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Passage – 1

That there is a direct connection between employee health and the stresses and strains imposed on the individual by the pressures of increasing competition in business and organisational life, is so well established as to be a truism. Obvious though it might seem in retrospect, for most of the century just ended, Frederick Taylor's mechanistic models formed much of management thinking. They dealt with the life in the work-place as though it stood on its own with little reference to the human, organic factors of emotional states or family life. Essentially, people were thought to be a plentiful, easily replaceable, relatively inexpensive "resource" - to be purchased and employed by the industrial organisation. As Henry Ford observed, he wished he could get just a pair of hands from the worker, rather than the whole person with all the attendant messiness! People of the worker category tended to be referred to as skilled "hands". The idiom reflects the mindset. The relationship between the state of well-being or even health of the employee and his productivity received little or no notice.

In contrast, a study conducted among 2000 managers in the U.K. last year and published in Management Today, draws attention to what they call "stress drain". One in three managers surveyed complained of some extreme effects of work-related dysfunction, such as loss of sleep, impotency and high blood pressure, often with some heart-related problems. In a significant minority of cases, the job related stress has led to marital breakdowns.

Well-being is neither entirely a mental state nor merely a physical phenomenon, but a composite of both. Does it however mean that one cannot tackle them separately? This is a difficult problem for the medical profession all over the world. The paradox lies in the fact that the distinction between the mind and the body is not natural but man-made (or should we say, mind-made!). Put it another way, we make the distinction conceptually, but it can be argued that it is not real.

The lack of "disease" however, does not amount to health or a sense of well-being. This first and fundamental point in the traditional Indian wisdom of Ayurveda is being increasingly acknowledged all over the world. Deepak Chopra, a Boston-based Indian doctor and author of a number of bestsellers has brought millions to this point of view. For him, holistic medicine must take into account the intelligence that every cell in our body already comes endowed with when we are born. "You can never become healthy by swallowing medicines" is how a famous Professor of Ayurveda put it during a discussion I had with him recently. So how does present day Indian society deal with this growing crisis, is a question that arises naturally. Can we take refuge in the traditional assumption that the quality of family support and personal life are better overall in India, even if there is less affluence overall than in the so-called "advanced" economies?

Since about 1991, some of us have sensed that this is not so true any longer. For many, one of the less spoken of effects of the new liberalised economic regime must be the increased stress in everyday life. Consider the multiple forces, career and societal, at work and their effects. Increasing workload at the office is an almost universal feature in our lives. Businesses everywhere are spurred on by competition. Here it is augmented by a race for a share in the growth opportunity offered by a burgeoning industrial economy.

In this article we look at this issue from the point of view of the modern, urban "salaryman" as the Japanese refer to him. The business world sees well-being as a by-product of a sense of personal achievement especially of the kind that carries with it some public reward, if not acclaim. It rewards and praises a high energy level, high level of activity and "busyness" as well as speed. Some psychologists describe the A type executive, as one who is perpetually in a hurry, short of time and on a short fuse, full of ambition and restless energy. We must all know of someone of our friends, who is constantly on the go, living on adrenaline and putting in 70-hour weeks, of not only ceaseless motion but also the ever-present mental pressure of competing with other executives similar to himself. So much is the accent on work that even holidays and breaks must be regulated and planned, without the much needed spontaneity and ease that relaxation demands. The hard working executive, especially in the West but increasingly in India as well, takes even his exercise in short sharp bursts. The choices could be lunchtime jogging or a hectic game of squash, or better still, working out in an indoor all-weather gymnasium provided thoughtfully in the basement of the office block itself!

The issue today simply stated is this: organisations the world over, increasingly recognise that individual motivation and personal effectiveness alone are the major forces contributing to results of the organisation. At the same time, the radical change in the nature of work and careers merely reinforce the importance of allowing free play of initiative, creativity and self determination, all of which means a letting go of the command and control model of hierarchical governance. Tapping into individual creativity and peak performance dictate that greater flexibility in routines. The employee has to be more secure and at ease at work, whereas the situation both within and outside seems to do precisely the opposite.

