



IS Small Beautiful? (D)

'This case material is prepared under the guidance of Prof. Krishna Kumar, Former Professor, IIML, as a basis for class discussion rather than illustrating correct or incorrect handling of administrative situations.'

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Is Small Beautiful (D)?

The Director of IMP had a sigh of relief when he got assurance from the member of the Board that he would use his goodwill to impress upon the builder's company to expedite things. IMP was facing a serious problem of arranging classrooms and hostels for the students. The Institute had increased the batch size from 60 to 120 students in June 2003, hoping that the above building started in February 2002 would be completed by May 2003. But there were no sign of completion even in February 2004. The hostels were in different stages of completion and for the classroom block the foundation work was in progress. The buildings, which were to be completed by May 2003 (in 15 months) were only 40% completed by February 2004 (in 24 months). Indeed on February 15, 2004, the Board had taken a serious view of the situation and directed that a legal notice be issued to the contractor informing him that the Institute has no alternative but to involve the contractual provisions for terminating the contract and getting the balance work done at the builder's risk and cost (for other details see case Is Small Beautiful A, B and C). The road was still not smooth however.

While he had a feeling of satisfaction that he has avoided a "wasteful" expenditure of Rs.2.5 million by not going for temporary class room, he was still not sure whether the new classrooms will be ready by June 2004. He had in the meantime requested the Vice President of the builders company and also one of the two partners of the Architects to join the inauguration of the impressive hilltop guesthouse. The day next to convocation they visited the construction site and discussed how the classroom complex could be expedited. The Director impressed upon the criticality of the building to hold the academic programme from collapsing. The trio applied their mind to fine tune various activities, element by element, cutting activity time by weeks and days, taking up certain activities in parallel that were initially thought to be done serially, diverting critical skilled manpower resources from other buildings (like faculty block that was not needed immediately). He assured the Vice President all help from the Institute's side (like prompt release of payments of running bills), requested Architects to help by giving necessary drawings, specifications and sample approvals expeditiously etc.

“The most surprising part I noticed was that while the urgent requirement was classroom complex, the focus of the builder was more on completion of faculty block. We already had a faculty block of 25 rooms while, approved faculty strength was only 27, actual number of faculty members was 19 and planned faculty accommodation was only for 15. On the other hand we had only 2 number 60 seater and two numbers 36 seater class rooms that were needed for 1st and 2nd year of one section of 60 PGP students, while the batch size was increased to two sections (120 students) in the previous year and the second classroom complex was not beyond half the completion mark”.

Enhancing Capacity

While discussing how to expedite the construction of the classroom complex, the Director requested the Architect Mr. Vivek, whether it was possible to enhance the seating capacity of the sixty seater room on the ground floor to 80 or more. Mr. Vivek was baffled at the request. He explained that the foundation had been laid, the columns were raised, the brickwork of the walls were done, the ceiling of ground floor was cast and wondered how could the capacity be increased now. The Director however, insisted that the Architect should at least think over the issue,

On being probed by the Architect Mr. Vivek as to what made him think that it was possible, the following discussion followed.

Vivek: “Sir, what makes you think that it is possible to increase number of seats at this stage?”

Director: “I am given to understand that the second class room complex is replica of first one. Is it so?”

Vivek: “Yes.”

Director: “In the first complex the class rooms are air conditioned and I am told that MHRD has forbidden air conditioning here. Is it so?”

Vivek: “Yes.”

Director: “I see air conditioning ducts on the floor of class rooms. If air conditioning is not done the 2 ½ feet wide ducts will not be there. Is not it.”

Vivek: “Yes”

Director: “ Can’t we advance the first row by 1 feet and thus get 3 ½ feet width at the end and add one more row of about 20 odd seats? Think of it try”

A month later, the Architect informed that he has worked over the suggestion and redesigned the seating arrangement to make it 79 seater rooms.

Commenting upon the apparently impossible feat, the Director said. “The idea of having larger number of seats had been occurring to me for quite sometime. This would have multiple benefits. It could have accountably larger class size for PGP II elective courses, especially because of a larger number of adjunct faculty, who may find handling two sections difficult next academic session, when the 120 students batch reaches second year. As the batch size increases further to 180 or more, many electives, will have 60 or more students say 65-70-80 or so. Breaking them into small sections of 30-40-50 would not only make it difficult for the adjunct faculty to handle more sections, but also escalate logistics demand that was getting more and more difficult to meet, as the Institute had only few non-teaching staff, which is ¼ of what others had at this level of operation. Besides, the large room size could help in organising guest lectures, short seminars and workshops in a class rooms than in the auditorium”.

