organized players coming into the market. But as ITC was a private sector player, they could not take a confrontationist position which the co-operatives never hesitated to take vis-à-vis the existing market players. Instead ITC tried to redefine the roles of the market functionaries. Our idea is not to do an evaluation of ITC, but to highlight the fact that with the introduction of such a concept, the demand for rural managers slowly started moving from the conceptual co-operative space to organized corporate buying. Thus a typical manager would have the satisfaction of working with the farmers, earning a decent salary and the prestige of working with a corporate. The market regulatory mechanisms like the APMCs in areas where larger players operated transparently became less and less relevant. Thus we not only

see the withdrawal of state sponsored intervention mechanisms like co-operatives, but also the withdrawal of the state itself. This in a way redefined the role of a typical rural manager working in the commercial space. This is a market led demand.

On the retailing front, starting with RPG's entry into the retail segment through its erstwhile partnership with Foodworld and later with the entry of players like Big Bazar, Reliance, Bharti and others entering the fray, there was a demand for managers who possibly understood the food business better. We should also note that around this time the mainstream management institutions had stopped catering to these businesses as they had expanded with the overseas placement market opening up. From the 80s when I passed out, where the glamorous B-School jobs were in Hindustan Lever or in an advertising agency, we had moved to a situation where marketing as a function itself was not glamorous enough. The graduates of IIMs instead, had started moving towards financial service businesses - particularly the investment banks. Rural Management graduates naturally filled up the gap that was being left by IIMs and also grabbed all the growth opportunities. Since the retail chains have a strong linkage with the foods business, rural management graduates were seen as somebody who fitted the bill.

On the other hand, let us take the growth of banking and see what it did to the rural manager. The growth of opportunities in rural banking is to be seen with a mixed perspective. On the one hand, due to the collapse of the co-operative banking system, there were probably some opportunities created for the new private sector banks to come in, but they did not have the network or the orientation to work in the sector. But the requirement that a certain percentage of their credit has to go to the agricultural sector forced them to look at the rural markets afresh. This ensured that there was a fair amount of innovation in the banking sector as these banks did not have the physical outreach and that had to be overcome. The knowledge of rural management

graduates came in very handy in this sector, much more than any other segment of business. The same is applicable to the insurance companies as well. Whilst on the topic of banking, we have to recognize that the most important innovations in the private banking have been spearheaded by Dr. Nachiket Mor of ICICI Bank. It might not be a coincidence that Nachiket who was a graduate of IIMA [not IRMA] actually did his summers with PRADAN and was associated with their project in Kesla, Madhya Pradesh. That experience must have had some impact on him to think about these markets in a very constructive manner.

While the commercial side of rural markets opened up with part withdrawal of state and part failure of the traditional market intervention mechanisms, the development side opportunities moved in an interesting direction. First the traditional organizations that came into the campus for the graduates, remained as they were, without much change. There was no steep increase in salaries of these organizations to make the entry level attractive enough. Part of the reason was that even donor funding was also getting oriented towards measurability and it was getting more and more fashionable for donors to state that they would give programme support with no support for administration and establishment. Thus the old NGO sector found it difficult to match up. In addition, there were two other dynamic aspects happening - the developmental side of the commercial organizations opened up in the form of a more fashionable term CSR - or corporate social responsibility. This gave attractive options for the graduates to rationalize on the value orientation, while optimizing on the financial returns and general well being. The other dynamic was in the opening up of services sector in development - there were abundant opportunities for consultants and for people who handed out contracts to consultants - the donors. This market was partly aligned with the international market and distorted the local financial package. Thus the traditional developmental sector not only competed with the markets, but with the non-market players as well.