How are we to marry the two demands happily? This is an unresolved dilemma in organisational life. This is neither peculiar to nor confined to the commercial and business world.

The emergence of the knowledge based industries and the post industrial revolution are mega-trends now almost fully played out in the advanced economies, but will no doubt do so elsewhere too. The emphasis everywhere is on learning as an integral function of the organisation. Thus the search is on for the magic recipes that would make the employee willingly exert himself to excel. He must want to go the extra mile for the benefit of the employer, continuing to innovate and develop his expertise - all to keep the corporation competitive in the market place.

Enlightened leaders of companies have begun to see that it is a rare human being who can match this demand out of voluntary altruism! Keeping people happily engaged at work therefore, is clearly no longer a romantic ideal of "soft hearted" human relations, but makes hard headed commercial sense. After all why should a highly qualified young person want to sweat it out for someone else to become a billionaire, if he too can make a few millions for himself elsewhere? This is the implicit issue that drives the more recent developments in people management policies and practices of high technology industries. Employee stock options are meant to give the young software specialist the meaning and purpose to do his utmost to make the company thrive. It is also an incentive for him to stay with the employer. Employee turnover is endemic in sunrise industries where the supply of competent people is chronically chasing demand. Frequent job changes in one's twenties are a sign of ambition, success and drive and not instability or fickle loyalties.

Still, we are only just at the beginning of a discontinuous change. I believe management practice has to go much further. It must realise that working hard and long hours, commuting long distances and the pressures of deadlines can only be partly compensated by money or perquisites or even titles. In the end (and this will be reached sooner than later) executive burn out is a reality in one's thirties. And that takes a heavy toll of well-being not just of the wage earner but all the family. One can now see why the European culture in particular, emphasises family holidays, privacy, sport and recreation on weekends and personal time for hobbies.

Here in India, it is the exceptional individual who plays a serious game or goes out on a wilderness walk, beyond the age of forty. At management seminars, when asked to introduce themselves mentioning hobbies and games played, over two-thirds say, "watching cricket on TV and music"! Static and sedentary habits, both. This can hardly be conducive to well-being.

Often the sensitive and thoughtful young manager on a rising career graph finds it difficult, if not positively embarrassing, to admit to facing this dilemma of being sensible versus successful. Doing so would carry with it a not so flattering connotation. Others might write him off as what Maggie Thatcher would have described as "wet". He could be consigned to the scrap heap as one who could not quite hack it, or being not quite up to it. Yet, if we look around our own immediate vicinity, we are bound to find examples of more illnesses related to the strains of coping with an intolerable extra amount of work, less leisure and greater pressures of all kinds.

The medical profession of course exhorts us on all sides on the utter criticality of the right kind of food in time, rest, exercise and relaxation. No magazine is complete without advice on how to remain active, aggressive and competitive and yet stay sane. I submit that this is a hoax we are playing on ourselves. One cannot hope to deliberately nurture insecurity by career-threatening situations and still expect the individual to cope.

Taking time off whenever the pressure cooker appears almost ready to explode and diving for cover is no solution. The emphasis must be consistently and equally on the workplace as well as at home. Furthermore, the work schedule should be varied enough to give some relief from the inevitable jaded feelings which thus arise with greater frequency. Lowered effectiveness and declining satisfaction with work is the inevitable result of not doing so.

