

CHAPTER - III

MANAGEMENT STRUCTURE OF THE SHIVAJI UNIVERSITY  
POST-GRADUATE DEPARTMENT TEACHERS CO-OPERATIVE  
CREDIT SOCIETY LTD., KOLHAPUR.

- A) Nature of Management.
  
- B) Analysis of the views of the Members of the Society regarding the Management of the SUPGDT Co-operative Credit Society Ltd., Kolhapur.

C H A P T E R - IIIMANAGEMENT STRUCTURE OF THE SHIVAJI UNIVERSITY POST-GRADUATE DEPARTMENT TEACHERS' CO-OPERATIVE CREDIT SOCIETY LIMITED, KOLHAPUR.A) NATURE OF MANAGEMENT :

The Salary Earners' Co-operative Credit Society under study is a co-operative banking enterprise, essentially of the Teachers of the Post-Graduate Departments of the Shivaji University, Kolhapur. Today, its membership is also open to the University run Post-Graduate Department teachers of the Solapur Sub-Centre of the University also. When this teachers' co-operative credit society was started in February, 1979, it had a total teacher members of 80 only. In 1992-93, the total share capital increased to 159, and the total share capital to nearly Rs. 17 lakhs with a annual turnover of Rs. 40 lakhs; and a working capital of Rs. 23 lakhs. Within a relatively short span of period this co-operative credit society has attained a high degree of financial viability as its financial working is based essentially on the principles of 'thrift and self-reliance' with no dependence on cash/clean credit form the District Central Co-operative Bank.

In this way, the co-operative credit society has been able to meet the credit needs of the members at a relatively lower costs of loan. It's easy assessibility and its way of working has made this co-operative credit society the surest, fastest and easiest means to get financial assistance for the teachers of the University at lower costs.

In the running and management of the co-operative credit society therefore, the attitude and role of the Chairmen, the Board of Director's, and the day-to-day in management, done by the Secretary become important and crucial.

The researcher in the course of the study also made a detailed investigation into the pattern of leadership and Board of Director's that have taken decisions in the running of this co-operative credit society. All the members, of this Salary Earners' Co-operative Credit Societies are basically Post-graduate Department Teacher's of the University and hence it was noticed initially only that growth of membership would be very limited and restricted to the extent of expansion in teaching faculty of the University. Secondly, it also became important to

note, that the members of this particular co-operative credit society, were highly qualified and mainly all were involved in the research and teaching activity of Post-Graduate Departments as a consequence to which many did not initially take active interest in the management of the co-operative credit society. However, the idea to have a co-operative credit society for the faculty, which would serve the needs of the teachers of the University and be a easy window for banking was formed by a 'Care - group of teachers' who pursued the idea to the formative stage. To this 'care group' goes the real credit of establishing the co-operative credit society which has become financially sound today.

The founder Chairman of this Co-operative Credit Society initially was Dr. R. N. Patil, Professor, Department of Physics and the first Vice-Chairman was Dr. J. B. Patil of the Chemistry Department, (the real force behind this co-operative enterprise), Dr. M. B. Dongare, Dr. A. S. Vaigankar, Dr. V. M. Shinde, Dr. B. K. Pawar, Dr. A. N. Thite, Dr. B. A. Hegade and Dr. P. W. Deshmukh were the founder Board of Director's. The first Secretary was Shri V. B. Gangadhare and Dr. S. H. Chavan the first Internal Auditor.

In the first Annual Report of the society gave the details of the working of the society for the financial year 1978-79 (three months working of the society). In this year, the total loans advanced were only Rs. 460/- and the three months total financial turn-over was only Rs. 15 thousand only. The co-operative credit society from this humble and simple beginning was carefully developed and nurtured by this founder leadership.

It is noted that this group of founding Directors followed the following main principles while making attempts to build the society :

- 1) In the initial period, the management took precautions and saw that membership loyalty is maintained to the highest degree. Mobilisation of teachers to join the society was done in a systematic way and group, frank, and collective leadership principle was followed.
- 2) All the Chairman's and Board of Directors and Secretary worked in honorary capacity. In the later stages, the Secretary Shri V. B. Gangadhare was only paid a honorarium which was revised nearly yearly to act as an incentive to this sincere, hard working Secretary.

3) Loan application scrutiny and loan sanction was done and is done in a principled manner with no compromise on issue of rules and no biasedness in decision-making. Date of application, need based priority, strict adherence to rules, completion of all formalities by the applicants are given strict priority. It is because of this type of working, that the management has a healthy and good reputation amongst all members.

4) To ensure appropriate representation to all Departments of the Social Sciences, Arts and Science faculties, the management saw to it that in the composition of Board of Directors adequate representation is given to these faculties by seeing to it that composition of the Board of Director's consists of all these representatives. Such a principle of management had a advantage, in the sense that the 'genuine needs' of the members were properly and timely represented in the monthly meetings, which facilitated non-biasedness in decision-making.