What happened to the students graduating out of these institutions? The direct funding received by the students [like the stipend we received during our student days in return for a bond to serve the sector] was withdrawn or replaced with a loan. Thus students entering had to pay higher fees and also eventually recover it through their earnings. The withdrawal of state also affected the type of funding the institutions specializing in rural management type of education in a very indirect manner. The overall indication was that there was no need for any subsidies in higher education. IRMA and some other institutions would like to claim that they were never recipients of funding from the government, but were autonomous. But even the growth of the existing corpus or general research grants which would cross subsidise some of the expenses started becoming difficult. Thus institutions had to charge higher fees. The salary levels of the development organizations did not grow at the same rate of the private sector offerings and thus one saw large differences even in the entry level salaries for fresh graduates. Thus, over a period of time the markets ended up purchasing even those hearts which were somewhat leaning towards the left of the centre.

Organisations like PRADAN also gradually moved away from being a repository of professionals for development into an action oriented NGO. While there must have been several other reasons why PRADAN made a strategic shift, one aspect was also clear. PRADAN was no longer able to attract graduates including IRMA and IIFM graduates from the campus as it could during its early days. The salary structure outside even in the commercial part of the sector like in GCMMF had so changed that it was difficult for the development sector to compete even in this limited space. Thus, PRADAN consciously made a shift to recruit at the undergraduate level and provide on the job training and orientation to their staff rather than look at the post-graduate students. Over the years the strategic shift of PRADAN saw it to be an effective action oriented NGO like many other NGOs. Its ultimate recognition has come in

recently with its sharing the award for the best Indian NGO with an organisation represented here today - Gram Vikas. The alternatives for professionals in development shrank and the lure of the market was too great to resist.

Thus, coming back to the question that we asked at the beginning of this section as to whether there was a market for the rural management graduates we will have to painfully answer in the affirmative. But the nature of the market has undergone such a fundamental change that it is difficult for us to recognize it from the early days of rural management education in the country. Obviously this would have its pressure on how the institutes are structured and their curriculum. Otherwise the feedback loop would not be complete.

The Dilemma of Rural Management Education

The role of any educational programme is to provide education and not to act as a placement agency. However, every school engaged in management education has to keep in touch with markets. We keep telling the students, that they have to constantly listen to the client group. We obviously need to walk our talk. The challenge before institutions offering rural management education is to manage the delicate balance between making the programme attractive enough so that good, bright candidates apply, and at the same time live with the convictions and the basic mission for which they were set up. This dilemma was easier to address during the early phases because the expectations were kept realistic, the opportunities were not diverse and the Institutes generally delivered on these expectations.

In an open market situation this is getting increasingly difficult. That several institutions might be in the comfort zone that the placements with the commercial, service and the donor sector are doing well and thus there is no reason to panic might in itself be a cause for worry. After all, as we get more

and more globalised and integrate into the market system, the marginalized will be left behind, because they do not fall into the efficiencies of economies of scale. Therefore if this segment of the market does not become rational, well reasoned and sometimes value neutral manpower, it is likely that the fringe elements might take over. Lest I am mistaken, I am not referring to activists as fringe elements. But the entire movement towards increasing articulation of language based identity in the political space and identity based fight for resources and opportunities is a step in that direction. The deprivations might manifest in violence, if not addressed constructively either by the state, or when the state fails, by the alternative non-governmental sector. This not only needs manpower of the management type, but also of the social science type.

During the early days of rural management education, the question that was constantly asked was how much of it is “Rural” and how much “management”. This was a happy dilemma to live in. For many there was no dilemma in this. It was the principles of management applied to a particular context, and thus it basically remained a management programme in that context. The context of rural was well understood - the cooperative and the non-governmental developmental sector. However at this point in time, the dilemma is of a different nature. Rural management is well understood. It is indeed a specialized management programme. However the dilemma has moved to the markets. Do we think we are serving the Reliances and the ITCs and the ICICI Banks of the world or do we still need to look at the underserved and undermanaged sectors of the economy? Thus what would typically dictate the curriculum in such schools? For instance I know from my experience that a course in microfinance is increasingly getting popular, even in a place like IIMA because it is commercial enough for the mainstream placement markets to understand and is developmental enough for them to brand a potential candidate as well rounded and with concern for community. For the regular students the chances of a job in a top investment bank might go up due to the

CV value of this course and for the agri-business management students it is an essential element in the CV to get a job in a private sector commercial bank.