An often ignored element in feeling a lowered sense of well-being is the damage caused by pettiness, jealousy and political and ego clashes. These could wreak havoc as great as cancer - and indeed cause it! Deeply concerned thinkers both in the West and here are now recommending a need to "find one's own centre", to anchor oneself through a meditative practice. This could result in a more realistic appreciation of what one is, one's place in Nature and creation and how to be true to oneself rather than lose oneself in the hype of others' images about oneself. A high achiever and hero role is great while the dream lasts, but it is only a dream. Here the traditionalist advice is to seek solace from lofty thoughts from a religious book such as the Gita. The author's experience is that this is too often adopted mechanically, almost like another therapy. The root cause lies in our enshrining and worshipping the false gods, of careerism, one-upmanship and self-aggrandisement. It is futile to cling to these till one turns 50 years of age, indeed extol their virtues as the only way of "getting along" in this world and then turn to religion as a last resort. There is something inherently contradictory and wrong in this. Only a broken and fragmented human being can be a "street fighter" and ruthlessly competitive to the extent of being amoral in the office or factory - but expect 20 minutes of meditation to wash off the sins of the day at home. The two behaviours are inherently untenable in the same person without extraordinary self deception!

What we need instead is to openly admit that one cannot have "all this and heaven too". By all I mean the pleasures of prestige, power, adulation and "winning the race". These come with a price tag. And the tag is seen in drinking bouts, inexplicable pride and blindness to one's faults, hubris and an inability to relate to people authentically. We have only to search our own memories honestly to recognise this profile in senior officers, politicians, industrialists, top managers who make headlines these days. Most of them are not particularly likeable as people, and many are so ill at ease when not surrounded by the trappings of power that they try desperately to cling on to some office or title long after official retirement is passed. Such people can be seen among the senior managers and bureaucrats immediately on retirement. They are typically very free with advice to the young on the lofty values they should live by. This is a sure sign of lack of real emotional and mental health!

Many authors can be quoted in support of the new developing interest in holistic living and working in this rapidly degenerating environment. Suffice it to say that all of them point out the futility of trying to "solve" this situation as if it were yet another mechanistic problem in managing.

As Dr. S. K. Chakraborty of IIM, Calcutta says, how can we hope to manage anything else if we cannot manage ourselves? What kind of a manager is he who lives in a watertight compartment at work with a set of values and behaviour completely separate from - and even contradictory to - those he really wishes to practice in his personal life? Whether one comes at it through a deep understanding of our roots in Vedantic philosophy or reflection and self awareness, the key to a full sense of living wholly and well is to emerge from the dreamlike make-believe world of combative achievement and become finally wide awake, to return home and live in contact with the here and now.

1. *In the past century workers were :*
(1) treated like machines. (2) treated like slaves. (3) treated like humans. (4) None of the above
2. *Which of these is not among the major effects of stress induced by work ?*
(1) Marital breakdowns (2) Impotency (3) High blood pressure (4) Heart problems
3. *Ayurveda prescribes a holistic approach to health. Can this be inferred from the passage ?*
(1) Yes (2) No (3) Certainly not (4) Uncertain
4. *Which of the following is most unlikely to be false ?*
(1) Modern economy has generated technology to provide comfort and stress-free living to the people.
(2) The voice of Indian medicine is still to be heard in the west.
(3) Almost all divorces in the west are a result of work-induced stress.
(4) None of the above.
5. *The author cautions executives about :*
(1) Mid-life crisis. (2) Burn-outs. (3) Psychic Fits. (4) All of the above.
6. *The author has highlighted the concept of security in increasing the efficiency of the employee.*
(1) Yes (2) No (3) Irrelevant (4) Uncertain
7. *The author lists which of the following as desirable qualities in a organization ?*
(1) Initiative (2) Creativity (3) Self determination (4) All of the above
8. *Which is not an advice given by the author ?*
(1) Employees should know how to handle stress.
(2) The organisations should decrease the working hours to a minimum.
(3) Promotions in the company should be time bound, not performance related.
(4) Both 2 & 3.
9. *The many suggestions made in the passage towards solving the dilemma of the executives do not include :*
(1) discovering the inner self.
(2) letting the pressure cooker cool off just before it is about to burst.
(3) developing interest in holistic living and working.
(4) remaining aloof from the trappings of power.
10. *The following doesn't affect the sense of well-being adversely :*
(1) pettiness, jealousy and ego clashes. (2) stress at the workplace.
(3) careerism, one-upmanship and self aggrandisement. (4) rapid career advancements.
11. *The point that the author emphasizes through the passage is :*
(1) all work and no play makes working executives dull and unhealthy.
(2) for well being the executives need to take to holistic living and working.
(3) traditional therapies and meditation are the only means to find ease and comfort in the degenerating world.
(4) executives need to concentrate on health to increase productivity at work.