While discussing about completion of various residential buildings with the Institute Project staff and the architects representative, sometimes in May 2004, the Director came across another building. He was informed that it was a married student’s hostel. He wondered why there was one hostel on this residential hill (while all the hostels were on academic hill) and how will he use the building (married student’s hostel) which is typically created for students of long duration (3-5 years) doctoral programmes, which was difficult to start in the next 3-4 years. The doctoral programme required 40-50 faculty, having keen interest in research to support the programme and the Institute was facing uphill task in getting faculty to support even two sections of post graduate programme. How was he going to cover up its maintenance cost without utilising it to the capacity? He was getting more and more anxious with many buildings like this, e.g., second faculty block and others were coming up, which will pose problem in recovering the maintenance cost for several years, a factor that was getting critical in view of reducing and sluggish flow of government grants. At the same time he realised that there

will be pressures for generating revenue as the expenses were mounting, since the institute moved to its own campus previous year (like the expenses on security, house keeping, electricity, water supply etc., all increased from Rs. 2 m to Rs. 10m) Revenue could be generated by conducting training but that infrastructure was slated for Phase III and the Institute was struggling with completion of phase II, which was not even 40% complete”

Conversions

He therefore, asked the Architect and builder whether it was possible to convert it into another guest house. It was difficult proposition, but the builder agreed to help out by changing the piping, floor tiling, providing changes in electrical wiring, switchboard etc to accommodate air-conditioning hot water supply etc. They were reluctant initially as it would delay completion of contract within stipulated period and they were not entitled to cost escalation but agreed to do so to help the Institute launch Management and Faculty Development Programmes albeit, in a small way.

In the process of discussing the modifications in the married student’s hostel, the Director also came to learn that there was another married student’s hostel of similar design already existing on the other hill about 1 ½ k.m. away. The idea occurred that this may also be converted into another guest house for 8 persons. He therefore, requested the builder to help carry out necessary modifications in this hostel also like the other one. The builder flatly refused to do it, as this building was not in his scope of work. The Institute project staff, however, offered to do it internally. The Director was pleasantly surprised at the offer and readily accepted it. The project staff got it done in 4 months time, at a cost slightly less than that of the builder in certain items.

Guest House Furnishing and Conversion of Married Students Hostels into Guest Houses

While the guest house was ready for inauguration on time i.e. 27th March, the furnishing was not up to the mark and the Chairman of the Board, a man of taste, did not hide his disappointment, The Director too was disappointed but did not know what to do. He

sought help of Chairman who advised him to get the job done by an interior designer. Finding an interior designer in the city was not easier but luckily three parties responded, two of them finally turned up for giving walk- through demonstration. The Director appointed a committee of faculty members who selected one of them. On second thoughts Director suggested to the Committee why not try the first one also by giving small work so that there are at least two known parties in the city who the Institute could consider for future work. The committee considered the suggestion and gave the second party the task of furnishing the first guest house with the furniture already bought and little extra expenditure. The first party was given full contract of furnishing the two married students hostels as guest houses.

The job was furnishing the three guest houses was over in three months despite delays caused by builder on account of converting electrical and telephone connections etc. to meet the requirements of a guest house than students hostels. The guest houses looked like a three star hotel with tea coffee arrangements in the air conditioned rooms which also had a refrigerator, a feature unheard of in the guest house of other similar institution, although it was aimed to make it an attendant free guest house. The first guest house two turned out to be an impressive one, matching the other two. The guest houses were inaugurated on the foundation day, with a faculty development programme. In which a record number of participants turned up. For housekeeping two boys were coming from a four star hotel which was a part of international chain.

The saving of Rs. 2.5 mn by avoiding temporary class room furnishing (see case “Is Small Beautiful (C)” case), came handy to furnish the three guset houses at the cost of approx.. Rs. 3.00 mn.

The conversion of the two 8 persons’ married students hostels into guest house, although at different locations, allowed the institute to get 24 rooms accommodations in the campus to request adjunct faculty stay in campus. “The Institute was bleeding with adjunct faculty costs” explained the Director. “Besides air-fare and honorarium, it had to pay Rs. 2000 per day towards their stay, meals and taxi charges from city to campus and return. A 3-day visit cost Rs. 6000 extra and for an average of three visits it was about Rs. 20000 per course”. The move drastically reduced the hotel and transport charges by

about Rs. 2.5 million in a single year and this was to be a saving at increasing rate given that PGP intake was to increase in due course.

The unique new furnishing allowed making rooms double occupancy and thus created a 48 bed capacity for high quality but low cost management development programmes, which was not possible otherwise. Further, it also facilitated the Institute in taking a major initiative in faculty development programmes and the Institute became the only major QIP (Quality Improvement Programme) Centre of the All India Council of Technical Education in the field of management, in a year's time.

