



MANAGING THE BUSINESS OF INDIAN NAVY THROUGH MASTERS OF BUSINESS ADMINISTRATION

- CDR GV Bhushan

The Question

1. I still remember the day I saw an IG proudly announce the affiliation of LL&MC to Goa University for award of a MBA in logistics management. The first question that crossed my mind was Why???

2. In my position, later as the Training Commander at Hamla, I often pondered over the issue and was also asked this question more than any other. Just like me, I am sure there are many in the Navy, who are skeptical of the relevance of a MBA from a civilian university for a military career.

3. Having conducted two complete MBA programmes for the 22nd and 23rd LL&MC courses between 2003 - 2005, I have decided to put forth my views, based on personal experience.

Learning From The US Navy

4. Implementation of 'Best Business Practices' is a popular theme in the US government and military. Better business practices are considered essential for freeing resources for enhanced procurement and transformation. All leaders are exhorted to think in terms of maximum productivity, minimum overheads, and measurable output. Like one three-star general in the US army noted, "The US military

is nothing but a huge company. It is just like working at General Electric. Instead of light bulbs, aircraft engines or financial services, the Navy's output is war fighting capability".

Indian Navy's Need

5. Just like any corporate, the Navy has specific objectives to be achieved through limited resources in terms of men, material and money. Optimum exploitation of these limited resources is indeed the need of the hour. With a shrinking defence budget, the Indian Navy needs officers with core competence in financial management. With material occupying a major chunk of the defence budget, the need of the hour is an expert trained in contemporary management techniques in material management. With a large work force of Industrial labour and civilian staff, expert skills in organisational behavior and legal aspects of business are an absolute essentiality. All these come as a well designed package in a MBA programme.

Does it mean compromising fighting efficiency ?

6. I can already hear a few 'wise' officers asking, "You want us to be businessmen or fighters?". This is precisely the mindset that needs to change. It is perfectly logical to argue that, "though MBA skills could help officers meet the Navy's challenges ashore, but will these skills apply operationally, at sea?"

7. In my opinion, Naval officers are both leaders and managers. In the ships, officers manage the daily operations and onboard administration. Divisional Officers, Departmental heads, Executive Officers, and Commanding Officers are accountable for men, equipment, and operational efficiency. Be it the Engineering Officer, Officer of the watch, or the captain; Naval Officers are responsible for the performance of their teams. Much like our civilian counterparts, we are responsible for and measured by the quality of our

team output. Our matrix for success may be different and the consequences for failure more severe than in the corporate world, but we are managing a business, the business of running the Indian Navy.

8. Naval Officers go through the same systematic procedures onboard ships, submarines or squadrons. Good leaders constantly pulse their areas of responsibility, be it maintenance, training, personnel, or watches. If an area does not measure up, officers assess the situation, investigate, identify the problem source, formulate an action plan and execute it, when ordered. The processes is similar to system analysis, taught at business schools.

The Need

9. I can hear a few more wise men asking me the next question, "We have been leading men, managing operations and running the administration of the Navy all this while and quiet successfully, so why do we need to go through a MBA". There is no arguing the fact that the pre and post commissioning courses in the Navy provide valuable leadership training. While CLABS provides inputs in military leadership and behavioral sciences, the management school at Hamla gives basic inputs in various management subjects for abinitio courses and extensive inputs for specialisation courses. Added to that is the on job experience. But is that enough ?

10. The management education gives the requisite exposure to current managerial and leadership theories and viewpoints. The student officer will have an opportunity to study more than 100 case studies, each providing a window on the internal working of civilian organisations- public, private, non-profit, and governmental. They also provide an insight into the reactions of the CEOs to internal and external crisis. Through their success and failure, one can learn, how organisations use organisational models, frameworks and levers to effect change.



11. Insight into Finance, accounting and operations management help develop new management skills. Although cash flows and stock markets do not necessarily have naval application, it can help officers measure the important opportunity costs, in decision making. The Management Studies will demonstrate the application of academic theory to real-world operation and a MBA qualified officers will constantly challenge the manner in which operations are managed onboard ships. Further management training will also give the requisite confidence and ability to contribute to teamwork.

Post retirement benefits

12. I deliberately kept the topic of post retirement benefits of a MBA to the last, since this is like perceiving the whole issue with jaundiced eyes. It is a fact that, many officers and a few sailors are seeking higher education through own expense and at tremendous cost of personal and professional time. While some seek to add a degree to their qualifications, the majority seek the degree to enable better job opportunities, on leaving the Navy, and there is no denying the fact the MBA is a much wanted and prized possession in the civil world, where a retired military officer with

reasonable standing, stands a very good chance of bagging a decent job.

13. The Navy demands thinkers, who can dissect and resolve challenging issues that span operating policies, budgetary constraints, and human resource crunch. Leaders not only must be tactically decisive in warfare, but also must be strategic thinkers who can implement and execute major plans. A MBA can contribute greatly to this aim. Because the curriculum is so flexible and is well suited to cover the complexity of today's Navy. It can aid critical thinking and can also help our officers develop new ways to reshape our force and structure a system that rewards and fosters innovation, while maintaining an appropriate balance or organisational control.

14. The officers in the Navy should be given adequate opportunity in learning business administration, especially at the ranks of Lieutenant and Lieutenant Commanders, as a part of HR development plan. A structured and well planned career development programme for the officer cadre providing adequate exposure to management education, would yield a high return on this investment, in the long run.

ABOUT THE AUTHOR

Cdr GV Bhushan is an alumnus of the National Defence Academy and DSSC. He was commissioned in the Indian Navy on 01Jan 89 and has specialised in Logistics and Management. He has served onboard Nishank, Investigator, Shakti and Taragiri. He also served as Training Commander, INS Hamla. He is presently holding the appointment of Joint Director in the Directorate of Personnel.

