

## MANAGEMENT AND PANCHTANTRA: A DOOR AHEAD TO WISDOM IN CORPORATE WORLD

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**ABSTRACT.** When we think of innovation and creativity in India the first thought coming into our mind is the giant software Industry which through its cutting edge technology has created an aura in the global market.

But there is more which Indian legacy has in store, for the corporate world. India is having a rich heritage filled with fables and epics. In the today's competitive world where uniqueness is the cue it becomes very important to understand the learning's of this rich heritage and implement them in day to day functioning.

**KEYWORDS:** *Creativity, Innovation, Strategic management, Panchtantra*

Today the success mantra for individuals and business enterprises is a mix of wisdom and innovation that comes from knowledge and creativity. Since long India is known as a country not for innovation, but for improvisation. Although, business organizations have been emphasizing on the importance of creativity and innovation for organizations, still there seems to be dearth of clear definition and guidelines for cultivating new mental space for such activities and processes.

The new generation corporate has been primarily dependant on strategic management literature for management tools, to prepare the budding managers from the business world. According to Peter Drucker, "Management means, the substitution of thought for brawn and muscle, of knowledge for folkways and superstition, and of cooperation for force". Knowledge needs wisdom and wisdom comes with age and experience. Wisdom is all about implementing knowledge gained from experience for the betterment of organization and society that meets with the requirement of time. "Good judgment comes from experience, and often experience comes from bad judgment".

This paper focuses on discovering and integrating *Panchtantra* for proper learning and understanding innovative strategies for management. The idea is to improve upon the behavioral aspect of managers. Once the basic thinking skill set is properly directed it would definitely enhance the efficiency and productivity of managers.

*Panchtantra* the valuable treasure of strategies was written in 200 BC by Vishnu Sharma with the aim of teaching young princes the fine art of Politics. Since the princes were reluctant, he decided to pass on wisdom to them in the form of stories. In these stories he makes animals speak like human beings and he used animal characters to convey certain moral values. Pancha means five and tantra means strategies or principles. After listening and working on these stories, all the three princes became completely educated in politics and became able administrators. The author, Vishnu Sharma, emphasized that:

“A man who has studied this Niti shastra or listened to its precepts will never be defeated not even by Indra\*, the lord of the Heaven”.

Thereby, *Panchtantra* covers all aspects of Management be it administration, personal life, competition, diversity, unity and team building to combat and enjoy modern business life. Like management different sections of *Panchtantra* in a very innovative way teaches us lessons that pertain to optimum utilization of available resources, attitude towards work, dedication towards work, ultimate achievements and how to become mentally agile managers.

Taking the behavioral aspect from different tantras of *Panchtantra*, namely, *Mitrabedha* (Loss of friends/Betrayal of friends), *Kakoolookiyam* (Pragmatism), *Mitrasamprapti* (Gain of friends), *Labdhapranasha* (Loss of gains) and *Aprikshitakaraka* (Things which have not yet been tried) and interrelating it with strengthening our business functions like marketing, finance human resource, operations management, system management strategic approach for getting over the problems in the corporate world are discovered.

The stories appearing in the tantras mentioned above represent a strategy for getting over problems in life. They are all about

survival in a complicated world and the several ways to get over problems. The stories based as they are on human nature have an eternal relevance.

Today's management world is significantly dependant on innovation and strategy. As kids we liked reading the fables of *Panchtantra*. This learning has not only ingrained in our behavior but it is also relevant in the management world. Therefore corporate tactics/strategies can be learnt by taking inspiration from Panchatantra.

By taking the cue from the story of The scorpion and the frog which says, there are scorpions all around us whether we like it or not: corporate have to train management professionals to spot "scorpions" fast and early in the race, focus on the nature of people, and lastly always carry an antidote to beware of their sting.

Taking a preview of how *Panchatantra* can be ingrained in the different functional areas of management like marketing, finance, human resource, operations and systems.

## Marketing

Marketing is the art of creating and satisfying the needs of customer. It is about bringing products and customer together by relating brand, price and promotion and selling of the product. In modern times it is an art of creating demand when none exists.

