

REAL MANAGEMENT

THE INAUGURAL ADDRESS

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PRESIDENT

BANK OF CREDIT AND COMMERCE INTERNATIONAL
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Thank you Mr Shah. Thank you Ladies and Gentlemen.

Thank you for the opportunity you have given me to address you this morning. Thank you particularly for bringing me back to my origins. You have brought me back to my real home – the home of corporate management in Pakistan. You have honoured me with an invitation to speak to this enlightened gathering of eminent personalities, entrepreneurs and managers. Believe me, I do not feel worthy of this honour. I am a humble, and not a learned, man. I do not belong to the intellectual elite. At best, I may claim a little credit for having spent some years in search of the truth that life so reluctantly releases. In the scope of my present work and extensive travels, I have looked at and experienced life from a global view and I have learnt some lessons.

I feel very limited in my ability to express my thoughts, but I do desire to share them with you in the hope that you might find some meaning in what I have to say.

Mr President, you have touched on a range of issues that affect business in Pakistan. As we know, corporate management is only one factor in the larger play of economic, social and political events. But I would confine myself only to the subject of this Convention, namely, corporate management, its problems and prospects. This is with the full realisation that it is only one variable out of so many; but it is, however, one that we as professional managers can do something about.

Mr President, as you have rightly observed in your address:

‘...good management of any company, whether private or public, must be imbued with a clearcut philosophy couched in unmistakable terms...’

With your permission, may I add that good management should also have a clearcut purpose – a purpose which is worthy of its name. A purpose which has permeated the entire management and a purpose that has become the joint will of the manager and the managed.

There can be no dispute about what you have said on the subject of management: there are many management systems or quasi-systems. What they all have in common – and frequently the *only* thing they have in common – is a claim to be underpinned by *some* master philosophical assumption, or set of assumptions, about the world, about economies, about human nature or about production systems.

But if we take a global view of management science as it exists today, what we see is a rather untidy bundle of more-or-less articulated techniques, customs, tendencies, beliefs and habits. Some are self-

defeating, some cancel each other out. Some, I am afraid, are mere superstitions. Some, in human terms, can do great damage. A few are sensible, and of these, a few are even humane in intent.

But, Mr President, to my utter dismay, none of these concepts or philosophies are truly practised. Managements often amount to little more than just the men who manage and the men they manage *as they are*, – without either group ever fully knowing *who* they are. All too often the concepts I have just referred to are neither systematically nor benevolently applied to the play of local or global events: what we might agree to call the flux of economic, social, political and natural events.

In the course of this unceasing process, which in truth is but the play of existence itself, we find that management systems often fail to meet the demands placed upon them. In such cases we hear that a company, or even an entire national economy, has been ‘blown off course’. Or we may read that ‘management has been backed into a corner’.

I submit that such circumstances come about when management has an aim which, though clearly defined, is lacking in any definition of ultimate end and purpose. Allow me, if you will bear with me, to define this:

The AIM is the immediate objective and the END is the ultimate object which it is our PURPOSE to bring about.

Now, Mr President, I was cradled in management here in Pakistan. And it is precisely here, that I felt, under God, the first intimations of the truth of what I said a minute ago. Let me enlarge upon it before I develop my theme:

AIMS and OBJECTIVES are essentially short term, PURPOSES are long term; in my own view, eternal.

Put very simply, my own vision of management is:

That it is an organised, systematic, imaginative and, above all, *unwearying* practical well-wishing and it works, and it can only work, within the precincts of love and humility. As water is to fish, and air to birds, so should humility be to us; the medium within which we live and move and have our being.

I have said that humility *should* be the medium in which we live. This is not merely a theoretical proposition. It is a *practical* proposition. Humility not only can, but *must* be the primary and the main vehicle of management – for humility is a fountain of life and love from which we are continually receiving strength to bear and to hope.

Mr President, in the course of my travels and my experience of management abroad, I have had the opportunity of forming a global view of the problems of, and opportunities for, management; and I should like to say that I believe this global experience is equally pertinent in its local application not least, of course, in Pakistan.