Passage – 2

India has a huge public enterprise sector. It consists of nearly 1,050 public enterprises – some 250 central public enterprises and about 800 state public enterprises. Total investment in the Central PSEs at the end of 2001–02 added up to Rs 1,358.71 billion, up from Rs. 211.02 billion at the end of 1980–81. Although detailed information on state public enterprises is not available, they also account for substantial investments.

But public enterprises (PEs), both central and state, are immensely inefficient. The PE's deficits have added to the country's current large stock of domestic and external public debt which, in turn, has given rise to massive liabilities on account of interest payments.

Privatisation can be of major help in reducing India's public sector deficit. The proceeds from the sale of PEs can be used to finance the public sector deficit or, in case the proceeds exceed the deficit, to reduce the outstanding public debt, both domestic and external. The proceeds from the sale of PEs should be treated as a financing (below the line) item, not as a receipt (above the line) item. A major advantage of such a treatment is that it eliminates all possible incentives to reduce a given public sector deficit with no, or relatively small, fiscal correction. And this will reduce the burden of interest payments and the deficit.

With the public enterprise sector regarded as a sacred cow in the political arena, the selling had to be performed in a manner that appeared to be totally harmless. This explains why only a fraction of the equity was sold, and that too almost wholly to public financial institutions, with the Unit Trust of India alone, for example, accounting for 74.4 percent of the total sales in 2001-02. So much so that even the minimum reserve prices for the shares that were sold were fixed on the basis of the recommendations of financial institutions in the public sector. Despite all these precautions, the government of India has been severely criticised, both within and outside Parliament, with the major criticism being that the actual amount realised from the sale of shares has been substantially lower than that could have been realised by going in for the best value method.

In my view, the whole thing does not add up to much. The government of India's intention was not to privatise. Its intention simply was to raise resources by selling the equity in question to other public entities under its administrative control, treat the resources so raised as a receipt (above the line) item, not as a financing (below the line) item, and thereby claim to have reduced its deficit. Therefore, the question of the government having suffered a major loss does not arise. All that the government's scheme has done is that it has changed the intra-public sector holdings of financial assets, with the result that rather than the government of India borrowing money to finance its deficit, it is the public financial institutions which have ended up raising the resources in order to finance the acquisition of the concerned PE's equity.

This incidentally shows how the International Monetary Fund's laxity has distorted the government of India's behaviour; by agreeing to a conceptually absurd definition of the deficit, it has created incentives for the government of India not to push ahead with necessary tax and expenditure reforms and instead has allowed it to go in for gimmicks such as selling the Central PE's equity to other public entities in order to reduce its deficit which, in turn, given the substantial transaction costs involved, has added to wasteful public spending in the country.

Two things can be said about the privatisation moves in India. First, privatisation in India appears to be a public finance-driven phenomenon. Thus, Allwyn Nissan Limited (ANL), which incurred losses in all the years since its inception in 1984, had to be privatised in 1988 when the government of Andhra Pradesh (GOAP), which controlled and managed the ANL, before its privatisation, could not afford to provide a budgetary support of even Rs. 50 million for its revival. Similar is the case with other state Governments. And second, it appears that privatisation has contributed to gains on the efficiency front. The market share of ANL, now known as Mahindra Nissan Allwyn Limited, in the fiercely competitive light commercial vehicle market which was 17 percent before privatisation rose to 25 per cent at the end of 2000-01; it made an entry into the export market and improved its status from being a loss-making company to a net profit-making one in 2000-01; reflecting the good performance, its share price rose from Rs 7 (par value: Rs 10) before privatisation to a high of Rs 25 during 2000-01.