As the global market has become more complex, companies have started thinking of new ways to operate and compete in a new marketing environment. Marketing in today's scenario is involved in the "Think customer" principle. So the *Panchtantra* story of the Crow - Rat discourse tells us: "Six things are done by friends, namely To take and give again, To listen and to talk, To dine and entertain".

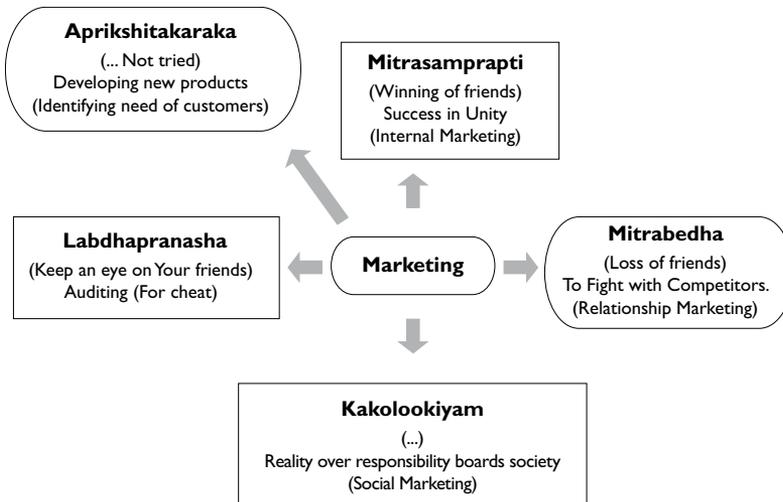


Figure 1. Marketing and Panchtantra

### **Mitrasmprapti (Success in unity):**

The new generation marketing involves right kind of relationship with the right constituent group. *Mitrasmprapti* not only help us in building customer relationships but also helps in partnering this relationship as well.

### **Mitrabedha (Loss of friends):**

The task of all marketing activities is to create, communicate and deliver value for consumers, better than their competitors. This section of *Panchtantra* talks about identification of competitor strength and its critical appraisal for designing the action plan. This strategy is used to win friends i.e. customers and prevent them from going to competitors. The tactic can be well taken from the story of *Panchtantra The cunning hare and witless lion*: "A man to thrive, must keep alive".

### **Kakolookiyam (Pragmatism reality):**

Marketing is about seeing the image in the mirror. It incorporates social responsibility and understanding of the ethical, environmental, legal issues in social context of marketing activities and programs. It's all about playing and could play role in terms of social welfare. It is called cause related marketing, extending beyond the company and the consumer, to the society as a whole. Thereby, *Kakolookiyam* extends beyond the company and the consumer to society as a whole. *Panchtantra's* advice is relevant here: "Wrong doings will

always be wrongful; a wise man will not direct his mind towards it. However tormented by thirst one is, none drink the water of Puddles that lies on well trodden highway”.

***Labdhapranasha* (Keeping an eye on the market happenings) Auditing:**

One of the important aspects about marketing is auditing which is about comprehensive, systematic, independent and periodic examination of company’s environment, objectives, strategies and activities.

It is about shunning the wrong actions to achieve the same. *Panchtantra* is full of advice about it. At one place in the story of *The crocodile and the monkey* it is said, “Shun him who is a rogue and a fool”. Thus, *Labdhapranasha* is all about knowing where we are and to know where we want to go and trying to find out how to reach the consumer’s heart.

***Aprikshitakaraka* (Things which have not yet been tried):**

It is not only about identifying and finding new needs and products but also about rationally trying and implementing it. For innovations, one has to be intelligent and one of the maxims of *Panchtantra* from the story of the *Lion that sprang to life* is: “Scholarship is less than good sense, therefore seek intelligence, nothing is impossible if one has intelligence”.

Thereby *Panchtantra* in marketing helps in becoming more cautious and strategic in taking actions. Taking the cue from the fable in *Panchtantra*, The Brahman and the Mongoose, it indicates that who does things without discretion regrets his action like the Brahmin’s wife.