Mr President, before I attempt briefly to unfold my own instinct and limited vision of management, may I here quote Carl Gustav Jung, to make a simple, but a highly significant point enshrined in the power of truth.

‘Nature’ he said, ‘has the primary claim on mankind, and only long after that comes the luxury of reason.’

In my view, the meaning of this statement forms the core of corporate management. For, after all, corporate management is only a microcosm of the macrocosm.

All creeds, all nationalities, all people are governed by the laws of nature. Nature transcends ethnic differences and national boundaries. The laws of nature are universal. Because these laws operate outside our conscious awareness, they are part of the vast unconscious world which governs the more limited conscious world of our perception and our reason.

Mr President, Sir, we now reach an important question. Should we confine the scope of management merely to our hopelessly limited knowledge derived from the tangible, visible and known? Or should we attempt to find a way to tap and mobilise the unlimited flow of wisdom from all that is tangible, visible and known, and as well as from everything that is intangible, invisible and unknown?

In other words, should we as corporate managers confine ourselves to empirical wisdom and its application? Or should we attempt to reach beyond that through the process of humility and interfusion of the streams of the energy psyche of individual human beings with the main stream of the cosmic energy psyche? We may also ask ourselves if wisdom is merely human reason and perception confined in the prison of human ego and subjectivity or is wisdom nature, its instinct, its laws and its principles. We in BCC have at least attempted to give precedence to nature over our own limited knowledge and wisdom and have tried to align ourselves with nature through humility, love and total submission to God. In doing so we have found that we are in a modest way recreating an image of what we understand of Totality in its dynamic state. There are four fundamental Laws of Nature and Creation that emerge as the very essence of the invisible energy and spirit of creation which sustain the order and the management of creation and existence.

Mr. President, the four principles are:

1. The Concept of Totality and Parts or the Totality Principle.

Nature operates as an integrated system in its dynamic state. All parts of the system are inter-related and inter-dependent. They interfuse in and through the phenomenon of change, assume their dynamic shape in the form of evolution and live in eternity. Realisation and feeling of this relationship and of the energy that is generated in the process of fusion and fission of parts and totality by nature is the cosmic spirit.

Every corporation, like nature, has its own spirit and psyche which is created by and through the relationship and interfusion of its parts and parts, and its parts and totality.

2. The Phenomena of Change or the Flow Principle.

The parts and the whole cosmic system (the dynamics of existence) are in a state of constant flux. The process of change flows on and on. We live in and through change. We live within the fold of change. Nature is process; nature is change.

So is a corporate body. The corporate body or, in other words, its management should not merely think but feel itself as such.

3. The Relationship of the State of Existence and the State of No-Existence.

It is the relationship between existence and no-existence in which no-existence (which is infinite) is the container of existence. It is this relationship from which emanates the process of change.

Nature has the capacity to be the state of existence and the state of no-existence at the same time. It has the capacity to feel in itself the unity of the state of existence and the state of no-existence. It has the capacity to feel itself in and as a dynamic state.

A corporate body and every individual member of the corporation should have the ability to feel itself in the same manner.

4. The Truth about the Unity of Moral and Material.

The moral, which is equivalent to the laws and principles of Nature, governs all that is material. Hence, both must be acknowledged, treated and felt as inseparable.

Moral is like quality which makes the substance what it is. This quality remains intangible, invisible and as a state of no-existence until it becomes one with the substance. No corporation can assume its identity and its quality without becoming one with its moral substance.

Hence, the concept of unity of the moral and the material is the imperative of management.

Mr President, I will now briefly touch directly upon the subject of the Convention, i.e., 'What makes a corporate management and what are the components of the corporation with which it is expected to deal?'. In my view, neither the corporate management nor the structure of the corporation can exist in good health, vitality and quality without living in the fold of the four principles which in reality are just one truth, presented in its four dimensions. Here, if I may say that truth is totality when it is in our perception and it becomes God when it comes to live in our feelings.

The following are the components of a corporate body which management has to deal with and manage:

1. *Corporate Objectives*

Every management scientist begins with the corporate objectives as the first component of a corporation. I would call it the Corporate Purpose for objectives are static and Purpose is dynamic; Purpose is a constant journey whose ends are eternal. Much of the identity, vitality, quality and growth of a corporation depend on the four principles enumerated and particularly on the moral and material contents of the Purpose. If the Purpose is universal and related to totality, to God, to His humanity and both to moral and material success, the scope, the dimensions and the life of the corporation must surely be relative to such a Purpose.