Of the privatisation moves that have been initiated in India so far, some have either been given up or are currently in progress. But assets of the public enterprises that have been privatised do not add up to even 1 per cent of the total assets of India's PE sector. And the explanation probably lies in one or the other or in a combination of the following obstacles to privatisation in India: structure of incentives that India's politicians face; and labour unions.

Access to the PEs' resources helps politicians in getting reelected. This can happen in a variety of ways. First, PEs can be used to create and provide jobs, at wages and salaries higher than the market rates, to those who directly or indirectly help a politician in his or her reelection. This explains the phenomena of gross overstaffing and inefficiency in PEs. Second, PEs can be used as parking places for selected members of a rival group within a political party, or for such other people whose support may be critical for the continued survival of, say, a chief minister.

Finally, PEs can also be milched through leakages in, say, their spendings under various heads, both current and capital. Thus, plant and machinery may be acquired at inflated prices, with at least a part of the differences (between the market prices and the actual price charged) directly or indirectly accruing to a politician.

Given the above state of affairs, no wonder most politicians oppose privatisation of PEs' especially now when, thanks to the economic reforms some of the opportunities for rent-seeking that the politicians used to thrive on, have disappeared.

The labour unions' opposition has been a major factor responsible for the failure or the slowing down of privatisation efforts in India. The Scooters India Limited (SIL) is a case in point. The SIL, which was put up for sale in 1988, was lucky to find a buyer in Bajaj Auto Limited (BAL), but the sale could not go through because of the opposition of the SIL's 3,125 employees to the proposed scheme of privatisation which involved retrenchment of 1,625 employees. "The real problem", as Rahul Bajaj, BAL's Chairman, put it, "is the labour. If in even one case the government closes down a unit because employees oppose privatisation, then the problem will be partly solved, as people will see that saving half the jobs is better than having none." Bajaj is right. Closure does help. But the government of India has not heeded to Bajaj's advice and has instead allowed SIL to continue to incur huge losses.

But things have now begun to change. Pressures for privatisation are building up. And given these pressures, the obstacles to privatisation may start wearing down.

12. *Which is true as per the passage ?*

- (1) The Indian Public Sector enterprises have a proven track record of always performing well when faced by the threat of a closure.
- (2) The Central PEs are, to some extent, more profitable than the State PEs.
- (3) Rahul Bajaj had decided to put up the equity of the recently acquired company for sale.
- (4) None of the above.

13. *Which is false as per the passage ?*

- (1) Public enterprises in India, both central and state, are liabilities and not real assets.
- (2) The PEs deficits have added to the country's debt.
- (3) The public debt has produced huge liabilities as interest payments.
- (4) None of the above.

14. *The author is least likely to agree with the statement that :*

- (1) public sector in India is considered to be of the utmost importance.
- (2) the government's moves to privatise the public sector have been largely dictated by the financial institutions.
- (3) the role of politicians in the privatisation process of the PEs has been very disheartening.
- (4) None of the above.

15. *As far as the circumspect stand of the government regarding the PEs is concerned :*

- (1) it has paid off handsomely.
- (2) it could not save the government from the spectre of inflationary expectations.
- (3) it could not help the government generate enough foreign exchange.
- (4) it was not able to avoid the severe criticism from several quarters.

16. *From the passage, it can be deduced that the author's stand vis-a-vis the major international financial institutions is that :*

- (1) they have damaged a potentially strong revival case for India.
- (2) they can be of no use to India as they comprise vested interests.
- (3) their laxity has distorted government of India's behaviour.
- (4) India should never rely on them.