**Finance**

Taking a preview of finance we analyze, the purpose of business is to generate wealth. It uses the tools of economics, accounting, market structures and banking to generate wealth. It is all about using arithmetic probability and mathematical arbitration to forecast and anticipate the future. Taking the behavioral aspect from different tantras of *Panchtantra*, namely *Mitrabedha* (Loss of friends), *Kakolookiyam* (Pragmatism), *Mitrasamprapti* (Gain of friends),

*Labdhapranasha* (Loss of gains) and *Aprikshitakaraka* (Things which have not yet been tried) and interrelating it with Finance, we find:

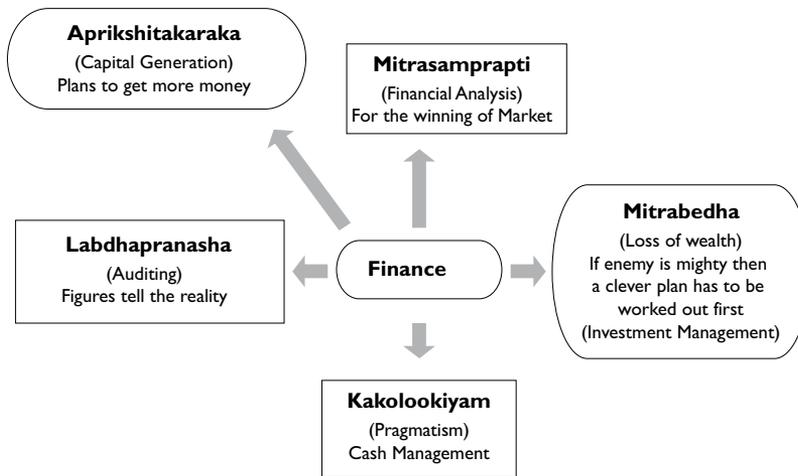


Figure 2. Finance and Panchtantra

### ***Mitrasamprapti* (Financial analysis):**

To stay on the top the most important part is to win the market share. For this financial analysis plays a significant role. The future plans of the firm should be laid down in view of the firm's financial strength and weakness. *Mitrasamprapti* focuses on the goodness of wealth favors men who persist. "Pray to god by all means, but, put in your own effort" by establishing relationships between the items of the balance sheet and the profit and loss account.

### ***Aprikshitakaraka* (Capital generation):**

It is about finding new avenues and mantras for capital generation through proper investment and optimum utilization of funds. As told in the story of *Tale of the birds with two heads*, "alone do not eat delicious food, do not sleep when others are awake, neither you travel alone nor ponder alone over matters. When their wealth is intact everyone hovers around the rich".

### ***Labdhapranasha*:**

It is an independent examination of and the subsequent expression of opinion on the financial statements of an organization. It is to have a real and correct picture of one's accounts. So learning from

the story of the *Potter*: “Do not do an unworthy deed even in the face of death, do not give up a worthy deed even if it means suicide”.

***Kakolookiyam (Pragmatism):***

It's all about using your cash reservoir for your betterment. Cash is held for three motives transaction, precautionary and speculative. Here we find out our policies regarding working capital management and dividend decisions so that not only we are aware about our monetary strength but we can have optimal utilization of it. It can be found in the story of the cunning hunter that doing good to others is virtue and tormenting others is vice. “Words out of tune with times, words that bring grief in the end, words, that bring pain to others are as good as poison”.

***Mitrabedha (Loss of wealth):***

*Mitrabedha* is all about investing your wealth productively at a lower cost giving out higher returns. The aim is to devise our investment plan considering the extent to which investments are likely to prove profitable and generate a climate of business confidence.

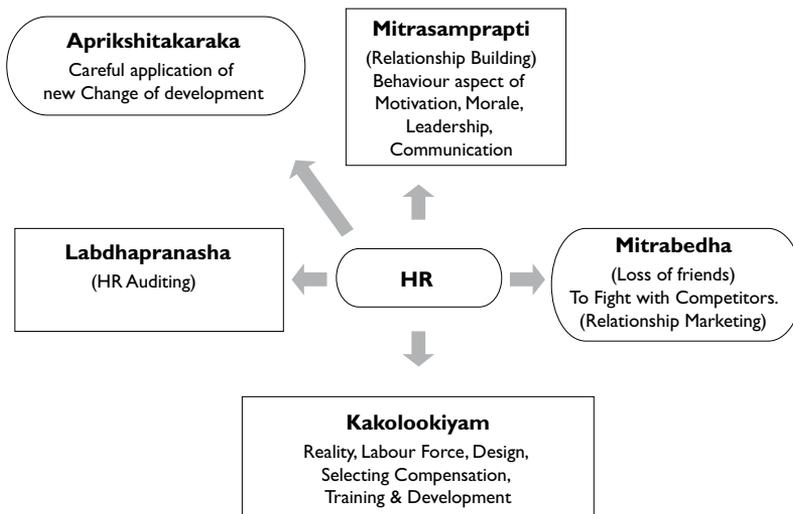
As said in *Panchtantra* “A wealthy man shines in society without merit and caste routes” so does a wealthy organization in this age of cut-throat competition.