2. *Capital and Resources*

If the investors and management are willing and prepared to invest both their moral and material capital and resources, they would only be conforming to the principle of the unity of moral and material, and inevitably the manifestation of the material, in the form of success, would only be relative to the moral investment which gives the identity, quality and the dimension of life to the corporation.

3. *The Concept and Philosophy of Management*

There is not much need to elaborate on the concept of Real Management as my address as a whole will reflect all its aspects. I

would, however, explain a few salient features. The concept of Real Management must inevitably be contained and encapsulated in the four principles of Nature.

Under this concept, the manager has to manage the psychic energy streams of each member of the organisation and manage the interfusion of these streams. This concept calls for the evolution of joint personality of the management, multi-leadership and the Head Office assuming the support function, as against the control function. It demolishes the pyramid and replaces it by a balanced relationship between individual members of the management and between the units of operation in the organisation. It requires decentralisation and relative autonomy which becomes feasible and beneficial only when it is balanced by the concept of joint personality and interfusion of energy psyche between units, regions and the Head Office and amongst individual members of the management, at all levels. In other words, decentralisation and autonomy are relative to, and conditional upon, the extent and degree of communication, interfusion and achievement of joint personality which takes care of controls, responsibility and accountability that otherwise are required in a conventional management.

The concept of Real Management asserts that the operation of any organisation, at the level of units and parts, has to be balanced with its operation in totality, for no organisation can function simply in part or in totality, in isolation. There is no room for the creation of fiefdoms or entirely segregated units, unless they are interlinked and interrelated with each other and with totality.

Real Management's greatest need is for the interplay of humility, love and loyalty between the members of the organisation. In this concept, interfusion replaces the over-emphasised need for communication. It requires a caring human relationship behind the working relationship. In the concept of Real Management, the matrix of an organisation is expressed by the terms culture, ethos and psyche of the organisation.

Mr President, in the final analysis, the essential requirement of the concept of Real Management is that it should remain not merely as a concept. It should become the quality of the manager; as art is to the artist, as music is to the musician and as philosophy to the philosopher. The manager should practise the concept as he breathes and eats and sleeps and lives.

4. *Planning and Strategy*

Planning is a dynamic process and not a static perception. Planning is not possible unless perceptions and strategies are energized by the planners through their feelings. Planning is a phenomenon and not a bundle of facts, figures and ideas assembled in an order by the logical mind. Corporate planning is not the function either of the Chief Executive alone or of a few persons assigned to this function. Planning in its dynamic state flows through the interfusion of the energy psyche of the entire management. Planning is the reflection of the release, flow and interfusion of the streams of energy psyche and feelings of the entire management when it has become synthesized with the corporate objectives and purpose. Planning and strategy come from, and through, the flow of the collective energy psyche of the management in flashes which continue to spark in the process of management and these flashes contain the past, present and future with all their tangible, visible and known components, comprehended simultaneously with their intangible, invisible and unknown components. Planning and strategy is life flowing in tune with totality. Planning is the soul and psyche of management which flows on and on, and flows in the succession of management through what we call the classical spirit.

5. *Culture and Ethos*

Every institution has its own culture which emerges through evolution by the interfusion of the quality and vitality of the entire staff of a corporation together with the influences that are brought to bear upon it by the market-place and by the objectives and purpose of the corporation. Ethos is equivalent to the corporate humility which is nothing but the realisation of the state of non-existence and which is so vast and powerful that it is only equalled by infinity and eternity which contain all that is and that happens. Culture and ethos are, for an organisation, the sum total of all the elements and influences both moral and material in which the organisation and the members of the organisation live and exist. Evolution of a culture of excellence and ethos of the highest moral quality is the chief responsibility of the management.