Enhancing Capacity Again

Towards June 2004, when the second classroom complex structural work was nearing completion, the Director requested the Architect Mr. Vivek to consider the possibility of converting the two 36 seater horizontal classrooms on the first floor into 60 seater, stepped auditorium type class room. Architect was quite restive and surprised at the suggestion.

Director: "Mr. Vivek, is it possible to convert the two first floor 45 seater classroom into 60 seater stepped, auditorium type classroom?"

Vivek: "Sir, how is it possible? These are 36 seater classrooms built on column structure. How can you make 60 seater stepped one? If we make it stepped one the filling will make it collapse".

Director: "These are 45 seater class rooms, not 36 seater, and can't we make it hollow?"

Vivek: "No they are 36 seater. We can go and see it."

When the duo went to see the two finished first floor class in the first classroom complex to the surprise of Architect, he found 45 plastic chairs in the classroom instead of 36. Still the issue of stepped remained unresolved. Mr. Vivek was getting restive with the creativity of the Director.

Vivek: “Sir, from where do you get crazy ideas like this, hollow class rooms.”

Director: “From Ram Lila. OK lets leave that. In the city I hail from we have a stadium where we had a class called “galary”. In that class we had a steel frame structure on which wooden benches were fixed. Can’t we have similar steel frame structure on which wooden planks are fixed and on that we can mount the chairs and tables.”

Mr. Vivek was baffled for a while but agree to think over it. A month later the Architect sent a message that they have been able to develop a new layout with hollow stepped classrooms of 59 seater each, with an innovative design with wooden steps. The state was known for high quality wood work, and steel reinforced frame braced with wooden steps made the rooms elegant and sturdy 59 seater classrooms, which were later rated as the best classrooms.

“The creation of the two new 59 seater and two 79 seater (instead of 36 and 60 seater) augmented the seating capacity one a half times” said the Director. “It also provide 6 class rooms of about 60 capacity instead of four, which helped the Institute in meeting the classroom requirements of third section of PGP, that enabled the Institute increasing the intake next June, in its 8th year, fastest among all the Institutions of similar eminence, which took 13 to 20 years to reach the batch size. This was an impossible thing as the next classroom was to come up in Phase III that could be expected not earlier than 3-4 years, with the slow pace of campus completion. We got this at an additional cost of Rs. 6,00,000/- at only 4%”. The builders refused to take up the work as it was not in their scope of work. They were agreeable to do it if the Institute agreed to skip another building, the dining hall, which the Director refused. The Institute project staff once again came forward to get it done themselves through local contractors and they got it done in 3 months’ time, by December 2004, the class rooms were ready.

Lesson Learnt

“Friendship”, said the Director “can do wonders”. Once the Architects and the builders got into a friendly relationship with the Institute staff, to make an institution not building, things moved fast. I learned the lesson in my life while completing the building here. A

losing builder, a harried architect, a worried director and Institute staff, once came in friendly terms, joined hand, accepting even atrocious ideas, gave capacities far beyond normal expectations. I wish I had learnt this lesson early in life. May be I could have done lot more”.

The new 60 seater classrooms helped a lot in launching faculty/management development programmes, in a comfortable setting, even when the Institute did not have the regular MDP complex that was slated for Phase III. This also helped in increasing batch size to 180 students next year, 2005, fastest of all the management schools of that eminence.

- Q.1 What was the problem the Director was facing?
- Q.2 How did he solve the problem?
- Q.3 Do you think he should have made late suggestions for making changes in the design? What benefits, if any, the Institute got out of the changes he suggested (see case Is small beautiful (C) for also for answering the question)?
- Q4. Do you think the Director would have been able to create the capacities if the project was not delayed?
- Q5. Is the delay in project completion a bane or a boon?

Is Small Beautiful (D)?

Exhibit 1

PGP Growth

Year	Intake	Students population in Campus
2002-03	60	125
2003-04	120	185
2004-05	120	259
2005-06	180	292
2006-07	180	340

MDP Growth

Year	#Progs	Prog. Days	# Participants	Participant Days
2002-03	4	22	177	521
2003-04	11	27	164	472
2004-05	15	42	220	628
2005-06	16	78	225	1277
2006-07	21	104	367	1877

Interactive Distance Learning

Year	# Students	Prog. Hrs.
2002-03	87	300
2003-04	360	240
2004-05	513	740
2005-06*	172	620
2006-07*	135	450

FDP Grpwth

Year	#Progs	Prog. Days	# Participants	Participant Days
2002-03	0	0	0	0
2003-04	2	24	66	680
2004-05	2	12	48	288
2005-06	10	71	231	1822
2006-07	12	80	324	2067

*Programme being restructured to make it the most rigorous programme in India