5) The monthly meetings of the Board of Directors, were well-planned, the timings made suitable for all, adequate advance notice of the same was circulated as is circulated, and all the meetings are well attended. In

these deliberations, the basic principle followed is 'collective decision-making' and issues are dismissed in a free cordial atmosphere and all decisions taken without having the case of 'voting' coming even in one monthly meeting. This itself speaks in terms of 'homogeneity of interests' and the belief in the 'joint, collective decision-making'.

The researcher while examining the management pattern of the SUPGDT Co-operative Credit Society also found another feature of the nature of leadership thrown up with the growth and development of the co-operative credit society. This was that of the founder management, a core-group of teachers, took active interest in the growth and development of the co-operative credit society in the 1980's and early 1990's also. This consisted of teachers like Dr. J. B. Patil, Dr. A. S. Waigankar, Dr. B. K. Pawar, Dr. M. B. Dongare and Dr. S. G. Nanaware. These dedicated bond of teachers loyalty to the growth of the society was immense. While managing the co-operative credit society in a 'collective joint method', they always saw to that the old guard stayed on, developed and groomed a new management 'core' of teachers and then slowly stepped out of the decision-making process. In this process of

'change and handover, there was and is co-operative spirit prevailing which the researcher feels has contributed a great deal to the good name that the society has earned among its members. Such leadership and management pattern may apparently look' as concentration of decision-making but on closer analysis of economic rationality is not so. What it has resulted is in giving the 'decision-making' a process of change with continuity of certain sound sure principles of the spirit of co-operation in a enterprise of small size.

The process of elections to the post of Board of Directors of the SUPGDT Co-operative Credit Society are held as per rules of the co-operative law of the State Government which have been amended from time to time. Co-operative Elections early were held every two yearly now the term office is extended upto a period of five years. Adequate representation for SC/ST and other reserved candidates is made and so too is reservation is made for one lady teacher in the panel of Board of Directors of the SUPGDT Co-operative Credit Society.

Upto the 1990's, the choice of Board of Director's was nearly unanimous, but it is only in the last two times that elections are held to the formation of the management

body. Chairman of the society is by unanimous choice from amongst the newly elected Board of Director's which has been by and large a homogeneous group only. Another notable factor noticed, is that the Secretary Shri V. B. Gangadhare has proved to be a hard working, sincere Secretary whose approach to looking into the day to day management has been very co-operative and at the same time professional.

B) ANALYSIS OF THE VIEWS OF THE MEMBERS OF THE SOCIETY  
REGARDING THE MANAGEMENT OF THE SUPGDT CO-OPERATIVE  
CREDIT SOCIETY LIMITED, KOLHAPUR :

Section A of the chapter gave a brief review of what the researcher felt was the nature of the management structure of the SUPGDT Co-operative Credit Society Ltd., Kolhapur and how it has contributed to the growth of the co-operative credit society.

To test the above conclusions drawn by the researcher, the study also undertook a sample survey through questionnaire method of 10 per cent of the total teacher members. Questions were mainly asked regarding the nature of management, views on elections, views on certain teachers remaining in continuous management of the co-operative credit society and the members views on the overall performance of the co-operative credit society. In addition through interview method - interviews of certain members, ex-Board members, etc. were also taken.

It is to be reported that the general member teachers response to the questionnaire was not adequate, and hence more attention was focussed on the 'Interview Method'.

Nearly 25 teachers members were interviewed of a total membership of 159 in 1992-93.

From the answers given to the questions in the interviews by and large it was found that :-

- a) All interviewed members were unanimous that the SUPGDT Co-operative Credit Society was well run and managed.
- b) The spirit of joint collective decision-making has contributed greatly to the success of the good management.
- c) There is absence of factionalism and groupism in the management.

However, all the members were of the opinion that any form of panel elections has to be avoided and it can be avoided if the principle of 'accomodative' management<sup>o</sup> is also followed.

- d) All the members that were interviewed felt that the 'Welfare Fund' of the co-operative credit society was a good feature and has to be continued and extended to certain form of sickness also.

- e) As regards loan policy many of the members that were interviewed felt that the maximum amount has to be increased but the society should as far as possible abstain from taking any credit facility from the District Central Co-operative Bank.
- f) Ten members of the 25 interviewed felt that some sort of Hypothecation Loan Policy can be started by the society to meet the durable goods needs of the members.
- g) As regards Investment Policy nearly all the members that were interviewed felt that whatever, investments are made as per State Co-operative Rules only should be made and principle of 'safety' should be important profitability is not a greater interests as the society is service oriented to cater to the financial needs of the teachers only and is not a profit making organisation.

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