6. *The Energy Psyche – The Spirit of a Corporate Body*

Like individuals, every corporate body has its energy psyche as created and evolved by a dynamic pool of energy psyche of all the members of the corporation. As it is only seldom that individual human beings are aware of their self-nature and psyche or even of their need to know it, the energy psyche of a corporate body is

neither usually known to its members and its management, nor do they feel the need to know it. I wonder, if it is not their primary function and responsibility to deal with and manage the corporate energy psyche, and the energy psyche of the individual members of the organisation, to achieve the corporate objectives and Purpose; then what else could be their responsibility and function? Here begins the search to discover and then to know your own self-nature and the instincts and self-nature of the staff you are managing and of your clients and customers. This search is the beginning of the process of learning Real Management.

7. *Vision*

Vision is not only the perception or comprehension of your environment. Vision is the ability to comprehend and capture all that is and that happens in its dynamic state. Vision is experiencing life and existence in the flux of its totality.

Vision is the synthesis of the individual psyche with the psyche of the environment and the Purpose. Vision in its finality is the fusion of individual psyche with the psyche of the totality of existence and the purpose of life. Vision is not a vision but is merely a perception or an idea unless it has a built-in ability to express and translate itself. Every individual member of management should have a vision of the identity, the dynamics and the dimensions of the corporation and the corporate environment and purpose in which he lives. Every organisation should have the benefit of the joint vision of the management.

8. *Building up Management Capability Equal to Opportunities and Possibilities*

Last but not by any means the least important, is the function and responsibility of the management to give its highest priority to the building up of management capability in its endless stream. We do not build up management capability to achieve the known possibilities. We build up management to become equal to the possibilities which are discovered by the management capability itself in the endless and limitless existence of such possibilities. A manager is not a manager unless he creates successors who are better than himself. We also say that a manager is not a real manager unless he allows himself to be equally managed by the persons whom he is managing.

Sir, what I have said until now is the philosophical and conceptual base of Real Management. Let me briefly explain how it is practised.

The conventional definition of management is 'getting work done through people'. We believe this definition is inverted. Real Management is 'developing people through work'. It is a matter of what comes first – work or people. If we invest our energies in people, then the work will follow. For years our emphasis has been wrong. We put work ahead of people. But as soon as we put people ahead of work, the people develop as the work gets done. Studies have long shown that people-centred managers outperform production-centred managers. It is time we changed the definition, and the practice.

Conventional management expects a manager to produce more goods and services. Real Management expects a manager to produce better managers – better than himself. And in such a fashion that they, in turn, will themselves produce yet another generation of managers better than themselves, and so on for ever. This evolutionary process enhances the quality of management with each new generation.

Conventional management stresses control over others in a pyramid of power. Real Management stresses self-control and interfusion as equals. In effect, each person is continuously managing and being managed. The real manager takes pleasure in both processes.

Conventional management addresses the businessman. Real Management addresses the whole person with the assumption that if the quality of the total person can be raised, better managers will follow.

Putting people first is an admission that the 'bottom line' is not the ultimate concern of management. Conventional management has become obsessed with numbers. It would appear that if we cannot count it, it does not count. But numbers do not tell the whole story.

The management process must be seen as a whole. We have fragmented it in order to comprehend its parts and in the process, we have lost the whole. Management is too holistic an art to give up its secrets to conscious analysis by itself.

Man is more than an economic being. He is also a psychological, a social and a spiritual being. If we see him only as a collection of parts and fail to see the whole, we lose the vast and rich potential of his fuller being.

Real Management recognises the need to deal with the whole man by uniting the material with the moral. When management encourages its people to search for the deeper truths in themselves, and to relate them to the larger moral order of the universe, it serves a very special purpose. Most people spend their lives relating to trivial things because they don't have the opportunity to relate to larger, nobler causes. But relate they must.

The vast majority of people who work for business and industry do not get very excited about the 'bottom line'. But, if we can provide a better means for them to relate to themselves, to others and to the natural laws that govern their lives, they will extend their reach far beyond what they had ever thought possible. They will feel a sense of mission, and they will no longer be 'making a living' – they will be making a life.