When I talk about curriculum I am not only talking about what we deliver in the class rooms, but go beyond to see what we deliver through our choice of organizations and organizational settings for carrying out field related projects. It is here that a possible intervention could be made. The ultimate placement is a prerogative of the graduate and the organisation that is placing him or her. However, the choice of an organisation for summers should be the prerogative of the institution that is offering the programme as summer project or internship is an integral part of the curriculum. Institutions more often than not, in order to integrate placements ensure that the internship is designed as a mini-placement. I would think that institutions offering rural management education have to be necessarily careful about this setting rather than drift with the student demands and the market pressures.

I have no doubt in my mind that a good education programme is not about placing students. It is about providing the best of the education and trust the judgement of the graduates in the type of jobs they pick up. Afterall we are dealing with a set of young adults who have almost independently taken a call to study rural management, and we should trust them to take a call on how their careers will get shaped, and thus any rural management education programme should focus on the content. However, we cannot ignore the reality of the market place, because ultimately all the students come to the institutes in quest of education not as an end in itself, but as a means towards a job of their choice. Given that there is a fundamental change in the market place, is there something we need to do in the way we package and offer the courses.

The split between rural management and development studies is more evident than ever. When we look at rural management, it is becoming more and more evident that the slant is more towards commerce and not as an effective

intervention mechanism that stabilizes and corrects the imperfections of the market. Years ago IRMA tried to recognize this difference. The initiative came from some faculty members who thought that we should have two streams of studies - with a clear choice to be exercised by the students. This was considered carefully and two different streams were announced - a stream on agribusiness that would cater to the commercial world and a stream of developmental management that would address the needs of the non-governmental world. However, this was never implemented. Given the cleavage in the developmental sector market discussed earlier, I am not sure it is the best of the ideas, but possibly worth a try. It is certainly better than being in the comfort zone of a status-quo.

As I stated earlier, I have more questions than answers. But one way of moving forward I firmly believe is to keep asking questions of ourselves so that we have some direction in which we intend to move. These questions stem from the concern I have for my own journey and Vasanthi's memory.

If today, I were to re-look at the choices I may have as a fresh graduate, would I exercise the choice I had done 23 years ago? Possibly not. The pulls and pressures of a person like me graduating from college are different. I may be willing to be convinced to move away from mainstream business management towards rural management. But having paid a substantial fee - either from my father's savings or from a loan - I would be under pressure to take up an assignment that will pay me enough to live a decent life as well as service this fee. Will I have the luxury of experimentation, checking out options and making an informed choice? I am not sure. While I have never regretted the career choice I made, I would not be honest if I did not admit that there were several occasions when I felt that some of my contemporaries who moved towards the commercial world had done better for themselves. But then I quickly come back to the non monetary returns that one gets in working in the developmental sector and our satisfaction index suddenly goes up, but that

does not take away that fact that at some point in time, I could not have made an emergency air trip because I lacked the personal resources. I can say that there is immense satisfaction in making this sort of a career choice, only with hindsight. But can I take the same stand as a graduate in early twenties passing out of a rural management course? I am not sure.

I would also like to fast forward another dozen years when Vasanthi was a student. The issues were different then, but would Vasanthi want to exercise the same choices in preparing for a career with an organisation like Gram Vikas? Again I am not sure. I think the rural management institutions may have to relook at the design of their programmes keeping in view both the aspirations of the students, and the reality of market place. It is fair to assume that there are a good number of capable people willing to make the adjustments to make such career choices. Can we have institutes which can channelise these aspirations constructively? If there are, how do we recognize and nurture them? How do we ensure that these national assets do not get frittered away? How do we ensure a public accountability to these institutions though legally they might not be bound to be accountable?

I end my talk with these questions and thank Vasanthi's parents for giving me an opportunity to be in Kakinada. I also hope this talk will inspire at least one or two students here to take up and tread the path that Vasanthi did. Even if a large number of people take this path not as a career choice, but at least for a few years, we would have made a big difference. It is this craving for the difference that has brought me here and I would be happy to make as many more trips as it may require. Thankyou.