

GOVERNANCE PROFESSIONALS – CHANGE LEADERS



CS Dr. S K Gupta, FCS
cbst.sk Gupta@gmail.com

Introduction

Governance is needed in each and every field of human activity, be it any form of organization, business and corporate, defence, sports etc. It is not something that is developed recently; rather it has been practiced since the evolution of the concept of society. In earlier days, kings used to administer and govern their kingdoms, since then the process of evolution of modern corporate governance theory has started with great scholars contributing to the knowledge base. The ancient Indian ethos which has stood the test of time can help in building a sustainable model of corporate governance.

Objective and Methodology

The objective of this paper is to review the great pool of knowledge as encapsulated in Ramayana and explore and sift the Governance lessons for Governance professionals as enshrined in Rishi Valmiki's epic Ramayana. Ramayana is one of the most popular religious texts in the world. What makes it unique and very different than all sacred texts is that it is a story of a King, and a very interesting one as well. Yet, it has attained an everlasting popularity in Indian society and tradition because of its social values and the lessons that it leaves for all who go through it.

Corporate Governance : An overview

Corporate governance is the system of rules, practices and processes by which a company is directed and controlled. Corporate governance essentially involves balancing the interests of a company's many stakeholders, such as shareholders, management, customers, suppliers, financiers, government and the community.

Corporate governance is defined by the OECD (2004): Corporate governance is one key element in improving economic efficiency and growth as well as enhancing investor confidence. Corporate governance involves a set of relationships between a company's management, its board, its shareholders and other stakeholders. Corporate governance also provides the structure through which the objectives of the company are set, and the means of attaining those objectives and monitoring performance are determined. Good corporate governance should provide proper incentives for the board and management to pursue objectives that are in the interests of the company and its shareholders and should facilitate effective monitoring.

This definition shows that corporate governance is not just focused on the interests of the organization and its shareholders; rather, that it considers the relationship with all stakeholders as well as their interests. It also shows that corporate governance at the organizational level results in improving economic conditions of the market. Corporate governance is a system that defines how the organization should be directed and controlled. It has to be understood that corporate governance is not simply an internal-looking regulatory function; rather that it involves consideration for external stakeholders, such as the market, as well as the industry standards..

Evolution of Corporate Governance

Various environmental, external, and internal factors have contributed toward the continuous evolution of the concepts that form the foundation of corporate governance. Organizational complexity is increasing as most contemporary organizations

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regularly interact with multiple interfaces, such as vendors, partners, and other legal entities, where each entity might be working toward increasing value for the organization. This rise in complexity and interdependence results in a greater need for corporate governance. An increased awareness by the general public has heightened the expectations from organizations, and they are expected to do more for the betterment of people and society based on their location. There seems to be an understanding that organizations are part of the social system and should not focus solely on their profitability; rather, organizations should address the concerns of related constituents as well. Thus, the social responsibility perspective has been added to the corporate governance mechanism.

Availability of technology has increased information availability and communication frequency between all stakeholders. This has caused organizations, especially their executive management, to always be in a state where they have ensured that precise controls are in place to safeguard the interests of the stakeholders. Efficient and aligned corporate governance practices can help organizations achieve this control.

Ramayana's tips for Governance Professionals

India can justifiably boast of a long history of

culture, tradition and values. Scriptures of Indian origin are a treasure trove of nuggets of wisdom. These continue to be relevant in the current context and also find ready application in the field of business management and administration.

Ramayan, the saga of Rama's life written by Valmiki, is widely acclaimed as among the greatest of all Indian epics. The narrative is regarded as a veritable treatise on social sciences, offering lessons that transcend both time and space. In fact, this famous Grantha carries useful tips on ethics and values, statecraft and politics, and even general and human resources management. Here are some of the areas where Ramayana inspires and offers great wisdom in the realm of corporate governance.

A Premium on Values

Sticking to some core values which are steeped in righteousness eventually leads to success. The main protagonist, Rama, is depicted in Ramayana as an epitome of virtue. He is an ideal king, an ideal son and a pragmatic person. He sets high ethical standards in warfare and invariably sides with dharma, or righteousness. A random sample of all successful business houses which have been around for more than a century now – Siemens and Tatas, for instance – is ample proof that ethics in





business do pay dividends in the long run. Names of such business houses enjoy tremendous brand equity in the market;

High on Motivation

The Ahalyaa episode is all about a good leader enthusing a team of demoralized members who have become zombies over a period of time and have stopped delivering results. Once 'woken up', they are fully charged and start performing along expected lines. Rama wages a war on Lanka with very limited resources, backed by an army which is pretty out-of-the-box or unconventional. It is an army which is highly motivated, expecting minimal facilities. Goes on to show the superiority of motivation levels over the availability of physical resources.

Be careful of temptations

In exile, Ram, Sita, and Laxman were living a peaceful existence, in harmony with nature. When Lankan king Ravana arrived with his uncle Marich whom he asked to pose as a golden deer, that changed everything. Sita was completely charmed by the golden deer and asked Lord Ram to catch it for her to befriend. Lord Ram went after it and disaster struck soon after. The lesson here is to not run after sudden allurements, to value what you

have instead of leaping into the unknown

Variation and Inclusiveness

Who could be a better example setter than Bhagwan Shri Ram? He organized and conducted a team with an belligerent Laxman, mighty Sugreev, excitable monkeys, peaceful and collected Jamwant, Vibhishan, and Bhakt Hanuman. The most important feature was that he heeded to all of their divergent perspective viewpoint, plan of action and took integrative judgement, which was all inclusive and but had eccentric process from his own awareness.