17. *The process of the PEs equity being sold to other public companies is viewed by the author as :*

- (1) a highly commendable step
- (2) uneconomical
- (3) an attack on their public nature
- (4) a damaging step

18. *Which of the following is true, as per the passage ?*

- (1) The prices of shares of companies going public always rise.
- (2) Allwyn Nissan Ltd. was revived through a combined private-public package deal.
- (3) There are several hitches in the way of a private company going public.
- (4) None of the above.

19. *All of the following are reasons for "obstacles to privatisation in India," except :*

- (1) easy access for the politicians to the PE's resources.
- (2) gross over-staffing leading to uneconomical functioning.
- (3) avoidable delays in the major revival packages.
- (4) strong labour union resistance.

20. *The author closes the passage with a note of :*

- (1) sustained pressure
- (2) logical optimism
- (3) prudent skepticism
- (4) circumspect derision

Detailed Solutions

1. **Ans.(1).** Option (1) is clearly upheld in the first paragraph wherein it is illustrated that Taylor's mechanistic view was prevalent in the previous century. The remaining options are not correct.
2. **Ans.(1).** The second paragraph towards the end, states that marital breakdowns in not a fallout of the effects of stress induced by work. Option (1) best denotes this. The remaining options are not correct.
3. **Ans.(1).** The fourth paragraph endorses option (1). The remaining options are not correct.
4. **Ans.(4).** All the options (1), (2) and (3) are false. Option (4) is thus the one sought.
5. **Ans.(1).** The passage has the author cautioning executives of burnouts, in option (2). Options (1) and (3) are clearly absurd.
6. **Ans.(1).** The seventh paragraph hints at the author thinking security to be behind efficiency. Option (1) best denotes this. The remaining options are not correct.
7. **Ans.(4).** The passage comes out with all the three qualities desired in an organisation. Hence option (4), a blend of options (1), (2) and (3) is the one sought.
8. **Ans.(4).** Option (1) can be inferred from the passage. Options and (3) are not what the passage states. They are the options sought. However, option (4), their blend, is the appropriate one.
9. **Ans.(2).** The author suggests in the passage that option (2) is a quick fix arrangement and not a permanent solution to the problem. The remaining options are unconsidered.
10. **Ans.(4).** This does not affect the sense of well being adversely. It is the stress that gets generated due to extra and erratic working that comes with fast paced career progress. Option (4) best denotes this. The remaining options are inapt.
11. **Ans.(2).** Option (2) is the essence of the passage. Holistic living is to be lived for the well being of the executives. The remaining options, though not incorrect, do not come out strong before (2).
12. **Ans.(4).** None of the options (1), (2) and (3) find a place in the passage, direct or implicit. Hence option (4) is the one sought.
13. **Ans.(4).** The second, third, fourth and fifth paragraphs uphold options (1), (2) and (3). Hence none of them is false, making option (4) as the appropriate one.
14. **Ans.(2).** The ninth paragraph uphold options (1) and (3). Option (2) is not stated in the passage and is incorrect.
15. **Ans.(4).** Option (4) is validated in the last statement of paragraph 4. This is the one sought. The remaining options are not true.
16. **Ans.(3).** The sixth paragraph states and endorses option (3). The remaining options (1), (2) and (4) are not appropriate.
17. **Ans.(2).** The last sentence in paragraph 4 and the first sentence in paragraph 5 shows that the move of selling equities of PEs to other public companies was uneconomical. Option (2) best denotes this. The remaining options are inappropriate.
18. **Ans.(4).** Options (1), (2) and (3) are false as made out in the passage. Option (4) is the option to be ticked.
19. **Ans.(3).** The last two sentences in paragraph 8 make option (3) as the appropriate one, as the other three options are upheld.
20. **Ans.(2).** Obviously it is option (2). Options (1), (3) and (4) are out of place.

Answer Keys

11.(2)	12.(4)	13.(4)	14.(2)	15.(4)	16.(3)	17.(2)	18.(4)	19.(3)	20.(2)
1.(1)	2.(1)	3.(1)	4.(4)	5.(2)	6.(1)	7.(4)	8.(4)	9.(2)	10.(4)