Everything in this world requires money for accomplishment. Therefore a wise man should make effort to acquire wealth. Wealth attracts friends and relatives. It makes a person feel important and even wise, like in the fable *The Jackal Strategy of Panchtantra* which gives the message “Conquer a good man with humility, vanquish a hero with strategy, overcome the poor through small gifts, and crush equals with power”.

## **Human resource**

Taking a preview of human resource we analyze that organization cannot grow in isolation. To grow and retain leadership it is necessary to develop skills of its personnels, create an environment for growth and mutual respect. It includes art of training and development, union and labor relations, employee resistance, compensation benefits, selection and staffing, HR planning and organization/job design.

HR specialist not only seeks to improve the performance of an organization by maximizing the efficiency of performance of its people but also handles grievances, disciplinary action, and dismissals of redundancies. Taking the behavioral aspect from different tantras of *Panchtantra*, namely *Mitrabedha* (Loss of friends), *Kakolookiyam* (Pragmatism), *Mitrasamprapti* (Gain of friends), *Labdhapranasha* (Loss of gains) and *Aprikshitakaraka* (Things which have not yet been tried) and interrelating it with human resource we find:



### **Mitrasamprapti:**

HR that was classified as a line of function is completely getting transformed into staff function. It is playing an integrated role oriented towards growth and leadership through motivation teambuilding and communication. *Mitrasamprapti* can help human resource personnel to teach faithfulness towards the organization to the employees so that the organization never tastes defeat.

As it is said in the *Panchtantra* to the mouse by the turtle “O *Hiranyaka*, the crow is your true friend though he was hungry and you were his meal he did not kill you. On the other hand he brought you here on his back. You must make friends with him who is

uncorrupted by wealth and who stands by you in time of trouble”.

***Mitrabedha:***

The series of stories in this section is about reducing enemy’s strength thus preventing your own valuable resource in going to others hands. It is an important function preventing employee attrition through grievance handling, Job rotation and Job enrichment. Similarly we must train our employees in such a way that our enemies (our competitors) do not steal away our strength (our employees). So, learning from *Mitrabedha* is important to maintain unity and integrity in the organization as said in the story of the doves and the hunter “They are flying together but the moment there is a break in their unity they will crash to the ground”.

**Kakolokiyam (Pragmatism):**

Seeing the organization in the real perception and recruiting individuals accordingly. It all starts with a business plan about whom to hire, how many to hire, when to hire. The idea is about working closely with the business to understand their staffing requirements and recruit and train them accordingly. So that at the end of the day we have right people at the right place.

This section of *Panchtantra* talks how to keep an eye on enemies as an owl did to kill crows. So the purpose is to select and train them so that they can identify an enmity as the owl did and make them learn as in *Panchtantra* “Bend before the enemy when he is strong, attack him when he is vulnerable. Don’t wage a war if it doesn’t bring power wealth or friendship”

***Labdhapranasha:***

As said in *Panchtantra* “There is no true happiness in what you get without effort. Even an old bullock survives on food that comes his way”.

This section deals with the management tool of choice to ensure compliance, to reduce the exposure to employment related liabilities, and to improve the value of the organization’s human capital Like financial audits, HR audits are designed to assess management activities, identify policy and practice weaknesses, perform due diligence, benchmark best practices, and to quantify and evaluate outcomes.

***Apriksitkarka:***

Today for success and victory no stone is being left unturned, thus Human resource which is the most vital part governing other factors is experimenting and finding out new styles and ways of giving results. It is about trying as a mentor motivator and guide to have instinctive powers and kindle a spirit of continuous self-improvement in those who are around you.