I hope I have not given the impression that making a profit is not important. You have, Mr President stressed the importance of being profitable. We agree. Profit has been called the reward for taking business risks. It is a test of business performance. But it is more than this. It is not enough just to make a financial profit. We must also make a spiritual profit. If we can say we have given more of ourselves than we have taken from others, we have made a spiritual profit. If we cannot say that then we have a deficit, and no company can grow in the long run by operating spiritually 'in the red'.

Just as each of us has a spirit, so does each organisation. Attending to the spiritual needs of an organisation is the job of management. Much has been written in recent years about work values and corporate culture. The culture determines how things get done in a business. Managing this culture is the principal task of the chief executive officer. The culture, in turn, then manages the people. We call this culture the ethos, the energy psyche, or the spirit. It is the vitality of an organisation. Its collective energies determine the quality and the quantity of our company's performance. As custodians or keepers of this spirit, we are the ones who nurture its growth through leadership and vision. Without this vision, the energies will wane and collapse in misdirected efforts and random activities. But with this vision, management has the energy to transform a company. Collectively, it has the power to transform a nation.

It is the senior management of an organisation which is not only a manifestation of its collective culture, ethos, energy psyche and spirit – it is the senior management that must acquire that insight which will give them a true vision of the future of the organisation. This vision must be communicated in a lucid and compelling way.

Vision is formed through the total immersion and absorption of the totality of the organisation which springs from an identification of the corporate with the cosmic totality. The corporate culture, ethos, purpose and spirit form a vision of future reality. This vision can only be clear to those people who embody the organisation in its totality.

Sir, at this stage I would like finally to summarise what I have tried to say about Real Management.

We need to enlarge our awareness so that we are able to see things more holistically, more inter-dependently, and more in the context of totality and change.

We need to realise that we are prisoners of our own limited conscious perceptions. That we see only a fragment of what really *is*. What we see operates within the fold of an infinitely grander scheme largely unknown to us, but whose laws we cannot ignore.

We need to recognise man's quest for relatedness.

We need to realise that in this larger world, our differences begin to blur as our inter-relationship with others begins to show itself.

We need to approach all people with an unconditional love and regard and to attend to them feelingly. Ideologies divide, but feelings unite.

We need to see man and management in their wholeness and to realise that we lose their essence when we separate them.

We need to help managers to become better persons. We need to realise that people are not just skilled hands, strong backs, beautiful faces or bright minds. Each person constitutes a complex and rich universe simply by being the person he is – a microcosm of the larger universe.

We need to account for our human and spiritual gains as well as our financial ones. We need to expand our concept of profit to include, with the material, a *moral* dimension, a new 'bottom line' that accounts for both.

We need humility to temper our tendency to control what we cannot control, and humility to merge our energies with others and with the natural laws.

We need a larger vision of what we are and of what we can become. A vision that embodies the collective corporate spirit and raises it to a new level of awareness. And we must be able to articulate it in a clear and compelling way for all who would share this vision with us.

Corporate management, its problems and prospects, is a subject almost as limitless as creation itself and the phenomenon of cosmic management. It is hardly possible for an ordinary human being to realise, experience, articulate and express its dimensions and complexities; much less is it possible to express in such a short time even what one could comprehend through receiving a few hints and directions through his interfusion with the wisdom and psyche of fellow human beings and a touch of the essence of cosmic truth.

Mr President, while talking of management in the context of a capitalistic society, I may just say in passing that capitalism as a system, unless it takes refuge in the old principle of domination of weak by the strong, will not survive for another hundred years without its wholehearted acceptance of the truth and the enlightenment that follows the acceptance embodied in the unity of moral with material.

The need of the hour is to demolish the demon of individual, corporate and national egos and bow to the laws of inter-dependence, inter-relationship, interfusion and evolution. The need of the hour is to transcend into the infinity and grace of humility in its silent majesty.

Mr President, what I have stated may sound presumptuous, particularly coming from a man as insignificant and as inconsequential as I am, but it may be rewarding, at least to the extent that it can be achieved. We have practised and experienced what I have said in our own little world of BCC, and it has brought to us a degree of happiness and some success.

Mr President, ladies and gentlemen.

May I say how deeply I am touched by all the kindness and consideration you have shown to me and how great a burden I would have felt if I had not the ability to dissolve it in the volume of my humility.