Whistle blower - Vibhishan

These days whistle bluster is contemplate very valuable for transparency and moral manners in a corporate. If we look into Ramayan, we had one of the greatest whistleblowers of all times - Vibhishan. He questioned immoral execution of Ravan, raised voice against it many times. But the most important point is that all was done with a sense of maturity, respect and in a calm and composed manner. He maintained the sanctity and neither wanted to capture Lanka nor oust Ravan. Also, his aim was not to defame Ravan. He wanted that Ravan should be ethical leader and lead the Lanka for long time and for this, Ravan's behaviour

and actions were needed to be righteous.

Loksangrah

Socially responsible leadership of Raja Janak has been Hallmark of Bharatiya approach to development. When a leader follows karmayog path in nishkaam karm mode, it results in self development as well as the development of the organisation or society. The trusteeship model is a similar approach which ensures that the organisation contributes to the development of the society

Succession Planning

Dasaratha's plans for installing Rama on the throne of Ayodhya do turn topsy-turvy, but the existence of a clear succession plan can never be denied. This is meant to ensure continuity in governance. Besides being the eldest son, Rama was liked by all and hence chosen to lead the kingdom once his father passed away. As per Raghuvansham of Kalidasa, when the time comes to relinquish his body, Rama divides it equitably between his two sons – Lava and Kusha.

Leaving the Comfort Zone

When Rama gets ordered to remain in the forest for a span of fourteen years, Sita and Rama take it as an opportunity to engage with the ordinary citizens of their kingdom, rather than remaining confined to the comforts of their palace. This helps them to understand the ground realities better.

Excellence in Execution

The plan to locate Sita gets brilliantly executed by Hanuman. The wisdom with which he conducts the search and the single-minded pursuit of the goal is an example worth emulating by Governance Professional

Concern for Environment

For three days, Rama prays to the god of the sea to grant a passage to his army. Nothing happens. Rama then shoots arrows into the bosom of the sea, whereupon the sea-god appears and explains that he is bound by the laws of nature, just like earth, air, space, light and all constituents

of the universe. Creatures living under his shelter he cannot forsake, but surely a shallow area can be shown where a causeway can be built. Rama accepts the sea-god's apology and orders the building process to start. Thus, the objective is met without damaging the eco-system.

In the current context, governments all over the world are realizing the importance of striking a judicious balance between economic growth and environmental concerns. Governance professionals must be motivated by Rama's approach which inspires us to strive to find the middle path and ensure that Mother Nature is not unduly disturbed to pave way for crass commercialism.

Power of Attorney

The sincerity with which Bharata takes care of the kingdom's affairs while Rama is away speaks of true values of follower-ship. Upon his return to Ayodhya, Bharata informs him that the kingdom's revenue had gone up ten-folds during the fourteen years he was away.

Here is an excellent example of a kingdom held in trust and good faith, much akin to the present day concept of a power of attorney getting appointed as Governance professional to take care of administrative and legal matters of a business .

Leadership Traits

With the possible exception of his handling of Sita upon her return from Lanka, Rama conducts himself in an exemplary manner throughout the narration. Whether it is befriending Nishaad Raaj, refusing to return to Ayodhya when Bharat approaches him in Panchavati, conducting the last rites of Jataayu, accepting Vibheeshana in his fold or even when reuniting with his mothers and brothers upon his return to Ayodhya, he sets a high bar for humanity in general. leadership traits inspire Governance Professionals to do their best even under the most trying circumstances.

Ram Rajya

The concept of being fair to all is the bedrock on which modern management is based. For those in power at the top, an impartial conduct of those

in authority is a sine qua non for the morale of the people

Transformational Leadership exhibited by Rama

Sri Rama demonstrated various characteristics of Transformational Leadership in many instances in Valmiki Ramayana. The seven characteristics are as follows:

1. **Transformational leaders are change agents:** They strive to bring the desired changes to improve their organisation, society and country. They bring changes also to the expectations, attitudes, behaviours and goals of their followers.
2. **Transformational leaders are courageous people:** Once they take a stand, they are brave to take risks, ensure vision and goals are achieved. They do not back out of the process of change once they have initiated it. They are fearless.
3. **Transformational leaders believe in people:** They have a very positive approach towards all people. They believe in the innate ability and motivation of the people and empower them. They believe that there is an infinite potential in every people.
4. **Transformational leaders are value driven:** They have a set of core values, which serve as their driving force and permeate their actions. This is seen in Sri Rama, who never deviated or deviates from the words he had and has given.
5. **Transformational leaders are life long learners:** They view mistakes not as failures but as learning experiences. They have an amazing appetite for continuous selflearning and development. In the life of Sri Rama, we see a perfect example of life of learner.
6. **Transformational leaders have the ability to deal with complexity, ambiguity and uncertainty:** They have all the requirements of an increasingly complex world that demand complex problem solving ability on the part of the leaders. Sri Rama clearly exhibits this ability when he had to make the painful decision to banish Sita from Ayodhya.

7. Transformational leaders are visionaries:

They have broad and inspiring visions. The visions are translated into missions and goals. Sri Rama created future vision for Ayodhya and the vision was clearly communicated to the people of Ayodhya before leaving to the forest.

Conclusion

In short, the concept of governance in Ramayana is “to provide the maximum happiness for the maximum number of people, for the maximum period, based on the principles of Dharma righteousness and moral values. It is important today, that instead of copying the western system or ideas in our business, governance professionals revisit our ancient treasures like Ramayana with an inquisitive mind to explore and evolve a structure of corporate governance relevant for India. With Rama Rajya as a model for good governance, the Ramayana is a must read for practitioners of statecraft. The lessons from Ramayana are relevant even today and can be integrated into the modern context of corporate management towards achieving the ultimate aim of corporate governance, which is to provide progressively sustainable value to all the stakeholders.

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