*Apriksitkarka* guides us to implement learning carefully. It teaches "Whoever is without judgment does what the foolish barber did and comes to eternal grief and Even if one is very learned, and is without common sense becomes the butt of ridicule".

The story *Musical donkey* in a beautiful way summarizes the importance of loyal human resource as it very well indicates that He who has no wits of his own or does not heed advice of good friends, perishes like the donkey therefore. It is not wise to rule out the advice of good friends and well wishers.

**Operations management**

Operations are designed to explicate the quantitative and analytical tools needed to improve productivity and solve managerial problems in operations. Taking the behavioral aspect from different and interrelating it with operations management we find:

***Mitrasamprapti***

Supply management is about getting the desired raw material of good quality at the right time. It is about maintaining good relationship with your suppliers so that one doesn't lose one's age-old friends in the form of suppliers to his competitors. It focuses upon eliminating the barriers to quick response, and to work more effectively with the vendor pool.

The motto being is to gain long-term benefits from all vendors. As said in *Panchtantra* "Friendship with bad men is like a pot of clay easy to break but difficult to rejoin. With good men is like a pot of gold, difficult to break but easy to mend".

***Mitrabedha***

In the changing world of competition to meet the challenges of cost reduction and customer value enhancement we require effective

planning and efficient management of flows of material and related information from suppliers to the customers to respond to market demand. This is achieved by supply chain management which is the method of improving the way the company finds the raw components it needs to make a product or service, manufactures that product or service and delivers it to customers.

### ***Kakolookiyam***

Cutthroat competition has enforced the companies to be more innovative in their operations through quality management and technical advancement. We still follow the jungle law of “Survival of the fittest” and to achieve our ends we have to have proper quality control systems and we should be technically upgraded.

According to the *Panchtantra* “O lord, our enemy is not only strong but wicked, Neither compromise nor trickery will work with him”.

### ***Labdhapranasha***

Like the monkey in the tales of *Panchtantra* analyses his position against that of the crocodile, managers also analyze their decisions on the shop floor.

For example when a process is changed with the intention of saving money or improving quality which indirectly again is money, they (the engineers) review their changes after a said period of time to a certain whether these changes in the process has yielded the desired result or not.

### ***Aprikshitakaraka***

It is about introduction of something new that changes the existing methods of production. Every industry tries and wants to keep trying something new to better their outputs. But a word of caution-be cautious before trying something new.

Whenever we want to experiment with a new process on a dangerous machine we should always do consider the risk factor with regards to the operator of the machine. Remember the four friends who find the carcass of a lion in the *Panchtantra* and give him life only to lose theirs as a result.

Thereby taking the hint from the story *The Bird With Two Heads* which says “Those who are not united will perish”, the supply chain manager has to monitor the smooth flow of two way flow of goods and services in the supply chain.

A system gives an overall idea about the business fundamentals, processes, technologies and applications required to solve business problems.

In one of the stories of *Panchtantra Suvermasiddhi* ended the story, turned to *Chakradhara* and told him that even if one is very learned if he is without commonsense he becomes the butt of ridicule like the learned in the story. Today computer systems have taken the place of commonsense without whose knowledge each *tantra* of management would not complete.

Now after analyzing the *Panchtantra* in the perspective of management education we reach to the conclusion that in today's competitive scenario, practical wisdom and common sense are more important than mere degrees.

Today to bring distinctiveness and wisdom in the upcoming managers of management stream be it marketing, finance, HR, operations or systems corporate should not forget the innovative approach and the tantras present in our old fables.

“One Vishnusharman, shrewdly gleaned,  
All worldly wisdom”s inner meaning.  
In these five books the charm compresses.  
Of all such books the world possesses”.

## Conclusion and scope

The motto of this paper has been to correlate the different *tantras* with management jargons to make management education more interesting, understanding and realistic in approach and ultimately mission success which is their for any management institute will be fulfilled if we are able to make optimum use of these fables which our students would have definitely heard off in their childhood days, and they can professionally take out maximum benefit from their knowledge of management education. The paper can help the budding managers to acquire management knowledge with key moral values. By reading different sections one is able to understand what kind of strategy can be formulated under different circumstances. Addition of *Panchtantra* stories with management literature makes the later more strategic and easy to follow.

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